



UNITED BREWERIES LIMITED

(Originally incorporated on May 13, 1999 as UB Infrastructure Projects Limited as a public limited company under the Companies Act, 1956. The name was changed to UB Beer Limited on July 31, 2001; subsequently the name of our Company was changed to United Breweries Limited on August 7, 2002)

Registered Office: 'UB Tower', UB City, 24, Vittal Mallya Road, Bangalore - 560 001. **Tel:** (91-80) 3985 5000
Fax: (91-80) 2221 1964 **E-mail:** ublinvestor@ubmail.com **Website:** www.kingfisherworld.com
Contact Person: Mr. Govind Iyengar, Company Secretary and Compliance officer

(The registered office of our Company 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 and then to UB Anchorage, 100/1, Richmond Road, Bangalore – 560 025 effective March 26, 2004 and now to the above address effective April 1, 2008.)

ISSUE OF 2,40,04,825 FULLY PAID-UP EQUITY SHARES OF RE.1/- EACH FOR CASH AT A PRICE OF RS. 177/- (INCLUDING A SHARE PREMIUM OF RS. 176/-) PER EQUITY SHARE AGGREGATING TO RS. 4,24,88,54,025/- ON RIGHTS BASIS TO THE EXISTING EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF 1 FULLY PAID-UP EQUITY SHARE FOR EVERY 9 FULLY PAID-UP EQUITY SHARES HELD ON THE RECORD DATE, i.e. APRIL 21, 2008.

THE FACE VALUE OF THE EQUITY SHARES IS RE. 1/- PER EQUITY SHARE. THE ISSUE PRICE OF RS. 177/- IS 177 TIMES 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 viii to xxvi 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 aspects 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"), (Designated Stock Exchange), Ahmedabad Stock Exchange Limited, Bangalore Stock Exchange Limited, The Calcutta Stock Exchange Association Limited, Cochin Stock Exchange Limited, The Delhi Stock Exchange Association Limited, Hyderabad Stock Exchange Limited, The Ludhiana Stock Exchange Association Limited and Madras Stock Exchange Limited. We have received in-principle approval from all these Stock Exchanges except for Hyderabad Stock Exchange Limited for listing of Equity Shares arising from this Issue vide their letters dated February 8, 2008, February 12, 2008, February 1, 2008, February 15, 2008, February 8, 2008, February 15, 2008, February 7, 2008 and January 17, 2008 respectively. Hyderabad Stock Exchange Limited vide its letter dated January 31, 2008 has informed that SEBI has withdrawn its recognition with effect from August 29, 2007 under Sec 5 (2) of SCR Act.

LEAD MANAGER TO THE ISSUE	REGISTRAR 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: Praveen Kumar Sangal / Sundeep Parate Website: www.ambitholdings.com E-mail: rightissues@ambitpte.com	 Alpha Systems Private Limited 30, Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bangalore – 560 003. Tel: (91-80) 2346 0815 - 18 Fax: (91-80) 2346 0819 Contact Person: Rajaraman / Vijayagopal Website: www.123alpha.com Email: alfint@vsnl.com

ISSUE PROGRAMME

ISSUE OPENS ON	LAST DATE FOR REQUEST FOR SPLIT APPLICATION FORMS	ISSUE CLOSES ON
Wednesday, April 30, 2008	Thursday, May 15, 2008	Thursday, May 29, 2008

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

In this Letter of Offer, the terms “we”, “us”, “our”, “the Company”, “our Company” or “UBL”, unless the context otherwise implies, refers to United Breweries Limited. All references to “Rupees”, “INR” or “Rs.” are to Indian Rupees, the official currency of the Republic of India, all references to “US\$” or “USD” are to United States Dollars, the official currency of the United States of America, all references to “GBP” or “£” are to Great Britain Pounds, the official currency of the United Kingdom and all references to “EURO” or “€” are to the official currency of the European Union. 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
ASE	Ahmedabad Stock Exchange Limited
AY	Assessment Year
BgSE	Bangalore Stock Exchange Limited
BIFR	Board for Industrial and Financial Reconstruction
Board	Board of Directors of United Breweries Limited and Committee of Directors appointed by the Board of Directors
BSE	Bombay Stock Exchange Limited (Designated Stock Exchange)
CDSL	Central Depository Services (India) Limited
CEO	Chief Executive Officer
CIBIL	Credit Information Bureau (India) Limited
CIF	Cost Insurance & Freight
CoSE	Cochin Stock Exchange Limited
Crore	10 Million
CRPS	Cumulative Redeemable Preference Shares
CSE	The Calcutta Stock Exchange Association Limited
CST Act	Central Sales Tax Act, 1956
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
DSE	The Delhi Stock Exchange Association Limited
DP	Depository Participant
EGM	Extra-ordinary General Meeting
Equity Share(s)	Equity shares of our Company having a face value of Re. 1/- unless otherwise specified in the context thereof
Equity Shareholder	means a holder of Equity Shares
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
GoI	Government of India
HL	Hecto Litres
HSE	Hyderabad Stock Exchange Limited



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
KL	Kilolitres
Lacs / lacs / Lakh	100 thousand
LSE	Ludhiana Stock Exchange Association Limited
Ltd.	Limited
mn/mln/mio	Million (10 Lakhss)
MSE	Madras Stock Exchange Limited
MT	Metric Ton
NAV	Net Asset Value
NIC	National Industry Classification
NR	Non-Resident
NRE Account	Non-Resident External Rupee Account
NRI	Non-Resident Indian
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCBs	Overseas Corporate Bodies
PAN	Permanent Account Number
PCB	Pollution Control Board
POA	Power of Attorney
RBI	The Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934
RoC	Registrar of Companies
ROCPs	Redeemable Optionally Convertible Preference Shares
Rs./ INR	Indian Rupees
SCR Act	Securities Contracts (Regulation) Act, 1956
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/ SEBI 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	Citibank, N.A. and Axis Bank Limited
CAF	Composite Application Form
Collection Centres	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. April 21, 2008 and Renouncees
Issue Closing Date	May 29, 2008
Issue Opening Date	April 30, 2008
Issue Price	Rs. 177/-
Issue/ Offer/Rights Issue	Issue of 2,40,04,825 fully paid-up Equity Shares of Re.1/- each for cash at a price of Rs. 177/- (including a Share Premium of Rs. 176/-) per Equity Share aggregating to Rs. 424,88,54,025/- on rights basis to the existing Equity Shareholders of our company in the ratio of 1 fully paid-up Equity Share for every 9 fully paid-up Equity Shares held on the Record Date, i.e. April 21, 2008.
Lead Manager to the	Ambit Corporate Finance Private Limited

Issue / AMBIT	
Offer Document	Letter of Offer
Promoters	Dr. Vijay Mallya, Scottish & Newcastle India Limited and United Breweries (Holdings) Limited
Promoter's Group	Companies forming part of the Promoter's group of our Company as per SEBI DIP Guidelines.
Record date	Monday, April 21, 2008
Registrar to the Issue or the Registrar	Alpha Systems Private 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
UBL / the Company / the Issuer / We / Our Company	Refers to United Breweries Limited
UBHL	United Breweries (Holdings) Limited
You	Refers to the prospective investor

Company / Industry Related Terms and Abbreviations

ABDL	Associated Breweries and Distilleries Limited
BPH	Bottles Per Hour
CC	Criminal Complaint
CDR	Corporate Debt Restructuring
CIT	Commissioner of Income Tax
CPH	Canes Per Hour
DIN	Director's Identification Number
DRT	Debt Recovery Tribunal
EBL	Empee Breweries Limited
ECS	Electronic Clearing System
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
GBP	Great Britain Pence
GBP / Pound	Great Britain Pound
ICAI	The Institute of Chartered Accountants of India
ICSI	The Institute of Company Secretaries of India
ID	Industrial Dispute
JV	Joint Venture
KBDL	Karnataka Breweries and Distilleries Limited
MAPL	Millennium Alcobelv Private Limited (formerly known as McDowell Alcobelv Limited)
MBDL	Mangalore Breweries and Distilleries Limited
MBIL	Millennium Beer Industries Limited (formerly known as Inertia Industries Limited)
NEFT	National Exchange Funds Transfer
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
S&N	Scottish & Newcastle Plc.
S&N UK	Scottish & Newcastle (UK) Limited
SNIL	Scottish & Newcastle India Limited
SNIPL	Scottish & Newcastle India Private Limited
SLP	Special Leave Petition
UBHL	United Breweries (Holdings) Limited
UMBL	United Millennium Breweries Limited



OVERSEAS SHAREHOLDERS

The distribution of the 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 in whose possession this Letter of Offer may come are required to inform themselves about and observe such restrictions. Our Company is making this Issue of Equity Shares on a rights basis only to the shareholders of our Company 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 the Letter of Offer was filed with SEBI for observations and SEBI has given its observations vide its letter dated April 1, 2008. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and this Letter of Offer may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Receipt of the Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make an offer and, those circumstances, the Letter of Offer must be treated as sent for information only and should not be copied or redistributed. No person receiving a copy of the 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. We are making this Issue of Equity Shares on a rights basis only to the shareholders of our Company who have an Indian address. Accordingly, persons receiving a copy of the 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 the 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 the 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 our Company's affairs from the date hereof or that the information contained herein is correct as of 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") our 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 authorized or regulated to operate in the financial markets or, if not so authorized 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 18 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 and the enclosed CAF 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 us 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, in the United States. Envelopes containing a CAF should not be postmarked in the United States or otherwise dispatched from the United States, and all persons subscribing for Equity Shares and wishing to hold such shares in registered form must provide an address for registration of the Equity Shares in India. We are making this Issue of Equity Shares on a rights basis only to the shareholders of our Company who have an Indian address. Any person who acquires rights or Equity Shares will be deemed to have declared, warranted and agreed, by accepting the delivery of the Letter of Offer, that it is not and that at the time of subscribing for the Equity Shares or the rights entitlements, it will not be, in the United States.

We reserve the right to treat as invalid any CAF which:

- (i) appears to our Company or our agents to have been executed in or dispatched from the United States;
- (ii) does not include the relevant certification set out in the CAF headed "Overseas Shareholders" to the effect that the person accepting and/or renouncing the CAF does not have a registered address (and is not otherwise located) in the United States; or
- (iii) where our Company believes acceptance of such CAF may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Equity Shares or rights entitlement in respect of any such CAF.

Our Company is informed that there is no objection to a United States shareholder selling its rights in India. Rights may not be transferred or sold to any U.S. Person.



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 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 nine months period ended December 31, 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 Auditor, M/s. Price Waterhouse, 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 nine months period ended December 31, 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 "India" contained in this Letter of Offer are to the Republic of India, all references to the "US" or the "U.S." or the "USA", or the "United States" are to the United States of America, and all references to "UK" or the "U.K." are to the United Kingdom. All references to "Rupees", "INR" or "Rs." are to Indian Rupees, the official currency of the Republic of India, all references to "US\$" or "USD" are to United States Dollars, the official currency of the United States of America, all references to "GBP" or "£" are to Great Britain Pounds, the official currency of the United Kingdom, all references to "EURO" or "€" are to the official currency of the European Union. This Letter of Offer contains certain translations of US\$, € and GBP into INR that have been presented solely to comply with requirements of clause 6.9.7.1 of the SEBI Guidelines. These translations should not be construed as representations that those GBP or € could have been, or could be, converted into INR, as the case may be, at any particular date, at the rate i.e. (1 GBP = INR 79.53). The rate used in the Letter of Offer is as on March 31, 2008 i.e. (1 GBP = INR 79.53) as per the data available on Reserve Bank of India's website (www.rbi.org.in) for the purpose of conversion of GBP into INR.

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

Market Data

Unless stated otherwise, market and industry data used throughout this Letter of Offer has been obtained from industry publications, government sources and based on 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”, “Business Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page viii, 53 and 223 respectively 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 our 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 Exchanges 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 Exchanges for the Equity Shares allotted pursuant to this Issue.



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 at other places in the 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 136 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 a material impact qualitatively instead of quantitatively.
3. Some events may not be material at present but may have a material impacts in future.

INTERNAL RISK FACTORS

Specific to the Project

- 1. Our company has not entered into any definitive agreement for land for the proposed expansion at some of our existing manufacturing locations**

Our company is yet to enter into any definitive agreement for the land to be purchased for the proposed expansion at our existing manufacturing locations. An amount of Rs. 1,300.00 Lakhs has been allocated for land and site development, in the cost of the project. For more details please refer to "Objects of the issue" beginning on page 26 of the Letter of Offer.

- 2. Our company has not entered into any definitive agreement or placed orders for purchase of the equipments/machineries for the proposed expansion. Any delay in procurement of the Plant and Machinery may delay the implementation schedule which may also lead to increase in prices of these equipment affecting our costs, revenue and profitability**

Our Company is yet to place orders for the equipment / machineries for the green field expansion and expansion at existing manufacturing locations. An amount of Rs. 30,833.50 Lakhs (Constituting 72.57% of the total issue size) has been allocated for purchase of equipments / machineries for the green field expansion and expansion at existing manufacturing locations. As a consequence we may be subject to risk on account of inflation in cost of Plant and Machinery and other equipments which are required for the project. Our project would face, time and cost overrun which would have an adverse effect on the operations of our Company. Any delay in procurement of the Plant and Machinery may delay the implementation schedule which may also lead to increase in prices of these equipment affecting our costs, revenue and profitability. For more details please refer to "Objects of the issue" beginning on page 26 of the Letter of Offer.

3. Our Company may face risks of delay / non-receipt of requisite regulatory or statutory approvals or licenses for any of our objects arising out of the Issue

We are yet to apply for statutory approval / clearances including factory licenses, labour licenses, provident fund and employees state insurance registrations, licenses from the applicable Pollution Control Board, electricity, water and telephone connections, State and Central Tax registrations, legal metrology, etc., for our green field projects and similar other approvals as may be required for expansion of our existing facilities. If any of such permissions, licenses or registrations are not received in time or received on unfavourable terms; it could delay and adversely affect the implementation of the objects of the Issue. For more details please refer to "Government / Statutory, Business Approvals and Licenses" beginning on page 372 of the Letter of Offer.

4. 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 the quotations received from prospective suppliers and management internal estimates. 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 amount raised through the Rights Issue shall be disclosed to the Board of Directors / 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. For utilization of the issue proceeds, please refer to the "Objects of the Issue" beginning on page 26 of the Letter of Offer.

5. Our major capital expenditure plans as per details given below may not be completed within the scheduled time frame or at the cost levels originally anticipated

Currently our Company has an installed production capacity of 60.25 Lakh HL per annum at 12 manufacturing locations in India. We intend to further expand our production capacities to 79.50 Lakh HL per annum by end of FY2010 through setting up a green field brewery project with a capacity of 8 Lakh HL per annum and enhancement of the existing manufacturing capacity at eight identified locations by 11.25 Lakh HL per annum.

The commencement of the production may be delayed if there is any delay in procurement of material or completion of the civil work or because of unforeseen reasons, events, or circumstances. This may result in cost over run as well as delay in commencement of the production. As a consequence of project delays cost overrun or for any other reasons we may not achieve the economic benefit expected from these projects and that could adversely affect the performance of our Company.

6. The planned capital expenditure for the expansion of our production capacities through setting up a green field brewery project and enhancement of the existing manufacturing capacities at some of our manufacturing locations may not yield the desired benefits

Funds being raised through this Issue are proposed to be utilized towards setting up of green field brewery project and expansion of the existing units involving a capital expenditure aggregating to Rs. 39,578.80 Lakhs which is a significant portion of the total project cost. In view of the Brewing Industry being highly regulated and subject to various consents and licenses and also in view of the high competitive nature of business, the capital expenditure may not yield the intended results and benefits as planned.

7. Increase in the cost of expansion may impact the financials of our Company

In case there is any delay in implementation of the proposed expansion due to internal / external circumstances the cost of expansion may increase which may have an adverse impact on the business financial condition and results of operation.



8. Any Public Interest Litigation (PIL) filed by any Non Government Organization (NGO) or others against settling up of the brewery project will have an adverse impact on the project as well as operations

Given the nature of industry in which we operate, any PIL filed by any NGO or any other party and any interim stay obtained by such party may stall the implementation of project thereby affecting our Company financials.

9. Non availability of sufficient water or labour may affect the operations of the green field project and expansion

Our industry is highly water consumptive. Non-availability of sufficient water will have a direct bearing on running the operations of the green field project and expansion. Further non availability of sufficient skilled and unskilled labour will also affect the operations of green field project / expansion.

10. Our project / expansion are funded entirely through the proceeds of the Rights Issue. In case delay in raising of funds, we may have to renegotiate with some of the suppliers for key equipment which would adversely impact the implementation schedule

The green field brewery as well as expansion project is proposed to be funded from the proceeds of this Issue alone and therefore, any delay in raising the funds will affect the implementation schedule of the projects. It may also happen that we may have to renegotiate the terms with the suppliers of key equipment which may increase the cost of the project.

11. The schedule of implementation has undergone a delay as compared to what was envisaged earlier and disclosed in the Draft Letter of Offer

While the revised schedule of implementation has been disclosed in the Letter of Offer there could be circumstances which could lead to further delays in the project implementation. For the schedule of implementation refer to page 37 of the Letter of Offer.

Internal to our Company

12. Adjudication proceedings have been ordered and completed against UBHL, one of our Promoters in the matter of Millennium Beer Industries Limited (formerly known as 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.

13. A notice was issued by the Adjudicating & Enquiry Officer under Rule 4 of SEBI (Procedure for holding inquiry and imposing penalties by Adjudicating Officer) Rules, 1995 to Dr. Vijay Mallya, McDowell & Company Ltd., UBHL, Devi Investments Pvt. Ltd., Vittal Investments Pvt. Ltd. and others

A Show Cause notice dated January 8, 1999 was issued against Dr. Vijay Mallya and others alleging violations of the provisions of Listing Agreement with the stock exchanges as also the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1994, in respect of substantial acquisition of Shares in Herbertsons Limited ("Herbertsons") and consequential disclosure requirements. In the said Show Cause Notice, an Order was passed on February 19, 2002, inter alia directing Dr. Vijay Mallya and others acting in concert with him to divest their holding in the share capital of Herbertsons.

Being aggrieved by the said Order, Dr. Mallya preferred an appeal to the Securities Appellate Tribunal ("SAT"). In the said appeal SAT set aside the SEBI Order.

Even in separate Show Cause Notice, the Adjudicating Officer by its Order dated August 24, 2005 while taking note of the appellate Order held that Dr. Vijay Mallya and others had violated Regulation 8(1) of the

Regulations in as much as they did not make half yearly disclosure of their holding to the stock exchange and imposed a penalty of Rs.15,000/- on them jointly and severally.

Dr. Vijay Mallya further filed an appeal before the SAT against this Order of the adjudicating officer. The SAT vide its order dated March 1, 2006 disposed of the said appeal in favour of Dr. Vijay Mallya stating that since no share was acquired by Dr. Vijay Mallya in Herbertsons neither did he act in concert with others, it was not necessary for them to comply with Regulation 8(1) and set aside the Order of the adjudicating officer.

- 14. Dr. Vijay Mallya, United Breweries (Holdings) Limited and some other UB group companies have initiated legal proceedings against our foreign promoters Scottish & Newcastle India Limited, its holding company i.e. Scottish & Newcastle Plc, certain other Scottish & Newcastle group companies as well as Sunrise Acquisitions Limited (which is a special purpose vehicle jointly owned by Carlsberg A/S and Heineken NV, formed for the purposes of acquisition of Scottish & Newcastle Plc). Our Company, Carlsberg A/S, Heineken NV, some of their group companies and three of our directors - Mr. John Nicholson, Mr. John Simon Hunt, Mrs. Veronica Lesley Jackson who are Scottish & Newcastle's representatives on our board, are also defendants in this proceeding**

UB Group has initiated the following proceeding, purportedly, to protect against a possible conflict between the interests of Heineken NV and our Company, after completion of the acquisition of Scottish & Newcastle Plc:

Dr. Vijay Mallya and other Companies viz., United Breweries (Holdings) Limited, United Spirits Limited, Mallya Private Limited, Kamsco Industries Private Limited, Gem Investment & Trading Company Private Limited, Devi Investments Private Limited, Pharma Trading Company Private Limited, Vittal Investments Private Limited, McDowell Holdings Limited ((collectively “the Plaintiffs”) have filed a suit bearing No.1067 of 2008 in the High Court of Judicature at Bombay against Scottish & Newcastle Plc., Scottish & Newcastle India Limited, Scottish & Newcastle India Private Limited, Scottish Courage Limited (collectively “S&N Group”), Sunrise Acquisitions Limited, Carlsberg A/S, Heineken NV, Heineken Holding NV, (collectively “Heineken Group”) Mr. John Nicolson, Mr. John Simon Hunt, Mrs. Veronica Lesley Jackson and UBL inter alia,

- a. for a declaration that upon takeover of S&N by the Heineken Group, the Shareholders Agreement and the personal rights and privileges granted to the S&N Group under the Articles of Association of UBL will stand terminated.
- b. for a permanent order and injunction restraining the S&N Group or the Heineken Group from exercising any rights under the Shareholders Agreement or the personal rights and privileges granted to the S&N Group under the Articles of Association of UBL;
- c. for a permanent order and injunction restraining Mr. John Nicolson, Mr. John Simon Hunt and Ms. Veronica Lesley Jackson from acting as or holding themselves out as Directors of UBL and from having any access to any record or information of UBL;
- d. for a declaration that Mrs. Veronica Lesley Jackson has ceased to be the Chief Financial Officer of UBL and is disentitled to any access to any Confidential Information pertaining to UBL and for a permanent injunction restraining her from acting as or holding herself out as the Chief Financial Officer of UBL, and
- e. for injunction restraining the above persons from having any access to any record or information of UBL or Mrs. Veronica Lesley Jackson acting as CFO of UBL or having any access to Confidential Information pertaining to UBL and from disclosing to any of the parties to the suit or any third party any Confidential Information pertaining to UBL.

Whilst the suit is yet to be heard, the S&N Group and the above named individuals have vigorously rejected these claims and are considering appropriate steps to be taken to contest these claims and to preserve their respective positions in relation to this matter.

In view of the proceedings, three of our above-mentioned directors face the consequence of cessation of being directors of our Company. Further, one of the directors, Mrs. Veronica Lesley Jackson is also the Chief Financial Officer of our Company. In view of the point (d) above, our Company may have to appoint a new CFO, depending upon and subject to the outcome of the above mentioned litigation.

Further, this litigation is initiated in view of the impending change in control of Scottish & Newcastle Plc. Subject to the outcome of the litigation, the shareholders agreement between UB Group and S&N Group, Services agreement and other agreements with S&N Group may stand terminated or may be altered depending on future mutual understanding , if any, between the UB Group and Heineken Group.

The outcome of this litigation and the above-mentioned changes, as and when they occur, may have an adverse impact on the smooth conduct of operations and financial results of the Company. However, such impact, can not be ascertained or quantified at this stage.

- 15. Subsequent to proposed change in control of Scottish & Newcastle plc Heineken will be entitled to all Scottish & Newcastle's rights under the Shareholders' agreement, Services agreement and the Articles of Association of Our Company. Dr. Vijay Mallya and other UB Group Companies have filed a suit (please refer to the disclosures in the previous risk factor) against, inter alia, certain Scottish & Newcastle entities and Heineken entities, for a declaration that upon takeover of Scottish & Newcastle plc. the Shareholders' Agreement and the personal rights and privileges granted to the Scottish & Newcastle Group under the Articles of Association of UBL will stand terminated. However, S&N and the above named individuals have vigorously rejected these claims and are considering appropriate steps to be taken to contest these claims and to preserve their respective positions in relation to this matter**

Since the matter is subjudice, the validity of the above Agreements shall depend upon the outcome of the Suit. For more details of the proposed transaction and this litigation please refer to page no. 198 and 240 of the Letter of Offer.

- 16. Our Company is involved in certain legal and regulatory proceedings which, if determined against our 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 forums, 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 ordered 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 Lakhs)	No. of Cases	Amount Involved (Rs. In Lakhs)
Criminal	1	Nil	8	13.67
Civil	48	1,788.10	61	511.07
Labour	7	Non- ascertainable	--	--
Statutory:				
▪ Excise	1	0.13	7	177.20
▪ Income Tax	--	--	6	1747.50
▪ Sales Tax	5	25.12	3	95.14
▪ Other statutory proceedings	--	--	3	60.93
Others (Show Cause Notice)	4	2736.27	--	--
Total	66	4,916.77	87	2605.51

For further details on these proceedings, see the section "Outstanding Litigations and Defaults" on page 233 of this Letter of Offer.

17. Some of our Promoters, Promoter Group companies and Directors are involved in certain legal and regulatory proceedings. The litigations related disclosures for Aventis Pharma Limited and Scottish & Newcastle Plc. are based on their certification

Some of our Promoters, Promoter Group companies and Directors 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 Directors, Promoters / Promoter Group, please refer to the section "Outstanding Litigations and Defaults" beginning on page 233 of this Letter of Offer.

18. Trading in equity shares of Millennium Beer Industries Limited (MBIL), one of the subsidiaries of our joint venture - Millennium Alcobev Private Limited, is currently suspended

MBIL is a Sick Industrial Company within the meaning of Section 3(1)(o) of the Sick Industrial Companies (Special Provisions) Act, 1985. The Hon'ble Board for Industrial and Financial Reconstruction has declared MBIL a Sick Industrial Company and the rehabilitation scheme filed by MBIL was sanctioned by BIFR on January 2, 2008. The rehabilitation scheme provides for reduction of existing share capital by 90% by reducing the face value of Rs. 10 to Re. 1 per equity share. MBIL had fixed March 18, 2008 as the record date for effecting the aforesaid reduction in capital and accordingly the trading in the equity shares of MBIL has been suspended with effect from March 11, 2008.

19. United Breweries (Holdings) Limited, one of our Promoter Companies has disassociated itself as a promoter, from a number of 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	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
		United Breweries Nepal Private Limited	Ceased to be subsidiary consequent upon divestment of the entire holding.
2	2006	UB Holding (South Africa) (Proprietary) Limited	Ceased to be subsidiary consequent upon divestment of the entire holding.
		United Vanderhost Limited	Disassociated consequent upon divestment of the entire holding.
3	2007	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.
		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.
		WIE Engineering Limited	Under Liquidation



20. Application to RBI for grant of certificate of registration as Non-Banking Finance Company by Vittal Investments Private Limited ("VIPL") and Devi Investments Private Limited ("DIL"), our promoter group companies, was rejected

VIPL and DIL had made applications dated July 08, 1997 and July 07, 1997 respectively to RBI seeking a certificate of registration to carry on business of 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 May 10, 2000 and February 18, 2003, respectively, 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 applications of VIPL and DIL have been rejected. In view of the above, VPIL and 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. As required by RBI, VIPL and DIL have passed a resolution at its Board meeting held on March 12, 1998 and August 11, 1999, respectively, to the effect that it will not accept public deposits without prior approval of RBI.

21. As on December 31, 2007, our commitments and contingent liabilities (on a Consolidated Basis) is of Rs. 26,805.79 Lakhs which are not provided for, which may adversely affect our financial performance

Commitments and contingent liabilities of our Company (on a Consolidated Basis) as at December 31, 2007 are as follows:

(Rs. In Lakhs)

	Particulars	As at December 31, 2007
A	COMMITMENTS	
I	Estimated amount of contracts remaining to be executed on capital account and not provided for	7,113.27
	Total	7,113.27
B	CONTINGENT LIABILITIES	
I	Sales Tax demands under appeal *	177.29
II	Excise Duty / Customs Duty demands under appeal *	474.12
III	Claims against the Company not acknowledged as debt *	49.00
IV	Letter of Credit Outstanding	607.92
V	Guarantees given for loans availed by the Company / Subsidiaries / Associates / third parties	23,060.79
VI	ESIC/PF demands under appeal.	2.11
VII	Demand towards water charges under appeal.	1,180.10
VIII	Interest for delayed payment of interest free loan.	96.58
IX	Income Tax	250.82
X	Balance consideration payable to UBHL towards purchase of shares in Maltex Malsters Private Limited	907.06
	Total	26,805.79

Note: * In the opinion of the management the above demands/claims are not sustainable in law and accordingly, do not call for a provision in the accounts.

22. In our Auditors Report for the Restated Financial Statement, there are certain audit qualifications.

(Rs. In Lakhs)

- i. In respect of the period ended March 31, 2003, the auditors have expressed their inability to express an opinion on the possible impairment of the value of investment amounting to Rs.6,353.86 and recoverability of the advance amounting to Rs.3,319.29 referred to in Notes 2(b) and 3 (d) respectively of the financial statements for the year ended March 31,2003, in view of the continuing losses incurred by these companies.
- ii. In respect of the year ended March 31, 2004, the auditors have drawn attention on the non-provision for the loss, if any, arising on account of diminution in the value of investments in subsidiary companies (having aggregate carrying value of Rs.6,353.87 and advances to and corporate guarantees on behalf of such subsidiaries aggregating to Rs.8,580.86).
- iii. In respect of the year ended March 31, 2005, the auditors have drawn attention on the non-provision for the loss, if any, arising on account of diminution in the value of investments in subsidiary companies

(having aggregate carrying value of Rs.8,754.37 and in joint venture (having an aggregate carrying value of Rs.5,895.29) and advances to and corporate guarantees on behalf of such subsidiaries aggregating to Rs.10,154.88.

- iv. In respect of the year ended March 31, 2006, March 31, 2007 and the period ended December 31, 2007 the auditors have commented on non-provision in the accounts for possible loss arising on account of diminution in the value of long term investments in joint venture [having a carrying value of Rs.5,895.29] which the management has considered temporary in nature, having possible impact on the financial results for the year, the extent of which cannot be currently ascertained.

For more details please refer to "Financial Statements" beginning on page 136 of the Letter of Offer.

23. Capital commitments to subsidiary, joint venture and associates

Our Company has made and continues to incur capital expenditure and other commitments for augmenting brewing capacities of various group brewing units. These expenses, investments and commitments include capital contributions to enhance the financial condition or liquidity position of its subsidiary, joint venture and associates. Our Company may make capital expenditures in the future, which may be financed through additional debt, including through debt of subsidiary, joint venture or associates. If the business and operations of these subsidiary, joint venture and associates deteriorate, our Company's investments may be required to be written down or written off. Additionally, certain advances may not be repaid or may need to be restructured or our Company may be required to outlay further capital under its commitments to support such companies. The aggregate value of the capital investments made by our Company to our subsidiary, joint venture as on December 31, 2007 is as follows:

Particulars	As at December 31, 2007	
	Shares (Nos.)	Cost (Rs. Lakhs)
Associate		
United East Bengal Football Team Private Limited [Equity Shares of Rs.10 each]	4,999	0.50
In Subsidiary Companies - Fully paid Shares		
Associated Breweries & Distilleries Limited [Equity Shares of Rs.10 each]	10,000	10.00
Joint Venture		
Millennium Alcobeve Private Limited (Formerly known as McDowell Alcobeve Limited) [Equity Shares of Rs.10 each]	6,140,000	2,562.77
Millennium Alcobeve Private Limited (Formerly known as McDowell Alcobeve Limited) [Preference Shares of Rs.100 each]	3,000,000	3,332.52
		5,905.79

Loans and Advances as on December 31, 2007

Particulars	As at December 31, 2007 (Rs. Lakhs)
Associated Breweries & Distilleries Limited	835.42
Advance towards investments	3,592.94
Total	4,428.36

24. Our Company had negative cash flows for the financial year ended March 31, 2003 and for nine months period ended December 31, 2007

Our Company had negative cash flows of Rs. 141.05 Lakhs for the year ended March 31, 2003 and Rs. 12387.06 Lakhs for 9 months period ended December 31, 2007 mainly due to purchase of fixed assets, funding of expansion at group brewing units, payment of interest, investments and repayment of Long term borrowing.



25. Our subsidiary, joint venture and subsidiaries of the joint venture have incurred losses in the last three years

The following are the companies that have incurred profit / (losses) after tax in the last three years:

(Rs. In Lakhs)

Name of the Company	Financial Year ended		
	March 31, 2007	March 31, 2006	March 31, 2005
Associated Breweries and Distilleries Limited	4.99	(0.06)	(591.93)
Maltex Malsters Limited	10.74	(16.64)	(40.64)
Millennium Alcobev Private Limited	(1,116.15)	(2,125.23)	(2,511.63)
Millennium Beer Industries Limited (MBIL)*	(1,124.61)	(3,161.44)	(5,855.38)
Empee Breweries Limited	444.01	(721.85)	13.15
United Millennium Breweries Limited	(228.94)	(27.17)	106.00

*MBIL is a Sick Industrial Company within the meaning of Section 3(1)(o) of the Sick Industrial Companies (Special Provisions) Act, 1985. The Hon'ble Board for Industrial and Financial Reconstruction has declared MBIL a Sick Industrial Company and the rehabilitation scheme filed by MBIL has been sanctioned by BIFR on January 2, 2008. For more details, please refer to page 102 of the Letter of Offer

26. Some of our Promoter Group Companies have incurred losses

The following are the Promoter Group companies that have incurred profit / (losses) after tax in the last three years:

(Rs. In Lakhs)

Name of the Company	Financial Year ended		
	March 31, 2007	March 31, 2006	March 31, 2005
UB Engineering Limited	262.45	(1,953.34)	(871.68)
Kingfisher Radio Limited	(1,454.24)	(0.95)	(0.54)
MCF International Limited	(1.97)	-	-
UB Infrastructure Projects Limited	(4.75)	-	-
Pixray (India) Limited	(0.16)	(0.59)	(0.24)
United Racing & Bloodstock Breeders Limited	42.22	12.51	(169.08)
Kingfisher Airlines Limited	(57,731.29)	(23,958.59)	(914.35)
Four Seasons Wines Limited	(0.04)	-	-
McDowell Beverages Limited	(0.01)	-	-
United Alcobev Limited	(0.01)	-	-
United Vintners Limited	(0.02)	-	-
Utkal Distilleries Limited	(0.59)	(11.16)	(4.72)
VJM Media Private Limited	345.15	62.79	(13.02)

27. Some of our group companies have negative networth

The following are the Group companies that have negative networth:

(Rs. In Lakhs)

Name of the Company	Financial Year ended		
	March 31, 2007	March 31, 2006	March 31, 2005
Pixray (India) Limited	(2.61)	(2.45)	(1.77)
UB Engineering Limited	(3,059.75)	(3,330.74)	933.11

For more details please refer to "Financial Information on Group Companies" beginning on page 197 of the Letter of Offer.

- 28. UBHL, our Promoter, through one of its foreign subsidiary, Scottish & Newcastle Plc., one of our Promoter Group companies and some of our directors are also directors in companies which are in the same line of business as that of our Company. There is a further potential for conflict of interest subsequent to the effective date of implementation of Scheme of Arrangement of Scottish & Newcastle Plc when effectively Heineken Group would assume control of Scottish & Newcastle's shareholding in our Company.**

UBHL through one of its foreign subsidiaries, Mendocino Brewing Company Inc., located in California has two breweries, one north of San Francisco, California and the other at Saratoga Springs, New York and Scottish & Newcastle Plc. one of our Promoter Group companies is also in the same line of business as that of our Company. The details of directors and their directorship in the companies which are in the same line of business as that of our Company are as follows:

Name of the Director	Name of the Company
Dr. Vijay Mallya	Mendocino Brewing Company Inc. United Breweries of America Inc. United Breweries & Distilleries (Pacific) Pte Limited United National Breweries (SA) (Pty) Limited
John Ross Nicolson	Baltic Beverages Holding Aktiebolag S & N Portugal Limited Scottish & Newcastle International Limited Scottish & Newcastle plc

Subsequent to the effective date of implementation of Scheme of Arrangement of Scottish & Newcastle Plc. and transfer of Carlsberg acquired business out of Scottish & Newcastle Plc., Heineken's interest in Sunrise Acquisitions Limited will increase proportionally, resulting to Sunrise Acquisitions Limited being wholly-owned by Heineken which would effectively give control over the 37.49% shareholding in our Company which is presently controlled by Scottish & Newcastle Plc through its subsidiary Scottish & Newcastle India Ltd.. Heineken Group has 41.90% stake in Asia Pacific Breweries Limited of Singapore, which has investments in three companies in India, all of which, we understand, are in the same line of business as that of our Company. These companies are Asia Pacific Breweries (Aurangabad) Limited, Asia Pacific Breweries – Pearl Private Limited and Asia Pacific Breweries (India) Private Limited.

- 29. We have entered into, and will continue to enter into, related party transactions**

In the ordinary course of our business, we enter into transactions with related parties that include our Promoters and Promoter Group entities. For more information regarding our related party transactions, refer to "Notes to Risk Factors", "Related Party Transactions", "Loans and Advances and Other Current Assets" and "Material Agreements" beginning on page xxiv, 158, 158 and 84, respectively of this Letter of Offer. Further, our business is expected to involve transactions with such related parties in the future.

- 30. Scottish & Newcastle plc. has affirmation rights over certain corporate activities that our Company may choose to take to increase its business or financial condition**

According to the shareholders agreement entered into between our Company and Scottish & Newcastle plc., has been given affirmative rights on certain key issues. Scottish & Newcastle plc. through a wholly owned subsidiary, Scottish & Newcastle India Limited, holds 8,09,95,470 equity shares representing 37.49% of the paid up equity capital of our Company. The decision on these matters can only be taken with the affirmation of Scottish & Newcastle plc. Some of the matters requiring affirmation by Scottish & Newcastle plc. include changes in the Memorandum of Association and the Articles of Association of our Company, issuance of ordinary shares or any financial instrument with any option of conversion or any right of conversion in any form, and any material changes in the nature and extent of our principal business. Therefore, if Scottish & Newcastle plc. does not grant affirmation to any of the aforementioned matters, our business and/or financial condition may be adversely affected.

31. Our Company is dependent on the brewing contracts entered into with other breweries and timely renewal of brewery licenses of such breweries

Our Company is exposed to the inability of any of its contract breweries to supply beer due to any reasons, including non-renewal of brewing licenses. These brewing contracts are also terminable by either party by giving due notice as per the terms of the contract. Also, if our Company does not receive on a timely basis renewal for its brewery licenses, its business and financial condition may be adversely affected. Our Company has applied for, but has yet to receive the renewal of its brewing license at its unit at Kalyani, West Bengal for the year 2008. If the renewal from Excise department is not obtained, our Company's financial position may be adversely affected. However so far there has been no instance of non renewal and our Company is also in the process of moving away from dependence on contract units in a phased manner by setting up green field projects and capacity expansion of own units.

32. Our Company depends on its trademarks and proprietary rights, and any failure of our Company to protect its intellectual property rights may adversely affect its competitive position

The success of our Company depends, largely, on its ability to protect its current and future brands. Our Company owns various intellectual property rights, and in particular, trademarks, which are considered to be of material importance to the success of our Company's business as the business is brand driven. Though majority of our current trademarks are registered, some of our other trademarks are pending registration and renewals. Any delay or refusal to register these trademarks could adversely affect our business. Our Company's business might be affected due to our failure to protect our existing and future intellectual property rights. For more details please refer to the heading "Intellectual Property" on page 71 of the Letter of Offer.

33. Production by third parties of counterfeit products under our Company's brand name could result in a loss of sales and customers and harm our Company's reputation

Our Company has developed measures to protect its products against counterfeiting through special packaging and the use of tamper-proof caps for its bottles. As is the case in other businesses, in the brewing industry also, our products are at risk of being counterfeited by third parties re-using its bottles that carry our brand to package and sell their products. These products may be of a inferior quality and may be produced using formulas different than our products. If third parties counterfeit our products, we could suffer a loss of sales and customers, and its reputation may suffer as the result of spurious products being sold under our brands.

34. Our Company depends upon third-party suppliers for the raw materials it requires for production and fluctuations in the price and availability of such raw materials may increase its production costs and negatively impact its results of operations

Our Company's operations may be interrupted or otherwise adversely affected by delays in the supply of malt from its suppliers, or in the event that malt should become unavailable on commercially reasonable terms in future. There are also no assurances that these suppliers will supply malt on time and in the quantity that our Company requires or at commercially reasonable terms. Our Company has entered into long term contract arrangements with suppliers of malt to cater to its malt requirement. In case of shortage of malt, our Company would source its requirement from international market though at a higher price.

35. Our Company is subject to competition from domestic and international players, which could limit its ability to increase or maintain its market share and profitability

With liberalisation, many foreign brewers have entered the Indian market and have established brewing units in India. As a result, the Indian brewing industry is witnessing increasing competition as foreign brands enter the market. The principal competitive factors with respect to our Company products include brand name acceptance, product range and quality, pricing, distribution capabilities and responsiveness to consumer preferences, with varying emphasis on these factors depending on the market and the product. We believe that the strong presence of our Company own and contract brewing and distribution network and the brand reputation that our Company enjoys, competition or entry of foreign players may not significantly affect its market share.

36. Disruption or termination of our Company's arrangements with Contract Brewing Units (CBUs) or with Government or independent wholesalers for the distribution of its products could lower its sales and reduce its sales and operating income

Our Company relies upon CBUs to brew, bottle and distribute a number of its brands under licensing arrangements. Our Company's products are also sold either directly or indirectly through CBUs to Government or independent wholesalers for resale to retail outlets, such as alcoholic beverage stores, bars, clubs and restaurants. Our Company's reliance on CBUs to perform these critical functions entails risks, including the risk of termination of these arrangements. A disruption or termination of our Company's present arrangements with these third parties without suitable alternative arrangements in place could have a material adverse effect on our Company's business, prospects, results of operations and financial condition.

37. A disruption of operations at our Company's manufacturing facilities could adversely affect its business and financial condition

Our Company's manufacturing facilities are subject to operational risks, including equipment failure, accidents, failure to comply with applicable regulations and standards and to maintain necessary licenses, raw material and/or energy supply disruptions, failures or bottlenecks in production processes, labour force shortages or work stoppages and natural disasters. Any disruption of operations may adversely affect its business, financial condition and results of operations.

38. Our business is seasonal by nature and it will experience variations in quarterly results of operations which could have an adverse impact on its business

This is a general risk in the beer industry, Our Company's business is characterized by seasonal fluctuations in demand. Demand for beer, for example, is highest during the months of March through July, resulting in peak sales during first and last quarters and a build-up of inventory prior to that time. As a result, our Company plans its overall annual production levels based on predicted levels of demand for its products, which it derives from its own market assessments and sales targets from its distributors. Our Company may not accurately predict annual and long-term demand in the future, and any errors in predicting future demand may have a material adverse effect on its business, prospects, results of operations and financial condition.

39. Contamination of our Company's products could adversely affect our reputation and affect our results of operations and financial performance

Our business could be harmed in the event of actual or alleged contamination or deterioration of quality of its beer. A risk of contamination or deterioration exists at the stage of bottling of beer. The beer bottle may contain dust particles etc., consequently deteriorating the quality of beer. Any incidents of this kind could also have a negative impact on our Company's business. Our Company has appropriate quality checks in place at each stage of production and the quality complaints are negligible compared to the volumes that our Company churns out.

40. Our Company's sustained growth depends on its ability to attract and retain skilled personnel. Failure to attract and retain skilled personnel may adversely affect our growth prospect

Our Company has a well developed human resource policy and is constantly making efforts to develop and retain its employees. The attrition rate has so far been very low and we have been able to retain a significant part of our man power. Our Company has in place long term and short term incentive plan as a part of its human resource policy.

41. Our Company's results of operations depend heavily on maintaining harmonious relations with its workforce

The success of our Company depends upon maintaining good relations with its workforce. Our relations with our employees and unions are satisfactory. Majority of our workforce at our various units are unionised. Any work stoppages or strikes could adversely affect our Company's ability to operate its business. There can be no assurance that any increase in labour costs would not have a material adverse effect on our business.



Our Company has entered into long term settlements with unions at its various units and so far these industrial relations have been cordial.

42. Restricted advertising in alcoholic beverages industry

In recent years, there has been increased social and political attention directed at the alcoholic beverages industry in India as a result of public concern over problems relating to alcohol abuse, including health concerns, driving under the influence of alcohol and underage drinking. This negative perception in India has led to a ban on the advertisement of beer in the media, which is not conducive to business development of any business in the beer industry in India, including that of our Company. Our Company has in place many promotional schemes for promotion of its brands in order to minimise the impact of the ban on advertisement. Kingfisher Airlines, a group company continues to enhance the brand image of Kingfisher. Further, Kingfisher packaged drinking water marketed under the brand "Kingfisher Premium" is sold across India.

43. High levy of excise and taxes

Due to the relatively inelastic nature of demand, the beer industry could be the first target for increased taxation at the state level. A substantial increase in profitability of beer companies could cause the Indian State Governments (a "State Government") to impose further indirect levies on industry participants.

44. The Indian Alcoholic Beverage industry is affected by litigation and publicity concerning product quality, health and other issues, which can cause customers to avoid our Company's products and result in liabilities

The beer business can be adversely affected by litigation and complaints from customers or Government authorities resulting from product quality, illness, injury or other health concerns or other issues stemming from one product or a limited number of products. Adverse publicity surrounding such allegations may negatively affect our Company, by discouraging customers from buying our products, regardless of whether the allegations are true. Our Company could also incur significant liabilities and the diversion of management time if a lawsuit or claim results in a decision against our Company, or litigation costs regardless of the result. Our Company so far has a very small number of consumer complaints and such consumer complaints are appropriately attended to by our Company.

45. International market risks and trade barriers may affect our Company's business

Any developments in tariffs and non-tariff barriers, quotas, and other trade barriers by countries from which our Company imports raw materials will have an effect on profitability. There can be no assurance that any Country out of which our Company relies for the supply of raw materials will not impose trade restrictions in the future. Any such imposition of trade barriers may have an adverse effect on our Company's financial condition and results of operations.

46. Any failure to keep abreast with the latest trends in the brewing industry may adversely affect the competitiveness and ability of our Company to produce innovative products

Our Company is a long established brewer and is the market leader in the industry. Our Company is constantly scanning the environment for new developments, market perception, consumer preferences, competition, regulations etc. Our Company has a full fledged Research & Development team which has developed innovative variants of beer. However, if UBL fails to cater with the latest trends in the industry, to the increasing competitiveness and fails to produce innovative products, which may adversely affect the results of operations.

47. Government regulation of the wholesale and retail markets in each state affects our Company's trade and pricing practices, as well as relations with distributors, wholesalers and retailers.

The State Governments in India controls the wholesale and/or retail distribution networks in many of the markets in which our Company operates. For the year ended March 31, 2007, over 55% of our Company's total sales were to state-run wholesalers. The Government wholesalers set prices and determine the manufacturers from which they will purchase beer. Government policies on pricing and purchasing can

change from time to time and may not be consistent with past practices. In the event that any State Government wholesalers refuse to acquire our Company's products our Company's profitability could be adversely affected. However sourcing by government wholesalers depends on the market demand and our Company though exposed to this risk may not be affected due to brand loyalty and quality.

The business of our Company is subject to Governmental regulation, and regulatory decisions and changes in the legal and regulatory environment could increase its costs and liabilities or limit its business activities.

48. *Restriction and prohibition on manufacturing, distribution and sale of alcoholic beverages may affect our operations*

The manufacture and distribution of beer is subject to regulation by government of each state of India and is subject to a complex and diverse tax structure. Our Company is subject to the regulatory systems of each of the states in which it operates its manufacturing facilities, and these regulations may vary from one state to the other. Such regulations include licensing requirements, restrictions on and prescribed labelling of products, marketing set up and restrictions on advertising.

The Directive Principles of India's constitution states that the Government should endeavour to implement the prohibition of the manufacture and sale of beer across the country. Currently, the manufacture, sale and consumption of beer is regulated and, with the exception of four states, is permitted by each Indian state, and generally, each Indian state generates a significant amount of revenue from the sale of beer. While Our Company believes that the likelihood of prohibition is low, prohibition by a state Government in any of the states in which Our Company operates would have a significant effect on the results of our operations and on its ability to operate its business in such state.

49. *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. For more details on our existing insurance policies please refer to "Insurance" beginning on page 72 of this Letter of Offer.

50. *We require certain approvals or licenses in the ordinary course of business and the failure to obtain or renew them in a timely manner, may adversely affect our operations*

Manufacture of beer is subject to registrations, consents and approvals from various government authorities, 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 more details please refer to "Government / Statutory, Business Approvals and Licenses" beginning on page 372 of this Letter of Offer.

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

Having regard to the nature of the business 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. shall apply. 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.



52. 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 Banks 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. We have obtained the consent of our lenders in relation to the Issue.

53. 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.

54. 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 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.

55. 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 approximately 74.98% of the Equity Shares, assuming all shareholders subscribe to their respective rights entitlement. Further, our Promoters, United Breweries (Holdings) Limited and Scottish & Newcastle India Limited have given undertakings to subscribe, in equal portion, 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 74.98%. 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.

Risks associated with Equity Shares

56. 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.

57. 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.

58. Over the last three years, the trading of the Equity Shares of our Company on Ahmedabad Stock Exchange Limited, Bangalore Stock Exchange Limited, The Calcutta Stock Exchange Association Limited, Cochin Stock Exchange Limited, The Delhi Stock Exchange Association Limited, Hyderabad Stock Exchange Limited, The Ludhiana Stock Exchange Association Limited and Madras Stock Exchange Limited has been negligible

The trading of the Equity Shares of our Company on the above mentioned stock exchanges, in the last three years, has been nil or negligible. Investors dealing on these exchanges may face certain difficulties while trading in the Equity Shares held by them.

EXTERNAL RISK FACTORS

1. Beer Industry is heavily regulated by Government of India

The Beer Industry is heavily regulated by Government of India. The business of our Company is subject to the regulations of State Government policy on excise. Changes in the fiscal policies of Government could have an adverse impact on the profitability of our Company. A significant change in the Government liberalization and deregulation policies could affect business and economic conditions in India and the business of our Company in particular. Adverse changes in other regulation such as the distribution norms may affect the operations of our Company. States may individually decide to impose prohibition on the sale of alcoholic beverages, including beer, as has been done in the past.

2. 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 alcohol brewing 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.

3. 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, epidemics, 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.

4. 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.

5. *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.

6. *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;
- 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.

7. *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 USA on September 11, 2001, New Delhi on December 13, 2001, London on July, 7, 2005, Mumbai on 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.

Notes to Risk factors:

- 1) The Net worth of our Company on a standalone basis as on March 31, 2007 was Rs. 57,889.93 Lakhs and as on December 31, 2007 was Rs. 61,746.88 Lakhs.
- 2) The Book Value of the Equity Shares of our Company on a standalone basis as on March 31, 2007 was Rs. 26.80 per Equity Share and as on December 31, 2007 was Rs. 28.58 per Equity Share.
- 3) Issue of 2,40,04,825 fully paid-up Equity Shares of Re.1/- each for cash at a price of Rs.177/- (including a premium of Rs.176/-) per Equity Share aggregating to Rs. 42,488.54 Lakhs on rights basis to the existing Equity Shareholders of our Company in the ratio of 1 fully paid-up Equity Share for every 9 fully paid-up Equity Shares held on the record date, i.e. Monday, April 21, 2008.
- 4) Our Company has changed its name from UB Infrastructure Projects Limited to UB Beer Limited on July 31, 2001 and then to United Breweries Limited on August 7, 2002.

- 5) The average cost per share in respect of the Promoter and Promoter Group's current shareholding is given below:

Sr. No	Our Promoter and Promoter Group	Average cost of acquisition of shares (Rs.) (Adjusted for split in Face Value from Rs. 10 to Re.1)
1	Dr. Vijay Mallya *	3.52
2	Kamsco Industries Private Limited *	1.3275
3	The Gem Investment & Trading Company Private Limited *	1.1397
4	Mallya Private Limited *	1.2405
5	McDowell Holdings Limited *	1.08
6	United Breweries (Holdings) Limited	23.07
7	Pharma Trading Company Private Limited *	1.0621
8	Vittal Investments Limited *	1.3186
9	Devi Investments Private Limited *	2.9465
10	Scottish & Newcastle India Limited	57.50

* Allotted upon demerger of erstwhile United Breweries Limited into our Company. While pursuant to the de-merger, the shares of our Company were allotted at par, the respective shareholders have valued their investments based on the historical cost of erstwhile United Breweries Limited shares adjusted for the de-merger ratio. Accordingly, the above disclosure is based on the carrying cost appearing in the books of respective shareholders.

- 6) The total number of shareholders in our company as on April 4, 2008 was 33,801.
- 7) Our Company has not issued any shares for consideration other than cash.
- 8) Investors may note that in the event of oversubscription, allotment shall be made in consultation with BSE, which is also the Designated Stock Exchange.
- 9) Except as stated under point no. 10 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.
- 10) For interest of our Promoters / Directors / Key managerial personnel please refer to interest of Promoters and Directors & Key managerial personnel on page 135 and 123 of this Letter of Offer.
- 11) In the ordinary course of our business we enter into transactions with certain related parties. The cumulative value of transactions for the nine months period ended December 31, 2007 is as follows:

Particulars	Amount (Rs. In Lakhs)
Purchase of Goods	12,610.32
Sale of Goods	1,597.53
Receipts / (Payments) against rendering services	1,548.32
Guarantee Commission received	262.13
Brand Fees Paid	269.13
Finance (Including Loans & other transaction in cash or in kind)	756.36
Remuneration to Directors	323.04
Sale of Assets	282.16
Sale of Malt	1,534.19
Amount due from / (to) respective related party as at year / period end	4,584.06

For more details, please refer to the "Financial Statements" page 136 of this Letter of Offer.



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- 12) Investors are advised to refer to “Basis for Issue Price” on page 40 of this Letter of Offer before investing in this Issue.
 - 13) Please refer to the section on “Basis of Allotment” on page 411 of this Letter of Offer for details of the basis of allotment.
 - 14) 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.
 - 15) 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 viii and 136 of this Letter of Offer before deciding to invest in our Equity Shares.

Industry Overview:

Indian Alcoholic Beverages Industry

Alcoholic beverages are a growing industry in India. The alcoholic beverages industry in India is generally divided into two main categories-Industrial Alcohol and Potable Alcohol. Potable Alcohol segment comprises some categories as Beer, Country Liquor, Indian Made Foreign Liquor (IMFL) and wine. IMFL primarily comprises wine, vodka, gin, whisky, rum and brandy.

Indian Beer Industry

The Indian beer market had a sales volume of 907.2 million litres in 2006 and is expected to reach 1,368.6 million litres by 2011. The Indian beer industry, like any other liquor industry is highly regulated. This has resulted in high pricing of the product due to high taxes and levies imposed. Irrespective of the regulations with respect to the product being sold and levy of taxes, over the period from 2001 to 2006, the Indian beer market has seen growth in total revenues from Rs. 55,812.1 million in 2001 to Rs. 90,254.7 million in 2006, which represents a compounded annual growth rate (CAGR) of 10.1% for the five-year period. The market consumption volumes during the same period increased with a CAGR of 7.8% to reach a total of 907.2 million liters in 2006 from 623.9 million liters in 2001.

Source: © Euromonitor International, June 2007

Growth Drivers:

The growth of beer consumption in India is being driven by a variety of factors:

Culture – the growth of an affluent, well educated professional middle-class that is keen to consume Western products

Economic and population growth – rising living standards are opening up beer to an increasing portion of the population. Consumer expenditure is growing at 7-8% per annum at present fuelled by a steady growth in India's over 1 billion population.

Improved quality and availability – the arrival of foreign capital and brewing techniques are leading to an upgrade in the quality of beer and its availability.

De-regulation – beer consumption is heavily regulated by State Governments in India. However, a number of states are beginning to relax restrictions on distribution and the retailing of beer, thereby generating a huge stimulus for beer consumption.

Changing Demographic Profile – The number of households consisting of couples without children increased by 25% during 2001-06, while the number of single person households grew by 35%. The economic boom in India encouraged many to seek career growth and wealth. Consequently, developed cities such as Mumbai and Bangalore are home to an increasing number of consumers, with high income levels. The number of bars and restaurants have increased substantially in cities, with consumers eating and drinking out more frequently. Consumers of both genders are now entertaining at home more frequently, holding more parties and having a more relaxed attitude towards alcohol consumption.

These trends boosted alcoholic drinks across the board, with total volume sales expanding by 11% in 2006 over the previous year. Niche products with a growing and fashionable urban appeal saw the strongest growth, with high-strength premixes and wine both expanding volume sales by 17% in 2006. Premium spirits also saw strong growth, with white spirits seeing 17% volume growth in the year. With rising income levels, there was a shift towards premium products across alcoholic drinks, with premium lager for example achieving 12% volume growth in 2006 over the previous year in contrast to the 9% growth seen for standard lager.

For further information please refer to "Section IV – About Us" beginning on page no. 48 of this Letter of Offer.



Business Overview:

We are 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, aviation, investment holdings, property development, engineering, fertilizers and information technology. The UB Group is led by Dr. Vijay Mallya, Group Chairman.

Our Company was originally incorporated on May 13, 1999 as UB Infrastructure Projects Limited as a public limited company under the Companies Act, 1956. The name was changed to UB Beer Limited on July 31, 2001, subsequently the name of our Company was changed to United Breweries Limited on August 7, 2002.

Prior to de-merger of erstwhile United Breweries Limited (now known as United Breweries (Holdings) Limited) in to our company, the erstwhile United Breweries Limited was in to the business of brewing as well as investment holdings. Currently, our Company's business is to manufacture, market and distribute beer since the transfer and vesting of the brewing business in terms of the Scheme of Arrangement (For details of the Scheme of Arrangement please refer to page 93 of Letter of Offer). We are the leader in the beer industry owning a number of popular beer brands.

We manufacture our products in 12 owned breweries, 4 breweries through our joint venture and 9 contract manufacturing facilities in India and have marketing operations spread across India. Through a number of licensing arrangements our products are available in 49 countries including Hong Kong, Singapore and Australia. As of FY 2007, we are the largest beer manufacturing company in India in terms of revenues with a gross turnover of Rs. 160779.51 Lakhs. Our gross turnover for the nine month period ended December 31, 2007 is Rs. 155,071.95 Lakhs.

We have grown our operations by adding capacities, introducing new products, building new brands and creating a wide marketing and distribution network.

Our Company's flagship brand 'Kingfisher', has achieved international recognition consistently, and has won many awards in International Beer Festivals. Kingfisher Premium Lager beer is currently available in 49 countries outside India and leads the way amongst Indian beers in the International market. Other brands in our product portfolio include "Kingfisher Lager", "Kingfisher Strong", "Kingfisher Premium", "Kalyani Black Label Strong", "Kalyani Black Label Premium", "UB Premium Ice", "Charger Extra Strong" "UB Export Lager", "London Pilsner", "London No.1 Strong", "Kingfisher Premium Draught Beer", "Kingfisher Strong Draught", "Guru Lager", "Sand Piper Premium", "Bullet Super Strong" and "Zingaro Super Strong".

Our Company has entered into a multi-faceted strategic alliance with Scottish & Newcastle Plc (S&N), an international brewer, with over USD 6 billion in revenue and a market capitalization of over USD 14 billion.

Our Company along with SNIPL has formed a joint venture – Millennium Alcobev Pvt. Ltd. (MAPL), in which our Company together with its subsidiary hold 50% equity stake while the balance is held by SNIPL.

Business Strategy

Our strategic objective is to continue to improve and consolidate our position in the brewery market and we aim to achieve this by implementing the following strategies:

- To continue to grow ahead of the domestic brewery market and increase our market share from the present 39% in the Indian beer market to over 50% in the next 3 years. Setting up of green field breweries and brewery acquisitions are part of our overall growth strategy.
- To focus on increasing captive capacity at owned manufacturing facilities and reduce the dependence on the contract brewing arrangements.
- To continue investment behind brands particularly, the Kingfisher brand and to introduce new brands over the next 24 months to cater to the emerging market segment.

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 nine months period ended December 31, 2007. These financial statements have been prepared in accordance with Indian GAAP, the Companies Act, 1956 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. 136 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 223 of this Letter of Offer.

RESTATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES (STANDALONE)

(Rs. In Lakhs)

			As at March 31,					As at
	Particulars	Note Reference	2003	2004	2005	2006	2007	December 31, 2007
A.	Fixed Assets:							
	Gross Block		9,127.31	10,836.31	13,573.05	28,851.40	53,786.40	70,067.16
	Less: Accumulated Depreciation and Amortisation		(898.55)	(1,560.41)	(2,593.71)	(6,379.32)	(10,704.49)	(15,245.01)
	Add: Capital works in progress		168.58	1,825.20	401.17	879.12	11,273.08	11,142.37
	Net Block	19A	8,397.34	11,101.10	11,380.51	23,351.20	54,354.99	65,964.52
B.	Investments	6	8,603.74	10,918.68	14,651.50	5,907.12	5,906.99	5,906.99
C.	Current Assets, Loans and Advances							
	Inventories		3,203.48	3,917.43	4,849.16	7,359.63	11,236.43	12,916.81
	Sundry Debtors	7	7,462.68	7,416.95	9,966.37	13,000.52	21,483.12	22,936.74
	Cash and Bank Balances		1,138.83	1,561.40	1,726.21	12,871.70	13,927.31	1,923.04
	Loans and advances and other current assets	8 & 19A	9,840.22	25,464.15	26,091.90	33,421.68	20,502.42	14,938.38
			21,645.21	38,359.93	42,633.64	66,653.53	67,149.28	52,714.97
D.	Deferred Tax Asset		219.07	109.30	-	-	-	-
	Total Assets: A+B+C+D		38,865.36	60,489.01	68,665.65	95,911.85	127,411.26	124,586.48
E.	Liabilities and Provisions							
	Secured Loans	3	(16,166.40)	(31,913.25)	(18,099.36)	(25,043.02)	(43,406.40)	(36,410.20)
	Unsecured Loans	4	(2.12)	(7,765.34)	(9,497.90)	(30.06)	(4,169.88)	(5,051.98)
	Current Liabilities and Provisions		(19,327.55)	(16,758.98)	(14,616.61)	(15,907.33)	(21,013.75)	(19,630.14)
	Deferred credit	3	-	(400.00)	(434.68)	(268.39)	(40.44)	-
	Deferred Tax Liability		-	-	(810.26)	(792.13)	(890.86)	(1,747.28)
	Total Liabilities and Provisions		(35,496.07)	(56,837.57)	(43,458.81)	(42,040.93)	(69,521.33)	(62,839.60)
F.	Net Worth		3,369.29	3,651.44	25,206.84	53,870.92	57,889.93	61,746.88
G.	Represented by							
	Share Capital	2	1,782.06	1,782.06	23,151.14	26,850.43	26,850.43	26,850.43
	Reserves	10	2,397.04	2,397.04	2,060.99	27,020.49	31,039.50	34,896.45
	Less: Miscellaneous expenditure		(14.39)	(9.84)	(5.29)	-	-	-
	Less: Debit balance in Profit and Loss Account		(795.42)	(517.82)	-	-	-	-
	Net Worth		3,369.29	3,651.44	25,206.84	53,870.92	57,889.93	61,746.88



RESTATED SUMMARY STATEMENTS OF PROFITS AND LOSSES (STANDALONE)

(Rs. In Lakhs)

			Financial Years Ended March 31,					For the period ended
	Particulars	Note Reference	2003	2004	2005	2006	2007	December 31, 2007
A.	Income							
	Sale of Products manufactured		37,733.47	40,716.55	47,257.65	77,487.26	133,819.19	120,194.93
	Sale of Traded goods		4,511.88	6,791.05	6,440.00	3,232.25	8,825.18	14,911.48
	Total Sales		42,245.35	47,507.60	53,697.65	80,719.51	142,644.37	135,106.41
	Less: Excise Duty		(11,139.95)	(10,472.62)	(11,649.46)	(21,878.71)	(42,801.90)	(43,649.48)
			31,105.40	37,034.98	42,048.19	58,840.80	99,842.47	91,456.93
	Income from Brand Franchises		8,430.04	8,332.99	9,490.22	9,893.81	5,535.41	6,268.62
	Other Income	17	901.24	2,467.64	4,171.28	1,845.26	2,109.50	1,875.48
	Total		40,436.68	47,835.61	55,709.69	70,579.87	107,487.38	99,601.03
B.	Expenditure							
	Materials Consumed		15,188.39	18,693.37	21,533.12	27,370.87	45,051.68	38,583.22
	Increase/ (Decrease) in Inventories		(301.77)	(320.57)	(621.18)	114.40	(772.04)	(279.10)
	Purchase of traded goods		3,929.32	5,729.26	4,820.66	2,490.34	8,207.77	11,238.60
	Personnel expenses		2,799.78	2,986.28	3,380.07	4,719.67	6,683.47	5,613.39
	Selling and promotion expenses		8,740.47	8,817.27	11,017.50	15,694.31	25,082.40	23,402.90
	Other expenses		5,556.79	6,094.08	8,209.46	6,468.99	7,083.44	7,098.76
	Depreciation		537.64	668.56	1,056.66	2,085.74	3,853.52	4,254.26
	Deferred revenue expenses		20.81	4.55	4.55	5.29	-	-
	Interest / Finance charges		3,508.64	4,421.38	3,787.51	2,390.11	2,797.88	2,825.08
	Total		39,980.07	47,094.18	53,188.35	61,339.72	97,988.12	92,737.11
C.	Net Profit / (Loss) before tax and non – recurring item		456.61	741.43	2,521.34	9,240.15	9,499.26	6,863.92
	Provision for Taxation							
	-Current Tax		-	(32.26)	(197.71)	(841.06)	(2,941.29)	(1,637.68)
	-Fringe Benefit Tax		-	-	-	(198.26)	(198.80)	(80.00)
	-Deferred Tax Charge/(Write Back)		(230.93)	(109.77)	(919.56)	(3,213.74)	150.01	(856.41)
D.	Net Profit / (Loss) before non – recurring item		225.68	599.40	1,404.07	4,987.09	6,509.18	4,289.83
	Non – recurring Item (Net of Tax)		(81.78)	(321.80)	-	(3,046.54)	-	-
E.	Net profit / (Loss) after non-recurring item but before adjustments		143.90	277.60	1,404.07	1,940.55	6,509.18	4,289.83
	Adjustments	19B	-	-	-	3,149.68	(1,418.22)	(432.87)
	Current Tax Impact on Adjustments		-	-	-	-	678.65	-
	Deferred Tax Impact on Adjustments		-	-	-	-	(283.71)	-
	Total of Adjustments after Tax Impact		-	-	-	3,149.68	(1,023.28)	(432.87)
	Net Profit As Restated		143.90	277.60	1404.07	5,090.23	5,485.90	3,856.96

RESTATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES AS RESTATED (CONSOLIDATED)

(Rs. In Lakhs)

	Particulars	Note Reference	As at March 31st					As at December 31, 2007
			2003	2004	2005	2006	2007	
A.	Fixed Assets:							
	Gross Block		13,253.82	20,436.76	23,797.23	40,190.73	65,138.30	82,535.64
	Less: Accumulated Depreciation and Amortisation		(2,182.90)	(4,121.44)	(5,911.91)	(11,160.31)	(16,154.38)	(21,581.45)
	Add: Capital work in progress		338.69	2,039.86	811.29	1,024.17	11,864.97	11,873.20
	Net Block	15A	11,409.61	18,355.18	18,696.61	30,054.59	60,848.89	72,827.39
B.	Investments	7	2,250.57	169.05	199.15	83.79	1.85	3.70
C.	Goodwill		6,204.21	8,513.70	11,748.64	11,821.34	11,821.34	11,821.35
D.	Current Assets Loans and Advances							
	Inventories		3,924.51	5,223.16	6,375.08	8,384.48	12,457.42	14,330.33
	Sundry Debtors	9	7,758.93	8,963.23	11,005.51	16,248.17	25,358.71	25,854.09
	Cash & Bank Balances		1,148.47	2,040.77	2,050.89	13,411.53	14,708.12	2,321.06
	Loans advances and other current assets	8 & 15A	6,906.28	27,803.93	28,043.86	34,021.99	20,462.05	15,041.05
			19,738.19	44,031.09	47,475.34	72,066.17	72,986.30	57,546.53
E.	Deferred Tax Asset (Net)		219.06	109.30	-	-	-	-
	Total Assets: A+B+C+D+E		39,821.64	71,178.32	78,119.74	114,025.89	145,658.38	142,198.97
F.	Liabilities							
	Secured Loans	4	(18,951.24)	(41,973.39)	(28,222.20)	(39,385.02)	(56,702.75)	(49,625.87)
	Unsecured Loans	5	(437.50)	(7,795.40)	(9,527.96)	(1,217.43)	(5,953.90)	(7,286.87)
	Deferred Tax Liability (Net)		-	-	(878.25)	(804.96)	(890.87)	(1,747.27)
	Current Liabilities and Provisions		(21,055.60)	(19,444.63)	(17,620.33)	(20,131.85)	(26,617.37)	(24,667.99)
	Total Liabilities and Provisions		(40,444.34)	(69,213.42)	(56,248.74)	(61,539.26)	(90,164.89)	(83,328.00)
G.	NET WORTH		(622.70)	1,964.90	21,871.00	52,486.63	55,493.49	58,870.97
	REPRESENTED BY							
	Share Capital	3	1,782.06	5,637.80	23,151.14	26,850.43	26,850.43	26,850.43
	Reserves	16	2,397.94	3,387.84	5,661.98	33,305.72	37,324.82	41,180.83
	Less: Miscellaneous expenditure		(565.04)	(401.22)	(120.54)	(0.63)	-	-
	Less: Debit balance in Profit and Loss account		(4,237.66)	(6,659.52)	(6,821.58)	(7,668.89)	(8,681.76)	(9,160.29)
	NET WORTH		(622.70)	1,964.90	21,871.00	52,486.63	55,493.49	58,870.97



RESTATED SUMMARY STATEMENT OF PROFITS AND LOSSES (CONSOLIDATED)

(Rs. In Lakhs)

	Particulars	Note Reference	Financial Years Ended March 31,					For the period ended December 31, 2007
			2003	2004	2005	2006	2007	
A.	INCOME							
	Sale of Products manufactured		44,661.84	55,757.14	61,682.34	90,226.69	151,534.00	140,066.08
	Sale of Traded goods		869.54	2,071.53	6,766.97	3,324.92	9,245.51	15,005.87
	Total Sales		45,531.38	57,828.67	68,449.31	93,551.61	160,779.51	155,071.95
	Less: Excise Duty		(12,290.85)	(15,537.12)	(18,056.10)	(24,329.05)	(46,353.69)	(49,412.02)
			33,240.53	42,291.55	50,393.21	69,222.56	114,425.82	105,659.93
	Income from Brand Franchise		8,107.18	7,205.59	7,482.77	10,685.79	6,158.98	6,735.64
	Other Income	13	877.08	1,835.14	2,797.75	2,456.81	2,405.22	2,116.98
	Total		42,224.79	51,332.28	60,673.73	82,365.16	122,990.02	114,512.55
B.	EXPENDITURE							
	Materials Consumed		17,987.76	24,651.48	29,096.98	33,159.00	53,220.18	46,701.62
	Increase / (Decrease) in Inventories		(272.56)	(422.65)	(654.91)	128.59	(713.38)	(339.95)
	Purchase of traded goods		826.24	1,749.10	744.25	2,761.42	8,517.37	11,337.22
	Personnel expenses		3,156.54	3,582.96	4,253.77	5,290.23	7,107.78	6,021.18
	Selling and promotion expenses		9,323.52	9,205.05	11,435.44	18,782.71	29,149.78	27,204.27
	Other expenses		7,953.73	7,415.59	9,781.46	8,046.47	8,339.82	8,199.25
	Depreciation		781.32	1,424.43	1,821.80	3,487.62	4,740.59	5,143.17
	Deferred revenue expenses		206.06	197.79	280.65	280.40	-	-
	Interest / Finance charges (Net)		2,854.82	4,287.70	2,570.34	3,841.59	4,120.14	3,854.04
	Total		42,817.43	52,091.45	59,329.78	75,778.03	114,482.28	108,120.80
	Net Profit / (Loss) before tax & Non-Recurring items		(592.64)	(759.17)	1,343.95	6,587.13	8,507.74	6,391.75
C.								
	Share of loss of Associate		-	-	(603.59)	-	-	-
	Provision for Taxation							
	-Current Tax		(0.39)	(38.03)	(206.14)	(841.75)	(2,965.25)	(1,637.68)
	-Fringe Benefit Tax		-	-	-	(207.42)	(204.03)	(87.32)
	-Deferred Tax Charge/(Write Back)		(230.93)	(109.77)	(987.55)	(3,216.24)	162.84	(856.41)
	Prior Period Item		-	-	(102.92)	(353.17)	-	-
D.	Net Profit / (Loss) before Non- Recurring items		(823.96)	(906.97)	(556.25)	1,968.55	5,501.30	3,810.34
	Non- Recurring item(Net of Tax)		(81.78)	(321.80)	-	(3,046.54)	-	-
E.	Loss Transferred to Minority interest		281.29	-	-	-	-	-
F.	Movement during the year		(274.37)	-	974.94	-	(4.89)	-
G.	Minority Interest Absorbed		-	-	(140.50)	-	-	-
H.	Net profit / (Loss) after Non- Recurring items		(898.82)	(1,228.77)	278.19	(1,077.99)	5,496.41	3,810.34
	Adjustments	15B	-	-	-	3,149.68	(1,418.22)	(432.87)
	Current Tax Impact on Adjustments		-	-	-	-	678.65	-
	Deferred Tax Impact on Adjustments		-	-	-	-	(283.71)	-
	Total of Adjustments after Tax Impact		-	-	-	3,149.68	(1,023.28)	(432.87)
	Net Profit As Restated		(898.82)	(1,228.77)	278.19	2,071.69	4,473.13	3,377.47

THE ISSUE

Equity Shares proposed to be issued by Our Company	2,40,04,825 Equity Shares
Rights Entitlement	In the ratio of 1 (one) fully paid-up Equity Share for every 9 (nine) fully paid-up Equity Shares held on the Record Date
Record Date	April 21, 2008
Issue Opens on	April 30, 2008
Issue Closes on	May 29, 2008
Issue Price per Equity Share	Rs. 177/-
Equity Shares outstanding prior to the Issue	21,60,43,430 Equity Shares
Equity Shares outstanding after the Issue	24,00,48,255 Equity Shares
Terms of the Issue	For more information, see " Section VII – Issue Related Information " beginning on page 399 of this Letter of Offer

Terms of Payment

Due Date	Amount
On Rights Issue Application	100% of the Issue Price i.e. Rs. 177/- per Equity Share, including share premium



GENERAL INFORMATION

Dear Equity Shareholder(s),

Pursuant to the resolution passed at the meeting of Board of Directors of our Company held on September 28, 2007, it has been decided to make the following offer to the Equity Shareholders of our Company:

ISSUE OF 2,40,04,825 FULLY PAID-UP EQUITY SHARES OF RE.1/- EACH FOR CASH AT A PRICE OF RS. 177/- (INCLUDING A SHARE PREMIUM OF RS. 176/-) PER EQUITY SHARE AGGREGATING TO RS. 424,88,54,025/- ON RIGHTS BASIS TO THE EXISTING EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF 1 FULLY PAID-UP EQUITY SHARE FOR EVERY 9 FULLY PAID-UP EQUITY SHARES HELD ON THE RECORD DATE, i.e. APRIL 21, 2008.

THE FACE VALUE OF THE EQUITY SHARES IS RE. 1/- PER EQUITY SHARE. THE ISSUE PRICE OF RS. 177/- IS 177 TIMES 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 April 21, 2008 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. viii to xxvi 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, **Alpha Systems Private 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
Wednesday, April 30, 2008	Thursday, May 15, 2008	Thursday, May 29, 2008

Registered Office of Our Company**United Breweries Limited**

'UB Tower', UB City,
24, Vittal Mallya Road,
Bangalore - 560 001
Tel: (91-80) 39855000
Fax: (91-80) 22211964
E-mail: rightsissue@ubmail.com
Website: www.kingfisherworld.com

The registered office of our Company 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 and then to UB Anchorage, 100/1, Richmond Road, Bangalore - 560 025 effective March 26, 2004 and now to the above address effective April 1, 2008.

Registration Number: 025195

Company Identification Number: L36999KA1999PLC025195

We are registered with the Registrar of Companies, 'E' wing, 2nd Floor, Kendriya Sadana Kormangala located at Bangalore

The Equity Shares of our Company are listed on Bombay Stock Exchange Limited, (Designated Stock Exchange), Ahmedabad Stock Exchange Limited, Bangalore Stock Exchange Limited, The Calcutta Stock Exchange Association Limited, Cochin Stock Exchange Limited, The Delhi Stock Exchange Association Limited, Hyderabad Stock Exchange Limited, The Ludhiana Stock Exchange Association Limited and Madras Stock Exchange Limited.

Hyderabad Stock Exchange Limited vide its letter dated January 31, 2008 has informed that SEBI has withdrawn its recognition with effect from August 29, 2007 under Sec 5 (2) of SCR Act.

Board of Directors

Our Board comprises:

Name, Age, Designation, Occupation and Residential Address, DIN	Date of Appointment	Qualifications
Dr. Vijay Mallya, S/o: Late Vittal Mallya 52 years Chairman Occupation: Industrialist Address: 6 Bulkley Avenue, Sausalito, California, U S A – 94965 DIN – 00122890	March 30, 2002	Ph. D. in Business Administration
Mr. A. K. Ravi Nedungadi, S/o: Mr. Ayani Kurussi Peethambaran Nedungadi 50 years Non Executive Director Occupation: Service Address: Flat No. 103, Delphi – III, Prestige Acropolis, 20 Hosur Road, Bangalore, Karnataka – 560 029 DIN – 00103214	August 09, 2002	Chartered Accountant and Cost Accountant
Mr. Kalyan Ganguly, S/o: Late Kalidas Ganguly 56 years Managing Director Occupation: Service Address: Flat No. 302, IIIrd Floor, Brigade Lavelle – 1, Lavelle Road, Bangalore, Karnataka – 560 001	March 30, 2002	P G D B M (XLRI Jamshedpur), B A (Hons.)



DIN – 00103034		
Mr. John Ross Nicolson, S/o: Mr. Iain Henderson Nicolson 54 years Non Executive Director Occupation: Service Address: 14, Oswald Road, Edinburgh, United Kingdom – EH92HT DIN – 01676093	July 20, 2007	B A (Hons.) Economics and Marketing from University of Strathclyde, Glasgow
Mr. John Simon Hunt, S/o: Mr. Brian Bagshaw Hunt 44 years Non Executive Director Occupation: Service Address: 25, Fountainhall Road, Edinburgh, United Kingdom – EH92LN DIN – 00370928	April 29, 2005	M A (Hons.) in Mechanical Engineering, Post Graduate in Production Engineering (Cambridge) and ACA
Mrs. Veronica Lesley Jackson, D/o: Late John Thomas Parton 44 years Director & CFO Occupation: Service Address: Apartment 1102, Carnation Block, Prestige Exotica, Cunningham Crescent Road, Bangalore, Karnataka – 560 052 DIN – 00108648	April 29, 2005	FCA, Master of Business Administration, ACA and B A (Hons.) Accounting and Finance
Mr. Chugh Yoginder Pal, S/o: Late Chugh Ramchand Pal 71 years Independent Director Occupation: Independent Director Address: 6 Bournville Apts., Cadbury House, 19 B. Desai Road, Mumbai, Maharashtra – 400026 DIN – 00106536	April 29, 2005	Graduate in Engineering with first class (Distinction)
Mr. Chhaganlal Jain, S/o: Late Meghraj Laxminarayan Jain 74 years Independent Director Occupation: Independent Director Address: 13/ B/2, Woodlands, Peddar Road, Mumbai, Maharashtra – 400 026 DIN – 00102910	January 27, 2003	Chartered Accountant and Company Secretary
Mr. Sunil Kumar Alagh, S/o: Late Kewal Krishan Alagh 61 years Independent Director Occupation: Independent Director Address: 12 C, IL Palazzo, Little Gibbs Road, Malabar Hill, Mumbai, Maharashtra – 400 006 DIN – 00103320	April 29, 2005	Graduate in Economics and PGDBM from IIM Calcutta

For further details in relation to our Board of Directors please refer to “Our Management” beginning on page 109 of this Letter of Offer.

Company Secretary & Compliance Officer

Mr. Govind Iyengar
United Breweries Limited
'UB Tower', UB City,
24, Vittal Mallya Road,
Bangalore - 560 001
Tel: (91-80) 39855000 / 79 / 81
Fax: (91-80) 22211964 / 22229488
Email: ublinvestor@ubmail.com

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

Bankers to our Company

Citibank, N.A.

Prestige Meridian
30 M G Road, Bangalore – 560 001
Tel: (080) 51123553 Fax: (080) 25094276/41232238
Contact person: Arnab Bhattacharya
Email: citiservice.india@citigroup.com

Yes Bank Limited

Ground Floor, Kasturba Road,
Prestige Obeliskmunicipal No. 3,
Bangalore 560 001
Tel: (080) 4127 9000 Fax: (080) 4128 9006
Contact person: Nakul Beri
Email: nakul.beri@yesbank.in

The Federal Bank Limited

Chundakkayil Complex
Manjukulam Road, Palaghat, Kerala
Tel: (0491)-2525925/2527681
Fax : (0491)-2532981
Contact person : C C Anthony
Email: pgt@federalbank.co.in

AXIS Bank Limited

9, M G Road,
Block A, Bangalore – 560 001
Tel: (080) 25370659
Fax: (080) 25559444
Contact person: Venkateshwaran
Email: m.venkiteswaran@axisbank.co.in

State Bank of Travancore

M M Hills, Vartha Bhavan
Tippu Sultan Palace Road
P O Box no 1808, Chamarajpet
Bangalore – 560 018
Tel: (080) 26700891
Fax: (080) 26703121
Contact person: Samkutty Mathews
Email: bangalore@sbt.co.in

State Bank of India

Specialised Commercial Branch
1st Floor, Krishi Bhavan,
Hudson Circle,
Bangalore 560 001
Tel : (080) 25943350
Fax : (080) 2594 3360
Contact Person : Sadashiva Bhat
Email: sadashiva.bhat@sbi.co.in

Standard Chartered Bank

270 D.N. Road
Fort, Mumbai – 400 001
Tel: (020) 2209 2213 / 2268 3965
Fax: (020) 2209 6069
Contact Person: Joseph George
Email: joseph.george@in.standardchartered.com



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

SEBI Regn. No.: INM000010585

Contact person: Praveen Kumar Sangal / Sundeep Parate

Website: www.ambitpte.com

Email: rightissues@ambitpte.com

Legal Advisor to the Issue

Kanga & Company,

Advocates & Solicitors,

Readymoney Mansion,

43, Veer Nariman Road,

Fort, Mumbai 400 001

Tel: +91- 22- 66332288

Fax: +91-22-6633 9656

Contact person: Chetan Thakkar

Email: chetan.thakkar@kangacompany.com

Auditors of our Company

Price Waterhouse,

5th Floor, Tower D, The Millenia,

1 & 2 Murphy Road, Ulsoor,

Bangalore – 560 008

Tel: +91 80 40795000

Fax : +91 80 40795222

Contact person : Jayanta Majumdar

E-mail : jayanta.majumdar@in.pwc.com

Registrar to the Issue

Alpha Systems Private Limited

30, Ramana Residency, 4th Cross, Sampige Road,

Malleswaram, Bangalore – 560 003

Tel: 080 – 2346 0815 -18

Fax: 080 – 2346 0819

SEBI Regn. No. : INR000000791

Contact Person: Rajaraman / Vijayagopal

Website: www.123alpha.com

Email: alfint@vsnl.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 CAF/Abridged Letter of Offer/Letters of allotment/ Equity Share certificates/ refund orders etc.

Bankers to the Issue

Citibank, N.A.
G- Block, Plot C-61,
Bandra Kurla Complex, Bandra (East),
Mumbai - 400 051
Tel: (022) 40015805
Fax: (022) 40015852
SEBI Regn. No.: INBL00000037
Contact person: Jatin Merchant
Email: jatin.merchant@citi.com

AXIS Bank Limited
'A' wing, Bazzola Complex,
Sion – Trombay Road, Chembur,
Mumbai – 400 071
Tel: (022) 67668550 / 580
Fax: (022) 67668578
SEBI Regn. No.: INBL00000017
Contact person: Rajesh Naik
Email: rajesh.naik@axisbank.com

Inter-se Allocation of responsibilities

As there is only one Lead Manager inter-se allocation of responsibilities is not applicable. However, the list of major responsibilities of Ambit Corporate Finance Private Limited, inter alia, is as follows:

Sr. No.	Activities
1	Capital structuring with the relative components and formalities such as composition of debt and equity type of instruments.
2	Drafting of offer document and of advertisement/publicity material including newspaper advertisements and brochure/memorandum containing salient features of the offer document. The Lead Manager shall ensure compliance with SEBI DIP Guidelines and other stipulated requirements and completion of prescribed formalities with the Stock Exchanges and SEBI.
3	Selection of various agencies connected with the Issue, namely Registrars to the Issue, printers, monitoring agency and advertisement agencies.
4	Follow up with Bankers to the Issue to get quick estimates of collection and advising the Issuer about closure of the Issue based on the correct figures.
5	The post issue activities will involve essential follow up steps which must include finalization of basis of allotment/weeding out of multiple applications, listing of instruments and despatch of certificates and refunds, with the various agencies connected with the activities such as Registrars to the Issue, Bankers to the Issue. Whilst, many of the post issue activities will be handled by other intermediaries, the designated Lead Manager shall be responsible for ensuring that these agencies fulfill their functions and enable them to discharge this responsibility through suitable agreements with the Issuer Company.

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, 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.

The Company had sought a clarification from BSE, as regards, the minimum public shareholding applicable to our Company. BSE vide, Letter no. DCS/COMP/SD/1160/2007-08 dated December 19, 2007 has clarified that in terms of Clause 40A of the Listing Agreement, for the financial year April 1, 2007 to March 31, 2008, the minimum public shareholding applicable to our Company, is 10%.

Our promoters and promoter group companies have confirmed that they would subscribe to their respective entitlements in this Rights Issue in full. Further, SNIL and UBHL, two of our promoters have confirmed that they will also subscribe to the unsubscribed portion, if any, in this Rights Issue in equal proportion such that the entire Issue is subscribed, as per the relevant provisions of the law. Our Company shall allot Equity Shares to the promoters and promoter group in a manner that the shareholding of UB group and S&N group post this Rights Issue remains equal. Subscription by SNIL and UBHL to the extent of its entitlement in the Issue and acquisition of additional Equity Shares by SNIL and UBHL in case of under-subscription, if any, will not result in public shareholding in the Issuer Company falling below 10%.

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:

“(1) 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 closure date 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. Our promoters and promoter group companies have confirmed that they would subscribe to their respective entitlements in this Rights Issue in full. Further, SNIL and UBHL, two of our promoters have confirmed that they will also subscribe to the unsubscribed portion, if any, in this Rights Issue in equal proportion such that the entire Issue is subscribed, as per the relevant provisions of the law. Our Company shall allot Equity Shares to the promoters and promoter group in a manner that the shareholding of UB group and S&N group post this Rights Issue remains equal. Subscription by SNIL and UBHL to the extent of its entitlement in the Issue and acquisition of additional Equity Shares by SNIL and UBHL in case of under-subscription, if any, will not result in change of control of the management of our Company and shall be exempted in terms of proviso to Regulation 3(1)(b)(ii) of the Takeover Code. For details please refer to note no. 7 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		
30,00,00,000 Equity Shares of face value of Re. 1/- each	30,00,00,000	
2,50,00,000 Preference Shares of Rs.100/- each	2,50,00,00,000	
Issued, Subscribed and Paid Up Equity Share Capital before the Issue		
21,60,43,430 Equity Shares of Re.1/- each fully paid up	21,60,43,430	
2,46,90,000 Cumulative Redeemable Preference Shares (CRPS) of Rs. 100/- each	2,46,90,00,000	
Present Issue of Equity Shares to the existing Equity Shareholders in terms of this Letter of Offer		
2,40,04,825 Equity Shares of Re.1/- each at a Issue Price of Rs. 177/- per Equity Share (including premium of Rs. 176/- per Equity Share)	2,40,04,825	4,24,88,54,025
Paid Up Equity Share Capital after Issue		
24,00,48,255 Equity Shares of Re.1/- each	24,00,48,255	
2,46,90,000 Cumulative Redeemable Preference Shares (CRPS) of Rs. 100/- each	2,46,90,00,000	
Share Premium Account		
Before the Issue	2,29,69,25,162	
After the Issue	6,52,17,74,362	

Increase in Authorised Capital

Date	Authorised Capital Increased From	Authorised Capital Increased to
July 25, 2001	10,00,000 Equity Shares of Rs.10/- each aggregating to Rs.100 Lakhs	30,00,000 Equity Shares of Rs.10/- each aggregating to Rs. 300 Lakhs
June 7, 2002	30,00,000 Equity Shares of Rs.10/- each aggregating to Rs. 300 Lakhs	18,00,00,000 Equity Shares of Rs.10/- each aggregating to Rs. 1800 Lakhs
September 30, 2002	1,80,00,000 Equity Shares of Rs.10/- each aggregating to Rs. 1800 Lakhs	3,00,00,000 Equity Shares of Rs.10/- each and 2,20,00,000 Preference Shares of Rs.100/- each aggregating to Rs. 25000 Lakhs
January 20, 2005	3,00,00,000 Equity Shares of Rs.10/- each and 2,20,00,000 Preference Shares of Rs.100/- each aggregating to Rs. 25000 Lakhs	3,00,00,000 Equity Shares of Rs.10/- each and 2,50,00,000 Preference Shares of Rs.100/- each aggregating to Rs. 28000 Lakhs



Notes to Capital Structure:

1. Equity Share capital history of our Company since inception

Date of allotment	No. of shares	Face Value (Rs.)	Issue Price (Rs.)	Consideration	Reasons for Allotment / Type of Issue	Cumulative Securities Premium Account (Rs.)	Cumulative Paid –up Capital (Rs.)
13.05.1999	7	10	10.00	Cash	Subscription to Memorandum and Articles of Association	-	70
31.07.2001	27,26,625	10	230.69	Cash	Allotment to erstwhile UBL (now UBHL) on conversion of advance into equity (Refer Note a)	60,17,33,750	272,66,320
22.08.2002	1,50,93,971	10	10.00	Cash	Allotment to Shareholders of erstwhile UBL (now UBHL) pursuant to scheme of arrangement (De-merger) (Refer Note b)	23,97,04,201	17,82,06,030
07.04.2005	37,79,522	10	575.00	Cash	Preferential Allotment to Scottish & Newcastle India Limited (Note c)	2,29,69,25,162	21,60,01,250
2,16,00,125 equity shares of face value of Rs. 10/- per share were sub-divided into 21,60,01,250 Equity Shares of face value Re.1/- each with effect from June 09, 2006 pursuant to the resolution passed by the shareholders at the EGM held on May 24, 2006							
04.11.2006	42,180	1	-	Cash	Allotment pursuant to amalgamation of Mangalore Breweries and Distilleries Limited (MBDL) with our Company (Refer Note d and e)	2,29,69,25,162	21,60,43,430
Total	21,60,43,430						

Note:

- Our Company had borrowed by way of advance against equity from erstwhile UBL (now UBHL), upto a limit of Rs. 87.90 crores for investment in equity capital of Associated Breweries and Distilleries Limited and Mangalore Breweries & Distilleries Limited. The said advance was subsequently converted into equity by issuing 27,26,625 equity shares of UBL to erstwhile UBL (now UBHL) on rights basis at a price of Rs. 230.69 (including premium of Rs. 220.69) per equity share.
- Pursuant to the scheme of arrangement (de-merger), our Company has allotted 150,93,971 Equity Shares to the equity shareholders of erstwhile UBL (now UBHL) in the ratio of four equity shares of Rs.10/- each fully paid-up for every ten equity shares of Rs.10/- each fully paid up held in erstwhile UBL (now UBHL).
- Price Waterhouse vide their certificate dated April 15, 2005 have confirmed that the Company has complied with all the provisions / Guidelines by SEBI under the preferential issue Guidelines and the Company has also complied with all legal and statutory formalities in connection with the preferential issue.
- MBDL, the erstwhile subsidiary of our Company was amalgamated with our Company vide order dated July 28, 2006 of the Hon'ble High Court of Karnataka. Based on the valuation report issued by Haribhakti & Co. dated January 16, 2006, our company issued and allotted one (1) equity share of Rs. 10/- to every shareholder holding Forty (40) equity shares of Rs. 10/- each in MBDL.
- 42,180 equity shares issued pursuant to amalgamation of Mangalore Breweries and Distilleries Limited (MBDL) with our Company are pending listing at Hyderabad Stock Exchange Limited. Hyderabad Stock Exchange Limited vide its letter dated January 31, 2008 has informed that SEBI has withdrawn its recognition with effect from August 29, 2007 under Sec 5 (2) of SCR Act.

- f. Excess of liabilities over assets of the Brewery Undertaking takeover and expenses related to issue of Redeemable Optionally Convertible Preference Shares aggregating to Rs.4402.44 lacs have been debited in tranches to the securities premium account over a period of time.

2. Preference Share capital history of our Company since inception:

Sr. No.	Date of allotment	Number of Preference Shares	Consid-eration	Name of Allottee	Face Value (Rs.)	Issue Price (Rs.)
1.	23.11.2004	2,13,69,077*	Cash	Allotment ROCPS to Equity Shareholders of our Company on Rights basis	100	100
2.	07.04.2005	1,72,83,000	Cash	Allotment of CRPS – Series A to Scottish & Newcastle India Limited	100	100
3.	07.04.2005	74,07,000	Cash	Allotment of CRPS – Series B to Scottish & Newcastle India Limited	100	100
	Total	2,46,90,000				

* The 5% ROCPS were redeemed on April 30, 2005.

3. Reduction in Capital: We have till date not reduced our share capital.

4. Issue for Consideration Other than Cash: Our Company has not issued any equity share or preference shares for consideration other than cash.

5. Promoters' Contribution and Lock-in

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

6. Present Rights Issue

Type of Instrument	Ratio	Face Value (Re.)	No. of shares	Issue Price per Equity Share (Rs.)	Consideration
Equity Shares	1 : 9	1	2,40,04,825	177	Cash

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

Category	Pre – Issue as on March 31, 2008		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 Promoter and Promoter Group				
Promoters				
Dr. Vijay Mallya @	19,218,260	8.90	21,353,622	8.90
Scottish & Newcastle India Limited	80,995,470	37.49	89,994,966	37.49
United Breweries (Holdings) Limited	27,266,320	12.62	30,295,911	12.62
Promoter Group				
Kamsco Industries Private Limited	8,808,000	4.08	9,786,666	4.08
The Gem Investment & Trading Company Private Limited	3,883,620	1.80	4,315,133	1.80
Mallya Private Limited	8,808,000	4.08	9,786,666	4.08



McDowell Holdings Limited	9,636,610	4.46	10,707,344	4.46
Pharma Trading Company Private Limited	1,362,930	0.63	1,514,366	0.63
Vittal Investments Private Limited	338,360	0.16	375,955	0.16
Devi Investments Private Limited	1,673,370	0.77	1,859,300	0.77
Total Promoter and Promoter Group Shareholding (A)	161,990,940	74.98	179,989,933	74.98
(B) Public Shareholding				
(1) Institutions				
Mutual Funds / UTI	546,289	0.25	606,987	0.25
Financial Institutions / Banks	50,160	0.02	55,733	0.02
Central Government/State Government(s)	660	0.00	733	0.00
Insurance Companies	1,858,360	0.86	2,064,844	0.86
Foreign Institutional Investors	35,123,139	16.26	39,025,710	16.26
Sub Total (B) (1)	37,578,608	17.39	41,754,008	17.39
(2) Non-Institutions				
Bodies Corporate	2,387,063	1.10	2,652,292	1.10
Individuals				
Individual shareholders holding nominal share capital up to Rs. 1 lakh	13,526,137	6.26	15,029,041	6.26
Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	309,942	0.14	344,380	0.14
Any Other (Trust)	250,740	0.12	278,600	0.12
Sub Total (B) (2)	16,473,882	7.63	18,304,313	7.63
Total Public shareholding (B) = (B)(1) + (B)(2)	54,052,490	25.02	60,058,322	25.02
Total (A)+(B)	216,043,430	100.00	240,048,255	100.00
© Shares held by Custodians and against which Depository Receipts have been issued	-	-	-	-
Total (A)+(B)+(C)	216,043,430	100.00	240,048,255	100.00

\$Assuming all the shareholders, apply for their entitlement and are allotted Equity Shares in full.

@ includes joint holding.

The Promoters and Promoter Group Companies of our Company have confirmed that they would subscribe to their respective entitlements in this Rights Issue in full. Further, SNIL and UBHL, two of our promoters have confirmed that they will also subscribe to the unsubscribed portion, if any, in this Rights Issue in equal proportion such that the entire Issue is subscribed, as per the relevant provisions of the law. Our Company shall allot Equity Shares to the promoters and promoter group in a manner that the shareholding of UB group and S&N group post this Rights Issue remains equal.

As a result of the said subscription and consequent allotment, SNIL and UBHL may acquire equity shares over and above their entitlement in this Rights Issue, which may result in an increase of their shareholding above the current shareholding. This subscription to entitlement by our Promoters and acquisition of additional Equity Shares by SNIL and 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. 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, including any intention to delist our Company, even if, as a result of allotments to our Promoters, in this Issue, our Promoters shareholding in our Company exceeds their current shareholding. SNIL and UBHL intend to subscribe to such unsubscribed portion as per the relevant provisions of the law. Allotment to SNIL and UBHL of any unsubscribed portion, over and above their entitlement shall be done in compliance with the Listing Agreement and other applicable laws prevailing at that time relating to continuous listing requirements.

In case no subscription is received from other shareholders the promoters' shareholding shall increase to 77.48% of the post rights issue equity capital of our Company.

- 8.** 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		
Dr. Vijay Mallya (Individually and Jointly)	1,92,18,260	8.90
Scottish & Newcastle India Limited	8,09,95,470	37.49
United Breweries (Holdings) Limited	2,72,66,320	12.62
Promoter Group		
Kamsco Industries Private Limited	88,08,000	4.08
The Gem Investment & Trading Company Private Limited	38,83,620	1.80
Mallya Private Limited	88,08,000	4.08
McDowell Holdings Limited	96,36,610	4.46
Pharma Trading Company Private Limited	13,62,930	0.63
Vittal Investments Private Limited	3,38,360	0.16
Devi Investments Private Limited	16,73,370	0.77
Total Promoter and Promoter Group Shareholding	16,19,90,940	74.98

Directors of the Promoters

	Number of Equity Shares	Percentage of shareholding
Mr. A Harish Bhat	950	Negligible
Mr. N Srinivasan	400	Negligible

- 9.** The total number of shareholders in our company as on April 4, 2008 was 33,801.
- 10.** There have been no transactions in 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(s).
- 11.** As on the date of this Letter of Offer, our Company does not have any outstanding warrant, options, 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.

12. Name of the top ten shareholders:

- a) The top ten (10) shareholders of our Company as on April 11, 2008 were as follows:

Sr. No.	Name of the shareholder	No. of shares	% of Pre – Issue Share Capital
1	Scottish and Newcastle India Limited	80,995,470	37.49
2	United Breweries Holdings Limited	27,266,320	12.62
3	DB International (Asia) Ltd	20,680,827	9.57
4	Dr Vijay Mallya	19,218,260	8.90
5	McDowell Holdings Limited	9,636,610	4.46
6	Kamsco Industries Private Limited	8,808,000	4.08
7	Mallya Private Limited	8,808,000	4.08
8	Oppenheimer Funds, Inc. Oppenheimer International Small Company Fund	6,000,000	2.78
9	The Gem Investment and Trading Company	3,883,620	1.80



	Private Limited		
10	Quantum (M) Limited	2,033,968	0.94

- b) The top ten (10) shareholders of our Company as on April 4, 2008 were as follows:

Sr. No.	Name of the shareholder	No. of shares	% of Pre – Issue Share Capital
1	Scottish and Newcastle India Limited	80,995,470	37.49
2	United Breweries Holdings Limited	27,266,320	12.62
3	DB International (Asia) Ltd	20,680,827	9.57
4	Dr Vijay Mallya	19,218,260	8.90
5	McDowell Holdings Limited	9,636,610	4.46
6	Kamsco Industries Private Limited	8,808,000	4.08
7	Mallya Private Limited	8,808,000	4.08
8	Oppenheimer Funds, Inc. Oppenheimer International Small Company Fund	6,000,000	2.78
9	The Gem Investment and Trading Company Private Limited	3,883,620	1.80
10	Quantum (M) Limited	2,033,968	0.94

- 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(s) is as follows:

Sr. No.	Name of the shareholder	No. of shares	% of Pre – Issue Share Capital
1	Scottish and Newcastle India Limited	8,099,547	37.50
2	United Breweries Holdings Limited	2,726,632	12.62
3	Dr Vijay Mallya	1,921,826	8.90
4	McDowell Holdings Limited	963,661	4.46
5	Kamsco Industries Private Limited	880,800	4.08
6	Mallya Private Limited	880,800	4.08
7	Oppenheimer Funds Inc. A/C Oppenheimer Developing Markets Fund	713,389	3.30
8	FID Funds (Mauritius) Ltd	664,813	3.08
9	Arisaig Partners (Asia) Pte Ltd A/C Arisaig Asian Small Companies Fund (Mauritius) Ltd	662,173	3.07
10	Platinum Asset Management Ltd	410,362	1.90

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

- a. McDowell Holdings Limited has pledged 95,30,000 equity shares of Re. 1/- each fully paid-up, in Our Company in favor of Punjab National Bank by executing pledge agreement dated March 23, 2007, on behalf of United Spirits Limited to secure their borrowings.
- b. United Breweries (Holdings) Limited has pledged 67,34,000 equity shares of Re. 1/- each fully paid-up, in our Company in favor of the Bank of Rajasthan Limited for facilities availed by UBHL and its subsidiaries.

Our Promoters and Promoter Group 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.

14. The names of the natural persons in control (holding 10% or more voting rights) or are on 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 natural person
United Breweries (Holdings) Ltd.	Dr. Vijay Mallya
The Gem Investment & Trading Co. Pvt. Ltd.	Dr. Vijay Mallya
	Ms. Ritu Mallya
Pharma Trading Co. Pvt. Ltd.	Dr. Vijay Mallya
	Ms. Ritu Mallya
Devi Investments Private Ltd.	Dr. Vijay Mallya
	Mr. Neeraj Rawal
Vittal Investments Private Ltd.	Dr. Vijay Mallya
	Mr. Sreenivasulu Reddy
Cineblitz Productions Pvt. Ltd.	Dr. Vijay Mallya
United Racing & Bloodstock Breeders Ltd.	Mr. Sreenivasulu Reddy
United East Bengal Football Team Private Limited	Mr. Santosh Bhattacharjee
	Mr. Pranab Dasgupta
Ganapathy Mallya Investments Pvt. Ltd.	Dr. Vijay Mallya
Mallya Investments (Partnership Firm)	Dr. Vijay Mallya
	Mr. S. D. Lalla

None of the natural persons mentioned above, hold any Equity Shares in our Company except for the following:

Name of the natural person	Shareholding of natural person in the Issuer Company (No. of Equity Shares of Re. 1 Each)
Dr. Vijay Mallya	1,92,18,260
Ms. Ritu Mallya	228,000*
Mr. Neeraj Rawal	4,530

* Jointly held with Dr. Vijay Mallya

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	Nature of activities
Scottish & Newcastle India Limited	Mr. Alan Dick, Mr. Ian Philip McHoul, Mr. John Hunt, Scottish & Newcastle Breweries Services Limited	Investment Holdings
United Breweries (Holdings) Limited	Dr. Vijay Mallya, Mr. N.Srinivasan, Mr. Shrikant G.Ruparel, Mr. Pathai Ananthasubramanian Murali, Mr.A.Harish Bhat, Mr.Sidhartha V.Mallya, Mr.Piyush G.Mankad, Mr.B.S.Patil, Mr.R.N.Pillai	Investment Holdings
Kamsco Industries Private Limited	Dr. Vijay Mallya, Ms. Lalitha Mallya, Mr. Sidhartha V Mallya, Mr. T R Ghosh, Mr. S D Lalla	Investment Holdings
The Gem Investment & Trading Co. Pvt. Ltd.	Dr. Vijay Mallya, Mrs. Lalitha Mallya, Mr. Sidhartha V Mallya, Mr. T R Ghosh, Mr. S. D. Lalla	Investment Holdings
Mallya Private Limited	Dr. Vijay Mallya, Ms. Lalitha Mallya, Mr. Sidhartha V Mallya, Mr. T R Ghosh, Mr. S D Lalla	Investment Holdings
McDowell Holdings Limited	Dr. Vijay Mallya, Mr. A.Harish Bhat, Mr. N. Srinivasan, Mr. M.R.Doraiswamy Iyengar, Mr. V.S. Venkataraman.	Investment Holdings
Pharma Trading Company Private Limited	Dr. Vijay Mallya, Ms. Lalitha Mallya, Mr. T R Ghosh, Mr. S D Lalla	Investment Holdings
Vittal Investments Private Limited	Mr. M R Doraiswamy Iyengar, Mr. S Ramanujam, Mr. P G Govindan	General Trading and Agency
Devi Investments Private Limited	Mr. Neeraj Rawal, Mr. P.K.Daruwalla, Mr. A.Raghunathan, Mr. K Subramani, Mr. P.G.Govindan	Investment Holdings



Scottish & Newcastle Plc.	Mr. John Michael Dunsmore, Sir Angus McFarlane Mcleod Grossart, Mr. Philip Bowman, Mr. Stephen Glancey, Dr. Erik John Victor Hartwall, Mrs. Bridget Macaskill, Mr. Ian Gerald McAllister, Mr. Ian Philip McHoul, Mr. John Ross Nicolson, Sir Ian Robinson, Sir Brian John Stewart, Mr. Henrik Victor Leo Therma, Mr. Brian Wallace	Manufacture & Marketing of Beer
United Spirits Limited (formerly known as McDowell & Company Limited)	Dr. Vijay Mallya, Mr. S.R.Gupte, Mr. V.K.Rekhi, Mr. M.R. Doraiswamy Iyengar, Mr. S K Khanna, Mr. B.M.Labroo, Mr. Sreedhara Menon	Manufacturing & marketing of liquor
Deccan Aviation Limited	Dr. Vijay Mallya, Mr. A K Ravi Nedungadi, Mr. Hitesh Harshad Patel, Capt. G.R. Gopinath, Capt. K J Samuel, Mr. S N Ladhani, Col. Jayanth K Poovaiah, Lt.Gen. N S Narahari, Mr. Vishnu Singh Rawal, Ms. Bala Deshpande, Mr. Vijay Amritraj, Mr. Anil Kumar Ganguly, Mr. P N Thirunarayana	Air Transport operations
Shaw Wallace & Co. Limited	Dr. Vijay Mallya, Mr. S R Gupta, Mr. A.K.Ravi Nedungadi, Mr. S D Lalla , Mr. Chhaganlal Jain, Mr. S.G.Ruparel	Manufacture & marketing of potable liquor
Aventis Pharma Limited	Dr. Vijay Mallya, Dr. Shailesh Ayyangar, Mr. J.M. Gandhi, Mr. Christophe Germain, Mr. S.R. Gupte, Mr. A.K.R. Nedungadi, Mr. O Charmeil, Mr J M Georges, Mr. Eric Le Bris, Mr. M. G. Rao, Mr. S.C.Ghoge, Mr J L Grunwald	Manufacturing and marketing of pharmaceutical products
Mangalore Chemicals & Fertilisers Limited	Dr. Vijay Mallya, Mr. S R Gupta, Mr. Deepak Anand, Mr. Pratap Narayan, Mr. Shrikant G. Ruparel, Mr. B.S.Patil, MR. N. Sunder Rajan., Mr K.Prabhakar Rao	Manufacturing and marketing of Fertilizers and Chemicals
MCF International Limited	Mr. Deepak Anand, Mr. A Rudrachary, Mr. S Ramaprasad	International Trading of Commodities
Cineblitz Productions Pvt. Limited	Mr. S D Lalla, Mr. P Subramani, Mr. A Raghunathan, Mr. V. Shashikanth	Production of cine films and publication of magazines
Ganapathy Investments Private Limited	Mr. S Ramanujam, Mr. P.G. Govindan	Investment Holdings
Kingfisher Airlines Limited	Dr. Vijay Mallya, Mr. S. R. Gupta, Mr. A. K. Ravi Nedungadi, Mr. V.K.Rekhi, Mr. Piyush Mankad, Mr. Diwan Arun Nanda, Mr. R. N. Pillai, Dr. Naresh Trehan	Air Transport operations
Mallya Investments (Partnership Firm)	Dr. Vijay Mallya, Mr. S.D. Lalla, Mr. Jai Munim, Mr. T V Lakshmikanthan, Mr. V K Rekhi ("Partners")	Investment Holdings
Face One Models Private Limited	Mr. S.D.Lalla, Mr. P. Subramani, Mr. Neeraj Rawal, Mr. A.Raghunathan, Ms. Gayathri Parikh, Ms.Mehar Jessia	Modeling agency, selection and training of models
Rossi & Associates Private Limited	Mr. S.D.Lalla, Mr. A. Raghunathan, Mrs. Lalitha Mallya, Mr. P.G.Govindan.	Import / Export & trading of Commodities
Kaveri Investments Private Limited	Mr. P G Govindan, Mr. S Ramanujam	Investment Holdings
VJM Media Private Limited	Mr.Subhash R Gupte, Mr.Sammy D. Lalla, Mr.P.Subramani, Mr.V.Shashikanth, Mr. R.N.Pillai	Magazine Publication
Biitz Publications Private Limited	Mr. A Raghunathan, Mr. K. T. Venugopalan	Magazine Publication
H. Parson Private Limited	Mr. P.K.Daruwalla, Mr. Shekhar Rammurthy, Mr. Y.D.Acidwala	Trading of alcoholic Beverages
Pixray (India) Limited	Dr. C N Rao, Mr. T.P.N.Murthy, Mr. S.K.Saha	Sales & Service of Medical equipments & X Ray machines
Deccan Charters	Mr. P. Subramani, Mr. Harish Bhat, Mr.Hemanth	Charter of Helicopters

Limited (Formerly known as Kingfisher Training Academy Limited)	Menon	
UB Electronic Instruments Limited	Mr. S R Gupte, Mr. Deepak Anand, Mr. P Subramani	Sale & Service of Biomedical Equipments and EPABX systems
UB Infrastructure Projects Limited	Mr. P A Murali, Mr. A Harish Bhat, Mr. Madhu K. Swamy	Infrastructure facilities
Kingfisher Radio Limited	Mr. P A Murali, Mr. Harish Bhat, Mr. K Majumder	Investment Holdings
UB International Trading Limited	Mr. Shashikanth, Mr. V. Parameshwaran, Mr. Shivinder Singh, Mr. B.S. Patil, Mr. Deepak Sridhar, Mr. P Subramani	Manufacture of Leather Shoes
Kingfisher Aviation Training Limited	Mr. K. Majumder, Mr. A Harish Bhat & Mr. Hemanth Menon	Training of Air crews
City Properties Maintenance Company Bangalore Limited	Mr. P Subramani, Mr. A Harish Bhat & Mr. V. Shashikanth	Property maintenance Services
United Racing & Bloodstock Breeders Limited	Dr. Vijay Mallya, Mrs. Rekha Mallya, Mr. V. Shashikanth, Mr. Zeyn Mirza, Mr. A Raghunathan	Thoroughbred breeding and racing
Asian Age Holdings Limited	Mr. M J Akbar, Mr. T Venkattaram Reddy, Mr. T. Vinayak Ravi Reddy, Mr. P.K. Iyer	Newspaper publishers
WIE Estate Development Limited	Mr. A Harish Bhat, Mr. Sudhir Goyal, Mr. G M Bapat	Estate Development
Kingfisher Goodtimes Private Limited	Mr. A Raghunathan, Mr. P A Murali, Mr. S D Lalla	Entertainment
Utkal Distilleries Limited	Mr. T.R. Ghosh, Mr. S.C. Singhal, Mr. R. Sarkar	Manufacturing & Marketing of potable alcohol
Shaw Wallace Breweries limited	Dr. Vijay Mallya, Mr. S R Gupte, Mr. S D Lalla, A.K. Ravi Nedungadi, Mr. Chhaganlal Jain, Mr. A. Harish Bhat, Mr. S. N Prasad	Investment Holdings
Ramanreti Investments & Trading Company Limited	Mr. A. Harish Bhat, Mr. P.A. Murali, Mr. P.M. Nene	Investment Holdings
United Alcobev Limited	Mr. A. Harish Bhat, Mr. R.N. Pillai, Mr. V.S. Venkataraman	Manufacture & Marketing of potable alcohol
United Vintners Limited	Mr. P.A. Murali, Mr. R.N. Pillai, Mr. V.S. Venkataraman, Mr. I.P. Suresh Menon.	Manufacture & Marketing of potable alcohol
McDowell Beverages Limited	Mr. P.A. Murali, Mr. V.S. Venkataraman, Mr. S. Narasimha Prasad.	Manufacture & Marketing of potable alcohol
Four Seasons Wines Limited	Dr. Vijay Mallya, Mr. V.K. Rekhi, Mr. S.D. Lalla, Mr. P.A. Murali, Mr. Abhay Khewadkar.	Manufacture & Marketing of potable alcohol
Daffodils Flavours and Fragrances Private Limited	Mr. P.A. Murali, Mr. V.S. Venkataraman, Mr. S. N Prasad.	Manufacture & Sale of Fragrances & Flavours
Primo Distributors Private Limited	Mr. P.A. Murali, Mr. V.S. Venkataraman, Mr. A. Harish Bhat, Mr. S. N Prasad.	Distribution of India Made Foreign Liquor
UB Engineering Limited	Mr. S D Lalla, Mr. A Harish Bhat, Mr. N Srinivasan, Mr. K K Rai	Engineering services & contractors
Watson Limited	Mr Jay Vallabh and Mrs. Susanne Vallabh	Investment Holdings
Herbertsons Limited	Mr. A. Harish Bhat, Mr. P A Murali, Mr. V S	Manufacturing &



	Venkataraman	Marketing of potable alcohol
McDowell & Company Limited	Mr. P A Murali, Mr. V S Venkataraman, Mr. S N Prasad	Manufacture & Marketing of potable alcohol
United East Bengal Football Team Private Limited	Dr. Vijay Mallya, Mr. Kalyan Ganguly, Mr. Shekhar Ramamurthy, Mr. Amit Sen, Mr. Samiran Kumar Saha, Mr. Sourav Kumar Roy, Mr. Kalyan Majumdar, Mr. Pranab Dasgupta, Mr. Santi Ranjan Dasgupta, Mr. Santosh Kumar Dutta, Mr. Santosh Kumar Bhattacharjee, Mr. Shyamal Roy	Conducting football matches & sponsors of football matches

None of our Company's associate or group companies, person(s) in control of the body corporate forming part of the Promoter Group have been prohibited from accessing the capital market under any order or direction passed by SEBI or any other regulatory authority.

15. Other than as disclosed in this Letter of Offer, 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.
16. The Equity Shares of our Company are of face value of Re.1/- each 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.
17. Our Company has not issued any Equity Shares or granted any options under any scheme of employees' stock option or employees' stock purchase scheme.
18. Our Company has not availed of "bridge loans" to be repaid from the proceeds of the Issue.
19. Our Company has not revalued its assets in the last five years preceding the date of this Letter of Offer and has not issued any shares out of the revaluation reserves at any point of time.
20. 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.
21. Our Company has no partly paid up Equity Shares and no calls in arrears. The entire Issue price of Rs. 177 per Equity Share is to be paid on application. Hence there will be no partly paid up shares arising out of this Issue.
22. 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.
23. Our Company has not capitalized any of its reserves or profits since inception.

- 24.** 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 derecognized 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 non-resident shareholders.

- 25.** 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 2,40,04,825 Equity Shares of Re.1/- each at Rs. 177 per Equity Share aggregating to Rs. 424,88,54,025 for meeting the following objectives:

1. To finance setting up of Green Field Brewery Project
2. To finance the proposed capacity expansion at some of our existing manufacturing facilities
3. General corporate purposes
4. To meet the issue expenses

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

Particulars	Amount (Rs. In Lakhs)
Gross proceeds of the Issue	42,488.54
Estimated Issue related expenses	342.00
Net proceeds of the Issue	42,146.54

Use of Net proceeds of the Issue

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

Costs of the Project / Activity(ies)

The intended uses of the Proceeds of the Issue are as under:

Sr. No.	Particulars	Amount (Rs. Lakhs)	%
I	To finance setting up of Green field Brewery Project	15,787.23	37.46
II	To finance the proposed capacity expansion and procuring ancillary equipments at some of our existing manufacturing facilities	23,791.57	56.45
III	General Corporate purposes	2567.74	6.09
Total		42,146.54	100.00

The fund requirement and deployment of the funds are based on quotations received and internal management estimates and have not been appraised by any bank or financial institution. The fund requirement mentioned is based on our current business plan for the expansion of our business. In view of the dynamic nature of the industry in which we operate, we may have to revise our business plan from time to time and, consequently, our fund requirement and, accordingly, the utilization of proceeds from the Issue may also change. In the event of any variations in actual utilization of funds earmarked for the above activities, any increased fund deployment for a particular activity may be met from funds earmarked from any other activities and/or from our internal accruals.

The stated objects of this Issue, are proposed to be entirely financed by the issue proceeds. Thus we are in compliance with the clause 2.8 of the SEBI DIP guidelines for firm arrangements of finance through verifiable means towards 75% of the stated means of finance, excluding the amount to be raised through the proposed Issue, as the same does not apply to us.

In case of a shortfall in the Net Proceeds from the Issue, we may explore a range of options including utilizing our internal accruals, or seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfall.

Our main objects clause and objects incidental or ancillary to the main objects clause of our Memorandum of Association enable us to undertake our existing activities and the activities for which the funds are being raised through this Issue.

Utilization of Net Issue Proceeds

A detailed break up of utilization of Net Issue Proceeds is provided in the following paragraphs:

Our Company has embarked upon a capacity expansion programme at some of its existing manufacturing units. Currently our Company has an installed production capacity of 60.25 Lakh HL per annum at 12 manufacturing locations in India. We intend to further expand our production capacities to 79.50 Lakh HL per annum by 2010 through setting up a green field brewery project with a capacity of 8 Lakh HL per annum and enhancement of the existing manufacturing capacity at eight identified locations by 11.25 Lakh HL per annum. The break up of the funds to be used is mentioned as under:

A. To finance setting up of Green field Brewery Project

Our Company is proposing to set up a state of the art brewing facility located at Malepally Village, Medak District in the state of Andhra Pradesh. The installed capacity of the plant shall be 8 Lakh HL per annum. The plant shall comprise of the most modern brewing equipments which will includes various process equipments, utilities and bottling hall equipments.

The total demand for beer in the state of Andhra Pradesh is approximately 30 Lakh HL per annum. Our Company has its existing manufacturing facility at Hyderabad where the maximum capacity is 1.30 Lakh HL per annum as per license received from Andhra Pradesh Pollution Control Board. Given the total demand in Andhra Pradesh and our limited capacity in the State, our Company proposes to set up a state of the art brewing facility located at Malepally Village, Medak District, Andhra Pradesh.

Our Company has applied for Issuance of Letter of Intent to the Revenue (Excise) Department, Hyderabad on June 20, 2007 and paid the requisite fees of Rs. 250 Lakhs. The application was made by our Company in pursuance of the notification issued by the Andhra Pradesh Government vide G.O. Ms. No 749 dated June 4, 2007. This application was made under Rule 4(2)(c) of Andhra Pradesh Brewery Rules 2006. Letter of Intent for setting up of Brewery from the Revenue (Excise) Department is yet to be received. Our Company is in the process of preferring applications to various government departments so as to procure various Licenses and permissions for setting up the project.

Cost of Project

The estimated cost of this project is set forth below:

Sr. No.	Particulars	Rs. In Lakhs
1.	Site Development*	587.23
2.	Building and Civil Work	3,861.30
3.	Plant & Machinery I. Process Equipments II. Utilities, Electrical and Integration III. Bottling Hall Equipment	6,200.00 2,100.00 3,038.70 11,338.70
	TOTAL	15,787.23

* Land has been acquired through internal accruals

Detailed Break up of Cost of Project:**1. Land**

Our Company has acquired 73.85 acres of land at Mallepally Village, Kondapur, Medak District in the state of Andhra Pradesh for the Green Field Brewery Project. The total cost of the land - Rs. 612.77 Lakhs has been funded through internal accruals. The details of the same are as follows:



Date of Registration	Name of the Seller	Area	Total (Amount in Rs. Lakhs)
January 28, 2008	Teega Venkat Reddy	Ac.19 - 39.5 Gt	169.62
	Baddam Janardhan Reddy		
	L Meen Lal		
February 25, 2008	B. Janardhan Reddy	Ac.40 - 21 Gt	329.96
	T.Chandra Sekhar Reddy		
	G.Harsha Vardhan Reddy		
	M.Parvathi		
	B.Balaguruva Reddy		
	T.Venkat Reddy		
February 29, .2008	Molla Gousiya Bee	13.5 Gt	2.86
	Molla Babu		
	Molla Goremiya		
	Molla Munthaj		
	Molla Bikku Sab		
	Molla Chand		
February 29, .2008	L Sunder Lal	Ac.13	110.32
	Manchuri Narayana		
	Manchuri Ramulu		
	Manchuri Veeraiah		
	Manchuri Mallesham		
	Ganjigudem Ramulu		
	Ganjigudem Pochaiah		
	Molla Gousiya Bee		
	Molla Bikku		
	B Rajeshwar Rao		
	Manchuri Lakshmi		
	Manchuri Anthamma		
	Manchuri Narsamma		
	Manchuri Menemma		
	Ganjigudem Venkatamma		
	Ganjigudem Srinivas		
	Ganjigudem Janamma		
	Ganjigudem Nagamani		
	Ganjigudem Neelamma		
	Ganjigudem Alaveni		
	GRAND TOTAL	Ac. 73.34 Gt Equivalent to 73.85 Acres	612.77

None of the Promoters/Directors of our Company are related to individuals from whom the above mentioned land has been bought. The said land acquired by the Company is free from all encumbrances and has a clear title. Our Company has received approval converting the land from agricultural to non-agricultural from the local authorities to the extent of 20 Acres. For balance land an application has been preferred for conversion. No other approvals are required for the said land. Our Company proposes to set up a state of the art brewing facility at this location. Our Company will be spending an amount of Rs. 587.23 Lakhs towards site development including leveling and development.

2. Building and Civil Work

The cost of civil works and construction of building is estimated at Rs. 3861.30 Lakhs. Our Company has obtained a quotation from CEC Projects (P) Limited vide letter dated March 29, 2008 through Sundaram Architects Private Limited for carrying out the construction of the building which includes costs for laying

approach roads, internal roads, factory buildings, platforms for Plant & Machinery, administrative office, bonded warehouse etc. and other related civil work at the proposed site located at Malepally Village, Medak District, Andhra Pradesh.

Detailed break up of cost towards building and civil work as per the estimate given by CEC Projects (P) Limited is given below:

Sr. No.	Section	Total Area in Sq. mtr.	Rate (Rs.) / Sq. mtr.	Total Cost (Rs. In Lakhs)
1	Malt Silo Supporting Structure & Malt Unloading Platform	450	14931	67.19
2	Malt Milling Section	754	12977	97.85
3	Brew House	1200	22357	268.28
4	Brewing Water Tanks & Spent Grain Silo	350	13729	48.05
5	Adjunct Store & Sugar Store	640	23531	150.60
6	General Process Area	1600	14663	234.60
7	Unitanks (FV's, SV's & BBT's)	900	39136	352.22
8	Utility Block	2270	13718	311.40
9	Husk Boiler & Husk Storage Area	4728	7191	340.00
10	Bonded Warehouse	8640	11509	994.40
11	Under Ground Water Tank & Water Treatment Plant	600	21773	130.64
12	ETP			
	A) Extended Aeration Tank	560	12943	72.48
	B) UASBR	200	22500	45.00
	C) Buffer Tank	100	14800	14.8
	D) EQT & O & G	270	10263	27.71
	E) Clarifier	200	10500	21.00
	F) SDB	200	9565	19.13
	G) NCC Room	40	19375	7.75
13	Compound Wall	1120	10483	117.41
14	Roads & Drains	14100	10483	386.9
15	Security	40	23575	9.43
16	Toilet Blocks	108	21037	22.72
17	Health Care	250	15900	39.75
18	Pipe Rack	500	14078	70.39
19	Weigh Bridge	100	11600	11.60
	Total	39920		3,861.30

Our Company vide its letter no. UB/HO/EMPEE/011/2007-08 has agreed to pay Sundaram Architects Pvt. Ltd. A consultancy fee of Rs. 66.23 lacs (1.72% of the total building and civil work).

The total cost of Building and Civil work is estimated at Rs. 3861.30 Lakhs.

3. Plant & Machinery

The plant and machinery shall comprise of various process equipments, utilities and bottling hall equipments. Our Company has received quotation from Praj Industries Limited. As per the quotation dated March 28, 2008, their scope of work would include:

- Design,
- Detailed Engineering,
- Manufacturing,
- Project Management,
- Procurement,
- Supply of Main Process Plant,
- Site Erection / Installation and Commissioning of the Plant and Machinery



Praj Industries Limited will also supervise the commissioning; carry out the trial runs of the installed plant and machinery and handover the plant to our Company to commence production on completion of successful acceptance test.

Our Company is yet to place orders for the equipment / machineries for the green field expansion. The details of the machinery as per the quotations are as follows:

i. Process Equipments:

Sl. No.	Description	Amount (Rs. In Lakhs.)
1	Malt Silos (400 MT x 2 nos) & Cleaning Section 8 TPH, Adjunct conveying 2 TPH	300.00
2	Brew House 600 HL cold & wort Treatment Section & Brewing water station.	1,700.00
3	Yeast Propagation & Storage Section	300.00
4	Fermentation & Lagering Section	2,800.00
5	Filtration Section with Imported "Filtrox" Filter – 300 HL/hr	300.00
6	Bright Beer Section	400.00
7	Common CIP Section Complete – 9 tank system	200.00
8	De aerated water system- 100 HL/hr & storage tank 500 HL	200.00
	Total	6,200.00

ii. Utilities, Electrical and Integration:

Sl.No.	Description	Amount (Rs. In Lakhs.)
1.	Steam Generation Plant – 20 Ton Coal Based	550.00
2.	Refrigeration Plant – 600TR	400.00
3.	CO2 Plant with liquefaction section and storage – 400kg/hr	200.00
4.	Compressed Air Plant	50.00
5.	Water Treatment Plant	100.00
6.	Electrical including DG Set and Transformer (including the electrical for the main process plant-PART A)	350.00
7.	Effluent Treatment Plant	350.00
8.	Integrating Pipe, fittings and valves between main plant, malt house, utilities and bottling.	50.00
	Total	2,100.00

iii. Bottling Hall Equipment:

Sl.No.	Section	Amount (Rs. In Lakhs.)
1.	The Bottling hall equipment with Bottle (Filler Capacity of 36,000 BPH) The section shall consist of : <ul style="list-style-type: none">▪ Bottle Washer and Filler▪ Bottle Pasteurizer and Labeller▪ Case Sealing Machine▪ Bottle Conveyors & Counters▪ Empty Bottle Inspector▪ Filled Bottle Inspector	3,038.70
	Total	3,038.70

The estimated total cost of plant & machinery based on the quotation received from Praj Industries Limited is Rs 11338.70 Lakhs.

B. To finance the proposed capacity expansion at some of our existing manufacturing facilities

Our Company has embarked upon a capacity expansion programme at some of its existing manufacturing units. Currently our Company has an installed capacity of 60.25 Lakh HL per annum at 12 manufacturing locations in India. We intend to further enhance our existing manufacturing capacity at identified eight locations as mentioned below by 11.25 Lakh HL per annum.

(in Lakh HL per annum)

Manufacturing Unit	Current Capacity	Expansion in Phase – I FY 2009	Expansion in Phase – II FY 2010	Expanded Capacity by 2010
Taloja, Maharashtra	10.5	-	4.5	15.0
Khurda, Orissa	2.5	-	1.0	3.5
Ponda, Goa	5.0	-	1.0	6.0
Chopanki, Rajasthan	7.5	-	0.5	8.0
Ludhiana, Punjab	9.0	-	1.5	10.5
Mangalore, Karnataka	3.5	-	1.0	4.5
Neelmangala, Karnataka	9.0	1.0	-	10.0
Kalyani, West Bengal	3.5	-	0.75	4.25
Total	50.5	1.0	10.25	61.75

The capacities with regard to expansion mentioned herein may vary, increase or decrease in a particular unit(s) having regard to government clearances and approvals by the respective state excise department, pollution control clearances, change in strategy adopted by our Company having regard to market conditions etc. The expansion is proposed to take place in two phases and so will be the deployment of proceeds of the issue.

Cost of Project for Expansion

The estimated cost of this project for expansion is set forth below:

(Rs. In Lakhs)

Manufacturing Locations	Particulars			Total
	Land and Site Development	Building and Civil Work	Plant & Machinery	
Taloja, Maharashtra	1200.00	926.66	9884.34	9011.00
Khurda, Orissa	-	500.30	999.70	1500.00
Ponda, Goa	-	288.99	800.00	1088.99
Chopanki, Rajasthan	-	300.24	610.76	911.00
Ludhiana, Punjab	-	286.22	2200.00	2486.22
Mangalore, Karnataka	100.00	287.36	1090.00	1477.36
Neelmangala, Karnataka	-	407.00	3310.00	3717.00
Kalyani, West Bengal	-	-	600.00	600.00
Total	1,300.00	2,996.77	19,494.80	23,791.57

Note: The costs mentioned herein may vary, increase or decrease at a particular unit(s) having regard to increase in prices or negotiations etc. Cost overrun if any shall be borne by our Company from internal accruals/borrowings.

1. Land

The requirement of land is only at our units at Taloja, Maharashtra and Mangalore, Karnataka and no additional land requirement is envisaged at other locations.

For the capacity expansion at our plant at Taloja, Maharashtra, our Company has received a letter of intent from the Maharashtra State Industrial Corporation offering 54,000 sq. mtr. Area of land located at Plot No. OS-12, MIDC – Taloja, Dist. – Raigad, Maharashtra. This piece of land is located adjacent to our existing plant at MIDC – Taloja.



For the plant at Mangalore, Karnataka, our Company has identified the land adjacent to our existing plant at Plot No. 310, Baikampadi Industrial Area, Mangalore of around 1 acre. At present, our Company is in negotiations with the owners.

The total cost of Land and Site development for expansion at the above mentioned manufacturing units is estimated at Rs. 1300.00 Lakhs.

2. Building and Civil Work

The cost of civil works and construction of building (including consultancy fee) is estimated at Rs. 2,996.77 Lakhs. Our Company has obtained a quotation from Sundaram Architects Pvt. Ltd. Vide letter dated December 06, 2007 for carrying out the construction of the building and other related civil work. The detailed break up of cost towards building and civil work at various manufacturing locations as per the estimate given by Sundaram Architects Pvt. Ltd. Is given below:

Taloja, Maharashtra

Sr. No.	Section	Total Area in Sq. mtr.	Rate (Rs.) / Sq. mtr.	Total Cost (Rs. In Lakhs.)
1	Brew House	432	8500	36.72
2	Staircase in Brew House	60	7500	4.5
3	Uni Tanks.	294	21000	61.74
4	Bonded Ware House	3000	7500	225
5	Empty Bottle Yard	4500	4500	202.5
6	Utility Block.	960	9500	91.2
7	Water Storage Tank-Cap 1000m3	--	--	50.00
8	Roads, Strom water drains and compound wall	3000	1500	45.00
9	Landscaping	--	--	10.00
10	Miscellaneous (Incl. Consultant's fee)	--	--	200.00
				926.66

Mangalore, Karnataka

Sr. No.	Section	Total Area in Sq. mtr.	Rate (Rs.) / Sq. mtr.	Total Cost (Rs. In Lakhs.)
1	Bonded Ware House	1450	7500	108.75
2	Empty Bottle Yard	2800	4500	126.00
3	Utility Block.	480	9500	45.60
4	Miscellaneous (Incl. Consultant's fee)	--	--	7.01
		4730		287.36

Neelmangala, Karnataka

Sr. No.	Section	Total Area in Sq. mtr.	Rate (Rs.) / Sq. mtr.	Total Cost (Rs. In Lakhs.)
1	Tank Farm	900	7500	67.50
2	Empty Bottle Yard	1800	4500	81.00
3	Utility Block.	300	9500	28.50
4	Finished goods warehouse			180.00
5	Miscellaneous (Incl. Consultants's fee)	--	--	50.00
				407.00

Ponda, Goa

Sr. No.	Section	Total Area in Sq. mtr.	Rate (Rs.) / Sq. mtr.	Total Cost (Rs. In Lakhs.)
1	Staircase in Brew House	60	7500	4.5
2	Uni Tanks.	144	20000	28.8
3	Bonded Ware House	1000	7500	75
4	Empty Bottle Yard	2000	4500	90
5	Utility Block.	512	9500	48.64
6	Water Storage Tank-Cap 500m3	--	--	25.00
7	Landscaping	--	--	10.00
8	Miscellaneous (Incl. Consultants's fee)	--	--	7.05
				288.99

Khurda, Orissa

Sr. No.	Section	Total Area in Sq. mtr.	Rate (Rs.) / Sq. mtr.	Total Cost (Rs. In Lakhs.)
1	Brew House.	648	8500	55.10
2	Staircase in Brew House	60	7500	4.50
3	Uni Tanks.	288	20000	57.60
4	Bonded Ware House	1500	7500	112.50
5	Empty Bottle Yard	2000	4500	90.00
6	Utility Block.	512	9500	48.60
7	Water Storage Tank-Cap 1000m3	--	--	50.00
8	Roads, Strom water drains and compound wall	3000	1500	45.00
9	Landscaping	--	--	10.00
10	Miscellaneous (Incl Consultant's fee)	--	--	27.00
		8008.00		500.30

Ludhiana, Punjab

Sr. No.	Section	Total Area in Sqm	Rate (INR.)/ Sqm	Total Cost (Rs. In Lakhs.)
1	Uni Tanks.	294	21000	61.74
2	Bonded Ware House	1500	7500	112.5
3	Empty Bottle Yard	1000	4500	45
4	Water Storage Tank-Cap 1000m3	--	--	50.00
5	Landscaping	--	--	10.00
6	Miscellaneous (Incl Consultant's fee)	--	--	6.98
		2794.00		286.22

Chopanki, Rajasthan

Sl. No.	Section	Total Area in Sq. mtr.	Rate (Rs.) / Sq. mtr.	Total Cost (Rs. In Lakhs.)
1	Uni Tanks.	294	21000	61.74
2	Bonded Ware House	1500	7500	112.5
3	Empty Bottle Yard	1000	4500	45
4	Water Storage Tank-Cap 1000m3	--	--	50.00
5	Landscaping	--	--	10.00
6	Miscellaneous (Incl. Consultant's fee)	--	--	21.00
				300.24

3. Plant & Machinery

The estimated total cost of plant & machinery for the expansion at some of our existing manufacturing locations based on the quotations dated December 06, 2007 received from Alfa Laval (India) Limited is Rs. 16494.80 Lakhs. For ancillary equipments at Taloja Maharashtra, our Company has received quotations from Sidel India Private Limited, Alfa Laval (India) Limited and Krones AG dated January 9, 2008, December 14, 2007 and November 28, 2007, respectively. Our Company is yet to place orders for the equipment / machineries for the expansion at existing facilities. The details of the machinery as per the quotations are as follows:

Sl. No.	Name of Unit	Additional major process equipment required			Total Cost (Rs. In Lakhs)
		Qty.	Name	Size	
1	Taloja, Maharashtra	1 s	New malthouse	10 TPH	3,200
		1 s	New brewhouse with vessel configuration of	500 HL cold cast-out	
		1 n	Rice cooker		
		2 n	Mash kettle		
		1 n	Mash filter		
		1 n	Pre-run vessel		
		1 n	wort kettle		
		1 n	Whirl pool		
		1 s	CIP Plant for new brewhouse	3 vessel x 100 HL	
		2 n	Process water tanks & peripherals	600 HL	
		1 n	One brew collection tank + pump + piping	500 HL	
		6 n	Unitanks with peripheral items	3000 HL	
		2 n	BBT with peripherals	1500 HL	
		1lot	Utilities (Including Refrigeration, CO2 Plant, Piping and other Electrical and miscellaneous items including ETP)		484.34
		1 lot	Bottlery		900
			Filler	36000 BPH	
			Labeller	36000 BPH	
			Packer	36000 BPH	
			Packaging machines	36000 BPH	
		1 lot	Canning line	30000 CPH	2,300
		1 lot	Ancillary Equipments for new products		
			- Pet Line and ancillary equipments	12000 BPH	1872.30
			- Flash Pasteurizer and ancillary equipments	30 HLPH	200.00
			- Blending equipments		600.00
2	Khurda, Orissa		- Labeller for new products labeling		327.70
			Total Estimated Value		9,884.34
		1 job	Shifting & re-installation of 250 HL brewhouse	250/260 HL	500
		1 lot	new electrical cables, control cables, trays, conduits, structure, ins. & cladding, shortfall pipings etc.		
		1 lot	New software		
		2 n	Process water tanks & peripherals	600 HL	
		1 n	CIP plant for brewhouse	50 HL	
		3 n	Unitanks with peripheral items	1500 HL	
		1 n	BBTs with peripheral items	750 HL	

Sl. No.	Name of Unit	Additional major process equipment required			Total Cost (Rs. In Lakhs)
		Qty.	Name	Size	
			Utility (including DG Set, Refrigeration, WTP, ETP)		200
			Bottlery (including, pasteurizer, packer, sealer and conveyor)	18000 BPH	299.70
			Total Estimated Value		999.70
3	Ponda, Goa	1 s	Addition of brewhouse vessels comprising of:	250/260 HL	300
		1 n	Pre-run vessel		
		2 n	Unitanks with peripheral items	2000 HL	
			Utility (includes WTP, ETP and Refrigeration)		300
			Bottling (includes Conveyors, carton erector and other miscellaneous items)		200
			Total Estimated Value		800
4	Chopanki, Rajasthan	1 s	Addition of brewhouse vessels comprising of:	300/312 HL	350
		2 n	Unitanks with peripheral items	1800 HL	
		1 n	BBT with peripherals items	900 HL	
			Utility (including Refrigeration, WTP, Electrical)		200
			Bottlery (includes Conveyors)		60.76
			Total Estimated Value		610.76
5	Ludhiana, Punjab	1 job	Shifting & re-installation of 250 HL brewhouse	250/260 HL	880
		1 lot	new electrical cables, control cables, trays, conduits, structure, ins. & cladding, shortfall pipings etc.		
		1 lot	New software		
		1 job	Up-gradation of 5.6 dia LT suitable for 300 HL brew		
		1 n	Pre-run vessel		
		4 n	Unitanks with peripheral items	2100 HL	
		2 n	BBT with peripherals items	900 HL	
			Utility (including Refrigeration, WTP, Electrical)		220
			Bottlery (includes washer, filler, pasteurizer, labeler, packaging machines and conveyors)	18000 BPH	1,100
			Total Estimated Value		2,200
6	Kalyani, West Bengal	4 n	Unitanks with peripheral items	1600 HL	510
		1 n	BBT with peripheral items	800 HL	90
			Total Estimated Value		600
7	Mangalore, Karnataka	1 s	Addition of brewhouse vessels comprising of:	160/166 HL	230
		1 n	Mash kettle		
		1 n	Lautertun		
		1 n	Pre-run vessel		
		3 n	Unitanks with peripheral items	1280 HL	250
		1 n	BBT with peripherals items	640 HL	50
			Utility (Including Refrigeration, WTP, Electrical, Boiler)		220
			Bottlery (including Filler, Pasteurizer, conveyors)		340
			Total Estimated Value		1,090
8	Neelmangala, Karnataka		Malt Silo	2X 250 MT	2660
			Destoner	6 TPH	
			Screeener	6 TPH	



Sl. No.	Name of Unit	Additional major process equipment required			Total Cost (Rs. In Lakhs)
	Qty.	Name	Size		
		Malt Mill	6 TPH hammer mill		
		Mash Kettle	350 HL		
		Mash filter/ LT	350 HL		
		BH automation			
		BH CIP			
		Wort Aeration			
		Yeast Plant			
		Fixed SS piping			
		Unitanks	6 x 2100 HL		
		Candle Filter	150 HL/ hr		
		Utilities (Includes Refrigeration, RO)		500	
		Bottlery (Includes Case Packer and Pasteurizer extension)			150
		Total Estimated Value			3,310
		Grand Total			19494.80

C. General Corporate purposes

The application of issue proceeds for general corporate purposes would include but not be restricted to financing our further expansion plans, capital expenditure, investment in technology up-gradation, repayment of borrowings, meeting exigencies etc. which our Company in the ordinary course of business may incur. Our Management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. We intend to use Rs. 2,567.74 Lakhs for general corporate purposes.

D. Issue expenses

The total expenses of the Issue are estimated to be approximately Rs. 342 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 0.80% of the gross proceeds of the Rights Issue. The following table gives break-up of estimated Issue expenses:

Particulars	Estimated Expenses (Rs. In Lakhs)	% of the Issue Expenses	% of Total Issue Size
Fees payable to intermediaries/advisors	180.00	52.63	0.42%
Advertisement Expenses	80.00	23.39	0.19%
Printing, Postage and Stationery	40.00	11.70	0.09%
Contingency, Stamp Duty Fee, Filing Fees etc.	42.00	12.28	0.10%
Total	342.00	100.00	0.80%

Means of Finance

Particular	Amount (Rs in Lakhs)
Rights Issue of 2,40,04,825 Equity Shares of Re. 1/- each at Rs. 177/- per Equity Share	42,488.54
Total	42,488.54

Schedule of Implementation**For Green field Brewery Project:**

Sr. No.	Particulars	Date of Commencement	Date of Completion
1.	Acquisition of Land	Completed	
2.	Building and civil works	June 2008	March 2009
3.	Acquisition of Plant and Machinery	July 2008	June 2009
4.	Installation, Electrification and Erection etc.	March 2009	August 2009
5.	Trial Production	August 2009	
6.	Commencement of Commercial Production	August 2009	

For Expansion:

Sr. No.	Particulars	Phase I		Phase II	
		Date of Commencement	Date of Completion	Date of Commencement	Date of Completion
1.	Acquisition of Land	Already Commenced	August 2008	-	-
3.	Installation of Plant and Machinery	January 2009	June 2009	October 2009	March 2010
4.	Trial Production	June 2009		March 2010	
5.	Commencement of Commercial Production	July 2009		April 2010	

Year-wise of Deployment of Funds

Rs. In Lakhs

Sr. No.	Particulars	FY 08		FY 09		FY 10	
		Green field Breweries	Expansion Phase – I	Green field Breweries	Expansion Phase – I	Green field Breweries	Expansion Phase – II
1.	Land	612.77	-	587.23	1300.00	-	-
2.	Building & Civil Work	-	-	2000.00	1580.00	1861.30	1416.77
3.	Plant and Machinery	-	-	7120.00	10409.00	4218.70	9085.80
	Total	612.77	-	9707.23	13289.00	6080.00	10502.57

Sources and Deployment of funds

M/s J M Nagaraj & Associates, Chartered Accountant (Membership No. – 214360) has certified vide his certificate dated March 21, 2008, that the sources and deployment of funds for acquisition of land in Andhra Pradesh are as follows:

Particulars	Amount (Rs. In Lakhs)
Deployment of Funds	
Purchase of Land for the Green Field Brewery Project in Andhra Pradesh	612.77
Total	
Sources of Funds	
Internal Accruals	612.77
Total	612.77



Appraisal

The fund requirement and deployment of the funds are based quotations received and internal management estimates and have not been appraised by any bank or financial institution.

Working Capital requirement

The net proceeds of this Issue will not be used to meet our working capital requirements as we expect to have internal accruals and bank finance to meet its working capital requirements.

Interim Use of Proceeds

In the event our Company receives at least the minimum subscription of 90% of the application money for the Issue, and pending utilization of Issue proceeds for the purposes set forth in this Letter of Offer, the management, in accordance with the policies set up by the Board, will have flexibility in deploying the proceeds received from the Issue. During this period depending on options available, we may also consider temporarily investing the funds in interest/dividend bearing liquid instruments including money market mutual funds and deposits with banks for the necessary duration and / or to temporarily deposit the funds in Cash Credit accounts with banks for reducing overdraft and short-term loans, Gilt edged securities and other interest bearing securities. The funds will not be deployed in equity or in equity related instruments. Such investments would be at the prevailing commercial rates at the time of investment, in accordance with investment policies approved by the Board from time to time.

Monitoring of Utilization of funds

The Board of Directors and Audit Committee of our Company will monitor the utilization of the proceeds of the Issue. The Audit Committee of Our Company has met five times over the last financial year. Our Company has not appointed any monitoring agency. Our Company will disclose the utilization of proceeds of the issue under a separate head in its balance sheet for FY 2009 and FY 2010 specifying the purpose for which such proceeds have been utilized. Our Company will, in its balance sheet for FY 2009 and FY 2010, 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.

Except as stated above, no part of the Rights Issue proceeds, will be paid by our Company, as consideration to Promoters, Directors, Company's key managerial personnel's or companies promoted by the Promoters.

BASIC TERMS OF THE ISSUE**EQUITY SHARES**

Face Value	Each Equity Share has the face value of Re. 1/-.
Issue Price	Each Equity Share is being offered at a price of Rs. 177/- per share (including a premium of Rs. 176/- per share).
No. of Equity Shares offered	2,40,04,825 Equity Shares of Re. 1/- each
Rights Entitlement Ratio	The Equity Shares are being offered on rights basis to the existing Equity Shareholders of our Company in the ratio of 1 Equity Shares for every 9 Equity Shares held as on the Record Date.
Record Date	April 21, 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) Consolidated share certificate for the total Equity Shares allotted to one (1) folio.
Terms of Payment	100% of the issue price i.e. Rs. 177/- per Equity Share (Re. 1/- face value + Rs. 176/- share premium) is payable on Application.
Fractional Entitlements	For Equity Shares being offered on rights basis under this Rights Issue, if the shareholding of any of the Equity Shareholders is less than 9 or is not in the multiples of 9, then the fractional entitlement of such holders shall be ignored. Shareholders whose fractional entitlements are being ignored would be given preferential allotment of ONE additional share each if they apply for additional shares as per the Basis of Allotment mentioned on page 411 of this Letter of Offer. Those Equity shareholders having holding less than 9 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 renounce the same to third parties. CAF with zero entitlement will be non negotiable/non renunciable.
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 399 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. viii and 136 respectively to get a more informed view before making the investment decision.

Qualitative Factors

1. Our Company is the leading beer manufacturing company in India and has a 39% market share in the Indian beer market (which increases to 48% when including the market share of MAPL). (Source: Euromonitor International, June 2007)
2. Our Company has a large and varied portfolio of brands, including the well-known "Kingfisher" brand, UB Export Lager, London Pilsner, UB Premium Ice, Kalyani Black Label Strong, Kalyani Black Label Premium, Guru Lager, Sand Piper Premium, Bullet Super Strong and Zingaro Super Strong.
3. State of the art brewing facilities (both owned and contracted) across India in all major States.
4. Our Company has an established marketing and wide distribution network across India.
5. Our Company has an experienced management team comprising of professionals with wide experience.

For more details, please refer to the heading "Competitive Strengths" under section titled "Business Overview" beginning on page 53 of this Letter of Offer.

Quantitative Factors

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

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

Particulars	Standalone EPS on a face value of Re. 1/- (in Rs.)	Consolidated EPS on a face value of Re. 1/- (in Rs.)	Weight
Year ended March 31, 2005	0.79	(0.09)	1
Year ended March 31, 2006	1.93	0.53	2
Year ended March 31, 2007	2.15	1.68	3
Weighted Average	1.85	1.00	

The EPS for nine months period ended December 31, 2007 is Rs. 1.49 on a standalone basis and Rs. 1.27 on a consolidated basis.

(ii) Price Earnings Ratio (P/E Ratio) pre-Issue in relation to Issue Price of Rs. 177 per Equity Share

- a. For the year ended March 31, 2007, EPS on a standalone basis is Rs. 2.15 and Rs. 1.68 on a consolidated basis.
- b. P/E based on Consolidated EPS, as restated, for the year ended March 31, 2007 is 105.36.
- c. Industry P/E

Highest (United Breweries Limited)	66.3
Lowest (GM Breweries Limited)	4.4
Industry Composite	39.5

Source: Capital Market, March 24 – April 06, 2008, Category – Breweries and Distilleries

(iii) Weighted Average Return on Net Worth

Particulars	RONW on Standalone Basis (%)	RONW on Consolidated Basis (%)	Weight
Year ended March 31, 2005	5.57	0.00	1
Year ended March 31, 2006	7.72	2.17	2
Year ended March 31, 2007	8.02	6.54	3
Weighted Average	7.51	3.99	

The Average Return on Net Worth for nine months period ended December 31, 2007 is 5.22% on a standalone basis and 4.66% on a consolidated basis.

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 – 3.98%

(v) Net Asset Value (NAV):

- a. NAV per Equity Share for the year ended March 31, 2007 (Standalone basis) is Rs. 26.80
- b. NAV per Equity Share for the year ended March 31, 2007 (Consolidated basis) is Rs. 25.69
- c. NAV per Equity Share for the nine months period ended December 31, 2007 (Standalone basis) is Rs. 28.58
- d. NAV per Equity Share for the nine months period ended December 31, 2007 (Consolidated basis) is Rs. 27.25
- e. NAV per Equity Share after the Issue is Rs. 42.22
- f. Issue Price per Equity Share is Rs. 177

Net Asset Value per Equity Share represents shareholders' equity (after deduction of preference capital) as per restated standalone and consolidated 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 listed comparable companies in the same industry group

The following table provides data of companies which are operating in the beer industry in India. Kindly note that since there are no identical listed Company which can be considered comparable with our Company in terms of size in this segment the information given below is of limited relevance.

Description	Period Ended	EPS (Rs)	P/E (Times)	Return on Net Worth (%)	Net Asset Value per Equity Share (Rs.)
GM Breweries Limited	March 31, 2007	12.4	4.4	41.3	35.8
Winsome Breweries Limited	March 31, 2007	0.1	-	-	0.2
United Breweries Limited	March 31, 2007	2.6	66.3	20.2	14.4
Industry Average			39.5		

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, March 24 – April 06, 2008, Category – Breweries and Distilleries"



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, 1997 as amended vide Circular of even no dated March 8, 1997 is given below:

Please refer to page no. 232 of this Letter of Offer.

Share Prices of United Breweries 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
April 18, 2008	182.15	186.05	176.90
April 11, 2008	182.70	189.75	179.05
April 04, 2008	186.10	197.90	185.15
March 28, 2008	180.05	180.05	157.15

Market Price as on April 18, 2008 is Rs. 182.15.

The Face Value of the shares is Re. 1/- per share and the Issue Price of Rs. 177/- is 177 times the Face Value of Equity Shares.

Based on the above mentioned qualitative, quantitative 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. 177/- per Equity Share is reasonable and justified.

STATEMENT OF TAX BENEFITS

The Board of Directors
United Breweries Limited
UB Anchorage, 100/1, Richmond Road
Bangalore – 560 025

Dear Sirs,

Subject: Statement of Possible Tax Benefits

We hereby certify that the enclosed annexure, initialed by us for identification and read with the ‘Scope Limitation’ mentioned therein, states the possible tax benefits available to ‘United Breweries Limited (the “Company”) and to the Shareholders of the Company under the provisions of the Income Tax Act, 1961 (IT Act) and other direct tax laws currently in force in India.

The benefits discussed below are not exhaustive. The statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for a professional tax advice. Each investor is advised to consult his or her or their own tax consultant with respect to the specific tax implications of an investment in the issue.

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

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

The contents of this annexure are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

This report is intended solely for your information and for the 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.

J Majumdar

Partner

Membership No: F 51912

For and on Behalf of

Price Waterhouse

Chartered Accountants

Date: March 26, 2008

Place: Bangalore



Tax Benefits

A. To the Company - Under the Income Tax Act, 1961

- In accordance with and subject to the provisions of section 32 of the Income Tax Act, 1961 ('IT Act'), the company would be entitled to claim depreciation on tangible and intangible assets as specified under the provisions of the Act.
- Under section 35 of the IT Act and subject to the conditions specified therein, the company would be entitled to deduction in respect of expenditure (both capital and revenue) laid out or expended on Scientific Research related to the business.
- In accordance with and subject to the provisions of section 36(1)(iii) of the IT Act, the company would be entitled to claim deduction in respect of interest paid on capital borrowed for the purposes of its business.
- In accordance with section 10(34) of the IT Act, dividend income referred to in section 115-O of the IT Act, are exempt from tax in the hands of the Company.
- In accordance with section 10(35) of the IT Act, income received in respect of a Mutual Fund specified under clause (23D) of section 10 of the IT Act, are exempt from tax in the hands of the Company.
- In accordance with section 10(38) of the IT Act, income arising from transfer of long term capital asset, being an equity share in a company or a unit of an equity oriented fund which are subject to Securities Transaction Tax, are exempt in the hands of the Company.
- Under section 54EC of the IT Act and subject to the conditions and to the extent specified therein, long term capital gains arising on the transfer of shares by the Company will be exempt from capital gains tax if the capital gains are invested within a period of 6 months after the date of such transfer in eligible bonds (to be held for a minimum period of 3 years) issued by -
 - National Highways Authority of India constituted under section 3 of the National Highways Authority of India Act, 1988 ;
 - Rural Electrification Corporation Limited, the company formed and registered under the Companies Act, 1956;However, the investment made on or after April 1, 2007 in the specified bonds should not exceed Rs 50 lakhs.
- Unless otherwise exempt under section 10(38) of the Act, long term capital gains (i.e., if shares are held for a period exceeding 12 months) arising on transfer of shares of the Company, as and when they are listed, shall be taxed under section 112 of the IT Act and other relevant provisions of the IT Act, at the rate of 20% (plus applicable surcharge, education cess and special education cess) after indexation as provided in the second proviso to section 48 or at 10% (plus applicable surcharge, education cess and special education cess) without indexation, at the option of the Company. However as per the provisions of section 111A of the IT Act and subject to the conditions and restrictions mentioned thereunder, short term capital gains arising from transfer of a short term capital asset, being an equity share in a Indian Company, shall be taxed at 10% (plus applicable surcharge, education cess and special education cess) provided the shares are subject to Securities Transaction Tax. The Finance Bill 2008 proposes to enhance the short term capital gains tax rate to 15% (plus applicable surcharge, education cess and special education cess) effective from April 1, 2008.

Special tax benefits to the Company

None

B. To the Members of the Company - Under the Income Tax Act, 1961

B.1 Resident Members

- In terms of section 10(34) of the IT Act, dividend income referred to in section 115-O of the IT Act, are exempt from tax in the hands of the shareholder.
- In accordance with section 10(38) of the IT Act, income arising from transfer of long term capital asset, being an equity share in a company or a unit of an equity oriented fund which are subject to Securities Transaction Tax, are exempt in the hands of the shareholder.
- Under section 54EC of the IT Act and subject to the conditions and to the extent specified therein, long term capital gains arising on the transfer of shares of the Company will be exempt from capital gains tax if the capital gains are invested within a period of 6 months after the date of such transfer in eligible bonds (to be held for a minimum period of 3 years) issued by

- National Highways Authority of India constituted under section 3 of the National Highways Authority of India Act, 1988
 - Rural Electrification Corporation Limited, the company formed and registered under the Companies Act, 1956;
- However, the investment made on or after April 1, 2007 in the specified bonds should not exceed Rs 50 lakhs.
- In accordance with section 54F of the IT Act and subject to the conditions and restrictions mentioned therein, long term capital gains arising to an individual or Hindu Undivided Family (HUF) on transfer of shares of the Company will be exempt from capital gains tax, if the net sale proceeds from such shares are utilised for purchase of residential house property within a period of one year before and two years 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.
 - Unless otherwise exempt under section 10(38) of the Act, long term capital gains (i.e., if shares are held for a period exceeding 12 months) arising on transfer of shares of the Company, as and when they are listed, shall be taxed under section 112 of the IT Act and other relevant provisions of the IT Act, at the rate of 20% (plus applicable surcharge, education cess and special education cess) after indexation as provided in the second proviso to section 48 or at 10% (plus applicable surcharge, education cess and special education cess) without indexation, at the option of the shareholder. However as per the provisions of section 111A of the IT Act and subject to the conditions and restrictions mentioned thereunder, short term capital gains arising from transfer of a short term capital asset, being an equity share in a Indian Company, shall be taxed at 10% (plus applicable surcharge, education cess and special education cess) provided the shares are subject to Securities Transaction Tax. The Finance Bill 2008 proposes to enhance the short term capital gains tax rate to 15% (plus applicable surcharge, education cess and special education cess) effective from April 1, 2008.

B.2 Non-Resident Indians/ Non Residents Members [Other than FIIs and Foreign venture capital investors].

- In terms of section 10(34) of the IT Act, dividend income referred to in section 115-O of the IT Act, are exempt from tax in the hands of the shareholder.
 - In accordance with section 10(38) of the IT Act, income arising from transfer of long term capital asset, being an equity share in a company or a unit of an equity oriented fund which are subject to Securities Transaction Tax, are exempt in the hands of the shareholder.
 - Under the first proviso to section 48 of the IT Act, a non-resident who has invested in the shares of the company in convertible foreign exchange (as per the exchange control regulations) is entitled to protection from fluctuations in the value of rupee vis-à-vis the foreign currency in which the investment was originally made. The capital gains/ loss in such a case is to be computed by converting the cost of acquisition, sales consideration and expenditure incurred wholly and exclusively in connection with such transfer into the same foreign currency which was utilised in the purchase of the shares. However, cost indexation benefits will not be available in such a case.
 - Under section 54EC of the IT Act and subject to the conditions and to the extent specified therein, long term capital gains arising on the transfer of shares of the Company will be exempt from capital gains tax if the capital gains are invested within a period of 6 months after the date of such transfer in eligible bonds (to be held for a minimum period of 3 years) issued by -
 - National Highways Authority of India constituted under section 3 of the National Highways Authority of India Act, 1988 ;
 - Rural Electrification Corporation Limited, the company formed and registered under the Companies Act, 1956;
- However, the investment made on or after April 1, 2007 in the specified bonds should not exceed Rs 50 lakhs.
- Under section 54F of the IT Act, long term capital gains arising to an individual or Hindu Undivided Family (HUF) on transfer of shares of the company will be exempt from capital gain tax subject to other conditions, if the sale proceeds from such shares are used for purchase of residential house property within a period of one year before and 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 (subject to exchange control regulations).
 - Unless otherwise exempt under section 10(38) of the Act, long term capital gains (i.e., if shares are held for a period exceeding 12 months) arising on transfer of shares in the Company, as and when they are listed,

shall be taxed under section 112 of the IT Act and other relevant provisions of the IT Act, at the rate of 20% (plus applicable surcharge, education cess and special education cess) after indexation as provided in the second proviso to section 48 (indexation not available if the investment is made in foreign currency and subject to exchange fluctuation benefits under the first proviso to section 48) or at 10% (plus applicable surcharge, education cess and special education cess) without indexation, at the option of the shareholder. However as per the provisions of section 111A of the IT Act and subject to the conditions and restrictions mentioned thereunder, short term capital gains arising from transfer of a short term capital asset, being an equity share in a Indian Company, shall be taxed at 10% (plus applicable surcharge, education cess and special education cess) provided the shares are subject to Securities Transaction Tax. The Finance Bill 2008 proposes to enhance the short term capital gains tax rate to 15% (plus applicable surcharge, education cess and special education cess) effective from April 1, 2008.

- A non-resident Indian (i.e. an individual who is a citizen of India or person of Indian origin but is a non resident) has an option to be governed by the provisions of Chapter XII-A of the IT Act viz. "Special Provisions Relating To Certain Incomes of Non-Residents", in terms of which –
 - Under section 115E of the IT 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 be concessionally taxed at the flat rate of 10% (plus applicable surcharge, education cess and special education cess) but without indexation benefit and protection against foreign exchange fluctuation.
 - Under provisions of section 115F of the IT Act, long term capital gains 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.
 - Under provisions of section 115G of the IT 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 therefrom.
 - Under section 115-I of the IT Act, a Non-Resident Indian may elect not to be governed by the provisions of Chapter XII-A for any Assessment Year by furnishing his Return of Income under section 139 of the IT 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 the said chapter shall not apply to him and the other provisions of the Act shall apply instead. However as per the provisions of section 111A of the IT Act and subject to the conditions and restrictions mentioned thereunder, short term capital gains arising from transfer of a short term capital asset, being an equity share in a Indian Company, shall be taxed at 10% (plus applicable surcharge, education cess and special education cess). The Finance Bill 2008 proposes to enhance the short term capital gains tax rate to 15% (plus applicable surcharge, education cess and special education cess) effective from April 1, 2008.

Special tax benefits to the members of the Company

None

B.3 Foreign Institutional Investors (FIIs)

- In terms of section 10(34) of the IT Act, dividend income referred to in section 115-O of the IT Act, is exempt from tax in the hands of the shareholder.
- In accordance with section 10(38) of the IT Act, income arising from transfer of long term capital asset, being an equity share in a company or a unit of an equity oriented fund which are subject to Securities Transaction Tax, are exempt in the hands of the shareholder.
- The income by way of short term capital gains or long term capital gains realized by FIIs (notified by the Central Government) on sale of shares in the company would be taxed at the following rates as per section 115AD of the IT Act.
 - Short term capital gains – 30% (plus applicable surcharge, education cess and special education cess). However as per the provisions of section 111A of the IT Act and subject to the conditions and restrictions mentioned thereunder, short term capital gains arising from transfer of a short term capital asset, being an equity share in a Indian Company, shall be taxed at 10% (plus applicable surcharge, education cess and special education cess). The Finance Bill 2008 proposes to enhance the short term

capital gains tax rate to 15% (plus applicable surcharge, education cess and special education cess) effective from April 1, 2008.

- Long term capital gains – 10% (plus applicable surcharge, education cess and special education cess) but without indexation / fluctuation benefits

(Shares held in a company would be considered as a long-term capital asset provided they are held for a period exceeding 12 months.)

B.4 Venture Capital Companies/ Funds/ Mutual Funds

- In terms of section 10(23FB) of the IT Act, all Venture capital companies/ funds registered with Securities and Exchange Board of India, subject to the conditions specified in the said section, are eligible for exemption from income tax on all their income, including income from sale of shares of the company.
- In terms of section 10(23D) of the Income Tax Act, 1961 all Mutual Funds set up by Public Sector Banks or Public Financial Institutions or Mutual Funds registered under the Securities and Exchange Board of India or authorized by the Reserve Bank of India, subject to the conditions specified therein are eligible for exemption from income tax on all their income, including income from investment in the shares of the company.

C. Benefits to Members of the Company under the Wealth Tax Act, 1957

Shares of the company held by the shareholder will not be treated as an asset within the meaning of section 2(ea) of Wealth Tax Act, 1957, hence Wealth Tax Act will not be applicable.

D. Gift Tax

At present, there is no gift tax in India. Accordingly, the gift of shares of the company would not be liable to Gift tax.

Scope Limitation

- Our comments are based on the law as of date. Tax rates mentioned above are those which are currently applicable. Tax laws are subject to changes from time to time and as such any changes may affect the advice contained in our opinion. We have no responsibility to update our advice for events and circumstances occurring after the date of this opinion, unless specifically requested by you.
- In respect of non-residents, the tax rates and the consequent taxation mentioned above shall be subject to any further benefits available under the Double Taxation Avoidance Agreements, if any, between India and the country in which the non-resident has fiscal domicile.
- Tax advice is a matter of interpretation of law and is based on our experience with the tax authorities. Accordingly, it cannot be said with certainty that the tax authorities would accept the opinion expressed above.
- In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her participation in the scheme.
- Several of these tax benefits are dependent upon 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 tax benefits is dependent upon fulfilling of such conditions, which is based on business imperatives, in the case of the company and on the specific circumstances, in the case of the shareholders.



SECTION IV: ABOUT US

INDUSTRY OVERVIEW

Indian Alcoholic Beverages Industry

Alcoholic beverages are a growing industry in India. The alcoholic beverages industry in India is generally divided into two main categories-Industrial Alcohol and Potable Alcohol. Potable Alcohol segment comprises some categories as Beer, Country Liquor, Indian Made Foreign Liquor (IMFL) and wine. IMFL primarily comprises wine, vodka, gin, whisky, rum and brandy.

Growth Drivers:

The growth of beer consumption in India is being driven by a variety of factors:

Culture – the growth of an affluent, well educated professional middle-class that is keen to consume Western products

Economic and population growth – rising living standards are opening up beer to an increasing portion of the population. Consumer expenditure is growing at 7-8% per annum at present fuelled by a steady growth in India's over 1 billion population.

Improved quality and availability – the arrival of foreign capital and brewing techniques are leading to an upgrade in the quality of beer and its availability.

De-regulation – beer consumption is heavily regulated by State Governments in India. However, a number of states are beginning to relax restrictions on distribution and the retailing of beer, thereby generating a huge stimulus for beer consumption.

Changing Demographic Profile – The number of households consisting of couples without children increased by 25% during 2001-06, while the number of single person households grew by 35%. The economic boom in India encouraged many to seek career growth and wealth. Consequently, developed cities such as Mumbai and Bangalore are home to an increasing number of consumers, with high income levels. The number of bars and restaurants have increased substantially in cities, with consumers eating and drinking out more frequently. Consumers of both genders are now entertaining at home more frequently, holding more parties and having a more relaxed attitude towards alcohol consumption.

These trends boosted alcoholic drinks across the board, with total volume sales expanding by 11% in 2006 over the previous year. Niche products with a growing and fashionable urban appeal saw the strongest growth, with high-strength premixes and wine both expanding volume sales by 17% in 2006. Premium spirits also saw strong growth, with white spirits seeing 17% volume growth in the year. With rising income levels, there was a shift towards premium products across alcoholic drinks, with premium lager for example achieving 12% volume growth in 2006 over the previous year in contrast to the 9% growth seen for standard lager.

The alcoholic drinks can be broadly classified into the following categories, namely:

- Beer
- Cider
- High Strength Premixes
- Wine
- Spirits

The following tables show the growth in sales of various alcoholic beverages in terms of value and volume between 2001 and 2006:

Sales of Alcoholic Drinks by Sector: Total Volume 2001-2006

Million litres	2001	2002	2003	2004	2005	2006
-Beer	623.9	678.1	705.2	744.2	817.6	907.2
-Cider	-	-	-	-	-	-
-RTDs/High-strength premixes	-	0.7	3.1	3.8	4.9	5.7
-Wine	2.4	2.8	3.3	3.9	4.6	5.4
-Spirits	688.7	745.6	806.2	866.0	944.2	1,039.1
Alcoholic drinks	1,314.9	1,427.2	1,517.9	1,617.9	1,771.3	1,957.3

Source: © Euromonitor International, June 2007

Sales of Alcoholic Drinks by Sector: Total Value 2001-2006

Rs million	2001	2002	2003	2004	2005	2006
-Beer	55,812.1	62,951.2	66,957.1	71,925.5	80,307.8	90,254.7
-Cider	-	-	-	-	-	-
-RTDs/High-strength premixes	-	123.4	572.8	686.9	858.2	1,010.9
-Wine	1,961.9	2,467.9	3,029.1	3,661.2	4,381.7	5,228.4
-Spirits	413,640.0	462,905.3	515,797.9	574,185.1	639,907.9	717,632.3
Alcoholic drinks	471,414.1	528,447.8	586,356.8	650,458.8	725,455.7	814,126.2

Source: © Euromonitor International, June 2007

Indian Beer Industry

The Indian beer market had a sales volume of 907.2 million litres in 2006 and is expected to reach 1,368.6 million litres by 2011. The Indian beer industry, like any other liquor industry is highly regulated. This has resulted in high pricing of the product due to high taxes and levies imposed. Irrespective of the regulations with respect to the product being sold and levy of taxes, over the period from 2001 to 2006, the Indian beer market has seen growth in total revenues from Rs. 55,812.1 million in 2001 to Rs. 90,254.7 million in 2006, which represents a compounded annual growth rate (CAGR) of 10.1% for the five-year period. The market consumption volumes during the same period increased with a CAGR of 7.8% to reach a total of 907.2 million liters in 2006 from 623.9 million liters in 2001.

Source: © Euromonitor International, June 2007

The following tables below show the path of growth of revenues and volumes in the Indian beer market:

Sales of Beer by Sub-sector: Total Value 2001-2006

Rs million	2001	2002	2003	2004	2005	2006
-- Lager by price platform	55,812.1	62,951.2	66,957.1	71,925.5	80,307.8	90,254.7
--- Premium lager	43,203.1	48,790.3	52,072.0	56,141.0	63,045.9	71,336.7
--- Standard lager	12,609.1	14,160.9	14,885.1	15,784.5	17,261.9	18,917.9
- Beer	55,812.1	62,951.2	66,957.1	71,925.5	80,307.8	90,254.7

Source: © Euromonitor International, June 2007

Sales of Beer by Sub-sector: Total Volume 2001-2006

million litres	2001	2002	2003	2004	2005	2006
-- Lager by price platform	623.9	678.1	705.2	744.2	817.6	907.2
--- Premium lager	449.9	491.4	512.9	543.7	600.6	669.8
--- Standard lager	173.9	186.6	192.3	200.5	217.1	237.4
- Beer	623.9	678.1	705.2	744.2	817.6	907.2

Source: © Euromonitor International, June 2007



Premium lager segment continues to be the most significant in beer with sales of 669 million litres or 74% of the total in 2006. These products have higher alcohol content than most standard mild lager and sell impressively across all regions. Sales grew at 12% in volume terms in 2006 compared to the previous year, as rising income levels boosted interest in these stronger, premium but reasonably priced products. This beer also has the widest availability across off-trade and on-trade channels and the strongest promotion for brands. In contrast, domestic standard beer has limited availability in smaller off-trade and on-trade outlets.

Leading Players in Industry

The Indian brewery industry is a concentrated industry. Due to merger and acquisition, it is dominated by two top players (i.e. the UB Group (including our Company) and SAB Miller), which together have a 75% market share and provide attractive profit margins due to the consolidated nature of the industry. The UB Group (including UBL) accounts for nearly 47% of the total sales volume. Our Company directly controls 16 breweries, and has brewing contracts in place with another nine breweries.

The exceptional growth in the market last year, which witnessed intense competition between leading domestic players including SABMiller India, Mohan Meakins Ltd. And others, only served to highlight the immense opportunity for new entrants. Global brewers, such as Anheuser Busch, Carlsberg and APB, seeing a decline in their traditional Western markets, have looked to the growth of India and its future potential and are rapidly entering the market. In spite of the significant entry barriers, most major brewers have now made investments in the marketplace.

Key Brand Shares of Beer 2005

% total volume		
Key Brand	Company	2005
Kingfisher Premium Lager	United Breweries Ltd	19.1
Kingfisher Strong	United Breweries Ltd	16.1
UB Export Lager Beer	United Breweries Ltd	2.6
Kalyani Black Label Premium Lager	United Breweries Ltd	0.8
London No 1 Strong	United Breweries Ltd	0.6
London Pilsner	United Breweries Ltd	0.2
UB Ice Premium Beer	United Breweries Ltd	0.1
Taj Mahal Lager Beer	United Breweries Ltd	0.1
Zingaro	Millennium Alcobev Ltd	2.8
Sandpiper	Millennium Alcobev Ltd	1.8
Bullet Super Strong Beer	Millennium Alcobev Ltd	1.1
Marco Polo	Millennium Alcobev Ltd	0.6
Haywards 5000	SABMiller India Ltd	15.9
Knock Out	SABMiller India Ltd	7.0
Royal Challenge Premium Lager	SABMiller India Ltd	6.5
Haywards 2000	SABMiller India Ltd	3.4
Golden Eagle	Mohan Meakin Ltd	5.3
Black Knight	Mohan Meakin Ltd	1.6
Vorion 6000 Super Strong	Mohan Meakin Ltd	0.8
Foster's	Foster's India Ltd	2.1
Others		11.6
Total		100.0

Source: © Euromonitor International, June 2007

Distribution System

Regulation over alcoholic beverages industry is a state subject in India and is subjected to distribution control by state governments. Pricing in alcoholic beverages industry in majority of the states is controlled by the respective State Governments and only a few states provide the flexibility to the companies to fix the price. Some of the states providing flexibility to fix price and their contribution to our total sales are as follows:

Open Markets	% Contribution to Total Sales (FY 08)
Uttaranchal	0.1%
Haryana	2.7%
Punjab	2.0%
Chandigarh	0.4%
Himachal	0.5%
J&K	0.3%
West Bengal	2.9%
Assam	0.5%
Meghalaya	0.1%
Tripura	0.1%
Arunachal Pradesh	0.1%
Pondy	1.3%
Maharashtra	15.6%
Goa	3.8%
Daman/Diu	2.4%
Dadra-Nagar haveli	0.5%

(Source: Company Data)

Overall 3 types of distribution systems are prevalent in India – government controlled market, auction market and free market, functioning whereof are explained below:

- **Government controlled market:** Under this system, the state government purchases liquor from various entities either on its own or through an appointed agency. The state government then sells the products to consumers through its distribution network, after a mark-up. This system currently exists in some states of southern India.
- **Auction market:** Under this system, the state government auctions the right to sell liquor for an annual fee. The successful bidders then negotiate prices with the liquor companies and sell to consumers through their own distribution network. This model is often operated under a cartel arrangement. Further, there can be significant changes in distributors and consequently retailers every year, which often create bottlenecks in recoveries for manufacturers.
- **Free market:** Under this system, interested parties can open liquor shops by taking licenses from the State Government for a certain fee. Manufacturers sell the liquor directly to the retailers at negotiated prices. This system permits competition, transparency and more choice for the consumers.

Forecast for revenues and volumes in the Indian beer market:

The Indian beer market is anticipated to grow at a CAGR of 7.13% for the next five-years (2007-2011) and is expected to drive the market to a value of 142,418.0 million by the end of 2011.

The following tables below show the forecast for revenues and volumes in the Indian beer market:

Forecast Sales of Beer by Sub sector: Total Volume 2007-2011

million litres

	2007	2008	2009	2010	2011
-- Lager by price platform	1,003.6	1,099.7	1,193.9	1,285.0	1,368.6
--- Premium lager	747.1	826.2	904.8	981.9	1,052.4
--- Standard lager	256.5	273.5	289.1	303.1	316.2
- Beer	1,003.6	1,099.7	1,193.9	1,285.0	1,368.6

Source: © Euromonitor International, June 2007



Forecast Sales of Beer by Sub sector: Total Value 2007-2011

Rs million

	2007	2008	2009	2010	2011
-- Lager by price platform	100,942.0	111,782.0	122,550.2	132,923.9	142,418.0
--- Premium lager	80,322.2	89,619.0	98,934.2	108,013.7	116,288.5
--- Standard lager	20,619.7	22,163.0	23,616.0	24,910.2	26,129.5
- Beer	100,942.0	111,782.0	122,550.2	132,923.9	142,418.0

Source:© Euromonitor International, June 2007

Premium lager segment will continue to drive growth during 2008-11. While, imported premium lager will see the healthy growth – expanding by 86% in total volume during the same period this strong growth will be chiefly due to a low base along with widening awareness and availability in urban areas. Sales of imported premium lager will continue to account for considerably less than 1% of total beer volume sales. The strongest absolute growth is meanwhile expected to stem from domestic premium lager, which will grow by 57% in volume terms and account for 77% of total volume in beer by 2011. Growth will be supported by the rising popularity of strong lager with 8% alcohol content.

BUSINESS OVERVIEW

We are 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, aviation, investment holdings, property development, engineering, fertilizers and information technology. The UB Group is led by Dr. Vijay Mallya, Group Chairman.

Our Company was originally incorporated on May 13, 1999 as UB Infrastructure Projects Limited as a public limited company under the Companies Act, 1956. The name was changed to UB Beer Limited on July 31, 2001; subsequently the name of our Company was changed to United Breweries Limited on August 7, 2002.

Prior to de-merger of erstwhile United Breweries Limited (now known as United Breweries (Holdings) Limited) in to our company, the erstwhile United Breweries Limited was in to the business of brewing as well as investment holdings. Currently, our Company's business is to manufacture, market and distribute beer since the transfer and vesting of the brewing business in terms of the Scheme of Arrangement (For details of the Scheme of Arrangement please refer to page 93 of Letter of Offer). We are the leader in the beer industry owning a number of popular beer brands.

We manufacture our products in 12 owned breweries, 4 breweries through our joint venture and 9 contract manufacturing facilities in India and have marketing operations spread across India. Through a number of licensing arrangements our products are available in 49 countries including Hong Kong, Singapore and Australia. As of FY 2007, we are the largest beer manufacturing company in India in terms of revenues with a gross turnover of Rs. 160779.51 Lakhs. Our gross turnover for the nine month period ended December 31, 2007 is Rs. 155,071.95 Lakhs.

We have grown our operations by adding capacities, introducing new products, building new brands and creating a wide marketing and distribution network.

Our Company's flagship brand 'Kingfisher', has achieved international recognition consistently, and has won many awards in International Beer Festivals. Kingfisher Premium Lager beer is currently available in 49 countries outside India and leads the way amongst Indian beers in the International market. Other brands in our product portfolio include "Kingfisher Lager", "Kingfisher Strong", "Kingfisher Premium", "Kalyani Black Label Strong", "Kalyani Black Label Premium", "UB Premium Ice", "Charger Extra Strong" "UB Export Lager", "London Pilsner", "London No.1 Strong", "Kingfisher Premium Draught Beer", "Kingfisher Strong Draught", "Guru Lager", "Sand Piper Premium", "Bullet Super Strong" and "Zingaro Super Strong".

Our Company has entered into a multi-faceted strategic alliance with Scottish & Newcastle Plc (S&N), an international brewer, with over USD 6 billion in revenue and a market capitalization of over USD 14 billion.

Our Company along with SNIPL has formed a joint venture – Millennium Alcobev Pvt. Ltd. (MAPL), in which our Company together with its subsidiary hold 50% equity stake while the balance is held by SNIPL.

Competitive Strengths

Leading Beer Manufacturing Company in India

As of the date of this letter of offer, our Company has a 39% market share in the Indian beer market (which increases to 48% when including the market share of MAPL). (Source: © Euromonitor International, June 2007)

Large and varied portfolio of brands, including the well-known Kingfisher brands

We supply beer under well known brands which *inter alia* includes "Kingfisher Lager", "Kingfisher Strong", "Kingfisher Premium", "Kalyani Black Label Strong", "Kalyani Black Label Premium", "UB Premium Ice", "Charger Extra Strong", "UB Export Lager", "London Pilsner", "London No.1 Strong", "Kingfisher Premium Draught Beer", "Kingfisher Strong Draught", "Guru Lager", "Sand Piper Premium", "Bullet Super Strong" and "Zingaro Super Strong".

Our strong national presence is strengthened by ownership of the "Kingfisher" line of beers, such as Kingfisher Lager and Kingfisher Strong, which are market leaders in their respective beer segments. Our market share is



also strengthened by the breadth and diversity of our portfolio, to ensure that we occupy the major segments of the beer market.

State of the art brewing facilities (both owned and contracted) across India in all major States.

We manufacture our products in 12 owned breweries, 4 breweries through our joint venture and 9 contract manufacturing facilities in India and have marketing operations spread across India. Our Company has breweries in 15 of the 30 states in India where it is legal to produce and sell beer products. This geographic diversity allows us to mitigate exposure to the government policies and decisions of any one state.

Established marketing and wide distribution network across India

Our Company has an established marketing & sales network that ensures availability of the brands across the country. Our Company deals through a network of exclusive distributors where ever allowed by Excise Authorities. In other States where primary distribution is handled by State Government agencies, our Company uses this network to ensure widespread reach of all its brands. Our Company deploys various marketing tools to ensure that its brands continue to dominate the market.

Experienced management team comprising of professionals with wide experience

Our Company has attracted and retained an experienced and strong management team. Our Chairman, Dr. Vijay Mallya, provides strategic direction and leadership to our Company as a whole. Many of our directors and senior management have been with us for a long time and provide leadership in the areas of finance, business and resource planning to our Company's business.

Business Process:

Our company is engaged in the business of manufacturing and marketing of beer. We operate through 12 owned units, 4 owned through our joint venture and 9 contract manufacturing facilities across India. We supply beer under well known brands which *inter alia* includes Kingfisher Premium, Kingfisher Strong, UB Export Lager, London Pilsner, UB Premium Ice, Kalyani Black Label Strong, Kalyani Black Label Premium, London No.1 Strong, Charger Extra Strong, Kingfisher Premium Draught Beer, Kingfisher Strong Draught, Guru Lager, Sand Piper Premium, Bullet Super Strong and Zingaro Super Strong. Our business is highly regulated and inter-state movement is treated as export/imports with high duty slabs. Based on the involvement of Government in the distribution in each state, the market can be broadly classified as Government market, open market and auction market. Sales are effected based on the requirements of the Government Corporations or the Wholesalers, as the case may be in each State.

Sales Projections

The typical business process starts with monthly sales projections, which is in line with the sales budget approved at the beginning of each year. These Sales projections are received centrally from the Regional Sales offices located across India based on the industry trends. Based on the monthly sales projection the manufacturing department draws out a sourcing plan and consequent thereupon a permit generation plan is allocated to each brewery (owned & contract manufacturing facilities).

Permit Generation

The permit generation plan is typically drawn based on the requirements of the Government Corporation or the Wholesaler or is based on the market trends in Government markets, the average sales and availability of stock. Depending on the requirement orders are placed on the respective units of our Company. The State Excise Department issues permits for despatch of goods on the respective breweries as per the plan.

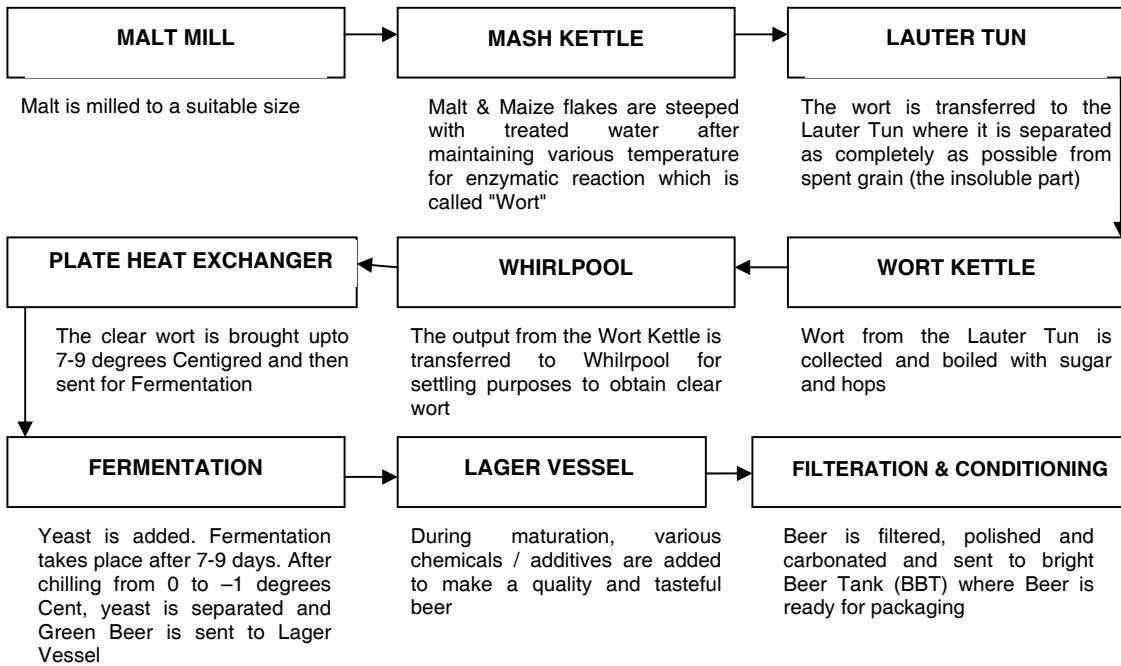
Production Planning

The production plan is based on the permit generation plan and export order received from UB Global, which is indicated in advance to the respective units to carry out production. The production plan is drawn on a monthly basis, in advance, based on the existing stock and the planned closing stock of the finished goods.

Procurement

This typically comprises of procurement of raw materials, packing materials, consumables, bottles etc depending on the production plan made available to each unit. Procurement planning is critical in the business as 50% of the cost of goods are of malt and bottles, while for labels, each brand in each state will have a different legend as per respective State requirements. The unit makes assessment of the existing stock of raw material, packing materials, bottles, etc. Generally sufficient quantity of raw/packing material is always available to cater to the planned requirement of the month. In case of any short fall, a sourcing memo is placed with the Head Office where the indents for sourcing material are placed centrally.

Manufacturing Process



Beer is a popular beverage. Beer is made from natural ingredients like barley malt, cane sugar, water and aromatic flowers (hops). Special preservatives help this natural process – even the alcohol in beer evolves naturally from the starch and sugars in the raw ingredients.

Brewing can be defined as the production of beer from malted barley, hops, yeast and water, with or without the addition of other carbohydrate materials. There are six broad steps in the production of beer. It starts with the preparation of a hot liquid extract or *wort* from barley malt. This is referred to as *mashing*. This extract is then boiled with hops to impart the characteristic bitter flavour and then fermented with yeast. The fermented wort is then matured and filtered to produce a clear beer, which is filled into bottles, cans or kegs.

Mashing

The basic raw material of conventional brewing is malted barley, which can be described as lightly roasted sprouted barley. This malt is first milled into a fine powder referred to as grist and fed into a large vessel called the mash tun where it is mixed with hot water at around 65 degree celsius to form slurry or mash during which the slurry is stirred with a set of paddles provided in the vessel. At the end of this time, the saccharified mash is transferred into another vessel called the lauter tun (lauter in German means to clarify), which is equipped with a perforated base much like a coffee percolator. This retains the spent mash and allows the clear extract (wort) to filter through – this wort is then collected in another vessel traditionally referred to as the wort kettle. The mash tun – lauter tun and wort kettle are typically housed adjacent to each other in a section of the brewery known as brewhouse.



Boiling

Along with hops, which provides the bitterness in a beer recipe, the extract or wort in the kettle is boiled with either direct steam or steam coils. At the end of this, the hops are separated from the wort through a strainer or a hop back. They may also be separated in a whirlpool separator, so called because the wort is led into the vessel in a tangential flow that creates a whirlpool effect. The hops pile up in the centre of the vortex and the wort is then decanted off.

Fermentation

The hopped wort is subsequently cooled to fermentation temperatures, which is generally between 7-15 degree celsius depending on the type of beer to be produced. It is aerated with compressed air to provide oxygen for fermentation, pitched or mixed with the chosen yeast and then transferred into large fermentation tanks for the yeast to act. Typically, lagers are fermented between 7-9 degree celsius and ales between 10-15 degree celsius. The process of fermentation generally takes six to ten days during which the yeast multiplies and vigorously ferments the wort sugars to produce ethyl alcohol and carbon dioxide. At the end of fermentation, the yeast either rises to the top in the case of ales, or settles to the bottom as in the case of lager beers, and gas production slows down. The yeast is then separated either by skimming off or by drawing off from the bottom as the case might be and the fermented wort or beer, as it is now called, is transferred into a conditioning or maturation tank.

Maturation

This is the step where ales and lagers are differentiated. Ales are traditionally conditioned in wooden casks. But it is now also being carried out in stainless steel tanks where the residual yeast is induced to carry out secondary fermentation by priming the beer with sugar. This secondary fermentation is generally carried out at 15 degree celsius for a period of 7 – 10 days by which time it generates more carbonation after which it is sent for filtration.

In the case of lagers, the fermented beer is chilled to 0 degree celsius and transferred to lager tanks where it matures under chilled conditions for three to four weeks. During this time, a number of biochemical transformations take place to impart stable flavour characteristics to the beer and remove many of the undesirable flavours that develop during fermentation.

Filtration

At the end of conditioning or maturation, the beer is subjected to a process of filtration to produce clear amber liquid. This is generally carried out in two steps: a coarse filtration to remove the suspended yeast cells, and a fine filtration to remove all particulate matter. Typically, brewers use diatomaceous earth or Kieselgur as the filtration medium. This is a special porous earth composed of siliceous marine fossils largely found on the South African shoreline. The filtration equipment used for the purpose is varied and ranges from plate and frame filters to leaf or candle filters. Many breweries also use an intermediary centrifuging step for yeast removal to augment the filtration process. Modern brewing technology use membrane filters and synthetic yeast clarifiers.

Labelling and Packaging

The finished or filtered beer is now ready for packaging either in bottles, cans or kegs. Most beers packaged in bottles and cans are heated to 60 degree Celsius, a process called pasteurization in order to kill all surviving micro-organisms. Kegged or draught beers in India, are often unpasteurized if consumed locally but bulk pasteurized if a few days' transportation and handling are involved.

The brewed beer is bottled and labeled depending on the orders/permits and quantity required for each brand of beer. These labels are affixed by automatic labeling machines. After labeling, it is packed in cartons of 12 bottles of 650ml each or 24 bottles/cans of 330ml (in some states 12 bottles of 330 ml) or 24 cans of 500ml each or packed in kegs of 20 / 30 / 50 liters each and dispatched as per Orders.

Dispatch

Based on the orders/permits placed either by Government Corporations or Wholesale dealers, as the case may be in each state, the dispatch is carried out and finished goods are transported to Government Depots or the Bonded Warehouse of the distributors who in turn supply to the Wholesalers/retailers. In case of supply to the State Government Corporations (e.g. Karnataka, Tamil Nadu, Kerala, Andhra Pradesh etc.,) the Government Corporations distribute it to retail as per the requirement. In case of supply to certain Open markets (e.g., Goa, West Bengal, Punjab etc.,) the Brewery supplies to the Distributor who in-turn supplies to the Wholesaler and who supplies to the retailers. In case of certain other Open Markets (e.g., Maharashtra, Daman etc.,) the Brewery supplies to the Distributor who in-turn supplies to the Retailer directly.

Manufacturing facilities

Owned Manufacturing Capacity:

Licensed Capacity per annum	5,233,260 HL
Installed Capacity per annum	6,025,000 HL

The present aggregate installed and production capacity of all the units of our Company is 6,025,000 HL per annum. As per the licenses issued by the respective excise departments, our Company would not be in a position to manufacture beer in excess of the 5,233,260 HL per annum.

Breweries owned by Our Company:

Sr. No	Manufacturing Locations	Licensed capacity* (HL per annum)	Installed Capacity (HL per annum)
1.	Taloja, Maharashtra	1,500,000	1,050,000
2.	Cherthala, Kerala	63,180	75,000
3.	Palakkad, Kerala	400,000	350,000
4.	Hyderabad, Andhra Pradesh	295,000	400,000***
5.	Ponda, Goa	168,000	500,000
6.	Kalyani, West Bengal	234,000	350,000
7.	Ludhiana, Punjab	600,000	900,000
8.	Chopanki, Rajasthan	500,000	750,000
9.	Mangalore, Karnataka	298,080	350,000
10.	Nerul, Maharashtra**	150,000	150,000
11.	Nelamangla, Karnataka	900,000	900,000
12.	Khurda, Orissa	125,000	250,000
Total		5,233,260	6,025,000

* Some of these Units have applied for renewal of its brewery License.

** The Board of Directors of our Company at its meeting held on March 28, 2007 and January 22, 2008 have approved closure of operations of the Nerul Unit. Upon application, vide his order dated April 2, 2008, the Commissioner of Labor, Maharashtra State has granted permission for closure of the unit under section 25-O(2) of the Industrial Dispute Act, 1947.

*** Though the Hyderabad Unit has an installed capacity of 4 Lakh HL, its production capacity has been restricted to 1.3 Lac HL in terms of the consent granted by the Andhra Pradesh Pollution Control Board.

Manufacturing by units owned by subsidiaries of Joint Venture, i.e. MAPL

Sl. No.	Name of the subsidiaries of Joint Venture MAPL	Address of the Brewery	Installed Capacity (HL per annum)
1	Millennium Beer Industries Limited	Rewari, Haryana Aurangabad, Maharashtra	6,00,000 7,00,000
2	United Millennium Breweries Limited	Srikakulam, Andhra Pradesh	2,60,000
3	Empee Breweries Limited	Thiruvallur, Chennai	3,60,000
Total			19,20,000



Contracted Manufacturing Capacity:

Sl. No	Name of the Brewery	Location	Agreement valid till	Contracted capacity (HL per annum) as per Agreement
1.	Manav Breweries Private Limited	Ghaziabad, Uttar Pradesh	31.03. 2010	1,00,000
2.	Blossom Industries Limited	Daman	30.06.2009	1,75,000
3.	Spencer Distilleries & Breweries (P) Limited	Ranchi, Jharkhand	25.09.2009	40,000
4.	Som Distilleries & Breweries Limited	Raisen, Madhya Pradesh	31.03.2009	50,000
5.	Crown Beers India Limited	Medak, Andhra Pradesh	01.04.2009	1,50,000
6.	Winsome Breweries Limited	Alwar, Rajasthan	31.12.2011	1,50,000
7.	Superior Industries Limited*	Faridabad, Uttar Pradesh	25.03.2019	1,10,000
8.	Balaji Distilleries Limited	Chengai MGR, Tamil Nadu	10.11.2017	6,50,000
9.	Impala Distillery and Brewery Limited*	Quepem, Goa	14.02.2009	50,000
Total				14,75,000

* Though the Company has entered into Contract Manufacturing Agreements with these Breweries, no manufacturing of our brands is taking place by them.

For major common terms of the contract manufacturing agreement please refer to "Material Agreements" on page 84 of this Letter of Offer.

Location of the project

Our Company has acquired 73.85 acres of land at Mallepally Village, Kondapur, Medak District in the state of Andhra Pradesh for the Green Field Brewery Project. The total cost of the land is Rs. 612.77 Lakhs. For further details, please refer to the section titled "Objects of the issue" on page 26 of the Letter of Offer.

Our Company is in the process of acquiring land for expansion of its manufacturing facilities at Taloja, Maharashtra and Mangalore, Karnataka. Except for this, no additional land requirement is envisaged at other locations. For further details, please refer to the section titled "Objects of the issue" and "Property" beginning on page 26 and 66 of the Letter of Offer.

Plant & Machinery

For details about the Plant & Machinery to be purchased out of the issue proceeds, please refer to the section titled "Objects of the Issue" beginning on page 26 of this Letter of Offer.

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 collaboration.

Product Portfolio and Marketing Strategy

Our Company's core business is the manufacturing, marketing and distribution of beer. Our Leading brands includes "Kingfisher Lager", "Kingfisher Strong", "Kingfisher Premium", "Kalyani Black Label Strong", "Kalyani Black Label Premium", "UB Premium Ice", "Charger Extra Strong", "UB Export Lager", "London Pilsner", "London No.1 Strong", "Kingfisher Premium Draught Beer", "Kingfisher Strong Draught", "Guru Lager", "Sand Piper Premium", "Bullet Super Strong" and "Zingaro Super Strong". Our flagship brand, Kingfisher, is the largest beer brand in India as measured by Euromonitor International. Sales of beers in the Kingfisher family represented 45 million cases for fiscal 2007 or 35% of the total cases in the Indian beer market; and represented approximately 83% and 76.3% of our total sales volume for the fiscal year 2007 and for the nine months ended December 31, 2007, respectively.

Beer in India is characterized into mild beer (less than 5% alcohol), strong beer (5 to 8% alcohol), and draught beer, as fresh keg beer. Kingfisher Lager is the clear leader in the "low alcohol" beer segment and Kingfisher Strong is the largest player in the "strong beer" segment, according to Euromonitor International.

Mild Beer

Our Company's key mild beer brand is Kingfisher Lager. The number of cases of Kingfisher Lager sold was 23.9 million and 13.4 million cases for year ended March 31, 2007 and during the six months ended September 30, 2007, respectively. Sales of Kingfisher Lager represented approximately 36.1%, and 44.27%, of our total sales volume from mild beers for the year ended March 31, 2007, and for the nine months ended December 31, 2007, respectively. Some of our products in the mild beer segment are Kingfisher Premium, Kingfisher Lager, UB Export Lager, Kalyani Black Label Premium, London Pilsner, Sand Piper Premium and Guru Lager.

Strong Beer

Our Company's key strong beer brand is Kingfisher Strong. The number of cases of Kingfisher Strong sold was 26.1 million and 16.4 million cases for year ended March 31, 2007 and during the six months ended September 30, 2007, respectively. Sales of Kingfisher Strong represented approximately 39.4% and 54.99% of our total sales volume from strong beers for the year ended March 31, 2007 and for the nine months ended December 31, 2007, respectively. Some of our products in the strong beer segment are Kingfisher Strong, Kalyani Black Label Strong, Kingfisher Strong Draught, Bullet Super Strong, Zingaro Super Strong, Charger Extra Strong, London No.1 Strong and UB Premium Ice.

Draught Beer

Our Company's key strong draught brand is Kingfisher Draught. This brand represented approximately 8.2% and 0.75% of our total sales volume from draught beers for the year ended March 31, 2007 and for the six months ended December 31, 2007, respectively. Some of our products in the draught beer segment are Kingfisher Premium Draught Beer, UB Export Draught Beer and Kingfisher Strong Draught Beer.

Sales Volume – Brand wise

(000'Doz)

Brands	04-05	05-06	06-07
Kingfisher Family	18214.6	20325.5	23875.5
UB Export Lager Beer	2320.5	2682.0	2024.3
Kalyani Black Label Premium Lager Beer	888.6	1147.0	1199.7
London Pilsner Lager	344.9	561.5	432.3
Flying Horse Royal Lager Beer	19.9	24.6	17.2
Taj Mahal Lager Beer	123.6	124.4	112.6
Maharaja Premium Indian Pilsner	18.7	21.6	17.1
Sand Piper	1944.4*	1551.9	1850.0
Golden Glow	26.4*	42.4	58.0
Guru Lager	56.6*	48.2	31.5
Regular/Premium	23958.2	26529.1	29618.2
Kingfisher Strong Premium Beer	13127.6	17903.1	26062.8
UB Ice Premium Beer	223.5	208.0	111.7
London No.1 Strong	416.1	290.9	287.3
Kalyani Black Label strong beer	1574.8*	1798.4	1614.1
Charger Extra Strong beer	139.8*	62.3	129.3
Bullet Super Strong beer	1788.5	1975.1	2056.4
Jaguar	101.9	150.2	38.9
Zingaro	2887.5*	2762.8	3514.7
Marco Polo Super Strong	913.9*	1582.8	1839.7
Turbo	382.8*	379.7	831.4
Strong	21556.4	27113.3	36486.3
Total	45514.6	53642.4	66104.4

* Manufactured by associate Company/ies during the said year.



The portfolio of our Company's beer business has Kingfisher as its flagship brand. Our Company has launched the new look Kingfisher with the "flying bird" across various markets. The launch was backed by various marketing inputs in the form of Promotional Materials, merchandise and innovations like branded elevators all sporting the "It's flying" theme. Kingfisher is the largest beer brand in India, with a volume of 50 million cases in 2006-07. Kingfisher Lager has a volume of 23.9 million cases in 2006-07 and Kingfisher Strong, the strong beer line extension, has reached a volume of 26.1 million cases. Kingfisher Lager and Kingfisher Strong are one of the leaders in the low alcohol beer segment and high alcohol beer segment, respectively.

Our focus has been to build brands which would ensure a high growth in volume, a steady increase in market share as well as be strong enough to take on competition, both international and domestic. Kingfisher has been positioned as a young, exciting and fun beer, epitomized by its powerful statement – "The King of Good Times". All communication on the brand has been consistent with its positioning. There has been a steady stream of marketing inputs- both in terms of quality and quantity, over the years. Kingfisher is associated with sports such as cricket, football and horse racing. This has added a dimension of excitement and style to the brand image.

The product portfolio of our Company is large and varied and to ensure that our Company occupies all segments and attempts to be leader in each segment. Our Company has a market share of 39 per cent of total domestic beer sales and controls close to 48 per cent of the brewing capacity.

Customers

Our Company's principal target customer base for beers are individuals of legal drinking age in India, those who are 21 years and above. We believe that the reasons for the increase in sales of beer products were caused by a shift in patterns of spending, away from saving and investment and toward consumption and spending on lifestyle and products and services, such as eating out and entertainment. Additionally, the general attitude towards drinking is gradually changing in India so that it is now more socially acceptable for both men and women to drink. We believe that these societal changes will help boost the demand for its products.

Distribution Network

Based on the involvement of the government in the distribution and pricing of beer in each state the market can be broadly classified into three types:

1. Government Market

In a government market, the respective state government is the wholesale distributor of beer and acquires beer directly from manufacturers based on an annual tender system, via its own agencies. Thus, the government controls the price at which beer is procured from the manufacturer. The beer could then be retailed through private vends (e.g., Karnataka, Rajasthan, Tamil Nadu, Andhra Pradesh) or a combination of Government and private vends (e.g., Kerala, Delhi)

2. Auction Market

In auction markets, the state is bifurcated into smaller areas. The government, at regular intervals (typically annually), auctions the right to distribute and retail beer and liquor in these areas during a specified period, to private parties. This auction is based on the minimum guaranteed tariff payment to the government over the specified period.

Wholesale operations and retail outlets are owned/ operated only by those parties that win the auction for that particular area. These private parties that win the auction negotiate with beer manufacturers to acquire beer at competitive prices. Typically, all auction winners enter into inter-se arrangements to procure beer at most competitive prices, and retail the same at relatively higher prices to recover minimum guarantees committed by them to the government during the auction process.

3. Open Market

In this market, there is little or no government intervention in the pricing and distribution of beer. The manufacturers sell beer to the wholesaler/distributor who in turn sells it to the retail outlets. Pricing is free and is determined by market forces. The government issues wholesale/ retail licenses for a fee. However, in certain markets, new licenses are not freely available.

State-wise Distribution Network of our Company:

State	Type of Market	Distribution Channel
Delhi	Retail by Govt. & Private	Brewery – Company Depot – Retail / Institutions / Clubs
Rajasthan	Govt. Distribution	Brewery – Corporation – Retail / Institutions / Clubs
Uttar Pradesh	Open* Effective April 1, 2008	Brewery – Company Depot – Wholesale – Retail / Institutions / Clubs (Brewery also supplies directly to Govt. Depots)
Uttaranchal	Open	Brewery – Company Depot – Retail / Institutions / Clubs
Punjab	Open	Brewery – Dist. – Wholesale – Retail / Institutions / Clubs
Chandigarh	Open	Brewery – Company Depot – Retail / Institutions / Clubs
Jammu & Kashmir	Open	Brewery – Company Depot – Wholesale – Retail / Institutions / Clubs
Himachal Pradesh	Open	Brewery – Company Depot – Wholesale – Retail / Institutions / Clubs Brewery also supplies to Wholesale
Haryana	Open	Brewery – Wholesale – Retail / Institutions / Clubs
West Bengal	Open	Brewery – Dist. – Wholesale – Retail / Institutions / Clubs. Distributor can supply to Retail / Institutions / Clubs directly also
North East States	Open	Brewery – Co depot – Bonders – Retail / Institutions / Clubs Brewery can directly supply to Bonders also
Orissa	Govt. Distribution	Brewery – Corporation Depots – Retail / Institutions / Clubs
Bihar	Govt. Distribution	Brewery – Company Depot – Govt. Depot – Retail / Institutions / Clubs
Jharkhand	Retail Auction	Brewery – Company Depot – Wholesale – Retail / Institutions / Clubs
Maharashtra	Open	Brewery – Company Depot – Dist – Retail / Institutions / Clubs
Goa	Open	Brewery – Dist. – Retail / Institutions / Clubs
Daman	Open	Brewery – Dist. – Retail / Institutions / Clubs
Diu	Open	Brewery – Dist – Retail / Institutions / Clubs
Madhya Pradesh / Chhattisgarh	Govt. Distribution	Brewery – Govt. Depot – Retail / Institutions/Clubs
Kerala	Govt. Distribution	Brewery – Corporation Depots – Retail / Institutions / Clubs
Karnataka	Govt. Distribution	Brewery – KSBCL (Wholesale) – Retail / Institutions / Clubs Brewery – MSIL – Wholesale / Retail / Institutions
Tamil Nadu	Govt. Distribution	Brewery – Corporation Depots – Retail / Institutions / Clubs
Pondichery	Open	Brewery – Super Dist. – Wholesale – Retail / Institutions / Clubs
Andhra Pradesh	Govt. Distribution	Brewery – Corporation Depots – Retail / Institutions / Clubs

Exports

Our Company's products are exported indirectly through UB Global, an export division of UBHL. Our Company currently does not have any export obligations, however its tie-up with S&N, which has a long established track record of distribution of third party brands, will be employed for the international distribution of 'KINGFISHER'. Our Company has entered into a Licensing and Distribution Agreement on May 24, 2004 with Independent Liquor (NZ) Limited. In terms of the said agreement, the licensee has an exclusive license to manufacture and package the products Kingfisher Premium and Kingfisher Strong and to market, distribute and sell the product within the territory of Australia and New Zealand for a period of five years.

Imports

Major imported components include raw materials and spares, details of the same for the last three years are presented below (on CIF Basis):

	Rs. In Lakhs		
	2007	2006	2005
Raw Materials	1131.50	716.42	498.57
Components	4264.71	2290.70	1873.13
Capital Goods	654.29	200.34	310.28



Export obligations

There is no export obligation on our company.

Competitive Landscape

The Indian beer market is largely dominated by our Company (along with Millennium Alcobev Private Limited) with a market share of over 47.9% in 2005. The next big player in the market in India is South African Breweries (SAB) Miller which has a market share of 32.9% in 2005 (on Standalone basis). (Source: Euromonitor International, June 2007).

Given the robust growth in the beer market, a few other large international players have either entered the market or have signaled their intent to do so. Anheuser Busch has entered into a joint venture with Crown Breweries and has opened up a plant in Andhra Pradesh. Carlsberg has formed a joint venture called South Asia Breweries and has entered through the acquisition of a brewery in Himachal Pradesh.

Research and Development Activities

The Central Technical Cell (CTC) of our Company carries out the Quality Assurance activities. It monitors the quality of the finished products, its processes and in general, monitors the Quality Assurance functions of the individual units spread across the country. Some of the analytical functions of the CTC are given below:

Raw materials received (such as malt, rice flakes, maize flakes, broken rice, hops, sugar, processed chemicals, processed additives, sugar, etc) at the brewing units are collected randomly and sent to the CTC for analysis. The CTC, after receipt, checks the samples and confirms that they match with the specifications.

In addition to the above analytical work carried out, CTC also monitors the process practices of the individual units. The following reports are received on a monthly basis from the units which enable monitoring the process followed at the units.

1. Product Audit Report – This highlights the grist for the various brands, brew length, brew house yields, processing methods, temperature regime and monitoring of gravity in fermentation, lagering regime, filtration, process additives used along with the dosage rates as well as the quality of the final product.
2. Product Quality Monitoring graph – (monthly report) – The unit analyses each batch of beer being bottled and the values obtained are plotted in a graphical form. This provides key information on the trends of the quality of the product during a particular month.
3. Quality Index reports – (monthly report) – CTC is monitoring the quality of beer through a system of Quality Index. This system takes into consideration both the specification range as well as the target range of specifications of the product. The Quality Index is monitored at the units for the products as well as at the CTC for the samples received from the units.
4. Raw material and packaging materials report – (monthly report) – The acceptance and rejection status of the raw and packaging materials based on the quality of the material received at the units is compiled on a monthly basis and reported to CTC as a part of the corrective action taken by the units in ensuring quality.
5. QCMR Reports – (monthly report) – This has been done to monitor and improve the quality assurance levels in the bottling hall. Data is obtained from the bottling line and warehouse on the dirty, scuffed, bottles with foreign particles, poor designing labels, etc. The daily reports are compiled at the unit and reported to CTC. Corrective actions are suggested by CTC.

In addition to the above, CTC has also been carrying the following:

1. New Product Development – A number of new products have been developed by CTC. As a part of the new product development, concepts are worked upon, various processes and analytical data obtained, the product is subjected to taste testing and required changes are made. The product is also subjected to market research before commence operations.

2. Training – As a part of on going quality awareness to the units, CTC has been training the Quality Assurance personnel including chemists, microbiologists, quality assurance managers and brewers. The training module includes hand-on-training in the various international methods of analysis of beer, raw materials, water, process additives, packaging materials, microbiology and problems related to process parameters in the areas of fermentation, filtration and bottling.

Infrastructure Facilities:**Raw Materials**

Major raw material is barley malt. Barley being an agricultural product, procured by the supplier of malt in season and they ensure supplies all through the year. The major suppliers are Barmalt (India) Private Limited, the Malt Company (India) Limited, Maltex Malsters Limited, Rahul Malt and Malsters & Blenders Private Limited.

In order to meet the requirements of large quantities of malt for the purpose of brewing its beers, our Company had entered into a Lease Agreement with Maltex Malsters Limited on April 1, 1998 and was revised on January 29, 2003 for a period of 10 years.

Other major raw materials are hops, sugar and maize flakes. While hops are imported, other materials are available locally and are being procured by the breweries wherever they are located at judicious prices.

Details of sourcing of major packing/raw materials/imported materials: -

Item	Major Suppliers	Sourced From
Raw Materials		
Malt	Barmalt India Ltd.	Indigenous
	Malt Co., India Ltd.	Indigenous
	Maltex Malsters Limited	Indigenous
Hops	John Barth & Sohn	Imported
	HVG	Imported
	Simon Steiner	Imported
	Top Hop	Imported
Rice Flakes	Gomti Food Products	Indigenous
	Aurangabad Food Products	Indigenous
	Goel Food Products	Indigenous
Maize Flakes	Veda Feeds Pvt. Ltd.	Indigenous
	Favorich Agro Pvt. Ltd.	Indigenous
	Trishul Agro Pvt. Ltd.	Indigenous
Additive	Biocon India Limited	Indigenous
Sugar	EID Parry India Ltd.	Indigenous
	Renuka Sugars	Indigenous
	Koramangal sugars	Indigenous
Packaging Materials		
Cans	Crown Emirates Can Ltd.	Imported
	Thai Beverage Can Ltd.	Imported
	Bangkok Can Mfg. Co.	Imported
	Rexam Paketleme Sannavi Ve Ticaret A.S.	Imported
Bottles	Hindustan National Glass & Inds. Ltd.	Indigenous
	AGI Glass Pac	Indigenous
	Excel Glass	Indigenous
	Mohan Glass	Indigenous
	Al Jabeel Glass	Imported
Foils	SNS Overseas Pvt. Ltd.	Indigenous
	Scan Holdings Pte Ltd.	Imported



Labels	Topfer Kulmbach	Imported
	Sai Packaging	Indigenous
	Kem Cards	Indigenous
	Paper Products	Indigenous
	Color Packs	Indigenous
	Quality Off Set	Indigenous
	Frontier Electric Press	Indigenous
Crowns Corks	Manaksia India Ltd.	Indigenous
	Emcee Crown	Indigenous
	Oriental Containers	Indigenous
	Integrated Caps Ltd.	Indigenous
	AMD Plasssts	Indigenous
Cartons	Swathi Packaging	Indigenous
	Balaji Packaging	Indigenous
	RJR Packaging	Indigenous
	Dhruva Packaging	Indigenous
	Vinayak Packaging	Indigenous

All the imported items are under Open General License and do not fall under restricted items

Power & Water: The details of the sources of power and water for the existing manufacturing locations are as per the list below:

Sl. No.	Location of the plant	Power (Sanctioned Load)	Water Source
1.	Hyderabad, Andhra Pradesh	1050 KVA	Municipal Water Connection
2.	Ludhiana, Punjab	1910 KVA	Borewell
3.	Kalyani, West Bengal	750 KVA	Borewell
4.	Cherthala, Kerala	250 KVA	Borewell
5.	Ponda, Goa	850 KVA	Municipal Supply
6.	Pallakad, Kerala	700 KVA	Malampuzha Dam and partly from Borewell
7.	Taloja, Maharashtra	1450 KVA	MIDC
8.	Nerul, Maharashtra	1027 KVA	MIDC
9.	Mangalore, Karnataka	700 KVA	Municipal Supply, Borewell and partly purchased
10.	Nelamangala, Karnataka	1950 KVA	Borewell
11.	Chopanki, Rajasthan	1600 KVA	Borewell
12.	Khurda, Orrisa	1600 KVA	Borewell

For the proposed green field project at Maleppaly Village, Andhra Pradesh our Company would source power from AP State Electricity Board (estimated requirement 1600 KVA) and water from AP Water Board / Borewell. For capacity expansion at our existing locations the source for power and water would remain the same. Our Company would apply for increase in sanctioned load as when required.

Manpower

As of February 29, 2008, we employed 2106 full-time employees. In addition, we also employ casual and temporary contract labor on our manufacturing locations on a need basis. We are dedicated to the development of the expertise and know-how of our employees.

Our Company is a party to collective bargaining agreements with labour unions at every plant, which are negotiated at the local level between the management and labour unions. The agreements are generally re-negotiated every three years. There has not been any strike or disruption at any of the plants in recent years. 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.

Break-up of the employees as on February 29, 2008 is as follows:

Category / Department	Execs	JMC*	Work-men	Contract / Casual	Total
Manufacturing	57	96	1280	2444	3877
Technical	158	130	-	-	288
Sales/Marketing	110	139	-	-	249
Finance	57	26	-	-	83
Human Resource	28	25	-	-	53
Total	410	416	1280	2444	4550

*JMC: - Junior Management Cadre

Manpower for the proposed green field project will be recruited as and when required.

Environmental Aspects

Our Company adheres to its commitment towards protecting the environment and renewing scarce resources wherever possible. Our Company adheres to corporate Environment, Health and Safety ("EHS") policies to promote accident free work at our manufacturing locations and avoid damage to surroundings. We provide healthy, safe and environmental friendly atmosphere at our manufacturing locations with due regards to save human life and to avoid property damage. We have, therefore, committed to protect and safeguard our employees, equipments and environment against possible ill effects arising from our business operations.

Effluent Treatment Facilities

The brewery waste water (effluent) discharged from various sections contains a large number of organic components and nutrient salts, which leads to consumption of dissolved oxygen and the eutrophication of the water. The effluent water is characterized by its BOD (Biological Oxygen Demand), COD (Chemical Oxygen Demand) & TSS (Total Suspended Solid) levels.

Extensive waste water treatment process has been designed & operated to ensure the stringent requirements of pollution control boards. Biological waste water treatment is the core process of the brewery effluent treatment.

Business Strategy

Our strategic objective is to continue to improve and consolidate our position in the brewery market and we aim to achieve this by implementing the following strategies:

- To continue to grow ahead of the domestic brewery market and increase our market share from the present 39% in the Indian beer market to over 50% in the next 3 years. Setting up of green field breweries and brewery acquisitions are part of our overall growth strategy.
- To focus on increasing captive capacity at owned manufacturing facilities and reduce the dependence on the contract brewing arrangements.
- To continue investment behind brands particularly, the Kingfisher brand and to introduce new brands over the next 24 months to cater to the emerging market segment

Capacity & Capacity Utilization

The following table provides for the installed capacity, actual production and the capacity utilization for the previous three years (as obtained from the Annual Reports of the respective years).

Figures in HL

Particulars	2004-05	2005-06	2006-07
Licensed capacity	2,173,180	2,428,180	4,608,260
Installed capacity	1,905,000	2,350,000	3,975,000
Actual production	1,421,569	1,986,254	2,997,592
Capacity utilization (%)	74.62	84.52	75.41



Note: The Licensed capacity mentioned above is as per the Licenses issued by the respective State Governments where the units of our Company are located. Since the Beer Industry is being controlled and regulated by the respective state governments, the licences no longer required under the Industries Development and Regulation Act (ID&R) the respective state governments allow enhancement of capacities/renew licenses on a yearly basis. Though our Company has a higher Installed capacity, the production would be within the permitted capacity in terms of the state excise licenses.

The Installed capacity mentioned above is the capacity which the equipments can produce per annum in normal circumstances. Having regard to the state-of-the art equipment and efficiency of the manufacturing facilities of our Company, expansion of the production capacities, subsequent increase in licensed capacity by Excise departments of respective State Governments our Company could achieve the production more than the licensed capacity.

Break-up of production from owned breweries and contracted breweries for the last 3 years:

Particulars	Year 2004 – 2005		Year 2005 – 2006		Year 2006 – 2007	
	Actual (HL)	%	Actual (HL)	%	Actual (HL)	%
From Owned Breweries	14,21,569	74.62	19,86,254	84.52	29,97,592	75.41
From Contract Breweries	4,83,509	25.38	3,63,786	15.48	9,77,467	24.59
Total	19,05,078	100.00	23,50,040	100.00	39,75,059	100.00

Note:

1. In terms of the Brewing & Distribution Agreement between our Company and the Contract Breweries, our Company receives Royalty/Marketing service charges for licensing the brands for production and sale after meeting the variable cost of production and fixed profit margin to be retained by the contract brewery.

Property

Description of Property	Counter Party	Date & Type of instrument executed	Maturity of Agreement	Consideration amount (In Lakhs)
Bangalore, Karnataka (KBDL since amalgamated with Our Company)				
Land aggregating to 42 Acres located at 20 th Mile Tumkur Road, Nelamangala Taluk in the villages of Vishweshwarapura, Gangadhpalya, Khanegowdana village in Kasaba Hobli, Nelamangala Taluk, Bangalore Rural District	K B D Sugars & Distilleries Limited	Deed of Confirmation dated 19.01.2007	Owned	Rs. 167.71
Nerul, Maharashtra (ABDL since amalgamated with Our Company)				
Land known as Plot No. D-103 and D-104, in the Trans Thane Creek Industrial Area within the village limits of Shirwane and within the limits of the Navi Mumbai Municipal Corporation Taluka and Registration Sub-District Thane, District and Registration district Thane containing by admeasurement	Mrs. Zeenia Lawyer, Mrs. Bakhtawar Bezan Chenoy and M/s Bakhtawar Construction Co. Pvt. Ltd	Deed of Assignment dated 10.05.2005 .	30.11.2067 Leasehold	Rs. 26.85 per year

Description of Property	Counter Party	Date & Type of instrument executed	Maturity of Agreement	Consideration amount (In Lakhs)
16,200 square meters or thereabouts.				
All that piece and parcel of land known as Plots Nos. D-02 in the Trans-Thana Creek Industrial Area, within the village limits of Shirvane Taluka & District Thane, containing by admeasurements 4987.20 square meters.	Maharashtra Industrial Development Corporation	Lease Deed dated 10.05.2005	31.03.2076 Leasehold	Rs.15.86 per year
Land known as Plots Nos. D-103 part in the Trans-Thana Creek Industrial Area, within the village limits of Shirvane Taluka & District Thane, containing by admeasurements 1562.80 square meters.	Maharashtra Industrial Development Corporation	Lease Deed dated 10.05.2005	31.07.2078 Leasehold	Rs.3.71 per year.
Land known as Plots Nos. D-103 Part-2 in the Trans-Thana Creek Industrial Area, within the village limits of Shirvane Taluka & District Thane, containing by admeasurements 950 square meters.	Maharashtra Industrial Development Corporation	Lease Deed dated 10.05.2005	30.04.2079 Leasehold	
Land known as Plots Nos. D-103 Part-3 in the Trans-Thana Creek Industrial Area, within the village limits of Shirvane Taluka & District Thane, containing by admeasurements 600 square meters.	Maharashtra Industrial Development Corporation	Lease Deed dated 10.05.2005	30.06.2083 Leasehold	Rs.2.34 per year.
Mangalore, Karnataka (MBDL since amalgamated with Our Company)				
Pieces of land in Survey no (s) portions 28/1A, 28/9A, 29/2, 30/3B, 30/4, 31/1C & 108 in the Baikampady Industrial Area Hobli, Suratkal Taluk, Mangalore district Dakshin Kannada – 575011 containing by admeasurements 2.12 acres.	Karnataka Industrial Areas Development Board	Lease deed dated 15.11.2005	14.11.2016 Leasehold	Rs.2,145/- per year alongwith Rs.4,290/- maintenance*
Land ad-measuring 6.63 acres aggregating to	Karnataka Industrial Areas Development Board	Deed of Sale dated 09.10.2003	Owned	Rs.34.95



Description of Property	Counter Party	Date & Type of instrument executed	Maturity of Agreement	Consideration amount (In Lakhs)
approximately 26,857 square meters situated in the Survey No. 27 & 28, Plot No. 310, 311 and 322/E in Baikampady Industrial Area Suratkal Hobli and District Mangalore – 575 011.				
Ponda, Goa				
1. Property known as "BAGAVAT TUCDA RAIM AGOR TICAN BATA YETA MORODA AND BORODA" situated in Bethors, in Gram Panchayat limits of Nirnakal Bethora, Sub-District of Ponda, District of Goa, comprising an area of 218.5227 Hectares (40,000) Square meters demarcated in Plot No.6 of the cadastral plan of the Village of Bethora. 2. Plot of land admeasuring an area of 50,000 square meters forming a distinct part of the properties known as "Bindum" bearing Survey Nos. 161, 164, 165 and 166 (Part) situated within Gramapanchayat of Bethora Taluka and sub district of Ponda, district of Goa. 3. A Plot of land admeasuring 8535 square meters bearing New Survey Nos.161, 164, 165 and 166 (Part) situated in Gramapanchayat area of Bethora, Nirancal, Cuncolim Codar, Taluka and Sub-district of Ponda, district of Goa. 4. A Plot admeasuring 13,754 square meters situated at Bethora in the Gramapanchayat limits of Kiranka, Bethora, Sub-district of Ponda, district Goa,	McDowell & Company Limited (now known as United Spirits Limited)	Deed of Lease 09.05.2003	31.03.2102 Leasehold	

Description of Property	Counter Party	Date & Type of instrument executed	Maturity of Agreement	Consideration amount (In Lakhs)
demarcated as Plot No. 6 of the Cadastral Plan of the Village Bethora.				
Dabem, Goa				
All the property known as "Gotova" also known as "Gottova" is situated in village Dabem, within the limits of Village Panchayat of Fatorpa Quitol, Taluka and Sub-District of Quepem, District of South Goa, State of Goa containing by admeasurments 172000 square meters.	(1)Mrs. Maria Bernadita Raquela Xavier e Faleiro and (2) Mr. Luisinho Faleiro	Deed of Sale dated 07.11.1997	Owned	Rs.100.00
Taloja, Maharashtra				
All that piece of land known as Plot No. M-1 in the Taloja Industrial Area, within the village limits of Palekhurda situated at Panvel Taluk, District Raigad containing by admeasuring 15725 square meters.	Maharashtra Industrial Development Corporation	Agreement dated 17.08.1998	14.06.2083 Leasehold	
All that piece of land known as Plot No. M-1 in the Taloja Industrial Area, within the village limits of Tandare situated at Panvel Taluk, District Raigad containing by admeasuring 16075 square meters.	Maharashtra Industrial Development Corporation	Agreement dated 17.08.1998	10.06.2085 Leasehold	
All that piece of land known as Plot No. M-1 in the Taloja Industrial Area, within the village limits of Palekhurda situated at Panvel Taluk, District Raigad containing by admeasuring 1350 square meters.	Maharashtra Industrial Development Corporation	Agreement dated 17.08.1998	27.02.2090 Leasehold	
Kalyani, West Bengal				
1. All land admeasuring 4 Bighas 1 Cottah 15 Chittaks and 39 square feet lying at and bearing Plot No.18 A in Block 'D' in the township of Kalyani Sub-Division	Governor of the State of West Bengal	Certificate of Mutation of Leasehold Interest	23.12.2959 Leasehold	



Description of Property	Counter Party	Date & Type of instrument executed	Maturity of Agreement	Consideration amount (In Lakhs)
Ranaghat Thana Chakdah Sub-registration office Ranaghat in the District of Nadia.				
2. All land admeasuring 24 Bighas 1 Cottah 4 Chittaks and 39 square feet lying at and bearing Plot No.18 in Block 'D' in the township of Kalyani Sub-Division Ranaghat Thana Chakdah Sub-registration office Ranaghat in the District of Nadia.	Governor of the State of West Bengal	Certificate of Mutation of Leasehold Interest	04.07.2961 Leasehold	
Ludhiana, Punjab				
Land measuring 14.94 acres which is equivalent to 119 Kanals and 10 marlas in the village Jamalpur, Awana, Hadbast No. 177.	Punjab State Industrial Development Corporation Limited	Conveyance Deed dated 26.10.1972.	Owned	Rs.2.74
Hyderabad, Andhra Pradesh				
Land situated at village Nacharam of Rangareddy District within the limits of Kapra municipality, admeasuring 5871.04 square meters.	Andhra Pradesh Industrial Infrastructure Corporation Limited	Deed of Sale dated 27.07.1990	Owned	Rs.0.60
Mallepally Village, Andhra Pradesh				
Land situated at Mallepally Village, Kondapur Mandal, Medak District admeasuring 73.85 Acres.	Various Individuals	Deed of Sale dated 28.01.2008, 25.02.2008, 29.02.2008 and 29.02.2008	Owned	Rs.558.39/-
Palakkad, Kerala				
Lands admeasuring 20 acres bearing Survey Nos. 92 (Part), 93 (Part), 95(Part), 100 A (Part), 102A (Part), 103B (Part), 104, 105 (Part), 108/1 (Part).	Government of Kerala	Patta (Provisional) (Issued under Rule 9 (2) of Kerala Land Assignment Rules, 1964) issued by the Deputy Tahsildar, Palakkad	Leasehold Final Patta yet to be issued	
Chopanki, Rajasthan				
Land measuring 49000 square meter situated at Plot No. SP-971 at Industrial Area Chopanki.	Rajasthan State Industrial Development & Investment Corporation Limited	Lease Agreement dated 06.12.2006	02.05.2104 Leasehold	Rs.4272/- annually Lessor can be raise rent every 5 years not exceeding 25%

Description of Property	Counter Party	Date & Type of instrument executed	Maturity of Agreement	Consideration amount (In Lakhs)
				rent payable the previous year*
Khurda, Orrisa				
All the piece and parcel of land appertaining to Revenue Plot No. 2340(P), 2339(P), 2338(P), 2337(P) and 2336(P) Khata No.787 corresponding to IDCO Plot No. B/1, in Revenue Mouza: Mukunda Prasad, comprising an area of 18.78 Ac., Ground Rent Rs.28170/- in IDCO's Industrial Estate at Food Processing Park within the village limits of Mukunda Prasad, PS: Khurda, Tehsil: Khurda in the district of Khurda in Orissa.	Orissa Industrial Infrastructure Development Corporation	Lease Deed dated 17.02.2007	26.08.2073 Leasehold	Rs.28,170/- as annual rent*
Registered Office				
3 rd , 4 th and 5 th Floor admeasuring approximately 25349 square feet with 57 Car parks in building known as UB Tower located at UB City, Vittal Mallya Road, Bangalore- 560 001**	United-Breweries Holdings-Limited	Option Premium Agreement dated 16 th March 2007 and other extension agreements	June 30, 2008	Option to Purchase exercised by payment of Rs.20 Crores and balance consideration to be paid.

Note:

* figures in actuals

** Our Company has exercised an option to purchase the property from United Breweries Holdings Limited. However final Sale Agreement has not been executed for the same.

Intellectual Property

Our Company has a broad range of trademarks registered with the trademarks registry in India and abroad. There are in all 242 trademarks registered in various countries including India in various classes i.e Class 1 to 42. The Company has also preferred applications for marks in various classes for registrations in India and abroad which are pending. The registration/application mainly pertain to the following marks – “Kingfisher Lager”, “Kingfisher Strong”, “Kingfisher Premium”, “Kalyani Black Label Lager”, “Kalyani Black Label Strong”, “Kalyani Black Label Premium”, “UB Premium Ice”, “UB Export Lager”, “London Pilsner”, “London No.1”, “London Diet”, “Kingfisher Draught Beer”, “Kingfisher Strong Draught”. Our Company prefers application for word mark and label mark. Our Company also owns the copyright for the Kingfisher bird mark and design registration for certain bottles.



Insurance

Our Company has insurance coverage, which it considers adequate to cover all normal risks associated with the operation of the business. Our Company believes that its current level of insurance coverage is in line with industry norms in India. Our Company has obtained the following policies from Royal Sundaram Alliance Insurance Company Limited:

SI No	Unit	Policy Number	Name / Nature of Policy	Policy Date	Sum Assured (Rs in lacs)	Valid Upto
1.	ABDL (Now merged with our Company)	FM00042290000101	Building / Plant & Machinery / Stock of Raw Material / Stock in Process/ Office Equipment	April 1, 2008	1556.0	March 31, 2009
2.	ABDL(Now merged with our Company)	EP00000201000101	Boiler Pressure Plant	April 1, 2008	25.0	March 31, 2009
3.	Mangalore, Karnataka	FM00044310000100	Standard fire and special perils policy	August 30, 2007	160.0	August 29, 2008
4.	Mangalore, Karnataka	FM00030748000102	Standard fire and special perils policy	October 19, 2007	400.0	October 18, 2008
5.	Mangalore, Karnataka	ZB00003259000102	Burglary	October 19, 2007	400.0	October 18, 2008
6.	Mangalore, Karnataka	FM00042293000101	Building / Plant & Machinery / Stock of Raw Material / Stock in Process/ Office Equipment	April 1, 2008	4960.0	March 31, 2009
7.	Mangalore, Karnataka	EP00000202000101	Boiler Pressure Plant	April 1, 2008	52.0	March 31, 2009
8.	Cherthala, Kerala	FM00042304000101	Building / Plant & Machinery / Stock of Raw Material / Stock in Process/ Office Equipment	April 1, 2008	709.0	March 31, 2009
9.	Chopanki, Rajasthan	FM00042333000101	Building / Stock of Raw Material / Stock in Process/ Office Equipment	April 1, 2008	10370.0	March 31, 2009
10.	Cunningham Road (CTC), Bangalore, Karnataka	FM00042337000101	Plant and Machinery (Lab Equipments)	April 1, 2008	30.0	March 31, 2009
11.	Hyderabad, Andhra Pradesh	HG00000414000103	Health Premium Platinum Insurance Policy	April 1, 2008	116.1	March 31, 2009
12.	Hyderabad, Andhra Pradesh	AG00001449000101	Group Personal Accident Insurance Policy	April 1, 2008	82.0	March 31, 2009
13.	Hyderabad, Andhra Pradesh	EP00000206000101	Boiler Pressure Plant	April 1, 2008	36.0	March 31, 2009
14.	Hyderabad, Andhra Pradesh	FM00042327000101	Building / Plant & Machinery / Stock of Raw Material / Stock in Process/ Office Equipment	April 1, 2008	3547.2	March 31, 2009
15.	Kalyani, West Bengal	EP00000207000101	Boiler Pressure Plant	April 1, 2008	40.0	March 31, 2009
16.	Kalyani, West Bengal	FM00042329000101	Building / Plant & Machinery / Stock of Raw Material / Stock in Process/ Office Equipment	April 1, 2008	4615.0	March 31, 2009

United Breweries Limited

17.	Khurdi, Orissa	FM00042304000101	Building / Plant & Machinery / Stock of Raw Material / Stock in Process / Office Equipment	April 1, 2008	4480.0	March 31, 2009
18.	Ludhiana, Punjab	EP00000208000101	Boiler Pressure Plant	April 1, 2008	157.0	March 31, 2009
19.	Ludhiana, Punjab	FM00042328000101	Building / Plant & Machinery / Stock of Raw Material / Stock in Process/ Office Equipment	April 1, 2008	6800.0	March 31, 2009
20.	MGW Contract	FM00042340000101	Stock of Finished Goods / Work-In-Progress / Raw Material / Plant & Machinery /Bottles	April 1, 2008	503.0	March 31, 2009
21.	Nelamangala, Karnataka	FM00042332000101	Building / Plant & Machinery / Stock of Raw Material / Stock in Process/ Office Equipment	April 1, 2008	7600.0	March 31, 2009
22.	Nelamangala, Karnataka	EP00000200000101	Boiler Pressure Plant	April 1, 2008	90.0	March 31, 2009
23.	Palakkad, Kerala	FM00042303000101	Building / Plant & Machinery / Stock of Raw Material / Stock in Process/ Office Equipment	April 1, 2008	4298.0	March 31, 2009
24.	Palakkad, Kerala	EP00000209000101	Boiler Pressure Plant	April 1, 2008	40.0	March 31, 2009
25.	Ponda, Goa	FM00042301000101	Building / Plant & Machinery / Stock of Raw Material / Stock in Process/ Office Equipment	April 1, 2008	4000.0	March 31, 2009
26.	Registered Office	LW00000998000101	Workmens Compensation Policy Schedule	April 1, 2008	620.8	March 31, 2009
27.	Registered Office	LP00000321000103	Public Liability Act Policy (20 Locations)	April 1, 2008	400000.0	March 31, 2009
28.	Registered Office	AG00001450000101	Group Personal Accident Insurance Policy	April 1, 2008	1943.0	March 31, 2009
29.	Registered Office	XF000003061000101	Fidelity Guarantee Policy	April 1, 2008	160.0	March 31, 2009
30.	Registered Office	ZC00001218000101	Branch Offices / Regional Sales Office	April 1, 2008	2000.0	March 31, 2009
31.	Taloja, Maharashtra	FM00042288000101	Building / Plant & Machinery / Stock of Raw Material / Stock in Process/ Office Equipment	April 1, 2008	14705.0	March 31, 2009
32.	Taloja, Maharashtra	FM00042998000100	Standard fire and special perils policy – Godown	May 24, 2007	754.0	May 23, 2008
33.	Taloja, Maharashtra	EP00000205000101	Boiler Pressure Plant	April 1, 2008	40.0	March 31, 2009



FINANCIAL INDEBTEDNESS

The financial indebtedness of our Company as on February 29, 2008 is as follows:

Secured Borrowings

The total outstanding amount with respect to our domestic secured borrowings is Rs. 42,495.09 Lakhs as of February 29, 2008. The summary of our significant loans are set forth below:

Working Capital

Our Company has working capital facilities of Rs. 200,000 Lakhs with a consortium of banks consisting of the following banks:

- Citibank
- Standard Chartered Bank
- Federal Bank
- State Bank of Travancore
- State Bank Of India
- Axis Bank
- Yes Bank

The total fund based limit granted under this facility is Rs. 200,000 Lakhs. As of February 29, 2008, the total outstanding in respect of the same was Rs. 12,047.83 Lakhs. In addition, a non fund based limit of Rs. 5,000 Lakhs is also available to our Company under this facility.

This facility has been secured by a first pari-passu charge by way of first charge on the current assets namely, Stock of Raw Materials (RM), Work-in-Progress (WIP), Finished Goods (FG), Stores & Spares, Bills Receivables (BR) and Book Debts.

Working Capital Loans

Sl. No.	Cash Credit / Working Capital	Total Sanctioned Amount (Rs. In Lakhs)	Amount Outstanding (Rs. In Lakhs)	Interest Rate	Repayment	Security
1	Citibank	2,500	1,909.64	9.75%	On demand	First Charge on the current assets namely, Stock of RM, WIP, FG, Stores & Spares, BR and Book Debts.
2	Standard Chartered Bank	2,000	1,418.21	9.75%		
3	Federal Bank Ltd	3,000	741.55	10.75%		
4	State Bank of Travancore	2,000	3,021.93	10.75%		
5	Yes Bank Ltd	1,500	1.74	12.00%		
6	Axis Bank Ltd	1,000	5,029.41	12.50%		
7	State Bank of India	3,000	(74.65)	9.50%		

Figures in bracket indicate positive balance in Current account.

Secured Long Term Loans

Sl. No.	Name of lender	Facility	Amount Outstanding (Rs. In Lakhs)	Interest Rate	Repayment Schedule	Security
1.	Citibank	Term Loan of Rs.10,000 Lakhs through	8,413.46	8.5%	7 Years from the date of disbursement. One year moratorium.	a) Corporate Guarantee from Subsidiary; secured by first charge over all moveable and immovable assets having a value of Rs 180

Sl. No.	Name of lender	Facility	Amount Outstanding (Rs. In Lakhs)	Interest Rate	Repayment Schedule	Security
		agreement dated 27 th June,2005			Principal paid in equal monthly installments	Crores. b) Pledge of shares representing 100% of share capital of the subsidiary c) First Charge over such assets proposed to be constructed by the Borrower.
2.	Federal Bank Ltd	Term Loan of Rs. 2,500 Lakhs through agreement dated 13 th February 2006.	1,749.27	Interest @ 3.5% BPLR subject to a minimum of 8% PA	Repayment by monthly installments of Rs.6944445 in 36 months.	Hypothecation of receivables from Kerala State Beverages Corporation.

Secured Long Term Foreign Currency Borrowings

The total outstanding amount with respect to our foreign currency secured borrowings is 17,228.71 Lakhs as of February 29, 2008. The details of these facilities are set forth below:

Sl. No.	Lender	Facility	Amount Outstanding (Rs. In Lakhs)	Interest Rate	Repayment	Security
1.	BNP Paribas	Term Loan of Rs.14,000 Lakhs through agreement dated 14 th August, 2006	12,893.39	Rs. 31.04 Crores @ 8.54% Rs. 62.08 Crores @ 8.54% Rs.46.56 Crores @ 8.85%	Rs.46.56 Crores 5 year with a bullet payment. Rs.31.04 Crores and Rs.62.08 Crores repaid in 3 annual installments commencing 24 th month.4 year term loan.	First charge on all moveable and immovable property of the company except Taloja, Maharashtra
2.	S&N UK Limited	Term Loan of Rs. 5,000 Lakhs through agreement dated 21 st July,2003	4,335.32	LIBOR + 1% on 6 monthly basis.	Bullet payment in August 2008	First charge on plant and machinery of Taloja, Maharashtra

Secured Loan – Hire Purchase

Sl. No.	Lender	Facility	Amount Outstanding (Rs. In Lakhs)	Interest Rate	Repayment	Security
1.	Citibank	Vehicle Hire Purchase	21.91	9.5%		
2.	Kotak Mahindra Primus Ltd		1.47	9.5%	EMI of 60 Months of Various loans on different dates	Secured against Vehicles.



Unsecured Loan

Sl. No.	Lender	Facility	Amount Outstanding (Rs. In Lakhs)	Interest Rate	Repayment
1.	Bank Of Nova Scotia.	Short Term Loan of Rs. 2,500 Lakhs through agreement dated 13.6.07	2,509.50	8.75%	90 Days / On Demand
2.	BCC Private Limited	Due to the erstwhile ABDL promoters it is being held based on the shareholders agreement.	30.05	Nil	Nil
3.	Citibank – Bills Payable	Bill discounting agreement dated 1.11.07	2,509.50	8.50%	90 Days
4.	HDFC Bank	Short Term Loan of Rs. 3,000 Lakhs through agreement dated January 10, 2008	3,020.26	Presently 8.50%	Repayable on March 27, 2008

Amounts outstanding to Small Scale Industrial Units for more than 30 days as on February 29, 2008

Name of Small Scale Industrial Units	Outstanding greater than 30 days as at February 29, 2008
Frontier (Elect) Press	358,669
Deluxe Box Factory	141,440
M G S R C INDUSTRIES	266,838
Kem Cards	1,808,435
Amber Chemical Industries	202,150
Vardhaman Polypacks	690,469
Gomti Food Products	1,153,984
Frontier (Elect) Press	375,298
Ideal Packaging P Ltd	341,780
Abhishek Packaging Industries	136,082
Ess Vee Packaging Ltd	135,485
Poornima Packaging	382,117
Rashi Packs Ltd	167,721
Shri Kaatiyani Packaging Indus	1,202,400
Sri Balaji Packaging Industry	119,557
Kalinga Packers Pvt Ltd	103,213
Lory Packers	207,862
Positive Packaging	64,800
Swift Packaging	221,375
Kem Cards	215,442
Venus Industries	485,050
Aapco Industries	286,614
Avasas Pack & Print Ltd	296,994
Venkatesh Packaging	168,844
Paper Pack Goa	49,660
D.k.plastic	652,247
G.D.Firstpack pvt Ltd.	113,365
Mayank commercial	122,743
Steller Packaging	866,485
Total	11,337,119

REGULATIONS AND POLICIES

The following description is a summary of the relevant regulations and policies as prescribed by the central / state governments that are, inter alia, applicable to our Company in India. The information detailed in this chapter has been obtained from publications available in the public domain. The regulations set out below are not exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice.

The Companies Act, 1956

The Act deals with laws relating to companies and certain other associations. It was enacted by the parliament in 1956. The Companies Act primarily regulates the formation, financing, functioning and winding up of companies. The Act prescribes regulatory mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. Regulation of the financial and management aspects constitutes the main focus of the Act. In the functioning of the corporate sector, although freedom of companies is important, protection of the investors and shareholders, on whose funds they flourish, is equally important. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

Regulation of Foreign Investment in India

Foreign investment in India is primarily governed by the provisions of the Foreign Exchange Management Act, 1999 (“**FEMA**”) and the rules and regulations promulgated there under. The RBI, in exercise of its powers under FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 (“**FEMA Regulations**”) which prohibit, restrict and regulate, transfer or issue of securities, to a person resident outside India. Pursuant to the FEMA Regulations, no prior consent or approval is required from the RBI for foreign direct investment under the “automatic route” within the specified sectoral caps prescribed for various industrial sectors. In respect of all industries not specified under the automatic route, and in respect of investments in excess of the specified sectoral limits under the automatic route, approval for such investment may be required from the FIPB and/or the RBI.

Further, FIIs may purchase shares and convertible debentures of an Indian company under the portfolio investment scheme through registered brokers on recognized stock exchanges in India. Regulation 1 (4) of Schedule II of the FEMA Regulations provides that the total holding by each FII or SEBI approved sub-account of an FII shall not exceed 10% of the total paid-up equity capital of an Indian company or 10% of the paid-up value of each series of convertible debentures issued by an Indian company and the total holdings of all FIIs and sub accounts of FIIs added together shall not exceed 24% of the paid-up equity capital or paid-up value of each series of convertible debentures. However, this limit of 24% may be increased up to the statutory ceiling as applicable, by the Indian company concerned passing a resolution by its board of directors followed by the passing of a special resolution to the same effect by its shareholders.

Excise Regulations

The production of liquor products requires manufacturers to obtain licences from the respective State Governments under the local state laws. These licences also determine the production capacity of each facility. The Excise department is second largest tax revenue earning department of state government. It deals with the administration of the laws and rules relating to manufacture, possession, sale, import, export and transport of Alcoholic Beverage, and collection of revenue from each of these sources. The department is not only involved in collection of revenue but it works to prevent illegal trade, trafficking and production of illicit Liquor. Excise duty imposes a liability on a manufacturer to pay excise duty on production or manufacture of goods in India. The Central Excise Act, 1944 is the principal legislation in this respect, which provides for the levy and collection of excise and prescribes procedures for clearances from factory once the goods have been manufactured.

Environment (Protection) Act, 1986

The Environment (Protection) Act, 1986 was enacted as a general legislation to safeguard the environment from all sources of pollution by enabling coordination of the activities of the various regulatory agencies concerned, to enable creation of an authority with powers for environmental protection, regulation of discharge of environmental pollutants etc. The purpose of the Act is to act as an “umbrella” legislation designed to provide a frame work for Central government co-ordination of the activities of various central and state authorities



established under previous laws, such as Water Act & Air Act. It includes water, air and land and the inter-relationships which exist among water, air and land, and human beings and other living creatures, plants, micro-organisms and property.

Consent for operation of the plant under the Air (Prevention and Control of Pollution) Act 1981 ("Air Act")

The Air (Prevention and Control of Pollution) Act 1981 has been enacted to provide for the prevention, control and abatement of air pollution. The statute was enacted with a view to protect the environment and surroundings from any adverse effects of the pollutants that may emanate from any factory or manufacturing operation or activity. It lays down the limits with regard to emissions and pollutants that are a direct result of any operation or activity. Periodic checks on the factories are mandated in the form of yearly approvals and consents from the corresponding Pollution Control Boards in the state.

Consent for operation of the plant under the Water (Prevention and Control of Pollution) Act, 1974 ("Water Act")

The Water Act was enacted in 1974 in order to provide for the prevention and control of water pollution by factories and manufacturing industries and for maintaining or restoring the wholesomeness of water. In respect to an Industrial Undertaking it applies to the (i) Occupier (the owner and management of the undertaking) (ii) Outlet (iii) Pollution and (iv) Trade effluents. The Act requires that approvals be obtained from the corresponding Pollution Control Boards in the state.

Water (Prevention and Control of Pollution) Cess Act, 1977

The Water Cess Act is a legislation providing for the levy and collection of a cess on local authorities and industries based on the consumption of water by such local authorities and industries so as to enable implementation of the Water Act by the regulatory agencies concerned.

Trade Marks Act, 1999

The Indian law on trademarks is enshrined in the Trade Marks Act, 1999. Under the existing legislation, a trademark is a mark used in relation to goods so as to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A 'mark' may consist of a word or invented word, signature, device, letter, numeral, brand, heading, label, name written in a particular style and so forth. The trademark once applied for, is advertised in the trademarks journal, oppositions, if any are invited and after satisfactory adjudications of the same, a certificate of registration is issued. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is ten years, which may be renewed for similar periods on payment of prescribed renewal fee.

Copyright Act, 1957

The Copyright Act, 1957 came into effect from January 1958. Copyright is an exclusive right. The statutory definition of Copyright is the exclusive right to do or authorizes others to do certain acts in relation to Literary, dramatic or musical works, Artistic work Cinematograph film; and Sound recording. The purpose of recognizing & protecting the copyright of an author is to statutorily protect his work & inspire him to exercise his creative faculties. Copyright is granted for a specific period of time. Whether an act is an infringement or not would depend on the fact whether copyright is subsisting in the work or not. In case the copyright has expired, the work falls in the public domain & any act of reproduction of the work by any person other than the author would not amount to infringement.

Income-tax Act, 1961

The Income Tax Act, 1961 deals with the taxation of individuals, corporates, partnership firms and others. As per the provisions of this Act the rates at which they are required to pay tax is calculated on the income declared by them or assessed by the authorities, after availing the deductions and concessions accorded under the Act. The maintenance of Books of Accounts and relevant supporting documents and registers are mandatory under the Act. Filing of returns of Income is compulsory for all assesses.

Service Tax

Chapter V of the Finance Act 1994 (as amended), and Chapter V-A of the Finance Act 2003 requires that where provision of certain listed services, whole taxable services exceeds Rs. 400,000, a service tax with respect to the same must be paid. Every person who is liable to pay service tax must register himself for the same

Central Sales Tax Act (CST)

The main object of this act is to formulate principles for determining (a) when a sale or purchase takes place in the course of trade or commerce (b) When a sale or purchase takes place outside a State (c) When a sale or purchase takes place in the course of imports into or export from India, to provide for levy, collection and distribution of taxes on sales of goods in the course of trade or commerce, to declare certain goods to be of special importance trade or commerce and specify the restrictions and conditions to which State laws imposing taxes on sale or purchase of such goods of special importance (called as declared goods) shall be subject. CST Act imposes the tax on inter state sales and states the principles and restrictions as per the powers conferred by Constitution.

Indian Boilers Act, 1923

The Indian Boilers Act was enacted with the objective of ensuring the safety of public life and property by administering and enforcing the provisions of the Act with respect to steam boilers. As per the provisions of the Act, the Chief Inspector of Boilers or an Inspector appointed under the Act periodically reviews the administration of the regulations by (a) Approval of manufacturers, (b) Inspection of designs relating to boilers and inspection of boilers / boiler components manufacture, (c) approval of boiler repairers and boiler erectors, (d) authorization and inspection of boiler repairs and (e) certification of boiler operating engineers, boiler operators and welders.

Explosives Act, 1884

This is a comprehensive law which regulates the manufacture, possession, sale, transportation, exportation and importation of explosives. As per the definition under the Act, an explosive includes any substance, whether a single chemical compound or a mixture of substances, whether solid or liquid or gaseous, used or manufactured with a view to produce a practical effect by explosion or pyrotechnic. The Government may also by notification declare that any substance, which appears to be specifically dangerous to life or property, by reason either of its explosive properties or of any process in the manufacture thereof being liable to explosion, as an explosive within the meaning of the Act. The Act requires that licenses are to be obtained for the manufacture, possession, use, sale, transport and importation of explosives.

Standards of Weights and Measures Act, 1976

This legislation and the rules made there under apply to any packaged commodity that is sold or distributed. It provides for standardization of packages in specified quantities or numbers in which the manufacturer, packer or distributor shall sell, distribute or deliver some specified commodity to avoid undue proliferation of weights, measures or number in which such commodities may be packed. Any person intending to pre-pack or import any commodity for sale, distribution or delivery has to make an application to the Director of Legal Metrology for registration.

Standards of Weights and Measures Enforcement Act, 1985

The Standards of Weights and Measures Enforcement Act, 1985 regulates the classes of weights and measures manufactured, sold, distributed, marketed, transferred, repaired or used and the classes of users of weights and measures. The Act was passed with a view to regulating and modernizing the standards used in India based on the metric system. The units of weight which are sought to be used in day to day trade are required to be periodically inspected and certified by the designated authorities under this act for their accuracy

State laws on Excise and Prohibition and Rules governing Indian Made Foreign Liquor.

The alcoholic beverages sector under the Constitution is a State subject and accordingly States and Union Territories frame their own policies/taxation regime. With a view to raising resources to meet the growing



developmental needs, excise revenue is generated through duties and fees such as excise duty, license fee, sales tax, brand/label registration fee, import/export fee, vend fee, gallonage fee, turnover tax etc. Rates of such duties/fees vary widely from State to State.

Electricity Act, 2003

The Electricity Act, 2003 has been recently introduced with a view to rationalize electricity tariff, and to bring about transparent policies in the sector. The Act provides for private sector participation in generation, transmission and distribution of electricity, and provides for the corporatisation of the state electricity boards. The related Electricity Regulatory Commissions Act, 1998 has been enacted with a view to confer on these statutory Commissions the responsibility of regulating this sector.

State laws governing general sales tax

As a consequence of the enactment of the Value Added Tax Act, in most of the states in India, the General Sales Tax Act, 1959 has been rendered redundant, since only one of the legislations can operate in the State. The Tamil Nadu Value Added Tax Act. 2006 has been in force in the state of Tamil Nadu from the 1st January 2007.

Value Added Tax (“VAT”)

VAT is a system of multi-point levy on each of the purchases in the supply chain with the facility of set-off input tax on sales whereby tax is paid at the stage of purchase of goods by a trader and on purchase of raw materials by a manufacturer. VAT is based on the value addition of goods, and the related VAT liability of the dealer is calculated by deducting input tax credit for tax collected on the sales during a particular period.

VAT is a consumption tax applicable to all commercial activities involving the production and distribution of goods and the provisions of services, and each state that has introduced VAT has its own VAT Act, under which, persons liable to pay VAT must register and obtain a registration number from Sales Tax Officer of the respective State.

State laws governing entry tax

Entry Tax provides for the levy and collection of tax on the entry of goods into the local areas of the state for consumption, use or sale therein and matters incidental thereto and connected therewith. It is levied at such rate as may be specified by the State Government and different rates may be specified for different goods. The tax leviable under this Act shall be paid by every dealer in scheduled goods or any other person who brings or causes to be brought into a local area such scheduled goods whether on his own account or on account of his principal or customer or takes delivery or is entitled to take delivery of such goods on such entry.

Approvals from Local Authorities

Setting up of a Factory or Manufacturing/Housing unit entails the requisite Planning approvals to be obtained from the relevant Local Panchayat(s) outside the city limits and appropriate Metropolitan Development Authority with in the city limits. Consents from the state Pollution Control Board(s), the relevant state Electricity Board(s), the State Excise Authorities, Sales Tax, are required to be obtained before commencing the building of a factory or the start of manufacturing operations.

Industries (Development and Regulation) Act, 1951

The Industrial (Development and Regulation) Act, 1951 has been liberalized under the New Industrial Policy dated July 24, 1991, and all industrial undertakings are exempt from licensing except for certain industries such as distillation and brewing of alcoholic drinks, cigars and cigarettes of tobacco and manufactured tobacco substitutes, all types of electronic aerospace and defense equipment, industrial explosives including detonating fuses, safety fuses, gun powder, nitrocellulose and matches and hazardous chemicals and those reserved for the small scale sector. An industrial undertaking, which is exempt from licensing, is required to file an Industrial Entrepreneurs Memorandum (“IEM”) with the Secretariat for Industrial Assistance, Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and no further approvals are required.

Foreign Trade (Development and Regulation) Act, 1992

This statute seeks to increase foreign trade by regulating the imports and exports to and from India. This legislation read with the Indian Foreign Trade Policy provides that no export or import can be made by a person or company without an importer exporter code number unless such person or company is specifically exempt. An application for an importer exporter code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce. An importer-exporter code number allotted to an applicant is valid for all its branches, divisions, units and factories.

The Factories Act, 1948

The Factories Act, 1948 is a social legislation which has been enacted to regulate the occupational safety, health and welfare of workers at work places. This legislation is being enforced by the Government through officers appointed under the Act i.e. Inspectors of Factories, Deputy Chief Inspectors of Factories who work under the control of the Chief Inspector of Factories and overall control of the Labour Commissioner. The ambit of operation of this Act includes the approval of Factory Building Plans before construction/extension, investigation of complaints with regard to health, safety, welfare and working conditions of the workers employed in a factory, the maintenance of registers and the submission of yearly and half-yearly returns.

State laws governing Labour Welfare Funds

The concept of Labour Welfare Fund has been evolved in order to extend a measure of social assistance to workers in the unorganized sector. Towards this end, separate legislations have been enacted by Parliament to set up five Welfare Funds to be administered by Ministry of Labour. The Government is authorized to constitute the Labour Welfare Fund and all unpaid accumulations owed to the workers shall be paid, at such intervals as may be prescribed, to the State Board, and be credited to the Fund and the Board has to maintain account of the same and settle worker claims.

Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959 and Employment Exchanges (Compulsory Notification of Vacancies) Rules, 1960

The Employment Exchanges (Compulsory Notification of Vacancies) Act was enacted to provide for compulsory notification of vacancies to the Employment Exchanges and for furnishing of returns relating to vacancies that have occurred or are about to occur by the employers. All Establishments in Public Sector and such establishments in private sector excluding Agriculture, where ordinarily 25 or more persons are employed fall within the purview of the Act. These establishments are required to notify all vacancies (other than those exempted) to the appropriate Employment Exchange as notified in the official Gazette by the State Government in the prescribed format.

Payment of Wages Act, 1936 (“Wages Act”)

Wages Act applies to the persons employed in the factories and to persons employed in industrial or other establishments where the monthly wages payable to such persons is less than Rs 10,000/- . The Act confers on the person(s) responsible for payment of wages certain obligations with respect to the maintenance of registers and the display in such factory/establishment, of the abstracts of this Act and Rules made there under.

The Minimum Wages Act, 1948 (“Minimum Wages Act”)

Minimum Wages Act was enacted to provide for minimum wages in certain employments. Under this Act, the Central and the State Governments are the authorities to stipulate the scheduled employment and to fix minimum wages. The Act contains list of Agricultural and Non Agricultural employment where the prescribed minimum rate of wages is to be paid to the workers. The minimum wages are calculated and fixed based on the basic requirement of food, clothing, housing required by an average Indian adult.

Employees (Provident Fund and Miscellaneous Provisions) Act, 1952

The Act is applicable to factories employing more than 20 employees and may also apply to such establishments and industrial undertakings as notified by the Government from time to time. All the establishments under the Act are required to be registered with the Provident Fund Commissioners of the State. Also, in accordance with



the provisions of the Act the employers are required to contribute to the Employees' Provident Fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make the equal contribution to the fund. As per the provision of the Act, employers are to contribute 12% of the basic wages, dearness allowances and remaining allowances (if any) payable for the time being to the employees. A monthly return in Form 12 A is required to be submitted to the commissioner in addition to the maintenance of registers by the employers.

Payment of Gratuity Act, 1972

A terminal lump sum benefit paid to a worker when he or she leaves employment after having worked for the employer for a prescribed minimum number of years is referred to as "gratuity". The provisions of the Act are applicable to all the factories. The Act provides that within 30 days of opening of the establishment, it has to notify the controlling authority in Form A and thereafter whenever there is any change in the name, address or change in the nature of the business of the establishment a notice in Form B has to be filed with the authority. The Employer is also required to display an abstract of the Act and the rules made there-under in Form U to be affixed at the or near the main entrance. Further, every employer has to obtain insurance for his liability towards gratuity payment to be made under Payment of Gratuity Act 1972, with Life Insurance Corporation or any other approved insurance fund.

Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965 is applicable to every establishment employing 20 or more employees. The said Act provides for payment of the minimum bonus to the employees specified under the Act. It further requires the maintenance of certain books and registers such as the register showing computation of the allocable surplus; the register showing the set on & set off of the allocable surplus and register showing the details of the amount of Bonus due to the employees. Further it also require for the submission of Annual Return in the prescribed form (FORM D) to be submitted by the employer within 30 days of payment of the bonus to the Inspector appointed under the Act.

Contract Labour (Regulation and Abolition) Act, 1970

The purpose of Contract Labour (Regulation and Abolition) Act 1970, is to regulate the employment and protect the interests of the workers who are hired on the basis of individual contracts in certain establishments. In the event that any activity is outsourced, and is carried out by labourers hired on contractual basis, then compliance with the Contract Labour (Regulation and Abolition) Act, including registration will be necessary and the principal employer will be held liable in the event of default by the contractor to make requisite payments towards provident fund etc.

Employment (Standing Orders) Act, 1950

The Industrial Employment (standing orders) Act requires employers in industrial establishments to formally define conditions of employment under them. It applies to every industrial establishment wherein 100 (reduced to 50 by the Central Government in respect of the establishments for which it is the Appropriate Government) or more workmen are employed. The Act calls for the submission of such conditions of work to the relevant authorities for their approval.

The Equal Remuneration Act, 1976 ("Equal Remuneration Act") and Equal Remuneration Rules, 1976

The Constitution of India provides for equal pay for equal work for both men and women. To give effect to this provision, the Equal Remuneration Act, 1976 was implemented. The Act provides that no discrimination shall be shown on the basis of sex for performing similar works and that equal remuneration shall be paid to both men and women when the same work is being done.

Employees State Insurance Act, 1948

All the establishments to which the Employees State Insurance (ESI) Act applies are required to be registered under the Act with the Employees State Insurance Corporation. The Act applies to those establishments where 20 or more persons are employed. The Act requires all the employees of the factories and establishments to which the Act applies to be insured in the manner provided under the Act. Further, employer and employees

both are required to make contribution to the fund. The return of the contribution made is required to be filed with the ESI department.

The Maternity Benefit Act, 1961 (“Maternity Act”)

The purpose of Maternity Act 1961 is to regulate the employment of pregnant women and to ensure that they get paid leave for a specified period during and after their pregnancy. It provides, inter-alia for payment of maternity benefits, medical bonus and enacts prohibition on dismissal, reduction of wages paid to pregnant women etc.

Registrations under the applicable Shops & Commercial Establishments Acts of the respective States in which our Company has an established place of business/ office (“Shops Act”)

The Shops Act provides for the regulation of conditions of work in shops, commercial establishments, restaurants, theatres and other establishments. The Act is enforced by the Chief Inspector of Shops (CIS) and various inspectors under the supervision and control of Deputy./ Assistant Labour Commissioners of the concerned District, who in turn functions under the supervision of Labour Commissioner.



MATERIAL AGREEMENTS

Shareholders agreement between Dr. Vijay Mallya Group, Scottish & Newcastle plc. and our Company:

The major shareholders of our Company i.e., Dr. Vijay Mallya Group (“VJM Shareholders”) Scottish & Newcastle plc. (“S&N Shareholders”) have entered into shareholders agreement dated December 19, 2004 with respect to their rights and obligations with respect to the management of our Company. Our Company is also a party to the said agreement. Subsequently, the parties have entered into Amendment & Restatement Agreement dated April 29, 2005, whereby the said shareholders agreement dated December 19, 2004 has been amended and restated. Following are the main terms of the Shareholders’ Agreement:

- The Board of Directors shall be composed of 2 directors nominated by the VJM Shareholders and 2 directors nominated by the S&N Shareholder.
- Dr. Vijay Mallya shall act as Chairman of our Company. The VJM Shareholders shall have the right to appoint a successor to Dr. Vijay Mallya as Chairman. In the event that the Chairman is not present at any meeting of the Board or any meeting of the shareholders, the Board shall appoint one of the S&N Designated Directors as Chairman of the meeting.
- The S&N Representative shall be the Chief Executive Officer of S&N from time to time.
- The CEO of S&N may nominate an S&N designated director or any other senior executive of S&N to perform any of the functions of the S&N representative under the Shareholders agreement following prior consultation with the VJM representative.
- The Chief Executive Officer of our Company shall be proposed by the VJM Shareholders and appointed subject to the consent of the S&N Representative.
- The Chief Financial Officer of our Company shall be proposed by the S&N Shareholder and appointed subject to the consent of the VJM Shareholders.
- The S&N Shareholder and the VJM Shareholders have certain veto rights.
- There are certain transfer restrictions on each of the S&N Shareholder and the VJM Shareholders.
- There are pre-emption rights in favour of each of the S&N Shareholder and the VJM Shareholders.
- The Agreement will terminate on either party ceasing to be a shareholder of our Company.

Services Agreement between Scottish & Newcastle plc. and our Company:

Our Company has entered into a Services Agreement dated November 28, 2005 with Scottish & Newcastle plc. (S&N), whereby S&N has agreed to provide certain services in relation to managing, developing and conducting its business. Following are the main terms of the said Agreement:

- The services will be rendered by the senior officials of S&N;
- Service fee for the services will be mutually agreed but not exceed Rs.19.9 million for the first 12 months and Rs. 25 million for the next 12 months;
- S&N’s liability is only for gross negligence or willful misconduct of its employees and the same shall be limited to the fees paid by our Company and for that part of services giving rise to the liability of rupee equivalent of US\$ 10,000, whichever is lower;
- The Agreement is for a period of two years from May 1, 2007;
- In view of deputation of a senior executive of S&N as head of quality of our Company, the board has approved the above agreement to be further revised with respect to a service fee being increased to Rs. 4,00,00,000/- from Rs 2,50,00,000/-, pro-rata effective November 2007.

Note: In view of the proposed change in control of Scottish & Newcastle plc. it is expected that Heineken will assume control of Scottish & Newcastle's interest in our Company. For more details of the proposed transaction please refer to page no. 198 of the Letter of Offer. Subsequent to acquisition Heineken will be entitled to all Scottish & Newcastle's rights under the Shareholders' Agreement, Services Agreement and the Articles of Association of our Company. Dr. Vijay Mallya and other UB Group companies have filed a suit against inter alia certain Scottish & Newcastle entities and Heineken entities, for a declaration that upon takeover of Scottish & Newcastle plc. the Shareholders' Agreement and the personal rights and privileges granted to the Scottish & Newcastle Group under the Articles of Association of our Company will stand terminated. For more details of this litigation, please refer to page 240 of the Letter of Offer. Since the matter is subjudice, the validity of the above Agreements shall depend upon the outcome of the Suit.

List of other material agreements entered into by our Company in normal course of business are as follows:

1. Our Company and UBHL have entered into a brewery licence agreement dated April 5, 2007 whereby UBHL's brewery licence for Bangalore brewery has been perpetually endorsed in favor of our Company and UBHL has relinquished all its rights, entitlement and interest over the license for a consideration of Rs. 40,00,00,000/-.
2. Our Company and UBHL have entered into a Memorandum of Understanding dated September 27, 2007 whereby UBHL shall transfer 18,324 equity shares of Rs.100/- each aggregating to 40.72% of equity share capital of Maltex Malsters Limited ("MML") and has also agreed to facilitate sale of balance of 4,626 shares aggregating to 10.28% of equity share capital of MML held by companies beneficially owned by Dr. Vijay Mallya and take requisite steps for selling the entire shareholding of 22,950 shares aggregating to 51% in MML to our Company at a consideration not exceeding Rs. 45,00,00,000/- . Our Company has paid a consideration of Rs. 35,93,00,000/- to UBHL for acquisition of 18,324 equity shares from UBHL. The balance shares are pending acquisition. Our Company has entered into a lease agreement with MML for its malt requirements.
3. A Deed of Assignment for the mark containing "Flying Horse" Pegasus and the letters "UB" has been entered into on September 1, 2004 between our Company and UBHL whereby our Company has assigned all its rights in the trade mark in Classes 1 to 31 and 34.
4. By trade mark License Agreement dated March 15, 2006 made between our Company and UBHL, UBHL has granted license in respect of UB Device of Flying Horse in relation to goods and services covered under Class 32 and 33 to Our Company. The Agreement is for a period of 10 years commencing from January 1, 2006. The annual licensee fee of Rs. 6,00,00,000/- is payable by our Company to UBHL by in equal quarterly installments. Our Company has paid a sum of Rs. 60,00,00,000/- as interest free deposit to be refunded each quarter in four equal quarterly installments simultaneously upon payment of Licensee fee. The Agreement contains standard termination provisions. Our Company cannot terminate this Agreement for first five years. In case of termination after the first five years, UBHL will refund 50% of the license fee for the balance period from the deposit lying with it or forfeit the balance deposit.
5. UBHL has entered into a deposit agreement dated March 15, 2006 with our Company whereby our Company deposited a sum of Rs. 20,00,00,000/- with UBHL as deposit in respect of premises 3rd, 4th and 5th floors of UB City admeasuring approx. 25,349 sq. ft. for a period of 5 years commencing from the date of execution. The amount will be refundable or adjusted towards purchase price payable by our Company. In terms of the said Agreement our Company has an option to purchase the said premises from UBHL for a consideration of Rs. 35,00,00,000/- . In case of premature termination of this Agreement, the amount will be refunded to our Company.
6. UBHL has agreed upon a form of lease agreement with our Company in respect of premises 3rd, 4th and 5th floors of UB City admeasuring 25,349 sq. ft. along with 37 car parking spaces for a period of 5 years commencing from the date of occupation at the yearly rent of Rs.1,27,50,000/- . To be executed on occupation of premises.
7. Our Company has executed an option premium agreement dated March 16, 2007 with UBHL whereby UBHL has granted an option to purchase premises 3rd, 4th and 5th floors of UB City admeasuring 25349 sq. ft. together with undivided share of land on which the said building is constructed. Our Company has paid a sum of Rs. 20,00,00,000/- to UBHL to purchase this option. The deposit of Rs. 20,00,00,000/- made pursuant to the deposit agreement mentioned in point 14 above has been adjusted by UBHL towards this payment obligation of our Company. In terms of this option our Company has a right to obtain an absolute sale deed in respect of the said premises upon payment of a further amount as agreed between our Company and UBHL on or before June 30, 2008.
8. Our Company has entered into a licensing and distribution agreement dated May 24, 2004 with Independent Liquor (NZ) Ltd. whereby Our Company has granted an exclusive license for manufacture of Kingfisher Beer in Australia and New Zealand. The Agreement is for a period 5 years and can be renewed on mutual acceptable terms. The Licensee is required to pay royalty per 7.92L case equivalent sold as follows: (i) Australia - A\$2.50/7.92L case and (ii) New Zealand - N\$2.00/7.92L case.

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9. Our Company has entered into a malt agreement dated July 25, 2007 with the Malt Company (India) Ltd. ("Malt Company") whereby our Company has agreed to take barley malt from the Malt Company. The arrangement is for a period of 7 years. Our Company has the right to terminate this agreement by giving 2 months notice in case of any default on the part of the Malt Company in supplying the contracted quantity or quality of the Malt. In case of any breach the non-defaulting party can terminate this agreement by giving 120 days notice. In case of the Malt Company enters into any understanding with any party for sale of either whole or part of its facilities, Our Company has reserved the right to determine the continuation of such contract to such buyer.
 10. Our Company has entered into an agreement dated April 10, 2006 with Shree Rahul Malt Pvt. Ltd. for procuring barley malt from UBHL. This Agreement is valid for a period of 5 years from the execution of the Agreement. Either party can terminate the agreement by giving 12 months notice to other and the stocks belonging to the second party will be the property of the second party and the first party will not have any lien on the same except conversion charges payable by the second party.
 11. Our Company has entered into an agreement dated April 10, 2006 with Malsters and Blenders (India) Ltd. for procuring barley malt from the Malsters and Blenders. This agreement is valid for a period of 5 years from the execution of this agreement. Either party can terminate the agreement by giving 12 months notice to other and the stocks belonging to the second party will be the property of the second party and the first party will not have any lien on the same except conversion charges payable by the second party.
 12. Our Company has entered into a Contract dated January 1, 2007 with Joh Barth & Sohn GMBH whereby our Company has agreed to purchase Hops, a raw material as per the terms of this Contract. Though this contract was valid till 31st July 2007, Joh Barth & Sohn GMBH continues to supply the balance raw materials in compliance with the terms of this agreement. Our Company has also entered into contracts with various suppliers for supply of foils, labels, maize, rice, rice flakes, bottles, transportation which are in normal course of business.
 13. Our Company has entered into an agreement dated July 23, 2007 with Punjab Agro Foodgrains Corporation for cultivation of good quality malting barley in the State of Punjab. The Agreement is initially for a period of 3 years and can be renewed on mutually acceptable terms and conditions by the parties. The Agreement can be terminated by either party by giving one year notice to the other party.
 14. Our Company has entered into a memorandum of understanding dated October 10, 2007 with Punjab Agricultural University. The University shall research and cultivate barley to develop superior variety of malt in the State of Punjab. The Agreement is valid for a period of 5 years. The funding of the research will be done by Our Company as agreed in the contract which may extend upto Rs.20.5 lakhs. The University has agreed to multiply the seeds of the varieties developed and shall sell to the farmers of Punjab for cultivation. The University will not sell the seeds to any other party other than the farmers and Our Company has the right on the unsold seed. Either party can terminate the MOU by giving six months notice. Our Company and the University will have joint rights in the intellectual property developed and they will be free to pursue the protection of creative work under Intellectual Property Rights laws.
 15. Our Company has entered into a master lease agreement dated April 10, 2007 with ALD Automotive Private Limited for taking cars on hire. The said Agreement is valid for a period of 60 months unless terminated earlier without any formality.
 16. Our Company has entered into a lease agreement dated July 2, 2007 with Haryana State Co-operative Supply and Marketing Federation Ltd. (HAFED) for revival and running of its Barley Malt Plant located at Jatusana, Haryana for a term of 7 years from the date of production at the yearly rent of Rs.50,00,000/-.
 17. Our Company has entered into an agreement dated August 24, 2007 with NDTV Lifestyle Limited for the purpose of branding, advertisements and promotions as per the terms of that agreement for a consideration of Rs.18 crores per annum. The agreement is for a period of 5 years with an option to extend for a further period of 5 years as mutually agreed terms. This agreement is on an exclusive basis.
 18. Our Company has entered into a master rental and financing agreement dated June 5, 2006 with Hewlett Packard Financial Services India (Private) Limited to lease hardware and software equipments on a case to case basis under the agreement. As and when our Company takes equipments, our company enters into a

- Lease Schedule for the total cost of the equipment. The operating lease arrangement shall not exceed a sum of Rs.5,00,00,000/- in terms of the board resolution passed.
19. Our Company has entered into two Agreements for Sharing of Common Facilities both dated September 5, 2003 with McDowell & Company Limited (McD) (now USL) for (i) sharing of the certain facilities such as land, boilers, generators, electricity at the factory of McD at Hyderabad, Andhra Pradesh and (ii) sharing of the certain facilities such as land, boilers, transformer sub station, pump house at the factory of McD at Cherthala, Kerala. Our Company has also entered into the Agreement for Sharing of Common Facilities dated May 9, 2003 with McD (now USL) for sharing of the certain facilities such as land, boilers, generators, pump house at the factory of McD at Ponda, Goa. Following are the main terms and conditions of the said three Agreements:
- (i) The amounts of expenses for the facility and amounts for usage to be shared as per the usage ratio mentioned against each item of the facility;
 - (ii) The common facilities are to be used only in the course of manufacturing operations and business of each party and not otherwise.
20. Our Company has entered into nine brewing & distribution agreements with various manufacturers for manufacture of beer. The details of the parties and validity of the Agreements are provided on page 58 of this Letter of Offer. Following are the main common terms of the said Agreements:
- (i) The Company is to provide to the Brewer the know how to manufacture and trade marks for labeling the products;
 - (ii) In case the brewer is not able to meet demand of the Company then the Company is free to source from third parties;
 - (iii) The Company shall be entitled to appoint the Chief Brewer to check the compliance with processing and quality control aspects of the product;
 - (iv) The Agreement contains standard termination clauses;
 - (v) Generally all these agreements are operated through a common bank account where the sales proceeds are deposited from which payments of variable/fixed cost and retention of the brewer is made and balance economic surplus is transferred to our Company;
 - (vi) The Company shall be responsible for physical and financial injury, loss or damage of any kind arising out of consumption of the product, which is attributable to the brewing activity of the product up to the bright beer stage;
 - (vii) The brewer shall be responsible for physical and financial injury, loss or damage of any kind arising out of consumption of the product or otherwise, which is attributable to the bottling, packaging or storage operations of the beer;
 - (viii) The disputes are subject to arbitration as per the Arbitration & Conciliation Act, 1996.
21. Our Company has entered into operational management-cum-conducting agreement dated January 27, 2004 with Winsome Breweries Limited (WBL) whereby our Company has taken manufacturing unit situated at Village Sareh Khurd, District Alwar of WBL for manufacture of beer. The details of the validity of this Agreement are provided on page 58 of this Draft Letter of Offer. Following are the main terms of the said Agreement:
- (i) Our Company is responsible for maintenance of plant and machinery;
 - (ii) Our Company has agreed and undertaken to produce a minimum guaranteed quantity of 10,00,000 cases per annum;
 - (iii) For the total quantity produced per annum, our Company has agreed to allow WBL to retain Rs. 18/- per case for a quantity of first 15,00,000 cases and Rs. 17/- per case for a quantity exceeding 15,00,000 cases towards manufacturing charges out of the total billed amount;
 - (iv) Our Company is required to bear all statutory dues of the employees of the said manufacturing unit;
 - (v) Our Company has paid Rs. 35,00,000/- as security deposit to WBL;
 - (vi) Our Company has a first option to buy the manufacturing unit or shares of WBL by the promoters of WBL;
 - (vii) The Agreement is valid for a period of 5 years from February 8, 2004;
 - (viii) The disputes are subject to arbitration as per the Arbitration & Conciliation Act, 1996.
22. Our Company has on October 9, 1998 granted UB International (U.K.) Limited (UBIUK) an exclusive License for the purpose of enabling UBSN Limited (UBSN) to use "KINGFISHER" products in the territory including the authorization to sub-license to Shepherd Neame Limited (SN) under a Brewing Agreement.



Pursuant to the exclusive License, UBIUK has appointed UBSN as its exclusive distributor of KINGFISHER products in the Territory. For the purpose of this Agreement Territory means United Kingdom, Belgium, the Netherlands, France, Germany, Italy, Austria, Switzerland, Finland, Sweden, Norway, Denmark, Eire, Luxemburg, Iceland, Greece, Spain, Portugal and Liechtenstein.

UBIUK, SN and UBSN entered into a Brewing Agreement on October 9, 1998 whereby UBSN granted to SN the exclusive right to brew, keg, bottle, can, label and package KINGFISHER products in the United Kingdom in accordance with the terms of this Agreement and the specifications. SN has agreed to supply KINGFISHER products to UBSN (or such persons as UBSN may direct) to destinations within the United Kingdom.

In terms of this Agreement UBIUK shall not during the term grant to any other person any rights relating to KINGFISHER products in the Territory.

In terms of this Agreement each of UBIUK and UBSN has undertaken to SN throughout the term that it shall not authorize or grant any form of License or right to any other person to brew, keg, bottle, can, label and/or package products using the Trade Marks in the United Kingdom.

Our Company and UBIUK have the right to use the Trade Mark in the territory limited to brand building, advertising or marketing, however subject to restriction above. This Agreement is valid till October 8, 2008. At any time within the period of two years prior to expiry of the above Term, either UBIUK or UBSN may serve notice on the other ("an extension notice") requesting an extension of the Term.

23. Our Company has entered into brewing capacity sharing agreement dated August 26, 2003 with McDowell Alcobev Limited (now Millennium Alcobev Private Limited (MAPL)). In terms of this Agreement our Company has agreed to provide certain quantity of beer to MAPL from its various breweries. Similarly MAPL has agreed to provide certain quantities of beer to our Company. Following are the main terms and conditions of this Agreement.

- (i) The rates per case of 12 bottles of 650 ml. have been agreed between our Company and MAPL;
- (ii) Wherever possible the Brewing party has agreed to assign the collection rights by endorsement on Invoices;
- (iii) Both the parties have agreed to ensure that their respective subsidiaries and affiliates enter into an appropriate brewing and distribution agreement with the other party as per the agreed form;
- (iv) The Agreement is for a period of 5 years from August 26, 2003 unless extended by the parties in writing. Additionally our Company has agreed to supply a quantity of 5 lakh cases of 12 650 ml. bottles per annum from mutually agreed sources for a further period of 2 years at agreed cost;
- (v) The Agreement contains the standard termination terms;
- (vi) The disputes are subject to arbitration as per Arbitration & Conciliation Act, 1996.

24. Our Company has entered into the shareholders' agreement dated May 16, 2002 with Scottish & Newcastle Plc. (S&N), Accra Investments Private Limited (Accra) and McDowell Alcobev Limited (now Millennium Alcobev Private Limited (MAPL)). In terms of this Agreement our Company, S&N, Accra have agreed to regulate our relationship as shareholders of MAPL. Following are the main terms and conditions of the said Agreement.

- (i) The Board shall consist of maximum of 5 Directors, out of which 2 Directors shall be nominated by S&N and our Company and Mr. R K Jain shall be appointed as the Managing Director;
- (ii) Dr. Vijay Mallya shall be the Chairman of MAPL;
- (iii) There are certain affirmative vote matters for which affirmative vote of at least one Director nominated by each of S&N, Accra and our Company is necessary;
- (iv) The Agreement contains right of first refusal in favour of other shareholders;
- (v) S&N has agreed not to compete with the Company;
- (vi) The Agreement contains other standard terms and conditions.

25. Our Company has executed trade mark license agreement dated May 8, 2003 with McDowell Alcobev Limited (now Millennium Alcobev Private Limited (MAPL)), whereby our Company has granted License of the Trade Mark "Kalyani Black Label Premium Strong Beer" to MAPL on the terms and conditions mentioned in this Agreement. Following are the main terms and conditions of this Agreement:

- (i) The License is a perpetual License unless terminated by our Company for material breach by MAPL of the terms of the Agreement or in case of passing of winding up order against MAPL or receiver is appointed over assets of MAPL;
 - (ii) MAPL has paid Rs.1,50,00,000/- to our Company as consideration for the license and agreed to pay a royalty of Re.1 for every dozen of 650 ml. bottles of the product sold under the trade mark;
 - (iii) MAPL has right to assign the benefit of this Agreement to any of its subsidiaries without prior approval of our Company provided the subsidiary agrees to be bound by the terms of this license agreement;
 - (iv) MAPL has a right to sub-license to any third party with our Company's prior approval;
 - (v) In case our Company wishes to assign, sell or enter into a permanent or long term arrangement with any third party, under which our Company's rights in relation to the mark are curtailed or prejudiced, then MAPL has a first right of refusal to purchase the trade mark;
 - (vi) The disputes are subject to arbitration as per Arbitration & Conciliation Act, 1996.
26. Our Company had entered into an export agreement on December 24, 2004 with United Breweries Global Corporation Limited (UBGCL) (since amalgamated with United Breweries (Holdings) Limited (UBHL) and now known as UB Global an Export Division of UBHL) for world-wide distribution of our Company's products and to develop export sales for products manufactured by our Company. This agreement can be terminated by either party by giving six months' notice without assigning any reason whatsoever. The products to be distributed under this Agreement are Kingfisher Premium Lager Beer, Kingfisher Strong Premium Lager Beer, Taj Mahal Lager Beer, Flying Horse Lager Beer, Maharajah Lager Beer and Maharajah Original Pilsner Beer.
27. Our Company has set up a gratuity trust effective March 31, 2006 as an approved gratuity fund under the provisions of Part "C" of IV Schedule to the Income-Tax Act, 1961 and has been accorded approval by the Commissioner of Income-Tax, Karnataka (Central), Bangalore vide his Order No.10(C)(1)/CIT(C)/06-07 dated April 19, 2007. Mr. Joseph Noronha, Mr. Govind Iyengar, Mr. P A Poonacha and Mr. R Nagaraj are Trustees to the Fund. The Trust Deed lays down benefits of Gratuity payable to the employees and the terms on which the same can be availed. The said Trust Deed was amended vide Deed of Variation dated June 9, 2006. Both these documents are registered.
28. Our Company has entered into a share purchase agreement on December 23, 2005 with Scottish & Newcastle India Private Limited, (SNIPL), Associated Breweries & Distilleries Limited (ABDL), Accra Investments Private Limited (Accra) and Millennium Alcobelv Private Limited (MAPL) and Mr. Ravinder Kumar Jain (RKJ) pursuant to which ABDL, a subsidiary of our Company, has acquired 15,25,000 Equity Shares of Rs.10/- each of MAPL from Accra (owned by RKJ) and SNIPL also acquired 15,35,000 Equity Shares of Rs.10/- each from Accra of MAPL. RKJ, pursuant to the Joint Venture, was the Managing Director of MAPL and MBIL consequent upon conversion of 20% Equity stake from RKJ. RKJ ceased to be a Director of both these Companies and MAPL entered into a retirement agreement with RKJ in terms of which upon Non-Compete Compensation paid to RKJ. RKJ has agreed that for a period of 36 months commencing from December 23, 2005 he shall not directly or indirectly invest in, be involved in the management of or in any manner whatsoever be associated with a conflicting organization in the restricted territory or advise or render services for and on behalf of, or take up employment with or take up any other form of remunerated relationship with any conflicting organization in the restricted territory. The foregoing limitation does not apply to a conflicting organization whose business is diversified and that, as to that part of its business to which RKJ renders services, is not engaged in the development, production, distribution, marketing, use or sale of a conflicting product.
29. Prior to De-merger, the erstwhile UBL has entered into a Sponsorship Agreement with United East Bengal Football Team Private Limited. The Agreement is valid till March 29, 2009. In terms of the said Agreement, our Company has been granted exclusive right and license for sponsoring and marketing the East Bengal football team. Upon grant of scheme of arrangement, the Agreement vests with our Company.
30. The Board of Directors at its Meeting held on October 31, 2007 has approved entering into the following Long Term Agreements, execution of which is pending:
- a) The Company is proposing to enter into a Licensing and Distribution Agreement with Scottish and Newcastle International Limited for manufacture, sale and distribution of "Kingfisher" Beer in the South Pacific territories of Cook Islands, Federated States of Micronesia, Fiji, French Polynesia, Kiribati, Nauru, New Caledonia, Palau, Papua New Guinea, Pitcairn Island, Republic of the Marshall Islands,

Samoa, Solomon Islands, Tonga, Tuvalu, Vanuatu, Wallis and Futuna or as may be amended from time to time by mutual agreement. The terms of the Agreement inter alia include payment of Royalty / License Fee of US Dollars 2 per Hecto Litre of Beer produced for an initial period of 3 years. The Royalty would be reviewed mutually after 3 years based on achievement of certain targets. Scottish and Newcastle International Limited would indemnify the Company against all direct liability, losses, damages, costs and expenses incurred or suffered by the Company by reason of manufacture, use or sale of Beer by Scottish and Newcastle International Limited. Similarly, the Company has to indemnify Scottish and Newcastle International Limited for losses arising out of any defect in the Trade Mark or the specification or know-how provided by the Company and also to indemnify Scottish and Newcastle International Limited against any liability including legal cost arising out of infringement of Trade Mark initiated by third party against Scottish and Newcastle International Limited. This Agreement shall remain valid till January 05, 2018.

Note: Please also refer note on page 84 of the Letter of Offer.

31. Our Company renewed the Agreement with Karnataka State Lawn Tennis Association on March 31, 2006 for upkeep and maintenance of KSLTA Stadium at Bangalore to create a modern World Class infrastructure commensurate with the need for conduct of International tournaments. In terms of the Agreement, the "Kingfisher" Lounge will be branded by our Company and the spectators seating in the Stadium shall carry "Kingfisher" signage on the backrest. The Agreement is for a further period of 2 years and valued at Rs.20 lakhs.
32. Pursuant to an MOU dated August 24, 2004 entered into with Rhino Agencies (P) Limited (Rhino) for setting up of a brewery in Assam, our Company entered into a Technical Consultancy Agreement and License Agreement for the manufacture and distribution of Beer dated January 9th, 2006, which expired on 31st July, 2007. The Company has now renewed both these agreements till June 2008.
33. Our Company has entered into a Lease Agreement for use of office space located on the 15th floor, measuring about 4,836 square feet, in 'Canberra' block of UB City' with United Breweries (Holdings) Limited. The lease shall be for a period of three (3) years initially which shall be extended further by mutual consent. The aggregate monthly rent is Rs. 3,74,700/- (Rupees Three lakhs seventy-four thousand and seven hundred only) and the Security Deposit is a sum of Rs. 41,04,900/- (Rupees Forty-one lakhs, four thousand nine hundred only) equivalent to twelve (12) months.
34. Our company has entered into an agreement dated September 18, 2007 with Ernst & Young Pvt. Ltd. (E&Y) for Green House Gas Abatement project for various locations of United Breweries Limited for the purpose of getting Green House Gas Abatement under clean development mechanism for sale of Voluntary Emission reductions. In terms of the agreement, E&Y shall assist our Company to prepare Project Design Document based on the climate changes.
35. Our Company has entered into a Supply and License Agreement with HMS Host Services India Pte. Ltd. (Host) for supply of Company's products at outlets maintained by Host at Bangalore International Airport Limited, Bangalore. The Company would supply the products to Host with a reasonable disclosed mark up and at a reasonable delivery charge. The Company has agreed to train Host's personnel and for this purpose, Host should maintain General Public Liability insurance of not less than US Dollars 2,000,000/- for personal injury, disease or death of any person and US Dollars 500,000/- for property damage and the Company would be named as additional insured as per its interest. A minimum of 6 Beer brands of the Company would be sold at the facility. Our Company will have the first right of refusal for operation of the facility at other Airports for which Host would be bidding in due course. This Agreement will be valid for an initial period of 10 years.
36. In February 2001 a UB Group Company acquired Equity Shares of Associated Breweries and Distilleries Limited from Mrs. Zenia Lawyer and others (erstwhile Promoters). In terms of the Share Transfer and Subscription Agreement then entered into, the Company is required to transfer the Flat located at Jeevan Asha building at Peddar Road, Mumbai, (presently under litigation), upon receiving the final Court Order in favour of our Company. The balance consideration has to be paid by erstwhile Promoters to the seller. The erstwhile Promoter has requested for a Deed of Assignment to be executed by the Company in their favour based on which our Company has executed the Deed of Assignment on January 7, 2008.

37. Our Company has entered into a Licensing and Distribution Agreement with The Company of Wine People, South Africa for manufacture and supply of "Kingfisher Bohemia" Wines in three varieties. In terms of the Agreement, the manufacturer shall supply wines to SV Distributors who will import the Wines and distribute in India. The Agreement is valid till April 30, 2009. Payments for the products shall be made directly by the Company and the quantities to be supplied shall be indicated by the Company from time to time.
38. Our Company has entered into a Sponsorship agreement with Indian Rugby Football Union (IRFU), a supreme controlling body for the conduct of Rugby Football in India, which conducts various Rugby tournaments. Our Company through "Kingfisher" will be the official refresher for the events and the teams. In consideration of IRFU appointing our Company as Official refresher for the events, our company shall pay sponsorship fees of Rs.2000000/- for the year ended March 2008 and Rs.22,00,000/- for the year March 2009. Our Company shall be entitled for product exclusivity during the events.
39. Our Company has entered into a Licensing Agreement for manufacture of Beer for Mount Everest Breweries Limited (MEBL). MEBL has represented that it is setting up a Brewery in the State of Madhya Pradesh and that the Brewery will be operational effective January 2009 and that Final Brewing Agreement (FBA) would be entered into upon commencement of commercial production. This Agreement reflects the understanding and intention between the parties to enter into FBA. In terms of the understanding upon the Brewery becoming operational MEBL will brew and bottle 18 lakh-cases of Beer per annum on behalf of UBL. MEBL shall retain a fixed cost of Rs.40/- per case for the first 3 years and Rs.35 per case for subsequent years. The Agreement is valid till the date of commercial production and thereafter the Brewing Agreement is proposed to be for a period of 5 years.
40. Our Company has at its Meeting of the Board of Directors held on March 28, 2007 passed a Resolution confirming that in view of the Brewing Business of ABDL having been amalgamated with the Company, the Plant and Machinery at Nerul Unit would be shifted to the Taloja unit or some other Unit of the Company for the purpose of achieving economies in scale of operations and better utilization of Brewing Assets at other Units. Further, the land would be put to an alternate use of establishing a high-end aviation training academy by Kingfisher Airlines Limited.
41. Our Company has passed a Resolution at its Board Meeting held on January 22, 2008 resolving that the Trade Mark 'Kingfisher" used in Packaged Drinking Water falling under Class 32 of the Trade Mark Classification be assigned to and vest with United Breweries (Holdings) Limited for its use in Packaged Drinking Water business for a net consideration of Rs.10 Crore. Applicable Agreements / documentations including Deed of Assignment are yet to be entered into.

Apart from the above Agreements entered into for various purposes, our Company in normal course of business enters into various other Agreements / contracts for operation of its business.



OUR HISTORY AND MAIN OBJECTS

Incorporation and brief history of our Company

Our Company was originally incorporated as a public limited company on May 13, 1999 in Karnataka under the name and style of "UB Infrastructure Projects Limited". Our Company was originally incorporated to carry out the business of infrastructure facilities and other allied activities. The name of our Company was subsequently changed to UB Beer Limited, on July 31, 2001, in view of the Scheme of Arrangement proposed to be entered into between United Breweries (Holdings) Limited (erstwhile United Breweries Limited) and our Company. The erstwhile UBL was the holding company of our Company and in terms of the Scheme of Arrangement, the brewing business carried on by erstwhile UBL in its various undertakings and/or units located at Taloja, Cherthala, Palakkad, Hyderabad, Ponda, Kalyani and Ludhiana, save and except the unit located at Bangalore, but 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 are transferred to and now vest in our Company. As part of the Scheme of Arrangement 1,50,93,971 equity shares were allotted to the shareholders of UBHL.

The Honourable High Court of Karnataka has approved the scheme of arrangement on July 4, 2002 and the equity shares upon allotment in the Company are now listed on all the stock exchanges where the equity shares of erstwhile UBL were listed i.e. on BSE, ASE, BgSE, CSE, CoSE, DSE, HSE, LSE and MSE. In terms of the Scheme of Arrangement, the name of the Company has been changed to United Breweries Limited.

Key events

Year	Major Events
1999	Incorporation of our Company under the name UB Infrastructure Projects Limited
2001	Change of name from UB Infrastructure Projects Limited to UB Beer Limited
2002	Demerger of the brewery business of erstwhile United Breweries Limited into our Company
2002	Change of name from UB Beer Limited to its present name United Breweries Limited
2004	Issue of 2,13,84,724 Redeemable Optionally Convertible Preference Shares (ROCPs) of Rs.100/- each at par to the equity shareholders on rights basis in the ratio of 6 ROCPs for every 5 equity shares
2005	Issue of 2,46,90,000 Cumulative Redeemable Preference Shares to Scottish & Newcastle India Limited and redemption of ROCPs
	Strategic alliance with Scottish & Newcastle Plc. and acquisition of 37.5% equity stake of our Company by Scottish & Newcastle India Limited
2006	Demerger of brewery business of Associated Breweries and Distilleries Limited and merger of Mangalore Breweries & Distilleries Limited into our Company
2006	Subdivision of equity shares having face value of Rs.10 each into 10 equity shares of face value Re.1 each
2007	Merger of Karnataka Breweries and Distilleries Private Limited, London Pilsner Breweries Private Limited and London Draft Pubs Private Limited into our Company

Details of awards, recognitions won by Our Company

Year	Award/Certification	Issued by
2002	Gold Award to Kingfisher Premium Lager Beer under International Section- Packaged Beer, Class- Lager	Australian International Beer Awards
2002	Bronze Award to Kingfisher Strong Premium Beer under International Section- Packaged Beer, Class- Lager	Australian International Beer Awards
2002	Bronze Award to Kingfisher Premium Lager under International Section Lager	New Zealand Hop Marketing Board
2003	Bronze Award to Kingfisher Strong under International Section- Packaged Beer, Class- Lager	Australian International Awards
2003	Bronze Award to Kingfisher Premium Lager under International Section- Packaged Beer, Class- Lager	Australian International Awards
2007	Environment Award for Pallakad Unit of our Company	State of Kerala

Year	Award/Certification	Issued by
2007	Recognized in Top 25 Companies in the ICSI National Award for excellence in Corporate Governance	ICSI

Changes in Registered Office of our Company

The registered office of our Company 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 and then to UB Anchorage, 100/1, Richmond Road, Bangalore - 560 025 effective March 26, 2004 and to the present address effective April 1, 2008.

Mergers and Amalgamations

Scheme of Arrangement for transfer of brewing business of erstwhile UBL

In terms of the Scheme of Arrangement, the brewing business carried on by erstwhile UBL in its various undertakings and/or units located at Taloja, Cherthala, Palakkad, Hyderabad, Ponda, Kalyani and Ludhiana, save and except the unit located at Bangalore, but 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 are transferred to and now vest in our Company. The Scheme of Arrangement that was approved by the shareholders of UBHL and UBL and subsequently approved by the Honourable High Court of Karnataka vide its order dated July 4, 2002. The appointed date for the scheme was August 1, 2001. The effective date for the scheme is July 4, 2002.

Pursuant to the scheme of arrangement (de-merger), Our Company has allotted 150,93,971 Equity Shares to the equity shareholders of erstwhile UBL (now UBHL) in the ratio of four equity shares of Rs.10/- each fully paid-up for every ten equity shares of Rs.10/- each fully paid up held in erstwhile UBL (now UBHL).

Amalgamation of Mangalore Breweries & Distilleries Limited with our Company

Mangalore Breweries & Distilleries Limited, a subsidiary of our Company was amalgamated with our Company as per the Composite Scheme of Arrangement approved by the Hon'ble High Court of Karnataka vide its Order dated July 28, 2006. Pursuant to the same Composite Scheme of Arrangement as approved by the Hon'ble High Court of judicature at Bombay vide its order dated September 05, 2006, the brewery business of Associated Breweries and Distilleries Limited, a subsidiary of our Company was amalgamated with our Company.

Amalgamation of Karnataka Breweries and Distilleries Private Limited and its subsidiaries London Pilsner Breweries Private Limited and London Draft Pubs Private Limited with our Company

London Pilsner Breweries Private Limited and London Draft Pubs Private Limited, both the Companies being wholly owned subsidiaries of Karnataka Breweries and Distilleries Private Limited were amalgamated with our Company as per the Scheme of Amalgamation as approved by the Hon'ble High Court of Judicature at Bombay vide its order dated April 27, 2007. Pursuant to the same Scheme of Amalgamation, Karnataka Breweries and Distilleries Private Limited and its subsidiaries were also amalgamated with our Company as per the order of the Hon'ble High Court of Karnataka dated June 11, 2007.

Main Objects of our Company

The objects as contained in the Memorandum of Association include:

1. (a) To carry on the business of Brewers and Malsters in all its branches and to consolidate all brewery related activities. To carry on all or any of the business of hop merchants and growers, timber merchants and growers, malt factors, corn merchants, wine and spirit merchants, either as exporters or importers and distillers, coopers and bottlers, bottle makers, bottle stopper makers, potters, manufacturers of and dealers in aerated mineral waters and other drinks licensed vicutallers, beer house keepers, yeast dealers, grain and produce growers, sellers and driers, isinglass merchants and printers.



- (b) primarily and without prejudice to the generality of the other objects of the Company, to purchase or otherwise acquire and take over as going concerns the businesses of Brewers and otherwise heretofore carried on.
2. To purchase and take over, manage, control, undertake or otherwise acquire any business, either in part or in entirety, carried on by any individual, firm, joint family or company which is in accordance with the objects mentioned herein and in particular to purchase or otherwise acquire from such business right, properties and assets including plants, machinery, lands, buildings, goodwill, liabilities and obligations to pay the vendors in suitable manner.
 3. To trade and carry on business as manufacturers of and dealers in all kinds of beer, ales and the like: to trade and carry on the business in the like manner as brewers, malsters and hop growers; ale, stout and porter merchants, agents and distributors; barley and general raisers, importers, driers and merchants; manufacturers of and dealers in yeast, finings, isinglass and other drawers, requisites.

The objects incidental or ancillary to the attainment of the main objects inter-alia are as follows:

Clause No.	Particulars
33	To lend and advance money or to give credit to such persons or Companies, and on such terms as may seem expedient and, in particular, to customers and others having dealings with the Company and to guarantee the performance of any contract or obligation and the payment of money of or by any such persons or Companies and generally to give guarantees and indemnities; but not to do banking as defined in Banking Regulation Act, 1949.
34	To invest and deal with the moneys of the Company not immediately required in such manner as from time to time to be determined.
35	To receive money on deposit or loan and borrow or raise money in such manner as the Company shall think fit, and in particular, by the issue of Debentures or and to secure the payment of any money borrowed, raised or owing by mortgage, charge, or lien upon all or any of the property or assets of the Company (both present and future), including its uncalled Capital, and also by a similar mortgage, charge or lien to secure and guarantee the performance by the Company or any other person or Company of any obligation undertaken by the Company or any person or Company as the case may be; acceptance of deposits as per Regulations specified under Section 58(A) of the Companies Act, 1956.
37	To draw, make, accept, endorse, discount, execute and issue Bills of Exchange, Promissory Notes, Bills of Lading, Warrants, Debentures and other negotiable or transferable instruments or securities; subject to the provisions of the Banking Regulation Act, 1949.

Changes in the Memorandum of Association of our Company

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

Sr. No.	Date of shareholders Approval in EGM / AGM	Particulars
1	July 25, 2001	Clause III A – 1(a) – To carry on the business of Brewers and Maltsters in all its branches and to consolidate all Brewery related activities. To carry on all or any of the business of hop merchants and growers, timber merchants and growers, malt factors, corn merchants, wine and spirit merchants, either as exporters or importers and distillers, coopers and makers, potters, manufacturers of and dealers in aerated and mineral waters and other drinks, licensed victuallers, beer house keepers, yeast dealers, grain and produce growers, sellers and driers, isinglass merchants and printers. Clause III A – 1(b) – Primarily and without prejudice to the generality of the other objects of the Company, to purchase or otherwise acquire and take over as going concerns the businesses of Brewers and otherwise heretofore carried on.

		<p>Clause I – Change of name from UB Infrastructure projects Limited to UB Beer Limited</p> <p>The Authorized Share Capital of the Company was increased from 10,00,000 Equity Shares of Rs.10/- each aggregating to Rs.100 Lakhs to 30,00,000 Equity Shares of Rs.10/- each aggregating to Rs. 300 Lakhs.</p>
2	January 30, 2002	<p>Clause 1 of the Main Objects was deleted and Clause 4(a) and (b) were renumbered as Clause 1(a) and (b)</p> <p>Clause 1(a): To carry on the business of Brewers and Maltsters in all its branches and to consolidate all Brewery related activities. To carry on all or any of the business of hop merchants and growers, timber merchants and growers, malt factors, corn merchants, wine and spirit merchants, either as exporters or importers and distillers, coopers and bottlers, 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, grain and produce growers, sellers and driers, isinglass merchants and printers.</p> <p>Clause 1(b): Primarily and without prejudice to the generality of the other objects of the Company, to purchase or otherwise acquire and take over as going concerns the businesses of Brewers and otherwise hereto fore carried on.</p> <p>Clause 2 and 3 were deleted and replaced as follows:</p> <p>Clause 2 – To purchase and take over, manage, control, undertake or otherwise acquire any business, either in part or in entirety, carried on by any individual, firm, joint family or company which is in accordance with the objects mentioned herein and in particular to purchase or otherwise acquire from such business right properties and assets including plants, machinery, lands, buildings, goodwill, liabilities and obligations to pay the vendors in suitable manner.</p> <p>Clause 3 – To trade and carry on business as manufacturers of and dealers in all kinds of beer, ales and the like; to trade and carry on business in the like manner as brewers, malsters and hop growers, ale, stout and porter merchants, agents and distributors, barley and general raisers, importers, driers and merchants, manufacturers of and dealers in yeast, finings, isinglass and other drawers, requisites.</p> <p>The following Clause was added:</p> <p>Clause 44 – To carry on the business of all permissible commercial and residential activities including real estate and development in all its branches, to any lands, buildings purchase and take on lease and otherwise, acquire any lands, buildings and structure or interest of all rights including air rights therein and to develop such lands, buildings and structures. To construct, let out, sub-let, furnish and carry on all or any of the functions or properties of flats, maisonettes, dwelling houses, shops, offices, clubs, railway yards, sheds, service stations, garages, advertisers, tourist houses, hotels, theatres, tourist houses and restaurants. To act as agents, general agents, land owners, Estate owners, property agents, advertising agents and agencies of any other type.</p>
3	April 03, 2002	The name of the Company was changed from UB Beer Limited to United Breweries Limited.
4	June 07, 2002	The Authorized Share Capital of the Company was increased from 30,00,000 Equity Shares of Rs.10/- each aggregating to Rs. 300 Lakhs to 18,00,000 (Eighteen million) Equity Shares of Rs.10/- each aggregating to Rs. 1800 Lakhs
5	September 30, 2002	The Authorized Share Capital of the Company was increased from 18,00,000 (Eighteen million) Equity Shares of Rs.10/- each aggregating to Rs. 1800 Lakhs to 30,00,000 (Thirty Million) Equity Shares of Rs.10 each and 22,00,000 (Twenty-two Million) Preference Shares of Rs.100 each aggregating Rs. 2500 Lakhs.



6	January 20, 2005	The Authorized Share Capital of the Company was increased from 30,000,000 (Thirty Million) Equity Shares of Rs.10 each and 22,000,000 (Twenty-two Million) Preference Shares of Rs.100 each aggregating Rs. 2500 Lakhs to 30,000,000 (Thirty Million) Equity Shares of Rs.10 each and 25,000,000 (Twenty Five Million) Preference Shares of Rs.100 each aggregating to Rs. 2800 Lakhs
7	May 24, 2006	2,16,00,125 equity shares of face value of Rs. 10/- per share were sub-divided into 21,60,01,250 Equity Shares of face value Re.1/- each with effect from June 09, 2006 pursuant to the resolution passed by the shareholders at the EGM held on May 24, 2006 The Authorized Share Capital of the Company was Rs.2,800,000,000 (Rupees two billion eight hundred million) divided into 300,000,000 (Three hundred million) Equity Shares of Re.1 each and 25,000,000 (Twenty five million) Preference Shares of Rs.100 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.

Shareholders of our Company at its EGM held on January 20, 2005 *inter alia* approved the allotment of preference shares to SNIL along with the following terms:

Cumulative Redeemable Preference Shares – Series A

- 17,283,000 – 3% Cumulative Redeemable Preference Shares – Series A of Rs. 100/- each at a price of Rs.100/- each aggregating to issue price of Rs.1,728,300,000/-
- Tenure of Preference Shares – these Preference Shares are redeemable at par at the earliest on March 31, 2011 and extendable to March 31, 2015 as mutually agreed between the Company and SNIL.
- Rate of Dividend – 3% Cumulative and payable annually.

Cumulative Redeemable Preference Shares – Series B

- 7,407,000 – 3% Cumulative Redeemable Preference Shares – Series B of Rs. 100/- each at a price of Rs. 100/- each aggregating to issue price of Rs. 740,700,000/-
- Tenure of Preference Shares – these Preference Shares are redeemable at par at the earliest on March 31, 2015.
- Rate of Dividend – 3% Cumulative and payable annually.

Subsidiary of our Company

Our Company has the following subsidiaries:

- I. Associated Breweries & Distilleries Limited
- II. Maltex Malsters Limited

I. Associated Breweries & Distilleries Limited (“ABDL”)

Associated Breweries & Distilleries Limited (“ABDL”) was incorporated on June 16, 1995. It was acquired by UB Group on January 19, 2001. It became subsidiary of our Company in July 2001 on account of acquisition of 2,60,000 equity shares of ABDL from UB General Investments Limited. During the year 2005, our company acquired further 1,40,000 equity shares from the erstwhile promoters of ABDL. Pursuant to a scheme of Amalgamation approved by the Hon’ble High Court of Judicature at Bombay vide its order dated April 27, 2007, the brewing business of ABDL stood transferred to our Company with an effective date April 1, 2005.

The company's main business was manufacturing and dealing in all kinds of beer and ales. However, after the de-merger of its brewery business with our Company, ABDL now holds only investments in associates and has reduced its share capital to Rs.10 Lakhs.

Board of Directors

Name of the Director	Designation
Mr. S R Gupte	Director
Mr. Kalyan Ganguly	Director
Mrs. Veronica Lesley Jackson	Director
Mr. Sammy D Lalla	Director
Mr. Sharad Dalmia	Director
Mr. Anup Kumar Das	Director

Shareholding Pattern

Particulars	No. of shares held	Shareholding (%)
United Breweries Limited	9,994	99.94
United Breweries Limited jointly with several joint holders	6	0.06
Total	10,000	100

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	5.08	-	2,535.77
Expenditure	0.09	0.06	3,127.70
Profit/(Loss) before tax	4.99	(0.06)	(591.93)
Profit after Tax	4.99	(0.06)	(591.93)
Equity Share Capital (Face Value – Rs. 100/- per Share)	10.00	10.00	400.00
Reserves & Surplus (excluding revaluation reserve)	(10.70)	(15.68)	(5,885.90)
Earnings per Share (in Rs.)	49.87	(0.06)	(147.98)
Net Asset Value per Equity Share (in Rs.)	(6.97)	(56.84)	(1,371.48)

Other Details

The equity shares of ABDL are not listed on any stock exchange and it has not made any public or rights issue in the preceding three (3) years. After de-merger of its brewery business, ABDL is no longer an "Industrial Company" within the definition of Sick Industrial Companies (Special Provisions) Act, 1985 (SICA) and hence the provisions of SICA are not applicable to the Company. The details of the profit or loss figures for the immediately preceding three years are given in the table above.

The litigations relating to the brewery business of ABDL now stand transferred to UBL pursuant to demerger of brewing business of ABDL into UBL.

There are no outstanding litigations involving demerged ABDL. There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against ABDL.

II. Maltex Malsters Limited

Maltex Malsters Limited ("MML") was incorporated in December 1968 and started the commercial production of malt in December 1970. The company is engaged in the business of conversion of Malt. The Main Objects of the Company are as follows:



-
1. To carry on the business of manufacturers, processors, producers and dealers of malts, malt extracts, malt products and malt preparations of every description including malting of cereals and grains of all types into malt.
 2. To carry on the business of brewers, distillers, malsters, manufacturers and dealers of wines, liquors and spirits of every description including beer, whisky, gin, rum, ale, porter, stout and other alcoholic preparations.
 3. To carry on the business of canning and food preservation including tinning and bottling of food stuffs, meat, meat products, brawn, potted meats, porkpies, fruits, vegetables, jam, marmalades, pickles, sausages, table delicacies and preserved provisions of all kinds, and to establish, own, operate, acquire, run and manage canning and other factories for the purpose of packing preserving, canning and bottling such articles and products.
 4. To manufacture, prepare and deal in all kinds of aerated waters, soft drinks, squashes, syrups, fruit juices, carbonated drinks and mineral waters.
 5. To carry on the business as manufacturers, processors, producers and dealers of dairy, farm and garden produce of all kinds, including milk, cream, butter, ghee, cheese, condensed milk, milk powder, malt products, milk foods and milk products and milk preparations of all descriptions, vegetables, and fruits of all kinds.

As per the resolution passed by the shareholders of our Company on September 28, 2007, our Company has been authorised to acquire up to 51% of the equity capital of MML. Accordingly, Our Company has acquired 22,950 equity shares of MML aggregating to 51% of the equity capital from United Breweries (Holdings) Limited, Vittal Investments Private Limited and Ganapathy Mallya Investments Private Limited as on March 31, 2008. Hence, MML has become our Subsidiary.

Board of Directors

Name of the Director	Designation
Mr. Kalyan Ganguly	Director
Mr. P A Murali	Director
Mr. Brij Mohan Labroo	Director
Ms. Loveleena Labroo	Director
Mr. Sanjay Labroo	Director
Mr. Ajay Labroo	Director
Mr. Tej Bahadur Saraf	Director
Mrs. Kanta Labroo	Managing Director

Shareholding Pattern

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)
(A) Shareholding of Promoter and Promoter Group				
(1) Indian				
Individuals / Hindu Undivided Family	30	22,050	Nil	49.00
Bodies Corporate	1	22,950	22,524	51.00
Sub Total	31	45,000	22,524	100.00
(2) Foreign	Nil	Nil	Nil	Nil
Total shareholding of Promoter and Promoter Group (A)	31	45,000	22,524	100.00
(B) Public Shareholding	Nil	Nil	Nil	Nil
Total Public shareholding (B)	Nil	Nil	Nil	Nil
Total (A)+(B)	31	45,000	22,524	100.00

Financial Performance

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

For the year ended	March 31, 2007	March 31, 2006	March 31, 2005 (Rs. In Lakhs)
Total Income	90.43	89.73	75.61
Expenditure	92.36	121.13	139.56
Profit/(Loss) before tax	(1.93)	(31.40)	(63.94)
Profit after Tax	10.74	(16.64)	(40.64)
Equity Share Capital (Face Value-Rs.100/- per shares)	45.00	45.00	45.00
Reserves & Surplus	166.92	156.17	172.82
Earning per Share (in Rs.)	23.88	(36.98)	(90.31)
Net Asset Value per Equity Share (in Rs.)	470.93	447.05	484.03

Other Details

The equity shares of MML are not listed on any stock exchange and it has not made any public or rights issue in the preceding three (3) years. The details of the profit or loss figures for the immediately preceding three years are given in the table above.

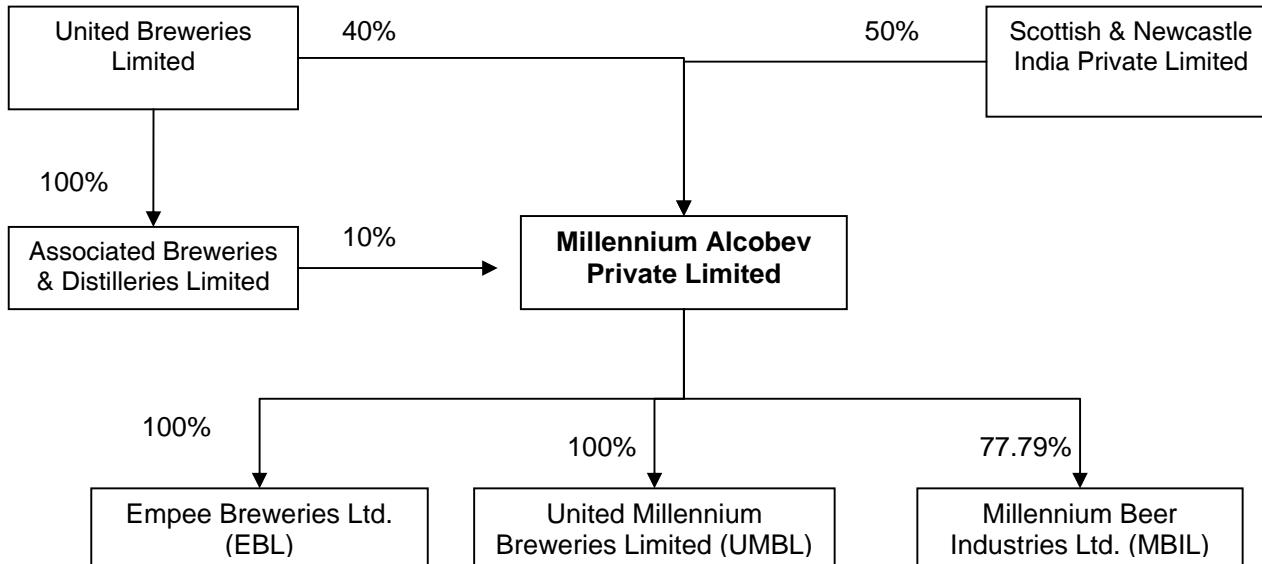
There are no outstanding litigations involving MML. There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against MML.

JOINT VENTURE

Our Company along with Scottish & Newcastle India Private Limited has a joint venture in India, Millennium Alcobev Private Limited. Millennium Alcobev Private Limited has the following subsidiaries in India:

- I. Empee Breweries Limited (EBL)
- II. United Millennium Breweries Limited (UMBL)
- III. Millennium Beer Industries Limited (MBIL)

The joint venture structure is as follows:





SCOTTISH & NEWCASTLE INDIA PRIVATE LIMITED (“SNIPL”)

SNIPL is a company incorporated in 2002 under the laws of India. SNIPL’s registered office is located at 46, Mulji Jetha Building, 2nd Floor, 187 Princess Street, Mumbai – 400002. SNIPL is an investment holding company and holds 50% of the issued equity share capital of Millennium Alcobeve Private Limited. The main objects of SNIPL is to carry on business in the beer and alcoholic beverages sector and to brew, blend, prepare, process, distribute and market all sorts of liquors, wines, beers, and alcoholic and non alcoholic drinks. The principal activity of SNIPL is an investment holding company within the S&N group. Other than its interest in Millennium Alcobeve Private Limited, SNIPL does not have any interests (whether directly or indirectly) in any companies.

Board of Directors

The Board of Directors of SNIPL is as follows:

Name	Designation
Ms. Dina Wadia	Director
Mrs. Veronica Lesley Jackson	Director
Mr. John Hunt	Director
Mr. Peter Kennerley	Director

Shareholding Pattern

SNIPL is a 100% subsidiary of Scottish & Newcastle UK Limited which in turn is a 100% subsidiary of S&N.

Financial Performance

A summary of the audited financial performance of SNIPL for the last three years is given below:

(Rs. In Lakhs.)

For 12 months ended	March 31, 2007	March 31, 2006	March 31, 2005
Total income	847.72	894.22	337.70
Profit after tax	552.25	598.22	318.34
Equity capital (FV Rs. 10 per equity share)	1,779.00	1,779.00	1,779.00
Reserves	17,428.55	16,876.30	16,278.09
Earnings per share	3.10	3.36	1.79
Net asset value per share	107.91	104.86	101.50

Share Price Performance

SNIPL is not listed on any stock exchange.

Promise versus performance

SNIPL has not come out with any rights or public issue in the last three years in India.

Information regarding adverse factors

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

Common Pursuits

There are no common pursuits between SNIPL and our Company.

Transactions between the SNIPL and our Company

Except as disclosed under “Related Party Transactions” beginning on page 158 of the Letter of Offer, there are no other related party transactions entered into by SNIPL and our Company.

MILLENNIUM ALCOBEV PRIVATE LIMITED (“MAPL”)

Millennium Alcobeve Private Limited was originally incorporated as McDowell Alcobeve Limited on March 31, 1999 under the Companies Act, 1956. The name of the Company was changed from McDowell Alcobeve Limited to McDowell Alcobeve Private limited on June 14, 2004. Subsequently, the name was changed to Millennium Alcobeve 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	Director
A.K.Ravi Nedungadi	Director
John Ross Nicolson	Director
John Simon Hunt	Director
Sudhir Jain	Managing Director

Shareholding Pattern

The shareholding pattern of MAPL 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	7,675,000	50.00
2	United Breweries Limited	6,139,930	40.00
3	Associated Breweries & Distilleries Limited (Wholly owned subsidiary of our Company)	1,535,000	10.00
4	United Breweries Limited jointly with several joint holders	70	0.00
	Total	15,350,000	100.00

Financial Performance

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

For the year ended	March 31, 2007	March 31, 2006	March 31, 2005	Rs in lacs
Total income	19.56	1,955.38	1,464.01	
Profit / (Loss) after Tax	(1,116.15)	(2,125.23)	(2,511.63)	
Equity Capital (FV – Rs. 10/- per Share)	1,535.00	1,535.00	1,535.00	
Reserves & Surplus (excluding revaluation reserve)	(1,729.77)	(613.62)	1,511.59	
Earnings per Share (Rs.)	(7.27)	(13.85)	(16.36)	
Net Asset Value per Equity Share (Rs.)	(1.27)	6.00	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 Lakhs
March 31, 2007	March 31, 2006	March 31, 2005	
(1,116.15)	(2,125.00)	(2,511.63)	

Common Pursuits

Our Company and MAPL are in the same line of business.

Transactions between MAPL and the our Company

Our Company has arrangements with MAPL and its subsidiaries for brewing of beer under trademarks of our Company. For more details please refer to "Related Party Transactions" and "Material Agreements" beginning on page 158 and 84, respectively of the Letter of Offer.

SUBSIDIARIES OF MILLENNIUM ALCOBEV PRIVATE LIMITED

I. Millennium Beer Industries Limited (MBIL)

Millennium 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 Intertia Industries Limited to the present name on March 16, 2005. Millennium Alcobev Private Limited (MAPL) holds 88.95% of Equity Share Capital in MBIL. MBIL is a subsidiary of MAPL.

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. N Sundar Rajan	Director
Mr. Rakeshchandra Gupta	Whole time Director

Shareholding Pattern

The shareholding pattern of MBIL as on March 31, 2008 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	48,743,164	28,360,853	88.95	88.95
Sub Total	1	48,743,164	28,360,853	88.95	88.95
(2) Foreign					
Total shareholding of Promoter and Promoter Group (A)	1	48,743,164	28,360,853	88.95	88.95
(B) Public Shareholding					
(1) Institutions					
Mutual Funds/UTI	5	317,724	211,624	0.58	0.58
Sub Total	5	317,724	211,624	0.58	0.58
(2) Non-Institutions					
Bodies Corporate	194	576,782	474,682	1.05	1.05
Individuals					
Individual shareholders holding nominal share capital up to Rs. 1 lakh	10,706	3,341,581	1,431,115	6.10	6.10
Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	33	1,469,602	356,802	2.68	2.68
Any Others (Specify)	-	-	-	-	-
i. NRIs	494	307,182	63,082	0.56	0.56
ii. Clearing Members	4	658	658	0.00	0.00
iii. Hindu Undivided Families	52	43,245	42,745	0.08	0.08
Sub Total	11,483	5,739,050	2,369,084	10.47	10.47
Total Public shareholding (B)	11,488	6,056,774	2,580,708	11.05	11.05
Total (A)+(B)	11,489	54,799,938	30,941,561	100	100
© Shares held by Custodians and against which Depository Receipts have been issued	-	-	-	-	-
Total (A)+(B)+(C)	11,489	54,799,938	30,941,561	100	100

Financial Performance

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

For the year ended	March 31, 2007	March 31, 2006	March 31, 2005	<i>Rs in Lakhs</i>
Total income	14,381.56	10,448.33	9,873.72	
Profit / Loss after Tax	(1,124.61)	(3,161.44)	(5,855.38)	
Equity Capital	5,475.55	5,475.55	5,475.55	
Reserves (excluding revaluation reserve)	(25,506.30)	(24,381.59)	(21,575.26)	
Earnings per Share	(2.06)	(5.77)	(10.69)	
Net Asset Value	(36.55)	(34.50)	(29.38)	

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
March 2008*	36.00	27.40
February 2008	40.10	31.30
January 2008	73.40	36.40
December 2007	57.65	39.60
November 2007	45.00	35.65
October 2007	61.00	44.00

Source: www.bseindia.com



* The trading in equity share of MBIL has been suspended effective March 11, 2008 on account of fixing of record date for reduction in capital in terms of the BIFR order for reduction in the existing equity share capital of MBIL by 90%. Pursuant to the capital reduction, the nominal and paid-up value of one equity share of Rs. 10/- shall become Re. 1/- upon reduction.

Certain equity shares are still pending grant of listing approval on Calcutta Stock exchange as per details mentioned below:

Listed Equity Capital	Unlisted Equity Capital
120,893,380	427,106,000

Investor Grievance Redressal Mechanism and Investor Complaints

The Shareholders'/Investors Grievance Committee compromises 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-40, 2nd Floor, Naraina Industrial Area, Phase-II, New Delhi – 110 028.

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 Board of MBIL has authorized the Company Secretary to approve share transfers and other related transactions upto 5000 shares on a forthright basis, depending upon the requests received. These transactions are later confirmed by the Share Transfer Committee at its quarterly meeting.

As on March 31, 2008, 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 had filed a rehabilitation scheme with BIFR and the same was sanctioned by BIFR on January 2, 2008. The scheme sanctioned by BIFR inter-alia provides for the following benefits / relief / exemptions relating to the equity shares and share capital:

- Issued Share Capital of Rs. 54.75 crore shall reduce by 90% by reducing existing face value of Rs.10 to Re.1.
- Allotment of Preference Shares aggregating to Rs.185 crores to promoters redeemable in 8 equal installments from 2010-11
- Redemption reserve need not be created and redemption of Preference Shares can be made out of any source
- All available reserves including revaluation reserve, securities premium, waiver of principal and interest and reduction in share capital will be used to set off the accumulated losses.
- Acquisition of 61,15,351 Equity Shares by MAPL from ESOP Trust enabling ESOP Trust to refund loan of Rs. 6.20 crores to MBIL. With this acquisition the total shareholding of MAPL in MBIL stands at 88.95%.

Exemption:

- From the provisions of the Companies Act, 1956

1. Section 100 – for carrying out reduction of capital and waiver from carrying out necessary resolutions and compliance with conditions of section 101.
 2. Section 58A and 372A, both for the Company and the lenders, in respect of the funds to be raised and received by the Company and provided to the Company.
- From relevant SEBI Guidelines and Regulations:
 1. For purchase of 11.16% Equity Shares by Promoters from ESOP Trust.
 2. For consolidation of holdings by a person, holding 15% or more but less than 55% of the share or voting rights, upto 5% of the shares or voting rights in a period of 12 months.
 3. From public announcement as well as open offer regarding acquisition of shares of the Company.

As envisaged in the Scheme for Rehabilitation, UBL has provided an irrevocable, unconditional and enforceable corporate guarantee for the entire principal and interest amount payable to Rabo India Finance Private Limited ("RIFPL") for the term loan availed by MBIL. MBIL has made a loss for the immediately preceding three years. The details of the same are as follows:

			(Rs. In Lakhs)
March 31, 2007	March 31, 2006	March 31, 2005	
(1,124.61)	(3,161.44)	(5,855.38)	

Common Pursuits

Our Company and MBIL are in the same line of business

Transactions between MBIL and our Company

Our Company has arrangements with MBIL for brewing of beer under trademarks of our Company. For more details please refer to "Related Party Transactions" and "Material Agreements" beginning on page 158 and 84, respectively of the Letter of Offer.

II. United Millennium Breweries Limited (Formerly known as GMR Beverages & Industries Limited (UMBL))

United Millennium Breweries Limited was originally incorporated as GMR Beverages & Industries Limited on November 13, 2000 under the Companies Act, 1956. The name of the Company was changed from GMR Beverages & Industries Limited to the present name on October 24, 2005. UMBL is a wholly owned subsidiary of Millennium Alcobev Private Limited.

The main objects of UMBL are as follows:

- 1 To engage in and carry on the business as importers, exporters, producers, manufacturers of and dealers in beverages of all kinds and description and for that purpose to set up, install, purchase, import or otherwise acquire all plant, machinery and related equipment and to buy, sell, manufacture, import and deal in all types of stoppers or bottles, corks including in-plate crown corks, crates and containers, whether of glass or any other material, and to run, maintain all such machinery and equipment.
- 2 To establish and carry on in India or elsewhere the business as manufacturers, processors, importers, exporters, agents, brokers, suppliers, wholesalers, retailers, distributors, stockists, dealers, godown keepers, C & F Agents, delcredere agents, developers and to distill, prepare, manipulate, mix, blend, clean, pack, repack, protect, provide, promote, sponsor, market, modify, produce, bottle, pressure & crush, all sorts of liquors, beverage, alcohols, wines and other similar products such as brandy, whisky, rum, gin, beer or derivatives, combinations, solvents, mixtures & formulas thereof whether made of natural or synthetic materials.
- 3 To carry on all or any of the business of brewers and maltsters, hop merchants and growers, mall factors, barley and corn merchants, wine and spirit merchants and importers, exporters and distillers, coopers and bottle makers, bottle stopper makers, potters, manufacturers of and dealers in aerated and mineral waters, and other drinks and yeast dealers, licensed victuallers, hotel keepers, beerhouse keepers, ice manufacturers and merchants, tobacconists, farmers, dairymen, grain sellers and driers, brick makers, finings manufacturers, and isinglass merchants.



Board of Directors

The Board of Directors of UMBL is given below:

Name	Designation
Mr. Kalyan Ganguly	Director
Mrs. Veronica Lesley Jackson	Director
Mr. Madhusudhan Sharma	Wholetime Director

Shareholding Pattern

The shareholding pattern of UMBL is as follows:

Particulars	No. of shares held	Shareholding (%)
Millennium Alcobev Private Limited	19,999,300	99.99
Millennium Alcobev Private Limited jointly with several joint holders	700	-
Total	20,000,000	100

Financial Performance

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

For the year ended	March 31, 2007	March 31, 2006	March 31, 2005	Rs. In Lakhs
Total income	7,982.23	5,461.63	4,616.55	
Profit after Tax	(228.94)	(27.17)	106.00	
Equity Capital	2,000.00	2,000.00	2,000.00	
Reserves (excluding revaluation reserve)	Nil	Nil	11.16	
Earnings per Share	(1.14)	(0.14)	0.53	
Net Asset Value	8.78	9.92	10.06	

Share Price Performance

Equity shares of UMBL are not listed on any of the Stock Exchanges

Information regarding adverse factors

UMBL 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.

UMBL has made a loss for the immediately preceding two years. The details of the profit / (Loss) are as follows:

Rs. In Lakhs

March 31, 2007	March 31, 2006	March 31, 2005
(228.94)	(27.17)	106.00

Common Pursuits

Our Company and UMBL are in the same line of business.

Transactions between UMBL and our Company

Our Company has arrangements with UMBL for brewing of beer under trademarks of our Company. For more details please refer to "Related Party Transactions" and "Material Agreements" beginning on page 158 and 84, respectively of the Letter of Offer.

III. Empee Breweries Limited (EBL)

Empee Breweries Limited was originally incorporated as Empee Breweries Private Limited on December 16, 1985 under the Companies Act, 1956. The name of EBL was changed from Empee Breweries Private Limited to the present name on July 23, 1987. EBL is a wholly owned subsidiary of Millenium Alcobev Private Limited.

The main objects of EBL are as follows:

1. To carry on the business of Distillers, Bottlers, Brewers, Blenders, manufacturers and producers in all its branches, and to purchase, manufacture, produce, refine, import, export, sell and generally deal in arrack, Indian made Foreign Liquors and liquors of every description, Alcohol and Spirits such as Power Alcohol, Industrial Alcohol, Neutral Alcohol, Absolute Alcohol, Ethyl Alcohol, Amyl and Butyl Alcohols and Spirits like Rectified Spirit, Denatured Spirit, Methylated Spirits and spirits of every description and wines, Port-wines, Beer, Ale., Porter, Stout, Toddy, whether intoxicating or not, Aerated and other Mineral waters, soft drinks of every kind and description and in connection therewith to acquire, construct, operate factories for the blending of Arrack, manufacture of Alcohol and their products and by-products and to acquire machinery for any of the above purposes.
2. To carry on business as manufacturers of and dealers in casks, jars, flasks, corks, bottles, bottle stoppers and other receptacles for stocking, storing and distributing all products manufactured.

Board of Directors

The Board of Directors of EBL is given below:

Name	Designation
Mr. Kalyan Ganguly	Director
Mrs. Veronica Lesley Jackson	Director
Mr. Narasimhan Ranganathan	Wholetime Director

Shareholding Pattern

The shareholding pattern of EBL is as follows:

Particulars	No. of shares held	Shareholding (%)
Millennium Alcobev Private Limited	5,825,364	99.99
Millennium Alcobev Private Limited jointly with several joint holders	6	Negligible
Total	5,825,370	100

Financial Performance

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

For the year ended	March 31, 2007	March 31, 2006	March 31, 2005	Rs. In Lakhs
Total income	8,770.15	7,785.43	7,112.16	
Profit after Tax	444.01	(721.85)	13.15	
Equity Capital	582.54	582.54	582.54	
Reserves (excluding revaluation reserve)	(660.39)	(1,104.40)	(382.55)	
Earnings per Share	7.62	(12.39)	0.23	
Net Asset Value	(1.34)	(8.96)	3.43	

Share Price Performance

Equity shares of Empee are not listed on any of the Stock Exchanges

Information regarding adverse factors

The details of the profit / loss incurred by EBL in the preceeding three years are as follows:



Rs. In Lakhs

March 31, 2007	March 31, 2006	March 31, 2005
444.01	(721.85)	13.15

Common Pursuits

Our Company and EBL are in the same line of business.

Transactions between Empee and our Company

Our Company has arrangements with EBL for brewing of beer under trademarks of our Company. For more details please refer to "Related Party Transactions" and "Material Agreements" beginning on page 158 and 84, respectively of the Letter of Offer.

Shareholders Agreement of our Company

Our Company has not entered into any shareholders agreement except as disclosed in the section titled "Material Agreements" beginning on page 84 of the Letter of Offer.

Other Agreements

Our Company has not entered into any other agreement except as disclosed in the section titled "Material Agreements" beginning on page 84 of the Letter of Offer.

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

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 9 Directors. The day-to-day operations of our Company are being looked after by Mr. Kalyan Ganguly, the Managing Director of our Company. He is assisted by a team of qualified professionals in various functional areas like production, marketing, finance etc.

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, DIN and Term	Date of Appointment*	Qualifications	List of Other Directorships
1.	Dr. Vijay Mallya S/o Late Vittal Mallya 52 years Non Executive Chairman Industrialist 6, Bulkley Avenue, Sausalito California 94965, U.S.A DIN – 00122890 Term – Non Retiring	March 30, 2002	Ph.D. in Business Administration	1. Aventis Pharma Limited 2. Bayer CropScience Limited 3. Mangalore Chemicals and Fertilizers Limited 4. McDowell Holdings Limited 5. Shaw Wallace & Company Limited 6. United Breweries (Holdings) Limited 7. United Spirits Limited 8. Four Seasons Wines Limited 9. Kingfisher Airlines Limited 10. Shaw Wallace Breweries Limited 11. United Racing and Bloodstock Breeders Limited 12. Kamsco Industries Private Limited 13. Mallya Private Limited 14. Millennium Alcobev Private Limited 15. Pharma Trading Company Private Limited 16. The Gem Investment & Trading Co. Pvt. Limited 17. United East Bengal Football Team Pvt. Limited 18. United Mohun Bagan Football Team Private Limited 19. Connectics Pte Limited 20. Imbali Holdings (Pty) Limited 21. Jenson & Nicolson (Singapore) Pte Ltimited 22. Kingfisher America Inc. 23. Kingfisher International Airlines Inc. 24. Lake Kyle Holdings (Pty) Limited 25. Mabula Game Reserve (Pty) Limited 26. Mabula Investments (Pty) Limited 27. Marinscope Inc. 28. Mendocino Brewing Company 29. Orange India Holdings S.A.R.L. 30. The Cape Milner SA (Pty) Limited 31. UB Emirates LLC 32. UB Gulf FZE 33. UB Holdings SA (Pty) Limited 34. UB Resorts Holding SA (Pty) Limited 35. UB Resorts Investments SA (Pty) Limited 36. UB Resorts Management SA (Pty)

Sr. No.	Name, Father's name, Age (Years), Designation, Occupation, Residential Address, DIN and Term	Date of Appointment*	Qualifications	List of Other Directorships
				Limited 37. UBICS Inc. 38. UBSN Limited 39. United Breweries of America Inc. 40. United Breweries & Distilleries (Pacific) Pte Limited 41. United National Breweries (SA) (Pty) Limited 42. United Wineries of America Inc. 43. Vantage Investments Pte Limited 44. Wotan Pte Limited 45. Whyte and Mackay Limited 46. Whyte and Mackay Group Limited 47. Whyte and Mackay Warehousing Limited 48. Deccan Aviation Limited 49. Bouvet Ladubay SA 50. Liquidity Inc. 51. United Spirits Nepal Private Limited
2.	Mr. A. K. Ravi Nedungadi S/o Mr. A. K. Peethambaran Nedungadi 50 years Non-Executive Director Flat No.103, Delphi – III Prestige Acropolis 20, Hosur Road Bangalore – 560 029 DIN – 00103214 Term – Retires by rotation	August 9, 2002	Chartered Accountant and Cost Accountant	1. Aventis Pharma Limited 2. Bayer CropScience Limited 3. Idea Streamz Consultants Private Limited 4. Kingfisher Airlines Limited 5. Millenia Vision Advertising (P) Limited 6. Pie Education Limited 7. Millennium Alcobelv Private Limited 8. Shaw Wallace & Company Limited 9. Shaw Wallace Breweries Limited 10. Shaw Wallace Executives' Welfare and Benefit Company 11. Bouvet-Ladubay, France 12. Orange India Holdings S.A.R.L., Luxembourg 13. Whyte and Mackay Group Limited, U. K. 14. Whyte and Mackay Limited, U. K. 15. Whyte and Mackay Warehousing Limited, U.K. 16. Wotan Pte Ltd., Singapore 17. Deccan Aviation Limited 18. United Spirits Nepal Pvt. Limited
3.	Mr. Kalyan Ganguly S/o Mr. Kalidas Ganguly 56 years Managing Director Flat 302, III Floor Brigade Lavelle – I Lavelle Road Bangalore – 560 001 DIN – 00103034 Term – July 20, 2007 to July 20, 2012	March 30, 2002	1. Post Graduate Diploma in Business Management (XLRI) 2. Advance Management Programme (Harvard Business School)	1. Associated Breweries & Distilleries Limited 2. Maltex Malsters Limited 3. Indian Premier Football Association Limited 4. Empee Breweries Limited 5. United Millennium Breweries Limited 6. United East Bengal Football Team Pvt. Limited 7. UBSN Limited, U K

Sr. No.	Name, Father's name, Age (Years), Designation, Occupation, Residential Address, DIN and Term	Date of Appointment*	Qualifications	List of Other Directorships
			3. Executive Development Programme in Marketing (Harvard Business School)	
4.	Mr. John Ross Nicolson# S/o Mr. Iain Henderson Nicolson 54 years Independent Director 14, Oswald Road, Edinburgh EH9 2HT, U.K. 0131 – 667 – 2609 Term: 3 Years DIN – 01676093 Term – Retires by rotation	July 20, 2007	B.A. (Economics) and Marketing from University of Strathclyde, Glasgow	1. Millennium Alcobev Private Limited 2. Baltic Beverages Holding Aktiebolag 3. Brouwerijen Alken-Maes N.V. 4. Financiere GLC S.A. 5. Mythos Brewery S.A. 6. Oy Hartwall Ab 7. S & N Portugal Limited 8. Scottish & Newcastle International Limited 9. Scottish & Newcastle plc
5.	Mr. John Simon Hunt# S/o Mr. Brian Bagshaw Hunt 44 years Non-Executive Director 25, Fountainhall Road, Edinburgh, United Kingdom – EH92LN Term: 3 Years DIN – 00370928 Term – Retires by rotation	April 29, 2005	M.A. (Hons.) in Mech. Engineering, Post-Graduate in Production Engineering (Cambridge) and ACA	1. Millennium Alcobev Private Limited 2. Scottish & Newcastle India (Private) Limited 3. Scottish & Newcastle India Limited
6.	Mrs. Veronica Lesley Jackson# D/o Late John Thomas Parton 44 years Executive Director & CFO Apartment 1102, Carnation Block, Prestige Exotica, Cunningham Crescent Road, Bangalore – 560 052 DIN – 00108648 Term – Non Retiring	April 29, 2005	FCA, Master of Business Administration, ACA and B.A. (Hons.) Accounting and Finance	1. Associated Breweries & Distilleries Limited 2. Empee Breweries Limited 3. United Millennium Breweries Limited 4. Scottish & Newcastle (India) Private Limited
7.	Mr. Chugh Yoginder Pal S/o Late Chugh Ramchand Pal 71 years Non-Executive Director 6, Bournville Apts Cadbury House, 19, B. Desai Road Mumbai – 400 026 Term: 3 Years DIN – 00106536 Term – Retires by rotation	April 29, 2005	Graduate in Engineering with First Class (Distinction)	1. Cadbury India Limited 2. Aptech Limited 3. Shriram Pistons & Rings Limited 4. Renfro India Private Limited



Sr. No.	Name, Father's name, Age (Years), Designation, Occupation, Residential Address, DIN and Term	Date of Appointment*	Qualifications	List of Other Directorships
8.	Mr. Sunil Kumar Alagh S/o Late Kewal Krishan Alagh 61 years Independent Director 12c, IL Palazzo Little Gibbs Road Malabar Hill Mumbai – 400 006 Term: 3 Years DIN – 00103320 Term – Retires by rotation	April 29, 2005	Graduate in Economics (Hons.) and MBA from IIM, Kolkata	1. Gati Limited 2. Tamara Capital Advisors Pvt. Limited 3. SKA Advisors Pvt. Limited 4. EON Premedia Pvt. Ltd. 5. Rajasthan State Ganganagar Sugar Mills Limited 6. Indofil Organic Industries Limited 7. IL&FS Investsmart Limited
9.	Mr. Chhaganlal Jain S/o Late Meghraj Jain 74 years Independent Director Chartered Accountant 13/B/2 Woodlands Peddar Road Mumbai – 400 026 Term: 3 Years DIN – 00102910 Term – Retires by rotation	January 27, 2003	Chartered Accountant and Company Secretary	1. Shasun Chemicals and Drugs Limited 2. RPG Life Sciences Limited 3. Brescon Corporate Advisors Limited 4. Practical Financial Services Pvt. Limited 5. Millennium Beer Industries Limited 6. Asit C. Mehta Investment Intermediaries Limited 7. Shaw Wallace & Company Limited 8. Shaw Wallace Breweries Limited 9. National Organic Chemical Industries Limited 10. Shasun Pharma Solutions Limited, U. K 11. Brabourne Enterprises Limited

* All the Directors of our Company are liable to retire by rotation except Dr. Vijay Mallya, Chairman, Mr. Kalyan Ganguly, Managing Director and Mrs. Veronica Lesley Jackson, Director & CFO who are not liable to retire by rotation.

Appointed pursuant to shareholders agreement dated December 19, 2004. For more details please refer to page 84 of this Letter of Offer.

None of the Directors are relatives of each other.

For litigations involving our directors, please refer to section titled – “Outstanding Litigation, Defaults and Material Developments” beginning on page 233 of this Letter of Offer.

Brief Profile of the Board of Directors

Dr. Vijay Mallya was elected as Chairman of erstwhile United Breweries Limited [now United Breweries (Holdings) Limited] by the shareholders following the demise of his father in 1983, at the young age of 28. Prior to being entrusted with the responsibilities of a conglomerate, Dr. Mallya worked for the American Hoechst Corporation in the U.S.A. and in the U.K. Since 1980 he assisted his father, then Chairman of the UB Group in managing the important brewing and spirits division. Upon assuming the position of chairman in October 1983, Dr. Mallya initiated the process of defining a corporate structure with performance, accountability, inducting professional management and streamlining businesses. The UB Group is focused on increasing value for its stakeholders through its various operating businesses.

Dr. Mallya was appointed as an additional director of the Company on March 30, 2002. Post de-merger of the brewing business of erstwhile United Breweries Limited [now United Breweries (Holdings) Limited] into the Company, the Shareholders of the Company at their meeting held on September 30, 2002 have appointed Dr. Mallya as a Director and chairman of the Company who shall not be liable to retire by rotation.

Dr. Mallya has received several professional awards both in India and overseas. He has also been conferred a Doctorate of Philosophy in Business Administration, by the Southern California University, Santa Ana, CA, USA in 1997. He has also been nominated as a Global Leader for tomorrow by the World Economic Forum during their Annual Meeting at Davos in 1995. Dr. Mallya is a member of Parliament, Council of States of the Republic of India.

Mr. A.K. Ravi Nedungadi is a Chartered Accountant and a Cost Accountant. He started his career at Macneill & Magor Ltd., initially in their Head Office Accounts and subsequently as Regional Accounts Manager for the Northern region responsible for all manufacturing and sales accounting of the Group interests in North India. After a 6-year stint in Macneill & Magor Ltd., he moved as Asst. Vice President – Finance of Pentagon Fasteners Limited at the behest of the All-India Financial Institutions. He played a key role in the turnaround of this company. Following successful financial rehabilitation of Pentagon, Mr. Nedungadi joined Computer Point Limited as Head of Finance and Procurement before moving on to the UB Group as the Group Corporate Treasurer in Bangalore. He was promoted as the Group Finance Director of UB International Limited where he worked for 5 years.

Presently Mr. Nedungadi is the President & CFO of the UB Group responsible for the financial strategic functions for the Group. He has successfully steered the restructuring of major businesses in the Group and played a lead role in the strategic alliances as well as the major acquisitions in the Spirits and Airlines business. Mr. Nedungadi is the recipient of several awards in recognition of his professional contributions. These include the Udyog Ratna, the CNBC award for Best M & A transaction in India and the CNBC Award for the Best CFO (FMCG & Retail). In addition to being a Director on several Boards in India and abroad, Mr. Nedungadi is also a Trustee of India Foundation for the Arts.

Mr. Kalyan Ganguly started his career with Reckitt & Coleman India Limited and subsequently in 1979 joined the Spirits Division of the UB Group. Mr. Ganguly joined the Board of UBL on March 30, 2002 and was elevated to the position of the Managing Director of the Company from August 9, 2002. Before being appointed on the Board and later as Managing Director of the Company, Mr. Ganguly was leading the Brewery business as President of the Breweries Division. Mr. Ganguly has contributed towards growth and development of Kingfisher Brand. Mr. Ganguly has also participated in various workshops where he has been able to acquire relevant knowledge and contribute significantly towards enhancing India's position among countries having significant brewing operations.

Mr. Ganguly is entrusted with powers of management and is responsible for the general conduct and management of the business and affairs of our Company subject to the superintendence, control and supervision of the board of directors of the Company.

Mr. John Hunt is an M.A.(Hons.) in Mech Engineering and a Post-Graduate in Production Engineering from Cambridge University. He is also an ACA & has completed Executive Development Programs at S&N's Senior Executive Program, IMD-Lausanne and Harvard Business School. He commenced his Professional career with KPMG as Audit Senior 1985-1989), then moved on to the Foster's Brewing Group in London where he was elevated from the role of Operational Audit Manager (1989-1991) to the level of Commercial Director (1993-1996) of Holsten UK, a Foster's JV in the UK. He then moved on as Finance & Airtime Sales Director (1996-1998) of a BBC/Pearson JV running BBC's World & Prime satellite TV channels in Europe. He then joined S&N in April 1998 as Corporate Development Manager where he was part of a small team that acquired the No.1 French & the No.2 Portuguese brewers & a £ 1 billion Pub Company. Mr. John Hunt held few other positions in the S&N Group and is currently the Managing Director for Asia (since May 2004)– responsible for all S&N operations in Asia including listed brewing JV's in India & China. Total turnover of JV businesses is around ₹ 500 million. He brings with him a very wide & international experience in the industry.

Mrs. Veronica Lesley Jackson is an FCA, Master of Business Administration, B.A. Hon's Accounting & Finance. She started her career with KPMG Peat Marwick in 1985, then moved on to Cadbury Schweppes PLC. Following a period in Internal Audit she then moved on as a Financial Analyst at Sears PLC. In 1991 she became Finance Manager for Dairy Crest Dairies. After 3 years she joined Albright & Wilson PLC & held various positions in both Finance and non Finance. She was based in mainland Europe and following the IPO of the company returned to the UK to hold the position of European Finance Manager. In 1997 she joined HP Bulmer PLC as UK Finance Director. She accepted the additional role of E commerce Director in 1999, resulting in the successful launch of the first on trade portal and its resulting merger with Barbox in 2001. Her last 12 months with the company were spent as Business Development Director prior to moving to Scottish Courage Ltd in 2003, the UK Subsidiary of Scottish & Newcastle Plc, firstly as On-trade Finance Director & then held the



position of Distribution Finance Director & more recently Business Systems Director of S&N's UK business. She has now taken up the assignment as Chief Financial Officer at UBL. Mrs. Jackson brings with her the experience of a commercial finance professional, possessing broad business skills, and experience in overseas operations

Mr. Chugh Yoginder Pal after graduating in Engineering with Distinction from the University of Delhi in 1958, he trained in Telco in Industrial Engineering before joining Hindustan Lever Limited in 1960 as an Industrial Engineer and moved up rapidly in a variety of Senior Technical and General Management positions until 1977 when he left to join Cadbury India Limited as their Technical Director responsible for all Manufacturing and Technical operations. In 1983 Mr. Pal took over as Managing Director of the Company and in 1987 he became the Chairman and Managing Director and continued in that role until 1997 when he retired from his full time role. Mr. Pal continues to be associated with Cadbury India as its Non-Executive Chairman besides being on the board of other Companies like Aptech Limited and Shriram Pistons & Rings Limited. Mr. Pal thus brings with him valuable professional experience at senior levels and an excellent understanding of the Indian business environment.

Mr. Sunil Kumar Alagh is a graduate in Economics (Hons.) with MBA from IIM Calcutta. He has worked with ITC Limited, Jagatjit Industries Limited and Britannia Industries Limited. He was Managing Director and CEO of Britannia Industries Limited from 1989 to 2003. During this tenure, Britannia figured in the Forbes Magazine list of 300 Best Small Companies in the world for 3 years. It also became the Number 1 Food Brand in India. He was honoured with the 'Gold Medal Kashikar Memorial Award 2000' for outstanding contribution to the food processing industry in India. This award has been instituted by the All India Food Processors' Association (AIFPA). He was a finalist for the Ernst & Young Entrepreneur of the year 2000. He was the President of the All India Management Association and is on the Board of Governors of I.I.M., Bangalore, IIM Indore, National Institute of Design, Ahmedabad and the Indian Institute of Foreign Trade, Delhi. He is the Chairman of SKA Advisors which advises a large number of Companies on Management Strategies in India.

Mr. Chhaganlal Jain is a Chartered Accountant and a Company Secretary by profession, having more than 40 years of corporate experience in various organizations including ICI and Hindustan Lever Ltd. He was also Finance Director of Hoechst India Ltd. And later the President of Ceat Asset Management Ltd. Apart from Directorships he holds in esteemed public Companies, he is also a trustee of Nayana Parekh Charitable Trust and Sangeeta Jain Charitable Trust.

Mr. John Ross Nicolson is a member of the Scottish & Newcastle plc Board and is Managing Director Eastern Europe, Asia and the USA. He is also the Chairman of BBH (Baltic Beverages Holding), which is S&N's Joint Venture in Russia, Kazakhstan, Ukraine and the Baltics. Until July 2000, he was Corporate Development Director for Scottish & Newcastle, responsible for strategy and acquisitions. Following University he joined ICI Paints Division and then moved to Brooke Bond Oxo. In 1988 he was transferred within Unilever to Sales and Marketing Director of Lipton International. He then became Marketing Director of Ice Cream at Birds Eye Walls Ltd, with additional responsibility for one of Unilever's International Ice Cream Groups. In 1993 he joined Courage as Group Executive Director, where he was the Managing Director of its UK Take Home business and also the Groups Marketing Director. With the acquisition of Courage by Scottish & Newcastle plc, Mr. John moved to Edinburgh where he became the Marketing Director of Scottish Courage, S&N's Beer Division and Chairman of its Irish company Beamish & Crawford.

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 September 19, 2006 authorized the Board to borrow an amount up to Rs. 150,000 Lakhs.

CORPORATE GOVERNANCE

The composition of Board of Directors, Audit Committee, Recruitment and Remuneration Committee, Share Transfer & Shareholders' / Investors' Grievance 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.

Board of Directors ('Board')

Size of the Board

The Board consists of nine (9) members with two (2) Executive Directors and seven (7) Non-Executive Directors. Of these, three (3) are Independent Directors. The Chairman of the Board is a Non-Executive Director.

Responsibilities

The Board members are expected to attend and participate in all the Board meetings and Committee meetings in which they are members. The Board of Directors' responsibilities include reviewing corporate performance, ensuring adequate availability of financial resources and reporting to shareholders. The Board members ensure that their other responsibilities do not materially impact their responsibility as a Director of our Company. The Board constantly evaluates the contribution of its members and recommends their reappointment to its shareholders.

Composition of Board of Directors

Name of the Director	Position	Category *
Dr. Vijay Mallya	Chairman	NED
Mr. A K Ravi Nedungadi	Director	NED
Mr. Kalyan Ganguly	Managing Director	ED
Mr. John Ross Nicolson	Director	NED
Mr. John Hunt	Director	NED
Mrs. Veronica Lesley Jackson	Director & CFO	ED
Mr. Chugh Yoginder Pal	Director	IND
Mr. Sunil Kumar Alagh	Director	IND
Mr. Chhaganlal Jain	Director	IND

* ED – Executive Director NED – Non-Executive Director IND – Independent Director

Board Committees

The Board has constituted Committees of Directors to deal with matters which need quick decisions and timely monitoring of the activities falling within their terms of reference. These Committees prepare the groundwork for decision making and report at the subsequent Board Meeting.

The following committees of the Board of Directors have been constituted:

- Audit Committee
- Share Transfer Committee
- Investors' Grievance Committee
- Remuneration / Compensation Committee

Audit Committee

Composition of the Audit Committee:

The Composition of the Audit Committee is as follows:

Name of Director	Designation	Category *
Mr. Chugh Yoginder Pal	Chairman	IND
Mr. Chhaganlal Jain	Member	IND
Mr. Sunil Kumar Alagh	Member	IND

*IND – Independent Director



Terms of Reference

The Committee oversees the financial reporting process, disclosure requirements and matters relating to internal control system. The Committee also reviews periodically the financial accounts, adequacy of internal audit function, compliance with accounting standards and other areas within its terms of reference as under:

- (i) Oversee our Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- ii) Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of Audit fee.
- (ii) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- (iii) Reviewing, with the Management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Directors Responsibility Statement to be included in the Board's report in terms of Clause 2AA of Section 217 of the Companies Act, 1956
 - Changes, if any, in accounting policies and practices and reasons for the same
 - Major accounting entries involving estimates based on the exercise of judgment by the Management
 - Significant adjustments made in the financial statements arising out of Audit findings
 - Compliance with listing and other legal requirements relating to financial statements
 - Disclosure of any related party transactions
 - Qualifications in the draft audit report
- (iv) Reviewing with the Management the quarterly financial statements before submission to the Board for approval
- vi) Reviewing with the Management, performance of statutory and internal auditors, adequacy of internal control systems
- (v) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
- viii) Discussing with Internal Auditors any significant findings and follow up there on
- ix) Reviewing the findings of any internal investigations by the Internal Auditors in to matters where there is suspected fraud or irregularity or failure of Internal Control Systems of a material nature and reporting the matter to the Board;
- (vi) Discussing with Statutory Auditors before the Audit commences, about the nature and scope of Audit as well as post-audit discussion to ascertain any area of concern;
- xi) To look into the reasons for substantial defaults in the payment to Depositors, Shareholders (in case of non-payment of declared Dividends), Debenture-holders and Creditors;
- (vii) To review the function of the Whistle Blower mechanism, in case the same is existing, and
- (viii) Carrying out any other function as may be mentioned in the terms of reference of the Audit Committee from time to time.

The Audit Committee mandatorily reviews the following information:

1. Management discussion and analysis of financial conditions and results of operations;
2. Statement of significant related party transactions submitted by the management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief Internal auditor.

Share Transfer Committee

Composition of the Share Transfer Committee:

The Composition of the Share Transfer Committee is as follows:

Name of Director	Designation	Category *
Mr. A K Ravi Nedungadi	Chairman	NED
Mr. Kalyan Ganguly	Member	ED
Mrs. Veronica Lesley Jackson	Member	ED

*ED – Executive Director NED – Non-Executive Director

Terms of Reference

- To monitor Transfer, Transmission and Transposition of the Shares of our Company;
- Issue of Duplicate Share Certificates, in lieu of Certificates lost or misplaced;
- Issue of New Share Certificates in lieu of Certificates torn, mutilated, cages for transfer filled up etc.
- Consolidation and sub-division of Share Certificates;
- To oversee compliance of the norms laid down under the Depositories Act, 1996;
- To appoint/ remove Registrars and Transfer Agents;
- To oversee compliance of the norms laid down under the Tripartite Agreement with National Securities Depository Limited /Central Depository Services (India) Limited;
- Perform all such acts and deeds, matters and things as it may in its absolute discretion deem necessary, expedient, desirable, usual or proper and to settle any question, dispute, difficulty or doubt that may arise in regard to the matters arising out of the aforesaid acts.

In order to facilitate prompt and efficient service to the Shareholders all the transactions in connection with Transfer, Transmission, issue of Duplicate Certificates, etc., have been entrusted to Alpha Systems Private Limited, Registrars and Transfer Agents and the same are being processed and approved on fortnightly basis.

Investor's Grievance Committee**Composition of the Investor's Grievance Committee:**

The Composition of the Investor's Grievance Committee is as follows:

Name of Director	Designation	Category *
Mr. Chugh Yoginder Pal	Chairman	IND
Mr. Sunil Alagh	Member	IND
Mr. Chhaganlal Jain	Member	IND

*IND – Independent Director

Terms of Reference

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 Compliance Officer is Mr. Govind Iyengar, Company Secretary.

Remuneration / Compensation Committee:**Composition of the Remuneration Committee:**

The Composition of the Remuneration Committee is as follows:

Sr. No.	Name of Director	Designation	Category *
1.	Mr. Sunil Alagh	Chairman	IND
2.	Mr. Chugh Yoginder Pal	Member	IND
3.	Mr. Chhaganlal Jain	Member	IND

*IND – Independent Director

Terms of Reference

The Committee is authorized inter alia:

- To deal with matters related to compensation by way of salary, perquisites, benefits, etc., to the Managing Director/ Executive/ Wholetime Directors of our Company and set guidelines for the salary, performance, pay and perquisites to other Senior Employees and



-
- To formulate and implement Employee Stock Option Scheme to employees.

Shareholding of our Directors

As per Article 127 of the Articles of Association of our Company our Directors are not required to hold any qualification shares. Except as given below, none of the director's of our Company hold equity 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
Dr. Vijay Mallya#	192,18,260	8.90
Mr. Kalyan Ganguly	12,020	0.01
Mr. Sunil Kumar Alagh	6,000	0.00

the shareholding of Dr. Vijay Mallya includes Shares held in joint names also.

Terms of appointment of Mr. Kalyan Ganguly, Managing Director are as follows:

The members of our Company in the General Meeting held on September 30, 2002 approved the appointment of Mr. Kalyan Ganguly as Managing Director of our Company for a period for a period of 5 years starting from August 09, 2002. Subsequently, the Board of Directors at their meeting held on July 20, 2007 have approved re-appointment of Mr. Kalyan Ganguly as Managing Director of our Company for a period of 5 years effective August 09, 2007. Below mentioned are the terms of his appointment:

1. Salary: Rs. 6,49,150 per month, with such increments as may be determined by the Board of Directors of our Company, from time to time as per the Rules of our Company.
2. Special Allowance: Special Allowance at the rate of 50% of the Basic Salary. This will be taken into account for calculation of Provident Fund, Gratuity, Superannuation Benefits and Performance evaluation payment.
3. Performance Evaluation Payment: of such percentage of Basic Salary plus Special Allowance per annum as may be evaluated by the Management, based on performance, in accordance with the Rules of our Company, in this regard.
4. Perquisites:
 - i. Housing: Furnished / Unfurnished residential accommodation or House Rent Allowance of 50 per cent of salary in lieu thereof.
The expenditure incurred on gas, water, electricity and furnishings shall be valued as per the Income Tax Rules, 1962.
 - ii. Medical Reimbursement: Expenditure incurred by Mr. Kalyan Ganguly and his family, in accordance with the Rules of our Company.
 - iii. Club Fees: Fees of Clubs subject to a maximum of two Clubs. This will include admission and life membership fees.
 - iv. Personal Accident Insurance: Premium as per the Rules of our Company.
 - v. Provident Fund: Company's contribution to Provident Fund shall be as per the Rules of our Company.
 - vi. Superannuation Fund/ Annuity: Company's contribution to Superannuation Fund shall be in accordance with the Rules of our Company.
 - vii. Gratuity: Payable in accordance with the Rules of the approved Fund of our Company as applicable.
 - viii. Encashment of Leave not availed of: As per the Rules of our Company.
 - ix. Provision of a car and telephone at the residence: As per the Rules of our Company.
 - x. Such other benefits, amenities, facilities and perquisites as per the Rules of our Company as applicable to senior executives and as may be permitted by the Board of Directors, to the Managing Director.
 - xi. Flexible Compensation Package of Rs 1,31,325/- (per month) which includes:
 1. Leave Travel Allowance
 2. Soft Furnishing Allowance
 3. Drivers salary
 4. Interest Subsidy
 5. Mobile instrument
 6. Car lease rental
 7. Lunch vouchers
 8. House painting, repairs and maintenance

All perquisites and allowances shall be valued as per Income-Tax Rules, 1962 as amended from time to time. Provided that the remuneration payable to Mr. Kalyan Ganguly (including salary, special allowance performance evaluation payment, perquisites, benefits, amenities and facilities) shall be subject to the provisions laid down in Sections 198 and 309 and Schedule XIII of the Companies Act, 1956 or any other Statutory provision, modification or re-enactment thereof and shall be subject to the approval of the Central Government. In the event of absence or inadequacy of profits in any financial year, the remuneration by way of salary, special allowance, performance evaluation payment, perquisites, benefits, amenities and facilities payable to Mr. Kalyan Ganguly shall be subject to the provisions prescribed under the Companies Act, 1956 and the Rules made there under or any statutory modification or re-enactment thereof.

Details of the payment made to the Directors of our Company during the last financial year:

All our non-executive Directors are entitled to sitting fees of Rs.20,000/- per Board meeting and Audit Committee meeting and Rs.10,000/- per meeting for attending meetings of other committees of the Board. Remuneration/sitting fees paid to all the directors on the Board during 01.04.2006 to 31.03.2007 is given below:

Name of the Director	Business relationship with our Company, if any	Gross remuneration* (Rs.)	Sitting fees (Rs.)	Total (Rs.)
Dr. Vijay Mallya	Chairman	NIL	70,000	70,000*
Mr. A. K. Ravi Nedungadi	Director	NIL	1,50,000	1,50,000
Mr. Kalyan Ganguly	Managing Director	2,11,89,473	NIL	2,11,89,473
Mr. John Ross Nicolson**	Director	NIL	NIL	NIL
Mr. John Hunt	Director	NIL	60,000	60,000*
Mrs. Veronica Lesley Jackson	Director, CFO	51,61,228	NIL	51,61,228
Mr. John Dunsmore @	Director	NIL	20,000	20,000*
Mr. Sunil Kumar Alagh	Director	NIL	1,60,000	1,60,000
Mr. Chugh Yoginder Pal	Director	NIL	1,40,000	1,40,000
Mr. Chhaganlal Jain	Director	NIL	1,35,000	1,35,000

* (Net of TDS)

@ Mr. John Dunsmore resigned from the Board effective July 20, 2007

**Mr. John Ross Nicolson has been appointed as director on July 20, 2007

None of the directors have been paid commissions on profits of our Company so far.

Details of Loans given to our Directors / Key Managerial Employees:

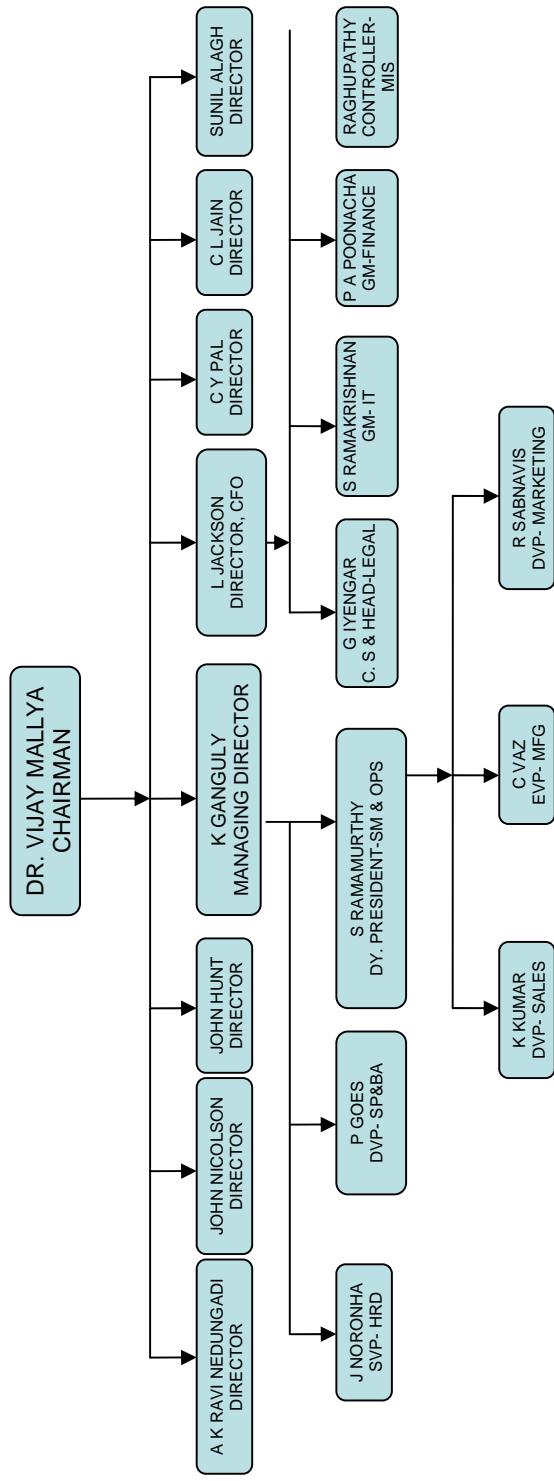
(in Rs.)

Name of Director / Key Managerial Personnel	Outstanding as on March 31, 2005	Outstanding as on March 31, 2006	Outstanding as on March 31, 2007	Outstanding as on March 31, 2008
Mr. Kalyan Ganguly	124,781.00	105,236.00	88,347.00	88,347.00
Mr. Govind Iyengar	40,000.00	31,996.00	23,992.00	17,989.00

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. S. R. Gupte	09.08.2002	29.04.2005	Resigned
Mr. V. K. Rekhi	09.08.2002	29.04.2005	Resigned
Mr. Atul Munim	09.08.2002	29.04.2005	Resigned
Dr. Neville Bain	30.06.2003	29.04.2005	Resigned
Mrs. Veronica Lesley Jackson	29.04.2005	-	Appointed as Additional Director & Subsequently appointed as Wholetime Director, CFO on June 13, 2005
Mr. John Hunt	29.04.2005	-	Appointed as Additional Director
Mr. Chugh Yoginder Pal	29.04.2005	-	Appointed as Additional Director
Mr. Jonh Dunsmore	29.04.2005	20.07.2007	Resigned
Mr. John Ross Nicolson	20.07.2007	-	Appointed as Additional 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	Experience with Our Company (Years)	Experience in Industry in which our Company operates	Total Experience (Years)	Gross Salary for FY 2008 (Rs. In Lakhs)
Mr. Shekhar Ramamurthy Deputy President – Sales, Marketing & Operations B.Tech., IIT – Delhi, PGDBM (IIM)	46	Herbertsons Limited	01.08.2001	6	9	20	117.99
Mr. Cedric Vaz EVP – Manufacturing B. Tech, IIT – Kanpur	49	Cadbury India Limited	15.05.2006	1	2	25	67.16
Mr. Joseph Noronha SVP– HRD B.Com., PGPMIR (XLRI)	51	East India Hotels, Goa	01.08.2001	6	17	27	62.63
Mr. Govind Iyengar Company Secretary B.Com, ACS, LL.B.	41	Citurgia Biochemicals Limited	05.02.2001	6	7	18	32.75

All the key managerial personnel are permanent employees of our Company and none of them are relatives of each other.

With effect from August 1, 2001 all the above employees except Mr. Cedric Vaz were transferred from erstwhile UBL (now UBHL) upon de-merger of brewing business of erstwhile UBL (now UBHL) into our Company.

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 the statement pursuant to Section 217(2A) of the Companies Act, 1956 and the Companies (Particulars of Employees) Rules, 1975.

Brief Profile of the Key Managerial Personnel

Mr. Shekhar Ramamurthy

Mr. Shekhar Ramamurthy, is a Bachelor of Technology from the Indian Institute of Technology, Delhi and has also obtained his Post Graduate Diploma in Management from Indian Institute of Management, Kolkata in 1987. He joined The UB Group in 1989 in the Corporate Planning function as Executive Planning and Co-ordination. He was then transferred to the marketing function at McDowell & Company Ltd as Product Manager in May 1990. He took over as the Marketing Manager of McDowell & Company Ltd in October 1992. He was later on transferred to another Group company, Herbertsons Limited in January 1997 as the Head of Marketing.

In October 1999, he moved to United Breweries Limited as Divisional Vice President in charge of Sales & Marketing. Post Demerger of the brewing business, Mr. Shekhar Ramamurthy was transferred to our Company.



In October 2007, he was elevated to the position of Deputy President of our Company. Prior to joining the UB Group, Mr. Ramamurthy was working with Lintas India Limited.

Mr. Cedric Vaz:

Mr. Cedric Vaz joined United Breweries Limited as EVP- Manufacturing on May 15, 2006. A Chemical Engineering graduate from the prestigious Indian Institute of Technology, Kanpur, Mr. Vaz has had long and distinguished stints with INDAL and Cadbury India Limited prior to joining United Breweries Limited. His last assignment was with Cadbury India Limited as Head Operations.

Mr. Joseph Noronha

Mr. Noronha is a Bachelor of Commerce (Hons.) and has also done his Post Graduate Degree in Personnel Management and Industrial Relations with Xavier's Labour Relations Institute in Jamshedpur. Mr. Noronha joined erstwhile United Breweries Limited in July 1991 as Senior Manager – Personnel and Administration and was looking after our Company's Unit located at Goa. In August 1995, he was transferred to Bangalore and presently working in the capacity of Senior Vice President – HRD. Mr. Noronha has the credit of getting National Merit Scholarship and has won many prizes in general proficiency. Post Demerger of Brewing business, Mr. Noronha was transferred to our Company. Prior to joining erstwhile United Breweries Limited, Mr. Noronha was working with the Oberoi Bogmalo Beach, Goa.

Mr. Govind Iyengar

Mr. Govind Iyengar joined erstwhile United Breweries Limited in February 2001 as Deputy Company Secretary to look after the Secretarial matters of our Company. Prior to joining Our Company, he was working with Citurgia Bio-Chemicals Limited, a Bombay Dyeing Group Company in Mumbai as a Company Secretary. Upon De-merger of the brewing business of the erstwhile UBL into our Company, Mr. Iyengar was promoted as our Company Secretary of our Company. Presently he is looking after the Secretarial and legal functions of our Company.

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:

Names of our Key Managerial Personnel	No. of Equity Shares
Mr. Shekhar Ramamurthy	1150
Mr. Cedric Vaz	Nil
Mr. Joseph Noronha	800
Mr. Govind Iyengar	Nil

Bonus or Profit Sharing Plan for our Key Managerial Employees

Our Company does not have any bonus or profit sharing plan for all employees (including Key Managerial Employees) except for the following:

1. Profit Incentive Plan: It is payable to all executives from Junior Management Cadre and above only if our Company achieves the targeted percentage of the budgeted profit & above.
2. Long Term Incentives Plan ("LTIP"): Our Company has implemented this plan which has come into effect from April 1, 2008 and shall be applicable for a period of 1 year till March 31, 2009, it would be reviewed thereafter. This scheme is applicable to senior management executives of the Company. Accrual of long term incentive would depend on yearly review against the business targets as approved by the Board. Every year a part of long term incentive would accrue. Incentive would accrue to an individual in a particular year if:
 - a. Company targets of EBITDA / Revenue and Volumes are achieved.
 - b. Individual's targeted score is achieved.

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:

Remuneration

The remuneration of each key managerial personnel includes salary, special Allowance, HRA, company's contribution to provident fund, leave travel concessions, medical reimbursement expenses, performance evaluation payments and other perquisites as may be applicable in such case in terms of the rules of our Company.

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. N K Mittal, EVP – Manufacturing	01.08.2001	30.11.2005	Resigned

Interest of Directors and Key Managerial Personnel

The directors of the Company are interested to the extent of their remuneration as applicable, sitting fees payable to them for attending meetings of the Board of Directors and Committees thereof, reimbursement of expenses and to the extent of equity shares of UBL held by them or their relatives and associates or held by the companies, firms and trust in which they are interested as directors, members, partners, and / or trustees, and to the extent of benefits arising out of such shareholding. In addition, the Company's directors other than a Managing Director or Director(s) in the whole-time employment of the Company, may at the discretion of the Board of the Company be paid every year a remuneration up to one percent (1%) of the net profits of the Company, which may be apportioned among themselves in any manner they deem fit. 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.



PROMOTER AND PROMOTER GROUP

Our promoters are Dr. Vijay Mallya, Scottish & Newcastle India Limited and United Breweries (Holdings) Limited.

On December 19, 2004, Scottish & Newcastle India Limited (“SNIL” or “the Acquirer”) and Scottish & Newcastle Plc. entered into a subscription agreement with our Company pursuant to which 3,779,522 equity shares of Rs. 10/- each (17.50% of the then post issue capital) were issued and allotted at a price of Rs. 575 per equity share on preferential basis. Accordingly, pursuant to Regulation 10 and 12 of, and in compliance with SEBI Takeover Regulations, SNIL made a Public Announcement on December 23, 2007 to the public shareholders of our Company to acquire up to 20% (or 4,320,025 equity shares) of the then post issue equity capital. Among others, following were the terms and conditions of the said open offer as per the letter of offer dated January 29, 2007:

1. The major shareholders of our Company i.e. Dr. Vijay Mallya Group (“VJM Shareholders”) and Scottish & Newcastle plc. (“S&N Shareholders”) entered into Shareholders Agreement dated December 19, 2004 with respect to their rights and obligations with respect to the management of our Company. Our Company is also a party to the said agreement. For key terms and conditions of the agreement please refer to section titled “Material Agreement” beginning on page 84 of this Letter of Offer.
2. SNIL did not hold any equity shares in our Company as of the date of Public Announcement. SNIPL, its PAC, held 500 equity shares and 18,377,555 Redeemable Optionally Convertible Preference Shares in our Company as of the date of the Public Announcement.
3. Open offer was made to acquire up to 20% (or 4,320,025 equity shares) of the then equity share capital of our Company at a price of Rs. 575 per equity share.
4. The open offer opened on February 07, 2005 and closed on February 26, 2005

SNIL acquired 4,320,025 equity shares representing 20% of the then outstanding equity share capital of our Company in the above open offer. The total shareholding of SNIL post open offer in our Company was 80,99,547 equity shares representing 37.50% of the then outstanding equity share capital.

As per the 45 days report dated April 15, 2005 filed by DSP Merrill Lynch Limited, the Manager to the open offer with SEBI, there was a delay in dispatch of consideration to the respondents due to non receipt of statutory approval (FIPB) within the scheduled time.

DSP Merrill Lynch Limited, the Manager to the open offer vide letter dated April 25, 2007 has certified that the Acquirer has complied with the provisions of the Takeover Regulations.

Our Promoter and Promoter Group as on the date of filing of this Letter of Offer, together hold 16,19,90,940 equity shares representing 74.98% of our fully paid up equity capital. The details of which are as follows:

Name of entities	Number of Equity Shares	Percentage of shareholding
Promoters		
Dr. Vijay Mallya (Individually and Jointly)	1,92,18,260	8.90
Scottish & Newcastle India Limited	8,09,95,470	37.49
United Breweries (Holdings) Limited	2,72,66,320	12.62
Promoter Group		
Kamsco Industries Private Limited	88,08,000	4.08
The Gem Investment & Trading Company Private Limited	38,83,620	1.80
Mallya Private Limited	88,08,000	4.08
McDowell Holdings Limited	96,36,610	4.46
Pharma Trading Company Private Limited	13,62,930	0.63
Vittal Investments Private Limited	3,38,360	0.16
Devi Investments Private Limited	16,73,370	0.77
Total Promoter and Promoter Group Shareholding	16,19,90,940	74.98

PROMOTERS***Individual Promoter*****DR. VIJAY MALLYA**

Dr. Vijay Mallya, 52, was elected as Chairman of erstwhile United Breweries Limited [now United Breweries (Holdings) Limited] by the shareholders, following the demise of his father in 1983, at the young age of 28.

Prior to being entrusted with the responsibilities of a conglomerate, Dr. Mallya worked for the American Hoechst Corporation in the U.S.A. and in the U.K. Since 1980, he assisted his father, then Chairman of the UB Group in managing the important brewing and spirits divisions.

Upon assuming the position of chairman in October 1983, Dr. Mallya initiated the process of defining a corporate structure with performance accountability, inducting professional management and streamlining businesses. The UB Group is focused on increasing value for its stakeholders through its various operating businesses.

Dr. Mallya was appointed as an additional director of our Company on March 30, 2002. Post de-merger of the brewing business of erstwhile United Breweries Limited [now United Breweries (Holdings) Limited] into our Company, the Shareholders of our Company at their meeting held on September 30, 2002 have appointed Dr. Mallya as a director and chairman of our Company who shall not be liable to retire by rotation.

Dr. Mallya has received several professional awards both in India and overseas. He has also been conferred a Doctorate of Philosophy in Business Administration, by the Southern California University, Santa Ana, CA, USA in 1997. He has also been nominated as a Global Leader for Tomorrow by the World Economic Forum during their annual meeting at Davos in 1995. Dr. Mallya is a Member of Parliament, Council of the States of the Republic of India.

The Voter Identity Number of Dr. Vijay Mallya is DKV1116243 and the Driving License Number is A1520495 and his passport number is D1014381

Corporate Promoters**SCOTTISH & NEWCASTLE INDIA LIMITED (“SNIL”)**

SNIL is a company incorporated in 1995 under the laws of England and Wales, United Kingdom, with its registered office located at Ashby House, 1 Bridge Street, Staines, England. SNIL is a 100% subsidiary of the S&N and holds 37.49% of our Company's issued equity share capital. The principal activity of SNIL is an investment holding company within the S&N group.

Board of Directors

The Board of Directors of SNIL is as follows:

Name	Designation
Mr. Alan Dick	Director
Mr. Ian Philip McHoul	Director
Mr. John Hunt	Director
Scottish & Newcastle Breweries Services Limited	Director

Source: SNIL Annual Report and Accounts 2006



Shareholding Pattern

SNIL is a 100% subsidiary of S&N and an investment holding company within the S&N group.

Financial Performance

Details of the audited financial performance of SNIL for the last three years are given below. Company law in the United Kingdom requires the directors of SNIL to prepare financial statements in accordance with applicable United Kingdom law and United Kingdom Generally Accepted Accounting Practice. Details of the accounting policies applicable to SNIL are set out in the Annual Report and Accounts for the relevant financial year, together with the detailed notes to the Accounts.

Profit and Loss Account

For 12 months ended	31-Dec-07		31-Dec-06		31-Dec-05	
	(in GB Pounds Thousands)	(in Rs. Thousands)	(in GB Pounds Thousands)	(in Rs. Thousands)	(in GB Pounds Thousands)	(in Rs. Thousands)
Dividend Income	1094.1	87,013.77	993.5	79,013.06	151.9	12,080.61
Profit on ordinary activities before taxation	1094.1	87,013.77	993.5	79,013.06	151.9	12,080.61
Taxation on profit on ordinary activities	-	-	-	-	-	-
Profit attributable to ordinary shareholders retained	1094.1	87,013.77	993.5	79,013.06	151.9	12,080.61

Statement of Total Recognised Gains and Losses

For 12 months ended	31-Dec-07		31-Dec-06		31-Dec-05	
	(in GB Pounds Thousands)	(in Rs. Thousands)	(in GB Pounds Thousands)	(in Rs. Thousands)	(in GB Pounds Thousands)	(in Rs. Thousands)
Profit attributable to ordinary shareholders	1,094.10	87,013.77	993.5	79,013.06	151.9	12,080.61
Foreign exchange difference	(2,709.20)	(215,462.68)	233.9	18,602.07	74.6	5,932.94
	(1,615.10)	(128,448.90)	1,227.40	97,615.12	226.5	18,013.55

Balance Sheet

As at	December 31, 2007		December 31, 2006		December 31, 2005	
	(in GB Pounds Thousands)	(in Rs. Thousands)	(in GB Pounds Thousands)	(in Rs. Thousands)	(in GB Pounds Thousands)	(in Rs. Thousands)
Fixed assets						
Investments	125,513.4	9,982,080.70	113,843.6	9,053,981.51	127,625.1	10,150,024.20
Current assets						
Debtors						
Amounts falling due after one year	84.7	6,736.19	2,998.20	238,446.85	-	-
Amounts falling due within one year	-	-	3,612.10	-	-	-
	84.7	6,736.19	6,610.30	525,717.16	-	-
Creditors: amounts falling due after more than one year	(2,873.2)	(228,505.60)	-	-	(2,844.6)	-

Net current (liabilities)/assets		(2,788.50)	(221,769.41)		6,610.30	525,717.16		(2,844.6)	(226,231.0)
Total assets less current liabilities		122,724.9	9,760,311.30		120,453.9	9,579,698.67		124,780.5	9,923,793.2
Creditors: amounts falling due after more than one year		(3,886.10)	(309,061.53)		-	-		(5,554.0)	-
		118,838.8	9,451,249.76		120,453.0	9,579,627.09		119,226.5	9,482,083.5
Capital and reserves									
Called up share capital		119,000.0	9,464,070.00		119,000.0	9,464,070.00		119,000.0	9,464,070.0
Profit and loss account		(161.2)	(12,820.24)		1,453.90	115,628.67		226.50	18,013.55
		118,838.8	9,451,249.76		120,453.9	9,579,698.67		119,226.5	9,482,083.5

Source: SNIL Annual Report and Accounts 2007, 2006 and 2005

Share Price Performance

SNIL is not listed on any stock exchange.

Promise versus performance

SNIL has not come out with any rights or public issue in the last three years in India.

Details of change in management

There has been no change in the management of SNIL since inception.

Information regarding adverse factors

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

Related Party Transactions between SNIL and our Company

Except as disclosed under "Related Party Transactions" beginning on page 158 of the Letter of Offer there are no other related party transactions entered into by SNIL and our Company.

Particulars of Nature and Interest of SNIL

SNIL holds 8,09,95,470 Equity Shares representing 37.49% of the Issued and Paid-up Equity Capital, 3% 1,72,83,000 Cumulative Redeemable Preference Shares – Series A and 3% 74,07,000 Cumulative Redeemable Preference Shares – Series B as on the date. As a result of this holding, SNIL is interested to the extent of dividends as and when declared by the Issuer.

Common Pursuits

There are no common pursuits between SNIL and our Company.

Payment of Benefits to SNIL within the last two years

As a result of SNIL's holdings in the Issuer by way of Equity and Preference Shares, SNIL receives benefits by way of dividends as and when declared by the Issuer. For the benefits received by SNIL from the Issuer in the last 3 years, please refer to related party transactions beginning on page 158 of the Letter of Offer.



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.

Shareholding of the Promoters of UBHL:

Sr. No.	Name of the shareholder	No. of shares	Shares as a % of total number of shares
1.	Dr Vijay Mallya	5,765,478	8.89
2.	Kamsco Industries Pvt Ltd	2,642,400	4.07
3.	The Gem Investment & Trading Company Pvt Ltd	1,165,084	1.80
4.	Pharma Trading Company Pvt Ltd	414,882	0.64
5.	Mallya Pvt Ltd	2,642,400	4.07
6.	Devi Investments Pvt Ltd	502,012	0.77
7.	McDowell Holdings Ltd	5,260,002	8.11
8.	Vittal Investments Pvt Ltd	101,508	0.16
9.	Watson Ltd	14,159,986	21.84
	Total	32,653,752	50.35

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 March 31, 2008 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	5,765,478	-	8.89	8.89
Bodies Corporate	7	12728288	5622938	19.05	19.05

Sub Total	11	18493766	5622938	27.68	27.68
(2) Foreign					
Bodies Corporate	2	16131204	16131204	24.14	24.14
Sub Total	2	16131204	16131204	24.14	24.14
Total shareholding of Promoter and Promoter Group (A)	13	34624970	21754142	51.82	51.82
(B) Public Shareholding					
(1) Institutions					
Mutual Funds / UTI	40	2636115	2632879	3.95	3.95
Financial Institutions / Banks	10	15134	4236	0.02	0.02
Central Government / State Government(s)	1	198		0.00	0.00
Insurance Companies	2	783024	783024	1.17	1.17
Foreign Institutional Investors	56	19296431	19294907	28.88	28.88
Sub Total	109	22730902	22715046	34.02	34.02
(2) Non-Institutions					
Bodies Corporate	592	2667916	2537180	3.99	3.99
Individuals					
Individual shareholders holding nominal share capital up to Rs. 1 lakh	37347	5422378	3441648	8.12	8.12
Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	42	1294258	1257280	1.94	1.94
Any Others (Specify)	-	-	-	-	-
Trusts	6	78097	78097	0.12	0.12
Sub Total	37987	9462649	7314205	14.16	14.16
Total Public shareholding (B)	38096	32193551	30029251	48.18	48.18
Total (A)+(B)	38109	66818521	51783393	100.00	100.00
(C) Shares held by Custodians and against which Depository Receipts have been issued	-	-	-	-	-
Total (A)+(B)+(C)	38109	66818521	51783393	100.00	100.00

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 and 1,971,218 equity shares by conversion of warrants into equity shares to FirStart Inc., a promoter group, the total issued and paid up capital of UBHL stands increased to Rs.668,185,210 divided into 66,818,521 equity shares of Rs.10/- each.

Financial Performance

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

For the year ended	March 31, 2007	March 31, 2006	March 31, 2005	<i>Rs in Lakhs</i>
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	199.76	77.34	

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
March 2008	810.00	495.00
February 2008	965.00	745.00
January 2008	1300.00	690.95
December 2007	1378.00	1040.10
November 2007	1279.95	990.00
October 2007	1,374.40	881.00

Source: www.bseindia.com

The share price of UBHL on BSE as on April 4, 2008 was Rs. 611.95.

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.

Details of change in management

There has been no change in the management of UBHL since inception.

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. 233 of this Letter of Offer.

Related Party Transactions between UBHL and our Company

For related party transactions entered into by UBHL and our Company refer to "Material Agreements" beginning on page 84 of this Letter of Offer.

Particulars of Nature and Interest of UBHL

UBHL is a promoter and holds 12.62% of our Company's pre issue equity share capital. UBHL may therefore, be deemed to be interested to the extent of dividend, if any, declared by our Company. Our Company has also entered into a few agreements with UBHL, for details regarding the agreements refer to page 84 of this Letter of Offer.

Common Pursuits

There are no common pursuits between UBHL and our Company except as mentioned below.

Mendocino Brewing Company Inc., one of the foreign subsidiaries of UBHL, located in California has two breweries, one north of San Francisco, California and the other at Saratoga Springs, New York. *Red Tail Ale* and *Blue Heron Pale Ale* are two of Mendocino's popular brands.

UBSN Limited, based in Faversham, Kent (United Kingdom), is a wholly-owned subsidiary of Mendocino Brewing Co. Inc. UBSN Limited has an exclusive licensing arrangement with UBL for brewing and of distributing *Kingfisher* in Europe and Canada. UBSN Limited predominantly sells *Kingfisher* in the United Kingdom.

Payment of Benefits to UBHL within the last two years

Except for the details disclosed under "Related Party Transactions" beginning on page 158 of this Letter of Offer there are no benefits being paid to UBHL by our 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 the registered office of the company at 'UB Tower', UB City, 24, Vittal Mallya Road, Bangalore - 560 001, 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 March 31, 2007, there are no investor grievances pending redressal by UBHL.



PROMOTER GROUP

Following are the entities forming part of the promoter group:

- I. Relatives of our Promoters that form part of the promoter group under Clause 6.8.3.2(m), Explanation II of the SEBI Guidelines**

Name of the Promoter	Name of the Relative	Relationship	Number of Equity Shares held in our Company (No. of Equity Shares of Re. 1 Each)
Dr. Vijay Mallya	Smt. Lalitha Mallya	Mother	Nil
	Smt. Rekha Mallya	Spouse	Nil
	Shri. Sidhartha V Mallya	Son	94,17,860*
	Miss. Leana V Mallya	Daughter	Nil
	Miss Tanya V Mallya	Daughter	Nil
	Mr. D Chenabasappa	Spouses Father	Nil
	Mrs. Padma Basappa	Spouses Mother	Nil

* Joint Holder along with Dr. Vijay Mallya

- II. Body corporate and other entities that form part of the promoter group under Clause 6.8.3.2(m), Explanation II of the SEBI Guidelines**

Individual Promoter – Dr. Vijay Mallya

Sl. No.	Relationship	Name of the Company / Firm	Number of Equity Shares held in our Company (No. of Equity Shares of Re. 1 Each)
1	Any Company in which 10% or more of the share capital is held by promoter or an immediate relative of promoter or Firm or HUF in which the promoter or any one or more of his immediate relative is a member	Cineblitz Productions Private Limited	Nil
		Devi Investments Private Limited	1,673,370
		Ganapathy Mallya Investments Pvt Ltd	Nil
		Kingfisher Airlines Limited	Nil
		Pharma Trading Company Private Limited	1,362,930
		The Gem Investment & Trading Co Pvt Ltd	3,883,620
		Vittal Investments Private Limited	338,360
2	Any company in which 10% or more of the share capital is held by a Company specified in (1) above	Face One Models Private Limited	Nil
		Rossi & Associates Private Limited	Nil
		Mallya Private Limited	8,808,000
		Kamsco Industries Private Limited	8,808,000
		Kaveri Investments Private Limited	Nil
		VJM Media Private Limited	Nil
		H Parson Private Limited	Nil
		Pixray (India) Limited	Nil
		Kingfisher Goodtimes Private Limited	Nil
		Biitz Publications Private Limited	Nil
3.	List of HUF or firm in which the aggregate share of me and my immediate relatives is equal to or more than 10% of the total	Mallya Investments	Nil

Corporate Promoter – Scottish & Newcastle India Limited (“SNIL”) and United Breweries (Holdings) Limited (“UBHL”)

Sl. No.	Relationship	SNIL	Number of Equity Shares held in our Company (No. of Equity Shares of Re. 1 Each)	UBHL	Number of Equity Shares held in our Company (No. of Equity Shares of Re. 1 Each)
1	Subsidiary or holding company of the body corporate	Scottish & Newcastle Plc.	Nil	Deccan Charters Limited UB Electronic Instruments Ltd UB Infrastructure Projects Ltd Kingfisher Radio Limited Kingfisher Airlines Limited UB International Trading Limited Kingfisher Aviation Training Ltd City Properties Maintenance Company Bangalore Limited	Nil Nil Nil Nil Nil Nil Nil Nil
2	Any Company in which the promoter (body corporate) holds 10% or more of the equity capital	Nil	Nil	United Spirits Limited Aventis Pharma Limited Deccan Aviation Limited Mangalore Chemicals & Fertilizers Limited MCF International Limited United Racing & Bloodstock Breeders Limited Asian Age Holdings Limited McDowell Holdings Limited Pixray (India) Limited H Parsons Pvt. Limited Shaw Wallace & Company Limtied Utkal Distilleries Limited Shaw Wallace Breweries Limited Ramanreti Investment and Trading Pvt. Limited United Alcobev Limited United Vintners Limited McDowell Beverages Limited Four Seasons Wines Limited Daffodils Flavours and Fragrance Pvt. Limited Primo Distributors Private Limited UB Engineering Limited W I E Estate Development Limited Herbertsons Limited McDowell & Company Limited	Nil 3,32,120 Nil
3	Any Company which holds 10% or more of the equity capital of the promoter (body corporate)	Scottish & Newcastle Plc.	Nil	Watson Limited	Nil
4	Any company in which a group of individuals or	Nil	Nil	Nil	Nil

Sl. No.	Relationship	SNIL	Number of Equity Shares held in our Company (No. of Equity Shares of Re. 1 Each)	UBHL	Number of Equity Shares held in our Company (No. of Equity Shares of Re. 1 Each)
	companies or combinations thereof who hold 20% or more of the equity capital in that company, also hold 20% or more of the equity capital of the issuer company				

Our Company does not hold any equity share in the above mentioned promoter group entities.

We confirm that the Permanent Account Numbers, Bank Account Numbers, Passport Number of Dr. Vijay Mallya, the Company Registration Numbers and the addresses of the Registrars of Companies where our promoters are registered have been submitted to Bombay Stock Exchange Limited, Ahmedabad Stock Exchange Limited, Bangalore Stock Exchange Limited, The Calcutta Stock Exchange Association Limited, Cochin Stock Exchange Limited, The Delhi Stock Exchange Association Limited, Hyderabad Stock Exchange Limited, The Ludhiana Stock Exchange Association Limited and Madras 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	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
		United Breweries Nepal Private Limited	Ceased to be subsidiary consequent upon divestment of the entire holding.
2	2006	UB Holding (South Africa) (Proprietary) Limited	Ceased to be subsidiary consequent upon divestment of the entire holding.
		United Vanderhost Limited	Disassociated consequent upon divestment of the entire holding.

Sr. No.	Year Ended	Name of the Company	Remarks
3	2007	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.
		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.
		WIE Engineering Limited	Under Liquidation

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

The promoters of our Company or any of the members of the promoter group or any of the group companies of the promoter / promoter group or any ventures promoted by the promoters/promoter group are interested in our Company to the extent of equity and preference shares held by them in our Company and to the extent of the benefits arising out of their shareholding and to the extent as disclosed under the heading related parties transactions in the section titled "Financial Statements" and under section titled "Material Agreement" beginning on page 136 and 84, respectively of this Letter of Offer.



SECTION V – FINANCIAL STATEMENTS

AUDITORS' REPORT

The Board of Directors
United Breweries Limited
UB Anchorage, 100/1, Richmond Road
Bangalore – 560 025

Dear Sirs,

- 1 We have examined the Restated Financial Information of United Breweries Limited (the Company) for the nine months period ended December 31, 2007 and for each of the five financial years ended on March 31, 2007, 2006, 2005, 2004 and 2003 and annexed to this report and initialed by us for identification. The said financial information has been prepared in connection with the proposed rights issue of equity shares, in accordance with the requirements of:
 - a. Paragraph B (1) of Part II to 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')and the clarification issued by the Securities and Exchange Board of India (the 'SEBI') on January 19, 2000 as amended, in pursuance of Section 11 of the Securities and Exchange Board of India Act, 1992; and
 - c. the terms of reference received from the Company.

The Restated Financial Information has been approved by the Board of Directors of the Company.

2 Restated Financial Information as per audited financial statements:

2.1 We have examined the,

- (i) Annexed restated Summary Statement of Assets and Liabilities of the Company as at December 31, 2007, March 31, 2007, 2006, 2005, 2004, and 2003 (See Attachment I-A);
- (ii) Annexed restated Summary Statement of Profit and Loss of the Company for nine months period ended December 31, 2007 and for the years ended March 31, 2007, 2006, 2005, 2004 and 2003 (See Attachment I-B);
- (iii) Annexed restated Statement of Cash Flows for the nine months ended December 31, 2007 and for the years ended March 31, 2007, 2006, 2005, 2004 and 2003. (See Attachment I-C)

together referred to as "Summary Statements".

2.2 The Summary Statements as at and for the years ended March 31, 2007, 2006, 2005, 2004 and 2003 have been extracted by the management from the financial statements of the company as adopted/approved by the Board of Directors/Members of the Company.

The audit of the financial statements for the year ended March 31, 2003 was conducted by Deloitte Haskins & Sells and our opinion, in so far as it relates to the amounts included in respect of that year, is based on their report for that year dated June 30, 2003 and a further review carried out by us to the extent considered necessary, to ascertain for the limited purpose of inclusion of financial information in the offer document for the proposed rights issue of equity shares.

2.3 We have also examined the financial information of the Company as at and for the period ended December 31, 2007 prepared by the management and approved by the Board of Directors for the purpose of disclosure in the offer document for the proposed rights issue of equity shares. The financial information for the above period was examined to the extent practicable for the purpose of audit of financial information in accordance with the Auditing and Assurance Standards issued by the Institute of Chartered

Accountants of India. Those Standards require that we plan and perform our audit to obtain reasonable assurance whether the financial information under examination is free of material misstatement.

Based on the above, we report that in our opinion and according to the information and explanations given to us, we have found the same to be in accordance with Part II of Schedule II of the Act and the Guidelines and the same have been accordingly used in the financial information appropriately.

- 2.4 The Summary of Significant accounting policies for the nine months period ended December 31, 2007 and selected Notes to Audited Financial Statements of the Company are enclosed in Attachment I-D and Attachment I-E respectively.
- 2.5 Based on our examination of the Summary Statements, we state that:
- (i) Adjustments on account of changes in accounting policies have been made to the audited financial statements for the respective years as indicated in paragraph (ii) below. Other than the adjustments as indicated in the said paragraph, the accounting policies, applied as at and for the period ended December 31, 2007 are materially consistent with those for each of the years ended March 31, 2007, 2006, 2005, 2004 and 2003.
 - (ii) As mentioned in Note A-1 of Attachment I-E, the Company has changed the accounting policy in respect of goodwill on amalgamation, with effect from April 1, 2006, and adjustments thereof have accordingly been made in the year to which the same relate.
 - (iii) There are no material prior period items requiring adjustments in the Summary statements in the above mentioned years, except in respect of accounting of taxation as indicated in Note A-2 of Attachment I-E, which have been adjusted in the relative years to which the same relates.
 - (iv) There are no material extraordinary items which need to be disclosed separately in the Summary Statements; and
 - (v) (a) Provision has not been made in the financial statements for possible loss arising on account of diminution in the value of certain long term investments having carrying value of Rs. 5,895.29 lakhs which the management has considered temporary in nature, having possible impact on the financial results, the extent of which cannot be currently ascertained for the reasons stated in (b) below.
(b) According to the information and explanations given to us, considering various factors such as the strategic nature of the investments and the performance of the underlying assets of the investee consequent upon the various restructuring and other measures being undertaken / planned by the management as enunciated in Note 1B (vi) of Attachment I-E (in respect of financial statements for the nine months period ended December 31, 2007), substantial benefits of which are expected to accrue in the future, the extent of possible loss cannot be currently quantified, and accordingly no adjustments have been made in the summary statements for the years ended March 31, 2005 (Note 1B (iii) of Attachment I-E), March 31, 2006 (Note 1B (iv) of Attachment I-E), March 31, 2007 (Note 1B (v) of Attachment I-E) and the nine month period ended December 31, 2007 (Note 1B (vi) of Attachment I-E).

3. Other Financial Information:

- 3.1 At your request, we have examined the following financial information relating to the Company, proposed to be included in the Offer document, as approved by the Board of Directors of the Company and annexed to this report:

		Reference
I	Capitalisation statement as at December 31, 2007	Note C-15 -Attachment I-E
II	Statement of Key Accounting Ratios	Note C-14 -Attachment I-E
III	Details of Secured Loans	Note C-3 – Attachment I-E
IV	Details of Unsecured loans	Note C-4 – Attachment I-E
V	Details of Investments	Note C-6 – Attachment I-E
VI	Details of Sundry Debtors	Note C-7 – Attachment I-E
VII	Details of Loans and Advances and Other Current Assets	Note C-8 – Attachment I-E



VIII	Details of Dividends paid	Note C-18 – Attachment I-E
IX	Details of Related Party Transactions	Note C-9 – Attachment I-E
X	Details of Other income	Note C-17 – Attachment I-E
XI	Statement of Tax Shelters	Note C-16 – Attachment I-E
XII	Details of capital commitments and contingent liabilities	Note C-5 – Attachment I-E

Based on our examination of these Summary Statements and also as per the reliance placed on the report of the previous auditor as mentioned in paragraph 2.2 above, in our opinion, the 'Restated Financial Information' referred to in paragraph 2 above and 'Other Financial Information' mentioned in paragraph 3 above as at and for the nine months period ended December 31, 2007 and for each of the years ending March 31, 2007, 2006, 2005, 2004 and 2003 have been prepared in accordance with Part II of Schedule II of the Act and the Guidelines, subject to our comments in the paragraph 2.5(v) above.

This report should not, in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by us for the respective years nor should this report be construed as a new opinion on any of the financial statements referred to herein.

This report is intended solely for your information and for inclusions in the offer documents 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.

J. Majumdar

Partner

Membership No: F 51912

For and on Behalf of

Price Waterhouse

Chartered Accountants

Date: March 26, 2008

Place: Bangalore

RESTATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES

ATTACHMENT I-A (RS. IN LAKHS)

			As at March 31,					As at
	Particulars	Note Reference	2003	2004	2005	2006	2007	December 31, 2007
		Attachment I-E	Rs. In Lakhs					
A.	Fixed Assets:							
	Gross Block		9,127.31	10,836.31	13,573.05	28,851.40	53,786.40	70,067.16
	Less: Accumulated Depreciation and Amortisation		(898.55)	(1,560.41)	(2,593.71)	(6,379.32)	(10,704.49)	(15,245.01)
	Add: Capital works in progress		168.58	1,825.20	401.17	879.12	11,273.08	11,142.37
	Net Block	19A	8,397.34	11,101.10	11,380.51	23,351.20	54,354.99	65,964.52
B.	Investments	6	8,603.74	10,918.68	14,651.50	5,907.12	5,906.99	5,906.99
C.	Current Assets, Loans and Advances							
	Inventories		3,203.48	3,917.43	4,849.16	7,359.63	11,236.43	12,916.81
	Sundry Debtors	7	7,462.68	7,416.95	9,966.37	13,000.52	21,483.12	22,936.74
	Cash and Bank Balances		1,138.83	1,561.40	1,726.21	12,871.70	13,927.31	1,923.04
	Loans and advances and other current assets	8 & 19A	9,840.22	25,464.15	26,091.90	33,421.68	20,502.42	14,938.38
			21,645.21	38,359.93	42,633.64	66,653.53	67,149.28	52,714.97
D.	Deferred Tax Asset		219.07	109.30	-	-	-	-
	Total Assets: A+B+C+D		38,865.36	60,489.01	68,665.65	95,911.85	127,411.26	124,586.48
E.	Liabilities and Provisions							
	Secured Loans	3	(16,166.40)	(31,913.25)	(18,099.36)	(25,043.02)	(43,406.40)	(36,410.20)
	Unsecured Loans	4	(2.12)	(7,765.34)	(9,497.90)	(30.06)	(4,169.88)	(5,051.98)
	Current Liabilities and Provisions		(19,327.55)	(16,758.98)	(14,616.61)		(15,907.33)	(21,013.75)
	Deferred credit	3	-	(400.00)	(434.68)	(268.39)	(40.44)	-
	Deferred Tax Liability		-	-	(810.26)		(792.13)	(890.86)
	Total Liabilities and Provisions		(35,496.07)	(56,837.57)	(43,458.81)	(42,040.93)	(69,521.33)	(62,839.60)
F.	Net Worth		3,369.29	3,651.44	25,206.84	53,870.92	57,889.93	61,746.88
G.	Represented by							
	Share Capital	2	1,782.06	1,782.06	23,151.14	26,850.43	26,850.43	26,850.43
	Reserves	10	2,397.04	2,397.04	2,060.99	27,020.49	31,039.50	34,896.45
	Less: Miscellaneous expenditure		(14.39)	(9.84)	(5.29)	-	-	-
	Less: Debit balance in Profit and Loss Account		(795.42)	(517.82)	-	-	-	-
	Net Worth		3,369.29	3,651.44	25,206.84	53,870.92	57,889.93	61,746.88



RESTATED SUMMARY STATEMENT OF PROFITS AND LOSSES

ATTACHMENT I-B (RS. IN LAKHS)

	Particulars	Note Reference	Financial Years Ended March 31,					For the period ended December 31, 2007
			2003	2004	2005	2006	2007	
	Attachment I-E		Rs. In Lakhs					
A. Income								
Sale of Products manufactured			37,733.47	40,716.55	47,257.65	77,487.26	133,819.19	120,194.93
Sale of Traded goods			4,511.88	6,791.05	6,440.00	3,232.25	8,825.18	14,911.48
Total Sales			42,245.35	47,507.60	53,697.65	80,719.51	142,644.37	135,106.41
Less: Excise Duty			(11,139.95)	(10,472.62)	(11,649.46)	(21,878.71)	(42,801.90)	(43,649.48)
			31,105.40	37,034.98	42,048.19	58,840.80	99,842.47	91,456.93
Income from Brand Franchises			8,430.04	8,332.99	9,490.22	9,893.81	5,535.41	6,268.62
Other Income	17		901.24	2,467.64	4,171.28	1,845.26	2,109.50	1,875.48
Total			40,436.68	47,835.61	55,709.69	70,579.87	107,487.38	99,601.03
B. Expenditure								
Materials Consumed			15,188.39	18,693.37	21,533.12	27,370.87	45,051.68	38,583.22
Increase/ (Decrease) in Inventories			(301.77)	(320.57)	(621.18)	114.40	(772.04)	(279.10)
Purchase of traded goods			3,929.32	5,729.26	4,820.66	2,490.34	8,207.77	11,238.60
Personnel expenses			2,799.78	2,986.28	3,380.07	4,719.67	6,683.47	5,613.39
Selling and promotion expenses			8,740.47	8,817.27	11,017.50	15,694.31	25,082.40	23,402.90
Other expenses			5,556.79	6,094.08	8,209.46	6,468.99	7,083.44	7,098.76
Depreciation			537.64	668.56	1,056.66	2,085.74	3,853.52	4,254.26
Deferred revenue expenses			20.81	4.55	4.55	5.29	-	-
Interest / Finance charges			3,508.64	4,421.38	3,787.51	2,390.11	2,797.88	2,825.08
Total			39,980.07	47,094.18	53,188.35	61,339.72	97,988.12	92,737.11
C. Net Profit / (Loss) before tax and non – recurring item			456.61	741.43	2,521.34	9,240.15	9,499.26	6,863.92
Provision for Taxation								
-Current Tax			-	(32.26)	(197.71)	(841.06)	(2,941.29)	(1,637.68)
-Fringe Benefit Tax			-	-	-	(198.26)	(198.80)	(80.00)
-Deferred Tax Charge/(Write Back)			(230.93)	(109.77)	(919.56)	(3,213.74)	150.01	(856.41)
D. Net Profit / (Loss) before non – recurring item			225.68	599.40	1,404.07	4,987.09	6,509.18	4,289.83
Non – recurring Item (Net of Tax)			(81.78)	(321.80)	-	(3,046.54)	-	-
E. Net profit / (Loss) after non-recurring item but before adjustments			143.90	277.60	1,404.07	1,940.55	6,509.18	4,289.83
Adjustments	19B		-	-	-	3,149.68	(1,418.22)	(432.87)
Current Tax Impact on Adjustments			-	-	-	-	678.65	-
Deferred Tax Impact on Adjustments			-	-	-	-	(283.71)	-
Total of Adjustments after Tax Impact			-	-	-	3,149.68	(1,023.28)	(432.87)
Net Profit As Restated			143.90	277.60	1404.07	5,090.23	5,485.90	3,856.96

RESTATED SUMMARY STATEMENT OF CASH FLOWS

ATTACHMENT I-C (RS. IN LAKHS)

Particulars	Financial years ended March 31,					For the period ended December 31, 2007
	2003	2004	2005	2006	2007	
	Rs	Rs	Rs	Rs	Rs	
A. Cash flow from operating activities						
Net Profit after non-recurring item but before taxation	374.83	419.63	2,521.34	11,388.02	8,922.10	6,431.03
Adjustments for:						
Net Pre acquisition loss in subsidiaries.	-	-	-	(7,527.46)	-	-
Depreciation and amortization	537.63	668.56	1,056.66	2,662.90	4,430.68	4,687.12
(Profit)/ Loss on sale / discard of fixed assets (net)	0.12	2.74	(17.00)	-	29.06	19.93
(Profit)/ Loss on sale of trade investments/Write Offs	1.00	(1.15)	-	-	-	-
Provision for doubtful debts/advances	-	-	-	-	111.05	356.86
Advances/ Bad debts written off	-	-	-	-	66.92	11.31
Provision for diminution in the value of investments	200.67	-	-	-	-	-
Deferred revenue	20.81	4.55	4.55	5.29	-	-
Interest expense (net)	2,399.43	3,245.09	2,082.30	2,390.11	2,797.88	2,825.07
Operating profit before working capital changes	3,534.49	4,339.42	5,647.85	8,918.86	16,357.69	14,331.32
Movements in working capital :						
Decrease / (Increase) in sundry debtors	(1,950.85)	45.73	(2,549.41)	(1,995.01)	(8,647.14)	(1,768.88)
Decrease / (Increase) in current assets		1,302.12	(1.27)	(5,703.02)	13,290.00	256.39
Decrease / (Increase) in inventories	(415.82)	(713.96)	(931.73)	(1,447.96)	(3,876.80)	(1,680.37)
Decrease / (Increase) loans and advances						
Increase / (Decrease) in current liabilities	4,777.52	(1,633.37)	(923.71)	(1,271.95)	5,766.85	(452.16)
Cash generated from operations	5,945.34	3,339.94	1,241.73	(1,499.08)	22,890.60	10,686.30
Direct taxes paid (net of refunds)	(9.40)	(161.75)	41.25	(1,500.69)	(3,876.26)	(1,903.75)
Net cash from operating activities	5,935.94	3,178.19	1,282.98	(2,999.77)	19,014.34	8,782.55
B. Cash flows from investing activities						
Purchase of fixed assets	(2,291.39)	(3,394.96)	(1,432.96)	(5,195.22)	(35,520.09)	(16,625.69)
Proceeds from sale of fixed assets	96.92	21.05	113.89	-	56.57	309.14
Sale / maturity of investments	0.50	3,663.85	0.20	(2.70)	0.13	-
Purchase Of Investments	(10.04)	(5,978.77)	(3,733.02)	-	-	-
Net cash from investing activities	(2,204.01)	(5,688.83)	(5,051.89)	(5,197.92)	(35,463.39)	(16,316.55)
C. Cash flows from financing activities						
Proceeds from allotment of shares	-	-	-	46,422.67	-	-
Short Term Loan	296.91	(8,043.37)	(14,049.41)	(10,616.89)	9,254.45	895.90
Long Term Borrowings/Repayments	(578.64)	31,095.26	2,049.10	7,926.48	12,879.00	(7,050.49)
Interest paid	(1,416.02)	(3,322.11)	(3,447.37)	(2,390.11)	(2,656.03)	(2,482.13)
Loan to United Breweries (Holding) Limited	-	(16,000.00)	-	8,024.00	(38.45)	8,013.10
Loan to associates/Subsidiaries	(2,152.15)	(796.57)	(765.38)	4,662.35	193.07	(0.96)
Advance towards purchase of investments.	-	-	-	(12,744.44)	-	(3,592.94)
ROCPs	-	-	21,369.08	(21,369.08)	-	-
Expenses on ROCPs	-	-	(782.09)	-	-	-
Dividend paid including distribution tax.	-	-	(440.21)	(571.80)	(2,127.38)	(252.77)



Net cash used in financing activities	(3,849.90)	2,933.21	3,933.72	19,343.18	17,504.66	(4,470.29)
Net increase in cash and cash equivalents (A + B + C)	(117.97)	422.57	164.81	11,145.49	1,055.61	(12,004.27)
Cash and cash equivalents at the beginning of the year / period	1,256.80	1,138.83	1,561.40	1,726.21	12,871.70	13,927.31
Cash and cash equivalents taken over on amalgamation	-	-	-	-	-	-
Cash and cash equivalents at the end of the year / period	1,138.83	1,561.40	1,726.21	12,871.70	13,927.31	1,923.04

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

ATTACHMENT I-D

1. Basis of Presentation of Financial Statements:

The Financial Statements of the Company have been prepared under historical cost convention, to comply in all material aspects with all the applicable accounting principles in India, the applicable Accounting Standards notified under Section 211(3C) of the Companies Act, 1956 and the relevant provisions of the Companies Act, 1956.

2. Use of Estimates:

The preparation of the Financial Statements in conformity with GAAP requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the Financial Statements, and the reported amounts of revenue and expenses during the reported period. Actual result could differ from those estimates.

3. Revenue Recognition:

Revenue from sale of goods is recognised in accordance with the terms of sale, on despatch from the Breweries / warehouses of the Company and is net of trade discount but includes Excise Duty. Income from brand franchise is recognised at contracted rates on sale/production of the branded products by the franchisees. Dividend Income is recognised when the Company's right to receive the payment is established. Royalty from foreign entities (net of tax) is recognised as per the terms of agreement.

4. Borrowing Costs:

Borrowing costs incurred for the acquisition of qualifying assets are recognised as part of cost of such assets when it is considered probable that they will result in future economic benefits to the Company while other borrowing costs are expensed in the period in which they are incurred.

5. Fixed Assets:

Fixed assets are stated at their original cost of acquisition and subsequent improvements thereto including taxes, duties, freight and other incidental expenses relating to acquisition and installation of such assets.

The cost of fixed assets acquired on amalgamations have been determined at fair values as on the respective dates of amalgamation and as per the related Schemes of Arrangement and include taxes/duties thereof.

Fixed assets taken on finance lease prior to March 31, 2001 are not capitalised. Assets identified and evaluated technically as obsolete and held for disposal are stated at their estimated net realisable value.

6. Investments:

Investments being long term in nature are stated at cost. Cost includes expenses such as professional/legal charges relating to acquisition/subscription. Diminution in value of investments, if considered permanent, is provided for.

7. Inventories:

Inventories are valued at lower of cost and net realisable value. Costs include freight, taxes, duties and appropriate production overheads and are generally ascertained on the First in First out (FIFO) basis. Excise/Customs duty on stocks in bond is added to the cost. Due allowance is made for obsolete and slow moving items.

8. Foreign Currency Transactions:

Foreign currency transactions are recorded at the rates of exchange prevailing on the dates of such transactions.

All monetary items of foreign currency liabilities/ assets are restated at the rates ruling at the year end and all exchange gains/ losses arising there from are adjusted to the Profit and Loss Account, except those covered by forward contracted rates where the premium or discount arising at the inception of such forward exchange contract is amortised as expense or income over the life of the contract.

Exchange differences on forward contracts are recognised in the Profit and Loss Account in the reporting period in which the exchange rates change.

Any profit or loss arising on cancellation or renewal of such forward contracts is recognised as income or expense for the year.

9. Depreciation and amortisation:

Depreciation on fixed assets is provided on Straight Line Method based on the rates prescribed under Schedule XIV to the Companies Act 1956, except for fixed assets acquired on amalgamation (where original dates of acquisition are not readily available), which are depreciated at the following rates based on remainder useful life as certified by an expert.

Buildings 4.35%

Plant and Machinery 12.50%

Cost of Goodwill arising on amalgamation is amortised over a period of 5 years,

Cost of Leasehold Land is amortised over the period of lease.

Assets individually costing less than Rs.5,000 are depreciated fully in the year of purchase.

10. Employee Retirement benefits:

i. Defined-contribution plans

Contributions to the employees' provident fund, superannuation fund, Employees' State Insurance and Employees' Pension Scheme are as per statute and are recognized as expenses during the period in which the employees perform the services.

ii. Defined-benefit plans

Liabilities towards gratuity is determined on actuarial valuation using the Projected Unit Credit Method at the balance sheet date. Actuarial Gains and Losses are recognized immediately in the Profit and Loss Account.

iii. Other long term employee benefits

Liability towards earned leave and compensated absences are recognised at the present value based on actuarial valuation at each balance sheet date.

iv. Short term employee benefits

Liability of earned leave, compensated absences, performance incentives etc. are recognised during the period when the employee renders the services.

11. Taxes on Income:

Current Tax is determined as per the provisions of the Income Tax Act, 1961.

Deferred tax is recognised, 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 are not recognised unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.



Fringe Benefit Tax is determined at current applicable rates on expenses falling within the ambit of "Fringe Benefit" as defined under Income Tax Act, 1961.

12. Earnings per share:

Annualised earnings/ (Loss) per equity share (basic and diluted) is arrived at based on ratio of profit/ (loss) attributable to equity shareholders to the weighted average number of equity shares.

13. Impairment of Assets:

At each Balance Sheet date, the Company assesses whether there is any indication that assets may be impaired. If any such indication exists, the Company estimates the recoverable amount. If the carrying amount of the assets exceeds its recoverable amount, an impairment loss is recognised in the accounts to the extent the carrying amount exceeds the recoverable amount.

14. Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognised when the company has a present obligation as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are reviewed regularly and are adjusted where necessary to reflect the current best estimates of the obligation. When the company expects a provision to be reimbursed, the reimbursement is recognised as a separate asset, only when such reimbursement is virtually certain. A disclosure for contingent liability is made where there is a possible obligation or present obligation that may probably not, require an outflow of resources. When there is a possible or a present obligation the likelihood of outflow of resources is remote, no provision or disclosure is made.

NOTES TO THE SUMMARY STATEMENTS

ATTACHMENT I-E (RS. IN LAKHS)

1. Effect of changes in Accounting Policies and prior period items

A. Accounting policies over the relevant years under report, are given below:

- i. Goodwill on amalgamation which was charged off to the profit and loss account for the year ended March 31,2006 is being amortised over a period of five years with effect from April 1,2006. The effect of such change has been given in the relevant financial years. [Refer Note 19 below]
- ii. Tax provision for earlier years no longer required written back has been adjusted in the relevant financial years to which the same relates. Accordingly Rs.841.06 is adjusted in the current tax provision for the year ending March 31,2006. [Refer Note 19 below]
- iii. The Company has accounted for 'Employee Benefits' in terms of Accounting Standard (AS)-15 (Revised) Issued by the Institute of Chartered Accountants of India, with effect from April 1,2007. No effect of the change in this accounting policy has been made in each of the earlier accounting years as the impact thereof is not material.

B. Qualifications in the Auditors' Report

- i. In respect of the period ended March 31,2003, the auditors have expressed their inability to express an opinion on the possible impairment of the value of investment amounting to Rs.6,353.86 and recoverability of the advance amounting to Rs.3,319.29 referred to in Notes 2(b) and 3 (d) respectively of the financial statements for the year ended March 31,2003, in view of the continuing losses incurred by these companies, which is reproduced below:
"Note 2 (b) The Company has made strategic investments in Associated Breweries & Distilleries Limited (ABDL) and Mangalore Breweries & Distilleries Limited (MBDL) for the purpose of scaling up the production capacities, based on independent valuations. Considering the brand profile of ABDL and the inherent strengths and business potential of both these subsidiaries, the Management is confident of turning around these companies in course of time and therefore these investments have been carried in the balance sheet at cost though the net worth of these companies have been fully eroded".

Note 3 (d) Advances include an aggregate sum of Rs 3,319.29 paid to ABDL and MBDL referred to in note 2 (b) [reproduced above], which are interest free and there is no stipulation with regard to repayment"

- ii. In respect of the year ended March 31, 2004, the auditors have drawn attention on the non-provision for the loss, if any, arising on account of diminution in the value of investments in subsidiary companies (having aggregate carrying value of Rs.6,353.87 and advances to and corporate guarantees on behalf of such subsidiaries aggregating to Rs.8,580.86.

Note 3 (b) - The Company, as a part of its on-going efforts to establish substantial market leadership in the brewing industry acquired majority shareholding in Mangalore Breweries and Distilleries Limited, Karnataka (MBDL) and Associated Breweries and Distilleries Limited, Maharashtra (ABDL) at a cost of Rs 6,353.87. Having regard to the strategic nature of these investments, the Company proposes to invest further sums to enhance shareholding and capacities in both the subsidiaries. The Company has also made advances of Rs. 4,115.86 to and given guarantees of Rs. 4,465.00 on behalf of ABDL and MBDL. Both MBDL and ABDL had accumulated losses at the time of acquisition. As at March 31, 2004, the net worth of both subsidiaries have been fully eroded. However, the existing efforts by the Company are bearing results with the subsidiaries making a positive Earnings Before Interest and Depreciation / Amortisation during the year under review. Considering the improvement in performance and given the critical markets and the leadership that the Company enjoys in these markets, the financial health of these subsidiaries is expected to significantly improve. Therefore, no provision is considered in respect of the aforementioned amounts.

- iii. In respect of the year ended March 31, 2005, the auditors have drawn attention on the non-provision for the loss, if any, arising on account of diminution in the value of investments in subsidiary companies (having aggregate carrying value of Rs.8,754.37 and in joint venture (having an aggregate carrying value of Rs.5,895.29) and advances to and corporate guarantees on behalf of such subsidiaries aggregating to Rs.10,154.88.

Note 3 (b) - The Company, as a part of its on-going efforts to establish substantial market leadership in the brewing industry acquired majority shareholding in Mangalore Breweries and Distilleries Limited, Karnataka (MBDL) and Associated Breweries and Distilleries Limited, Maharashtra (ABDL) at a cost of Rs 8,754.37. Having regard to the strategic nature of these investments, the Company proposes to invest further sums to enhance shareholding and capacities in both the subsidiaries. The Company has also made advances of Rs. 5,689.88 (2004: Rs. 4,115.86) to and given guarantees of Rs. 4,465.00 (2004: Rs. 4,465.00) on behalf of ABDL and MBDL. Both MBDL and ABDL had accumulated losses at the time of acquisition. As at March 31, 2005, the net worth of both subsidiaries have been fully eroded.

Note 3(C) In addition, the Company has invested a sum of Rs.5,895.29 (2004:Rs.4,562.77) in Millennium Alcobeve Private Limited(MAPL), whose networth on a consolidated basis, considering Millennium Beer Industries Limited, as a subsidiary of MAPL is substantially negative. MAPL, being a joint venture between UBL and Scottish and NewCastle Plc. has already made significant inroads in to the market by achieving a 10% market share within a period of three years. The said subsidiaries and the JV have their manufacturing locations in critical markets and meet almost 33% of the Company's capacity requirement. Considering these, the investments are strategic and long term in nature and substantial benefits are expected to accrue to the Company in terms of market share and capacity utilization. Therefore, the management is of the view that there is no permanent diminution in the value of investments and no provision therefor is considered necessary at this stage.

- iv. "In respect of the year ended March 31 , 2006, the auditors have commented on non-provision in the accounts for possible loss arising on account of diminution in the value of long term investments in joint venture [having a carrying value of Rs.5,895.29] which the management has considered temporary in nature, having possible impact on the financial results for the year, the extent of which cannot be currently ascertained."

Note 3 (b) - "MAPL, being a Joint Venture between United Breweries Limited and Scottish & Newcastle has already made significant inroads in to the market by achieving a 10% market share with in a period of three years. The subsidiaries and the JV have their manufacturing locations in critical markets and meet almost 25% of the Company's capacity requirement. Considering The turn around strategy adopted by the Company by synergizing the operation of the Joint Venture with the Company, which rationalised the spend profile of the Company and the management's action in restructuring the debt profile of the Company in order to reduce the cost of borrowing with a consequent reduction in losses in the JV and considering that the investments are strategic and long term in nature and substantial benefits are expected to accrue to the JV in terms of market share and capacity utilization, as mentioned above the management is of the view that there is no permanent diminution in the value of investments and no provision therefore is considered necessary at this stage. "

- v. "In respect of the year ended March 31 , 2007, the auditors have commented on non-provision in the accounts for possible loss arising on account of diminution in the value of long term investments in joint venture [having a carrying value of Rs.5,895.29] which the management has considered temporary in nature, having possible impact on the financial results for the year, the extent of which cannot be currently ascertained.

Note 3 (b) - "Millennium Alcobev Private Limited (MAPL), being a Joint Venture (JV) between the Company and Scottish & Newcastle plc., has already made significant inroads into the market by achieving a 10% market share within a period of three years. The subsidiaries of the JV have their manufacturing locations in critical markets and meet almost 30% of the Company's capacity requirement. Considering the turnaround strategy adopted by the company by synergising the operations of the JV with the company, which rationalised the spend profile of the company, and the management's action in restructuring the debt profile of the JV in order to reduce the cost of borrowing, all of which generated positive earnings before interest, depreciation and taxes for the year, and in further enhancing the capacities in all the entities by infusing additional funds to meet the growing demand, and considering that the investments are strategic and long term in nature and substantial benefits are expected to accrue to the JV in terms of market share and capacity utilisation, as mentioned above, the management is of the view that there is no permanent diminution in the value of investments and no provision, therefore, is considered necessary at this stage. "

- vi. In respect of the period ended December 31, 2007, the auditors have commented on non-provision in the accounts for possible loss arising on account of diminution in the value of long term investments in joint venture [having a carrying value of Rs.5,895.29] which the management has considered temporary in nature, having possible impact on the financial results for the year, the extent of which cannot be currently ascertained.

Note 3 - "Millennium Alcobev Private Limited (MAPL), being a Joint Venture (JV) between the Company and Scottish & Newcastle plc.(Through its 100% subsidiary Scottish & Newcastle India Privaye Limtied), has already made significant inroads into the market by achieving a 10% market share within a period of three years. The subsidiaries of the JV have their manufacturing locations in critical markets and meet almost 30% of the Company's capacity requirement. Considering the turnaround strategy adopted by the company by synergising the operations of the JV with the company, which rationalised the spend profile of the company, and the management's action in restructuring the debt profile of the JV in order to reduce the cost of borrowing, all of which generated positive earnings before interest, depreciation and taxes for the year, and in further enhancing the capacities in all the entities by infusing additional funds to meet the growing demand, and considering that the investments are strategic and long term in nature and substantial benefits are expected to accrue to the JV in terms of market share and capacity utilisation, as mentioned above, the management is of the view that there is no permanent diminution in the value of investments and no provision, therefore, is considered necessary at this stage."

C. Scheme of Amalgamation:

- i. Pursuant to the approval of the Composite Scheme of Arrangement by the share holders at the Court covenied meeting held on May 24,2006 and the subsequent sanction by the High Court of Karnataka and Mumbai on July 28,2006 and August 7,2006 respectively, Mangalore Breweries and Distilleries Limited (MBDL), and the Demerged brewery business of Associated Breweries and Distilleries Limtied (ABDL) have been amalgamated with the Company. Consequently the assets and liabilities of MBDL and ABDL were transferred to and vested in the Company with effect from April 1,2005 (appointed date). The Company has allotted 4,218 Equity Shares of Rs.10 each to the shareholders of MBDL as per the scheme fo arrangement.
- ii. Pursuant to the Scheme of Amalgamation (the Scheme) of London Draft Pubs Private Limtied (LDPPL),London Pilsner Breweries Private Limtied (LPBPL) and Karnatak Breweries and Distilleries Private Limited (KBDL) into the Company filed with the Honourable High Courts of Mumbai and Karnataka respectively as pronounced by the respective High Courts on April 27,2007 and June 11,2007.Consequently LDPPL,LPBPL and KBDL have been amalgamated with the Company and all the assets and liabilities etc.,stands transferred to and vests in the Company from the appointed date mentioned in the scheme i.e., April 1,2006.

"The amalgamation has been accounted under the purchase method as prescribed by the Accounting Standard (AS) 14 issued by the Institute of Chartered Accountants of India, subject to Assets and liabilities of KBDL and LDBPL were taken over at their fair values as at the appointed date, and the

difference between the net assets and the fair value has been accounted in General Reserve and the assets and liabilities of LDPPL were taken over at their book values."

D. Discontinuance of operations:

The Company has in its Board Meeting held on January 22, 2008 approved closure of operations of the Nerul Unit of the Company and has also preferred an application with the Labour Commissioner seeking permission for closure of the unit in terms of the relevant provisions of law in India. The costs related to the closure are being determined by the management of the Company and, since the announcement has been made subsequent to December 31, 2007 no accrual has been made therefor in these summary restated financial information of the Company. The fixed assets of the unit amount to approximately INR 780 Lakhs (Net Book Value), and the management expects most of the assets to be usable in other locations of the Company.

2. DETAILS OF SHARE CAPITAL

Particulars	As at March 31,					As at December 31, 2007
	2003	2004	2005	2006	2007	
Authorised Capital:						
Equity shares of Rs 10 Each	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00
As at 31 st March 2003: 3,00,00,000 nos						
As at 31 st March 2004: 3,00,00,000 nos						
As at 31 st March 2005: 3,00,00,000 nos						
As at 31 st March 2006: 3,00,00,000 nos [^]						
As at 31 st March 2007: 30,00,00,000 nos [^]						
As at 31st December 2007: 30,00,00,000 nos [^]						
Preference Shares of Rs.100 Each	22,000.00	22,000.00	25,000.00	25,000.00	25,000.00	25,000.00
As at 31 st March 2003: 2,20,00,000 nos						
As at 31 st March 2004: 2,20,00,000 nos						
As at 31 st March 2005: 2,50,00,000 nos						
As at 31 st March 2006: 2,50,00,000 nos						
As at 31 st March 2007: 2,50,00,000 nos						
As at 31 st December 2007: 2,50,00,000 nos						
Total	25,000.00	25,000.00	28,000.00	28,000.00	28,000.00	28,000.00
Issued, Subscribed and Paid up						
Equity Shares of Rs 10 Each	1,782.06*	1,782.06	1,782.06	2,160.43	2,160.43	2,160.43
As at 31 st March 2003 :1,78,20,603 nos						
As at 31 st March 2004 :1,78,20,603 nos						
As at 31 st March 2005 :1,78,20,603 nos						
As at 31 st March 2006 : 2,16,04,343 nos						
As at 31 st March 2007 :216,043,430 nos [^]						
As at 31st December 2007: 216,043,430 nos [^]						
5% 21,369,077 Redeemable Optionally Convertible Preference Shares of Rs.100 Each.	-	-	21,369.08	-	-	-
3% 17,283,000 Cumulative Redeemable Preference Shares of Rs.100 each fully paid-Series A	-	-	-	17,283.00	17,283.00	17,283.00
3% 7,407,000 Cumulative Redeemable Preference Shares of Rs.100 each fully paid-Series B	-	-	-	7,407.00	7,407.00	7,407.00
Total	1,782.06	1,782.06	23,151.14	26,850.43	26,850.43	26,850.43

* Change arising out of demerger

[^]The Company's equity shares of Rs.10 each were subdivided into equity shares of Re.1 each with effect from 24th May 2006.



3. SECURED LOANS

Financier	As at March 31,				As at December 31, 2007	Repayment Schedule	Rate of Interest	Securities Offered
	2003	2004	2005	2006				
				Rs. Lakhs				
ICICI Bank Limited – Term Loan	6,500.00	-	-	-	-	Quarterly, along with interest. Repayment ended on 30th June 2003	12.50%	The Whole of the movable and immovable properties at brewery units at Chertala, Taloja, Goa, Hyderabad and Ludhiana, as first charge. Pledge of investments in McDowell & Co Limited, Mangalore Chemicals and Fertilizers Limited, Aventis Pharma Limited and Aventis Crop Science Limited held by United Breweries (Holdings) Limited and investments in United Breweries (Holdings) Limited held by McDowell & Company Limited.
Rabo India Finance Private Limited – Term Loan	1,500.00	500.00	-	-	-	Quarterly @ Rs.250.00 Lakhs – last installment falling due in September 2004	15.00%	Pledge of Investments in Mangalore Breweries & Distilleries Limited held by the Company and a first Charge on movable and immovable properties held at Palakkad unit
ILFS Term Loan	-	-	3,500.00	-	-		9.00%	Hypothecation of certain assets of Taloja Brewery.
The Federal Bank Limited – Term Loan	181.28	34.31	-	2,426.49	1,557.15	890.30	Interest @ 3.5% BPLR subject to a minimum of 8% PA with monthly rests.	Hypothecation of receivables from Kerala State Beverages Corporation.
Hire Purchase Liability	106.75	105.46	121.68	95.21	60.54	27.00	Not Applicable	Hypothecation of asset under hire purchase

United Breweries Limited

Financier	As at March 31,					As at December 31, 2007	Repayment Schedule	Rate of Interest	Securities Offered
	2003	2004	2005	2006	2007				
	Rs. Lakhs								
Citibank Term Loan	—	2,000.00	2,000.00	1,000.00	10,000.00	9,863.01	8,727.16	7 Years from the date of disbursement t. One year moratorium. Principal paid in equal monthly installments	8.5%
Consortium Bankers working capital	5,878.37	4,473.48	3,415.65	4,741.90	13,731.00	5,098.59	On demand	9.75% to 12.5%	First Charge on the current assets namely, Stock of RM, WIP, FG, Stores & Spares, BR and Book Debts. 2nd Charge on the fixed assets of the company
Yes Bank - Term Loan	-	-	-	990.20	-	4,717.34	Agreement dated 26.9.2005. Payable monthly paid for a period of 30 months.	Yes Bank's PLR + 2.65%	Exclusive Charge on all the moveable and immovable fixed assets of the Breweries and Distilleries. Exclusive charge on the current assets of Mangalore Breweries and Distilleries Limited.
Rabo India Finance Private Limited.	-	20,000.00	-	-	-	-	Repayable by 30 th September 2004 or completion of ROCPS which ever is earlier	8.50%	Bridge loan against Standby Letter of Credit by Scottish & Newcastle Plc.
External Commercial Borrowing FCNR- State Bank of Travancore	-	-	2,289.91	1,890.37	-	-			Part of working capital facility converted into FCNR limits.
External Commercial Borrowing Scottish & NewCastle	-	4,800.00	4,798.20	4,898.85	4,794.88	4,335.32	Repayable in August 2008 in one shot	LIBOR + 1%	First Charge on P&M of Taloja Plant alone.

Financier	As at March 31,					As at December 31, 2007	Repayment Schedule	Rate of Interest	Securities Offered
	2003	2004	2005	2006	2007				
				Rs. Lakhs					
External Commercial Borrowing - BNP Paribas	-	-	-	-	12,879.00	12,614.49	Rs. 31.04 Crores @ 8.54%;Rs. 62.08 Crores @ 8.54%;Rs.46.56 Crores @ 8.85%;Rs.46.56 Crores 5 year with a bullet payment;Rs. 31.04 Crores and Rs.62.08 Crores repaid in 3 annual installments commencing 24th month.4 year term loan.	8.54% - 8.8%	First Charge on all moveable and immovable property of the company except Talaja Plant
Bank of Rajasthan – Term Loan	-	-	2,973.92	-	-	520.82	Payable equal monthly installments.L ast payment in October '07	10%	First Charge on movable and immovable properties of Firstville Breweries & Distilleries Ltd.,
The Jammu & Kashmir Bank Limited	-	-	-	-	-	-	-	-	-
Deferred credits:									
Alfa Laval India Ltd	-	400.00	434.68	268.39	40.44	-	Tenor – 36 Months – Repayable in 24 monthly installments starting from June 2005 and ending on May 2007	10%	Hypothecation of equipments supplied under the scheme
	16,166.40	32,313.25	18,534.04	25,311.41	43,446.84	36,410.20			

4. UNSECURED LOANS

	As at March 31,					As at December 31, 2007	Repayment Schedule	Rate of Interest
	2003	2004	2005	2006	2007			
Particulars	Rs. Lakhs							
BCC Private Limtied	2.12	738.05	-	30.06	30.06	30.06	[On Demand]	-
The Bank of Rajasthan Ltd	-	1,499.92	-	-	-	-	Rs. 1,200 Lakhs repayable in September 2004 and Rs.300 Lakhs repayable in October 2004	9.50%
I L & FS Limited	-	3,527.37	100.00	-	-	-	Moratorium 18 Months. Repayment effective from May 2005 – Rs 83.33 Lakhs per month.	9.50%
United Spirits Limtied (Formerly known as McDowell & Company Limited)	-	2,000.00	-	-	-	-	Inter corporate Deposit . Repayable on 24 th February 2006.	10.75%
Citibank – Bridge Loan	-	-	7,500.00	-	-	-		
Nova Scotia	-	-	-	-	-	2,500.00	Repayable within 60/90 days	8.75%
Short Term Loans from Banks	-	-	1,897.90	-	4,139.82	2,521.92	Repayable within 90 / 180 days	7.75% to 12%
Total	2.12	7,765.34	9,497.90	30.06	4,169.88	5,051.98		

5. COMMITMENTS & CONTINGENT LIABILITIES

		As at March 31,					As at
		2003	2004	2005	2006	2007	December 31, 2007
	Particulars	Rs. Lakhs					
A	COMMITMENTS						
I	Estimated amount of contracts remaining to be executed on capital account and not provided for	63.14	550.67	96.50	202.37	3,991.97	5,688.45
II	Liability for a put option for investment in a subsidiary, not provided pending investment, though the option has been exercised	2,047.00	2,627.41	-	-	-	-
III	Commitment as per Joint Venture agreement to place funds in the form of Preference Capital.	-	2,000.00	1,000.00	-	-	-
	Total	2,110.14	5,178.08	1,096.50	202.37	3,991.97	5,688.45
B	CONTINGENT LIABILITIES						
I	Sales Tax/Other Taxes and demands under appeal *	212.41	81.86	123.20	130.91	144.56	114.69
II	Excise Duty / Customs Duty demands under appeal *	35.33	102.86	96.83	86.46	88.90	474.12
III	Claims against the Company not acknowledged as debt *	1,053.71	970.99	1,094.73	270.76	49.00	49.00
IV	Future commitments for hire charges payable on hire purchase / lease	334.50	106.38	72.14	301.76	-	-
V	Letter of Credit outstanding	258.99	208.92	384.24	361.81	1,509.54	607.92
VI	Guarantees given by the Company:						
	- On behalf of subsidiaries	3,483.51	4,465.00	4,465.00	-	22,800.00	22,800.00
	- On behalf of third parties	6,678.38	2,838.93	912.44	259.06	336.56	255.79
VII	Consideration payable to the erstwhile promoters of ABDL withheld against possible tax benefits if any availed by ABDL towards its future profits	-	323.00	323.00	-	-	-
VIII	Letter of undertaking to distributors towards countervailing duty for imports from Nepal.	-	-	385.00	385.00	385.00	-
IX	Balance consideration payable to erstwhile promoters of Karnataka Breweries and Distilleries Limited.	-	-	-	3,500.00	-	-
X	Demand towards water charges under appeal*	-	-	-	-	859.57	900.85
XI	Balance consideration payable to UBHL towards purchase of shares in Maltex Malsters Private Limited	-	-	-	-	-	907.06
	Total	12,056.83	9,097.94	7,856.58	5,295.76	26,173.13	26,109.43

* In the opinion of the management the above demands/claims are not sustainable in law and accordingly, do not call for a provision in the accounts.

6. INVESTMENTS (LONG TERM UNQUOTED, UNLESS OTHERWISE STATED):

	As at March 31,						As at December 31, 2007								
	2003			2004			2005			2006			2007		
Particulars including Class of Shares	Shares Nos.	Cost Rs. Lakhs	Shares Nos.	Cost Rs. Lakhs	Shares Nos.	Cost Rs. Lakhs	Shares Nos.	Cost Rs. Lakhs	Shares Nos.	Cost Rs. Lakhs	Shares Nos.	Cost Rs. Lakhs	Shares Nos.	Cost Rs. Lakhs	
In Government Securities & Trustee Securities – Fully Paid															
National Saving Certificates	0.58			1.54			1.34			1.33			0.70		
Trade Investments in Fully Paid Shares															
Millennium Beer Industries Limited (Formerly known as Inertia Industries Limited [Equity Shares of Rs.10 each])	2,24,27,987	2,443.47	-	-	-	-	-	-	-	-	-	-	-	0.70	
Non-Trade Investment															
HRB Employees Co-Operative Society	1.00	-	-	-	-	-	-	-	-	-	-	-	-	-	
Zoarastrian Co-Operative Bank Limited (Acquired on amalgamation)	-	-	-	-	-	-	-	-	-	2,000	0.50	2,000	0.50	0.50	
Associate															
United East Bengal Football Team Private Limited [Equity Shares of Rs.10 each]	4,999	0.50	4,999	0.50	4,999	0.50	4,999	0.50	4,999	0.50	4,999	0.50	4,999	0.50	
In Subsidiary Companies - Fully paid Shares															
Associated Breweries & Distilleries Limited [Equity Shares of Rs.10 each]	2,60,000	2,095.04	2,60,000	2,095.04	400,000	4,495.04	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10.00	
Associated Breweries & Distilleries Limited [Preference Shares of Rs.100 each]	25,40,000	2,540.00	25,40,000	2,540.00	2,540,000	2,540.00	-	-	-	-	-	-	-	-	
Mangalore Breweries & Distilleries Limited [Equity Shares of Rs.10 each]	97,95,180	1,718.83	97,95,180	1,718.83	9,800,180	1,719.33	-	-	-	-	-	-	-	-	
Millennium Alcobev Private Limited (Formerly known as McDowell Alcobev Limited) [Equity Shares of Rs.10 each] *	50,000	5.00	-	-	-	-	-	-	-	-	-	-	-	-	
Joint Venture															
Millennium Alcobev Private Limited (Formerly known as	-	-	61,40,000	2,562.77	6,140,000	2,562.77	6,140,000	2,562.77	6,140,000	2,562.77	6,140,000	2,562.77	6,140,000	2,562.77	

Particulars including Class of Shares	As at March 31,						As at December 31, 2007					
	2003		2004		2005		2006		2007		Shares	
	Shares Nos.	Cost Rs. Lakhs	Shares Nos.	Cost Rs. Lakhs	Shares Nos.	Cost Rs. Lakhs	Shares Nos.	Cost Rs. Lakhs	Shares Nos.	Cost Rs. Lakhs	Shares Nos.	Cost Rs. Lakhs
McDowell Alcobev Limited) [Equity Shares of Rs.10 each]*	-	-	18,00,439	2,000.00	3,000,000	3,332.52	3,000,000	3,332.52	3,000,000	3,332.52	3,000,000	3,332.52
Millennium Alcobev Private Limited (Formerly known as McDowell Alcobev Limited) Preference Shares of Rs.100 each)*												
	8,804.42	(200.68)	10,918.68		14,651.50		5,907.12		5,906.99		5,906.99	
Less: Provision for diminution in value of investments			-		-		-		-		-	
NET INVESTMENTS	8,603.74		10,918.68		14,651.50		5,907.12		5,906.99		5,906.99	
Additions during the year												
United East Bengal Football Team Private Limited [Equity Shares of Rs.10 each]	4,999	0.50										
Mangalore Breweries & Distilleries Limited [Equity Shares of Rs.10 each]	81,000	4.55										
Millennium Alcobev Private Limited (Formerly known as McDowell Alcobev Limited) [Equity Shares of Rs.10 each]*	49,920	4.99	60,90,000	2,557.77								
National Savings Certificate												
Millennium Alcobev Private Limited (Formerly known as McDowell Alcobev Limited) Preference Shares of Rs.100 each]					18,00,439	1.00 2,000.00						
Zoroastrian Co-Operative Bank Limited										2,000	0.50	
HSBC Mutual Fund/Cash Fund/Templeton growth Plan					14,20,00,000	1,420.00						
Associated Breweries & Distilleries Limited [Equity Shares of Rs.10 each]							140,000	2,400.00				
Millennium Alcobev Private Limited (Formerly known as McDowell Alcobev Limited) Preference Shares of Rs.100 each]							1,199,561	1,332.52				

United Breweries Limited

	As at March 31,										As at December 31, 2007		
	2003		2004		2005		2006		2007		Shares	Cost	
Particulars including Class of Shares	Shares	Cost Rs. Lakhs	Shares	Cost Rs. Lakhs	Shares	Cost Rs. Lakhs	Shares	Cost Rs. Lakhs	Shares	Rs. Lakhs	Nos.	Rs. Lakhs	
Total Additions	10.04	5,978.77			3,732.52				2,000.00	0.50			
Disposals during the year													
National Savings Certificates	1.50		0.04			0.02					0.63		
Mangalore Breweries & Distilleries Limited [Equity Shares of Rs.10 each]							9,800,180	1,719.33					
Associated Breweries & Distilleries Limited [Equity Shares of Rs.10 each]							390,000	4,485.04					
Millennium Beer Industries Limited (Formerly known as Inertia Industries Limited (Net of provision for diminution))	2,24,27,987	2,443.47											
HSBC Mutual Fund/Cash Fund/Templeton growth Plan	14,20,00,000	1,4420.00											
HRB Employees Co-Operative Society			1.00										
Total Disposals	1.50	3,864.51				0.02	6,204.37	0.63					
(in Rs. Lakhs)													
As at March 31,													
As at December 31, 2007													
Market Value of Investments		2003		2004		2005		2006		2007		December 31, 2007	
Particulars	Cost	Market Value	Cost	Market Value	Cost	Market Value	Cost	Market Value	Cost	Market Value	Cost	Market Value	Cost
Market Value of Investments													
Quoted Investments	2,443.47	717.69	-	-	-	-	-	-	-	-	-	-	-
Unquoted Investments	6,360.94	10,918.68	-	14,651.50	-	5,907.12	-	5,906.99	-	5,906.99	-	5,906.99	-
Total	8,804.41	717.69	10,918.68	-	14,651.50	-	5,907.12	-	5,906.99	-	5,906.99	-	

Notes:

*Millennium Alcobev Private Limited (Formerly known as McDowell Alcobev Limited) has since ceased to be a subsidiary of the Company with effect from 8th May 2003 consequent to the Subscription Agreement entered into with Scottish & Newcastle Plc., and Accra Investments Private Limited by the Company and is a Joint Venture with effect from that date. The investment in equity shares of Millennium Alcobev Private Limited (formerly McDowell Alcobev Limited) by the Company, have been pledged with Scottish & Newcastle Plc.



6A The disclosure required with respect to the holdings in subsidiaries are given below:

Name	Country of Incorporation	Percentage of ownership interest at December 31, 2007	Percentage of ownership interest at March 31, 2007	Percentage of ownership interest at March 31, 2006	Percentage of ownership interest at March 31, 2005	Percentage of ownership interest at March 31, 2004	Percentage of ownership interest at March 31, 2003
Associated Breweries and Distilleries Limited (ABDL)	India	100	100	100	100	65	65
London Draft Pubs Private Limited (LDPL)(Subsidiary of ABDL)	India	-	-	100	100	100	100
London Pilsner Breweries Private Limited (LPBPL)(Subsidiary of ABDL)	India	-	-	100	100	100	100
Mangalore Breweries & Distilleries Limited (MBDL)	India	-	-	-	98.20	98.15	98.15
The disclosure required with respect to the holdings in associate is given below:							
United East Bengal Football Team Private Limited (UEBFTPPL)	India	50	50	50	50	50	50

The reporting date and the accounting policies of the subsidiaries are same as that of the holding company.

6B The disclosure required under Accounting Standard 27 - Financial Reporting of Interests in Joint Venture has been given below:

The Company's interests, as a venturer, in jointly controlled entity (Incorporated Joint Venture) are:

Name	Country of Incorporation	Percentage of ownership interest at March 31, 2004	Percentage of ownership interest at March 31, 2005	Percentage of ownership interest at March 31, 2006	Percentage of ownership interest at March 31, 2007	Percentage of ownership interest at December 31, 2007
Millennium Alcobev Private Limited [formerly known as McDowell Alcobev Limited]	India	40	40	50*	50*	50*

*The increment of 10% represents control exercised through the subsidiary Associated Breweries and Distilleries Limited (ABDL)

The aggregate amounts of each of the assets, liabilities, income and expenses related to the Company's interests in the jointly controlled entity is:

Particulars	March 31, 2004	March 31, 2005	March 31, 2006	March 31, 2007	December 31, 2007
Assets					
Fixed Assets	4,546	4,485	6,512	6,494	6,863
Current Assets, Loans and Advances					
Inventories	443	463	1,025	1,221	1,414
Sundry Debtors	513	-	3,248	3,876	2,917
Cash and Bank Balances	477	292	539	781	398
Other Current Assets	1.46	1.93	-	-	1
Loans and Advances	6,043	7,376	1,645	794	937

United Breweries Limited

Goodwill	2,309	9,439	11,821	11,821	11,821
Liabilities					
Secured Loans	6,122	7,100	14,074	13,256	13,216
Unsecured Loans	-	-	1,187	1,784	2,235
Deferred Tax Liability (Net)	-	68	13	-	-
Current Liabilities and Provisions					
Liabilities	780	1,089	4,229	5,599	5,023
Provisions	8.85	51	14	3.88	14
Income					
Sales less excise duty	3,190	4,611	11,174	15,207	14,670
Other Income	463	99	611	291	241
Expenditure					
Cost of Sales	3,169	4,641	7,538	9,758	9,501
Other Expenses	11	6.63	3,772	4,527	3,963
Interest and Finance Charges	664	137	1,451	1,322	1,029
Deferred Revenue Expenses	7.99	7.9	275	-	-
Depreciation and Amortization	398	447	1,401	887	889
Other Matters					
Capital Commitments					
- Estimated amount of Contracts remaining to be executed on capital account and not provided for.	-	243	83	1,171	1,425
Contingent Liabilities					
- Sales Tax/other taxes demands under appeal	-	1.38	65	63	63
- ESIC / PF demands under appeal	-	-	-	2.11	2
Gaurantees given for loans availed by the company on behalf of subsidiaries to third parties	-	-	-	-	5
- Bank Guarantee given to Commissioner of Excise for Export of Beer	-	-	-	108	-
- Demand towards Water charges under appeal	-	-	-	187	279
- Interest for delayed payment of Interest Free Loans	-	-	-	97	97
- Income Tax	-	20	8.14	251	251

Note:

Millennium Alcobev Private Limited (Formerly known as McDowell Alcobev Limited) has ceased to be a subsidiary of the Company with effect from 8th May 2003 consequent to the Subscription Agreement entered into with Scottish & Newcastle Plc., and Accra Investments Private Limited by the Company and is a Joint Venture with effect from that date. The investment in equity shares of Millennium Alcobev Private Limited (formerly McDowell Alcobev Limited) by the Company, have been pledged with Scottish & Newcastle Plc.

7. SUNDY DEBTORS

	As at March 31,					As at
	2003	2004	2005	2006	2007	December 31, 2007
Particulars	Rs. Lakhs					
Unsecured						
Debts outstanding for a period exceeding six months						
Considered Good	325.80	198.91	316.78	14.07	95.77	332.12
Considered Doubtful	785.25	824.09	12.99	141.90	194.92	506.56



	1,111.05	1,023.00	329.77	155.97	290.69	838.68
Less: Provision	(785.25)	(824.09)	(12.99)	(141.90)	(194.92)	(506.56)
	325.80	198.91	316.78	14.07	95.77	332.12
Other debts - Considered good	7,136.88	7,218.04	9,649.59	12,986.45	21,387.35	22,604.62
Total	7,462.68	7,416.95	9,966.37	13,000.52	21,483.12	22,936.74

Dues amounting Rs. 927.33 Lakhs as at December 31, 2007 is due from the company whose brewing facility is being used for production of Company's brand of beer under contract brewing agreements. The company has been declared as sick industrial undertaking by the Board of Industrial and Financial Restructuring (BIFR).

8. LOANS, ADVANCES AND OTHER CURRENT ASSETS:

Particulars	As at March 31,					As at
	2003	2004	2005	2006	2007	December 31, 2007
Rs. Lakhs						
Prepaid expenses	804.89	871.05	327.90	398.94	749.07	328.61
Due from United Breweries (Nepal) Private Limited	647.52	-	-	-	-	-
Advances recoverable in cash or in kind or for value to be received (Net of Provisions)	757.91	688.00	730.14	439.21	783.04	779.55
Due from United Breweries (Holdings) Limited	-	16,000.00	15,998.65	7,974.65	8,013.10	-
Associated Breweries & Distilleries Limited	2,040.78	1,181.70	5,689.88	1,027.53	834.46	835.42
Mangalore Breweries & Distilleries Limited	1,278.51	2,934.16	-	-	-	-
Advance towards investments	-	-	-	12,744.44	-	3,592.94
Balances with excise authorities	27.31	79.24	71.51	522.23	1,357.47	1,536.21
Other deposits	4,283.30	3,710.00	3,273.82	9,112.32	7,024.13	6,617.09
Minimum Alternate Tax Credit Entitlement	-	-	-	841.06	-	-
Taxation Net of Provisions	-	-	-	361.30	1,741.15	1,248.56
Total	9,840.22	25,464.15	26,091.90	33,421.68	20,502.42	14,938.38

9. RELATED PARTY DISCLOSURE UNDER AS – 18

i. Name of the related parties:	Related Party During the year ended					Related Party During the period ending
	2003	2004	2005	2006	2007	December 31, 2007
a) Subsidiaries [S]:						
Mangalore Breweries & Distilleries Limited	Yes	Yes	Yes	NA	NA	NA
Associated Breweries & Distilleries Limited	Yes	Yes	Yes	Yes	Yes	Yes
London Draft Pubs Private Limited*	Yes	Yes	Yes	Yes	NA	NA
London Pilsner Breweries Private Limited*	Yes	Yes	Yes	Yes	NA	NA
Millennium Alcobev Private Limited (Formerly Known as McDowell Alcobev Limited)	Yes	Note 1	NA	NA	NA	NA
Empee Breweries Limited#	Yes	Note 1	NA	NA	NA	NA
United Millennium Beer Industries Limited (Formerly Known as GMR Beverages & Industries Limited)##	Yes	Note 1	NA	NA	NA	NA
* Subsidiaries of Associated Breweries & Distilleries Limited						
# Subsidiaries of Millennium Alcobev Private limited (Formerly Known as McDowell Alcobev Limited)						

United Breweries Limited

b) Associates [A]:						
Millennium Beer Industries Limited (Formerly Known as Inertia Industries Limited)	Yes	Note 1	NA	NA	NA	NA
United East Bengal Football Team Private Limited	Yes	Yes	Yes	Yes	Yes	Yes
c) Key Management Personnel and relative: (KMP)						
Mr. Kalyan Ganguly	Yes	Yes	Yes	Yes	Yes	Yes
Mrs. Veronica Lesley Jackson	NA	NA	NA	Yes	Yes	Yes
d) Relative of KMP						
Mrs. Suparna Bakshi Ganguly wife of Mr. Kalyan Ganguly (relative of KMP)	Yes	Yes	Yes	Yes	Yes	Yes
e) Joint Venture (JV)						
Millennium Alcobev Private limited (Formerly Known as McDowell Alcobev Limited)	NA	Note 1	Yes	Yes	Yes	Yes
f) Subsidiaries Joint Venture (SJV)						
Empee Breweries Limited	NA	Note 1	Yes	Yes	Yes	Yes
United Millennium Beer Industries Limited (Formerly Known as GMR Beverages & Industries Limited) #	NA	Note 1	Yes	Yes	Yes	Yes
Millennium Beer Industries Limited (Formerly Known as Inertia Industries Limited)	NA	Note 1	Yes	Yes	Yes	Yes
# Subsidiaries of Millennium Alcobev Private limited (Formerly Known as McDowell Alcobev Limited)						
g) Entity which has significant influence						
Scottish & Newcastle India Limited (SNIL)	NA	NA	Yes	Yes	Yes	Yes
h) Others						
Scottish & Newcastle Plc, (S&N), Holding Company of SNIL	NA	NA	NA	NA	Yes	Yes
Scottish & Newcastle UK Limited (SNUK), Fellow Subsidiary of SNIL	NA	NA	Yes	Yes	Yes	Yes
Scottish & Newcastle India Private Limited (SNIPL), Fellow Subsidiary of SNIL	NA	NA	Yes	Yes	Yes	Yes

Note 1) Millennium Alcobev Private Limited (Formerly Known as McDowell Alcobev Limited) has ceased to be a subsidiary of the Company with effect from 8th May 2003 consequent to the 'Subscription Agreement' entered into with Scottish & Newcastle and Accra Investments Private Limited. Accordingly, for the year ended 31st March 2004, McDowell Alcobev Limited and its subsidiaries, Empee Breweries Limited and GMR Beverages & Industries Limited are disclosed as Joint Venture and Subsidiary of Joint Venture respectively for the purpose of this statement. Consequent to the 'Subscription Agreement' referred to above, the Company has sold its investments in Inertia Industries Limited to McDowell Alcobev Limited and accordingly, for the year ended 31st March 2004, the transactions relating to Inertia Industries is disclosed as an Associate of the company till the date of disposal of investment into McDowell Alcobev Limited.

Particulars	For the year/period ended				March 31, 2003				March 31, 2004				March 31, 2005			
	S	A	KMP	S	A	KMP	JV	SAJV	S	A	KMP	JV	SAJV			
Purchase of Goods	3,103.08	363.67	-	3,990.50	119.21	-	1,424.04	-	4,099.22	-	-	-	-	579.44		
Sale of Goods	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of Brand	-	-	-	-	-	-	300.00	-	-	-	-	-	-	-	-	-
Receipts/(Payments) against rendering services	1,017.48	231.87	-	1,164.55	20.69	-	69.26	469.99	2,052.10	-	-	93.24	548.14			
Guarantee Commission received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of Raw Materials	-	-	-	38.19	-	-	-	-	8.42	-	-	-	-	-	-	-
Brand Fees Paid	-	476.75	-	-	288.19	-	279.76	-	-	200.00	-	523.13	-	-	-	-
Finance @ (Including Loans & other transaction in cash or in kind)	1,588.63	35.35	-	796.58	(248.36)	-	(89.72)	(298.25)	1,593.11	-	-	41.18	1,594.02	-	-	-
Purchase of investments	9.54	-	-	-	-	-	4,557.77	-	2,400.50	-	126.61	-	1,332.52	-	-	-
Remuneration to Directors *	-	97.31	-	-	125.86	-	-	-	-	-	-	-	-	-	-	-
Sale of investments	-	-	-	-	2,443.47	-	-	-	-	-	-	-	-	-	-	-
Purchase of Assets (Net)	-	-	-	5.95	-	-	-	-	-	-	-	-	-	-	-	-
Guarantees & collaterals																
Sale of Malt from Malt Division	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Amount due from/(to) respective related party as at year/period end	3,655.38	346.70	-	4,115.86	98.34	1.46	(89.72)	37.85	5,689.88	-	-	15.74	1,278.35			
* Includes payment to relative of KMP			12.71			14.09				14.42						

Refer Point 5 of Attachment I-E

Sale of Malt from Malt Division	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Amount due from/(to) respective related party as at year/period end	3,655.38	346.70	-	4,115.86	98.34	1.46	(89.72)	37.85	5,689.88	-	-	15.74	1,278.35			

For the year/period ended	March 31, 2006					March 31, 2007					December 31, 2007				
	S	A	KMP	JV	SAJV	S	A	KMP	JV	SAJV	S	A	KMP	JV	SAJV
Purchase of Goods	-	-	-	-	2,015.00	-	-	-	-	5,182.75	-	-	-	-	12,610.32
Sale of Goods	-	-	-	-	1,228.58	-	-	-	-	1,148.68	-	-	-	-	1,597.53
Sale of Brand	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Receipts/(Payments) against rendering services	-	-	-	-	28.09	-	-	-	-	306.35	-	-	-	-	1,548.32
Guarantee Commission received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	262.13
Sale of Raw Materials	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Brand Fees Paid	-	246.35	-	-	42.41	-	255.77	-	-	62.19	-	269.13	-	-	-
Finance @ (Including Loans & other transaction in cash or in kind)	-	(0.47)	-	1,284.54	(1,242.85)	-	0.45	-	(1,395.66)	1,232.85	-	529.04	-	115.25	112.07
Purchase of investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Remuneration to Directors *	-	-	224.41	-	-	-	-	263.50	-	-	-	-	238.44	-	84.59
Sale of investments	-	-	-	-	8.67	-	-	-	-	-	-	-	-	-	-
Purchase of Assets (Net)	-	-	-	-	-	-	-	-	-	1,269.38	-	-	-	-	(282.16)
Guarantees & collaterals	Refer Point 5 of Attachment I-E														
Sale of Malt from Malt Division	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,534.19
Amount due from / (to) respective related party as at year/period end	-	0.47	-	(1,280.28)	2,429.93	-	0.02	0.88	115.39	371.35	-	259.93	-	-	4,324.13
* Includes payment to relative of KMP	16.81														15.36
@ Figures in brackets indicates amounts received.															



Related Party Transaction with S&N

Particulars	Financial years ended March 31,					For the period ended December 31, 2007
	2003	2004	2005	2006	2007	
S&N						
-Management Fees	-	-	-	184.51	251.50	214.55
SNIPL						
-Subscription of ROCPS	NA	NA	18,377.56	-	-	-
-Redemption of ROCPS	NA	NA	NA	18,377.56	-	-
-Dividend on ROCPS	-	-	334.82	75.52	-	-
SNUK						
-ECB	-	5,304.00	-	-	-	-
-Interest on ECB	-	98.73	182.87	287.14	362.93	283.12
-Purchase of Fixed Assets	-	-	-	-	-	27.89
-Balance of ECB	-	4,800.00	4,798.20	4,898.85	4,794.88	4,335.32
SNIL						
-Subscription to Preference Share Capital	-	-	-	24,690.00	-	-
-Balance of Preference Share Capital	-	-	-	24,690.00	24,690.00	24,690.00
-Dividend on above	-	-	-	728.53	740.70	-
-Dividend on equity share	-	-	-	182.25	202.49	-

10. DETAILS OF RESERVES

Particulars	As at March 31,					As at December 31, 2007
	2003	2004	2005	2006	2007	
Rs.Lakhs						
Securities Premium Account	2,397.04	2,397.04	1,614.95	22,969.25	22,969.25	22,969.25
General Reserve	-	-	-	350.00	1,050.00	1,050.00
Profit and Loss Account	-	-	446.04	551.56	4,893.85	9,183.67
	2,397.04	2,397.04	2,060.99	23,870.81	28,913.10	33,202.92
Adjustments on account of restatement	-	-	-	3,149.68	(1,023.28)	(432.87)
Carryforward of Previous Year's Cumulative Adjustment on account of Restatement	-	-	-	-	3,149.68	2,126.40
Cumulative Adjustments on Account of Restatement	-	-	-	3,149.68	2,126.40	1,693.53
Total	2,397.04	2,397.04	2,060.99	27,020.49	31,039.50	34,896.45

11. SEGMENT REPORTING

The company is engaged in manufacture, purchase and sale of beer including licensing of brands which constitutes a single business segment. The Company operates only in India. Accordingly, primary and secondary reporting disclosures for business and geographical segment as envisaged in AS-17 are not applicable to the company.

12. There are no outstanding dues exceeding seven years, requiring transfer to the Investor Education and Protection Fund under section 205 C of the Companies Act 1956 as at the end of any of the reported years.
13. The information provided in the Attachments above have been extracted from the audited annual financial statements for the years ended 31st March 2003, 31st March 2004, 31st March 2005, 31st March 2006, 31st March 2007 and nine month period ended 31st December 2007.

14. KEY ACCOUNTING RATIOS

Particulars	For the years ended March 31,						For the Period Ended
	2003	2004	2005	2006	2007	December 31, 2007	
Net Profit as per Restated Financial Statement (Rs.in Lakhs)	143.90	277.60	1,404.07	5,090.23	5,485.90		3,856.96
Less: Preference Dividend (Rs.in Lakhs)	-	-	389.33	816.35	740.70		555.53
Less: Tax on Preference Dividend (Rs.in Lakhs)	-	-	50.88	114.51	103.90		77.93
Net Profit available to Equity Shareholders (Rs.in Lakhs)	A	143.90	277.60	963.86	4,159.37	4,641.30	3,223.50
Weighted average number of equity shares outstanding during the year/period	B	11,531,448	17,820,603	17,820,603	21,604,343	216,043,430	216,043,430
No. of shares at the end of the year	D	17,820,603	17,820,603	17,820,603	21,604,343	216,043,430	216,043,430
Basic and Diluted Earnings per share (Rs.)	A/B	1.25	1.56	5.41	19.25	2.15	1.49
Face Value per Share (Rs.)		10.00	10.00	10.00	10.00	1.00	1.00
Net worth (Rs.in Lakhs)	C	3,369.29	3,651.44	25,206.84	53,870.92	57,889.93	61,746.88
Return on net worth (%)	A/C	4.27%	7.60%	3.82%	7.72%	8.02%	5.22%
Net asset value per equity share (Rs)	C/D	18.90	20.49	141.44	249.35	26.80	28.58

For the above:

Notes:

(a)

Particulars	For the years ended March 31,					For the Period Ended
	2003	2004	2005	2006	2007	December 31, 2007
Weighted average number of equity shares outstanding during the year/period	11,531,448	17,820,603	17,820,603	21,604,343	216,043,430	216,043,430
Total number of shares outstanding at the end of the year / period	17,820,603	17,820,603	17,820,603	21,604,343	216,043,430	216,043,430

b. Weighted average number of shares for the year ended 31st March 2003

Outstanding during the period	No of Shares	Period (Months)	No of shares X Period
1st April 2002 to 31st August 2002	2,726,632	5	13,633,160
1st September 2002 to 31st March 2003	17,820,603	7	124,744,221
		12	138,377,381
Weighted average number of shares = 13,83,77,381 / 12 (Months)			11,531,448

c. Weighted average number of shares for the year ended 31st March 2004

Outstanding during the period	No of Shares	Period (Months)	No of shares X Period
1st April 2003 to 31st March 2004	17,820,603	12	213,847,236
		12	213,847,236
Weighted average number of shares = 213,847,236 / 12 (Months)			17,820,603



d. Weighted average number of shares for the year ended 31st March 2005

Outstanding during the period	No of Shares	Period (Months)	No of shares X Period
1st April 2004 to 31st March 2005	17,820,603	12	213,847,236
		12	213,847,236
Weighted average number of shares = 213,847,236 / 12 (Months)			17,820,603

e. Weighted average number of shares as at 31st March 2006

Outstanding during the period	No of Shares	Period (Months)	No of shares X Period
1st April 2005 to 31st March 2006	21,604,343	12	259,252,116
		12	259,252,116
Weighted average number of shares = 259,252,116 / 12 (Months)			21,604,343

f. Weighted average number of shares as at 31st March 2007

Outstanding during the period	No of Shares	Period (Months)	No of shares X Period
1st April 2006 to 31st March 2007	216,043,430	12	2,592,521,160
		12	2,592,521,160
Weighted average number of shares = 259,252,116 / 12 (Months)			216,043,430

g. Weighted average number of shares as at 31 December 2007

Outstanding during the period	No of Shares	Period (Months)	No of shares X Period
1 st April 2007 to 31st December 2007	216,043,430	9	1,944,390,870
		9	1,944,390,870
Weighted average number of shares = 1,944,390,870 / 9 (Months)			216,043,430

15. CAPITALISATION STATEMENT

Particulars	Pre Issue as at 31st December 2007	As Adjusted For Issue
Rs. Lakhs		
Short Term Debt	18,083.29	18,083.29
Long Term Debt	23,378.89	23,378.89
Total Debt	41,462.18	41,462.18
Shareholders' Funds		
Share Capital	26,850.43	Refer Note 1
Reserves net of Revaluation reserve & Misc. Expenditure	34,896.45	
Total Shareholders' Fund	61,746.88	
Long Term Debt / Equity [Times]	0.38	Refer Note 1

Notes: 1. In the absence of details regarding the issue price and the number of shares being finalised, these details have not been furnished.

16. Tax Shelter Statement

Rs. in Lakhs

Particulars	For the Years Ending March 31,			2006	2007
	2003	2004	2005		
Profit/(Loss) as per Profit and Loss account	374.83	419.63	2,521.34	6,193.62	9,499.27
Tax at Notional Rate	137.75	150.54	848.68	2,084.77	3,197.45
Add: Difference between tax depreciation and book depreciation	(791.79)	(850.39)	(917.49)	738.79	84.79
Add: VRS claim u/s 35DD	(4.54)	-	-	-	-
Add: 43B and 40A(7) disallowance (Net)	(421.17)	847.02	1,109.27	3,484.64	0.03
Add: Others (Net)	(6.17)	563.27	1,036.22	3,201.51	297.24
Less: 43B and 40A(7) disallowance (Net)	-	(1,223.67)	559.90	1,228.00	7,424.94
Less: Others	-	(804.61)	(1,070.56)	(3,692.44)	(0.22)
Less: Provision for Doubtful debts/advances	304.28	(118.12)	(1,812.77)	(138.98)	(198.78)
Less: Deferred Revenue claimed in earlier years	20.81	-	-	-	-
Less: Provision for Diminution in value of Investments	200.67	-	-	-	-
Less: Donations	60.15	-	-	-	-
Net addition/(benefit)	585.91	(922.73)	(2,883.33)	(3,831.42)	(199.00)
Tax Savings	(637.76)	(362.83)	(1,655.33)	3,593.52	183.06
Business Profit/(Loss) for tax purposes	234.38	122.13	557.18	(1,209.58)	(61.62)
Carry forward loss as per return	(1,464.21)	(1,727.14)	(1,670.33)	(10,405.78)	(7,215.99)
Cumulative carry forward loss	(1,727.14)	(1,786.11)	(804.32)	(7,215.99)	-



17. OTHER INCOME

	Financial years ended March 31,					For the period ended	
	2003	2004	2005	2006	2007		
Particulars	Rs. Lakhs						
Sale of Spent Malt/ Cullet	349.12	528.29	508.51	916.82	1,002.25	710.13	Recurring
Guarantee Commission	52.38	39.57	44.65	-	-	262.14	Recurring
Royalty on Brands	190.16	101.49	145.92	165.45	187.12	136.67	Recurring
Manufacturing Contribution	86.05	57.38	91.40	-	-	-	Recurring
Interest Received	53.91	1,176.29	1,705.21	-	404.58	249.49	Recurring
Sundry Income	19.65	62.11	56.44	603.61	385.84	399.52	Non Recurring
Provision no longer required	149.97	79.15	1,619.15	159.38	129.71	115.68	Non Recurring
Profit on Sale of Assets (Net)	-	-	-	-	-	1.85	Non Recurring
Sale of Brand	-	300.00	-	-	-	-	Non Recurring
Refund of sales tax	-	123.36	-	-	-	-	Non Recurring
Total	901.24	2,467.64	4,171.28	1845.26	2,109.50	1,875.48	

18. DETAILS OF DIVIDEND PAID BY THE COMPANY

Equity Shares

Particulars	Financial years ended March 31,					For the period ended
	2003	2004	2005	2006	2007	
December 31, 2007						
Number of Equity Shares [Note 1]	17,820,603	17,820,603	17,820,603	21,604,343	216,043,430	216,043,430
Face Value Per Share (Rs.) [Note 1]	10	10	10	10	1	1
Paid Up Value Per Share (Rs.)	10	10	10	10	1	1
Rate Of Dividend	-	-	-	22.50%	25.00%	-
Total Dividend Paid	-	-	-	486.01	540.12	-
Tax On Dividend	-	-	-	68.17	82.17	-

Note 1: The Company's Equity Shares of Rs.10 each were subdivided into equity shares of Re.1 each with effect from May 24, 2006.

Preference Shares

Particulars	Financial years ended March 31,					For the period ended
	2003	2004	2005	2006	2007	
December 31, 2007						
Number of Preference Shares						
5% Preference Share	-	-	21,369,077	21,369,077	-	-
3% Preference Share	-	-	-	24,690,000	24,690,000	2,469,000
Face Value Per Share (Rs.)	-	-	100	100	100	100
Paid Up Value Per Share (Rs.)	-	-	100	100	100	100
Rate Of Dividend	-	-	5%	5% & 3%	3%	3%
Total Dividend Paid	-	-	389.33	816.35	740.70	-
Tax On Dividend	-	-	50.88	114.51	103.90	-

19. ADJUSTMENT FOR RESTATED FINANCIAL STATEMENTS

A. Impact on Balance Sheet due to restatement and other material adjustments made to the audited financial statements

- (i) As stated in Note No. I-A(i) of Attachment I-E, the Company has changed the accounting policy in respect of goodwill in the year 2006-07 and accordingly, goodwill amounting to Rs 2,885.78 which had been charged off in the financial year 2005-06 has been capitalised during the financial year 2005-06 for the purposes of restatement and the effect of amortisation has been given.
- (ii) Consequent to the tax provision being adjusted in the years to which the same relates, as stated in Note No. I-A(i) of Attachment I-E, the same has been suitably classified under loans and advances as at March 31, 2006.

B. Impact on profits due to restatement and other material adjustments made to the audited financial statements [Refer Note 1A of Attachment I-E]

Sl No.	Particulars	As at March 31,					Period Ended December 31, 2007
		2003	2004	2005	2006	2007	
	Reported profit/ (loss) after tax but before non - recurring item as per audited Profit and Loss Account	225.68	599.40	1,404.07	4,987.10	6,509.18	4,289.83
	Effects of changes in accounting policies						
1	Goodwill Refer 19 A (i) above	-	-	-	2,885.78	-	-
2	Depreciation on Goodwill Refer 19 A (i) above	-	-	-	(577.16)	(577.16)	(432.87)
3	Minimum Alternate Tax Credit Refer 19 A (ii) above	-	-	-	841.06	(841.06)	-
4	Decrease in Deferred Tax Asset on account of adjustment of amortisation of Goodwill.	-	-	-	-	(283.71)	-
5	Reduction in current taxation on account of actual depreciation as per Income Tax return filed for Assessment Year 2007-08, considered for computing restated current tax.	-	-	-	-	678.65	-
	Pre-tax impact of adjustments	-	-	-	3,149.68	(1,023.28)	(432.87)
6	Tax impact of adjustments	-	-	-	-	-	-
7	Total impact of entries	-	-	-	3,149.68	(1,023.28)	(432.87)
8	Restated profits before non recurring items but after adjustments	225.68	599.40	1,404.07	8,136.78	5,485.90	3,856.96
9	Reserves after adjustments	2,397.04	2,397.04	2,060.99	27,020.49	31,039.50	34,896.45

The Board of Directors
United Breweries Limited
UB Anchorage, 100/1, Richmond Road
Bangalore – 560 025

Dear Sirs,

1. We have examined the Consolidated Restated Financial Information of United Breweries Limited (the Company) and its subsidiaries and joint venture (UB Group) as at and for the nine months period ended December 31, 2007 and for each of the five financial years ended on March 31, 2007, 2006, 2005, 2004 and 2003 annexed to this report and initialed by us for identification. The said consolidated financial information has been prepared in connection with the proposed rights issue of equity shares, in accordance with the requirements of:

- a. Paragraph B (1) of Part II to 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')and the clarification issued by the Securities and Exchange Board of India (the 'SEBI') on January 19, 2000 as amended, in pursuance of Section 11 of the Securities and Exchange Board of India Act, 1992; and
- c. the terms of reference received from the Company.

The Consolidated restated financial information has been approved by the Board of Directors of the Company.

2. Restated Consolidated Financial Information as per Consolidated audited financial statements:

2.1 We have examined the,

- (i) Annexed restated Summary Statement of Consolidated Assets and Liabilities of the Company as at December 31, 2007, March 31, 2007, 2006, 2005, 2004, and 2003 (See Attachment II-A);
- (ii) Annexed restated Summary Statement of Consolidated Profit and Loss of the Company for nine months period ended December 31, 2007 and for the years ended March 31, 2007, 2006, 2005, 2004 and 2003 (See Attachment II-B);
- (iii) Annexed restated Statement of Consolidated Cash Flows for the nine months ended December 31, 2007 and for the years ended March 31, 2007, 2006, 2005, 2004 and 2003. (See Attachment II-C)

together referred to as the "Consolidated Summary Statements"

2.2 The consolidated summary statements as at and for the years ended on March 31, 2007, 2006, 2005, 2004 and 2003 have been extracted by the management from the consolidated financial statements of the company as approved by the Board of Directors.

The audit of the consolidated financial statements for the year ended March 31, 2003 was conducted by Deloitte Haskins & Sells and our opinion, in so far as it relates to the amounts included in respect of this year is based on their report for that year dated June 30, 2003 and a further review carried out by us, to the extent considered necessary, to ascertain for the limited purpose of inclusion of financial information in the offer document for the proposed rights issue of equity shares, whether any adjustments are required in aforesaid financial information.

2.3 We have also examined the consolidated financial information of the Company as at and for the period ended December 31, 2007 prepared by the management and approved by the Board of Directors for the purpose of disclosure in the offer document for the proposed rights issue of equity shares. The consolidated financial information for the above period was examined to the extent practicable, for the purpose of audit of financial information in accordance with the Auditing and Assurance Standards issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform our audit to obtain reasonable assurance, whether the financial information under examination is free of material misstatement.

We did not audit the financial statements of a subsidiary, which reflect total assets and revenues as given below. These financial statements have been audited by other auditors whose report has been furnished to

us, and our opinion, insofar as it relates to the amounts included in respect of the subsidiary, is based solely on the report of the other auditors.

Year / Period ended	Total Assets (Rs. In lakhs)	Revenues (Rs. In lakhs)
Period ended December 31, 2007	845.42	0.07
Year ended March 31, 2007	833.76	0.51
Year ended March 31, 2006	1,226.15	0.08

Based on the above, we report that in our opinion and according to the information and explanations given to us, we have found the same to be in accordance with Part II of Schedule II of the Act and the Guidelines and the same have been accordingly used in the Financial Information appropriately.

- 2.4 The Summary of Significant accounting policies for the nine months period ended December 31, 2007 and selected Notes to Audited Consolidated Financial Statements of the Company are enclosed in Attachment II-D and Attachment II-E respectively.
- 2.5 Based on our examination of these Consolidated Summary Statements, we state that:
- (ix) Adjustments on account of changes in accounting policies have been made to the audited financial statements for the respective years as indicated in paragraph (ii) below. Other than the adjustments as indicated in the said paragraph, the accounting policies, applied as at and for the period ended December 31, 2007 are materially consistent with those for each of the years ended March 31, 2007, 2006, 2005, 2004, and 2003.
 - (x) As mentioned in Note A-1 of Attachment II-E, the Company has changed the accounting policy in respect of goodwill on amalgamation, with effect from April 1, 2006, and adjustments thereof have accordingly been made in the year to which the same relate.
 - (xi) There are no material prior period items requiring adjustments in the Consolidated Summary statement in the above mentioned years, except in respect of accounting of taxation as indicated in Note A-2 of Attachment II-E, which have been adjusted in the relative years to which the same relates.
 - (xii) There are no material extraordinary items which need to be disclosed separately in the Consolidated Summary statement;

3. Consolidated Other Financial Information:

- 3.1 At your request, we have also examined the consolidated financial information relating to the Company, proposed to be included in the Offer document, as approved by the Board of Directors of the Company and annexed to this report:

		Reference
i	Consolidated Capitalisation statement as at December 31, 2007	Note C-12 - Attachment II-E
ii	Consolidated Statement of Key Accounting Ratios	Note C-14 - Attachment II-E
iii	Details of Secured Loans(Consolidated)	Note C-4 – Attachment II-E
iv	Details of Unsecured loans(Consolidated)	Note C-5 – Attachment II-E
v	Details of Investments(Consolidated)	Note C-7 – Attachment II-E
vi	Details of Sundry Debtors(Consolidated)	Note C-9 – Attachment II-E
vii	Details of Loans and Advances and Other Current Assets(Consolidated)	Note C-8 – Attachment II-E
viii	Details of Dividends paid	Note C-11 – Attachment II-E
ix	Details of Consolidated Related Party Transactions	Note C-10 – Attachment II-E
x	Details of Other income(Consolidated)	Note C-13 – Attachment II-E
xi	Details of Consolidated capital commitments and contingent liabilities	Note C-6 – Attachment II-E

Based on our examination of these Consolidated Summary Statements and also as per the reliance placed on the reports of other auditors as mentioned in paragraphs 2.2 and 2.3 above, in our opinion, the 'Consolidated Financial Information' referred in paragraph 2 above and 'Consolidated Other Financial Information' mentioned in paragraph 3 above as at and for the nine months period ended December 31, 2007 and for each of the years ending March 31, 2007, 2006, 2005, 2004 and 2003 have been prepared in accordance with Part II of schedule II of the Act and the Guidelines.



This report should not, in any way, be construed as a re-issuance or re-dating of any of the previous audit reports issued by us for the respective years nor should this report be construed as a new opinion on any of the financial statements referred to herein.

This report is intended solely for your information and for inclusions in the offer documents 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.

J. Majumdar

Partner

Membership No: F 51912

For and on Behalf of

Price Waterhouse

Chartered Accountants

Date: March 26, 2008

Place: Bangalore

RESTATED SUMMARY STATEMENT OF CONSOLIDATED ASSETS AND LIABILITIES

ATTACHMENT II-A (RS. IN LAKHS)

	Particulars	Note Reference	As at March 31st					As at December 31, 2007	
			2003	2004	2005	2006	2007		
		Attachment II - E	Rs. In Lakhs						
A.	Fixed Assets:								
	Gross Block		13,253.82	20,436.76	23,797.23	40,190.73	65,138.30	82,535.64	
	Less: Accumulated Depreciation and Amortisation		(2,182.90)	(4,121.44)	(5,911.91)	(11,160.31)	(16,154.38)	(21,581.45)	
	Add: Capital work in progress		338.69	2,039.86	811.29	1,024.17	11,864.97	11,873.20	
	Net Block	15A	11,409.61	18,355.18	18,696.61	30,054.59	60,848.89	72,827.39	
B.	Investments	7	2,250.57	169.05	199.15	83.79	1.85	3.70	
C.	Goodwill		6,204.21	8,513.70	11,748.64	11,821.34	11,821.34	11,821.35	
D.	Current Assets Loans and Advances								
	Inventories		3,924.51	5,223.16	6,375.08	8,384.48	12,457.42	14,330.33	
	Sundry Debtors	9	7,758.93	8,963.23	11,005.51	16,248.17	25,358.71	25,854.09	
	Cash & Bank Balances		1,148.47	2,040.77	2,050.89	13,411.53	14,708.12	2,321.06	
	Loans advances and other current assets	8 & 15A	6,906.28	27,803.93	28,043.86	34,021.99	20,462.05	15,041.05	
			19,738.19	44,031.09	47,475.34	72,066.17	72,986.30	57,546.53	
E.	Deferred Tax Asset (Net)		219.06	109.30	-	-	-	-	
	Total Assets: A+B+C+D +E		39,821.64	71,178.32	78,119.74	114,025.89	145,658.38	142,198.97	
F.	Liabilities								
	Secured Loans	4	(18,951.24)	(41,973.39)	(28,222.20)	(39,385.02)	(56,702.75)	(49,625.87)	
	Unsecured Loans	5	(437.50)	(7,795.40)	(9,527.96)	(1,217.43)	(5,953.90)	(7,286.87)	
	Deferred Tax Liability (Net)		-	-	(878.25)	(804.96)	(890.87)	(1,747.27)	
	Current Liabilities and Provisions		(21,055.60)	(19,444.63)	(17,620.33)	(20,131.85)	(26,617.37)	(24,667.99)	
	Total Liabilities and Provisions		(40,444.34)	(69,213.42)	(56,248.74)	(61,539.26)	(90,164.89)	(83,328.00)	
G.	NET WORTH		(622.70)	1,964.90	21,871.00	52,486.63	55,493.49	58,870.97	
	REPRESENTED BY								
	Share Capital	3	1,782.06	5,637.80	23,151.14	26,850.43	26,850.43	26,850.43	
	Reserves	16	2,397.94	3,387.84	5,661.98	33,305.72	37,324.82	41,180.83	
	Less: Miscellaneous expenditure		(565.04)	(401.22)	(120.54)	(0.63)	-	-	
	Less: Debit balance in Profit and Loss account		(4,237.66)	(6,659.52)	(6,821.58)	(7,668.89)	(8,681.76)	(9,160.29)	
	NET WORTH		(622.70)	1,964.90	21,871.00	52,486.63	55,493.49	58,870.97	



RESTATED SUMMARY STATEMENT OF CONSOLIDATED PROFITS AND LOSSES

ATTACHMENT II-B (RS. IN LAKHS)

	Particulars	Note Reference	Financial Years Ended March 31,					For the period ended December 31, 2007
			2003	2004	2005	2006	2007	
		Attachment II - E	Rs. In Lakhs					
A.	INCOME							
	Sale of Products manufactured		44,661.84	55,757.14	61,682.34	90,226.69	151,534.00	140,066.08
	Sale of Traded goods		869.54	2,071.53	6766.97	3324.92	9,245.51	15,005.87
	Total Sales		45,531.38	57,828.67	68,449.31	93,551.61	160,779.51	155,071.95
	Less: Excise Duty		(12,290.85)	(15,537.12)	(18,056.10)	(24,329.05)	(46,353.69)	(49,412.02)
			33,240.53	42,291.55	50,393.21	69,222.56	114,425.82	105,659.93
	Income from Brand Franchise		8,107.18	7,205.59	7,482.77	10,685.79	6,158.98	6,735.64
	Other Income	13	877.08	1,835.14	2,797.75	2,456.81	2,405.22	2,116.98
	Total		42,224.79	51,332.28	60,673.73	82,365.16	122,990.02	114,512.55
B.	EXPENDITURE							
	Materials Consumed		17,987.76	24,651.48	29,096.98	33,159.00	53,220.18	46,701.62
	Increase / (Decrease) in Inventories		(272.56)	(422.65)	(654.91)	128.59	(713.38)	(339.95)
	Purchase of traded goods		826.24	1,749.10	744.25	2,761.42	8,517.37	11,337.22
	Personnel expenses		3,156.54	3,582.96	4,253.77	5,290.23	7,107.78	6,021.18
	Selling and promotion expenses		9,323.52	9,205.05	11,435.44	18,782.71	29,149.78	27,204.27
	Other expenses		7,953.73	7,415.59	9,781.46	8,046.47	8,339.82	8,199.25
	Depreciation		781.32	1,424.43	1,821.80	3,487.62	4,740.59	5,143.17
	Deferred revenue expenses		206.06	197.79	280.65	280.40	-	-
	Interest / Finance charges (Net)		2,854.82	4,287.70	2,570.34	3841.59	4,120.14	3,854.04
	Total		42,817.43	52,091.45	59,329.78	75,778.03	114,482.28	108,120.80
	Net Profit / (Loss) before tax & Non-Recurring items		(592.64)	(759.17)	1,343.95	6,587.13	8,507.74	6,391.75
C.								
	Share of loss of Associate		-	-	(603.59)	-	-	-
	Provision for Taxation							
	-Current Tax		(0.39)	(38.03)	(206.14)	(841.75)	(2,965.25)	(1,637.68)
	-Fringe Benefit Tax		-	-	-	(207.42)	(204.03)	(87.32)
	-Deferred Tax Charge/(Write Back)		(230.93)	(109.77)	(987.55)	(3,216.24)	162.84	(856.41)
	Prior Period Item		-	-	(102.92)	(353.17)	-	-
D.	Net Profit / (Loss) before Non-Recurring items		(823.96)	(906.97)	(556.25)	1,968.55	5,501.30	3,810.34
	Non- Recurring item(Net of Tax)		(81.78)	(321.80)	-	(3,046.54)	-	-
E.	Loss Transferred to Minority interest		281.29	-	-	-	-	-
F.	Movement during the year		(274.37)	-	974.94	-	(4.89)	-
G.	Minority Interest Absorbed		-	-	(140.50)	-	-	-
H.	Net profit / (Loss) after Non- Recurring		(898.82)	(1,228.77)	278.19	(1,077.99)	5,496.41	3,810.34

United Breweries Limited

	Particulars	Note Reference	Financial Years Ended March 31,					For the period ended December 31, 2007		
			2003	2004	2005	2006	2007			
		Attachment II - E	Rs. In Lakhs							
	items									
	Adjustments	15B	-	-	-	3,149.68	(1,418.22)	(432.87)		
	Current Tax Impact on Adjustments		-	-	-	-	678.65	-		
	Deferred Tax Impact on Adjustments		-	-	-	-	(283.71)	-		
	Total of Adjustments after Tax Impact		-	-	-	3,149.68	(1,023.28)	(432.87)		
	Net Profit As Restated		(898.82)	(1,228.77)	278.19	2,071.69	4,473.13	3,377.47		



Restated Statement of Consolidated Cash flow

ATTACHMENT II-C (Rs. In Lakhs)

Particulars	As at March 31st					As at
	2003	2004	2005	2006	2007	December 31, 2007
	Rs. Lakhs					
A. Cash flow from operating activities						
Net Profit after non-recurring item but before taxation	(674.41)	(1,080.97)	637.42	8,734.99	7,930.58	5,958.89
Adjustments for:						
Depreciation and amortization	781.32	1,424.43	1,821.80	4,064.78	5,317.75	5,576.03
(Profit)/ Loss on sale / discard of fixed assets (net)	(0.91)	2.74	-		19.63	19.61
Provision for obsolescence of fixed assets/Idle Assets	75.68	-	-	-	-	86.41
Net pre-acquisition loss in subsidiaries	-	-	-	(10,413.17)	-	-
(Profit)/ Loss on sale of trade investments/Write Offs	-	-	-	-	(5.00)	-
Provision for doubtful debts/advances	-	-	-	-	115.14	488.40
Advances/ Bad debts written off	-	-	-	-	446.36	28.12
Provision for diminution in the value of investments	200.68	-	-	-	-	-
Deferred revenue	206.06	197.79	280.65	280.40	-	-
Interest expense (net)	2,855.34	4,287.70	2,570.34	3,841.59	4,120.14	3,854.04
Operating profit before working capital changes	3,443.76	4,831.69	5,310.21	6,508.59	17,944.60	16,011.50
Movements in working capital :						
Decrease / (Increase) in sundry debtors	(2,154.06)	(1,004.30)	(2,042.28)	(1,995.01)	(8,647.14)	(1,928.54)
Decrease / (Increase) in current assets	-	-	-	(18,447.46)	13,272.38	685.75
Decrease / (Increase) in inventories	(568.83)	(1,298.65)	(1,151.92)	(1,447.96)	(3,876.80)	(1,766.79)
Decrease / (Increase) in deferred revenue	-	(33.97)	0.03	-	-	-
Increase / (Decrease) in current liabilities	4,135.35	(777.66)	(737.36)	(1,271.95)	5,784.95	(197.26)
Increase / (Decrease) in Joint venture share in working capital				5,025.93	1,033.15	(5,546.27)
Cash generated from operations	4,856.22	1,717.11	1,378.68	(11,627.86)	25,511.14	7,258.39
Direct taxes paid (net of refunds)	(9.18)	(194.94)	28.88	(1,500.69)	(3,933.79)	(1,936.44)
Adjustment arising out of Amalgamation / Change in JV	-	-	-	23.71	(4.26)	-
Cash generated from operations before non-recurring items	4,847.04	1,522.17	1,407.56	(13,104.84)	21,573.09	5,321.95
B. Cash flows from investing activities						
Purchase of fixed assets	(2,624.19)	(8,370.00)	(2,163.24)	(5,195.22)	(35,443.41)	(11,757.17)
Proceeds from sale of fixed assets	323.48	(2.74)	-	-	946.07	40.92
Purchase of fixed assets-Share of Joint Venture	-	-	-	(2,380.30)	(1,634.33)	(560.37)
Sale / maturity of investments	-	2,081.51	-	(117.85)	86.94	(1.85)
Purchase Of Investments	(8.54)	-	(30.10)	-	-	-
Dividend Payout	-	-	-	-	-	-
Net cash from investing activities	(2,309.25)	(6,291.23)	(2,193.34)	(7,693.37)	(36,044.73)	(12,278.47)
C. Cash flows from financing activities						
Proceeds from allotment of shares	-	-	-	46,422.67	-	-
Share in capital of JV/Associates	-	-	-	(6,438.18)	-	-
Short Term Loan	95.13	(7,795.72)	3,999.10	(10,616.89)	9,161.40	(8,071.49)
Long Term Borrowings/Repayments	(578.64)	37,217.57	(15,971.40)	16,087.37	12,879.00	2,327.56
Interest paid	(1,871.92)	(4,362.84)	(3,936.49)	(3,841.59)	(4,106.34)	(3,854.04)

Particulars	As at March 31st					As at
	2003	2004	2005	2006	2007	December 31, 2007
	Rs. Lakhs					
Loan to United Breweries (Holding) Limited	-	-	-	8,024.00	(38.45)	8,013.10
Share in Capital of Joint Venture(Net of acquisition goodwill)	-	1,343.09	17,386.98	-	-	-
Advance by subsidiary companies to others	-	-	-	4,462.35	-	-
Loan to associates/Subsidiaries	(323.41)	(20,740.74)	(242.08)	-	-	-
Advance towards purchase of investments.	-	-	-	-	-	(3,592.94)
ROCPs	-	-	-	(21,369.08)	-	-
Dividend paid including distribution tax.	-	-	(440.21)	(571.80)	(2,127.38)	(252.73)
Net cash used in financing activities	(2,678.84)	5,661.36	795.90	32,158.85	15,768.23	(5,430.54)
Net increase in cash and cash equivalents (A + B + C)	(141.05)	892.30	10.12	11,360.64	1,296.59	(12,387.06)
Cash and cash equivalents at the beginning of the year	1,289.52	1,148.47	2,040.77	2,050.89	13,411.53	14,708.12
Cash and cash equivalents taken over on amalgamation	-	-	-	-	-	-
Cash and cash equivalents at the end of the year	1,148.47	2,040.77	2,050.89	13,411.53	14,708.12	2,321.06

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

ATTACHMENT II-D

1. Basis of Presentation of Financial Statements:

The Financial Statements of the Company have been prepared under historical cost convention, to comply in all material aspects with all the applicable accounting principles in India, the applicable Accounting Standards notified under Section 211(3C) of the Companies Act, 1956 and the relevant provisions of the Companies Act, 1956.

2. Use of Estimates:

The preparation of the Financial Statements in conformity with GAAP requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the Financial Statements, and the reported amounts of revenue and expenses during the reported period. Actual result could differ from those estimates.

3. Revenue Recognition:

Revenue from sale of goods is recognised in accordance with the terms of sale, on despatch from the Breweries / warehouses of the Company and is net of trade discount but includes Excise Duty. Income from brand franchise is recognised at contracted rates on sale/production of the branded products by the franchisees. Dividend Income is recognised when the Company's right to receive the payment is established. Royalty from foreign entities (net of tax) is recognised as per the terms of agreement.

4. Borrowing Costs:

Borrowing costs incurred for the acquisition of qualifying assets are recognised as part of cost of such assets when it is considered probable that they will result in future economic benefits to the Company while other borrowing costs are expensed in the period in which they are incurred.

5. Fixed Assets:

Fixed assets are stated at their original cost of acquisition and subsequent improvements thereto including taxes, duties, freight and other incidental expenses relating to acquisition and installation of such assets.

The cost of fixed assets acquired on amalgamations have been determined at fair values as on the respective dates of amalgamation and as per the related Schemes of Arrangement and include taxes/duties thereof.

Fixed assets taken on finance lease prior to March 31, 2001 are not capitalised.

Assets identified and evaluated technically as obsolete and held for disposal are stated at their estimated net realisable value.

6. Investments:

Investments being long term in nature are stated at cost. Cost includes expenses such as professional/legal charges relating to acquisition/subscription. Diminution in value of investments, if considered permanent, is provided for.

7. Inventories:

Inventories are valued at lower of cost and net realisable value. Costs include freight, taxes, duties and appropriate production overheads and are generally ascertained on the First in First out (FIFO) basis. Excise/Customs duty on stocks in bond is added to the cost. Due allowance is made for obsolete and slow moving items.

8. Foreign Currency Transactions:

Foreign currency transactions are recorded at the rates of exchange prevailing on the dates of such transactions.

All monetary items of foreign currency liabilities/ assets are restated at the rates ruling at the year end and all exchange gains/ losses arising there from are adjusted to the Profit and Loss Account, except those covered by forward contracted rates where the premium or discount arising at the inception of such forward exchange contract is amortised as expense or income over the life of the contract.

Exchange differences on forward contracts are recognised in the Profit and Loss Account in the reporting period in which the exchange rates change.

Any profit or loss arising on cancellation or renewal of such forward contracts is recognised as income or expense for the year.

9. Depreciation and amortisation:

Depreciation on fixed assets is provided on Straight Line Method based on the rates prescribed under Schedule XIV to the Companies Act 1956 except for fixed assets acquired on amalgamation (where original dates of acquisition are not readily available), which are depreciated over the remainder useful life of the assets as certified by an expert.

Cost of Goodwill arising on amalgamation is amortised over a period of 5 years,

Cost of Leasehold Land is amortised over the period of lease.

Assets individually costing less than Rs.5,000 are depreciated fully in the year of purchase.

10. Employee Retirement benefits:

(i) Defined Contribution Plans:

Contributions to the employees' provident fund, superannuation fund, Employees' State Insurance and Employees' Pension Scheme are as per statute and are recognized as expenses during the period in which the employees perform the services.

(ii) Defined Benefit Plans:

Liabilities towards gratuity is determined on actuarial valuation using the Projected Unit Credit Method at the balance sheet date. Actuarial Gains and Losses are recognized immediately in the Profit and Loss Account.

(iii) Other Long Term Employee Benefits:

Liability towards earned leave and compensated absences are recognised at the present value based on actuarial valuation at each balance sheet date.

(iv) Short Term Employee Benefits:

Liability of earned leave, compensated absences, performance incentives etc. are recognised during the period when the employee renders the services.

11. Taxes on Income:

Current Tax is determined as per the provisions of the Income Tax Act, 1961.

Deferred tax is recognised, 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 are not recognised unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Fringe Benefit Tax is determined at current applicable rates on expenses falling within the ambit of "Fringe Benefit" as defined under Income Tax Act, 1961.

12. Earnings per share:

Annualised earnings/ (Loss) per equity share (basic and diluted) is arrived at based on ratio of profit/ (loss) attributable to equity shareholders to the weighted average number of equity shares.

13. Impairment of Assets:

At each Balance Sheet date, the Company assesses whether there is any indication that assets may be impaired. If any such indication exists, the Company estimates the recoverable amount. If the carrying amount of the assets exceeds its recoverable amount, an impairment loss is recognised in the accounts to the extent the carrying amount exceeds the recoverable amount.

14. Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognised when the company has a present obligation as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are reviewed regularly and are adjusted where necessary to reflect the current best estimates of the obligation. When the company expects a provision to be reimbursed, the reimbursement is recognised as a separate asset, only when such reimbursement is virtually certain. A disclosure for contingent liability is made where there is a possible obligation or present obligation that may probably not, require an outflow of resources. When there is a possible or a present obligation the likelihood of outflow of resources is remote, no provision or disclosure is made.

NOTES TO THE SUMMARY STATEMENTS

ATTACHMENT II-E (Rs. In Lakhs)

1. EFFECT OF CHANGES IN ACCOUNTING POLICIES AND PRIOR PERIOD ITEMS

A. Accounting policies over the relevant years under report,are given below:

1. Goodwill on amalgamation which was charged off to the profit and loss account for the year ended March 31,2006 is being amortised over a period of five years with effect from April 1,2006. The effect of such change has been given in the relevant financial years. [Refer Note 15 below]
2. Tax provision for earlier years no longer required written back has been adjusted in the relevant financial years to which the same relates. [Refer Note 15 below]
3. The Company has accounted for 'Employee Benefits' in terms of Accounting Standard (AS)-15 (Revised) Issued by the Institute of Chartered Accountants of India,with effect from April 1,2007.No effect of the change in this accounting policy has been made in each of the earlier accounting years as the impact thereof is not material.

B. Qualifications in the Auditors' Report

1. In respect of the period ended 31st March,2003,the auditors have expressed their inability to express an opinion on the possible impairment in the value of goodwill arising out of consolidation amounting to Rs.6204.21 Lakhs

-
2. There are no auditor's qualification for the period ended 31st March 2004, 2005, 2006 and 2007 and nine month ended 31st December 2007
 3. The Consolidated Financial Statement (CFS) present the consolidated accounts of United Breweries Limited with its following subsidiaries, associates and joint-venture:
 - a) Subsidiary- Associated Breweries and Distilleries Limited
 - b) Associate -United East Bengal Football Team Private Limited
 - c) Joint Venture - Millennium Alcobev Private Limited.

C. Scheme of Amalgamation:

1. Pursuant to the approval of the Composite Scheme of Arrangement by the share holders at the Court convened meeting held on May 24,2006 and the subsequent sanction by the High Court of Karnataka and Mumbai on July 28,2006 and August 7,2006 respectively, Mangalore Breweries and Distilleries Limited (MBDL), and the Demerged brewery business of Associated Breweries and Distilleries Limited (ABDL) have been amalgamated with the Company. Consequently the assets and liabilities of MBDL and ABDL were transferred to and vested in the Company with effect from April 1,2005 (appointed date). The Company has allotted 4,218 Equity Shares of Rs.10 each to the shareholders of MBDL as per the scheme fo arrangement.
2. Pursuant to the Scheme of Amalgamation (the Scheme) of London Draft Pubs Private Limtied (LDPPL),London Pilsner Breweries Private Limtied (LPBPL) and Karnatak Breweries and Distilleries Private Limited (KBDL) into the Company filed with the Honourable High Courts of Mumbai and Karnataka respectively as pronounced by the respective High Courts on April 27,2007 and June 11,2007.Consequently LDPPL,LPBPL and KBDL have been amalgamated with the Company and all the assets and liabilities etc.,stands transferred to and vests in the Company from the appointed date mentioned in the scheme i.e., April 1,2006.

"The amalgamation has been accounted under the purchase method as prescribed by the Accounting Standard (AS) 14 issued by the Institute of Chartered Accountants of India, subject to Assets and liabilities of KBDL and LDBPL were taken over at their fair values as at the appointed date, and the difference between the net assets and the fair value has been accounted in General Reserve and the assets and liabilities of LDPPL were taken over at their book values."

D. Discontinuance of operations:

The Company has in its Board Meeting held on January 22, 2008 approved closure of operations of the Nerul Unit of the Company and has also preferred an application with the Labour Commissioner seeking permission for closure of the unit in terms of the relevant provisions of law in India. The costs related to the closure are being determined by the management of the Company and, since the announcement has been made subsequent to December 31, 2007 no accrual has been made therefor in these summary restated financial information. The fixed assets of the unit amount to approximately Rs.780 Lakhs (Net Book Value), and the management expects most of the assets to be usable in other locations of the Company.

E. Millennium Beer Industries Limited's (MBIL) reference (the Scheme) with Board of Industrial and Financial Reconstruction (BIFR) for rehabilitation has been sanctioned by BIFR vide its order dated January 18, 2008. The scheme interalia envisages reduction of the authorised and paid up equity share capital of MBIL.

The significant features of the scheme are given below:

- (i) Reduction of paid up share capital from Rs.547,575 to Rs.54,757. (Reduction of face value from Rs.10 to Re.1)
- (ii) Issuance of non-convertible redeemable preference shares against share application money's received from Millennium Alcobev Private Limited (MAPL) and United Millennium Breweries Limited (UMBL) amounting to Rs.150,000 and Rs.350,000 respectively.
- (iii) Waiver of penalties, fines etc aggregating to Rs.1,910 (approx) levied on the Company by authorities for delayed payments of Provident Fund and Employees State Insurance dues.
- (iv) Waiver of dues and interest aggregating to Rs.14,539 (approx) to creditors subject to the direction of the Honorable Supreme Court of India.

- (v) Restructuring of networth of Millennium Beer Industries Limited after giving effect to item number (i) to (iv) above.

Pending announcement of book closure/record date to determine the members for the purpose of giving effect to the reduction of equity share capital, no effect has been given to the scheme in these summary restated financial information.

2. DETAILS OF SHARE HOLDING IN SUBSIDIARIES ,JOINT VENTURES AND ASSOCIATES

Name of the Subsidiary	Ownership Percentage						Country of Incorporation
	As at March 31st					Period Ended	
	2003	2004	2005	2006	2007	December 31,2007	
Associated Breweries & Distilleries Limited (ABDL)	65	65	100	100	100	100	India
London Draft Pub Private Limited (Subsidiary of ABDL)	100	100	100	100	NA	NA	India
London Pilsner Breweries Private Limited (Subsidiary of ABDL)	100	100	100	100	NA	NA	India
Mangalore Breweries & Distilleries Limited (MBDL)	98.15	98.15	98.20	NA	NA	NA	India
Name of the Associate							
United East Bengal Football Team Private Limited (UEBFPL)	50	50	50	50	50	50	India
Joint Venture							
Millennium Alcobev Private Limited (<i>refer Note 1 below</i>)	100	40	40	50*	50*	50*	India

* The increment of 10% represents control exercised through the subsidiary ABDL.

Note 1

Millennium Alcobev Private Limited (Formerly known as McDowell Alcobev Limited) became a subsidiary of United Breweries Limited with effect from 30th March 2002. The Financial Statements of Millennium Alcobev Private Limited (Formerly known as McDowell Alcobev Limited) and its subsidiaries are not included in the Consolidated Financial Statements as at 31st March 2003, since in the opinion of the Management, the control was temporary in nature. Millennium Alcobev Private Limited (Formerly known as McDowell Alcobev Limited) has since ceased to be a subsidiary of the Company pursuant to the 'Subscription Agreement' entered into by United Breweries Limited with Scottish & Newcastle Plc and Accra Investments Private Limited with effect from 8th May 2003, from which date, McDowell Alcobev Limited became a Joint Venture of United Breweries Limited. Accordingly, the Consolidated Financial Statements as at 31st March 2004, include the unaudited consolidated financial statements of the Joint Venture and it's subsidiaries, as provided by MAL's management, in compliance with AS 27 'Financial Reporting of interests in Joint Ventures'.



3. DETAILS OF SHARE CAPITAL

Particulars	As at March 31st					Period Ended
	2003	2004	2005	2006	2007	December 31, 2007
Authorised Capital:	Rs. Lakhs					
Equity shares of Rs 10 Each	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00
As at 31 st March 2003:3,00,00,000 nos						
As at 31 st March 2004:3,00,00,000 nos						
As at 31 st March 2005:3,00,00,000 nos						
As at 31 st March 2006:3,00,00,000 nos						
As at 31 st March 2007:30,00,00,000 nos						
As at 31st December 2007:30,00,00,000 nos^						
Preference Shares of Rs 100 Each	22,000.00	22,000.00	25,000.00	25,000.00	25,000.00	25,000.00
As at 31 st March 2003 :2,20,00,000 nos						
As at 31 st March 2004 :2,20,00,000 nos						
As at 31 st March 2005 :2,50,00,000 nos						
As at 31 st March 2006 :2,50,00,000 nos						
As at 31 st March 2007 :2,50,00,000 nos						
As at 31st December 2007:2,50,00,000 nos						
Total	25,000.00	25,000.00	28,000.00	28,000.00	28,000.00	28,000.00
Issued, Subscribed and Paid up						
Equity Shares of Rs 10 Each	1,782.06*	1,782.06	1,782.06	2,160.43	2,160.43	2,160.43
As at 31 st March 2003:1,78,20,603 nos						
As at 31 st March 2004:1,78,20,603 nos						
As at 31 st March 2005:1,78,20,603 nos						
As at 31 st March 2006:2,16,04,343 nos						
As at 31 st March 2007:2,16,04,343 nos						
As at 31st December 2007:216,043,430 nos^						
Share capital Pending allotment: 1,50,93,971 Equity Shares of Rs.10 each						
As per the scheme of demerger, the Company allotted the said equity shares to the shareholders of United Breweries (Holdings) Limited during the financial year 2002-03	-	-	-	-	-	-
3% 17,283,000 Cumulative Redeemable Preference Shares of Rs.100 each fully paid-Series A	-	-	-	17,283.00	17,283.00	17,283.00
3% 7,407,000 Cumulative Redeemable Preference Shares of Rs.100 each fully paid-Series B	-	-	-	7,407.00	7,407.00	7,407.00
5% 21,369,077 Redeemable Optionally Convertible Preference Shares of Rs.100 Each.	-	-	21,369.08	-	-	-
<i>Preference Share Capital of Joint Venture (40%)</i>	-	3,855.74	-	-	-	-
Total	1,782.06	5,637.80	23,151.14	26,850.43	26,850.43	26,850.43

* Change arising out of demerger.

[^]The Company's equity shares of Rs.10 each were subdivided into equity shares of Re.1 each with effect from 24th May 2006.

4. SECURED LOAN (CONSOLIDATED)

Particulars	As at March 31st					Period Ended December 31, 2007	Repayment Schedule	Rate of Interest	Securities Offered
	2003	2004	2005	2006	2007				
	Rs. Lakhs								
ICICI Bank Limited- Term Loan	6,500.00	-	-	-	-	-	Quarterly, along with interest. Repayment ended on 30th June 2003	12.50%	The Whole of the movable and immovable properties at our brewing units at Chertala, Taloja, Goa, Hyderabad and Ludhiana, as first charge. Pledge of investments in McDowell & Co Limited, Mangalore Chemicals and Fertilizers Limited Aventis Pharma Ltd and Aventis Crop Science Limited held by United Breweries (Holdings) Limited and investments in United Breweries (Holdings) Limited held by McDowell & Company Limited.
Rabo India Finance Private Ltd- Term Loan	1,500.00	500.00	-	-	-	-	Quarterly @ of Rs.250.00 Lakhs – Last installment falling due in September 2004.	15.00%	Pledge of Investments in Mangalore Breweries &Distilleries Limited held by the Company and a first charge on movable and immovable properties held at our unit at Palakkad.
The Federal Bank Limited- Term Loan	181.28	34.31	-	2,426.49	1,557.15	890.30	Repayment by monthly installments of Rs.69.44 lakhs for 36 months.	Interest @ 3.5% BPLR subject to a minimum of 8% PA with monthly rests .	Hypothecation of receivables from Kerala State Beverages Corporation.
ILFS Term Loan	-	-	3,500.00	-	-	-			
Hire Purchase Liability	106.75	105.46	121.68	95.21	60.54	27.00	Monthly installment Last installment falling due in November 2008.	Not Applicable	Hypothecation of asset under hire purchase



Particulars	As at March 31st				Period Ended December 31, 2007	Repayment Schedule	Rate of Interest	Securities Offered
	2003	2004	2005	2006				
	Rs. Lakhs							
Citibank - Term Loan	2,000.00	2,000.00	1,000.00	10,000.00	9,863.01	8,727.16	7 Years from the date of disbursement. One year moratorium. Principal paid in equal monthly instalment s.	8.5%
Consortium Bankers - Working capital	5,878.37	4,473.48	3,415.65	4,520.79	13,731.04	5,098.59	On demand	Range: 9.75% to 12.5%
Yes Bank Term Loan	-	-	-	990.20	-	4,717.34	Agreement dated 26.9.2005. Payable monthly paid for a period of 30 months.	Yes Banks PLR + 2.65%
Rabo India Finance Private Ltd	-	20,000.00	-	-	-	-	Repayable by 30 th September 2004 or completion of ROCPS which ever is earlier.	8.5%
External Commercial Borrowing FCNR- State Bank of Travancore	-	-	2,289.91	1,890.37	-	-		
External Commercial Borrowing Scottish and NewCastle	-	4,800.00	4,798.20	4,898.85	4,794.88	4,335.32	Repayable in August 2008 in one shot	LIBOR + 1%
								1st Charge on P&M of Taloja Plant alone.

Particulars	As at March 31st					Period Ended December 31, 2007	Repayment Schedule	Rate of Interest	Securities Offered
	2003	2004	2005	2006	2007				
	Rs. Lakhs								
External Commercial Borrowing BNP Paribas	-	-	-	-	12,879.00	12,614.49	Rs. 31.04 Crores @ 8.54%; Rs. 62.08 Crores @ 8.54%; Rs. 46.56 Crores @ 8.85%; Rs. 46.56 Crores 5 year with a bullet payment; Rs. 31.04 Crores and Rs. 62.08 Crores repaid in 3 annual installments commencing 24th month 4 year term loan.	Range : 8.54% - 8.8%	1st Charge on all moveable and immovable property of the company except Taloja Plant
Bank of Rajasthan – Term Loan	-	2,973.92	-	-	-	-			
The Jammu & Kashmir Bank Limited	-	-	-	-	520.82	-	Repayable in EMI. Last payment in October 07	Rate of Interest: 10 %	First Charge on movable and immovable properties of Erstwhile Karnataka Breweries & Distilleries Ltd.,
Deferred credits:									
Alfa laval India Ltd	-	400.00	434.62	268.39	40.44	-	Tenor – 36 Months – Repayable in 24 monthly installments starting from June 2005 and ending	10%	Hypothecation of equipments supplied under the scheme



Particulars	As at March 31st					Period Ended December 31, 2007	Repayment Schedule	Rate of Interest	Securities Offered
	2003	2004	2005	2006	2007				
	Rs. Lakhs								
The South Canara District Central Co-op Bank Limited - Term Loan	1,698.78	1,953.63	1,635.03	-	-	-	on May 2007 Repayment of monthly installment of Rs. 26.55 Lakhs per month.	11.50%	Hypothecation of fixed assets of the Company including land and building and future additions. Guaranteed by the Holding Company.
The South Canara District Central Co-op Bank Limited - Working Capital Consortium Bankers [Working Capital Loan]	328.71	849.95	292.87	-	-	-	Against a loan of Rs 600 Lakhs, Rs150 lakhs per quarter is repayable effective June 30,2005.	On demand	10.50% First Charge on current assets of the Company excluding loans and advances payable on demand. Guaranteed by the Holding Company.
Vehicle Loan- ICI	-	-	4.28	2.55	-	-	On Demand Repayment on monthly basis	14.75% to 15%	Secured by hypothecation of Stock In Trade, Stores, Raw Material, Plant & Machinery and Book debts
Zoroastrian Co Op Bank [Term Loan]	78.70	41.84	7.81	-	-	-	Rs.8.50 Lakhs Payable Quarterly	13.50%	Hypothecation of vehicle Secured by a first charge on 2 nos. Unitanks [Part of Plant and Machinery] funded by the loan.
UTI Bank Limited - Vehicle loan	-	22.09	-	-	-	-	On demand	14.75%	Secured by first charge on assets under hire purchase
District Industries Centre, Palakkad Kerala (Includes principal amount outstanding Rs. 3.37Lakhs and Interest Overdue Rs.1.88 Lakhs).	-	4.35	-	-	-	-	On demand	6% on overdue amount.	Land of Empee Breweries at Palakkad, Kerala

United Breweries Limited

Particulars	As at March 31st					Period Ended December 31, 2007	Repayment Schedule	Rate of Interest	Securities Offered
	2003	2004	2005	2006	2007				
	Rs. Lakhs								
Yes Bank Ltd	-	-	-	-	1,400.00	1,202.12	Yes Bank's PLR Minus 4% Margin PA; Repaid in 60 EMI		Unconditional and irrevocable corporate guarantee from UBL b) 2nd Charge over present and future immovable assets of Empee Breweries Limited.
BNP Paribas	-	-	-	-	2,250.00	2,109.38	140 BPS PA + Overnight Index Swap (OIS) + Liquidity Premium OIS is MIOIS rate as per Reuters Web Site @ 1700 Hrs		First Charge on all moveable assets etc like moveable machineries, tools, Furnitures & fixtures, Vehicles of Empee Breweries Limited.
Standard Chartered Bank	-	-	-	-	3,376.90	-	Quarterly repayment of Rs.3.75 Crores		Corporate Guarantee from UBL and Post Dated Cheques from UBL
Hire Purchase Liability	-	-	20.09	-	-	1.26	Repayment on monthly basis		Hypothecation of vehicle
Punjab National Bank	-	-	280.00	2,227.95	-	-			
Axis Bank - FCTL	-	-	-	-	-	2,955.90	Repayable in 16 Quarterly installments	6 month Libor + 2.75%	Exclusive Charge on all the moveable and immovable fixed assets of the UMBL.
Rabo Financial Services Private Limited - Term Loan	NA	6095.88	6,800.00	10,572.08	3,342.79	2,814.97	9.5% Tenor 60 months EMI	10.60%	28.36 mil shares of MBIL
Scottish and NewCastle MAPL Loan	-	-	-	1,273.58	2,886.18	4,132.04		9% PA	2nd Charge on moveable plant and machinery.machinery spares,tools,accessories,brands on MAPL entities
Total	18,951.24	41,973.39	28,222.20	39,385.02	56,702.75	49,625.87			



5. UNSECURED LOANS (CONSOLIDATED)

Particulars	As at March 31st					As at December 31, 2007	Repayment Schedule	Rate of Interest
	2003	2004	2005	2006	2007			
	Rs. Lakhs							
Bank Overdraft - Interest Free	2.12	738.05	100.00	-	-	-	[On Demand]	-
BCC Private Limited	150.06	30.06	30.06	30.06	30.06	30.06	No stipulation towards repayment	-
UB General Investments Limited	285.32	-	-	-	-	-	No stipulation towards repayment. Will be transferred to UB Holdings Ltd through United Breweries Ltd.	-
IL & FS Ltd.	NA	3,527.37	-	-	-	-	Moratorium 18 Months. Repayment effective from May 2005 – Rs 83.33 Lakhs per month.	9.5%
The Bank of Rajasthan Ltd.	NA	1,499.92	-	-	-	-	Rs.1,200 Lakhs repayable in September 2004 and Rs .300 Lakhs repayable in October 2004	9.5%
McDowell & Company Ltd	-	2,000.00	-	-	-	-	Inter corporate Deposit. Repayable on 24 th February 2006.	10.75%
Citibank – Bridge Loan	-	-	7,500.00	-	-	-		
Short Term Loan	-	-	1,897.90	-	4,139.82	2,521.92	Repayable within 90/180 days	7.75% to 12%
Bank of Nova Scotia	-	-	-	-	-	2,500.00	Repayable within 60/90 days	8.75%
Deferred Sales Tax Loan – Maharashtra State	-	-	-	1,187.37	1,784.02	2,234.89	From April 2012 to July 2017	
Total	437.50	7,795.40	9,527.96	1,217.43	5,953.90	7,286.87		

6. COMMITMENTDS AND CONTINGENT LIABILITIES

	Particulars	As at March 31st					As at December 31, 2007
		2003	2004	2005	2006	2007	
Rs. Lakhs							
A	COMMITMENTS						
I	Estimated amount of contracts remaining to be executed on capital account and not provided for	63.44	550.67	361.96	285.50	5,162.93	7,113.27
II	Liability for a put option for investment in a subsidiary, not provided pending investment, though the option has been exercised	2,047.00	2,627.41	-	-	-	-
III	Infusion of funds through preference capital	NA	2,000.00	1,000.00	-	-	-
IV	Letter of undertaking to distributors towards countervailing duty for imports from Nepal.	-	-	385.00	385.00	385.00	-
	Total	2,110.44	5,178.08	1,746.96	670.50	5,547.93	7,113.27
B	CONTINGENT LIABILITIES						
I	Sales Tax demands under appeal*	213.30	82.76	125.48	130.91	207.16	177.29
II	Excise Duty / Customs Duty demands under appeal *	35.33	102.86	96.83	86.46	859.57	474.12
III	Claims against the Company not acknowledged as debt *	1,202.84	1,161.99	1,143.73	270.76	88.90	49.00
IV	Future commitments for Interest/Lease rental payable on deferred credits / lease	334.50	106.38	72.14	301.76	1,509.54	-
V	Letter of Credit Outstanding	258.99	208.92	384.24	361.81	49.00	607.92
VI	Guarantees given for loans availed by the Company / Subsidiaries / Associates / third parties	10,161.89	7,308.93	5,382.94	259.06	23,136.56	23,060.79
VII	Dividend on Cumulative preference shares placed with ABDL. Not provided for (relates to years ended 31 st March 2003 and 31 st March 2004 due to inadequacy of profits)	812.80	1,219.20	1,625.60	-	-	-
VIII	Income tax demands under appeal*	6.84	5.47	-	-	-	-
IX	Guarantees given by Mangalore Breweries and Distilleries Limited to the excise department	2.00	-	-	-	-	-
X	Consideration payable to the erstwhile promoters of ABDL withheld against possible tax benefits if any availed by ABDL towards its future profits	-	323.00	323.00	-	-	-
XI	Balance Consideration payable to erstwhile promoters of KBDL.	-	-	-	3,500.00	-	-
XII	ESIC/PF demands under appeal.	-	-	-	-	2.11	2.11
XIII	Bank guarantees given to commissioner of excise for export of beer.	-	-	-	-	108.00	-
XIV	Demand towards water charges under appeal.	-	-	-	-	187.13	1,180.10
XV	Interest for delayed payment of interest free loan.	-	-	-	-	96.58	96.58
XVI	Income Tax	-	-	20.36	509.35	250.82	250.82
XVI I	Balance consideration payable to UBHL towards paurchase of shares in Maltex Malsters Private Limited						907.06
	Total	13,028.49	10,519.51	9,174.32	5,420.11	26,495.37	26,805.79

Note:

* In the opinion of the management the above demands/claims are not sustainable in law and accordingly, do not call for a provision in the accounts.



7. INVESTMENTS [CONSOLIDATED] (LONG TERM UNQUOTED UNLESS OTHERWISE STATED):

Particulars	As at March 31 st					As at
	2003	2004	2005	2006	2007	December 31, 2007
Government Securities:	Rs. Lakhs					
National Savings Certificates	0.78	1.74	1.54	1.33	0.70	0.70
Trade:						
Inertia Industries Limited	2,443.47	-	-	-	-	-
Non Trade:						
Zorastrian Co. Op Bank Limited	1.00	1.00	1.00	1.00	1.00	1.00
McDowell Limited & United Breweries Limited Employees Co-op society	1.00	-	-	-	-	-
Associate						
United East Bengal Football Team Private Limited*	0.50	0.50	0.50	0.50	0.50	0.50
Joint Venture						
Millennium Alcobev Private Limited (Formerly Known as McDowell Alcobev Limited)	5.00	-	-	-	-	-
	2,451.75	3.24	3.04	2.83	2.20	2.20
Less: Provision for diminution in value of investment	(200.68)	-	-	-	-	-
*Less: Associate Company goodwill arising on consolidation	(0.50)	(0.50)	(0.50)	(0.50)	(0.50)	(0.50)
Share in Joint Venture Investments	-	166.31	196.61	81.46	0.15	2.00
Total	2,250.57	169.05	199.15	83.79	1.85	3.70

8. LOANS, ADVANCES AND OTHER CURRENT ASSETS (CONSOLIDATED):

Particulars	As at March 31st					As at
	2003	2004	2005	2006	2007	December 31, 2007
Particulars	Rs. Lakhs					
Prepaid expenses	1,207.90	1,323.33	504.19	501.64	856.43	417.94
Due from United Breweries (Nepal) Private Limited	647.52	-	-	-	-	-
Advances recoverable in cash or in kind or for value to be received (Net of Provisions)	722.16	6,319.02	7,924.44	20,095.30	985.68	1,073.34
Due from United Breweries (Holdings) Limited	-	16,000.00	15,998.65	7,974.65	8,013.10	-
Associated Breweries & Distilleries Limited	-	-	-	-	-	-
Mangalore Breweries & Distilleries Limited	-	-	-	-	-	-
Balances with excise authorities	38.56	100.11	80.96	640.80	1,494.47	1,654.44
Advance towards investments	-	-	-	-	-	3,592.94
Other deposits	4,280.16	3,894.60	3,370.89	3,377.16	7,112.80	6,770.03
Taxation (Net of Provisions)	9.98	166.87	164.73	1,432.44	1,999.57	1,532.36
Total	6,906.28	27,803.93	28,043.86	34,021.99	20,462.05	15,041.05

9. DEBTORS

	As at March 31st					As at December 31, 2007	
	2003	2004	2005	2006	2007		
Particulars	Rs. Lakhs						
Unsecured							
Debts outstanding for a period exceeding six months							
-Considered Good	336.63	199.73	335.22	13.17	95.77	332.12	
-Considered Doubtful	959.34	999.28	154.89	380.88	448.93	809.56	
	1,295.97	1,199.01	490.11	394.05	544.70	1,141.68	
Less: Provision	(959.34)	(999.28)	(154.89)	(380.88)	(448.93)	(809.56)	
	336.63	199.73	335.22	13.17	95.77	332.12	
Other debts - Considered good	7,422.30	8,763.50	10,670.29	16,235.00	25,262.94	25,521.97	
Total	7,758.93	8,963.23	11,005.51	16,248.17	25,358.71	25,854.09	

10. RELATED PARTY DISCLOSURE UNDER AS - 18

	<i>Related Party During the year ended</i>					<i>Related Party During the period ending</i>
i. Name of the related parties:	2003	2004	2005	2006	2007	December 31, 2007
a) Holding Company						
United Breweries (Holdings) Limited [Formerly Kingfisher Properties & Holdings Limited]	Note 1	Note 1	Note 1	Note 1	Note 1	Note 1
b) Subsidiaries [S]:						
Mangalore Breweries & Distilleries Limited (MBDL)	Yes	Yes	NA	NA	NA	NA
Associated Breweries & Distilleries Limited (ABDL)	Yes	Yes	NA	NA	NA	NA
London Draft Pubs Private Limited*	Yes	Yes	NA	NA	NA	NA
London Pilsner Breweries Private Limited*	Yes	Yes	NA	NA	NA	NA
Millennium Alcobev Private limited (Formerly Known as McDowell Alcobev Limited)	Yes	Note 3				
Empee Breweries Limited#	Yes	Note 3				
United Millennium Beer Industries Limited (Formerly Known as GMR Beverages & Industries Limited) #	Yes	Note 3				
* Subsidiaries of Associated Breweries & Distilleries Limited						
# Subsidiaries of Millennium Alcobev Private limited (Formerly Known as McDowell Alcobev Limited)						
c) Associates [A]:						
Millennium Beer Industries Limited (Formerly Known as Inertia Industries Limited)	Yes	Note 3				
United East Bengal Football Team Private Limited	Yes	Yes	Yes	Yes	Yes	Yes
d) Fellow Subsidiary [FS]:						
UB General Investments Limited [Formerly, United Breweries (Holdings) Limited]	Note 2	Note 2	Note 2	Note 2	Note 2	Note 2
UB Global Corporation Limited	Note 2	Note 2	Note 2	Note 2	Note 2	Note 2

	<i>Related Party During the year ended</i>					<i>Related Party During the period ending</i>
i. Name of the related parties:	2003	2004	2005	2006	2007	December 31,2007
e) Key Management Personnel and relative: [KMP]						
Mr Kalyan Ganguly	Yes	Yes	Yes	Yes	Yes	Yes
Mrs.Veronica Lesley Jackson	NA	NA	NA	Yes	Yes	Yes
Mr M R Srinivasan - Director MBDL	Yes	Yes	Yes	NA	NA	NA
Mr Sharad Dalmia – Director ABDL	Yes	Yes	Yes	NA	NA	NA
Mr.A.K Das -Director ABDL	NA	NA	NA	Yes	Yes	Yes
Relative of KMP						
Mrs.Suparna Bakshi Ganguly wife of Mr.Kalyan Ganguly (relative of KMP)	Yes	Yes	Yes	Yes	Yes	Yes
f) Joint Venture (JV)						
Millennium Alcobev Private limited (Formerly Known as McDowell Alcobev Limited)	NA	Note 3				
g) Subsidiaries of Joint Venture [SAJV]						
Empee Breweries Limited	NA	Note 3				
United Millennium Beer Industries Limited (Formerly Known as GMR Beverages & Industries Limited) #	NA	Note 3				
Millennium Beer Industries Limited (Formerly Known as Inertia Industries Limited)	NA	Note 3				
h) Entity which has significant influence						
Scottish & Newcastle India Limited (SNIL)	NA	NA	Yes	Yes	Yes	Yes
i) Others						
Scottish & Newcastle Plc,(S&N),Holding Company of SNIL	NA	NA	NA	NA	Yes	Yes
Scottish & Newcastle UK Limited (SNUK),Fellow Subsidiary of SNIL	NA	NA	Yes	Yes	Yes	Yes
Scottish & Newcastle India Private Limtied (SNIPL),Fellow Subsidiary of SNIL	NA	NA	Yes	Yes	Yes	Yes

Note 1: United Breweries (Holdings) Limited was the holding company pending allotment of equity shares to other shareholders pursuant to the scheme of demerger for the financial year ended 31st March, 2002. Post issuance of equity shares to the other shareholders in Financial Year 2002-03, the said company is no longer a holding company/ related party of the Company.

Note 2: UB General Investments Limited [Formerly United Breweries (Holdings) Limited] and UB Global Corporation Limited are subsidiaries of United Breweries (Holdings) Limited and accordingly fellow subsidiaries of the Company for the year ended 31st March 2002 alone.

Note 3: McDowell Alcobev Limited has ceased to be a subsidiary of the Company with effect from 8th May, 2003 consequent to the 'Subscription Agreement' entered into with Scottish & Newcastle Plc and Accra Investments Private Limited. Accordingly, for the year ended 31st March, 2004, McDowell Alcobev Limited and its subsidiaries, Empee Breweries Limited & GMR Beverages & Industries Limited are disclosed as Joint Venture and Subsidiaries of Joint Venture respectively for the purpose of this statement. Consequent to the 'Subscription Agreement' referred to above, the Company has sold it's investments in Inertia Industries Limited to McDowell Alcobev Limited and accordingly, for the year ended 31st March 2004, Inertia Industries Limited is disclosed as an Associate of the Joint Venture for The purpose of this statement.

Transactions with related parties

For the year/period ended	March 31, 2003			March 31, 2004		March 31, 2005		March 31, 2006		March 31, 2007		December 31, 2007	
	Particulars	FS	A	KMP									
Rs. Lakhs													
Purchase of Goods	-	363.67	-	119.21	-	-	-	-	-	-	-	-	
Sale of Goods	-	-	-	-	-	-	-	-	-	-	-	-	
Sale of Investments	-	-	-	2,443.47	-	-	-	-	-	-	-	238.44	
Receipts against rendering services	659.97	231.87	-	20.69	-	-	-	-	-	-	-	-	
Payments against rendering services	-	476.76	-	288.19	-	200.00	-	246.35	-	255.77	-	269.13	
Finance (Including Loans & Equity contribution in cash or in kind)	336.10	35.35	-	(248.36)	-	-	-	(0.47)	-	0.45	-	529.04	
Purchase of investments	-	-	-	-	-	-	-	-	-	-	-	-	
Remuneration to Managing Director *	-	-	117.14*	-	139.75*	-	126.61	-	224.41	-	263.51	-	
Guarantees & collaterals	-	-	-	-	-	-	-	-	-	-	-	-	
Amount due from/(to) respective related parties as at year/period end	336.09	346.70	-	98.34	1.46	-	-	0.47	-	0.02	-	259.93	

Related Party Transaction with S & N

Particulars	Financial years ended March 31,					For the period ended	Rs. in Lakhs
	2003	2004	2005	2006	2007		
S&N							
-Management Fees	-	-	-	184.51	251.50	-	-
SNIPL							
-Subscription of ROCPS	NA	NA	18,377.56	-	-	-	-
-Redemption of ROCPS	NA	NA	NA	18,377.56	-	-	-
-Dividend on ROCPS	-	-	334.82	75.52	-	-	-
SNUK							
-ECB	-	5,304.00	-	-	-	-	-
-Interest on ECB	-	98.73	182.87	287.14	362.93	-	-
-Purchase of Fixed Assets	-	-	-	-	-	283.12	-
-Balance of ECB	-	4,800.00	4,798.20	4,898.85	4,794.88	4,335.32	-
SNIL							
-Subsription to Preference Share Capital	-	-	-	24,690.00	-	-	-
-Balance of Preference Share Capital	-	-	-	24,690.00	24,690.00	24,690.00	-
-Dividend on above	-	-	-	728.53	740.70	-	-
-Dividend on equity share	-	-	-	182.25	202.49	-	-



11. DETAILS OF DIVIDEND PAID BY THE COMPANY

EQUITY SHARES

Particulars	As at March 31st					As at December 31, 2007
	2003	2004	2005	2006	2007	
Number of Equity Shares	17,820,603	17,820,603	17,820,603	21,604,343	216,043,430	216,043,430
Face Value Per Share (Rs.)	10	10	10	10	1	1
Paid Up Value Per Share (Rs.)	10	10	10	10	1	1
Rate Of Dividend	-	-	-	22.50%	25%	-
Total Dividend Paid	-	-	-	486.01	540.12	-
Tax On Dividend	-	-	-	68.17	82.17	-

PREFERENCE SHARES

Particulars	As at March 31st					As at December 31, 2007
	2003	2004	2005	2006	2007	
Number of Preference Shares						
5% Preference Share	-	-	21,369,077	21,369,077	-	-
3% Preference Share	-	-	-	24,690,000	24,690,000	24,690,000
Face Value Per Share (Rs.)	-	-	100	100	100	100
Paid Up Value Per Share (Rs.)	-	-	100	100	100	100
Rate Of Dividend	-	-	5%	5% & 3%	3%	3%
Total Dividend Paid	-	-	389.33	816.35	740.7	-
Tax On Dividend			50.88	114.51	103.9	-

12. CONSOLIDATED CAPITALISATION STATEMENT

Particulars	Pre Issue as at 31st, December 2007	As Adjusted For Issue	Rs. Lakhs
			Rs. Lakhs
Short Term Debt	22,647.56	22,647.56	
Long Term Debt	34,265.18	34,265.18	
Total Debt	56,912.74	56,912.74	
Share Holders Funds			
Share Capital	26,850.43	Refer Note 1	
Reserves net of Revaluation reserve & Misc. Expenditure	41,180.83		
Total Share Holders' Fund	68,031.26	0.00	
Long Term Debt / Equity [Times]	0.50	Refer Note 1	

Notes: 1) In the absence of details regarding the issue price and the number of shares being finalised, these details have not been furnished.

13. OTHER INCOME

	For the financial years ended					For the period ended December 31,2007	Nature
	2003	2004	2005	2006	2007		
Particulars	Rs. Lakhs						
Sale of Spent Malt/ Cullet	-	-	-	-	-	710.13	Recurring
Guarantee Commission	17.33	2.42	6.32	-	-	262.14	Recurring
Royalty on Brands	-	-	-	-	-	136.67	Recurring
Manufacturing Contribution	-	-	-	-	-	-	Recurring
Interest Received	-	-	-	425.05	416.69	261.77	Recurring
Sundry Income	699.49	1,744.78	964.48	1,459.41	1,781.10	593.42	Non Recurring
Provision no longer required	160.26	87.94	1,826.95	572.35	207.43	151.00	Non Recurring
Foreign Exchange Gain	-	-	-	-	-	-	-
Profit on Sale of Assets (Net)	-	-	-	-	-	1.85	Non Recurring
Refund of sales tax	-	-	-	-	-	-	Non Recurring
Total	877.08	1,835.14	2,797.75	2,456.81	2,405.22	2,116.98	

14. CONSOLIDATED KEY ACCOUNTING RATIOS

Particulars	For the years ended March 31,					For the Period Ended
	2003	2004	2005	2006	2007	December 31,2007
Net Profit / (Loss) as per Restated Financial Statement (Rs.in Lakhs)	(898.82)	(1,228.77)	278.19	2,071.69	4,473.13	3,377.47
Less: Preference Dividend (Rs.in Lakhs)	-	-	389.33	816.35	740.70	555.53
Less: Tax on Preference Dividend (Rs.in Lakhs)	-	-	50.88	114.51	103.90	77.93
Net Profit/(Loss) available to Equity Shareholders (Rs.in Lakhs)	(898.82)	(1,228.77)	(162.02)	1,140.83	3,628.53	2,744.01
Weighted average number of equity shares outstanding during the year/period	11,531,448	17,820,603	17,820,603	21,604,343	216,043,430	216,043,430
No. of shares at the end of the year	17,820,603	17,820,603	17,820,603	21,604,343	216,043,430	216,043,430
Basic and Diluted Earnings per share (Rs.)	(7.79)	(6.90)	(0.91)	5.28	1.68	1.27
Face Value per Share	10.00	10.00	10.00	10.00	1.00	1.00
Net worth (Rs.in Lakhs)	(622.70)	1,964.90	21,871.00	52,486.63	55,493.49	58,870.97
Return on net worth (%)	0%	0%	0%	2.17%	6.54%	4.66%
Net asset value per equity share (Rs)	(3.49)	11.03	122.73	242.95	25.69	27.25



For the above:

Notes:

(a)

Particulars	For the years ended March 31,					For the Period Ended December 31, 2007
	2003	2004	2005	2006	2007	
Weighted average number of equity shares outstanding during the year/period	11,531,448	17,820,603	17,820,603	21,604,343	216,043,430	216,043,430
Total number of shares outstanding at the end of the year / period	17,820,603	17,820,603	17,820,603	21,604,343	216,043,430	216,043,430

b. Weighted average number of shares for the year ended 31st March 2003

Outstanding during the period	No of Shares	Period (Months)	No of shares X Period
1st April 2002 to 31st August 2002	2,726,632	5	13,633,160
1st September 2002 to 31st March 2003	17,820,603	7	124,744,221
		12	138,377,381
Weighted average number of shares = 13,83,77,381 / 12 (Months)			11,531,448

c. Weighted average number of shares for the year ended 31st March 2004

Outstanding during the period	No of Shares	Period (Months)	No of shares X Period
1st April 2003 to 31st March 2004	17,820,603	12	213,847,236
		12	213,847,236
Weighted average number of shares = 213,847,236 / 12 (Months)			17,820,603

d. Weighted average number of shares for the year ended 31st March 2005

Outstanding during the period	No of Shares	Period (Months)	No of shares X Period
1st April 2004 to 31st March 2005	17,820,603	12	213,847,236
		12	213,847,236
Weighted average number of shares = 213,847,236 / 12 (Months)			17,820,603

e. Weighted average number of shares as at 31st March 2006

Outstanding during the period	No of Shares	Period (Months)	No of shares X Period
1st April 2005 to 31st March 2006	21,604,343	12	259,252,116
		12	259,252,116
Weighted average number of shares = 259,252,116 / 12 (Months)			21,604,343

f. Weighted average number of shares as at 31st March 2007

Outstanding during the period	No of Shares	Period (Months)	No of shares X Period
1st April 2006 to 31st March 2007	216,043,430	12	2,592,521,160
		12	2,592,521,160
Weighted average number of shares = 259,252,116 / 12 (Months)			216,043,430

g. Weighted average number of shares as at 31 December 2007

Outstanding during the period	No of Shares	Period (Months)	No of shares X Period
1 st April 2007 to 31st December 2007	216,043,430	9	1,944,390,870
		9	1,944,390,870
Weighted average number of shares = 1,944,390,870 / 9 (Months)			216,043,430

15. ADJUSTMENTS FOR RESTATED FINANCIAL STATEMENTS

A. Impact on Balance Sheet due to restatement and other material adjustments made to the audited financial statements

- i. As stated in Note No. I-A1 of Attachment II-E, the Company has changed the accounting policy in respect of goodwill in the year 2006-07 and accordingly, goodwill amounting to Rs 2,885.78 which had been charged off in the financial year 2005-06 has been capitalised during the financial year 2005-06 for the purposes of restatement and the effect of depreciation has been provided.
- ii. Consequent to the restatement of Minimum Alternate Tax credit, as stated in Note No. I-A1 of Attachment II-E, the same has been considered under loans and advances as at March 31, 2006.

B. Impact on profits due to restatement and other material adjustments made to the audited financial statements [Refer Note 1A of Attachment II-E]

SI No.	Particulars	As at March 31,					Period Ended December 31, 2007
		2003	2004	2005	2006	2007	
	Reported profit/ (loss) after tax but before non-recurring item as per audited Profit and Loss Account	(823.96)	(906.97)	(556.25)	1,968.55	5,501.30	3,810.34
	Effects of changes in accounting policies						
1	Goodwill Refer 15 A (i) above	-	-	-	2,885.78	-	-
2	Depreciation on Goodwill Refer 15 A (i) above	-	-	-	(577.16)	(577.16)	(432.87)
3	MAT Credit Refer 15 A (ii) above	-	-	-	841.06	(841.06)	-
4	Decrease in Deferred Tax Asset on account of adjustment of amortisation of Goodwill.	-	-	-	-	(283.71)	-
5	Reduction in current taxation on account of actual depreciation as per Income Tax return filed for Assessment Year 2007-08, considered for computing restated current tax.	-	-	-	-	678.65	-
	Pre-tax impact of adjustments	-	-	-	3,149.68	(1,023.28)	(432.87)
6	Tax impact of adjustments	-	-	-	-	-	-
7	Total impact of entries	-	-	-	3,149.68	(1,023.28)	(432.87)
8	Restated profits before non recurring items but after adjustments	(823.96)	(906.97)	(556.25)	5,118.23	4,478.02	3,377.47

16. DETAILS OF RESERVES

For the period / year ending	As at March 31,					Period Ended December 31, 2007
	2003	2004	2005	2006	2007	
Particulars	Rs.Lakhs					
Capital Reserve	0.90	990.80	0.90	4,682.04	4,682.04	4,682.04
Securities Premium Account	2,397.04	2,397.04	5,661.08	24,583.24	24,583.24	24,583.24
General Reserve	-	-	-	350.00	1,050.00	1,050.00
Profit and Loss Account	-	-	-	540.76	4,883.14	9,172.02
Previous Year's Restatement Adjustment	-	-	-		3,149.68	2,126.40
Adjustments on account of restatement	-	-	-	3,149.68	(1,023.28)	(432.87)
Total	2,397.94	3,387.84	5,661.98	33,305.72	37,324.82	41,180.83



Price Waterhouse, our statutory auditors, vide their letter dated April 9, 2008 have issued a certificate stating that the statement below supercedes the Capitalisation Statement referred to in paragraph 3.1 (i) of the Audit Report dated March 26, 2008 on the Restated Financial Information (Standalone & Consolidated) of United Breweries Limited on page 164 and 192 of the Letter of Offer:

Capitalisation Statement (Standalone)

Particulars	Pre Issue as at 31st December 2007	As Adjusted For Issue
	Rs. Lakhs	
Short Term Debt	18,083.29	18,083.29
Long Term Debt	23,378.89	23,378.89
Total Debt	41,462.18	41,462.18
Shareholders' Funds		
Share Capital	26,850.43	27,090.48
Reserves net of Revaluation reserve & Misc. Expenditure	34,896.45	77,144.94
Total Shareholders' Fund	61,746.88	104,235.42
Long Term Debt / Equity [Times]	0.38	0.22

Capitalisation Statement (Consolidated)

Particulars	Pre Issue as at 31st December 2007	As Adjusted For Issue
	Rs. Lakhs	
Short Term Debt	22,647.56	22,647.56
Long Term Debt	34,265.18	34,265.18
Total Debt	56,912.74	56,912.74
Shareholders' Funds		
Share Capital	26,850.43	27,090.48
Reserves net of Revaluation reserve & Misc. Expenditure	41,180.83	83,429.32
Total Shareholders' Fund	68,031.26	110,519.80
Long Term Debt / Equity [Times]	0.50	0.31

Notes:

- (i) The above Capitalisation Statement (Consolidated) has been prepared on the assumption that the proposed rights issue of 24,004,825 Equity Shares of Re.1 each will be subscribed fully at the proposed price of Rs.177/- per share.
- (ii) No adjustments to Reserves has been considered above for Issue Expenses that may be eligible for set off against Securities Premium Account.

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.

Our top six listed group companies, in terms of market capitalization are as under:

1. Scottish & Newcastle Plc.
2. United Spirits Limited
3. United Breweries (Holdings) Limited
4. Deccan Aviation Limited
5. Aventis Pharma Limited
6. Shaw Wallace & Company Limited

Other group companies having negative net worth or losses, are as under:

1. Pixray (India) Limited
2. UB Engineering Limited

1. SCOTTISH & NEWCASTLE PLC. ("S&N")

S&N is a company incorporated in 1931 under the laws of Scotland, United Kingdom, with its registered office located at 28 St Andrew Square, Edinburgh, Scotland. S&N is the parent company of the Scottish & Newcastle group which includes Scottish & Newcastle India Limited and Scottish & Newcastle India Private Limited details of which are disclosed on page no. 100 of this Letter of Offer.

S&N was originally incorporated in 1931 as Scottish Brewers Limited, a limited company. In 1960, S&N's name changed to Scottish & Newcastle Breweries Limited. The company was re-registered as Scottish & Newcastle Breweries Public Limited Company in 1981. On 16 September 1991, the company's name was changed to the current name of Scottish & Newcastle plc.

S&N is an international brand-driven, beer-led drinks business, delivering value growth in Western markets and volume growth in developing markets. S&N is the leader in two large Western European markets, the United Kingdom and France, and (through its joint ventures) is also the leader in two leading developing markets, Russia and India. S&N has three brands in Europe's top 10: Baltika, Foster's and Kronenbourg. S&N is listed on the London Stock Exchange and is part of the FTSE 100 with its ordinary shares being held by institutions and public at large.

Board of Directors

The Board of Directors of S&N is as follows:

Name	Designation
Mr Philip Bowman	Non-Executive Director
Mr. John Michael Dunsmore	Chief Executive Officer*
Mr. Stephen Glancey	Group Operations Director#
Sir Angus McFarlane Mcleod Grossart	Non-Executive Director
Dr. Erik John Victor Hartwall	Non-Executive Director
Mrs. Bridget Macaskill	Non-Executive Director
Mr. Ian Gerald McAllister	Non-Executive Director
Mr. Ian Philip McHoul	Group Finance Director
Mr. John Ross Nicolson	Managing Director Eastern Europe, Asia and USA
Sir Ian Robinson	Non-Executive Director
Sir Brian John Stewart	Chairman
Mr. Henrik Victor Leo Therман	Non-Executive Director
Mr. Brian Wallace	Non-Executive Director

* appointed with effect from November 1, 2007 as CEO. Mr. Tony Frogatt, earlier CEO resigned on October 31, 2007.

appointed on November 07, 2007



Shareholding Pattern

The shareholding pattern of S&N as at March 31, 2008 is as follows:

Ordinary Shares of GB Pence 0.20 each	Shareholding		Total Shares Held	
	Number	Percentage	Number	Percentage
Up to 2,500	49,812	90.47	26,915,810	2.84
2,501-10,000	4,040	7.34	17,939,225	1.89
10,001-50,000	668	1.21	14,429,572	1.52
50,001-200,000	265	0.48	28,110,326	2.96
200,001-500,000	93	0.17	30,425,589	3.21
500,001-1,000,000	56	0.10	40,082,629	4.23
Over 1,000,000	123	0.23	790,460,966	83.35
Totals	55,057	100.00	948,364,117	100.00

Source: Equiniti Limited (S&N's Registrar)

Details of change in management

Sunrise Acquisitions Limited offer for Scottish & Newcastle plc, the holding company of Scottish & Newcastle India Limited, one of the promoters of our Company.

On January 25, 2008, the boards of Sunrise Acquisitions Limited (a newly incorporated company jointly owned by Carlsberg A/S and Heineken N.V.) and Scottish & Newcastle plc announced that they had reached agreement on the terms of a recommended cash offer to be made by Sunrise Acquisitions Limited for the entire issued and to be issued share capital of Scottish & Newcastle plc. The acquisition is to be effected by means of a Scheme of Arrangement under section 425 of the Companies Act 1985 of the United Kingdom.

On March 31, 2008, the shareholders of Scottish & Newcastle plc approved the various resolutions needed to effect the Scheme of Arrangement.

The acquisition is subject to the approval of the shareholders of Heineken N.V. and Heineken Holding N.V., and meetings have been convened for April 17, 2008. Heineken Holding N.V. holds a 58.78 per cent interest in Heineken N.V. L'Arche Green N.V. holds a 58.78 per cent. interest in Heineken Holding. L'Arche Green N.V. is 88.42 per cent. owned by the Heineken family. The controlling family shareholders of Heineken N.V. and Heineken Holding N.V. fully support the acquisition of Scottish & Newcastle plc, and Scottish & Newcastle plc has received irrevocable undertakings from Heineken Holding N.V. and L'Arche Green N.V. in respect of all of their own beneficial holdings of Heineken N.V. shares and Heineken Holding N.V. shares, respectively, to vote in favour of all resolutions necessary to approve the acquisition of Scottish & Newcastle plc at the meetings referred to above.

Carlsberg A/S ("Carlsberg") is one of the world's largest brewing groups, selling its products in over 150 countries worldwide. Carlsberg operates both in mature markets in Western Europe and selected growth markets in Russia and neighbouring countries, other parts of Eastern Europe and Asia. Carlsberg owns 75 breweries in over 24 countries. With total beer production volumes of 73 million hectolitres in 2006, Carlsberg is the number one brewer in Northern Europe and Russia and ranked fifth in the world beer market by volume.

Heineken is one of the world's leading international brewers. The Heineken brand is sold in almost every country in the world and the company owns over 115 breweries in more than 65 countries. With a total group beer production volume of 132 million hectolitres in 2006, Heineken is ranked fourth in the world beer market by volume.

Sunrise Acquisitions Limited is a private limited company incorporated in Jersey. Sunrise Acquisitions Limited has not traded since its incorporation and its sole current activity relates to the implementation of the Acquisition. Sunrise Acquisitions Limited will be resident for tax purposes in the UK.

Following the effective date of the Scheme of Arrangement, Heineken N.V. and Carlsberg A/S have agreed that Heineken will assume control of the Scottish & Newcastle plc businesses in Belgium, Finland, India, Ireland,

Portugal, United Kingdom and USA, and that Carlsberg will assume control of the Scottish & Newcastle plc businesses in China, France, Greece, Russia, Belarus, Estonia, Latvia, Lithuania, Kazakhstan, Ukraine, Uzbekistan and Vietnam. To give effect to this, the businesses to be acquired by Carlsberg A/S will be transferred to Carlsberg A/S and the businesses to be acquired by Heineken N.V. (other than in the United Kingdom and India which will remain in the Scottish & Newcastle group) will be transferred to Heineken N.V. As the businesses to be acquired by Carlsberg A/S are transferred to Carlsberg A/S, Heineken N.V.'s interest in Sunrise Acquisitions Limited will increase proportionally, with the result that Sunrise Acquisitions Limited will be wholly-owned by Heineken N.V. after all these businesses have been transferred to Carlsberg A/S.

As on the date of the Letter of Offer, there is no change in control of Scottish & Newcastle plc. The expected timeline of remaining principal events for the acquisition of Scottish & Newcastle plc by Sunrise Acquisitions Limited is as follows:

Date	Event
April 17, 2008	Heineken N.V. and Heineken Holding N.V. shareholder meetings
April 23, 2008	First Court Hearing (to sanction the Scheme of Arrangement)
April 25, 2008	Suspension of listing and dealings in and last time for registration of transfers of ordinary shares of Scottish & Newcastle plc
April 28, 2008	Second Court Hearing (to confirm the reduction of share capital of Scottish & Newcastle plc)
April 28, 2008*	Scheme of Arrangement becomes effective. Ownership of Scottish & Newcastle Plc. transferred to the Consortium
April 29, 2008*	Delisting of Scottish & Newcastle plc ordinary shares from the London Stock Exchange

* These are indicative dates and will depend, amongst other things, on the dates upon which the Court sanctions the Scheme of Arrangement.

There is no change to the commitment of Scottish & Newcastle India Limited to subscribe to their entitlement in the Rights Issue as also to the 50% of the unsubscribed portion, if any, as mentioned on page 14 of the Letter of Offer.

The Full text of the offer is available on the website of Scottish & Newcastle plc at <http://www.scottish-newcastle.com>

Financial Performance

Details of the audited financial performance of S&N (including exceptional items) for the last three years are given below. Company law in the United Kingdom requires the directors of S&N to prepare consolidated financial statements relating to the S&N group in accordance with International Financial Reporting Standards as adopted by the European Union. Details of the accounting policies applicable to S&N are set out in the Annual Report and Accounts for the relevant financial year, together with the detailed notes to the Accounts.

Group Income Statement

For the year ended	December 31, 2007		December 31, 2006		December 31, 2005	
	GB Pound million	Rs. In million	GB Pound million	Rs. In million	GB Pound million	Rs. In million
Revenue	2,988	237,636	2,996	238,272	3,260	259,268
Operating Costs	(2,758)	(219,344)	(2,718)	(216,163)	(2,960)	(235,409)
Operating Profits	230	18,292	278	22,109	300	23,859
Financing Income	48	3,817	38	3,022	50	3,977
Financing Cost	(124)	(9,862)	(92)	(7,317)	(100)	(7,953)



Net Interest on Pension Liability	8	636	10	795	(5)	(398)
Profit before tax	162	12,884	234	18,610	245	19,485
Tax	(4)	(318)	(36)	(2,863)	(46)	(3,658)
Profit After Tax	158	12,566	198	15,747	199	15,826
Share of Profit of joint venture and associates	126	10,021	113	8,987	49	3,897
Profit from continuing operations	284	22,587	311	24,734	248	19,723
Loss after tax from discontinued operations	(389)	(30,937)	(8)	(636)	-	-
Profits / (loss) attributable to ordinary shareholders	(105)	(8,351)	303	24,098	248	19,723
Earnings per share	GB pence	Rs	GB pence	Rs	GB pence	Rs
Basic	(11.1)	(8.8)	32.7	26.0	27.7	22.0
Diluted	(10.9)	(8.7)	32.6	25.9	27.7	22.0

Balance Sheet

As at	December 31, 2007		December 31, 2006		December 31, 2005	
	GB Pounds million	Rs. In million	GB Pounds million	Rs. In million	GB Pounds million	Rs. In million
Non current assets:						
Property, plant and equipment	894	71,100	883	70,225	999	79,450
Intangible assets	2,895	230,239	2,999	238,510	2,711	215,606
Investment in joint ventures	1,450	115,319	1,346	107,047	1,268	100,844
Investment in associates	48	3,817	38	3,022	40	3,181
Financial assets	207	16,463	270	21,473	230	18,292
Interest rate swaps	29	2,306	22	1,750	20	1,591
Deferred tax	2	159	24	1,909	61	4,851
Total non current assets	5,525	439,403	5,582	443,936	5,329	423,815
Current assets:						
Inventories	220	17,497	216	17,178	230	18,292
Trade and other receivables	643	51,138	675	53,683	810	64,419
Prepayments	226	17,974	242	19,246	230	18,292
Other financial assets	37	2,943	65	5,169	63	5,010
Income tax	1	80	2	159	4	318
Interest rate swaps	2	159	13	1,034	2	159
Cash and cash equivalents	252	20,042	112	8,907	133	10,577
Total current assets	1,381	109,831	1,325	105,377	1,472	117,068
Assets of disposal group classified as held for resale	142	11,293	-	-	-	-
Total assets	7,048	560,527	6,907	549,314	6,801	540,884
Current liabilities:						
Trade and other payables	(1,047)	(83,268)	(1,006)	(80,007)	(1,043)	(82,950)
Borrowings and interest rate swaps	(418)	(33,244)	(438)	(34,834)	(418)	(33,244)
Provisions	(30)	(2,386)	(45)	(3,579)	(28)	(2,227)
Income tax	(89)	(7,078)	(69)	(5,488)	(85)	(6,760)

Total current liabilities	(1,584)	(125,976)	(1,558)	(123,908)	(1,574)	(125,180)
Non current liabilities						
Borrowings and interest rate swaps	(1,885)	(149,914)	(1,621)	(128,918)	(1,777)	(141,325)
Provisions	(54)	(4,295)	(25)	(1,988)	(26)	(2,068)
Pension liabilities	(56)	(4,454)	(280)	(22,268)	(313)	(24,893)
Other liabilities	(126)	(10,021)	(54)	(4,295)	(54)	(4,295)
Income tax	-	-	(2)	(159)	(4)	(318)
Deferred tax	(39)	(3,102)	(15)	(1,193)	(7)	(557)
Total non current liabilities	(2,160)	(171,785)	(1,997)	(158,821)	(2,181)	(173,455)
Liabilities of disposal group classified as held for resale	(77)	(6,124)	-	-	-	-
Total liabilities	(3,821)	(303,884)	(3,555)	(282,729)	(3,755)	(298,635)
Total net assets	3,227	256,643	3,352	266,585	3,046	242,248
Equity						
Share capital	190	15,111	188	14,952	179	14,236
Share premium	1,358	108,002	1,343	106,809	1,132	90,028
Foreign currency reserve	13	1,034	8	636	31	2,465
Net unrealized gains	3	239	2	159	(1)	(80)
Other reserves	1,354	107,684	1,354	107,684	1,354	107,684
Retained earnings	309	24,575	457	36,345	351	27,915
Total equity	3,227	256,643	3,352	266,585	3,046	242,248

Share Price Performance

S&N's ordinary shares are listed on the London Stock Exchange. The price of the ordinary shares on the London Stock Exchange for the six months ending March 2008 is as follows:

Month	Monthly High GB Pence	Monthly Low GB Pence
March 2008	790.00	771.5
February 2008	784.00	807.50
January 2008	719.00	787.00
December 2007	770.50	721.50
November 2007	770.50	721.50
October 2007	783.00	593.00

Source: London Stock Exchange

The closing share price of S&N on the London Stock Exchange as on April 4, 2008 was GB Pence 793.

Promise versus performance

S&N has not come out with any rights or public issue in the last three years in India.

Information regarding adverse factors

S&N is not a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is it under winding up. S&N has not made any loss in the immediately preceding year. There are no litigations pending by or against S&N except as disclosed under section "Outstanding Litigation, Defaults and Material Development" on page no. 233 of this Letter of Offer.

Common Pursuits

Both S&N and our Company have the common pursuit of brewing and selling beer.



Transactions between the S&N and our Company

On June 29, 2007, S&N and our Company entered into a Services Agreement whereby S&N provides certain services to our Company (in particular, the provision of senior managers) in order to assist our Company to manage, develop and conduct its business. The term of the Services Agreement is for two years, and the amount of fees payable by our Company under the Services Agreement is capped at Rs 25 million per year. On May 25, 2007, S&N sold a keg filter, a flask pasteurizer, a bottle inspector and a mill to our Company for a total consideration of GB Pound 58,323.78. The transaction was at arms length terms.

On August 12, 2003, Scottish & Newcastle UK Limited, a 100% subsidiary of S&N, and our Company entered into an External Commercial Borrowing Agreement pursuant to which our Company borrowed US\$ 11 million from Scottish & Newcastle UK Limited. The interest rate for the loan is 6 month US\$ LIBOR plus 2 per cent, and the loan is repayable in full on August 12, 2008.

2. 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 (the Scheme), 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 McDowell & Company Limited, now renamed as USL.

Amalgamation of Shaw Wallace & Company Limited (SWCL) and Primo Distributors Private Limited (PRIMO) with United Spirits Limited (USL)

1. The Scheme of Amalgamation for the amalgamation of SWCL and Primo with USL, has been approved at the meetings of the Board of Directors of the respective companies on November 28, 2007.
2. The salient features of the Scheme are as follows :-
 - a) Appointed date – April 1, 2007.
 - b) The entire assets and liabilities of SWCL and Primo will be taken over by USL from the appointed date.
 - c) Upon coming into effect of the Scheme, equity shareholders of SWCL will be allotted 4 (Four) fully paid-up equity shares of face value of Rs.10/- each in USL for every 17 (Seventeen) fully paid-up equity shares of the face value of Rs.10/- each held in SWCL.
 - d) No shares will be issued for the amalgamation of Primo with USL since Primo is a wholly-owned subsidiary of USL.
3. 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.
4. No objection has been received, pursuant to Clause 24(f) of the Listing Agreement from BSE and NSE for the Scheme of Amalgamation.
5. Necessary Application has been filed before the Hon’ble High Court of Karnataka at Bangalore by USL on March 3, 2008 and vide its Order dated March 10, 2008, the Hon’ble High Court has directed the convening of the meetings of the Equity Shareholders, Secured Creditors and Unsecured Creditors to be held on April 11, 2008 for the purpose of seeking approval.
6. Similarly, applications have been filed by SWCL and Primo before the Hon’ble High Court of Calcutta and Hon’ble High Court of Judicature at Bombay on March 6, 2008 and March 4, 2008 respectively. While there will be no meetings of Equity Shareholders and Creditors in respect of Primo, there will be a meeting of Equity Shareholders for SWCL which has been directed to be held on April 25, 2008 by the Hon’ble High Court of Calcutta vide its order dated March 12, 2008. Primo has already filed the petition before the Hon’ble High Court of Judicature at Bombay for sanction of the scheme, which has been admitted on April 4, 2008 and the said petition has been fixed for hearing on June 6, 2008.

Amalgamation of Zelinka Limited (Zelinka) with United Spirits Limited (USL)

1. The Scheme of Amalgamation for the amalgamation of Zelinka with USL, has been approved at the meetings of the Board of Directors of the respective companies on November 28, 2007.
2. The Scheme is subject to requisite consents, approvals with requisite majority of the shareholders, lenders, creditors of the companies, the Hon'ble High Court of Bombay, Karnataka and Kolkata, 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.
3. The salient features of the Scheme are as follows :-
 - a) Appointed date – April 1, 2007.
 - b) The entire assets and liabilities of Zelinka will be taken over by USL from the appointed date.
 - c) No shares will be issued for the amalgamation of Zelinka with USL since Zelinka is a wholly-owned subsidiary of USL.
 - d) The Scheme of Amalgamation would be effective upon filing of the Order of the Hon'ble High Court of Karnataka at Bangalore with the Registrar of Companies, Karnataka, Bangalore and upon compliance of other conditions as specified in the said Scheme.
4. No objection has been received, pursuant to Clause 24(f) of the Listing Agreement from BSE and NSE for the Scheme of Amalgamation.
5. Necessary Application has been filed before the Hon'ble High Court of Karnataka at Bangalore by USL on March 3, 2008 and vide its Order dated March 10, 2008, the Hon'ble High Court has directed the convening of the meetings of the Equity Shareholders, Secured Creditors and Unsecured Creditors to be held on April 11, 2008 for the purpose of seeking approval.

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 December 31, 2007 is as follows:

Category of shareholder	No. of sharehol ders	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	37.01	36.97
Sub Total (A) (1)	7	36628260	36558163	37.01	36.97
(2) Foreign (A) (2)					
Total shareholding of Promoter and Promoter Group (A) = (A)(1) + (A) (2)	7	36628260	36558163	37.01	36.97
(B) Public Shareholding					
(1) Institutions					



Mutual Funds / UTI	41	1683139	1680026	1.7	1.7
Financial Institutions / Banks	30	26462	9315	0.03	0.03
Foreign Institutional Investors	164	33692994	33691047	34.05	34.01
Sub Total (B) (1)	235	35402595	35380388	35.77	35.73
(2) Non-Institutions					
Bodies Corporate**	1123	14784065	12579176	14.94	14.92
Individuals					
Individual shareholders holding nominal share capital up to Rs. 1 lakh	66774	7354672	4716499	7.43	7.42
Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	34	987166	853332	1	1
Any Others (Specify)	-	-	-	-	-
Trusts	1	62825	62825	0.06	0.06
Clearing Members	282	62524	62524	0.06	0.06
Foreign Corporate Bodies	11	2674943	2674943	2.7	2.7
Overseas Corporate Bodies	2	4048	-	-	-
Foreign Nationals	24	14360	-	0.01	0.01
Non Resident Indians	5342	989418	249937	1	1
Sub Total (B) (2)	73593	26934021	21199236	27.22	27.18
Total Public shareholding (B) = (B) (1) + (B) (2)	73828	62336616	56579624	62.99	62.91
Total (A)+(B)	73835	98964876	93137787	100	99.88
© Shares held by Custodians and against which Depository Receipts have been issued	1	117502	117502	-	0.12
Total (A)+(B)+(C)	73836	99082378	93255289	-	100

*Held by Dr. Vijay Mallya, Non-Resident Indian

**Bodies Corporate in Non Institutions includes 103,466 shares held by Shaw Wallace Executives Welfare & Benefit Company (Section 25 Company under the Companies Act, 1956), a Person Acting Concert (PAC), which was previously reported under the head "Any Others" in Promoter & Promoter Group Category. Consequent to the changed definition of "Promoter" under SEBI (Substantial Acquisition of Shares & Takeovers) (Amendment), Regulations, 2006, the said PAC has now been shown under the head "Body Corporate" in public Shareholding Category and also includes 10,282,553 shares (held by Shaw Wallace & Company Ltd), 1,306,431 (held by Primo Distributors Pvt Ltd) and 2,152,659 (held by USL Benefit Trust) which otherwise would have been reported, as PAC, under the head "Any Other" 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 PACs as Persons Acting in Concert. Shares held by Kingfisher Radio Ltd (formerly known as "Variegate Trading Ltd") (Promoter group) includes 101,49,681 (10.24%) shares held in the name of Variegate Trading Ltd.

Financial Performance

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

For the year ended	March 31, 2007	March 31, 2006	March 31, 2005#	Rs in lacs
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 969,934 Equity

Shares of Rs. 10/- each, fully paid-up, representing 4.49% of the total paid up capital of our Company. Subsequent to April 1, 2005, 6,273 equity shares of Rs. 10 each of our company were disposed off. The face value of equity shares of UBL has been split from Rs. 10 to Re. 1 per equity share.

Pursuant to the Scheme 9,636,610 Equity Shares of Re. 1/- each fully paid-up, 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
March 2008	1725.00	1400.00
February 2008	1790.00	1300.00
January 2008	2160.00	1370.00
December 2007	2090.00	1820.00
November 2007	2064.00	1700.00
October 2007	2,188.00	1,616.00

Source: www.bseindia.com

The share price of USL on BSE as on April 4, 2008 was Rs. 1586.30.

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 member:

Mr. M.R.Doraiswamy Iyengar, Director
Mr. B M Labroo, Director

Mr. M.R.Doraiswamy Iyengar is the Chairman of the Committee and Mr V S Venkataraman, Company Secretary is the Compliance Officer.

The Company Share Transfer Agent M/s. Alpha Systems Private Limited, 30, Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bangalore 560 003 has 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 March 31, 2008, 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. 233 of this Letter of Offer.

Common Pursuits

There are no common pursuits between USL and our Company.



Transactions between USL and the our Company

There are no transactions between USL and our Company other than common sharing agreement in respect of the units of our Company located at Ponda – Goa, Hyderabad – Andhra Pradesh and Cherthala – Kerala mentioned under “Material Agreements” on page 84 of this Letter of Offer.

3. 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.

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.Siddhartha V.Mallya	Director
7	Mr.Piyush G.Mankad	Director
8	Mr.B.S.Patil	Director
9	Mr.R.N.Pillai	Managing Director

Shareholding Pattern

Shareholding Pattern

The shareholding pattern of UBHL as on March 31, 2008 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	5,765,478	-	8.89	8.89
Bodies Corporate	7	12728288	5622938	19.05	19.05
Sub Total	11	18493766	5622938	27.68	27.68
(2) Foreign					
Bodies Corporate	2	16131204	16131204	24.14	24.14
Sub Total	2	16131204	16131204	24.14	24.14
Total shareholding of Promoter and Promoter Group (A)	13	34624970	21754142	51.82	51.82
(B) Public Shareholding					
(1) Institutions					
Mutual Funds / UTI	40	2636115	2632879	3.95	3.95
Financial Institutions / Banks	10	15134	4236	0.02	0.02

Central Government / State Governments(s)	1	198		0.00	0.00
Insurance Companies	2	783024	783024	1.17	1.17
Foreign Institutional Investors	56	19296431	19294907	28.88	28.88
Sub Total	109	22730902	22715046	34.02	34.02
(2) Non-Institutions					
Bodies Corporate	592	2667916	2537180	3.99	3.99
Individuals					
Individual shareholders holding nominal share capital up to Rs. 1 lakh	37347	5422378	3441648	8.12	8.12
Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	42	1294258	1257280	1.94	1.94
Any Others (Specify)	-	-	-	-	-
Trusts	6	78097	78097	0.12	0.12
Sub Total	37987	9462649	7314205	14.16	14.16
Total Public shareholding (B)	38096	32193551	30029251	48.18	48.18
Total (A)+(B)	38109	66818521	51783393	100.00	100.00
(C) Shares held by Custodians and against which Depository Receipts have been issued	-	-	-	-	-
Total (A)+(B)+(C)	38109	66818521	51783393	100.00	100.00

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 and 1971218 equity shares by conversion of warrants into equity shares to Firststart Inc., a promoter group, the total issued and paid up capital of UBHL stands increased to Rs.668,185,210 divided into 66,818,521 equity shares of Rs.10/- each.

Financial Performance

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

For the year ended	March 31, 2007	March 31, 2006	March 31, 2005	<i>Rs in Lakhs</i>
Total income	28,434.01	68,226.03	23,102.41	
Sales & Services	23458.00	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	199.76	77.34	



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
March 2008	810.00	495.00
February 2008	965.00	745.00
January 2008	1300.00	690.95
December 2007	1378.00	1040.10
November 2007	1279.95	990.00
October 2007	1,374.40	881.00

Source: www.bseindia.com

The share price of UBHL on BSE as on April 4, 2008 was Rs. 611.95.

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 Tower', UB City, 24, Vittal Mallya Road, Bangalore - 560 001, which handles investor complaints and is headed by the Company Secretary. UBHL's share transfer agent, Alpha Systems Private Limited, No.30, Ramana Residency, 4th Cross, Sampige Road, Malleshwaram, Bangalore – 560003, has 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 March 31, 2008 there are no investor grievances pending redressal by UBHL.

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.

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 three years. There are no litigations pending by or against UBHL except as disclosed under section "Outstanding Litigation, Defaults and Material Development" on page no. 233 of this Letter of Offer.

Common Pursuits

There are no common pursuits between UBHL and our Company except as mentioned below:

Mendocino Brewing Company Inc., one of the foreign subsidiaries of UBHL, located in California has two breweries, one north of San Francisco, California and the other at Saratoga Springs, New York. *Red Tail Ale* and *Blue Heron Pale Ale* are two of Mendocino's popular brands.

UBSN Limited, based in Faversham, Kent (United Kingdom), is a wholly-owned subsidiary of Mendocino Brewing Co. Inc. UBSN Limited has an exclusive licensing arrangement with UBL for brewing and of distributing *Kingfisher* in Europe and Canada. UBSN Limited predominantly sells *Kingfisher* in the United Kingdom, where it has a large share of the market for ethnic Indian restaurants and food and beverage outlets.

Transactions between UBHL and our Company

For related party transactions entered into by UBHL and our Company refer to "Material Agreements" beginning on page 84 of this Letter of Offer.

4. DECCAN AVIATION LIMITED (“DAL”)

DAL was incorporated on June 15, 1995 as a private limited company in Karnataka by the name of Deccan Aviation Private Limited, and was converted into a public limited company by a resolution of the members passed at the Extraordinary General Meeting held on 31st January, 2005 and received a fresh certificate of incorporation consequent upon change of name of the company on March 14, 2005, to its present name. DAL has its registered and corporate office at Deccan Aviation Limited, 35/2, Cunningham Road, Bangalore – 560 052.

The main objects of DAL are as under:

- a) To provide chartered aviation services both for commercial and non-commercial purposes in India.
- b) To enter into arrangements for rendering and obtaining technical services and/or technical collaboration with individuals, firms, or bodies whether in India or outside India to train or pay for training in India or abroad of any of the companies employees or any other persons in the interest and for furtherance of company's business.
- c) To provide all aviation related services, and carry on business of advisors, tourism operators, travel agents, cargo agents, courier agents and all kinds of services in travel and tours.

Consequent to the allotment of 35,222,231 equity shares of Rs.10/- each representing 26% of the voting capital of DAL to Kingfisher Radio Limited (Acquirer) on preferential basis, the said Acquirer along with United Breweries (Holdings) Limited and UB Overseas Limited being person acting in concert made an open offer to the Equity shareholders of DAL to acquire 27,126,360 fully paid-up Equity shares representing 20% of post preferential issue capital of DAL at Rs.155 per fully paid up Equity share of face value of Rs.10/- each pursuant to Regulation 10 & 12 of the SEBI (SAST) Regulations, 1997 for substantial acquisition of shares of DAL and change in control therein. The said Open Offer opened on September 12, 2007 and closed on October 01, 2007.

The Board of Directors of DAL at their meeting held on December 19, 2007, have unanimously approved the merger of the scheduled airline business undertaking of Kingfisher Airlines Ltd into DAL. Consequently, the DAL will be changed to Kingfisher Airlines Ltd. Dr. Vijay Mallya will be the Chairman & CEO and Captain Gopinath will be the Vice-Chairman of the merged entity. The charter business of DAL will be spun off into a separate entity to be jointly owned by Captain Gopinath and the UB Group. Capt Gopinath will be the Chairman and CEO and Dr. Vijay Mallya will be the Vice Chairman of the said entity. KPMG and Dalal and Shah have been appointed as independent valuers to recommend the methodology, process and valuation for the entire process. All the above are subject to statutory approvals including the approval of the shareholders.

Composite Scheme of Arrangement between Kingfisher Airlines Limited, Deccan Charters Limited and Deccan Aviation Limited

1. The Composite Scheme of Arrangement between Kingfisher Airlines Limited (KAL), Deccan Charters Limited (DCL) and Deccan Aviation Limited (DAL), for the de-merger of the Commercial Airline Division Undertaking of KAL into DAL on a going-concern basis and transfer of the Charter Services Operations Undertaking of DAL into DCL, has been approved at the meetings of the Board of Directors of the respective companies on January 31, 2008.
 2. The salient features of the Scheme are as follows :-
 - a) Upon the Scheme becoming effective, with effect from April 1, 2008 or such other date as the High Court may direct/fix (“Demerger Appointed Date”), the Commercial Airline Division Undertaking of KAL shall stand transferred to DAL as a going concern.
 - b) The entire assets and liabilities of KAL will be taken over by DAL from the Demerger Appointed Date.
 - c) Upon this Scheme becoming effective, in terms of Demerger Effective Date, DAL shall without any further application or deed, but subject to necessary approvals, issue and allot to each member of KAL, holding fully paid up Equity Shares in KAL and whose name appears in the Register of Members of KAL on the Demerger Record Date or his/her heirs executors, administrators or the successors-in-title, as the case may be, in respect of every 7 fully paid-up Equity Shares of Rs. 10/- each held by each such member of KAL, 3 Equity Shares of Rs. 10/- each in DAL credited as fully paid-up with rights attached thereto.
- In addition to above, as regards the Preference Shareholders of KAL, following Preference Shares will be issued directly and allotted by DAL to the Preference Shareholders of KAL as on the Demerger Record Date:



- “ 1 (one) fully paid up 6% Redeemable Non-Cumulative Preference Share of Rs 100/- of DAL each for every 1 (one) 6% Redeemable Non-Cumulative Preference Share of Rs 100/- each held in KAL.”
- d) With effect from the Demerger Effective Date, the name of KAL shall, without any further act or deed, be changed from Kingfisher Airlines Limited to Kingfisher Training and Aviation Services Limited.
 - e) With effect from the Demerger Effective Date, the name of DAL shall, without any further act or deed, be changed from Deccan Aviation Limited to Kingfisher Airlines Limited.
 - f) With effect from January 1, 2008 or such other date as the High Court may direct/fix (Slump Sale Appointed Date) the Charter Services Operations Undertaking of DAL shall be sold and transferred to DCL.
 - g) The entire assets and liabilities of the Charter Services Operations Undertaking of DAL will be taken over by DCL from the Slump Sale Appointed Date.
3. No-objection letters have been received by DAL, pursuant to Clause 24(f) of the Listing Agreement from BSE and NSE for the Composite Scheme of Arrangement.
4. The Scheme of Arrangement has been filed with the High Court of Karnataka at Bangalore. Further, by its Order dated March 20, 2008, the Hon'ble High Court has directed the convening of the meetings of the Preference Shareholder(s), Equity Shareholders, Unsecured Creditors and Secured Creditors of KAL, to be held on April 17, 2008 for the purpose of seeking approval.

Board of Directors

The Board of Directors of DAL is as follows:

Name	Designation
Capt. G.R. Gopinath	Managing Director/Non-Independent Director
Dr. Vijay Mallya	Non-Executive / Non-Independent Director
Capt. K J Samuel	Executive / Non-Independent Director
Mr. S N Ladhani	Non-Executive / Non-Independent Director (Alternate Director-Mr. Vishnu Singh Rawal)
Col. Jayanth K Poovaiah	Executive / Non-Independent Director
Lt. Gen. N S Narahari	Non-Executive / Independent Director
Ms. Bala Deshpande	Non-Executive / Non-Independent Director
Mr. Vijay Amritraj	Non-Executive / Independent Director
Mr. Anil Kumar Ganguly	Non-Executive / Independent Director
Mr. P N Thirunarayana	Non-Executive / Independent Director
Mr. A. K. Ravi Nedungadi	Non-Executive / Non-Independent Director
Mr. Hitesh Harshad Patel	Non-Executive / Non-Independent Director

Shareholding Pattern

The shareholding pattern of DAL as on December 31, 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	6	23341802	2427382	17.19	17.19
Bodies Corporate	2	66348591	66348591	48.87	48.87
Sub Total (A) (1)	8	89690393	68775973	66.06	66.06
(2) Foreign	-	-	-	-	-
Total shareholding of Promoter and Promoter Group (A) = (A)(1) +	8	89690393	68775973	66.06	66.06

(A) (2)					
(B) Public Shareholding					
(1) Institutions					
Mutual Funds / UTI	13	12213370	12213370	9	9
Financial Institutions / Banks	2	148020	148020	0.11	0.11
Venture Capital Funds	1	1081839	1081839	0.8	0.8
Insurance Companies	3	1388071	1388071	1.02	1.02
Foreign Institutional Investors	15	5280104	5280104	3.89	3.89
Sub Total (B) (1)	34	20111404	20111404	14.81	14.81
(2) Non-Institutions					
Bodies Corporate	1142	9482819	9482819	6.98	6.98
Individuals					
Individual shareholders holding nominal share capital up to Rs. 1 lakh	43248	6499213	6494972	4.79	4.79
Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	31	2744275	2744275	2.02	2.02
Any Others (Specify)	-	-	-	-	-
Non Resident Indians	355	88341	88341	0.07	0.07
Trusts	1	227	227	-	-
Clearing Members	413	1986993	1986993	1.46	1.46
Foreign Nationals	2	705800	800	0.52	0.52
Foreign Corporate Bodies	2	4453138	4453138	3.28	3.28
Sub Total (B) (2)	45194	25960806	25251565	19.12	19.12
Total Public shareholding (B) = (B) (1) + (B) (2)	45228	46072210	45362969	33.94	33.94
Total (A)+(B)	45236	135762603	114138942	100	100
© Shares held by Custodians and against which Depository Receipts have been issued	-	-	-	-	-
Total (A)+(B)+(C)	45236	135762603	114138942	-	100

Financial Performance

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

Rs in Lakhs

For the year ended	For the year ended June 30, 2006 (15 months audited)	For the year ended March 31, 2005 (audited)	For the year ended March 31, 2004 (audited)
Total income	135,180	32,028	6,820
Total Expenditure	169,235	33,981	6,764
Profit after Tax	(34,055)	(1,953)	56
Equity Capital (FV – Rs. 10/- per Share)	9,818	1,620	1,553
Reserves (excluding revaluation reserve)	118,337	(254)	892
Earnings per Share	(68.24)	(8.38)*	4.30*
Net Asset Value	18.85	(9.36)*	7.57*

*Figures are calculated on the face value of Rs.10/- per equity share. The face value in the books of accounts for the said years was Rs.100/- per equity share

Share Price Performance

The Equity Shares of DAL are listed on BSE and NSE. The high and low for the Equity Shares of DAL in the last six months as quoted on BSE is as follows:



Month	Monthly High	Monthly Low
March 2008	167.00	100.30
February 2008	307.00	132.20
January 2008	206.70	154.55
December 2007	335.00	243.50
November 2007	267.00	142.70
October 2007	168.50	135.00

Source: www.bseindia.com

The share price of DAL on BSE as on April 4, 2008 was Rs. 115.90.

Investor Grievance Redressal Mechanism and Investor Complaints

As regards investor grievance redressal system, DAL has a secretarial department located at the registered and corporate office of DAL at 35/2, Cunningham Road, Bangalore- 560052 which handles investor's complaints headed by the Company Secretary who is also the compliance officer. DAL's Registrar and Share Transfer Agents – Karyv Computershare Pvt. Ltd., "Karyv House", 46, Avenue 4, Street No.1, Banjara Hills, Hyderabad - 500034, has a separate department headed by a Manager and assisted by dealing assistants to attend to the investors queries and grievances. The Investors complaints are generally attended to within 4 working days from the date of receipt of the letter.

As on March 31, 2008 there are no investor grievances pending redressal by DAL.

Promise versus performance

DAL came out with its maiden IPO vide its prospectus dated March 31, 2006 and issued 2,45,46,000 Equity Shares of Rs.10/- each at a price of Rs.148 per equity share aggregating Rs. 36,328.1 Lakhs. Subsequently, the Equity shares of DAL were listed on NSE and BSE on June 12, 2006. No projections were made in the said prospectus.

Information regarding adverse factors

DAL is not a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is it under winding up. DAL has made loss in the immediately preceding year. The details for the losses incurred in the last three years have been disclosed above. There are no litigations pending by or against DAL except as disclosed under section "Outstanding Litigation, Defaults and Material Development "on page no. 233 of this Letter of Offer.

Common Pursuits

There are no common pursuits between DAL and the Issuer Company.

Transactions between DAL and the our Company

DAL has no business relationship with our Company.

5. 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 March 31, 2008 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	35	3432424	3432374	14.9	14.9
Financial Institutions / Banks	13	1495	795	0.01	0.01
Insurance Companies	4	1314309	1314309	5.71	5.71
Foreign Institutional Investors	23	1792558	1792058	7.78	7.78
Sub Total (B) (1)	75	6540786	6539536	28.4	28.4
(2) Non-Institutions					
Bodies Corporate	493	600668	599216	2.61	2.61
Individuals					
Individual shareholders holding nominal share capital up to Rs. 1 lakh	18633	1519260	1189560	6.6	6.6
Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	4	445216	258876	1.93	1.93
Any Others (Specify)	-	-	-	-	-
Trusts	4	550	450	-	-
Clearing Members	19	14475	14475	0.06	0.06



Sub Total (B) (2)	19153	2580169	2062577	11.2	11.2
Total Public shareholding (B) = (B) (1) + (B) (2)	19228	9120955	8602113	39.6	39.6
Total (A)+(B)	19235	23030622	22511240	100	100
(C) Shares held by Custodians and against which Depository Receipts have been issued	-	-	-	-	-
Total (A)+(B)+(C)	19235	23030622	22511240	100	100

Financial Performance

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

For the year ended	December 31, 2007	December 31, 2006	December 31, 2005	<i>Rs in Lakhs</i>
Total income	94,748.71	93,107.39	84,096.47	
Sales	87,354.03	88,393.44	80,783.68	
Profit after Tax	14,442.46	16,929.27	14,508.34	
Equity Capital (FV – Rs. 10/- per Share)	2303.06	2303.06	2,303.06	
Reserves (excluding revaluation reserve)	66,852.26	56,903.96	48,378.14	
Earnings per Share	62.71	73.51	63.00	
Net Asset Value	300.28	264.08	227.43	

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
March 2008	974.80	724.80
February 2008	980.00	872.00
January 2008	1190.00	855.00
December 2007	1188.00	976.25
November 2007	1,100.00	960.00
October 2007	1,213.00	1,005.00

Source: www.bseindia.com

The closing share price of APL on BSE as on April 4, 2008 was Rs. 745.00.

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 is the Registrar and Transfer Agent. The power of approving transfers upto 1000 shares has been delegated to the Company Secretary. Transfers are approved every week. As on December 31, 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 three years. There are no litigations pending by or against APL except as disclosed under section "Outstanding Litigation, Defaults and Material Developments "on page no. 233 of this Letter of Offer.

Common Pursuits

There are no common pursuits between APL and our Company.

Transactions between APL and the our Company

APL has no business relationship with our Company.

6. 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.

Amalgamation of Shaw Wallace & Company Limited (SWCL) and Primo Distributors Private Limited (PRIMO) with United Spirits Limited (USL)

1. The Scheme of Amalgamation for the amalgamation of SWCL and Primo with USL, has been approved at the meetings of the Board of Directors of the respective companies on November 28, 2007.
2. The salient features of the Scheme are as follows :-
 - a) Appointed date – April 1, 2007.
 - e) The entire assets and liabilities of SWCL and Primo will be taken over by USL from the appointed date.
 - f) Upon coming into effect of the Scheme, equity shareholders of SWCL will be allotted 4 (Four) fully paid-up equity shares of face value of Rs.10/- each in USL for every 17 (Seventeen) fully paid-up equity shares of the face value of Rs.10/- each held in SWCL.
 - g) No shares will be issued for the amalgamation of Primo with USL since Primo is a wholly-owned subsidiary of USL.
3. 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.
4. No objection has been received, pursuant to Clause 24(f) of the Listing Agreement from BSE and NSE for the Scheme of Amalgamation.
5. Necessary Application has been filed before the Hon'ble High Court of Karnataka at Bangalore by USL on March 3, 2008 and vide its Order dated March 10, 2008, the Hon'ble High Court has directed the convening of the meetings of the Equity Shareholders, Secured Creditors and Unsecured Creditors to be held on April 11, 2008 for the purpose of seeking approval.
6. Similarly, applications have been filed by SWCL and Primo before the Hon'ble High Court of Calcutta and Hon'ble High Court of Judicature at Bombay on March 6, 2008 and March 4, 2008 respectively. While there will be no meetings of Equity Shareholders and Creditors in respect of Primo, there will be a meeting of Equity Shareholders for SWCL which has been directed to be held on April 25, 2008 by the Hon'ble High Court of Calcutta vide its order dated March 12, 2008. Primo has already filed the petition before the Hon'ble High Court of Judicature at Bombay for sanction of the scheme, which has been admitted on April 4, 2008 and the said petition has been fixed for hearing on June 6, 2008.

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. Chhaganlal Jain	Director
Mr. Shrikant G. Ruparel	Director

Shareholding Pattern

The shareholding pattern of SWCL as on December 31, 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	18	1802720	1801570	3.76	3.76
Financial Institutions / Banks	14	19716	5556	0.04	0.04
Central Government / State Government(s)	1	31968	-	0.07	0.07
Insurance Companies	5	1326190	1324590	2.76	2.76
Foreign Institutional Investors	3	2425848	2425848	5.05	5.05
Sub Total (B)(1)	41	5606442	5557564	11.68	11.68
(2) Non-Institutions					
Bodies Corporate	369	1372628	1301601	2.86	2.86
Individuals					
Individual shareholders holding nominal share capital up to Rs. 1 lakh	9999	3156745	2029856	6.58	6.58
Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	48	1701294	1354399	3.54	3.54
Any Others (Specify)	-	-	-	-	-
Clearing Members	41	7096	7096	0.01	0.01
Foreign Nationals	14	72420	-	0.15	0.15
Non Resident Indians	56	84895	75363	0.18	0.18
Sub Total (B)(2)	10527	6395078	4768315	13.32	13.32
Total Public shareholding (B) = (B)(1) + (B)(2)	10568	12001520	10325879	25	25

Total (A)+(B)	10575	48006075	46330434	100	100
(C) Shares held by Custodians and against which Depository Receipts have been issued	-	-	-	-	-
Total (A)+(B)+(C)	10575	48006075	46330434	-	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	<i>Rs in Lakhs</i>
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
March 2008	358.40	280.00
February 2008	390.00	285.00
January 2008	476.00	292.85
December 2007	516.80	351.10
November 2007	448.00	290.00
October 2007	380.00	288.00

Source: www.bseindia.com

The share price of SWCL on BSE as on April 4, 2008 was Rs. 345.00.

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 created 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 March 31, 2008, 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. 233 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

Financial Information regarding companies which have become a sick industrial company or is under winding up or has negative networth:

Except for the following none of the group companies have been declared sick or are under winding up or have negative networth:

1. PIXRAY (INDIA) LIMITED ("PIL")

Pixray (India) Limited was incorporated as a private company on December 30, 1967 under the name Picker X-ray (India) Private Ltd. 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 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	0.08	0.08	0.08

(excluding revaluation reserve)			
Networth	(2.61)	(2.45)	(1.77)
Earnings per Share (Rs.)	(3.13)	(4.70)	(1.43)
Net Asset Value per Equity Share (Rs.)	Nil	Nil	Nil

Share Price Performance

PIL is an unlisted company.

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:

(in Rs)

March 31, 2007	March 31, 2006	March 31, 2005
(15,654)	(23,522)	(7,147)

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.

2. UB ENGINEERING LIMITED ("UBEL")

UB Engineering Limited was originally incorporated on January 12, 1970 as Western India Erectors Private Limited under the Companies Act, 1956. It was converted into a public limited company on January 06, 1972. UBEL changed its name to Western India Enterprises Limited on January 15, 1986 and further to its present name on October 21, 1993. The registered office of UBEL is situated at Sahyadri Sadan, Tilak Road, Pune – 411 030. The main objects of UBEL is 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.

Board of Directors

The Board of Directors of UBEL is given below:

Name	Designation
Mr S D Lalla	Chairman
Mr. A Harish Bhat	Director
Mr. K. K. Rai	Director
Mr. N. Srinivasan	Director

Shareholding Pattern

The shareholding pattern of UBEL as on March 31, 2008 is as follows:

Category	Total Number of shares	Shareholding as a percentage of total number of shares
(A) Shareholding of Promoters		
(1) Indian		
United Breweries (Holdings) Limited	63,45,554	37.18
McDowell Holdings Limited	4,52,243	2.65

Devi Investments Private Limited	1,55,750	0.91
Sub Total (A) (1)	69,53,547	40.74
(2) Foreign (A) (2)		
Total shareholding of Promoters (A) = (A)(1) + (A) (2)	69,53,547	40.74
(B) Public Shareholding		
(1) Institutions		
Mutual Funds / UTI	84,812	0.50
Financial Institutions / Banks	1,615	0.01
Insurance Companies	4,85,426	2.84
Foreign Institutional Investors	1,75,467	1.03
Sub Total (B) (1)	7,47,320	4.38
(2) Non-Institutions		
Bodies Corporate	13,30,948	7.80
Individuals		
Individual shareholders holding nominal share capital up to Rs. 1 lakh	62,95,128	36.88
Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	16,25,448	9.52
Sub Total (B) (2)	93,66,082	54.88
Total Public shareholding (B) = (B) (1) + (B) (2)	101,13,402	59.26
Total (A)+(B)	170,66,949	100.00
© Shares held by Custodians and against which Depository Receipts have been issued	-	-
Total (A)+(B)+(C)	1,70,66,949	100.00

Financial Performance

The audited financial results of UBEL for the last three years is given below:

(Rs. In Lakhs)

For the year ended	March 31, 2007	March 31, 2006	March 31, 2005
Total income	26,438.98	23,088.15	15,149.69
Profit / (Loss) after Tax	262.45	(1,953.34)	(871.68)
Equity Capital (FV – Rs.10/- per Share)	1,232.61	1,232.61	1,232.61
Reserves & Surplus (excluding revaluation reserve)	(4,292.36)	(4,563.35)	(299.50)
Networth	(3,059.75)	(3,330.74)	933.11
Earnings per Share (Rs.)	2.13	(16.11)	(5.62)
Net Asset Value per Equity Share (Rs.)	(24.82)	(27.02)	(10.98)

Share Price Performance

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

Month	Monthly High	Monthly Low
March 2008	129.95	69.10
February 2008	151.45	114.00
January 2008	215.00	137.80
December 2007	175.55	135.50
November 2007	173.90	124.40
October 2007	138.00	68.10

Source: www.bseindia.com

The share price of UBEL on BSE as on April 4, 2008 was Rs. 82.80.

Investor Grievance Redressal Mechanism and Investor Complaints

All matters pertaining to investors' grievances are being handled by the Registrar and Transfer Agents, Computech Sharecap Limited. At the Registrar's end, UBEL'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 Registrars and UBEL 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. UBEL undertakes to resolve its investors' grievances in a time bound manner. UBEL has created an exclusive email id ubengg.secl@vsnl.net for investors/shareholders to register their grievance, if any.

As on March 31, 2008, there are no investor grievances pending redressal by UBEL.

Promise versus performance

Other than the details given below UBEL has not come out with any rights or public issue in the last three years:

The Board of Directors of UBEL, on December 28, 2007, approved and adopted the Final Letter of Offer for rights issue. The Final Letter of Offer dated December 28, 2007 has been filed with the Bombay Stock Exchange Limited ("BSE") and SEBI on December 28, 2007. The rights issue opened on January 09, 2008 and closed on February 07, 2008. UBEL issued 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 its equity shareholders as on the Record date i.e. December 26, 2007. No projection were made in the letter of offer and the amount raised through rights issue is pending utilization towards the objects of the issue as disclosed in the letter of offer.

Information regarding adverse factors

UBEL is not a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is it under winding up. UBEL had defaulted on principal and interest payment to banks and its name was appearing in the list of defaulter in the CIBIL Database. UBEL was appearing as a defaulter to State Bank of Mysore and Central Bank of India. 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, UBEL is not appearing in the CIBIL's Database of defaulters.

No proceedings have been initiated for economic offences against UBEL. The details of losses incurred by UBEL in the last three years are given below:

(Rs. In Lakhs)

March 31, 2007	March 31, 2006	March 31, 2005
262.45	(1,953.34)	(871.68)

Common Pursuits

There are no common pursuits between UBEL and our company.

Transactions between UBEL and the our Company

There are no related party transactions between UBEL and our company except the following:

Our Company has entered into a contract with UBEL for civil works and Effluent Treatment Plat at Taloja, Maharashtra Unit with a contract value of Rs. 70 Lakhs.



Details of Group Companies whose names have been 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. viii 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 Price Waterhouse, Chartered Accountants dated March 26, 2008 in the section titled "Financial Statements" – beginning on page 136 of this Letter of Offer.

Overview

We are 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, aviation, investment holdings, property development, engineering, fertilizers and information technology. The UB Group is led by Dr. Vijay Mallya, Group Chairman.

Our Company was originally incorporated on May 13, 1999 as UB Infrastructure Projects Limited as a public limited company under the Companies Act, 1956. The name was changed to UB Beer Limited on July 31, 2001, subsequently the name of our Company was changed to United Breweries Limited on August 7, 2002.

Prior to de-merger of erstwhile United Breweries Limited (now known as United Breweries (Holdings) Limited) in to our company, the erstwhile United Breweries Limited was in to the business of brewing as well as investment holdings. Currently, our Company's business is to manufacture, market and distribute beer since the transfer and vesting of the brewing business in terms of the Scheme of Arrangement (For details of the Scheme of Arrangement please refer to page 93 of Letter of Offer). We are the market leader in the beer industry owning a number of popular beer brands.

We manufacture our products in 12 owned breweries, 4 breweries through our joint venture and 9 contract manufacturing facilities in India and have marketing operations spread across India. Through a number of licensing arrangements our products are available in 49 countries including Hong Kong, Singapore and Australia. As of FY 2007, we are the largest beer manufacturing company in India in terms of revenues with a gross turnover of Rs. 160,779.51 Lakhs. Our gross turnover for the six month period ended September 30, 2007 is Rs. 106,685.8 Lakhs.

We have grown our operations by adding capacities, introducing new products, building new brands and creating a wide marketing and distribution network.

Our Company's flagship brand 'Kingfisher', has achieved international recognition consistently, and has won many awards in International Beer Festivals. Kingfisher Premium Lager beer is currently available in 49 countries outside India and leads the way amongst Indian beers in the International market. Other brands in our product portfolio include "Kingfisher Lager", "Kingfisher Strong", "Kingfisher Premium", "Kalyani Black Label Strong", "Kalyani Black Label Premium", "UB Premium Ice", "Charger Extra Strong" "UB Export Lager", "London Pilsner", "London No.1 Strong", "Kingfisher Premium Draught Beer", "Kingfisher Strong Draught", "Guru Lager", "Sand Piper Premium", "Bullet Super Strong" and "Zingaro Super Strong".

Our Company has entered into a multi-faceted strategic alliance with Scottish & Newcastle Plc (S&N), an international brewer, with over USD 6 billion in revenue and a market capitalization of over USD 14 billion.

Our Company along with SNIPL has formed a joint venture - Millennium Alcobev Pvt. Ltd. (MAPL), in which our Company together with its subsidiary hold 50% equity stake while the balance is held by SNIPL.

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 viii 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:-

Non-availability of raw-materials and increase in raw material prices may impact the financials of our Company

The main raw-materials of our Company are malt, hops and sugar, and the main packaging material is bottle. Non-availability of any of these items or increase in their prices will adversely affect the profitability and financials of our Company. Since the raw materials are of agricultural produce, any fluctuation in monsoon leading to scanty or heavy rainfall may lead to rise in the price of the raw materials which our Company may not be able to be offset by increasing the price of the beer as the price of beer in most of the markets are regulated. However, Our Company has entered into long term agreements for supply of malt at pre-determined prices. Our Company has also tied up with suppliers of bottles and other raw materials which would reduce the risk of non availability of materials.

Regulatory consents and restrictions may have an adverse impact on the financials of our Company

Our Company, for its operations, requires consent from the State Pollution Control Boards. The State Pollution Control Board may place restrictions on the production by limiting the production capacity. Our Company may not be able to produce beyond the licensed capacity unless the same is enhanced by the State Pollution Control Board.

Our business is seasonal in nature

The business of our Company is seasonal in nature and typically the business cycle is such that the volumes are more during March to July and gradually dips from August to December each year. Seasonality in business affects the operations and financial position of our Company.

Structural changes in distribution pattern may affect the operations

Change in the distribution structure like from Government distribution to auction or open market or vice versa affects the operations and business of our Company. A sudden change in distribution or take over of the distribution by the Government disrupts the distribution schedule and pricing of the products.

Pricing regulation affects the financial condition and results of operations

In our business the Maximum Retail Price (MRP) at which the products are offered is regulated by the Government in most of the States. Hence our Company is unable to fix its prices freely. Hence price regulation affects the financial condition of our Company.

Increasing competition will have the bearing on the market share and volumes

With liberalization, many foreign players have entered the Indian beer market with their brands. This may have an adverse impact on the market share of our Company and consequently have impact over the profitability and operations of our Company.

Summary of Results of operations:

Particulars	Nine Months Period ended December 31, 2007	Year ended March 31, 2007	Year ended March 31, 2006	Year ended March 31, 2005	Year ended March 31, 2004	(Rs. In Lakhs)
Sales*	91,456.93	99,842.47	58,840.80	42,048.19	37,034.98	
Other Income (Including Income from Brand Franchisee)	8144.10	7,644.91	11,739.08	13,661.50	10,800.63	
Total Income	99,601.03	107,487.38	70,579.88	55,709.69	47,835.61	

Expenses					
Materials Consumed	38,583.22	45,051.68	27,370.87	21,533.12	18,693.37
Increase/ (Decrease) in Inventories	(279.10)	(772.04)	114.40	(621.18)	(320.57)
Purchase of traded goods	11,238.60	8,207.77	2,490.34	4,820.66	5,729.26
Personnel expenses	5,613.39	6,683.47	4,719.67	3,380.07	2,986.28
Selling and promotion expenses	23,402.90	25,082.40	15,694.31	11,017.50	8,817.27
Other expenses	7,098.76	7,083.44	6,468.99	8,209.46	6,094.08
Depreciation	4,254.26	3,853.52	2,085.74	1056.66	668.56
Deferred revenue expenses	-	-	5.29	4.55	4.55
Interest Cost	2,825.08	2,797.88	2,390.11	3,787.51	4,421.38
Total Expenses	92,737.11	97,988.12	61,339.72	53,188.35	47,094.18
Profit before Tax and non – recurring items	6,863.92	9,499.26	9,240.15	2,521.34	741.43
Profit after Tax	3,856.96	5,485.90	5,090.23	1,404.07	277.60

* net of excise duty.

Sales

Sales includes net income generated from manufacture and sale of beer as well as in trading of beer of various brands belonging to our Company.

Other income

Other income primarily includes brand fees and economic surplus received from contract manufacturers manufacturing our brands of beer and other miscellaneous income generated.

Expenses

Expenses include:

- Materials consumed and Increase / (Decrease) in Inventories
Operating expenses are the cost of goods sold which includes the cost of raw materials, consumables, packaging materials, bottles and cans, opening stock and closing stock. The cost of goods sold also includes the cost of power and fuel and cost of finished goods purchased and sold.
- Purchase of traded goods
This includes expenses on account of purchase of beer from contract and associate breweries.
- Personnel expenses / employee costs
Personnel expenses include salaries and wages for both skilled and unskilled labour, salaries and perquisites for staff and executives for the middle and senior management and remuneration to executive directors. It also includes staff welfare expenses along with perquisites including provident fund, gratuity, retiral benefits and performance evaluation payment.
- Selling and promotion expenses
This cost includes the cost of sales promotion and various schemes of incentives implemented for sale of beer to the distributors / consumers. The cost also includes cost of advertisement through various media for the beer and water as also the cost of signage, giveaways etc.
- Other expenses
Other expenses include provisions, doubtful advances written off and other miscellaneous administrative expenses.
- Depreciation
This expense is on account of wear and tear of assets including plant and machinery and does not involve cash outflow.
- Deferred revenue expenses



This expense is on account of voluntary retirement scheme.

- Interest cost

This includes interest on loans taken by the company for a fixed period, interest on working capital facility, other interest and finance charges.

Comparison of performance and analysis of developments for the financial year ended March 31, 2007 vis-à-vis financial year ended March 31, 2006

Material events during the year ended March 31, 2007:

- In order to consolidate all brewing entities of the group under one umbrella and streamline the brewing operations, our Company implemented a Scheme of Amalgamation of Karnataka Breweries & Distilleries Limited (KBDL), London Pilsner Breweries Private Limited and London Draft Pubs Private Limited into our Company. Amalgamation of these companies ensured creation of a larger entity and synergies in the business besides economies of scale which has resulted in cost savings, pooling of managerial skills and enhancement of management focus thereby leading to higher profitability.
- In 2007, Indian beer industry achieved unprecedented growth on account of structural changes in the states of Punjab, Haryana and Chandigarh due to dismantling of auction market. This resulted in increased affordability and availability of beer in these states. Our Company also set up two green field projects at Chopanki, Rajasthan and Khurda, Orissa thereby increasing the production capacity by 7.25 Lakh HL per annum.

Income

a. Income from Sales

During the year ended March 31, 2007, the net sales (net of excise duty) stood at Rs.99,842.47 Lakhs as compared to Rs.58,840.80 Lakhs for the year ended March 31, 2006 reflecting an increase of 69.68% over the previous year. This increase is as a result of increased sales volume achieved recording a growth of 24.7% over the previous year. Structural changes in the northern markets increased the demand for beer.

b. Other Income

The other income during the year ended March 31, 2007 stood at Rs.7,644.91 Lakhs as against Rs.11,739.07 during the previous year ended March 31, 2006. The decrease of 34.88% is mainly on account of change in structuring of contract arrangements and higher retention by certain contract units. Increased capacities in own units also resulted on lower off take from contracts.

Expenditure

a. Materials consumed

The Raw Materials consumed in manufacture of beer including consumables, cost of packaging materials, power & fuel and bottles stood at Rs. 45,051.68 Lakhs for the year ended March 31, 2007 as compared to Rs.27,370.87 Lakhs for the year ended March 31, 2006 an increase of 64.60% mainly due to increase in materials cost, introduction of new attractive pack sizes and increase in the salience of strong beer. The Inventories during the year ended March 31, 2007 reduced to Rs.772.04 Lakhs. Purchase of beer for trade stood at Rs.8,207.77 Lakhs for the year ended March 31, 2007 as against Rs.2,490.34 Lakhs for the year ended March 31, 2006.

b. Personnel expenses

Personnel and staff cost during the year ended March 31, 2007 was Rs.6,683.47 Lakhs as against Rs.4,719.67 Lakhs in the year ended March 31, 2006, an increase of 41.61%. Personnel expenses accounted for 6.69% of the Net Sales for the year ended March 31, 2007 as compared to 8.02% of the Net sales in the year ended March 31, 2006. The decrease in percentage of personnel cost vis-à-vis net sales is due to higher sales volume achieved during 2006-07. In terms of value, the personnel cost increased due to higher sales volumes,

increments during the year and performance payments including retiral benefits in line with the policy of our Company.

c. Selling and Promotion expenses

During the year ended March 31, 2007 the selling and promotion expenses stood at Rs.25,082.40 Lakhs as compared to Rs.15,694.31 Lakhs for the year ended March 31, 2006, an increase of 59.82%. The selling and promotion expenses were 25.12% of the net sales for the year ended March 31, 2006. Increased expenditure on selling and promotion activities has resulted in achieving higher sales volumes.

d. Other expenses

Other expenses during the year ended March 31, 2007 stood at Rs. 7,083.44 Lakhs as against Rs.6,468.99 Lakhs for the year ended March 31, 2006, an increase of 9.50% on account of provisions.

e. Depreciation

Depreciation during the year ended March 31, 2007 increased to Rs.3,853.52 Lakhs from Rs. Rs.2,085.74 Lakhs in the year ended March 31, 2006 due to additions of assets on amalgamation of certain Companies into our Company and on additions of assets on account of further capital expenditure.

f. Deferred revenue expenses and Interest

For the year ended March 31, 2007, there were no expenses on account of deferred revenue as against Rs.5.29 Lakhs for the year ended March 31, 2006. Interest Cost during the year ended March 31, 2007 stood at Rs.2,797.88 Lakhs as against Rs.2,390.11 Lakhs the year ended March 31, 2006, an increase of 17.06% on account of fresh funding raising to support the investment in green field breweries and capacity expansion.

g. Profit before and after tax

The profit before tax for the year ended March 31, 2007 stood at Rs.9,499.26 as against Rs.9,240.15 Lakhs for the year ended March 31, 2006. After provision for taxation and adjustments, the net profit for the year ended March 31, 2007 stood at Rs. 6,509.18 Lakhs as against Rs. 1,940.55 Lakhs for the year ended March 31, 2006 reflecting an increase of 235.43%.

Comparison of performance and analysis of developments for the financial year ended March 31, 2006 vis-à-vis financial year ended March 31, 2005

Material events during the year ended March 31, 2006:

- With a view to restructure the brewing entities within the UB Group, inorder to enhance management focus and create a larger entity, our Company framed a Scheme of Amalgamation for amalgamation of Mangalore Breweries & Distilleries Limited and de-merger of brewing business of Associated Breweries & Distilleries Limited into our Company. The Scheme was granted effective April 1, 2005 and consequently our Company derived the benefits of synergies in operations as a combined brewing entity and could achieve economies of scale.
- During the year our Company redeemed the ROCPS agreegating to Rs. 21,369 Lakhs on April 30, 2005 upon subscription of 3,779,522 fresh equity shares at Rs. 575 per Equity Share and 24,690,000 CRPS having a dividend of 3% by Scottish & Newcastle India Limited
- The business operations of Millennium Alcobelv Private Limited (MAPL) which is a Joint venture and has four manufacturing facilities in its group were synergized with our Company. As a result of combined operations, synergy in the form of rationalization of brand portfolio and cost savings could be achieved and which continues.
- Brand Licensing in Australia and New Zealand further enhanced brand equity and retention

Income

a. Income from Sales

During the year ended March 31, 2006, the net sales (net of excise duty) stood at Rs.58,840.80 Lakhs as compared to Rs.42,048.19 Lakhs for the year ended March 31, 2005 reflecting an increase of 39.94% over the previous year. The increase in sales is basically due to volume growth of 18% which resulted due to innovative launches and promotions.

b. Other Income

Other Income includes income received from contract manufacturing units i.e economic surplus arising out of brands manufactured by contract brewing units and other miscellaneous income. The other income stood at Rs.11,739.07 Lakhs for the year ended March 31, 2006 as against Rs.13,661.50 for the year ended March 31, 2005 reflecting a decrease of 14.07% mainly on account of change in structuring of contract arrangements and higher retention by certain contract units.

Expenditure

a. Materials consumed

The raw materials consumed in manufacture of beer including consumables, cost of packaging materials, power & fuel and bottles stood at Rs.27,370.87 Lakhs for the year ended March 31, 2006 as compared to Rs.21,533.12 Lakhs for the year ended March 31, 2005 resulting in an increase of 27.11%. Inventories increased to 114.40 Lakhs for the year ended March 31, 2006. Purchase of beer for trade stood at 2,490.34 Lakhs during the year ended March 31, 2006 as against 4,820.66 Lakhs for the year ended March 31, 2005 reflecting a decrease of 48.34% on account of optimum production by own units.

b. Personnel expenses

Personnel and staff cost stood at Rs.4,719.67 Lakhs for the year ended March 31, 2006 as against Rs.3,380.07 Lakhs for the year ended March 31, 2005 an increase of 39.63%. Personnel expenses constituted 8.02% of the Net sales as compared to 8.04% of the Net sales in the year ended March 31, 2005 due to increments during the year and performance payments in line with the policy of our Company including retiral benefits.

c. Selling and Promotion expenses

During the year ended March 31, 2006 the selling and promotion expenses stood at Rs.15,694.31 Lakhs as compared to Rs.11,017.50 Lakhs for the year ended March 31, 2005, an increase of 42.45%. The selling and promotion expenses were 26.67% of the net sales for the year ended March 31, 2006. Increased expenditure on selling and promotion activities has resulted in achieving higher sales volumes.

d. Other Expenses

Other expenses decreased by 21.20% from Rs.8,209.46 Lakhs for the year ended March 31, 2005 to Rs.6,468.99 lacs for the year ended March 31, 2006, primarily on account of lower write offs and provisions.

e. Depreciation

Depreciation increased to Rs.2,085.74 Lakhs for the year ended March 31, 2006 from Rs.1,056.66 Lakhs in the year ended March 31, 2006. Increase in depreciation is due to additions of assets on amalgamation of certain Companies into our Company and on additions of assets on account of further Capital expenditure.

f. Deferred revenue expenses and Interest

For the year ended March 31, 2006, the deferred revenue expenses were Rs.5.29 Lakhs as against Rs.4.55 Lakhs for the year ended March 31, 2005. Interest Cost decreased by 36.90% from Rs. 3,787.51 Lakhs for the year ended March 31, 2005 to Rs.2,390.11 Lakhs for the year ended March 31, 2006 on account of repayment of high cost debt upon infusion of funds by Scottish & Newcastle by way of Equity and Preference Shares.

g. Profit before and after tax

The profit before tax for the year ended March 31, 2006 stood at Rs.9,240.15 Lakhs as against Rs.2,521.34 Lakhs for the year ended March 31, 2005. After provision for taxation and adjustments our Company's net profit increased from Rs.1,404.07 Lakhs for the year ended March 31, 2005 to Rs.5,090.23 Lakhs for the year ended March 31, 2006 as a result of improved performance in terms of volumes, reduction in Interest cost and better utilization of assets.

Comparison of performance and analysis of developments for the financial year ended March 31, 2005 vis-à-vis financial year ended March 31, 2004**Material events during the year ended March 31, 2005:**

Our Company came out with a rights issue of Redeemable Optionally Convertible Preference Shares (ROCPs) aggregating to Rs.21,369 Lakhs. Our Company upon subscription of ROCPs repaid majority of its high cost debt thereby reducing the burden on Interest cost.

Our Company allotted Scottish & Newcastle India Limited 3,779,522 Equity Shares of Rs.10 each at a price of Rs.575 per share aggregating to Rs. 21,732 Lakhs constituting 17.50% of our the then post issue paid up capital and 246.90 Lakhs Cumulative Redeemable Preference Shares (CRPS) of Rs.100 each aggregating to Rs.24,690 Lakhs. This triggered an open offer of acquisition of 20% Equity Shares from the general public. The offer closed in February 2005.

Income**a. Income from Sales**

During the year ended March 31, 2005, the net sales (net of excise duty) stood at Rs.42,048.19 Lakhs as compared to Rs. 37,034.98 Lakhs for the year ended March 31, 2004 reflecting an increase of 13.54% due to increase in volumes of about 10%.

b. Other Income

The other income stood at Rs.13,661.50 Lakhs as on March 31, 2005 as against Rs. 10,800.63 Lakhs as on March 31, 2004 reflecting a increase of 23.41% over the previous year.

Expenditure**a. Materials consumed**

The Raw Materials consumed in manufacture of beer including consumables, cost of packaging materials, power & fuel and bottles stood at Rs.21,533.12 Lakhs for the year ended March 31, 2005 as compared to Rs.18,693.37 Lakhs for the year ended March 31, 2004 an increase of 15.19% over the previous year. Purchase of beer for trade stood at 4,820.66 Lakhs during the year ended March 31, 2005 as against Rs.5,729.26 Lakhs for the year ended March 31, 2004 reflecting a decrease of 15.86% on account of improved capacity utilization by own units.

b. Personnel expenses

Personnel and staff cost for the year ended March 31, 2005 stood at Rs.3,380.07 Lakhs as against Rs.2,986.28 Lakhs for the year ended March 31, 2004, an increase of 13.19% over the previous year. Personnel expenses constitute 8.04% of the Net sales for the year ended March 31, 2005 as compared to 8.06% of the Net sales for the year ended March 31, 2004 on account of yearly increments and performance payments including retiral benefits in line with the policy of our Company.

c. Selling and Promotion expenses

During the year ended March 31, 2005 the selling and promotion expenses stood at Rs.11,017.50 Lakhs as compared to Rs.8,817.27 Lakhs for the year ended March 31, 2004, an increase of 24.95%. The selling and



promotion expenses were 26.20% of the net sales for the year ended March 31, 2005. This increase was primarily on account of introduction and launch of brand variants in various parts of the country.

d. Other Expenses

Other Expenses for the year ended March 31, 2005 stood at Rs.8,209.46 Lakhs as against Rs.6,094.08 Lakhs for the year ended March 31, 2004 reflecting an increase of 34.71% mainly due to long overdue bad and doubtful advances written off and provisions for doubtful debts.

e. Depreciation

Depreciation increased to Rs.1,056.66 Lakhs as on March 31, 2005 from Rs.668.56 Lakhs for the year ended March 31, 2004 due to additions of assets for capacity expansion and further on account of capital expenses during the year.

f. Deferred revenue expenses and Interest

There was no change in deferred revenue expenses account over the last two years. Interest Cost reduced by 14.34% from Rs. 4,421.38 Lakhs for the year ended March 31, 2004 to Rs.3,787.51 Lakhs for the year ended March 31, 2005

g. Profit before and after tax

The profit before tax for the year ended March 31, 2005 stood at Rs.2,521.34 Lakhs as against Rs.741.43 Lakhs for the year ended March 31, 2004. After provision for taxation and adjustments our Company's net profit increased from Rs.277.60 Lakhs for the year ended March 31, 2004 to Rs.1,404.07 Lakhs for the year ended March 31, 2005, an increase of 405.79%. The increase in profitability is due to increased volume and control over input cost.

Material Developments after December 31, 2007

Our directors hereby state that in their opinion 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.

1. Sunrise Acquisitions Limited offer for Scottish & Newcastle plc., the holding Company of Scottish & Newcastle India Limited, one of the promoters of our Company

On January 25, 2008, the boards of Sunrise Acquisitions Limited (a newly incorporated company jointly owned by Carlsberg A/S and Heineken N.V.) and Scottish & Newcastle plc. have reached agreement on the terms of a recommended cash offer to be made by Sunrise Acquisitions Limited for the entire issued and to be issued share capital of Scottish & Newcastle plc. The acquisition is to be effected by means of a Scheme of Arrangement under section 425 of the Companies Act 1985 of United Kingdom. For more details please refer to "Change in management" on page 198 of the Letter of Offer.

2. Closure of operations of the Nerul Unit:

The Board of Directors of our Company in their meeting held on January 22, 2008 approved closure of operations of the Nerul Unit. Accordingly, Our Company had preferred an application dated February 4, 2008 with the Labour Commissioner seeking permission for closure of the unit in terms of the relevant provisions of law in India. The fixed assets of the unit amount to approximately Rs. 780 Lakhs (Net Book Value). The Labour Commissioner (Maharashtra State) vide their order dated April 2, 2008, has ordered granting closure of Nerul Unit, under section 25-O (2) of the Industrial Disputes Act, 1947.

3. Upon the Company's application dated March 10, 2008 the State Level Single Window Clearance Committee at its Meeting held on March 29, 2008 has approved our Company's Project proposal to establish a Brewery Unit to manufacture Beer in Nanjungud Taluk, Mysore District. Karnataka Udyog Mitra has, vide its Project Approval letter dated March 29, 2008, conveyed its approval for setting up of this Project.

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 except as detailed in the section titled “Management Discussion and Analysis of Financial Conditions and Results of Operations” beginning on page 223 in this Letter of Offer.

Significant economic changes that materially affected or are likely to affect income from continuing operations

Government policies governing the sector in which we operate as well as the overall growth of the Indian economy has 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 viii and “Management Discussion and Analysis of Financial Conditions and Results of Operations” beginning on page 223 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. viii and in “Management Discussion and Analysis of Financial Condition and Results of Operations” on page 223 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, 2007 vis-à-vis Financial year ended March 31, 2006”, “Comparison of Performance and Analysis of Developments for the financial year ended March 31, 2006 vis-à-vis Financial year ended March 31, 2005” and “Comparison of Performance and Analysis of Developments for the financial year ended March 31, 2005 vis-à-vis Financial year ended March 31, 2004” under sub paragraph “Income from sales”.

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 sale of beer and operates under only one industry i.e. Alcoholic Beverages 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 seasonal in nature and the same has been disclosed in the section titled “Risk Factors” and “Managements Discussion and Analysis of Financial Conditions and Results of Operation” in this Letter of Offer.



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 and new competitors in the Indian beer industry. Competitive conditions are as described under the section titled “Business Overview” section and under the section titled “Risk Factors” in this Letter of Offer.

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 Un-audited Financial Results for two month's period ended February 29, 2008

Particulars	Amount (Rs. in Lakhs)
Net Sales	22,143.71
Other Income	279.64
Total Income	22,423.35
Expenditure	20,078.79
Operating Profit	2,344.56
Interest	699.08
Gross Profit	1,645.48
Depreciation	1,092.23
Profit before Tax	553.25
Tax	215.82
Profit after Tax	337.42

2. There are no material changes and commitments, which are likely to affect the financial position of our Company after December 31, 2007 (i.e. the last date up to which audited information is incorporated in this Letter of Offer) except as mentioned on page 230 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
April 18, 2008	182.15	186.05	176.90
April 11, 2008	182.70	189.75	179.05
April 04, 2008	186.10	197.90	185.15
March 28, 2008	180.05	180.05	157.15

* High/Low prices based on closing quotations of BSE (Source: www.bseindia.com)

Closing ex-rights market price of Equity Shares of face value of Re.1/- of our Company as on April 10, 2008, on BSE was Rs. 179.05

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.

Commitments and Contingent Liabilities of our Company as on December 31, 2007:

Commitments and contingent liabilities of our Company (on a Consolidated Basis) as on December 31, 2007 are as follows:

		(Rs. In Lakhs)
		As at December 31, 2007
A	COMMITMENTS	
I	Estimated amount of contracts remaining to be executed on capital account and not provided for	7,113.27
Total		7,113.27
B	CONTINGENT LIABILITIES	
I	Sales Tax demands under appeal *	177.29
II	Excise Duty / Customs Duty demands under appeal *	474.12
III	Claims against the Company not acknowledged as debt *	49.00
IV	Letter of Credit Outstanding	607.92
V	Guarantees given for loans availed by the Company/Subsidiaries/Associates/third parties	23,060.79
VI	ESIC/PF demands under appeal.	2.11
VII	Demand towards water charges under appeal.	1,180.10
VIII	Interest for delayed payment of interest free loan.	96.58
IX	Income Tax	250.82
X	Balance consideration payable to UBHL towards paurchase of shares in Maltex Malsters Private Limited	907.06
Total		26,805.79

Note:

* In the opinion of the management the above demands/claims are not sustainable in law and accordingly, do not call for a provision in the accounts.

Guarantees given by our company as on December 31, 2007:

Sl. No.	Name of the Body Corporate for whom the Guarantee is given	Name of the Institution to whom the Guarantee is given	Amount of Guarantee (in Rs.)	Date on which Guarantee provided	Valid upto
1.	United Millennium Breweries Limited	Axis Bank Limited	600,000,000	04.02.2008	Till repayment of Loan
2.	Millennium Beer Industries Limited	Rabo India Finance Private Limited	800,000,000	15.12.2006	
3.	Empee Breweries Limited	BNP Paribas	450,000,000	14.09.2006	
4.	Empee Breweries Limited	Yes Bank Limited	280,00,000	12.06.2007	
	Total		1,850,000,280		



Outstanding Litigations against our Company

Criminal Cases filed against UBL

1. A complaint has been filed by the senior health inspector Baroda Division, Western Railway, Vadodara 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 respect 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.

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.3,37,101/-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.10,17,316/- 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 UEBF. 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.7,00,000/- 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.1,05,000/- 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.1,22,000/- 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.



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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.11,34,83,000/- 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.10,00,000/- as agreed upon. Hence, Thorbrau Augsburg has filed the present suit claiming a sum of Rs.10,00,000/- 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) which has not been recognised. The Complainant claims Rs.50,000/- towards harassment and mental agony along with cost of Rs.5,500/- . The Consumer Disputes Redressal Forum-I, Chandigarh vide its order dated 16 October 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 UBL and others have filed an appeal before the Consumer Dispute Redressal Commission Chandigarh to set aside the impugned order passed by the Ld.District Forum dated October 16, 2007.The Complainant has also preferred an Appeal bearing Number 824 of 2007 dated November 16,2007before the State Consumer Dispute Redressal Commission, Chandigarh against the said order seeking the whole relief claimed in Complaint No.701 of 2006. 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.2,10,000/- 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 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.
29. 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 be taken place.
30. 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 be taken place.



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31. 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 be taken place.
 32. A Consumer Compliant bearing No. 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 and Rs.2,000/-as cost to this complaint alleging inferior quality of Kingfisher Premium Beer. UBL is yet to file its reply and hearing is yet to be taken place.
 33. The Consumer Disputes Redressal Forum, Ambala vide its order dated February 03, 2006 allowed the complaint filed by Dr.Arvinde Joshi in complaint No. 85 of 2003 alleging inferior quality of Kingfisher Beer and directed UBL to pay 10,000/- compensation ,Rs 1000/- legal cost to the complainant and Rs.360/-as cost of beer alongwith interest @10%p.a from February 09, 2002 till payment.. Aggrieved by the said order Complainant has preferred an appeal bearing No.1171 of 2006 dated May 8,2006 before the State Consumer Disputes Redressal Commission, Haryana against the said order seeking additional relief of Rs.8,12,800/-alongwith interest @10%p.a from the date of filing the Complaint.. This Appeal is pending for hearing.
 34. 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 vakalathnama and reply is yet to be filed.
 35. 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 Vakalathnama and the matter is yet to come for hearing.
 36. One Mr. T J Yadav and others has filed a Civil Writ Petition No.17502/2007 in the High Court of Judicature of Andra Pradesh at Hyderabad against the Government of Andra Pradesh and others wherein the Company has been made a party alleging pollution of river raa-cheruvu by various Companies in the Industrial Estate of Ranga Reddy District. Vaklathnama has been filed. Reply is pending and hearing is yet to take place
 37. 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.
 38. 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.
 39. 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.
 40. 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 statement and the matter is pending.

41. 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.
42. The Enforcement Directorate (ED) had issued notices to UBL and Dr. Mallya in connection with the payment of US\$1 million to Benton 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 Section 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

43. 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.
44. Notice of Opposition has been filed before the TM Registry, Chennai by M/s Gaurav Chemicals against UBL's application for registration of the mark "KINGFISHER" under Application No.786108 in Class 03 for filing counter statement by UBL. Matter is pending for filing counter statement by UBL.
45. Notice of Opposition has been filed before the TM Registry, Chennai by Mobil Petroleum Company Inc. against UBL's application for registration of the mark "FLYING HORSE ROYAL LAGER BEER (device)" under Application No. 786605 in Class 4 for filing counter statement by UBL. Matter is pending for filing counter statement by UBL.
46. Ms. Mary Smelly Bai of Thiruvananthapuram has filed a petition before the Subordinate Judge's Court for issue of succession certificate and transfer of the shares held by her husband in various companies including UBL in her favour after the death of her husband who died intestate. UBL has filed vakalath and the matter is pending.
47. Dhall Traders Pvt.Ltd. & others have filed an Appeal in High Court of Delhi against the recovery suit of Rs 1,80,83,698/- plus interest at 12% filed by the company against Dhall Traders, The Appeal prays for setting aside the order of the lower court dated 18.05.07 decided in favour of the Company, holding that the suit is not barred by the provisions of order II Rule 2 Civil Procedure Code .
48. Notice of opposition has been filed before the TM Registry, Chennai by M/s. Gaurav Chemicals against UBL's application no. 786605 for registration of the mark "Flying Horse Lager Beer" in Class 04. The matter is pending.

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49. Opposition has been filed by Daichi International, Ludhiana before the Trade Mark Registry Chennai against UBL's Application for registration of mark "Flying Horse" in Class 7. The matter is pending.
 50. Opposition has been filed before the Trade Mark Registry Chennai by ANHEUSER – BUSCH Inc. against UBL's application for registration of the Trademark "King of Beers" in Class 9. The matter is pending.
 51. Complaint No.129 of 2007 has been filed by Mr. Mahavir Singh against UBL and others before the District Consumer Dispute Redressal Forum, New Delhi, requesting the laboratory test of the beer manufactured by UBL and compensation of Rs.5,00,000/- . The matter is pending.
 52. Civil Suit No.1067 of 2008 filed by Dr. Mallya & Others in the High Court of Judicature at Bombay

Dr. Vijay Mallya and other Companies viz., United Breweries (Holdings) Limited, United Spirits Limited, Mallya Private Limited, Kamsco Industries Private Limited, Gem Investment & Trading Company Private Limited, Devi Investments Private Limited, Pharma Trading Company Private Limited, Vittal Investments Private Limited, McDowell Holdings Limited ((collectively "the Plaintiffs") have filed a suit bearing No.1067 of 2008 in the High Court of Judicature at Bombay against Scottish & Newcastle Plc., Scottish & Newcastle India Limited, Scottish & Newcastle India Private Limited, Scottish Courage Limited (collectively "S&N Group"), Sunrise Acquisitions Limited, Carlsberg A/S, Heineken NV, Heineken Holding NV, (collectively "Heineken Group") Mr. John Nicolson, Mr. John Simon Hunt, Mrs. Veronica Lesley Jackson and UBL inter alia,

- (a) for a declaration that upon takeover of S&N by the Heineken Group, the Shareholders Agreement and the personal rights and privileges granted to the S&N Group under the Articles of Association of UBL will stand terminated.
- (b) for a permanent order and injunction restraining the S&N Group or the Heineken Group from exercising any rights under the Shareholders Agreement or the personal rights and privileges granted to the S&N Group under the Articles of Association of UBL;
- (c) for a permanent order and injunction restraining Mr. John Nicolson, Mr. John Simon Hunt and Ms. Veronica Lesley Jackson from acting as or holding themselves out as Directors of UBL and from having any access to any record or information of UBL;
- (d) for a declaration that Mrs. Veronica Lesley Jackson has ceased to be the Chief Financial Officer of UBL and is disentitled to any access to any Confidential Information pertaining to UBL and for a permanent injunction restraining her from acting as or holding herself out as the Chief Financial Officer of UBL, and
- (e) for injunction restraining the above persons from having any access to any record or information of UBL or Mrs. Veronica Lesley Jackson acting as CFO of UBL or having any access to Confidential Information pertaining to UBL and from disclosing to any of the parties to the suit or any third party any Confidential Information pertaining to UBL.

Whilst the suit is yet to be heard, the S&N Group and the above named individuals have vigorously rejected these claims and are considering appropriate steps to be taken to contest these claims and to preserve their respective positions in relation to this matter

53. A Writ Petition has been filed in the High Court of Delhi by G S Rana against the Government of Delhi, Commissioner of Excise, Delhi and UBL through Dr. Vijay Mallya ("the Respondents") praying for an appropriate direction against the Respondents inter alia to stop manufacture and supply of Beer under the brand "Kingfisher", installation of Quality Control Machines for checking up of the beer bottles before supply of the same in the market and such other Orders which the Court deems fit. The matter is yet to be heard.
54. A Notice of Opposition has been filed with the Trade Mark Registry, Chennai by Diageo Brands B.V opposing the application in Class 33 for the Trade Mark "Kalyani Black Label" filed by UBL and seeking refusal of registration in the name of UBL. UBL is yet to file its counter statement.

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 of 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 & Asssistant 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 ex-parte 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



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- 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 Khodays 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.10,58,000/- 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

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- 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 compliant 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 Thiruvananthapuram 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 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.1,24,000/-), 1989-1990 (Rs.2,89,000/-) and 1990-1991 and for (Rs.4,98,000/-). 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.38,000/- 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.6,28,000/- 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.13,000/- 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.3,22,00,000/- being bad debts written off during the year 2003-04 and also disallowed interest on borrowed capital aggregating to Rs.7,32,00,000/- claimed by UBL, being interest on borrowed capital. The amount under dispute is Rs.10,54,00,000/-, 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.42,25,019/- instead of Rs.2,17,661/- and imposing penalty of Rs.20,000/- An amount of Rs.2,00,400/- 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.20,33,000/- 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.29,72,000/-. 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.5,71,000/- 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.2,76,948/- and Rs.1,23,981/- 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.1,33,643/- 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.10,88,000/- 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.54,04,000/-. 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 July 1, .2006 to March 31, 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.2,59,368.80 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.



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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.3,38,02,000/- while as per the assessment order, the total loss was assessed at Rs.22,45,000/- 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.1,27,05,000/- 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). The Commissioner of Income Tax (Appeals) has now passed an order stating that out of the total sum of Rs.127.05 Lakhs, a sum of Rs.87.31 lacs being claim of deduction of provision for sales tax refund of Rs.87.32 lacs is disallowed. The balance amounts of deductions of Rs.20.61 lacs on account of unpaid liability of CST and Rs.19.12 lacs on account of valuation of Closing Stock has been allowed.
3. As against the Income Tax return showing a loss of Rs.10,88,25,000/- for the Assessment Year 2001-02, the assessment order by the Income Tax Officer assessed a loss of only Rs.9,36,35,000/- 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. 40,45,000/- 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.40,45,000/- 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.
5. The assessing officer has levied a concealment penalty of Rs. 58,53,000/- 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. CC6937 of 2004 under Section 138 of the Negotiable Instruments Act has 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 vakalatnama 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 January 3, 2006 vide its Order dated April 17, 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 September 3, 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. On 18.12.2007 Hon'ble High Court disposed off the above Writ Appeal bearing no.1854 of 2007 with observation that the management shall deposit sum of Rs 18,78,000 (Eighteen Lakhs Seventy Eight Thousand) on or before 31.12.07. Further the High Court also directed early disposal of Reference No 25 of 2005 pending before Labour court by 29.02.08 and compliance report there of to be submitted to High Court, Honorable High Court decided that entire sum of Rs 18,78,000 be deposited in the schedule bank on a date of fixed deposit and interest there of be given to the person in whose favour orders are to be pronounced by the Labor Court. High Court further ordered to deposit the interim relief at the rate of Rs 2000/-per workmen per month till final disposal of Reference No 25 of 2005 by Labour court.



The State Excise Department, Karnataka, had raised a demand aggregating to Rs.67,22,000/- 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.30,00,000/-. No further action on recovery is taken by the department.

Outstanding Litigations involving our Directors:

Litigations involving Mr. Sunil Alagh

1. A suit for eviction has been filed in the Court of Small Causes at Bombay by Britannia Industries Limited (Landlords) against Mrs. Maya Sunil Alagh (Tenant) being R.A.E. & R Suit No.950/1489 of 2005. In the said suit Mr. Sunil Alagh is impleaded as Defendant No.2, he being the husband of Mrs. Maya Alagh. The said suit is pending and is at the hearing stage wherein the Plaintiffs have yet to file their Affidavit of Examination of Chief.

Litigations involving Mr. Chhaganlal Jain

Criminal Case filed by Mr. Chhaganlal Jain

1. Kopran Limited and others including Mr. Chhaganlal Jain as Applicants have filed a Criminal Revision Application bearing No.64 of 2007 in the Court of the Additional Sessions Judge at Raigad, challenging Criminal Complaint No.122 of 2006 filed by Mr. R.R. Dalal, Drug Inspector, District Raigad, alleging violation of certain provisions of the Drugs and Cosmetics Act, 1940 in the JMFC Court, Mahad, District Raigad. Mr. Chhaganlal Jain has been made a party to the said Complaint by virtue of he being a Director of Kopran Limited. Both the said Criminal Complaint and the Criminal Revision Application are pending. However, Mr. Chhaganlal Jain has resigned from the board of Kopran Limited on February 08, 2007.

Litigations involving Mr. John Hunt, Mr. John Nicolson and Mrs. Veronica Lesley Jackson

Civil Suit No.1067 of 2008 filed by Dr. Mallya & Others in the High Court of Judicature at Bombay

Dr. Vijay Mallya and other Companies viz., United Breweries (Holdings) Limited, United Spirits Limited, Mallya Private Limited, Kamsco Industries Private Limited, Gem Investment & Trading Company Private Limited, Devi Investments Private Limited, Pharma Trading Company Private Limited, Vittal Investments Private Limited, McDowell Holdings Limited ((collectively "the Plaintiffs") have filed a suit bearing No.1067 of 2008 in the High Court of Judicature at Bombay against Scottish & Newcastle Plc., Scottish & Newcastle India Limited, Scottish & Newcastle India Private Limited, Scottish Courage Limited (collectively "S&N Group"), Sunrise Acquisitions Limited, Carlsberg A/S, Heineken NV, Heineken Holding NV, (collectively "Heineken Group") Mr. John Nicolson, Mr. John Simon Hunt, Mrs. Veronica Lesley Jackson and UBL inter alia,

- (a) for a declaration that upon takeover of S&N by the Heineken Group, the Shareholders Agreement and the personal rights and privileges granted to the S&N Group under the Articles of Association of UBL will stand terminated.
- (b) for a permanent order and injunction restraining the S&N Group or the Heineken Group from exercising any rights under the Shareholders Agreement or the personal rights and privileges granted to the S&N Group under the Articles of Association of UBL;
- (c) for a permanent order and injunction restraining Mr. John Nicolson, Mr. John Simon Hunt and Ms. Veronica Lesley Jackson from acting as or holding themselves out as Directors of UBL and from having any access to any record or information of UBL;
- (d) for a declaration that Mrs. Veronica Lesley Jackson has ceased to be the Chief Financial Officer of UBL and is disentitled to any access to any Confidential Information pertaining to UBL and for a permanent injunction restraining her from acting as or holding herself out as the Chief Financial Officer of UBL, and

- (e) for injunction restraining the above persons from having any access to any record or information of UBL or Mrs. Veronica Lesley Jackson acting as CFO of UBL or having any access to Confidential Information pertaining to UBL and from disclosing to any of the parties to the suit or any third party any Confidential Information pertaining to UBL.

Whilst the suit is yet to be heard, the S&N Group and the above named individuals have vigorously rejected these claims and are considering appropriate steps to be taken to contest these claims and to preserve their respective positions in relation to this matter

Outstanding Litigations involving our promoters:

Dr. Vijay Mallya

Statutory Cases filed against Dr. Mallya

1. The Enforcement Directorate (ED), Ministry of Finance, Government of India commenced investigation into Dr. Mallya's and UBL's alleged violation of FERA in making a good faith deposit with Benetton (now Renault F1 Team Ltd). The Enquiry Officer dismissed the said proceedings on January 10, 2002 after enquiry. The Department had filed an appeal against this Order dated January 10, 2002 of dismissal before the Appellate Tribunal for Foreign Exchange and after hearing arguments, the Appellate Tribunal too dismissed the Appeal on March 16, 2004. Aggrieved against the said Order, the Enforcement Directorate has filed an Appeal in the High Court of Delhi (Appeal No. 515 of 2004) and the matter is pending arguments.

The ED had issued Summons in connection with the investigation of the above case and it is the Department's case that in spite of receipt of Summons, Dr.Mallya had not appeared before the ED to assist in the investigation and such failure constituted an offence under FERA. Accordingly, the ED has filed a criminal complaint bearing Complaint No. 16/1 of 2000 before the ACMM Court, New Delhi for this alleged offence on the part of Dr.Mallya. The proceedings before the Criminal Court are pending adjudication. Dr. Vijay Mallya filed a Criminal Revision Petition in the Delhi High Court (C.R.No. 554 of 2001) against the ACMM Court framing charges. The High Court dismissed the Revision Petition on 21st May 2007. Against the said Order, a Special Leave Petition has been filed in the Supreme Court (S.L.P. [Crl] No. 5886 of 2007). Vide its Order dated December 3, 2007, stay has been ordered by the Supreme Court.

2. The Wealth Tax Assessment Officer issued a Notice for the Assessment Year 1993-94 seeking to redetermine the NRI status of Dr.Mallya. The Notice has been stayed and the matter is pending determination. In certain earlier Writs that had been filed by Dr.Mallya before the High Court of Calcutta, challenging the validity of the action of Income Tax Authorities in attempting to redetermine Dr. Mallya's NRI status, the High Court has held that his status cannot be redetermined and therefore his status as an NRI continues. The Matter is pending.
3. Prosecution in Complaint No. 415 of 1992 was launched in the Chief Metropolitan Magistrate's Court, Calcutta against Dr. Mallya for an alleged failure to file Wealth Tax Return for the Assessment year 1988-89 within the prescribed period. Dr. Vijay Mallya has filed Criminal Revision No.1792 of 1992 in the High Court of Calcutta. The above Revision Petition has been filed challenging the proceedings and an interim stay has been granted.
4. 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.1,44,98,000/- . The matter is pending.

Civil Cases filed against Dr. Mallya

1. Mayar (H.K) Limited (Mayar) has filed a Civil Suit No.540 of 1999 in the High Court at Kolkata against Asian Age (East) Limited ("Asian Age"), United Breweries (Holdings) Limited and Dr. Vijay Mallya Mayar (H.K) Limited had supplied diverse quantity of newsprints worth of USD 169,464.48 equivalent to Indian Rs.73,71,704.88 in the accounting year 1998 against which United Breweries (Holdings) Limited had furnished a Corporate Guarantee for this facility for an amount not exceeding USD 1,63,500 equivalent to Rs.71,12,250/. The Asian Age was given a credit period of 45 days and even after the said period was over, the Asian Age did not make payment and therefore, 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 Company and Dr. Vijay Mallya have entered appearance and that the proceedings are being defended inter-alia on the ground of jurisdiction amongst other grounds. The matter is pending.

2. O.S. No.8213 of 2001 has been filed before the City Civil Court, Bangalore by one Mr. Virupaxappa Ayyanagouda Markumbi, Ex-Marketing Officer against the Company, the Chairman Dr. Vijay Mallya, Managing Director, Vice President (P&A) and the Enquiry Officer have been made as Defendants 1 to 4 respectively. It is alleged that the services of the said Mr. Virupaxappa, who was based in Kurnool, A.P. Office, were terminated w.e.f. September 15, 1998 on account of allowing credit limits beyond those delegated to him and therefore the said Officer has filed this Suit An appeal against the Order of dismissal was filed by the said Mr. Virupaxappa. Following are the reliefs sought for by the said Officer:
 - To declare that the Order passed by the 2nd Defendant dated September 15, 1998 is null and void,
 - To declare that the Order passed by the 1st Defendant in Appeal filed by the Plaintiff is null and void,
 - To direct the Defendants 1 and 2 to reinstate the Plaintiff to his original post.Written statement has been filed and the matter is at evidence stage.
3. A Writ Petition has been filed in the High Court of Delhi by G S Rana against the Government of Delhi, Commissioner of Excise, Delhi and UBL through Dr. Vijay Mallya ("the Respondents") praying for an appropriate direction against the Respondents inter alia to stop manufacture and supply of Beer under the brand "Kingfisher", installation of Quality Control Machines for checking up of the beer bottles before supply of the same in the market and such other Orders which the Court deems fit. The matter is yet to be heard.

Criminal Cases filed against Dr. Mallya

1. State of West Bengal filed a Case No.173 of 87 in the V Metropolitan Magistrate Court, Burdwan at Asansol against Mr. B. Bhowmick and Others including Dr. Vijay Mallya. Mr. B. Bhowmick, Excise Officer, posted at M/s. Carew & Co., Asansol as Distillery Officer, in the year 1984 lodged a complaint with the Officer in-charge of Asansol Police Station wherein he contended that Mr. V.N. Rao along with others had entered into a criminal conspiracy to defraud the State Government of revenue to the tune of about Rs.1.5 Crore by using fake and forged import permits relating to the said Distillery and had, as a result, committed offences under Sections 419, 420, 467, 468, 471, 120B of the Indian Penal Code. Thereafter Dr. Vijay Mallya along with other Directors of the Company were roped in as accused persons, because they were the Directors of the Company Charge Sheet was filed in the instant case against Mr. Bhowmick, the defacto complainant in the case under the Prevention of Corruption Act and against Dr. Vijay Mallya, the Directors and other employees of the Company.
2. Dr. Vijay Mallya has filed a Criminal Petition No. 2266 of 2004 against Smt. Meenakshi in the High Court of Karnataka at Bangalore. Smt. Meenakshi had some fixed deposits in a company called Krest Finlease Ltd (formerly Mc Dowell Krest Finance Ltd). The Criminal Petition is against Criminal Case No. 8032 of 2002 filed by Smt. Meenakshi in the ACMM Court, Bangalore for an alleged default in the repayment of the fixed deposit which matured on March 7, 1998 being a sum of Rs. 16,000/- with interest at the rate of 15% p.a from March 10, 1994. The Company namely Krest Finlease Ltd, Dr. Vijay Mallya and one Mr. Francis of Jyothi Financial Consultancy Services are the accused in the complaint. Dr. Vijay Mallya resigned from the Company as Director on March 20, 1997. Secondly Krest Finlease Ltd has gone into liquidation and is managed by the Official Liquidator, High Court of Judicature at Madras, Chennai. The High Court appreciating the facts of Dr. Vijay Mallya was pleased to stay further proceedings in C.C.No. 8032 of 2002 pending disposal of the Criminal Petition. The order was passed on July 22, 2004. The High Court has quashed the criminal case filed by Smt. Meenakshi against Dr. Mallya vide order dated 3rd March 2008.
3. Dr. Vijay Mallya has filed Criminal Misc. (Main) No. 2916 of 2006 against Smt. Mahadevi in the High Court of Delhi at New Delhi. This petition is filed inter-alia for setting aside the impugned orders dated February 15, 2001 and January 23, 2006 passed in Criminal Complaint No. 8926/1 of 2004 by the ACMM Court, New Delhi. Smt. Mahadevi is the complainant and the case is filed against Mc Dowell Krest Finance Ltd, Dr. Vijay Mallya and Piyush Srivastava for an offence under Section 138 of the Negotiable Instruments Act. This complaint is based on two interest cheques for Rs. 493.68 and Rs. 379.75 issued by the Company having bounced. The order dated February 15, 2001 refers to summons having been issued to Dr. Vijay Mallya by

the ACMM Court and the Second impugned order dated January 23, 2006 vide which NBW's were issued against Dr. Vijay Mallya states that summons were issued and were supposed to have been refused. The Petitioner resigned from the Board of Krest Finlease Ltd on March 20, 1997. The cheques in question are dated March 25, 1998. Dr. Vijay Mallya was also not the signatory of the cheques. By order dated May 17, 2006 the High Court has on the petition No. 2916 of 2006 filed by Dr. Vijay Mallya directed the impugned orders and proceedings stayed till further orders. The High Court has withdrawn the NBW's issued against Dr. Mallya and directed the Lower Court to hear the case on merits./ Therefore the matter is redirected to the Magistrate Court. The matter is pending.

4. Mr. Dinesh Mangilal Jain and another, have filed a criminal case bearing number 4700079/SW/2007 under Sections 420 read with 34 of the Indian Penal Code inter alia against Kingfisher Airlines Limited, Dr. Vijay Mallya and others before the Additional Chief Metropolitan Magistrate, 47th Court, Esplanade, Mumbai on May 3, 2007 alleging cheating through false inducements and dishonest representations. Order was passed by Additional Chief Metropolitan Magistrate on May 3, 2007 issuing process. Criminal Revision Application No. 7170 of 2007 under Section 482 of the Code of Criminal Procedure was filed by Kingfisher Airlines Limited with the Court of Sessions for Greater Bombay to quash and set aside the process issued against Dr. Vijay Mallya by the Additional Chief Metropolitan Magistrate. The Sessions Court of Greater Mumbai, vide its oral order dated January 24, 2008 has allowed the revision application and thereby the process issued against Dr. Vijay Mallya has been set aside, and instead the matter has been sent back to the Trial Court for disposal as per law.

Consumer Forum Complaints filed against Dr. Mallya:

1. Mr. Narayana Perumal, has filed Consumer Complaint No. 103 of 2007 with District Consumer Redressal Forum, Chennai (North) under Section 12 of the Consumer Protection Act against Kingfisher Airlines Limited, represented by its Chairman Dr. Vijay Mallya and another for deficiency of services and negligence. It is alleged in the Complaint that the Complainant had booked 7 tickets on Chennai – Goa -- Chennai flight. At the time of return journey at the Goa airport on May 21, 2006, Complainant found that his minor nephew's travel date was on the earlier day. The Complainant had to leave the minor at airport and next day representative of Complainant picked up minor. Filed a claim for Rs.2,03,641/- towards return ticket amount and compensation for pain and suffering. The matter is pending for arguments.
2. Mr. Vishwas Pathak, has filed Consumer Complaint No. 9 of 2008 with District Consumer Redressal Forum, South Mumbai District under Section 12 of the Consumer Protection Act against Kingfisher Airlines Limited, Dr. Vijay Mallya and another. It is alleged in the Complaint that the Complainant booked Mumbai – Nagpur return trip for himself and his family. At the Nagpur Airport he was informed that Flight to Mumbai was discontinued. The Complainant alleges that he was not offered alternative arrangement and he had to spend additional amount of Rs.24,165/. Complainant is claiming total compensation of Rs.24,165/- and damages of Rs.5,00,000/- . The matter is pending for filing Vakalatnama and Affidavit in reply.
3. Mr. Sandeep Saksena, has filed a Consumer Complaint No. 829 of 2007 with the District Consumer Redressal Forum, Chandigarh under Section 12 of the Consumer Protection Act against Chairman- Kingfisher Airlines, Manager-Kingfisher Airlines, Manager-Cargo Flight Handling-Kingfisher Airlines and another. It is alleged in the Complaint that the Complainant was booked to fly from Delhi to Kolkata on August 17, 2007 for attending a family function. On reaching Kolkata, the complainant discovered his luggage missing. Complainant filed the Property Irregularity Report ("PIR") and interim compensation of Rs.2,000/- was immediately offered to Complainant. Additional compensation of Rs. 3,150- (Rs. 450/- x 7 kgs) and one way free ticket on Kingfisher was refused by him. Complainant seeking total compensation of Rs 77,100/- + interest at the rate of 18% per annum from the date of loss of baggage till date of refund. The matter is pending for arguments.
4. Mr. K. Bhavani Shankarudu, has filed a Consumer Complaint No. 756 of 2007 with the District Consumer Redressal Forum, Vishakhapatnam under Section 12 of the Consumer Protection Act against Chairman & CEO-Kingfisher Airlines Limited. It is alleged in the Complaint that Complainant was booked to fly from Chennai to Vizag on August 30, 2007. When guest reached airport; he was informed about the cancellation of the said flight. He was given option of full refund or rebooking on next day flight. But he refused and insisted on traveling to Vizag the same day. Since there were no flight to Vizag (by other airlines also) complainant requested Kingfisher to book him on Jet flight to Hyderabad, (which Kingfisher did at a much higher fare) and that he would make his own arrangement to Vizag. from Hyderabad. Complainant claims



total compensation of Rs 57,150/- towards loss of time, energy and mental strain besides cost of litigation and notice charges The matter is pending for filing of Affidavit by Complainant.

5. Mr. Jogesh Shah, has filed a Consumer Complaint No. 636 of 2007 with the District Consumer Redressal Forum, Ahmedabad under Sections 12 and 15 of the Consumer Protection Act against Chairman & CEO-Kingfisher Airlines Limited. It is alleged in the Complaint that the Complainant was booked on Mumbai – Ahmedabad flight on December 11, 2006, on his return journey from Paris to Mumbai on December 10, 2006. But on seeking confirmation for Mumbai – Ahmedabad flight, he was informed that the said flight was cancelled. Complainant further alleges that he had to book his return to Ahmedabad on Jet airways at higher cost. Complainant claims total compensation of Rs.31,500/- with interest at the rate of 12% per annum with effect from December 10, 2006, towards compensation for mental shock, pain, suffering, notice charges and cost of complaint. The matter is pending for filing of rejoinder by Complainant.

Civil Cases filed by Dr. Mallya

Civil Suit No.1067 of 2008 filed by Dr. Mallya & Others in the High Court of Judicature at Bombay

Dr. Vijay Mallya and other Companies viz., United Breweries (Holdings) Limited, United Spirits Limited, Mallya Private Limited, Kamsco Industries Private Limited, Gem Investment & Trading Company Private Limited, Devi Investments Private Limited, Pharma Trading Company Private Limited, Vittal Investments Private Limited, McDowell Holdings Limited ((collectively “the Plaintiffs”) have filed a suit bearing No.1067 of 2008 in the High Court of Judicature at Bombay against Scottish & Newcastle Plc., Scottish & Newcastle India Limited, Scottish & Newcastle India Private Limited, Scottish Courage Limited (collectively “S&N Group”), Sunrise Acquisitions Limited, Carlsberg A/S, Heineken NV, Heineken Holding NV, (collectively “Heineken Group”) Mr. John Nicolson, Mr. John Simon Hunt, Mrs. Veronica Lesley Jackson and UBL inter alia,

- (a) for a declaration that upon takeover of S&N by the Heineken Group, the Shareholders Agreement and the personal rights and privileges granted to the S&N Group under the Articles of Association of UBL will stand terminated.
- (b) for a permanent order and injunction restraining the S&N Group or the Heineken Group from exercising any rights under the Shareholders Agreement or the personal rights and privileges granted to the S&N Group under the Articles of Association of UBL;
- (c) for a permanent order and injunction restraining Mr. John Nicolson, Mr. John Simon Hunt and Ms. Veronica Lesley Jackson from acting as or holding themselves out as Directors of UBL and from having any access to any record or information of UBL;
- (d) for a declaration that Mrs. Veronica Lesley Jackson has ceased to be the Chief Financial Officer of UBL and is disentitled to any access to any Confidential Information pertaining to UBL and for a permanent injunction restraining her from acting as or holding herself out as the Chief Financial Officer of UBL, and
- (e) for injunction restraining the above persons from having any access to any record or information of UBL or Mrs. Veronica Lesley Jackson acting as CFO of UBL or having any access to Confidential Information pertaining to UBL and from disclosing to any of the parties to the suit or any third party any Confidential Information pertaining to UBL.

Whilst the suit is yet to be heard, the S&N Group and the above named individuals have vigorously rejected these claims and are considering appropriate steps to be taken to contest these claims and to preserve their respective positions in relation to this matter

Scottish & Newcastle India Limited

Civil case filed against Scottish & Newcastle India Limited

Civil Suit No.1067 of 2008 filed by Dr. Mallya & Others in the High Court of Judicature at Bombay

Dr. Vijay Mallya and other Companies viz., United Breweries (Holdings) Limited, United Spirits Limited, Mallya Private Limited, Kamsco Industries Private Limited, Gem Investment & Trading Company Private Limited, Devi Investments Private Limited, Pharma Trading Company Private Limited, Vittal Investments Private Limited, McDowell Holdings Limited ((collectively “the Plaintiffs”) have filed a suit bearing No.1067 of 2008 in the High Court of Judicature at Bombay against Scottish & Newcastle Plc., Scottish & Newcastle India Limited, Scottish &

Newcastle India Private Limited, Scottish Courage Limited (collectively “S&N Group”), Sunrise Acquisitions Limited, Carlsberg A/S, Heineken NV, Heineken Holding NV, (collectively “Heineken Group”) Mr. John Nicolson, Mr. John Simon Hunt, Mrs. Veronica Lesley Jackson and UBL inter alia,

- (a) for a declaration that upon takeover of S&N by the Heineken Group, the Shareholders Agreement and the personal rights and privileges granted to the S&N Group under the Articles of Association of UBL will stand terminated.
- (b) for a permanent order and injunction restraining the S&N Group or the Heineken Group from exercising any rights under the Shareholders Agreement or the personal rights and privileges granted to the S&N Group under the Articles of Association of UBL;
- (c) for a permanent order and injunction restraining Mr. John Nicolson, Mr. John Simon Hunt and Ms. Veronica Lesley Jackson from acting as or holding themselves out as Directors of UBL and from having any access to any record or information of UBL;
- (d) for a declaration that Mrs. Veronica Lesley Jackson has ceased to be the Chief Financial Officer of UBL and is disentitled to any access to any Confidential Information pertaining to UBL and for a permanent injunction restraining her from acting as or holding herself out as the Chief Financial Officer of UBL, and
- (e) for injunction restraining the above persons from having any access to any record or information of UBL or Mrs. Veronica Lesley Jackson acting as CFO of UBL or having any access to Confidential Information pertaining to UBL and from disclosing to any of the parties to the suit or any third party any Confidential Information pertaining to UBL.

Whilst the suit is yet to be heard, the S&N Group and the above named individuals have vigorously rejected these claims and are considering appropriate steps to be taken to contest these claims and to preserve their respective positions in relation to this matter

United Breweries (Holdings) Limited (UBHL)

Contingent Liabilities not provided for: The Contingent Liabilities of UBHL are Rs. 45,468 Mn.

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 vide order dated April 18, 2007. UBHL has filed Special Leave Petition (Criminal) being No. 7719 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 Lakhs 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 Lakhs being the quarterly interest payable on an Inter Corporate Deposit of Rs.2 crores. Further progress will be made depending on the outcome of SLP [Crl] No.7719 of 2007

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.

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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 Lakhs 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 Lakhs 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 Lakhs 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 O.S.A No. 18 of 2003 filed against order in 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 about 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 arbitration. 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.
12. R. Krishnaiah and others (hereinafter referred to as "the Petitioners") have filed a Writ Petition No. 14690 of 2007 in the High Court of Karnataka against UBHL praying for a writ of Certiorari for setting aside the award given by the Industrial Tribunal, Bangalore stating that the Petitioners were not directly in employment with UBHL and the writ of Mandamus directing UBHL to appoint the Petitioners as employees with full back wages, continuity of services and other consequential benefits. 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.



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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 Lakhs. 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 Lakhs 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.

15. Civil Suit No.1067 of 2008 filed by Dr. Mallya & Others in the High Court of Judicature at Bombay

Dr. Vijay Mallya and other Companies viz., United Breweries (Holdings) Limited, United Spirits Limited, Mallya Private Limited, Kamsco Industries Private Limited, Gem Investment & Trading Company Private Limited, Devi Investments Private Limited, Pharma Trading Company Private Limited, Vittal Investments Private Limited, McDowell Holdings Limited ((collectively "the Plaintiffs") have filed a suit bearing No.1067 of 2008 in the High Court of Judicature at Bombay against Scottish & Newcastle Plc., Scottish & Newcastle India Limited, Scottish & Newcastle India Private Limited, Scottish Courage Limited (collectively "S&N Group"), Sunrise Acquisitions Limited, Carlsberg A/S, Heineken NV, Heineken Holding NV, (collectively "Heineken Group") Mr. John Nicolson, Mr. John Simon Hunt, Mrs. Veronica Lesley Jackson and UBL inter alia,

- (a) for a declaration that upon takeover of S&N by the Heineken Group, the Shareholders Agreement and the personal rights and privileges granted to the S&N Group under the Articles of Association of UBL will stand terminated.
- (b) for a permanent order and injunction restraining the S&N Group or the Heineken Group from exercising any rights under the Shareholders Agreement or the personal rights and privileges granted to the S&N Group under the Articles of Association of UBL;
- (c) for a permanent order and injunction restraining Mr. John Nicolson, Mr. John Simon Hunt and Ms. Veronica Lesley Jackson from acting as or holding themselves out as Directors of UBL and from having any access to any record or information of UBL;
- (d) for a declaration that Mrs. Veronica Lesley Jackson has ceased to be the Chief Financial Officer of UBL and is disentitled to any access to any Confidential Information pertaining to UBL and for a permanent injunction restraining her from acting as or holding herself out as the Chief Financial Officer of UBL, and
- (e) for injunction restraining the above persons from having any access to any record or information of UBL or Mrs. Veronica Lesley Jackson acting as CFO of UBL or having any access to Confidential Information pertaining to UBL and from disclosing to any of the parties to the suit or any third party any Confidential Information pertaining to UBL.

Whilst the suit is yet to be heard, the S&N Group and the above named individuals have vigorously rejected these claims and are considering appropriate steps to be taken to contest these claims and to preserve their respective positions in relation to this matter



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 the 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 and Conciliation Act, 1996 in the Civil Court.

Civil Cases filed against UB Global

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.

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 Lakhs.
 - (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 Lakhs 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:

- (a) Whether for an Investment Company, Interest Income derived is income from business?
- (b) 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

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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:
 - (a) Upfront facility fees of Rs.300 lacs – whether allowable?
 - (b) Invocation of Guarantee of Rs.37.23 lacs – whether allowable?
 - (c) Depreciation on Aircraft of Rs.35.43 lacs - whether allowable?
 - (d) 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. As a sequel to the order of the Labour Commissioner, the Labour Union filed compliant no. 29709 of 2007 before the Magistrate's Court for prosecuting the Company for non-implementation of the award of the tribunal. The stay order of the High Court will be produced before the Magistrate.

SCOTTISH & NEWCASTLE PLC:

Contingent Liabilities as of December 31, 2006

Company law in the United Kingdom requires the directors of S&N to prepare consolidated financial statements relating to the S&N group in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS"). Having regard to the various standards set out in IFRS, the contingent liabilities of the S&N group as at December 31, 2006 were GBP 69 million. These contingent liabilities relate to certain guarantees given by various members of the S&N group to third parties in the ordinary course of business.



Litigation instituted against Scottish & Newcastle plc

HM Revenue and Customs (“HMRC”) have raised four assessments for excise duty against S&N totalling approximately GB Pounds 2.5 million in respect of certain products which were delivered to a customer in France during the period between October 2001 and May 2002 on a duty suspended basis. HMRC allege that these products did not leave the United Kingdom and therefore should have attracted excise duty. S&N is contesting the assessments and an appeal hearing will be held in early 2008. S&N has concluded that it would not be appropriate to make a provision in respect of these assessments.

Civil case filed against Scottish & Newcastle plc.

Civil Suit No.1067 of 2008 filed by Dr. Mallya & Others in the High Court of Judicature at Bombay

Dr. Vijay Mallya and other Companies viz., United Breweries (Holdings) Limited, United Spirits Limited, Mallya Private Limited, Kamsco Industries Private Limited, Gem Investment & Trading Company Private Limited, Devi Investments Private Limited, Pharma Trading Company Private Limited, Vittal Investments Private Limited, McDowell Holdings Limited ((collectively “the Plaintiffs”) have filed a suit bearing No.1067 of 2008 in the High Court of Judicature at Bombay against Scottish & Newcastle Plc., Scottish & Newcastle India Limited, Scottish & Newcastle India Private Limited, Scottish Courage Limited (collectively “S&N Group”), Sunrise Acquisitions Limited, Carlsberg A/S, Heineken NV, Heineken Holding NV, (collectively “Heineken Group”) Mr. John Nicolson, Mr. John Simon Hunt, Mrs. Veronica Lesley Jackson and UBL inter alia,

- (a) for a declaration that upon takeover of S&N by the Heineken Group, the Shareholders Agreement and the personal rights and privileges granted to the S&N Group under the Articles of Association of UBL will stand terminated.
- (b) for a permanent order and injunction restraining the S&N Group or the Heineken Group from exercising any rights under the Shareholders Agreement or the personal rights and privileges granted to the S&N Group under the Articles of Association of UBL;
- (c) for a permanent order and injunction restraining Mr. John Nicolson, Mr. John Simon Hunt and Ms. Veronica Lesley Jackson from acting as or holding themselves out as Directors of UBL and from having any access to any record or information of UBL;
- (d) for a declaration that Mrs. Veronica Lesley Jackson has ceased to be the Chief Financial Officer of UBL and is disentitled to any access to any Confidential Information pertaining to UBL and for a permanent injunction restraining her from acting as or holding herself out as the Chief Financial Officer of UBL, and
- (e) for injunction restraining the above persons from having any access to any record or information of UBL or Mrs. Veronica Lesley Jackson acting as CFO of UBL or having any access to Confidential Information pertaining to UBL and from disclosing to any of the parties to the suit or any third party any Confidential Information pertaining to UBL.

Whilst the suit is yet to be heard, the S&N Group and the above named individuals have vigorously rejected these claims and are considering appropriate steps to be taken to contest these claims and to preserve their respective positions in relation to this matter

SHAW WALLACE & COMPANY LIMITED (“SWCL”)

Contingent Liabilities not provided for: The contingent liabilities as on March 31, 2007 was Rs. 915.9 Mn.

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 filed 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,

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- 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 criminal complaints are pending SWCL has recovered an amount of Rs.2,00,000/- out of the said Rs.8,00,000/-.
 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 IMF 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. 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 filled 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 Chaudhury 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 ex-parte 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.7,25120/. 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.



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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, demmurages 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.
 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 demmurages, 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.13,00,00,000/- 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 March 1, 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.35,17,000/- 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 Lakhs 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 September 30, 1995, however, the sale deed was executed only on July 30, 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 June 15, 2005 decreed the suit against Kamal Babbar and SWCL and directed them to pay the suit claim of Rs.74,02,000/- 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 of 05 and OSA 251 of 05 respectively. In the appeal filed by Kamal Babbar, High Court has granted stay subject to furnishing of security for the entire decreetal 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.6,00,00,000/- 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.4,00,000/- as the VSOP quarter bottle purchased by him contained a foreign object. The case is pending for hearing.
47. Claim Petition No. 280 of 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. 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.
55. 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.
56. 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.
57. 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.
58. 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. .
59. 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.
60. 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.
61. 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.
62. 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.

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63. 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.
 64. 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 mentios about 15 vessels that called under cruikshank agency b/w March 22, 1993 to July 6, 1993. The notice is pending adjudication.
 65. Customs notice no. F No.DAP/134/95-95-MCD dated March 5, 2004 was issued against SWCL for recovery of penalty of Rs.2,24,800/- for the alleged short landing of cargo. The notice is pending adjudication.
 66. 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 July 5, 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.1,92,000/- from the Court.
 67. 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 dated December 20, 2004, the rent controller fixed the fair rent at the rate of Rs.4,817/-. 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 dated December 20, 2004 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 Schduled premises was surrendered in Nov 2004. At present RCOP 30/92 and OS 48/05 is pending.
 68. 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.
 69. 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.
 70. 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.
 71. 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. GICPL 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.

72. 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. Rangajaun 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.
73. 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.
74. 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.
75. 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.
76. 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.
77. 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.
78. 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.

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79. 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.
80. 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 tenant) 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.
81. Title Suit No. 216 of 2006 has been filed before Guwahati Court by Smt. Kanta Devi Jain for ejection 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.
82. 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.
83. 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.
84. 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.
85. 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.
86. 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.
87. 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.
88. 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.

89. 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.
90. HSBC filed an O.A. No.203 of 1999 against Genelec Ltd. for recovery of a sum of Rs.16,94,93196.45 along with interest @ 16.5% p.a. from 1.8.1999 till realization. In the matter HSBC made SWCL a party because of the reason that amalgamation application was filed by SWCL which was sanctioned by BIFR. The company filed an application for expungement its name, but the same was disallowed. In the matter lawyer for the Bank submitted that no claim has been made against SWCL. JP Morgan Chase Bank filed one substitution application in this matter in place of HSBC which was allowed. The said JPM Chase Bank filed one application for withdrawal of the case which is pending for hearing.
91. Allahabad Bank filed a suit No.213/02 for recovery for Rs.135,631,187/- against Genelec Ltd. in which they made SWCL a party on the plea that the scheme was filed by SWCL before BIFR which was sanctioned. The company filed an application for deletion of its name. The company has filed written statement also. The matter is pending.

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.

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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 decreetal amount and/or arrest. The matter is pending.
 15. 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.
 16. 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 Ex parte 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 IIInd 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/-.

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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/-.

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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 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.
6. 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 assessment 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.
34. An Appeal has been filed by the CIT(Central I), Calcutta against SWCL in the Calcutta High Court bearing ITA No.700 of 2007 challenging the order of ITAT dated 9th March 2007. The amount involved is Rs.25,70,31,944/- . The Appeal has been admitted and is pending.

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 Lakhs. 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.

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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 Lakhs. However, no papers are available with SWCL and even the status of these matters is not known.

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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 Lakhs . 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 tax liability involved is unascertainable. The Appeal has been admitted and is pending.

UNITED SPIRITS LIMITED (USL)

Contingent Liabilities not provided for: The contingent liabilities as on March 31, 2007 was Rs.1009.735 Mn.

Criminal Cases Filed against 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 Section 200 of Criminal Procedure Code filed against 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. Summons have been issued by the Court to Brilliant Entertainment and its Directors.

Civil Cases filed against USL

1. Civil Suit No. 82 of 2004 has been filed by Mrs. Saroja Lakhsmeshwar 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 for 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 whey 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, Tamil Nadu 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. Copy of the restraint order dated November 29, 2002, received on January 24, 2008 restraining USL from transferring plaintiff's (H V K Murthy) shares standing in the name(s) of Y V Girija Krishnamurthy jointly with H V K Murthy. Company had taken the same in their records. The matter is pending.
17. Mr. P. Thyagaraan has moved a Company Petition under Section 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 had 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 had fixed the date of hearing as December 27, 2007. The Company has filed Counter on January 7, 2008 and the petitioner filed re-joinder on January 23, 2008. The Company Law Board is yet to fix the next date of hearing.
18. Suit No. 6532 of 2006 was filed by Mysore Sales International Limited (MSIL) and others against USL, for recovery of Rs.81,73,000/- 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.1,19,75,000/- of USL and Rs.2,46,37,000/- 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.
20. Civil Suit No. 24 of 2008 has been filed by Bhaveshbhai Avlani against USL and others before 4th Additional Senior Civil Judge at Junagadh regarding fraudulent issue of duplicate share certificate to relative of plaintiff in respect of 122 shares held by him in USL. Injunction is sought to prevent the transfer of shares. The matter is pending.
21. Civil Suit No 24 of 2008 has been filed by Mr. Bhaveshbhai Dalichand Avlani against United Spirits Limited & Others (USL is the 1st Defendant) before the 4th Addl. Sr. Civil Judge at Junagadh for restraining from transferring 100 shares out of his name, not to deal with duplicate share certificate which the Defendant no.3 has managed to obtain by submitting the documents. 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 Communidada of Bethora against USL and Mr. Naguesh 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 Asanol 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.



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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 District, and 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. 15651 of 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 November 13, 1999. The said land is adjacent to Bengal Distilleries Company Limited, 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 Court granted show cause against AB Mauri. AB Mauri appeared in the suit and prayed for adjournment for filing their written statement and objection. They have also filed an application for production of original documents by USL. The matter is fixed on for filing objection.

23. Civil Suit No. 1067 of 2008 filed by Dr. Mallya & Others in the High Court of Judicature at Bombay

Dr. Vijay Mallya and other Companies viz., United Breweries (Holdings) Limited, United Spirits Limited, Mallya Private Limited, Kamsco Industries Private Limited, Gem Investment & Trading Company Private Limited, Devi Investments Private Limited, Pharma Trading Company Private Limited, Vittal Investments Private Limited, McDowell Holdings Limited ((collectively "the Plaintiffs") have filed a suit bearing No. 1067 of 2008 in the High Court of Judicature at Bombay against Scottish & Newcastle Plc., Scottish & Newcastle India Limited, Scottish & Newcastle India Private Limited, Scottish Courage Limited (collectively "S&N Group"), Sunrise Acquisitions Limited, Carlsberg A/S, Heineken NV, Heineken Holding NV, (collectively "Heineken Group") Mr. John Nicolson, Mr. John Simon Hunt, Mrs. Veronica Lesley Jackson and UBL inter alia,

- (a) for a declaration that upon takeover of S&N by the Heineken Group, the Shareholders Agreement and the personal rights and privileges granted to the S&N Group under the Articles of Association of UBL will stand terminated.
- (b) for a permanent order and injunction restraining the S&N Group or the Heineken Group from exercising any rights under the Shareholders Agreement or the personal rights and privileges granted to the S&N Group under the Articles of Association of UBL;
- (c) for a permanent order and injunction restraining Mr. John Nicolson, Mr. John Simon Hunt and Ms. Veronica Lesley Jackson from acting as or holding themselves out as Directors of UBL and from having any access to any record or information of UBL;
- (d) for a declaration that Mrs. Veronica Lesley Jackson has ceased to be the Chief Financial Officer of UBL and is disentitled to any access to any Confidential Information pertaining to UBL and for a permanent injunction restraining her from acting as or holding herself out as the Chief Financial Officer of UBL, and
- (e) for injunction restraining the above persons from having any access to any record or information of UBL or Mrs. Veronica Lesley Jackson acting as CFO of UBL or having any access to Confidential Information pertaining to UBL and from disclosing to any of the parties to the suit or any third party any Confidential Information pertaining to UBL.

Whilst the suit is yet to be heard, the S&N Group and the above named individuals have vigorously rejected these claims and are considering appropriate steps to be taken to contest these claims and to preserve their respective positions in relation to this matter

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 Redressal Forum at Murshidabad, Beharampur. 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 had 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 Sapthaini Distilleries Private Limited (since merged with USL) before II Additional Labour Court,

Bangalore claiming wages for lock-out period. The Amount involved is Rs.7,00,000/-. 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.90,000/-. 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 Sapthaini 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 Sapthaini Distilleries Private Limited to pay 40% of the wages as a pre-condition to stay the order, which Sapthaini Distilleries Private Limited have paid. The matter is pending for hearing.
6. Writ Petition No. 47407 of 2004 filed by the Management of Sapthagiri 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. Sapthagiri 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 of 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. 5,70,000/-. 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 July 24, 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.63,82,000/- . The matter came up on September 27, 2007 and was argued at length. Order dated February 14, 2008 has been passed rejecting the appeal and upholding previous order dated January 24, 2001. By their order no. A/219 to 227/WB/AHD/08 dated 27.9.07/ 14.2.08 CESTAT set aside the penalty of Rs.25 lacs.
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 March 31, 2001 fixed for 2001-2002. Accordingly, USL had submitted in the prescribed form the minimum ex-distillery price per quart case as on March 31, 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. 11,50,000/- . 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.1,39,28,000/- which was challenged by USL. The tax liability is Rs.35,50,000/- . The matter is pending.
5. 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.42,48,000/- .

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6. 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.19,53,000/-.
 7. 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.
 8. 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.
 9. 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.
 10. 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.43,30,000/-.
 11. 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.7,59,000/- and the relief sought is Rs.2,96,000/-
 12. 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.7,27,80,000/- and the relief sought is Rs.2,59,84,000/-.
 13. 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 disallowance of Rs.4,92,85,000/- of service charges. USL has filed cross objection in Tribunal at Indore on July 2, 2004. The amount involved is Rs.2,63,42,000/. The matter is pending.
 14. Excise Commissioner, Gwalior has demanded Rs.10,13,000/- 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.10,13,000/- of which Rs.5,03,000/- has been recovered from the transporter. The matter is pending.
 15. 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.2,45,000/. The matter is pending.
 16. 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. 3,35,000/- on USL towards excise duty on wastage of Recified 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.

17. 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.
18. 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.35,45,86,000/- + Rs.29,65,92,000/- + Rs.4,34,12,000/- and penalties is Rs.35,45,86,000/- + Rs.3,00,000/- + Rs.4,34,12,000/- . The Appeal has been admitted.
19. 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.1,44,98,000/- . The matter is pending.
20. A writ has been filed before the High Court of Madras (USL vs Commercial Tax Officer and Asst. Commissioner (CT) Zone VIII, Chennai) against the demand of Rs. 4060.88 lacs against USL by Assistant Commissioner of Commercial Taxes, Zone VIII for liability of ACI Limited, a company which was a subsidiary of SWCL. The High Court heard the writ petition on 3rd March, 2008. The Department counsel asked for two weeks times. The Court recorded the assurance given by the department counsel that no coercive steps would be taken by the department and granted two weeks time.

Tax Cases Filed By USL

1. Excise Commissioner had imposed a penalty of Rs.4,24,000/- 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.



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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.1,60,000/- . 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.29,961/- . 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 Sprit 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.

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- 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.20,54,000/-.
 - 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.6,35,12,000/-. 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.9,52,62,000/-. The tax relief sought is Rs.3,41,70,000/-. – 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.21,59,000/-.

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. 93,000/- for the year 1980-81 and Rs. 2,06,000/- 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. 2,21,000/-. 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.
55. West Bengal Foreign Liquor Manufacturers, Wholesales and Bonders Association & another have filed a Petition No.477 of 2007 against the Secretary of Excise Department and Excise Commissioner of Government of West Bengal, before the West Bengal Taxation Tribunal, Kolkata, challenging a circular No.4E of 2006 - 2007 dated 21st June, 2007 and related circulars dated 7th July 2007 and 18th June 2007 issued by the West Bengal Excise Authorities wherein certain additional conditions were imposed for obtaining the import permit and certain additional duties were levied. USL, being a member of above petitioner Society has filed an application with the Tribunal on 31st January 2008 asking leave to make certain submissions in the matter and to be impleaded as a party in the above petition. The Matter is pending. The company has decided to file an application along with the affidavit that the company is not facing any difficulties in carrying on business under the prevailing Excise laws. The company is very much aware of the fact that non-utilization of full capacity of a vessel or vehicle unused in the import of spirit in bulk or in the import of bottled foreign liquor is resorted to by unscrupulous persons for utilization of the available empty space for unscrupulous / unlawful purposes.
56. Orissa State Beverages Corporation Limited (OSBCL) raised debit notes on McDowell & Co. (now USL) and erstwhile subsidiaries of USL (now merged with USL) towards service tax paid by them for 1.4.2006 to 28.2.2007 on the wholesale margin for a sum of Rs.88.19 lacs. Writ Petition no. W.P. (C) No. 260 of 2008 was filed in the High Court of Orissa, Cuttack against The Union of India, Government of Orissa, Commissioner of Central Excise and OSBCL to quash the impugned recovery made by OSBCL and to issue a writ of prohibition restraining the opposite parties from levying service tax and to direct OSBCL to refund amounts arbitrarily deducted. Orissa High Court vide its order dated 30.1.2008 issued notice and has listed the case for final disposal at the stage of admission.

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 Redressal 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 bee 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 February 18, 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 09/2001, 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.5,70,000/- on TDV @5% on Rs.11,40,000/- received from Sir Shadi Lal 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.5,70,218/- 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.



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2. Trade Tax Department raised demand of Rs.26,44,759/- 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 Rs.2,00,000/- 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.1,31,70,000/. Scotch & Company has also filed a counter claim against SWDL for Rs. 7,84,70,000/. 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.



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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.12,13,000/- 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.1,98,000/-. 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.4,64,000/-. 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.77,25,000/-. 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.31,94,000/-. 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.9,38,000/-. 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. 4,09,48,000/-. 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. 51,55,000/- as penalty on electricity shared with SAB MILLER INDIA (earlier known as SKOL Breweries) for the period November, 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 July 8, 2008. The High court modified the earlier order 05.10.07 vide its order dated 11.01.08 to the extent that instead of U P Electricity Regulatory Commission Lucknow, the Consumer Redressal Forum is a competent for

redressal of Grievance. Accordingly based on the High Court order THE COMPANY filed an application before the Consumer Grievance Redressal Forum Meerut Cicle- Meerut on 30.01.08.

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.Agarwal (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

- 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

- 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 June 6, 2003 whereby SWDL was acquitted from charges. The matter is pending.

2. 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.
3. 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.Rahimuddin 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.5,00,000/- each issued by ST. The matter is pending.



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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.1,74,64,000/. 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. 22,22,70,000/- and the tax relief sought is Rs.7,97,39,000/-.

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.



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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 Ist, 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.
 18. 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.
 19. 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.
 20. 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.
 21. 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.
 22. 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.
 23. 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.
 24. 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.
 25. 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.
 26. 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.

27. 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.
28. 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.
29. 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.
30. 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.
31. 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.
32. 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.
33. 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.
34. 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.
35. 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.
36. 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.
37. 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.
38. 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.
39. 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.
40. 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.



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41. 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.
 42. 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.
 43. 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.
 44. 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.
 45. 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.
 46. 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.
 47. 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.20,00,000/- 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. The application has been allowed vide order dated February 07, 2008.

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.

AVENTIS PHARMA LIMITED ("APL")

The details of the pending litigations APL were as follows:

Contingent Liabilities not provided: Nil amount has been shown in the Annual Accounts of APL for 2007 as contingent liability for all items other than tax demands.

Labour Court cases filed by or against APL as on January 31, 2008 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	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	23-Jun-07	Award passed on 23rd June 2007 from Labour Court's office in Company's favour. Only Legal dues amounting to Rs.47,000/- to be paid to Mr. Ashok Mane. - Order received.
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 in progress.
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	Unauthoris edly holding company's property	15-Feb-08	Ex-Staffs have filed Appeal against the Magistrate Order in the Sessions Court. Appeal being defended by APL. Next hearing 15.2.2008.
4	Madan & Goryia - Med Rep	Company has filed against two Ex MRs upon decision from Labour Authority on claim submitted by the two Ex MRs. (Discipline	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.



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	Matter pending in the Court.
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	Fixed for hearing on 15.2.08.	Judge will commence hearing of our plea of Non-employees and Time barred.
9	Raymond D'Cruz & 20 others	Against APL -2007	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 27-02-08	Adjourned to 27.02.2008 for filling Company's reply.

Excise, Customs, Civil and Consumer court cases filed by or against APL as on January 31, 2008 are as follows:

Sr. No.	Name of Party	Filed by or against APL	Amount Claimed (Rs.)	Type of Case filed Civil / Criminal / Tax	Current status
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.

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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 13/03/08
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	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, the company 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.			
		In the meantime, a Committee was constituted by the Government to determine the liabilities of the Drug Companies. The Company 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.			

Income Tax and Sales Tax cases filed by or against APL as on December 31, 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)	Appeal is partly allowed in favour of the

						company vide Order dated 26th March 2007. Order giving effect 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	-----do-----	Appeal is partly allowed in favour of the company vide Order dated 26th March 2007. Order giving effect is awaited.
2	Dy CIT, Spl Range 1, Mumbai	1987-88	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	-----do-----	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	-----do-----	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)	Case transferred to L Bench on 25.10.07. Fresh notice of hearing from L Bench is awaited.
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	-----do-----	Case transferred to L Bench on 25.10.07. Fresh notice of hearing from L Bench is awaited.
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	-----do-----	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. Order giving effect to ITAT order is awaited.
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	-----do-----	Order is received on 28th May 2007. All matters are decided in favour. Order giving effect to ITAT order is awaited.
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	-----do-----	Case transferred to L Bench on 22.11.07. Fresh notice of hearing from L Bench 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	-----do-----	Case transferred to L Bench on 22.11.07. Fresh notice of hearing from L Bench is awaited.

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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. Order giving effect to ITAT order is awaited.
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	-----do-----	Order is received on 28th May 2007. All matters are decided in favour. Order giving effect to ITAT order is awaited.
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	-----do-----	Case transferred to L Bench on 22nd Nov 07. Fresh notice of hearing from L Bench 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	-----do-----	Case transferred to L Bench on 22.11.07. Fresh notice of hearing from L Bench 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)	Case transferred to L Bench on 5.11.07. Fresh notice of hearing from L Bench is awaited.
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	-----do-----	Case transferred to L Bench on 5.11.07. Fresh notice of hearing from L Bench is awaited.
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	-----do-----	Case transferred to L Bench on 22.11.07. Fresh notice of hearing from L Bench 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)	Case transferred to L Bench on 22.11.07. Fresh notice of hearing from L Bench 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	-----do-----	Case transferred to L Bench on 22.11.07. Fresh notice of hearing from L Bench 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)	Case transferred to L Bench on 22.11.07. Fresh notice of hearing from L Bench is awaited.
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	-----do-----	Case transferred to L Bench on 22.11.07. Fresh notice of hearing from L Bench is awaited.
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	-----do-----	Case transferred to L Bench on 22.11.07. Fresh notice of hearing from L Bench is awaited.
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	-----do-----	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)	Blocked for hearing for 4 months on 16.10.07. Fresh Notice of hearing is awaited.
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)	Blocked for hearing for 4 months on 16.10.07.

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						Fresh Notice of hearing is awaited.
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 APL)	Rs.1.5 mio	Appeal against the order of Commissioner of Income Tax (Appeals)	Not Fixed for hearing.
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.	Appeal of the Tax Dept was dismissed at the time of addmission on 24.10.2007.



21	Comm. Of Income Tax-8, Mumbai	1985-86	By the Tax dept. (Appeal No.1117 of 2004)	Amount will be computed on receipt of the Order	Appeal filed by Tax Dept. in Bombay HC against the order of Income Tax Appellate Tribunal	Appeal was admitted on 24.10. 2007 only with reference to a question whether turnover of Kandla Free Trade Zone would qualify for deduction u/s 80HHC since its profit was exempt u/s 10A. All other questions were not admitted.
22	Comm. Of Income Tax-I, Mumbai	1983-84	By the Tax dept. (Income Tax Reference No.364 of 1997) arising out of ITA No. 4490/Bom/1986	Amount will be computed on receipt of the Order	Appeal filed by Tax Dept. in Bombay HC against the order of Income Tax Appellate Tribunal	Tax Dept. has filed Reference Application raising 3 questions to the Bombay High Court for their opinion. It was served on APL on 18.10.2007. The matter has been handed over to Kanga & Co., Solicitors & Advocates.
23	Dy CIT, Range 8(1) Mumbai	1986-87 (Penalty u/s 271(1))	Filed by the Co before CIT (Appeals) VIII, Mumbai.	Rs. 2.8 mio	Appeal against the Penalty Order passed by the Dy CIT, Range 8(1)	New Appeal filed on 22.1. 2008.
24	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	Appeal decided in favour of APL. Refund order is received and refund advise is awaited.
25	State of Karnataka	1999-00	Filed by the Co. in the Sales Tax Tribunal, Bangalore	Rs. 1.7 mio	Not fixed for hearing.	Hearing fixed in February 2008.
26	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.
27	Jt. Comm of Sales Tax, Ankleshwar	2000	Filed by the Co. before Jt. Comm. of Sales Tax (Appeals),	Rs. 1.0 mio	Fixed for hearing on 11th April 2007.	Hearing adjourned.

			Vadodra			
28	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.
29	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.
30	Asst. Comm. Of Sales Tax, West Bengal	2004-05	Filed by the Co. before the Addl. Comm. of Commercial Tax, West Bengal	Rs.0.2 mio	Appeal against the Assessment Order	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
- Details of plant closure and labour unrest: NIL
- Guarantees given: Export commitment to be fulfilled under EPCG and Advance Licence scheme as for Rs. 1313 lacs.
- 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 UBL due to the litigations.

DECCAN AVIATION LIMITED (DAL)

Contingent Liabilities (not provided): The Contingent Liabilities, including capital commitment amounting to Rs. 7147.33 crores as on December 31, 2007.

Cases filed against Deccan Aviation Limited**Consumer Cases against Deccan Aviation Limited**

1. Amir Sultan has filed a Complaint against DAL bearing Complaint No. 04 of 2006 before the District Consumer Disputes Redressal Forum, Madurai. It is alleged in the Complaint that the Complainant was booked on the Chennai-Madurai flight. However, the incoming flight was delayed due to bird hit. Hence, the flight departing from Chennai to Madurai was also delayed. The Complainant has filed a claim for Rs. 3,50,000/- . The matter is pending.
2. Arvind Joshi and others have filed a Complaint against DAL and another bearing Complaint No. 73 of 2005 before the District Consumer Disputes Redressal Forum, Chennai. It has been alleged in the Complaint that the Complainants were booked on Belgaum-Bangalore -Chennai flight. However the Belgaum-Bangalore flight was cancelled due to technical reasons as a result of which they failed to get their connecting flight. Therefore, the Complainants have filed a claim for Rs.1,31,649/- . The matter is pending.
3. N. Chandrashekhar has filed a Complaint against DAL bearing Complaint No. 157 of 2005 before the District Consumer Disputes Redressal Forum, Mumbai. It has been alleged in the Complaint that the Complainant was booked on Bombay-Chennai flight. However the route was temporarily cancelled in

advance but no intimation of the same was given to Complainant. The Complainant has filed a claim for Rs.25,400/- . The matter is pending.

4. C.V. Francis and another have filed a Complaint against DAL and others bearing Complaint No. 662 of 2005 before the District Consumer Disputes Redressal Forum, Delhi. It has been alleged in the Complaint that the Complainants were booked on the Delhi- Bangalore flight which was cancelled due to bad weather. The Complainants were also promised complimentary tickets from Bangalore to Delhi but were not allowed to board the flight on the ground that it was full. The Complainants have filed a claim for Rs.1,00,000/- plus interest @12% p.a. till realisation. The matter is pending.
5. Mafatbhai C. Chauhan and others have filed a Complaint against DAL and another bearing Complaint No. 117 of 2005 before the District Consumer Disputes Redressal Forum, Bharuch. It has been alleged in the Complaint that the Complainants booked Delhi-Baghdogra-Delhi flight. The flight was cancelled. Complainants traveled by another airlines and spent Rs.1,35,686.00. The Complainants have filed a claim for Rs.7,55,686/- . The matter is pending.
6. Sanjay Kumar Jain has, filed a Complaint against DAL and others bearing Complaint No. 24 of 2005 before the District Consumer Disputes Redressal Forum, Dibrugarh, Assam. It has been alleged in the Complaint that the Complainant traveled from Dibrugarh to Delhi and upon reaching Delhi the Complainant found that out of his four checked in baggages, one baggage was missing. The Complainant has filed a claim for Rs. 4,57,200/- . The matter is pending.
7. D. Venkatsubramaniam filed a Complaint against DAL and another bearing Complaint No. 274 of 2005 before the District Consumer Disputes Redressal Forum, Chennai (South). It is alleged in the Complaint that the Complainant was booked on flight departing Hyderabad Chennai scheduled at 21. 00 hours which was delayed. Complainant reached the airport within last ½ hour. Hence, he was not allowed to board the flight. The Complainant has filed a claim for Rs. 66,000/- . Thereafter, Appeal filed by D. Venkatsubramaniam before the State Consumer Redressal Commission in Chennai bearing Appeal No.611 of 2005. The matter is pending.
8. Chandrakant Sheth has filed a Complaint against DAL and another bearing Complaint No. 4 of 2006 before the District Consumer Disputes Redressal Forum, Jamshedpur, East Singhbhum. It has been alleged in the Complaint that the Complainant was denied boarding on flight. Therefore, the Complainant has filed a claim for Rs. 56,607/- . The matter is pending.
9. Ketan Dedhia has filed a Complaint against DAL bearing Complaint No. 582 of 2005 before the District Consumer Disputes Redressal Forum, Mumbai. It is alleged in the Complaint that the Complainant booked tickets for Madurai to Bangalore and on reaching the airport he was told that the said flight was cancelled. The Complainant has filed a claim for Rs.96,468/- plus interest on Rs.8,228 @ 12% p.a. from December 10, 2003 till realisation. The matter is pending.
10. P. Gopal Krishna and others have filed a Complaint against DAL bearing Complaint No 07 of 2006 before the District Consumer Disputes Redressal Forum, Coimbatore. It is alleged in the Complaint that the Complainant had booked air ticket for Chennai to Mumbai. The Complainant received information on his phone, 10 days prior to journey that the said flight was cancelled. The Complainant has filed a claim for Rs. 46,414/. The matter is pending.
11. Upasana Sharma had filed a Complaint against DAL bearing Complaint No. 14 of 2006 before the District Consumer Disputes Redressal Forum, Dehradun. It was alleged in the Complaint that the Complainant had booked tickets from Delhi to Dehradun and when she reached airport she was told that the said flight had already departed. Therefore, the Complainant had filed a claim for Rs. 93,450/- The District Forum allowed the complaint directing DAL to pay a total sum of Rs.4,575/- by Order dated 27th January, 2006. The Decree Holder has filed this Execution petition for the recovery of the said amount. The matter is pending.
12. Rakesh Kumar Tiwari has filed a Complaint against DAL bearing Complaint No. 46 of 2006 before the District Consumer Disputes Redressal Forum, Raipur. It is alleged in the Complaint that the Complainant booked from Raipur -Kolkata – Raipur. He was informed that the said flight was cancelled.

The Complainant has filed a claim for Rs. 1,00,000/- with interest @ 12% p.a. from date of filing of the Complaint till realization. The matter is pending.

13. A.D. Agarwal has on September 5, 2005, filed a Complaint against DAL and others being Complaint No.576 of 2006 before the District Consumer Disputes Redressal Forum, Bhopal It is alleged in the Complaint that the Complainant had availed services of helicopter from Batlal- Amarnath, which were not provided by DAL. The Complainant has filed a claim for Rs.18,05,000/- towards compensation and other expenses. DAL has filed its written statement. The matter is pending.
14. Kiran Srivastava has filed a Complaint against DAL bearing Complaint No. 131 of 2006 before the District Consumer Disputes Redressal Forum, Mumbai. It is alleged in the Complaint that the Complainant was booked on Mumbai to Ahmedabad and the said flight was canceled after the Complainant waited at the airport for the flight. The Complainant has filed a claim for Rs. 4,00,000/. The matter is pending.
15. Gautam Banik and 7 others have filed a Complaint bearing Complaint No. 32 of 2006 against DAL before the District Consumer Disputes Redressal Forum, Agartala (Tripura). It has been alleged in the Complaint that the Complainants booked 16 tickets through Travel Agent and got the same cancelled. In spite of repeated requests and personal visits to the office of the travel agent, travel agent did not refund Rs.29,618/. Therefore, the Complainants have filed a Complaint for refund of the ticket amount and compensation, aggregating to Rs.89,618/. The matter is pending.
16. Sandesh Yadav has filed a Complaint bearing Complaint No. 417 of 2006 against DAL before the District Consumer Disputes Redressal Forum Jaipur (Rajasthan). It has been alleged in the Complaint that the Complainant booked 5 tickets for Gauhati-Baghdogra sector. The departure of the flight was 3 PM and he reached at airport at 12.30 PM but he was informed at the airport that flight had already taken off at 11 AM. The Complainant has alleged that he was not informed about rescheduling and his refund of the cost of ticket was also made after deduction of Rs.515/. Therefore, The Complainant has filed a claim for Rs. 95,624/. The matter is pending.
17. Yogesh Saxena has filed a Complaint against DAL bearing Complaint No. 418 of 2006 before the District Consumer Disputes Redressal Forum, Jaipur (Rajasthan). It has been alleged in the Complaint that the Complainant booked 4 tickets for Gauhati-Baghdogra sector. The departure of the flight was 3 PM and he reached at airport at 12.30 PM but he was informed at the airport that flight had already departed at 11AM. The Complainant has alleged that he was not informed about rescheduling and his refund was also made after deduction of Rs.381/. Therefore, the Complainant has filed a claim for Rs. 95,331/. The matter is pending.
18. Swamy Akhileshwar has filed a Complaint against DAL and Another bearing Complaint No. 141 of 2006 before the District Consumer Disputes Redressal Forum, Faridabad. It is alleged in the Complaint that the Complainant had booked air tickets from Delhi to Jabalpur. The said flight halted at Bhopal and there the Complainant was informed that the said flight was cancelled. The Complainant has filed a claim for Rs. 1,02,950/. The matter is pending.
19. Maharamvir Sharma, Advocate, has filed a Complaint against DAL bearing Complaint No. 138 of 2006 before the District Consumer Disputes Redressal Forum, Shimla. It is alleged in the Complaint that the Complainant had booked air tickets from Delhi to Bhopal. When he reached airport he learnt that the said flight was cancelled. The Complainant has filed a claim for Rs.15, 999/. The matter has been settled and the Court has directed DAL to pay an amount of Rs.999/- at the rate of 9% p.a. w.e.f. 14.6.2006 to 20.6.2006 along with the litigation cost of Rs.1,000/-.
20. Bala Lakhender has filed a Complaint against DAL bearing Complaint No.128 of 2006 before the District Consumer Disputes Redressal Forum, Varanasi. It is alleged in the Complaint that the Complainant booked air tickets from Kolkata to Baghdogra. The Scheduled departure was at 12.noon but when the Complainant reached airport he was informed that the said flight has already departed at 6.00 in the morning because of rescheduling by airport authorities. The Complainant has filed a claim for Rs.37,640/. The matter is pending.

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21. Paul Attokaran & others have filed a Complaint against DAL and others bearing Complaint No. 365 of 2006 before the District Consumer Disputes Redressal Forum, Trichur. It is alleged in the Complaint that the Complainant purchased air tickets from Bangalore to Cochin. When the Complainant went to airport, he was informed that the said flight was delayed and the Complainant went home and when he came back he was informed that the said flight had already departed on schedule. The Complainant has filed a claim for Rs.1,57,977/- The matter is pending.
 22. Susanta Das has filed a Complaint against DAL and others bearing Complaint No. 48 of 2006 before the District Consumer Disputes Redressal Forum, Tripura, Agartala. It is alleged in the Complaint that the Complainant had purchased air ticket from Kolkata to Agartala. Mukta Varieties (Agent), Tripura offered Complainant 2 return tickets of DAL for Kolkata-Agartala-Kolkata sector for Rs. 6084/- However, inspite of payment of Rs.993 extra, he was given 2 one way tickets only. The allegation is that the proprietors of Dey Tour & Travels, Saha Tour & Travel and Mukta Varieties deceived him and DAL also committed deficiency in service. Hence, the Complainant has filed a claim for Rs. 1,39,042/- The matter is pending.
 23. Gautam Acharya had filed a Complaint against DAL bearing Complaint No.154 of 2006 before the District Consumer Disputes Redressal Forum, Cuttak. The booked 1 ticket to travel from Delhi to Bangalore. He was informed on 5.1.2006 (1 day in advance) that flight cancelled due to bad weather. He was denied refund at Delhi airport. His allegation was that he flew by Spice Jet on the same day so bad weather pretext given by the Company was false. Alleged unfair trade practice. The Complainant had filed a claim for Rs.2,13,729/. The final order has since been passed on October 11, 2007 and DAL was ordered to pay differential airfare of Rs.3,141/- and 50,000/- as compensation for mental agony. The Decree Holder has filed this Execution Petition No. 48 of 2007 for the recovery of the said amount. DAL has filed an Appeal before the State Commission, Cuttack challenging above order. The matter is pending.
 24. Satyanarayan Minda has filed a Complaint against DAL and another bearing Complaint No.528 of 2006 before the District Consumer Disputes Redressal Forum, Hyderabad. The Complainant booked 4 tickets to travel from Hyderabad to Delhi. Delhi to Hyderabad flight was cancelled on March 3, 2006. The Complainant has filed a claim for Rs.37,089/- plus interest @ 18% p.a. plus cost of the Complaint . The matter is pending.
 25. S. Kesavulu Reddy has filed a Complaint against DAL & another bearing Complaint No. 428 of 2006 before the District Consumer Disputes Redressal Forum, Hyderabad. It is alleged in the Complaint that the Complainant booked 2 tickets for Delhi-Hyderabad sector. When he reached at the airport, he was informed that the flight had already taken off at 03.50 PM. The change in schedule was allegedly made without any intimation to him. Hence, the Complainant has filed a claim for Rs. 5,13,200/-. By Order dated August 31,2007 passed by the District Consumer Disputes Redressal Forum, directed DAL to pay Rs.11,178 plus interest @ 12% p.a. as penalty in case of failure to comply with the order. Appeal to above order is being filed in the Andhra Pradesh Commission. The Complaint is disposed with a direction to pay Rs.11,178/. DAL has preferred an Appeal against the direction. The Appeal is pending.
 26. Proniti Sarmah & Ors. have filed a Complaint against DAL and another bearing Complaint No. 66 of 2006 before the District Consumer Disputes Redressal Forum, Kamrup, Guhati. It is alleged in the Complaint that the Complainant booked confirmed tickets for 3 passengers for Bangalore - Delhi and Delhi-Gauhati sectors to travel on both tickets. But they were not allowed to board on Flight. as there was no reservation against their tickets and complainants were accommodated in next day's flight. . However, the Complainants could not be accommodated in the said flight as it was full. Therefore, full refund was enabled and the Complainants have also received the refund without prejudice. The Complainant has filed a claim for Rs.2,21,862/-. The matter is pending.
 27. N. G. R. Prasad and another has filed a Complaint against DAL and another bearing Complaint No. 338 of, 2006 before the District Consumer Disputes Redressal Forum, Chennai (South). It is alleged in the Complaint that the Complainant had booked 2 tickets to travel from Madurai to Chennai. They checked-in and also boarded the flight but passengers were asked to vacate as flights were cancelled due to technical failure. Hence. the Complainant has filed a claim for Rs.1,20,428/-. The matter is pending.

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28. Nargis Haque has filed a Complaint against DAL and others bearing Complaint No. 134 of 2006 before the District Consumer Disputes Redressal Forum, Cuttack. It is alleged in the Complaint that the Complainant booked two tickets against payment of Rs. 8,771/- through Agent to travel from Bhubaneshwar to Kolkata and Kolkata to Bangalore. . The flight from Bhubaneshwar was delayed. As such she lost out on her competitive exam in Bangalore. She was informed that the refund will be made by the booking agent only; however, in spite of various demands the agent also didn't refund the amount. The Complainant got her tickets cancelled. Hence, the Complainant has filed a claim for Rs. 58,771/-. Final Order is passed and Complaint dismissed.
29. V.Ganesh has filed a Complaint against DAL and others bearing Complaint No. 551 of 2006 before the District Consumer Disputes Redressal Forum, Thrissur. It is alleged in the Complaint that the Complainant booked one ticket to travel from Kolkata to Thrissur. When he landed at Chennai airport he didn't receive his baggage. Hence, the Complainant has filed a claim for Rs. 31,000/-. The matter is pending.
30. Bhim Sen Bagga & Others have filed a Complaint against DAL being Complaint No. 295 of 2006 before the District Consumer Disputes Redressal Forum, Mumbai Suburban District, Mumbai. It is alleged in the Complaint that there was deficiency in service by DAL in handling the Complainant's wife who was wheelchair passenger and loss of baggage. Hence, the Complainant has filed a claim for Rs.18,20,000/- towards compensation and other expenses. DAL has filed its written statement and affidavit in evidence. The matter is pending.
31. Rajamanikam has filed a Complaint against DAL being Complaint No. 119 of 2006 before the District Consumer Disputes Redressal Forum, Coimbatore. It is alleged in the Complaint that the Complainants booked a ticket to travel from Coimbatore to Chennai. The flight was cancelled due to operational reasons. Hence the Complainants have filed a claim for Rs. 10, 19,192/- as compensation and other expenses. DAL has filed its written statement and affidavit in evidence. The matter is pending.
32. Ramkesh Meena has filed a Complaint against DAL bearing Complaint No. 22 of 2006 before the District Consumer Disputes Redressal Forum, Udaipur. It is alleged in the Complaint that the Complainant booked one confirmed ticket to travel on Delhi-Kolkata sector. He requested DAL for cancellation of the said ticket by e-mail and fax and requested to refund. Since he didn't receive his refund, the Complainant has filed a claim for Rs.11,301/-. Complaint allowed directing 50% of refund amount and compensation totaling to Rs.2,301/- which is to be paid jointly and severally by DAL and Reliance web world. Compliance is pending.
33. R.Jagdeesh has filed a Complaint against DAL bearing Complaint No. 121 of 2006 before the District Consumer Disputes Redressal Forum, Nellore. It is alleged in the Complaint that the Complainant is a resident of Santhapet, Nellore. He booked air ticket to travel from Chennai to Ahmedabad Sector. The flight was cancelled. Complainant alleges that he was not informed about the cancellation of flight. Hence, the Complainant has filed a claim for Rs.55,000/-. The matter is pending.
34. Rajat Goyal has filed a Complaint against DAL and another bearing Complaint No. 426 of 2006 before the District Consumer Disputes Redressal Forum, Faridabad. It is alleged in the Complaint that the Complainant booked air ticket to travel from Amritsar to Delhi. The Complainant received SMS that the flight was rescheduled. When the Complainant reached Airport to board the flight DAL Officials informed her that the flight has been cancelled and the said flight would depart the next day. Hence, the Complainant has filed a claim for Rs. 35,000/-. The matter is pending.
35. Gayatri Devi has filed a Complaint against DAL and another bearing Complaint No. 422 of 2006 before the District Consumer Disputes Redressal Forum, Faridabad. It is alleged in the Complaint that the Complainant booked air tickets to travel from Amritsar to Delhi along with her daughter. The Complainant received a text message that the flight was rescheduled. When the Complainant reached Airport DAL Officials informed her that the flight has been cancelled and the said flight would depart the next day. Hence, the Complainant has filed a claim for Rs. 35,000/-. The matter is pending.
36. K. K. Kaul has filed a Complaint against DAL bearing Complaint No. 378 of 2006 before the District Consumer Disputes Redressal Forum, Jabalpur. It is alleged in the Complaint that the Complainant booked an air ticket for his daughter -in- law to travel from Delhi to Jabalpur. When the passenger

reached Delhi Airport at about 45 minutes before departure of said flight on the date of travel, DAL officials denied boarding to her on the ground that flight was over booked. The Complainant has filed a claim for Rs.1,60,500/- . The matter is pending.

37. Wali Zahor has filed a Complaint against DAL before the District Consumer Disputes Redressal Forum, Srinagar . It is alleged in the Complaint that the traveled from Bangalore to Sringar along with three baggages however, DAL break down the journey of the Complainant at Delhi Airport for change of Aircraft. The Complainant alleges that he did not receive one baggage. Hence, the Complainant has filed a claim for Rs. 1,26,000/- The matter is pending.
38. Chand Begum Zahoor has filed a Complaint against DAL bearing Complaint No.244 of 2006 before the District Consumer Disputes Redressal Forum, Thiruvananthapuram. It is alleged in the Complaint that the Complainants booked air tickets to travel from Chennai to Thiruvananthapuram. The Complainants not allowed to board the flight on the ground that their tickets are cancelled. Hence, the Complainant has filed a claim for Rs.1,15,000/- . The matter is pending.
39. Smita Paresh Shah has filed a Complaint against DAL bearing Complaint No.390 of2006 before the District Consumer Disputes Redressal Forum, Mumbai. Complainant and she didn't receive one of her check in baggage. Hence, The Complainant has filed a claim for Rs.74,000/- . The matter is pending.
40. Bimal Kapoor has filed a Complaint against DAL bearing Complaint No. 257 of2006 before the District Consumer Disputes Redressal Forum, Kolkata. It is alleged in the Complaint that the Complainant traveled from Kolkata to Delhi along with one check-in baggage which he didn't receive. Hence, the Complainant has filed a claim for Rs.59,000/- . The matter is pending.
41. Subhash Khandelwal has filed a Complaint against DAL being Complaint No. 382 of 2006 before the District Consumer Disputes Redressal Forum, Suburban District, Mumbai. It is alleged in the Complaint that the Complainant booked air ticket from Kolkata to Mumbai. The flight was cancelled. Hence, the Complainant filed a claim for Rs. 5,00,000/- as compensation and related expenses. DAL has filed its written statement. The matter is pending.
42. Atul Deshpande has filed a Complaint against DAL and Another bearing Complaint No. 393 of 2006 before the District Consumer Disputes Redressal Forum, Mumbai. It is alleged in the Complaint that the Complainant booked air tickets to travel from Mumbai to Coimbatore. When the Complainant reached the Airport to board the flight on the scheduled date, he was informed by the DAL officials that his ticket is cancelled and he could not board the flight. Hence, the Complainant has filed a claim for Rs. 45,000/-, with interest @ 18% p.a from November 22, 2005 onwards till date. The matter is pending.
43. Soloman has filed a Complaint against DAL bearing Complaint No. 46 of 2006 before the District Consumer Disputes Redressal Forum, Port Blair. It is alleged in the Complaint that the Complainant traveled from Kolkata to Port Blair.. On board, he was given booklet consisting of wide range of products merchandised by A.V.A. Merchandising Pvt. Ltd, Delhi. He booked to purchase of two products but he didn't receive the delivery of the products so far. The Complainant has filed a claim for Rs. 4,59,180/- . The matter is disposed with a direction to pay a sum of Rs. 10000/- as compensation. This money is to be paid by AVA Merchandising and they have agreed to pay. DAL is told that the DD will be given to it by 26 or 27th December for DAL to comply with the order.
44. Samim Akthar Choudhary has filed a Complaint against DAL bearing Complaint No. 102 of 2006 before the District Consumer Disputes Redressal Forum, Kamrup. It is alleged in the Complaint that the Complainant traveled from Chennai to Kolkata he received only one baggage out of 5 baggage. Hence, the Complainant has filed a claim for Rs.1,06,000/- . The matter is pending.
45. Ram Ratan Agarwal has filed a Complaint against DAL bearing Complaint No. 101 of 2006 before the District Consumer Disputes Redressal Forum, Dehradun. It is alleged in the Complaint that booked his ticket to travel from Delhi to Mumbai When the Complainant reached at the Delhi Airport on scheduled date he came to know that flight has been cancelled. Hence, the Complainant has filed a claim for Rs.27,700/-The matter is pending.

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46. Navneet Jain has filed a Complaint against DAL bearing Complaint No. 699 of 2006 before the District Consumer Disputes Redressal Forum, Indore. It is alleged in the Complaint that the Complainant booked air ticket for 7 passengers to travel from Gangtok to Delhi. DAL cancelled the flight on the scheduled date. The Complainant has filed a claim for Rs. 40,935/- . The matter is pending.
 47. T. Rajaram has filed a Complaint against DAL bearing Complaint No. 151 of 2007 before the District Consumer Disputes Redressal Forum, Anantapur. It is alleged in the Complaint that the Complainant booked 3 tickets to travel from Puttaparthi to Chennai and Chennai to Puttaparthi . The Complainant also alleges that till date he has not received refund towards cancellation of tickets. Hence, the Complainant has filed a claim for Rs.49,662/- . Order dated 3rd October, 2007 was passed by the Forum with a direction to DAL to pay Rs.25,836/- DAL has preferred an Appeal, challenging the above order. The Appeal is pending.
 48. Nathmal Pujar and others have filed a Complaint against DAL being Complaint No. 151 of 2006 before the District Consumer Disputes Redressal Forum, 24- Paraganas, Barasat. It is alleged in the Complaint that the Complainant booked air ticket to travel from Delhi to Kolkata. At the time of booking, the Complainant no.1 was booked as a wheel chair passenger and filled the application for the Carriage of Medical Passenger. The complainants allege that when the complainants came to Delhi Airport on the scheduled date to board the flight, DAL officials refused to board the complainants into flight unless they furnish medical fitness certificate of Complainant No.1 from the concerned hospital. The Complainants allege that this was a new condition at last moment imposed upon them and not made known to them about the same earlier. Hence, the Complainant has filed a claim for Rs.13,13,411.60. The matter is pending.
 49. R. Govardhan has filed a Complaint against DAL and others being Complaint No. 198 of 2006 before the District Consumer Disputes Redressal Forum, Coimbatore. It is alleged in the Complaint that the Complainant booked one ticket for eleven passengers to travel from Delhi to Chennai. The Complainant alleges that when he reached Delhi airport along with family members on scheduled day of journey to board the flight, he was informed by DAL officials that PNR No. has been cancelled and amount also has been refunded. The Complainant alleges that this has happened without his knowledge. Hence, the Complainant has in this Complaint filed a claim for Rs.5,05,000/- as compensation. DAL has filed its written statement and affidavit in evidence. The matter is pending.
 50. Santhan Kumar has filed a Complaint against DAL and another being Complaint No. 438 of 2006 before the District Consumer Disputes Redressal Forum, Chennai. It is alleged in the Complaint that the Complainant booked one ticket for four passengers from Chennai to Tuticorin. The Complainant alleges that DAL has not operated the aircraft right from the date of his booking of air ticket in the above sector. The Complainant alleges that when he reached Chennai airport on scheduled day of journey to board the flight he was informed by DAL officials that there is no air service by Air Deccan in the above sector. The Complainant further alleges that he has not received the refund despite of his best efforts. Hence, the Complainant has filed a claim for Rs.9,05,749/- as compensation. The matter is pending.
 51. Mritunjay Santra Kumar has filed a Complaint against DAL bearing Complaint No. 184 of 2006 before the District Consumer Disputes Redressal Forum, 24-Paraganas. It is alleged in the Complaint that the Complainant booked ticket for four passengers from Delhi to Kolkata. When the Complainant reached Delhi airport along with the family members on the scheduled date of journey he was astonished to know that flight has been preponed and left Delhi. The Complainant alleges that DAL was not informed about change of schedule. Hence, the Complainant has filed a claim for Rs.1,00,000/- . The matter is pending.
 52. Ravjibhai Sanabhai Bhoi has filed a Complaint against DAL bearing Complaint No. 1092 of 2006 before the District Consumer Disputes Redressal Forum, Vadodara. It is alleged in the Complaint that the Complainants booked one ticket to travel from Chennai to Ahmedabad. When the Complainant reached Chennai airport along with the family members on the scheduled date of journey he was astonished to know that flight has been cancelled. The Complainant alleges that DAL was not informed about cancellation of flight. Hence, the Complainant has filed a claim for Rs.1,24,232/- . The matter is pending.
 53. Dr. Madhukar Gupta has filed a Complaint against DAL bearing Complaint No.755 of 2006 before the District Consumer Disputes Redressal Forum, Indore. It is alleged in the Complaint that the Complainant

booked one ticket for two passengers to travel from Delhi to Indore and later on got the same re-scheduled for travel.. When the Complainant reached at Delhi airport he was informed that the flight has been cancelled. At the airport the Complainant was told that the full ticket amount will be refunded, however, till the date the refund has also not been made. Hence, the Complainant has filed a claim for Rs. 27,380/-.. By Order dated August 9, 2007 the Forum directed DAL to pay Rs.8525 to the Complainant. DAL has filed an Appeal against the said Order in the State Commission, Bhopal. The matter is disposed off by directing DAL to pay a sum of Rs. 8,525 and DAL has preferred an Appeal . The Appeal is pending.

54. Vivek Suri has filed a Complaint against DAL bearing Complaint No. 2296 of 2006 before the District Consumer Disputes Redressal Forum, Delhi . It is alleged in the Complaint that the Complainant traveled along with his wife from Mumbai to Delhi with check-in baggage. Complainant alleges that when he landed at Bangalore Airport he did not receive one of his check-in baggage (suitcase) and all his efforts to get back other baggage was vain as DAL officials have not responded to his grievance. Hence, the Complainant has filed a claim for Rs.1, 57,500/- . The matter is pending.
55. Maindiretta has filed a Complaint against DAL being Complaint No. 533 of 2006 before the District Consumer Disputes Redressal Forum, Jabalpur. It is alleged in the Complaint that the Complainant booked a ticket for two persons to fly from Nagpur to Mumbai. The Complainant on the same day booked a ticket for two persons to fly from Mumbai to Chennai .The Complainant alleges that flight from Nagpur to Mumbai departed Nagpur at 19.00 hours. The Complainant alleges that he missed as the flight arrived Mumbai late. The Complainant further alleges that all this happened because of carelessness of DAL. The Complainant has traveled to Chennai in some other airlines. The Complainant has filed a claim for Rs.6,07,010/- . DAL has filed its written statement and affidavit in evidence. The matter is pending.
56. Sree Kumar has filed a Complaint against DAL bearing Complaint No. 302 of 2006 before the District Consumer Disputes Redressal Forum, Thiruvananthapuram. It is alleged in the Complaint that Complainant booked one ticket for two persons to fly from Nagpur to Mumbai and thereafter from Mumbai to Trivandrum. Complainant alleges that flight was delayed for two and half hours from the scheduled departure time at Nagpur. However flight from Mumbai to Trivandrum departed Mumbai 30 minutes ahead of scheduled departure time. The Complainant was unable to board to flight from Mumbai to Trivandrum. The Complainant alleges he missed the said flight due to negligence of DAL. Hence, the Complainant has filed a claim for Rs.61,214/- . The matter is pending.
57. Ram Kishan Kardam has filed a Complaint against DAL bearing Complaint No. 357 of 2006 before the District Consumer Disputes Redressal Forum, Delhi. It is alleged in the Complaint that the Complainant booked a ticket for two persons to travel from Delhi to Bangalore. When the Complainant reached the Delhi airport to board the flight on the scheduled day of journey, he was informed by DAL officials that flight has timing has been preponed and departed at 19.00 hours. The Complainant alleges that he was not informed about the change in flight schedule .The Complainant booked fresh ticket to fly from Delhi to Bangalore and scheduled departure of the flight was at 05.45hrs.. The Complainant alleges that the flight got delayed by one and half hours late due to which her daughter could not appear entrance examination of Perfunist Degree course. Hence, the Complainant has filed a claim for Rs. 63,100/- .The matter is pending.
58. Surendranath Shukla Patwa has filed a Complaint against DAL bearing Complaint No. 59 of 2006 before the District Consumer Disputes Redressal Forum, Silchar. It is alleged in the Complaint that DAL didn't provide the free tickets as per the terms of scheme which according to him amounted to deficiency in service and unfair trade practice. Hence, the Complainant has filed a claim for compensation Rs. 2,00,000/- .The matter is dismissed and the Complainant has preferred an Appeal .
59. Naresh Patwa and another have filed a Complaint against DAL bearing Complaint No. 59 of 2006 before the District Consumer Disputes Redressal Forum, Silchar. It is alleged in the Complaint that the Complainants traveled from Kolkata to Silchar along with two check-in baggage. Complainants allege that when they landed at Silchar Airport they did not receive their check-in baggage. They received the same on May 11,.2006. Hence, the Complainants have filed a claim for Rs.4,00,000/-The matter is pending.

60. Saima Maqbool has filed a Complaint against DAL before the District Consumer Disputes Redressal Forum, Srinagar. It is alleged in the Complaint that the Complainant was denied boarding at Delhi airport on the ground that she was having placed "Red Rigid External Distribution" on her face and no certificate of fitness to travel issued by a Doctor was available with her. Hence, the Complainant has alleged deficiency in service on the part of DAL and hence a claim for Rs. 3,70,000/- The matter is pending.
61. V. K. Sareen has filed a Complaint against DAL bearing Complaint No. 543 of 2006, before the District Consumer Disputes Redressal Forum, Jalandhar. It is alleged in the Complaint that the Complainant booked a ticket to fly from Delhi to Bangalore. The Complainant alleges that a day prior to scheduled departure date he received a call on his cell phone from Delhi office that said flight rescheduled and would fly at 06.35 hours. When the Complainant reached Delhi airport, he was informed by DAL officials that the flight has departed at 06.10 hours with his luggage as he had already checked in earlier. The Complainant has filed a claim for Rs.60,135/- with interest @ 18% p.a. till actual payment. The Complainant has also filed an application before the District Consumer Disputes Redressal Forum for registration of a criminal case against Navodit Mehta, Head Legal of the DAL for having filed false affidavit and for placing on record forged and fabricated records in this case. Order has been passed in favour of Complainant awarding compensation of Rs.50,000 plus amount of ticket which the Complainant had to buy from DAL and asking them to pay within a month of passing of order. But DAL failed to comply with above order and hence an application has been before the Forum on October 9,2007 to initiate action. This matter is disposed off by directing DAL to a sum of Rs. 1,00,000/- and DAL has preferred an Appeal. The Appeal is pending.
62. Nahar Singh has filed a Complaint against DAL bearing Complaint No. 886 of 2006, before the District Consumer Disputes Redressal Forum, Indore. It is alleged in the Complaint that the Complainant booked a ticket to fly from Delhi to Indore. The Complainant alleges that when he reached Delhi airport he was denied to board the flight on the ground that the boarding is closed as he was late. The Complainant has filed a claim for Rs. 67,395.20 plus interest @ 18% p.a. from the date of filing of the claim. The matter is pending.
63. Deepak Kumar Gupta has filed a Complaint against DAL bearing Complaint No. 1066 if 2006, before the District Consumer Disputes Redressal Forum, Jaipur. It is alleged in the Complaint that the Complainant booked the ticket for 19 persons to travel from Srinagar to Delhi. The flight got cancelled and all alternative flights upto January 5, 2006 also kept getting cancelled every day. The Complainant alleges that he received only 50% of refund of ticket amount. The Complainant has filed a claim for Rs.4,12,159/-The matter is pending.
64. Himanshu Narayan has filed a Complaint against DAL (Complaint No. 279 of 2006,) before the District Consumer Disputes Redressal Forum, Ranchi. It is alleged in the Complaint that the Complainant booked a ticket for three persons to travel from Ranchi to Kolkata. The Complainant also booked a ticket for three persons to travel from Kolkata to Mumbai. The complainants allege that when they reached airport they were informed by DAL officials that flight is cancelled without any intimation of cancellation. The Complainant has filed a claim for compensation to the tune of Rs.19,87,591/- DAL has filed its written statement. The matter is pending.
65. Budh Karan Kejriwal has filed a Complaint against DAL and another (Complaint No. 01 of 2007,) before the District Consumer Disputes Redressal Forum, Tinsukia. It is alleged in the Complaint that the Complainant booked a ticket for five persons to fly from Kolkata to Dibrugarh. The Complainant states that he received an SMS from DAL that the flight is cancelled due to technical reasons. He further states that upon his request journey was rescheduled. The Complainant alleges that when he along with other members of family reached Kolkata airport much ahead of departure time he had to waste time getting endorsement on ticket, boarding was denied by DAL stating that they had reported late for boarding. The Complainant has filed a claim for Rs.2,43,775/-The matter is pending.
66. Mahendra Prasad Tibrewal has filed a Complaint against DAL and others bearing Complaint No. 01 of 2007, before the District Consumer Disputes Redressal Forum, Tejpur. It is alleged in the Complaint that the Complainant booked a ticket to travel from Guwahati to Kolkata . The Complainant alleges that he received phone call on the morning of scheduled journey date that said flight has been cancelled. The Complainant states that after receiving this call he booked air ticket for the journey in some other

airlines. Thereafter, he alleges that he received one more call which is approximately three hours of first call stating that said flight would operate on scheduled time, by that time Complainant has cancelled his ticket. The Complainant further alleges that he received only Rs. 2812/- out of Rs. 5419/- total ticket amount. The Complainant has filed a claim for Rs.1,02,607/-The matter is pending.

67. K.G. Devraj has filed a Complaint against DAL and another bearing Complaint No. 55 of 2006, before the District Consumer Disputes Redressal Forum, Port Blair, Andaman District. It is alleged in the Complaint that the Complainant traveled with the family members from Chennai to Port Blair along with 4 check-in baggage. The Complainant alleges that on reaching Port Blair he didn't receive checked in baggage. He received three baggage out of four baggage The Complainant has not yet received one of his baggage. The Complainant has filed a claim for Rs.50,100/. The matter is pending.
68. Ather Ahmad and another has filed a Complaint against DAL bearing Complaint No. 632 of 2006 before the District Consumer Disputes Redressal Forum, Chennai (South). It is alleged in the Complaint that the Complainant states that DAL announced a scheme by which a passenger will get one free ticket for every five paid tickets flown on Air Deccan between July 20, 2006 and September 30, 2006. The Complainant states that he has flown more than five times between said dates in DAL flights. The Complainant sought for one free ticket. The Complainant alleges that all his efforts to get said free ticket was vain as Air Deccan officials did not respond to his requests. Hence, the Complainant has filed a claim for Rs.1,35,000/- The matter is pending.
69. T.A Thomas and others has filed a Complaint against DAL bearing Complaint No. 01 of 2007 before the District Consumer Disputes Redressal Forum, Port Blair, Andaman District. It is alleged in the Complaint that the Complainant booked ticket for four persons to fly from Delhi to Trivandrum The Complainant along with family members reached at the check in counter of Delhi Airport on the scheduled day of departure of the flight. DAL officials refused to give permission for boarding the flight as the Complainant reported late for check -in. The Complainant alleges that he has not been declared by DAL officials as no-show. (Refund status not known). The Complainant has filed a claim for Rs.75,921/- plus interest @ 12% p.a. from the date of cause of action. The matter is pending.
70. Lalitha Kothari and another has filed a Complaint against DAL bearing Complaint No. 27 of 2007 before the District Consumer Disputes Redressal Forum, Coimbatore. It is alleged in the Complaint that the complainants booked tickets to fly from Bangalore to Coimbatore. The complainants allege that when they reached Bangalore airport on the day of the journey, DAL officials informed them that flight has been rescheduled. The Complainants further allege that no intimation was given regarding rescheduling to them. The Complainants further allege that DAL officials refused to issue boarding passes alleging that they reported late for boarding. The Complainants have filed a claim for Rs.48,523/- plus interest @ 24% p.a. from June 4, 2006. The matter is pending.
71. Mridu Hari Dalmia has filed a Complaint against DAL bearing Complaint No. 323 of 2006 before the District Consumer Disputes Redressal Forum, Kolkata. It is alleged in the Complaint that the Complainant booked a ticket to fly from Kolkata to Delhi . The Complainant alleges that since the flight got delayed for 1½ hours he got cancelled ticket. He alleges that he got the ticket cancelled on the assurance of DAL officials regarding getting full refund. However, he alleges that he got only tax amount. The Complainant alleges that all his efforts to get full refund was in vain. Hence, The Complainant has filed a claim for Rs.1,12,265/-The matter is pending.
72. T.P.S. Phoolka has filed a Complaint against DAL and another bearing Complaint No. 46 of 2006, before the District Consumer Disputes Redressal Forum, Patiala. It is alleged in the Complaint that the Complainant booked 2 tickets to fly from Mumbai to Delhi The complainants allege that DAL officials informed to the complainants at 2.40 hrs by sending SMS that said flight is cancelled. The Complainant alleges that refund was not made to them. The Complainant has filed this Complaint claiming Rs.2,21,280/- as compensation alongwith interest @18%. DAL has filed its written statement. The matter is pending.
73. Rajat Nag Choudhary has filed a Complaint against DAL bearing Complaint No. 91 of 2006, before the District Consumer Disputes Redressal Forum, Hyderabad. It is alleged in the Complaint that the Complainant along with his daughter traveled from Hyderabad to Chennai along with one check in baggage. When they landed at Chennai Airport they didn't receive checked in baggage. . Hence, the

Complainant had filed a claim for Rs.1,25,000/- Order dated 21st September,2007 was passed by the Forum dismissing the Complaint and directing DAL to pay Rs. 2,000 towards cost of complaint. An Appeal No. 6583/2007 has been filed by the Complainant , challenging above order. The Appeal is pending.

74. Shiv Dayal has filed a Complaint against DAL and another bearing Complaint No. 84 of 2006, before the District Consumer Disputes Redressal Forum; Kurukshetra It is alleged in the Complaint that the Complainant booked one ticket for two persons to travel from Delhi to Mumbai. The Complainant received SMS on the scheduled day of journey that said flight has been cancelled due to operational reasons. Upon request of the complainants the journey was rescheduled to the evening flight. The Complainant alleges that said flight was cancelled/delayed without assigning any reasons. The Complainant has filed this Complaint claiming Rs. 5,00,000/- as compensation. DAL has filed its written statement and affidavit in evidence. The matter is disposed off by directing DAL to pay Rs. 50,000/- each. DAL has preferred an Appeal. The Appeal is pending.
75. M.Arvin has filed a Complaint against DAL and others bearing Complaint No. 26 of 2006, before the District Consumer Disputes Redressal Forum, Chennai. It is alleged in the Complaint that the Complainant traveled from Bangalore to Chennai along with one check in baggage. When he landed at Chennai Airport he didn't receive his baggage accordingly he lodged PIR. The Complainant alleges that all his efforts to get back the baggage failed and as such his baggage has been lost. The Complainant has filed this Complaint claiming Rs.1,12,000/- as compensation and other expenses plus costs of the Complaint. DAL has filed its written statement. The matter is pending.
76. Saleha Anjuman has filed a Complaint against DAL and another bearing Complaint No. 11 of 2007, before the District Consumer Disputes Redressal Forum, Kamrup, Gauhati. It is alleged in the Complaint that the Complainant booked one ticket from Delhi to Gauhati to travel. When the Complainant reached at the airport she was told that the flight had already departed. The Complainant has filed this Complaint claiming Rs. 50,000/- as compensation. DAL is required to file its written statement. The matter is pending.
77. Ramesh Taneja filed a Complaint against DAL and another bearing Complaint No. 233 of 2007, before the District Consumer Disputes Redressal Forum, Delhi. It is alleged in the Complaint that the Complainant booked two ticket to travel from Bhubaneshwar to Delhi. When the Complainants reported at the airport they were informed that there was no flight of Air Deccan from Bhubaneshwar to Delhi till November 19, 2006. The tickets were issued despite having no flight. The Complainant has filed this Complaint claiming Rs.1,05,809/- (Rs.85,809/-) as compensation and other expenses. DAL has filed its written statement and affidavit in evidence. The matter is pending.
78. E. Prakash & Ors. had filed a Complaint against DAL and another bearing Complaint No. 156 of 2007, before the District Consumer Disputes Redressal Forum, Hyderabad. It is alleged in the Complaint that the complainants booked return tickets for Hyderabad-Cochin-Hyderabad sector for December 20.,2006 and return on December 24.,2006. When they reached at Cochin airport to catch their Hyderabad flight they were informed that their booking was for December 22.,2006 and on the said day they were No-Show passengers. The complainants have claimed that they booked for December 24.,2006 not for December 22.,2006. The Complainant has filed a claim for Rs. 1,13,488/-.The matter is disposed off with a direction to pay a sum of Rs. 24,488/-. DAL has preferred an Appeal against the direction.
79. Nishant V. Shelat has filed a Complaint against DAL and others being Complaint No. 99 of 2007, before the District Consumer Disputes Redressal Forum, Mumbai. It is alleged in the Complaint that the parents and sister of the Complainant traveled from Mumbai to Chennai. When they landed in Chennai didn't receive their baggage. The Complainant has filed this Complaint claiming Rs.1,60,610/- as compensation and other expenses. DAL has filed its written statement and affidavit in evidence. The matter is pending.
80. Vivek Bangera has filed a Complaint against DAL and another bearing Complaint No. 95 of 2007, before the District Consumer Disputes Redressal Forum, Suburban District, Mumbai. It is alleged in the Complaint that the Complainant traveled from Mumbai to Bangalore by Flight. When he landed at Bangalore didn't receive his baggage. He has filed this Complaint claiming Rs. 5,79,724/-. DAL has filed its written statement and affidavit in evidence. The matter is pending.

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81. Gurpreet Singh has filed a Complaint against DAL bearing Complaint No. 158 of 2007, before the District Consumer Disputes Redressal Forum, New Delhi. It is alleged in the Complaint that the Complainant traveled from Delhi to Jammu by Flight with his check-in baggage and also paid Rs. 1,540/- as excess baggage charges. When he landed at Jammu he didn't receive his baggage. He came to know that the baggage was sent by mistake to Amritsar. He didn't receive the baggage till filing of the Complaint. The Complainant has filed this Complaint claiming for Rs. 2,60,000/- as compensation and other expenses. DAL has filed its written statement and affidavit in evidence. The matter is pending.
 82. Pooran Singh has filed a Complaint against DAL bearing Complaint No. 10 of 2007, before the District Consumer Disputes Redressal Forum, Port Blair, Andaman. It is alleged in the Complaint that the Complainant was booking tickets for his family members using his SBI Debit Card . The transaction was denied, however, the ticket cost Rs. 15,047 was debited to his account. He lodged his Complaint by phone and e-mails with Air Deccan and made repeated calls to the Customer Care Centre but till the date of filing the Complaint his refund was not made. The Complaint Filed a claim for Rs.25,000/- as compensation and other expenses. DAL has filed its written statement and affidavit in evidence. Order passed on 24th August 2007 to pay the mount of Rs.2,50,00/- . The matter is still pending.
 83. J.R.Sachdev has filed a Complaint against DAL bearing Complaint No. 302 of 2006, before the District Consumer Disputes Redressal Forum, Unit 1, Kolkata. It is alleged in the Complaint that the Complainant traveled from Kolkata to Chennai by Flight 8 with his check-in baggage. He paid Rs. 1,050/- as excess baggage charges also. When he landed at Chennai airport he didn't receive his baggage. He didn't receive the baggage till filing of the Complaint. The Complainant has filed this Complaint claiming Rs. 99,050/- as compensation and other expenses. DAL has filed its written statement and affidavit in evidence. The matter is pending.
 84. Sushil Bakshi has filed a Complaint against DAL bearing Complaint No. 41 of 2007, before the District Consumer Disputes Redressal Forum, Ranchi. It is alleged in the Complaint that the Complainant booked ticket from Ranchi to Kolkata for December 24,2006. In the evening of December 23 2006 he was informed that the flight was cancelled for operational reasons. He asked for re-scheduling in the next day's morning flight which was denied stating that the said flight was already overbooked. The Complainant has claimed full refund and compensation and has filed a claim for Rs.61,299/- (53,299/- plus interest @12% per annum). DAL has filed its written statement and affidavit in evidence. The matter is pending.
 85. Ragbir Singh has filed a Complaint against DAL bearing Complaint No. 9 of 2007 before the District Consumer Disputes Redressal Forum, Dimapur, Nagaland. It is alleged in the Complaint that the Complainant traveled from Delhi to Gauhati by Flight with his 2 check-in baggage. When he landed at Gauhati airport he didn't receive his 1 baggage. He didn't receive the baggage till filing of the Complaint. The Complainant has filed this Complaint for Rs.1,29,900/- towards compensation and other expenses. DAL has filed its written statement and affidavit in evidence. The matter is pending.
 86. Ramesh Chawala has filed a Complaint against DAL and another bearing Complaint No. 129 of2007, before the District Consumer Disputes Redressal Forum, Jabalpur. It is alleged in the Complaint that the Complainant availed the Value Flier Package against payment of Rs. 25,200/. And he was issued Coupon. He wanted to fly against the said scheme from Jabalpur to Delhi and return from Delhi to Jabalpur and asked for booking. However, he was denied confirmation of booking stating that due to change of software booking could not be made and he was asked to purchase a fresh ticket against payment. Complainant has alleged deficiency and unfair trade practice. The Complainant has filed this Complaint claiming Rs.1,00,000/- as compensation and other expenses. DAL is to file its written statement. The matter is pending.
 87. Salil Dev Singh has filed a Complaint against DAL bearing Complaint No. 75 of 2007, before the District Consumer Disputes Redressal Forum, Panchkula . It is alleged in the Complaint that the Complainant booked ticket to travel from Bangalore to Delhi The scheduled timing of departure was 04.20 PM. The Complainant alleged that he reported on time however, endorsement on his ticket was made as he reported at 04.00 PM. He was offered refund of Rs. 750/- tax amount only. Complainant has alleged deficiency and unfair trade practice. The Complainant has filed a claim for Rs.1,50,000/-The matter is pending.

88. Ab. Rashid Lone has filed a Complaint against DAL and others before the District Consumer Disputes Redressal Forum, Srinagar It is alleged in the Complaint that the Complainant booked ticket from Srinagar to Jammu for travel. He alleges that when he reached the Airport well before time he was denied boarding. The Complainant has filed this Complaint claiming Rs.63,379/- as compensation and other expenses plus costs of the Complaint . DAL has filed its written statement and affidavit in evidence. The matter is pending.
89. Rohit Rathi has filed a Complaint against DAL and another bearing Complaint No. 231 of 2007 before the District Consumer Disputes Redressal Forum, Hyderabad. It is alleged in the Complainant that the Complainant booked tickets for travel from Hyderabad to Mumbai. His baggage was security checked and was assigned with Tag. He claims that on landing in Mumbai Airport his baggage was misplaced so filed a PIR, later baggage was received but few good were not found. The Complainant has filed this Complaint claiming Rs.35,000/- as compensation and other expenses plus costs of the Complaint . DAL has filed its counter affidavit. The matter is pending.
90. Dharam veer Kapil has filed a Complaint against DAL and another bearing Complaint No. 115 of 2007 before the District Consumer Disputes Redressal Forum, Bhopal. It is alleged in the Complainant that the Complainants had booked tickets for travel from Jammu to New Delhi After reaching the Airport they came to know the flight was cancelled and they were adjusted in another Flight .They checked in with tow baggage's but on reaching Delhi Airport did not find one of the baggage. The Complainant has filed this Complaint claiming Rs. 25,000/- as compensation and other expenses plus costs of the Complaint . DAL has filed its written statement and affidavit in evidence. The matter is pending.
91. Shanker Sewani has filed a Complaint against DAL bearing Complaint No. 205 of 2007 before the District Consumer Disputes Redressal Forum, Bhopal. It is alleged in the Complainant that the complainants booked return tickets for travel from Raipur to Kolkata . Due to other engagements he could not travel on the scheduled dates and wanted to cancel the tickets. The Complainant alleges that the website was not working and the call centre also did not respond. The Complainant has filed this Complaint claiming Rs. 14,748/- as compensation and other expenses. DAL has filed its written statement. The matter is pending. The ex-parte application is allowed and DAL has filed its Written Statement and Affidavit in Evidence.
92. Arvind Bajpai has filed a Complaint against DAL bearing Complaint No. 153 of 2007 before the District Consumer Disputes Redressal Forum, Delhi. It is alleged in the Complainant that the Complainant booked ticket from Bhubaneswar to Delhi for travel...He asserts that he contacted DAL but he was informed that the flight was rescheduled. Further asserts that he has not received any refund for the same. The Complainant has filed a claim for Rs 2,14,168/-.The matter is pending.
93. Sunil Rego has filed a Complaint against DAL bearing Complaint No. 112 of 2007 before the District Consumer Disputes Redressal Forum, Mumbai. It is alleged in the Complainant that the Complainant booked return ticket from Delhi to Mumbai. He asserts that the said flight has been cancelled due to operational Reasons due to which he suffered a huge loss. The Complainant has filed this Complaint claiming Rs.30,164/- as compensation and other expenses. DAL has filed its written statement. The matter is pending.
94. Bikash Kumar Chakraborty has filed a Complaint against DAL bearing Complaint No. 232 of 2007 before the District Consumer Disputes Redressal Forum, Hyderabad. It is alleged in the Complainant that the Complainant booked ticket for travel from Kolkata to Hyderabad from a Travel Agent. He asserts that on reaching the Airport he was informed that flight was cancelled and could not be adjusted in any other airlines due to which he was put to hardship. The Complainant has filed this Complaint claiming Rs.50,000/- as compensation and other expenses. DAL is required to file its written statement. The matter is pending.
95. R. Ravi Krishnan has filed a Complaint against DAL and another bearing Complaint No. 80 of 2007 before the District Consumer Disputes Redressal Forum, Chennai. It is alleged in the Complainant that the complainants booked ticket for travel from Cochin to Chennai. He alleges that on reaching the Cochin Airport he was informed that the said flight has been cancelled due to which he suffered loss.

The Complainant has filed this Complaint claiming Rs 4,86,046/- as compensation and other expenses. DAL has filed its written statement and affidavit in evidence. The matter is pending.

96. S. Krishnanand has filed a Complaint against DAL and another bearing Complaint No. 81 of 2007 before the District Consumer Disputes Redressal Forum, (South) Chennai. It is alleged in the Complainant that the Complainant booked ticket for travel from Cochin to Chennai. He alleges that on reaching the Cochin Airport he was informed that the said flight has been cancelled due to which he suffered loss. The Complainant has filed this Complaint claiming Rs 4,80,523/- as compensation and other expenses. DAL has filed its written statement and affidavit in evidence. The matter is pending.
97. Tridib Ranjan has filed a Complaint against DAL and another bearing Complaint No. 07 of 2007 before the District Consumer Disputes Redressal Forum, Tejpur, Sonitpur District, Assam. It is alleged in the Complainant that the Complainant booked tickets for Gauhati-Kolkata and Kolkata-Hyderabad sector to travel. The Complainant was informed that the Flight was cancelled and later on he came to know that the flight was non-operative for last one month. He was denied to travel on other flight on the same sector. He purchased fresh tickets second time. The Complainant has filed this Complaint claiming Rs. 1,72,368/- as compensation and other expenses. DAL has filed its written statement and affidavit in evidence. The matter is pending.
98. Shreyans S. Chougle has filed a Complaint against DAL bearing Complaint No. 107 of 2007 before the District Consumer Disputes Redressal Forum, Belgaum. It is alleged in the Complainant that the Complainant booked return tickets from Mumbai to Delhi for travel. He alleges that on reaching the Airport, he was told the said flight has been cancelled. . He further alleges that the return flight was also cancelled and the said amount was refunded. He claims that the said behavior caused discomfort and inconvenience/mental torture and monetary loss. The Complainant has filed Claim for Rs 50,000/-The matter is disposed off by the Forum. However there is a difference of opinion in the judgment in as much as the President, dissenting and in minority, has dismissed the Complaint finding that there was no deficiency of service, whereas the majority of 2 members have found that there was deficiency of service. DAL has preferred an Appeal. The Appeal is pending.
99. Paresh. J. Maheta has filed a Complaint against DAL bearing Complaint No. 70 of 2007 before the District Consumer Disputes Redressal Forum, Bhuj, (Kuch). It is alleged in the Complainant that the Complainant booked return tickets for travel from Kandala to Mumbai. He asserts that his mother was not allowed to board as the ticked in the her name was booked for travel from Mumbai to Kandla and not from Kandla to Mumbai, she was accommodated on extra charges for the ticket. On reaching Mumbai he cancelled all the four tickets received refund only for three and refund for one ticket was not received. He alleges that he had to go through mental agony. The Complainant has filed this Complaint claiming Rs. 28,933/- as compensation and other expenses together with interest @ 12%. DAL has filed its written statement and affidavit in evidence. The matter is pending.
100. K. Satyanarayana Murthy has filed a Complaint against DAL bearing Complaint No. 92 of 2007 before the District Consumer Disputes Redressal Forum, Vijayavada. It is alleged in the Complaint that the Complainant had purchased air ticket for travel from Vijayawada to Hyderabad. The Complainant has alleged that the flight was delayed for more than two hours without any prior intimation. The Complainant has filed a claim for Rs. 1,11,168/-The matter is pending. Order dated September 28, 2007 awarding 15500. By an Order dated September 28,2007 the Forum allowed Refund of other airlines fare Rs.14,000 & Expenses Rs. 1500 with interest @ 9% w. e. f. May 21, 2006, cost Rs.1500 (total Rs.18,976 with int. up to October 21, 2007) to be paid by DAL only.
101. Vikas Bakshi has filed a Complaint against DAL and another bearing Complaint No. 267 of 2006 before the District Consumer Disputes Redressal Forum, New Delhi. It is alleged in the Complaint that the Complainant traveled from Delhi to Mumbai. When he landed at Mumbai airport, he did not receive his baggage. Baggage has not been delivered till the date of filing the Complaint . The Complainant has filed this Complaint claiming Rs. 1,00,000/- as compensation and other expenses plus costs of Complaint . DAL has filed its written statement and affidavit in evidence. The matter is pending.
102. Amit Kumar Mukherjee Bakshi has filed a Complaint against DAL bearing Complaint No. 125(s) of 2007 before the District Consumer Disputes Redressal Forum, Barasat . It is alleged in the Complaint that the Complainant booked return tickets from Kolkata to Mumbai for travel He alleges that he came to know that

- the said flights have been cancelled. The Complainant further alleges that he was not accommodated in any flight. The Complainant has filed a claim for Rs 4,00,000/-The matter is pending.
103. Sonal Amin has filed a Complaint against DAL bearing Complaint No. 83 of 2007 before the District Consumer Disputes Redressal Forum, Jabalpur. It is alleged in the Complaint that the Complainant traveled from Mumbai to Nagpur. Flight was late for 5½ hours. She checked in one Swiss Knife as "Security Removed Article" which was not handed over to her at the destination. The Complainant has filed a claim for Rs. 62,000/-The matter is pending.
104. Shyam Sunder Rajora has filed a Complaint against DAL bearing Complaint No. 96 of 2007 before the District Consumer Disputes Redressal Forum, Udaipur. It is alleged in the Complaint that the Complainant booked tickets from Ahmedabad to Hyderabad for travel. The Complainant was intimated that the said flight had been cancelled. The Complainant has filed a claim for Rs 2,24,100/-The matter is pending.
105. Pradeep Kumar Kaur filed a Complaint against DAL bearing Complaint No. 08 of 2007 before the District Consumer Disputes Redressal Forum, Kanchipuram, Chengalpettai. It is alleged in the Complaint that the Complainant traveled from Delhi to Chennai. When she landed at Chennai airport, she did not receive her baggage. Baggage has not been delivered till the date of filing the Complaint . The Complainant has filed a claim for Rs. 31,000/-The matter is pending.
106. Kushak Sachdev has filed a Complaint against DAL bearing Complaint No. 285 of 2007 before the District Consumer Disputes Redressal Forum, Delhi. It is alleged in the Complaint that the Complainant booked ticket from Delhi to Mumbai for travel. The Complainant alleges that he was issued a boarding pass but as the boarding hall was crowded he reached the Boarding gate at 9:00 AM and was denied boarding as the last bus to the Aircraft had left. He claims that he suffered mental agony and also had to wait for the luggage which was checked in and was not refunded to him when denied boarding due to which he suffered loses. The Complainant has filed a Claim for Rs 31,025/-The matter is pending.
107. Sheetla Prasad Shukla has filed a Complaint against DAL bearing Complaint No. 253 of 2007 before the District Consumer Disputes Redressal Forum, Delhi. It is alleged in the Complaint that the Complainant was booked tickets from Delhi to Guhati He received a call that the flight will depart at 1.15 PM. He reached the airport at 10.45 AM he was informed that the Flight had departed at 11.00 hours. The Complainant did not receive any refund. The Complainant has filed a claim for Rs. 2,00,000/-The matter is pending.
108. Krishna Damodar Deshpande has filed a Complaint against DAL and another bearing Complaint No. 181 of 2007 before the District Consumer Disputes Redressal Forum, Nagpur. It is alleged in the Complaint that the Complainant booked tickets to travel from Nagpur to Bombay and return tickets from Bombay to Nagpur through agent. At the airport after security check, he was told that that the flight has been delayed. The Complainant alleges that the inordinate delay caused enormous mental agony, harassment and discomfort to him. The Complainant has filed a claim for Rs.11,000/-The matter is disposed off with a direction to pay a total sum of Rs. 4,000/- and DAL is in the process of complying with the order.
109. Meenakshi Rathod has filed a Complaint against DAL and another Complaint No. 179 of 2007 before the District Consumer Disputes Redressal Forum, Jabalpur. It is alleged in the Complaint that the Complainant booked tickets from Jabalpur to Delhi for flight to travel.. She approached for cancellation but she was informed that the tickets cannot be cancelled due to system problem. She visited office for five days continuously but they did not cancel her ticket. She further states that this has caused her mental harassment. The Complainant has filed a claim for Rs.15397/- plus interest @ 12% p.a. By Order passed on September 3, 2007 against the DAL directing them to pay a sum of Rs.5,397/- within two months, failing which interest @ 6% p.a. to be paid. The matter is disposed off with a direction to pay a sum of Rs. 10,000/- as compensation and Rs.2,000/- as litigation cost. Total Rs.12,000/- DAL has preferred an Appeal and it is pending.
110. Smita S. Chogle has filed a Complaint against DAL bearing Complaint No. 108 of 2007 before the District Consumer Disputes Redressal Forum, Jabalpur. It is alleged in the Complaint that the Complainant booked tickets for Mumbai-Delhi sector. When she reached at the airport she found that

the said flight was cancelled. While returning back the return flight also got cancelled. The Complainant has filed a claim for Rs.50,000/- . The matter is disposed off. However there is a difference of opinion in the judgement in as much as the President, dissenting and in minority, has dismissed the Complaint finding that there was no deficiency of service, whereas the majority of 2 members have found that there was deficiency of service. DAL has preferred an Appeal.

111. S.D.Ekka and others filed a Complaint against DAL and others bearing Complaint No. 195 of 2007 under before the District Consumer Disputes Redressal Forum, Dung, Chattisgarh. It is alleged in the Complaint that the Complainant booked tickets from Chennai to Port Blair for onward and return journey. The Complainant alleges that the flight on was canceled. He alleges that his daughter was having computer exams on October 9,2006. He called DAL but they gave no reply. The Complainant has filed a claim for Rs.67,655/- plus interest @ 12% p.a. The matter is pending.
112. Rathan Chand and others Jain has filed a Complaint against DAL bearing Complaint No. 800 of 2007 before the 3rd Addl. District Consumer Disputes Redressal Forum, Bangalore. It is alleged in the Complaint that the Complainants had booked tickets for Bangalore to Mumbai. The Complainants allege that they reached at 5.15 a.m. but were denied boarding stating that they were not on time. They allege that no alternative arrangement was made nor refunded the amount. The Complainants have filed a claim for refund of ticket fare and Rs.4, 00,000/- to each Complainant . The matter is dismissed in default for non appearance of the Complainant . Further the application filed by the Complainant for recall of that order has also been dismissed.
113. Siddalingappa has filed a Complaint against DAL and another bearing Complaint No. 72 of 2005 before the District Consumer Disputes Redressal Forum, Belgaum. It is alleged in the Complainant that the Complaint while travelling from Srinagar to Delhi by Jet Airways his baggage was missing. The said baggage was sent by Jet Airways through DAL to the Complainant at Belgaum. Alleging that the baggage was damaged, the Complainant has filed this Complaint claiming Rs.5,00,000/- plus costs of the Complaint . DAL has filed its written statement and affidavit in reply. The matter is pending.
114. D. O. Nathan has filed a Complaint against DAL bearing Complaint No. 236 of 2007 before the District Consumer Disputes Redressal Forum, Dharwad. It is alleged in the Complaint that the Complainant booked ticket for Hubli-Bangalore and Bangalore – Delhi sector to travel. When the Complainant reached at the airport after waiting for two hours, he was informed that the flight is cancelled. He had another flight from Bangalore to Delhi on the same day. He was asked by the Travel Agent to book another ticket from Bangalore to Delhi for the next day which he did on payment of Rs. 3,300/- . The booking agent also assured him that this fare will be refunded to him. Not only that the booking agent also debited the fare Rs. 3,875/- of the person standing behind him in the queue to Complainant 's Account by mistake. The Complainant has filed a claim for Rs. 48,262/- plus interest @ 18% p.a. till realisation. Order passed by above Forum on September 12, 2007 directing DAL and others to jointly pay Rs.24,698 plus Rs.1000 cost of proceedings within 1 month failing which interest @ 10% p.a. to be charged from March 22,2007. The matter is disposed with a direction to pay Rs. 20,698/-DAL has preferred an Appeal . The Appeal is pending.
115. C.G.Sharma has filed a Complaint against DAL bearing Complaint No. 325 of 2007 before the District Consumer Disputes Redressal Forum, Amritsar. It is alleged in the Complaint that the Complainant booked tickets for Amritsar-Delhi Sector and return. During the return journey from Delhi to Amritsar on reaching the Airport he came to know that the flight was cancelled. The Complainant further alleges that he was not intimated. The Complainant has filed a claim for Rs.93,650/- .The matter is pending.
116. K.S. Puri and another has filed a Complaint against DAL and another bearing Complaint No. 117 of 2007 before the District Consumer Disputes Redressal Forum, Hoshiarpur. It is alleged in the Complaint that the Complainant had purchased air ticket from DAL for to-and-fro journey from Pathankot to Delhi. The Complainant further alleges that the flight was cancelled and hence the Complainant has filed a claim for Rs 35,000/ plus interest @ 12% p.a. from December 30, 2006-. The District Forum passed Order dated March 28, 2007 in favour of DAL against which an Appeal No.536 of 2007 was filed in State Consumer Disputes Redressal Commission, Chandigarh which was also decided in favour of DAL.

117. Priti Pradhan has filed a Complaint against DAL bearing Complaint No. 91 of 2007 before the District Consumer Disputes Redressal Forum, Kolkata. It is alleged in the Complaint that the Complainant has purchased air ticket for her sister for Pune-Bangalore-Pune. At the Pune Airport she was told that her PNR was invalid and her name was not on the passenger list even though DAL had SMSed her confirming the flight. The Complainant has filed a claim for Rs 52,794/-The matter is pending.
118. Z. Veerabhadra has filed a Complaint against DAL bearing Complaint No. 343 of 2007 before the District Consumer Disputes Redressal Forum, Hyderabad . It is alleged in the Complaint that the Complainant had booked ticket from Hyderabad to Kolkata He traveled from Hyderabad. But for return journey when he went to Airport he was told his ticket is cancelled. The Complainant has filed a claim for Rs.1,00,000/-The matter is pending.
119. Sumeera Bashir Reshi has filed a Complaint against DAL before the Divisional Consumer Forum, Srinagar. It is alleged in the Complaint that the Complainant booked air ticket for travel From Srinagar to Delhi and back On February 27,2007 though he reached 35 minutes prior to departure he was denied Boarding. The Complainant has filed a claim for Rs 3,00,000/-The matter is pending.
120. Ashok Kumar has filed a Complaint against DAL bearing Complaint No.324 of 2007 before the District Consumer Disputes Redressal Forum, Hyderabad . It is alleged in the Complaint that the Complainant purchased air ticket from DAL for Hyderabad-Kolkata-Hyderabad to travel. The Complainant further alleges that the flight was cancelled without genuine reasons and also no refund was given to the Complainant and hence the Complainant has filed a claim for Rs 61,250/. Order passed in favour of Complainant entitling him to receive from DAL Rs.16,750/- plus interest @ 12% p.a. from December 8,2005. The matter is disposed off by directing to pay a sum of Rs. 16,750/- in all. DAL has preferred an Appeal. The Appeal is pending.
121. Madhu N. Namboothiripad has filed a Complaint against DAL bearing Complaint No.158 of 2007 before the District Consumer Disputes Redressal Forum, Eranakulam. It is alleged in the Complaint that the Complainant purchased ticket for Trivandrum – Delhi and Delhi-Trivandrum. Due to some reason he had to cancel the tickets and requested for cancellation of the ticket, but it was not done. The Complainant has filed a claim for Rs.18,998/- The matter is pending.
122. Rintei Rin Sanga has filed a Complaint against DAL and another bearing Complaint No.63 of 2007 before the District Consumer Disputes Redressal Forum, Aizwal. It is alleged in the Complaint that the Complainant traveled from Aizwal to Kolkota Some articles were purchased by her in, In-flight, for which full payment was made in cash and the said articles were to be delivered within 14 days from the date of purchase. But till date the Complainant has not received the same and hence the Complainant has filed a claim for Rs. 6,150/- plus interest w.e.f. February 16, 2006. The matter is pending.
123. Lt. Col. Harpal has filed a Complaint against DAL and others bearing Complaint No.99 of 2007 before the District Consumer Disputes Redressal Forum, Coimbatore. It is alleged in the Complaint that the Complainant is an Army officer and was carrying with him 177 bore Air Rifle and hence was not allowed to travel from Coimbatore to Mumbai. The Complainant has filed a claim for Rs.1,12,171/-The matter is pending.
124. Brij Bhushan Berri has filed a Complaint against DAL and another bearing Complaint No.214 of 2007 before the District Consumer Disputes Redressal Forum, Gurdaspur. It is alleged in the Complaint that the Complainant purchased air ticket from travel agent for travel from Pathankot to Delhi. The Complainant has further alleged that the journey was rescheduled but on that date also the flight was cancelled. The Complainant has filed a claim for Rs.65,000/-The matter is pending.
125. Ajay Goel has filed a Complaint against DAL bearing Complaint No.359 of 2007 before the District Consumer Disputes Redressal Forum, Delhi. It is alleged in the Complaint that the Complainant purchased ticket through web site for to and fro travel from Delhi to Bombay. The Complainant received a call from DAL that his ticket for return journey was cancelled and was later told that the flight was cancelled and he had to book fresh tickets with other airlines. The Complainant has filed a claim for Rs.38,348/- plus interest for 6 months on Rs.3,102/-The matter is pending.

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126. Shatrujeet Singh has filed a Complaint against DAL and another bearing Complaint No.DFJ of 185 of 2007 under Jammu and Kashmir Consumer Protection Act 1987 before the District Consumer Disputes Redressal Forum, Jammu. It is alleged in the Complaint that the Complainant purchased ticket from a travel agent for to & fro travel from Jammu to Srinagar, But the travel agent instead booked tickets for Ajit Pal Singh instead of Shatrujeet Singh. When he approached for rectification the travel agent gave him a slip and said that he will be allowed to travel by showing this slip. But he was denied boarding. The Complainant has filed a claim for Rs.4,64,000/-The matter is pending.
127. B.R.Srinath has filed a Complaint against DAL bearing Complaint No.95 of 2007 before the District Consumer Disputes Redressal Forum, Kolar. It is alleged in the Complaint that the Complainant had purchased air ticket for travel from Bangalore to Hyderabad. The Complainant further alleges that when he reached Bangalore Airport ,he was not given the boarding pass. The Complainant has filed a claim of Rs. 25,844/-The matter is disposed off directing DAL to pay a sum of Rs.16,479/- and DAL has preferred an Appeal . The Appeal is pending.
128. Nand Lal Singh has filed a Complaint against DAL bearing Complaint No.03 of 2007 before the District Consumer Disputes Redressal Forum, Daman. It is alleged in the Complaint that the Complainant purchased two sets of air ticket, one set for travel from Ranchi to Kolkata and another set for travel from Kolkata to Mumbai,. He reached Kolkata Airport late because of delay in flight and he was not given the boarding pass. The Complainant has filed a claim for Rs.17,810/-The matter is pending.
129. K. Venkatswamy has filed a Complaint against DAL bearing Complaint No.03 of 2007 before the District Consumer Disputes Redressal Forum, Daman. It is alleged in the Complaint that the Forum passed an ex-parte order in favour of the Complainant for Rs. 23,000/- for loss of baggage during his travel with DAL. The Complainant has filed execution for realization of Rs. 23,000/-The matter is disposed off that DAL pay a sum of Rs. 23,000/- against which DAL has preferred an appeal. The Appeal is pending.
130. Ashwani Kumar Chugh has filed a Complaint against DAL before the District Consumer Disputes Redressal Forum, Delhi. It is alleged in the Complaint that the Complainant that he had booked ticket for travel from Delhi-Goa and two tickets were allotted to him. The Complainant further alleges that when he went to the airport he was told that the flight does not operate on that day and was denied refund also. The Complainant has filed a claim for Rs.3, 50,000/. By order dated October 4, 2007 DAL has to pay Rs.27,500/. Being aggrieved by the order, DAL filed an Appeal and the matter is pending.
131. Jyothi Swaroop has filed a Complaint against DAL bearing Complaint No. 369 of 2007 before the District Consumer Disputes Redressal Forum, Jaipur. It is alleged in the Complaint that the Complainant had booked tickets to travel from Bangalore to Madurai. The Complainant traveled as per his schedule but after his journey he did not get his baggage .The Complainant has filed a claim for Rs.1,80,000/- .The matter is pending.
132. Mehrai-ud-din Sofi has filed a Complaint against DAL bearing Complaint No. 246/2007 before the District Consumer Disputes Redressal Forum, Srinagar. It is alleged in the Complaint that the Complainant had booked air tickets through travel agent for to and fro travel from Jammu – Srinagar. The Complainant has further alleged that when he reached the airport he was told that the flight was cancelled without genuine reason and prior intimation. The Complainant has filed a claim for cost of the ticket & Rs.4, 40,000/-The matter is disposed off by directing DAL to pay a sum of Rs. 1,00,000 and DAL has filed an Appeal against this order. The Appeal is pending.
133. Tripuresh Mishra has filed a Complaint against DAL bearing Complaint No. 380 of 2007 before the District Consumer Disputes Redressal Forum, Hyderabad. It is alleged in the Complaint that the Complainant booked tickets for to and fro travel from Delhi to Hyderabad. For the forward journey only once ticket was booked but for return journey, tickets were booked thrice and amount was also debited thrice from his account. The Complainant has filed a claim for Rs.23,525/-The matter is pending.
134. Kiran Amin has filed a Complaint against DAL bearing Complaint No. 87 of 2007 before the District Consumer Disputes Redressal Forum, Jabalpur. It is alleged in the Complaint that the Complainant traveled from Mumbai to Nagpur. The Complainant alleges that the Flight was late for 5½ hours. She checked in one Swiss Knife as “Security Removed Article” which was not handed over to her at the destination. The Complainant has filed a claim for Rs. 1,56,000/-The matter is pending.

135. Shamim Lehrwal has filed a Complaint against DAL before the District Consumer Disputes Redressal Forum, Srinagar It is alleged in the Complaint that the Complainant booked two tickets which she mistakenly booked in wrong names. Later she cancelled the same and asked for refund. Refund was not made. The Complainant has filed a Claim for Rs. 56,998/- along with interest @ 18% on Rs.6998/- (ticket amount) from booking date till realization . The matter is pending.
136. Manish Vashist has filed a Complaint against DAL bearing Complaint No. 378 of 2007 before the District Consumer Disputes Redressal Forum, Delhi. It is alleged in the Complaint that the Complainant purchased air ticket from DAL for travel from Bhubaneshwar to Delhi. The Complainant alleges that the flight was cancelled without any prior intimation. The Complainant has filed a claim for Rs. 49,180/- along with interest @ 12% p.a. The matter is pending.
137. Hemant Sadanand has filed a Complaint against DAL bearing Complaint No. 162 of 2007 before the District Consumer Disputes Redressal Forum, Aurangabad. It is alleged in the Complaint that the Complainant booked tickets for travel from Pune to Delhi. On May 8,2007 the Complainant received a call that the Particular flight has been withdrawn. The Complainant has filed a claim for Rs.33,775/-The matter is pending.
138. Sudhir Manaria has filed a Complaint against DAL bearing Complaint No. 132 of 2007 under before the District Consumer Disputes Redressal Forum, Udaipur. DAL has received only the notice copy, Complaint copy has to be obtained. The matter is pending.
139. Ashutosh Gupta has filed a Complaint against DAL bearing Complaint No. 1013 of 2007 before the District Consumer Disputes Redressal Forum, Bangalore. It is alleged in the Complaint that the Complainant booked tickets for travel from Bangalore to Delhi. Due to system error the tickets were booked twice and the amount was also debited twice. The Complainant has filed a claim for Rs.11,249/- and the cost of Complaint . The matter is pending.
140. Rakesh Sharma has filed a Complaint against DAL bearing Complaint No. 214 of 2007 before the District Consumer Disputes Redressal Forum, Jammu. It is alleged in the Complaint that the Complainant purchased air tickets for travel from Jammu to Chandigarh. but when he reached airport he was told that the flight was delayed and had been rescheduled and later after boarding the flight, was told that the flight has been cancelled. The Complainant has filed a claim for Rs.50,350/-The matter is pending.
141. Piyush Singh has filed a Complaint against DAL bearing Complaint No. 400 of 2007 before the District Consumer Disputes Redressal Forum VI, Delhi. It is alleged in the Complaint that the Complainant purchased Air Ticket for travel from Bhuvaneshwar-Delhi. When the Complainant reached Bhuvaneshwar airport he came to know that the particular flight has been withdrawn. The Complainant has filed a claim for Rs.15,60,000/- DAL has filed its written statement and affidavit in evidence. The matter is pending.
142. Nanda Kumar Naidu has filed a Complaint against DAL an another bearing Complaint No. 315 of 2007 before the District Consumer Disputes Redressal Forum, Dharwad. It is alleged in the Complaint that the Complainant booked Air ticket for travel from Hubli to Bangalore for travel on March 02 2007. He reached airport on time but was denied boarding as the flight was over booked. The Complainant has filed a claim for Rs.5,03,625/- with interest @ 12% and the cost of Complaint . DAL has filed its written statement and affidavit in evidence. The matter is pending.
143. Swapna Gopinath has filed a Complaint against DAL and others bearing Complaint No. 244 of 2007 under the Legal Services Authorities (Amendment) Act, 2002 at permanent Lok Adalat at Thiruvananthapuram. It is alleged in the Complaint that the Complainant had purchased air tickets for travel from Thiruvananthapuram to Chennai. The Complainant alleges that when she reached airport , she was told that the said flight has departed earlier. The Complainant also alleges that Counter Staff took away original tickets which mentioned departure time and replaced it with a flight reservation ticket. The Complainant has filed a claim for Rs.1,01,000/- . The matter is pending.
144. Saurav Anand has filed a Complaint against DAL bearing Complaint No. 153 of 2007 before the District Consumer Disputes Redressal Forum, Mangalore It is alleged in the Complaint that the Complainant

had purchased air tickets for travel from Bangalore to Delhi. The Complainant has alleged that when he reached airport he was told that the said flight no longer operates. He has further alleged that he was not intimated about this earlier. The Complainant has filed a claim for Rs.26,000/-The matter is pending.

145. Minor Cyril Khun and another has filed a Complaint against DAL and another bearing Complaint No. 30 of 2007 before the District Consumer Disputes Redressal Forum, Chengalpattu. It is alleged in the Complaint that the Complainant purchased air tickets for travel from Chennai to Delhi. The Complainant has alleged that during travel one of his three bags was lost and hence the Complainant has filed a claim for Rs.1,25,000/- The matter is pending.
146. Sanjay Banga has filed a Complaint against DAL bearing Complaint No. 297 of 2007 before the District Consumer Disputes Redressal Forum, Mumbai. It is alleged in the Complaint that the Complainant had purchased air tickets for travel from Chennai to Delhi & Delhi to Bombay. The Complainant has alleged that when the flight got cancelled, he was refused for rescheduling inspite of vacancy in the flight. The Complainant has filed a claim for Rs.1,98,050/-The matter is pending.
147. Anil Kantilal Soni & ors have filed a consumer case No.111 of 2007 before Consumer Forum, Bhuj against DAL. The Complainants had purchased air ticket for travel from Delhi to Ahmedabad. The Complainant alleges that when they reached at the airport they were told that the said flight was not on the scheduled time table of DAL. The Complainant has filed a claim for Rs.1,50,030/-The matter is pending.
148. Sheikh Saheel & ors have filed a consumer case before the Consumer Forum, Srinagar against DAL and another. The complainants had purchased air ticket for travel from Jammu to Srinagar, The Complainants have alleged that when they reached the airport they were denied boarding as the flight was overbooked. The Complainants have filed a claim for Rs.3,89,736/- plus interest @ 18% p.a. from date of purchase of the ticket. The matter is pending.
149. Khalid Jahangir & ors have filed a consumer case before the Consumer Forum, Srinagar against DAL. It is alleged in the Complaints that the Complainants purchased air ticket for travel from Jammu to Srinagar. When they reached the airport , they were denied boarding as the flight was overbooked. The Complainant has filed a claim for Rs.4,80,920/- plus interest @ 18% from date of purchase of the ticket. The matter is pending.
150. Mohsin Wani & Ors have filed a consumer case before the Consumer Forum, Kashmir Division, Srinagar against DAL. It is alleged in the Complaints that the Complainant purchased air ticket for travel from Jammu to Srinagar. When they reached the airport they were denied boarding in flight as the flight was overbooked. Also No refund was granted. The Complainants have filed a claim for Rs.3,89,736/- plus interest @ 18% from date of purchase of the ticket. The matter is pending.
151. B.K.Gupta has filed a Consumer Case bearing No. .435 of 2007 before the Consumer Forum, Chandigarh against DAL. It is alleged in the Complaint that the Complainant purchased air tickets for travel from Delhi-Mumbai-Goa-Mumbai. Due to some reasons he had to cancel his journey. The Complainant has alleged that after cancellation he was not refunded the amount. The Complainant has filed a claim for Rs.1,98,050/-The matter is pending.
152. Bhanu Pratap Singh had filed a consumer case bearing No.453 of 2007 before the Consumer Forum, Chandigarh against DAL and another. It is alleged in the Complaint that the Complainant purchased air ticket for travel from Delhi-Bangalore. But when he reached at the airport, he was told that the particular flight was cancelled without any prior intimation. The Complainant had filed a claim for Rs.2,45,000/- Order dated December 11, 2007 was passed by the Forum, directing DAL to pay Rs. 37,500/- Appeal has been filed by DAL before the State Commission, Chandigarh, challenging above order. The Appeal is pending.
153. Surender Kumar has filed a consumer case bearing No.286 of 2007 before the Consumer Forum, Delhi against DAL. It is alleged in the Complaint that the Complainant purchased helicopter tickets for travel from Katra –Sanjhi-Katra. The Complainant further alleges that he traveled one way, but during return

- the said charter service was cancelled without any intimation. The Complainant has filed a claim for Rs.60,000/-The matter is pending.
154. Manoj Gupta has filed a consumer case bearing No.287 of 2007 before the Consumer Forum, Delhi against DAL. It is alleged in the Complaints that the Complainant purchased air tickets for travel from Delhi-Pune. The Complainant alleged that he received an SMS that the flight was delayed for two hours, but when he reached the airport he was told that the flight was cancelled. The Complainant has filed a claim for Rs.94,870/-The matter is pending.
155. Parameshwari Tibrewala has filed a consumer case bearing No.381 of 2007 before Consumer Forum, Hyderabad against DAL. It is alleged in the Complaints that the Complainant purchased air ticket for travel from Kolkata to Hyderabad. The Complainant was denied boarding because on identity card her name was written as Parameshwari Tibrewala and on the ticket it was written as Parameshwari Devi Tibrewala. The Complainant has filed a claim for Rs.1,20,000/-The matter is pending.
156. Rajesh Arora has filed a consumer case bearing No.451 of 2007 before the Consumer Forum, Chandigarh. It is alleged in the Complaint that the Complainant purchased tickets for Chandigarh to Jammu for travel. The Complainant alleges that he was informed about cancellation of flight half an hour before departure and no refund was given. The Complainant has filed a claim for Rs. 51,499/- The matter is pending.
157. Manju Kochhar has filed a consumer case No.434 of 2007 before Consumer Forum, Delhi against DAL. he had purchased air ticket for travel from Delhi to Bagdogra The Complainant has alleged that the flight was cancelled without any prior intimation. The Complainant has filed a claim for Rs. 20,00,00/-The matter is pending.
158. A.L.Sahni has filed a consumer case bearing No. 358 of 2007 before Consumer Forum, Amritsar against DAL. The Complainant had purchased air ticket for travel from Amritsar to Delhi. The Complainant alleges that when he reached airport the said flight had already departed. He further alleges that he was not intimated about this. The Complainant has filed a claim for Rs.4,01,000/-The matter is pending.
159. Insha Mehraj Kak has filed a consumer case before Consumer Forum, Srinagar against DAL. The Complainant had purchased air ticket for travel from Delhi to Srinagar. The Complainant alleges that though he reached airport on time he was denied boarding. The Complainant has filed a claim for Rs.3,61,047/-The matter is pending.
160. Debasish Chatterjee & Ors have filed a consumer case bearing No.210 of 2007 before the State Consumer Redressal Commission, West Bengal against DAL. The Complainants had purchased air tickets for travel from Kolkata to Agartala. The Complainants have alleged that they were disembarked from the aircraft stating that their tickets were cancelled, after they were issued the boarding pass and had already boarded the flight. The Complainants have filed a claim for Rs.49,22,086/-The matter is pending.
161. Balen Sarma & Ors have filed a consumer case bearing No.54 of 2007 before Consumer Forum, Gauhati against DAL. The Complainants had purchased air tickets for travel from Bhubaneshwar to Kolkata. The Complainants have alleged that the flight was delayed for 4 hours and when they reached Kolkata they were denied boarding and they got their tickets cancelled. The Complainants have filed a claim for Rs.92,711/-The matter is pending.
162. Navitha. A.M has filed a consumer case bearing No.1182 of 2007 before Consumer Forum, Bangalore against DAL. The Complainant had purchased air ticket for travel from Delhi to Pathankot. The Complainant has alleged that a night prior to her travel she received a call that the said flight has been cancelled. The Complainant has filed a claim for Rs.95,000/-The matter is pending.
163. C.K.Sunil has filed a consumer case bearing No.1174 of 2007 before Consumer Forum, Bangalore against DAL. The Complainant had purchased air ticket for travel from Bangalore to Kolkata. It is alleged in the Complaint that the Complainant on arrival at Kolkata, he found out of his four baggages one was missing. The Complainant has filed a claim for Rs.1,19,350/-The matter is pending.

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164. Joy Thattil Ittoop has filed a consumer case bearing No. 213 of 2007 before Consumer Forum, Cochin against DAL. The Complainant had purchased air ticket for travel from Mumbai to Cochin. The Complainant has alleged that he reached airport well on time but was denied boarding. The Complainant has filed a claim for Rs.1,50,000/- and 12% interest till realization. The matter is pending.
 165. Gautam Chakraborty has filed a consumer case bearing No.39 of 2007 before Consumer Forum, Agartala against DAL. The Complainant had purchased air ticket for travel from Kolkata to Agartala. The Complainant has alleged that during travel his VIP checked in baggage was found in damaged condition. The Complainant has filed a claim for Rs.1,20,000/-. The matter is pending.
 166. Mohammed Nazir Khan has filed a consumer before Consumer Forum, Srinagar against DAL. The Complainant had purchased air ticket for travel from Jammu to Srinagar. The Complainant has alleged that he reached airport on time on the said date but was denied boarding stating that the flight was overbooked and seats were not available. The Complainant has filed a claim for Rs.2,66,028/- plus interest @ 18% p.a. . The matter is pending.
 167. D. Thukkaram has filed a consumer case bearing No.217 of 2007 before Consumer Forum, Chennai against DAL. The Complainant had purchased air ticket for travel from Chennai to Hyderabad. The Complainant has alleged that he was informed only 17 hours prior to the departure that the said flight has been cancelled. The Complainant has filed a claim for Rs.1,01,362/-. The matter is pending.
 168. K.Ramanujam has filed a consumer case bearing No.218 of 2007 before Consumer Forum, Chennai against DAL. The Complainant had purchased air ticket for travel from Chennai to Hyderabad. The Complainant has alleged that he was informed only 17 hours prior to the departure that the said flight has been cancelled. The Complainant has filed a claim for Rs.1, 01,362/-. The matter is pending.
 169. Koteswara Choudhary has filed a consumer case bearing No.219 of 2007 before Consumer Forum, Chennai against DAL. The Complainant had purchased air ticket for travel from Chennai to Hyderabad. The Complainant has alleged that he was informed only 17 hours prior to the departure that the said flight has been cancelled. The Complainant has filed a claim for Rs.1,01,362/-.The matter is pending.
 170. S.Ramaprabhu has filed a consumer case bearing No.220 of 2007 before Consumer Forum, Chennai against DAL. The Complainant had purchased air ticket for travel from Chennai to Hyderabad. The Complainant has alleged that he was informed only 17 hours prior to the departure that the said flight has been cancelled. The Complainant has filed a claim for Rs.1,01,362/-.The matter is pending.
 171. L.Moorthy has filed a consumer case bearing No.221 of 2007 before Consumer Forum, Chennai against DAL. The Complainant had purchased air ticket for travel from Chennai to Hyderabad. The Complainant has alleged that he was informed only 17 hours prior to the departure that the said flight has been cancelled. The Complainant has filed a claim for Rs.1, 01,362/-.The matter is pending.
 172. Krishnaprasad has filed a consumer case bearing No.222 of 2007 before Consumer Forum, Chennai against DAL. The Complainant had purchased air ticket for travel from Chennai to Hyderabad. The Complainant has alleged that he was informed only 17 hours prior to the departure that the said flight has been cancelled. The Complainant has filed a claim for Rs.1, 01,362/-. The matter is pending.
 173. M.Raju has filed a consumer case bearing No.223 of 2007 before Consumer Forum, Chennai against DAL. The Complainant had purchased air ticket for travel from Chennai to Hyderabad on May 11, 2006. The Complainant has alleged that he was informed only 17 hours prior to the departure that the said flight has been cancelled. The Complainant has filed a claim for Rs.1, 01,362/-. The matter is pending.
 174. Balasubramaniam has filed a consumer case bearing No.224 of 2007 before Consumer Forum, Chennai against DAL. The Complainant had purchased air ticket for travel from Chennai to Hyderabad. The Complainant has alleged that he was informed only 17 hours prior to the departure that the said flight has been cancelled. The Complainant has filed a claim for Rs.2, 01,362/-. The matter is pending.
 175. K.Deenadayalan has filed a consumer case bearing No.225 of 2007 before Consumer Forum, Chennai against DAL. The Complainant had purchased air ticket for travel from Chennai to Hyderabad. The

Complainant has alleged that he was informed only 17 hours prior to the departure that the said flight has been cancelled. The Complainant has filed a claim for Rs.1, 01,362/- The matter is pending.

176. T.V.Ramakrishnan has filed a consumer case bearing No.226 of 2007 before Consumer Forum, Chennai against DAL. The Complainant had purchased air ticket for travel from Chennai to Hyderabad. The Complainant has alleged that he was informed only 17 hours prior to the departure that the said flight has been cancelled. The Complainant has filed a claim for Rs.1, 01,362/- The matter is pending.
177. J.R.Sethuramalingam has filed a consumer case bearing No.227 of 2007 before Consumer Forum, Chennai against DAL. The Complainant had purchased air ticket for travel from Chennai to Hyderabad. The Complainant has alleged that he was informed only 17 hours prior to the departure that the said flight has been cancelled. The Complainant has filed a claim for Rs.1, 01,362/- The matter is pending.
178. T.V.Chandra has filed a consumer case bearing No.228 of 2007 before Consumer Forum, Chennai against DAL. The Complainant had purchased air ticket for travel from Chennai to Hyderabad. The Complainant has alleged that he was informed only 17 hours prior to the departure that the said flight has been cancelled. The Complainant has filed a claim for Rs.1, 01,362/- The matter is pending.
179. S.Ganapathy has filed a consumer case bearing No.229 of 2007 before Consumer Forum, Chennai against DAL. The Complainant had purchased air ticket for travel from Chennai to Hyderabad. The Complainant has alleged that he was informed only 17 hours prior to the departure that the said flight has been cancelled. The Complainant has filed a claim for Rs.1, 01,362/- The matter is pending.
180. D.Vishwanathan has filed a consumer case bearing No.230 of 2007 before Consumer Forum, Chennai against DAL. The Complainant had purchased air ticket for travel from Chennai to Hyderabad. The Complainant has alleged that he was informed only 17 hours prior to the departure that the said flight has been cancelled. The Complainant has filed a claim for Rs.1, 01,362/- The matter is pending.
181. Rajendran has filed a consumer case bearing No.231 of 2007 before Consumer Forum, Chennai against DAL. The Complainant had purchased air ticket for travel from Chennai to Hyderabad. The Complainant has alleged that he was informed only 17 hours prior to the departure that the said flight has been cancelled. The Complainant has filed a claim for Rs.1,01,362/- The matter is pending.
182. Injeela Shah has filed a consumer case bearing No.519 of 2007 before Consumer Forum, Indore against DAL. The Complainant had purchased air ticket for travel from Delhi to Indore. The Complainant has alleged that she had asked for rescheduling her ticket from March 27, 2007 to March 25, 2007, but on March 25, 2007 when she reached the airport she was told that her ticket was not rescheduled and was denied boarding. The Complainant has filed a claim for Rs.27,822/-The matter is pending.
183. Dhritiman Deb Barma has filed a consumer case bearing No.47 of 2007 before Consumer Forum, Agartala against DAL. The Complainant had purchase air ticket for travel from Chennai to Agartala. The Complainant has alleged that he reached well on time at airport but was denied boarding. The Complainant has filed a claim for Rs.50, 047/- and for Rs. 50,000/- for deficiency in services. The matter is pending.
184. D.Anand has filed a consumer case bearing No.183 of 2007 before Consumer Forum, Coimbatore against DAL. The Complainant had purchased air ticket for travel from Goa to Bangalore. The Complainant has alleged that he had informed to cancel the tickets 3 days prior to journey but was still not refunded 85% as per policy. The Complainant has filed a claim for Rs.97, 495/- The matter is pending.
185. Ashok Goel has filed a consumer case bearing No.127 of 2007 before Consumer Forum, Muzaffarnagar against DAL. The Complainant had purchased helicopter tickets for travel from Katra to Vaishnodevi. The Complainant has alleged that the said charter service was cancelled without any intimation. The Complainant has filed a claim for Rs.63,750/- The matter is pending.
186. U.M.Bhandari has filed a consumer case bearing No.480 of 2007 before Consumer Forum, Hyderabad against DAL. The Complainant had purchased air ticket for travel from Hyderabad to Ahmedabad. The

Complainant has alleged that on arrival at Ahmedabad he found that one out of his three checked in baggages was missing. The Complainant has filed a claim for Rs.2,05,000/- The matter is pending.

187. Alok Gupta has filed a consumer case bearing No.924 of 2007 before Consumer Forum, Jaipur against DAL. The Complainant had purchased air ticket for travel from Delhi to Kullu. The Complainant has alleged that when he reached the airport he was told that his PNR could not be retrieved and his name was not found on the schedule and was denied boarding. The Complainant has filed a claim for Rs.4,31,060/- The matter is pending.
188. Mani Kantan Nair has filed a consumer case bearing No.345 of 2007 before Consumer Forum, Thiruvananthapuram against DAL. The Complainant had purchased air ticket for travel from Trivandrum to Delhi. The Complainant has alleged that due to some reasons he had to cancel his tickets but the amount of the tickets was not refunded. The Complainant has filed a claim for Rs.13,520/- The matter has been disposed off finally and there is no liability on DAL.
189. Ravindra Kumar Sharma has filed a consumer case bearing No.13 of 2007 before Consumer Forum, Jaipur against DAL. The Complainant had purchased air ticket for travel from Jaipur to Delhi. The Complainant has alleged that the Airport Manager misbehaved with him and he was stopped to board the flight. The Complainant has filed a claim for Rs.2,30,438/- The matter is pending.
190. M.Haragopal Rao had filed a consumer case bearing No.599 of 2007 before Consumer Forum, Hyderabad against DAL. The Complainant had purchased air ticket for travel from Chennai to Hyderabad. The Complainant had alleged that the flight was delayed for more than two hours. The Complainant had filed a claim for Rs.27,000/- The District forum had dismissed the Complaint by order dated September 29, 2007. Aggrieved by the said order the Complainant has filed this Appeal No. 6903 of 2007 before the Andhra Pradesh State Commission. The matter is pending.
191. Anand Gautam & Ors have filed a consumer case bearing No.495 of 2007 before Consumer Forum, Delhi against DAL. The Complainant had purchased air tickets for travel from Delhi to Chennai. The Complainant has alleged that the flight was cancelled after they had checked-in their luggage and were issued the boarding pass. The Complainant has filed a claim for Rs.2,15,500/- The matter is pending.
192. R.Soundarajan & Ors have filed a consumer case bearing No.194 of 2007 before the Consumer Disputes Redressal Forum, Coimbatore against DAL and another. The Complainant had purchased air tickets for travel from Mumbai to Coimbatore. The Complainant has alleged that they had asked for rescheduling their ticket from March 23 2007 to March 21 2007 but when they reached the airport they were denied boarding. The Complainants have filed a claim for Rs.8,15,675/- The matter is pending. DAL is required to file its written statement.
193. Surendra Kumar Seth & Ors have filed a consumer case bearing No.122 of 2007 before Consumer Forum, Muradabad against DAL. The Complainant had purchased air tickets for travel from Delhi to Chennai. The Complainant had alleged that he was not able to reach the airport on time due to traffic. He had asked for the cancellation of the said tickets but till date the amount is not refunded. The Complainant has filed a claim for Rs. 47,685/- and interest @ 18% p.a. till realization. The matter is pending.
194. Manoj Kumar has filed a consumer case bearing No.496 of 2007 before Consumer Forum, Delhi against DAL. The Complainant had purchased air tickets for travel from Delhi to Goa. The Complainant has alleged that when he reached airport, he was told that the said flight was not there on the schedule. The Complainant has filed a claim for Rs.9,996/- The matter is pending.
195. Neeraj Kumar Roy had filed a consumer case bearing No.1398 of 2007 before Consumer Forum, Bangalore against DAL. The Complainant had purchased air tickets for travel from Kolkata to Bangalore. The Complainant had alleged that when he reached airport he was told that his tickets were cancelled and was denied boarding. The Complainant had filed a claim for Rs.1,12,163/- plus legal expenses of this case. The Forum had passed an order directing DAL to pay a total sum of Rs. 3,000/- Aggrieved by the order, the Complainant has preferred an Appeal No. 129 of 2008. The matter is pending.

196. N.K.Joshi & Anr. have filed a consumer case bearing No.631 of 2007 before Consumer Forum, Hyderabad against DAL. The Complainant had purchased air tickets for travel from Tirupati to Hyderabad. The Complainant has alleged that he checked in and allotted the boarding pass. He was waiting in the lounge for the announcement and the flight took off without his knowledge. The Complainant has filed a claim for Rs.4,11,110/-The matter is pending.
197. Niraj Kumar Tayal has filed a consumer case bearing No.173 of 2007 before Consumer Forum, Angul against DAL. The Complainant had purchased air tickets for travel from Bhuvaneshwar to Delhi. The Complainant has alleged that when he reached the airport he was told that the said flight schedule was changed. The Complainant has further alleged that one of the child pass was booked as infant and the Complainant had canceled his ticket and purchased a fresh ticket for him. The Complainant has filed a claim for Rs.1, 85,845/-The matter is pending.
198. Sabia Amin & Anr have filed a consumer case bearing No.281 of 2007 before Consumer Forum, Jammu against DAL. The Complainant had purchased air tickets for travel from Jammu to Srinagar. The Complainant has alleged that when he reached airport he was told that the flight is full and was denied boarding. The Complainant has filed a claim for Rs.1,31,960/-.
199. Rajat Nath has filed a consumer case bearing No.58 of 2007 before the Consumer Forum, Tripura, Agartala against DAL and others. It is alleged in the Complaint that the Complainant had purchased air ticket for travel from Imphal to Silchar. The Complainant has further rescheduled the journey from to May 01, 2007 for the same flight but when he reached airport he was told that the said flight is cancelled. The Complainant has filed a claim for Rs.14,968/- No refund given. The matter is pending.
200. H. K. Mittal has filed a consumer case No.497 of 2007 before Consumer Redressal Forum, VII New Delhi against DAL. The Complainant had purchased air ticket for travel from Delhi to Kolkata on December 29, 2006. The Complainant has alleged that his baggage went missing. The Complainant has filed this Complaint for a claim for Rs.5,28,580/- and directions for payment of Rs. 50,00,000/- to NGO Arogya Foundation of India. DAL has filed its written statement and affidavit in evidence. The matter is pending.
201. Tarun Kumar Bose has filed a consumer bearing case No.195 of 2007 before Consumer Forum, Kolkata against DAL and another. The Complainant purchased two air tickets for travel from Bombay to Kolkata. The Complainant has alleged that when the passengers came to the airport they were told that the said flight was cancelled due to shortage of aircrafts. The Complainant has filed a claim for Rs.56040/- plus interest @ 10% p.a. The matter is pending.
202. R. Kiran Gupta has filed a consumer case bearing No.263 of 2007 before Consumer Forum, Chennai against DAL and others (Complaint copy to be received). The matter is pending.
203. Rajeev Shetty has filed a consumer case bearing No.1530 of 2007 before First Additional Consumer Forum, Bangalore against DAL. The Complainant had purchased air tickets for travel from Mumbai to Bangalore. The Complainant has alleged that he had asked for rescheduling of the journey but it was not done as his PNR could not be retrieved due to change in software by airlines. The Complainant has filed a claim for Rs.30,000/-The matter is pending.
204. Parminder Gill and others has filed a consumer case bearing No.624 of 2007 before Consumer Forum I, Chandigarh against DAL and another. The Complainant had purchased return air ticket for travel from Chandigarh to Jammu. The Complainant has alleged that the flights were cancelled without any intimation. The Complainant has filed a claim for Rs.49, 460/- plus interest @ 18% p.a. on refund amount w.e.f February 19, 2007. The matter is pending.
205. Amit Priyadarshi has filed a consumer case bearing No.30 of 2007 before Consumer Forum, Jagdalpur, Chattisgarh against DAL and Others. The Complaint had purchased air tickets to travel from Kolkata to Raipur. But when he reached Raipur Airport, he found the lock to be broken on his checked in baggage and amount of Rs.50,000/- was missing. The Complainant has filed a Claim for Rs.53,000/- The matter is pending.
206. Virendra Singh has filed a consumer case bearing No.300 of 2007 before Divisional Consumers Protection Forum, Jammu Division, Jammu against DAL and another. The Complainant had purchased

air ticket for travel from Chandigarh to Jammu on May 23 2007. The Complainant has alleged that he had check-in and was allotted the boarding also, but was denied boarding without any reason. He has filed a claim for Rs.5,00,000/- DAL has filed its affidavit in reply. The matter is pending.

207. N. Sheshadri has filed a consumer case bearing No.1596 of 2007 before Consumer Forum, Bangalore against DAL. It is alleged in the Complaint that the Complainant had purchased return air tickets for travel from Bangalore-Kolkata-Bangalore. The Complainant has alleged that his onward flight was cancelled and he demanded for refund of both onward and return journey and the refund for the return journey was denied. The Complainant has filed a claim for Rs.99,374/- The matter is pending.
208. Vinnakota Balakrishna has filed a consumer case bearing No.1706 of 2007 before Permanent Lok Adalat for Public Utility Services, Hyderabad against DAL and another . It is alleged in the Complaint that the Complainant had purchased air tickets for travel from Delhi to Kullu. When he reached airport he was told that the said flight was cancelled. The Complainant has filed a claim for Rs.36, 626/- The matter is pending.
209. Somashekhar has filed a consumer case bearing No.1633 of 2007 before Consumer Forum, Bangalore against DAL. It is alleged in the Complaint that the Complainant had purchased air tickets for travel from Bangalore to Chennai. The Complainant has alleged that he purchased air tickets at Rs.2/- as basic and was charged an amount of Rs.950/- The Complainant has filed a claim for Rs. 60,950/- plus interest @ 12% p.a. from the date of filing of the Complaint . The matter is pending.
210. Swapan Kumar Bhattacharjee and another has filed a consumer case bearing No.52 of 2007 before Consumer Forum, Tripura, Agartala against DAL and others. It is alleged in the Complaint that the Complainant had purchased return air tickets for travel from Agartala to Guwahati. The Complainant has received information on May 9, 2007 that that flight was cancelled. No alternate flight arrangement was made. Also there was no refund of return ticket fare. The Complainant has filed a claim for Rs. 52,268/- exclusive of the cost of litigation. The matter is pending.
211. Girish Kumar Jain has filed a consumer case bearing No.576 of 2007 before Consumer Forum, Delhi against DAL. It is alleged in the Complaint that the Complainant had purchased air tickets for travel from Mumbai to Delhi. The Complainant alleges that the said flight was cancelled. However he was accommodated in another flight. but the same was also delayed for more than 2 hours. The Complainant has filed a claim for Rs.25, 000/- exclusive of the cost of litigation. The matter is pending.
212. Sangeetha Jain has filed a consumer case bearing No.575 of 2007 before Consumer Forum VII, Delhi against DAL. It is alleged in the Complaint that the Complainant had purchased air tickets for travel from Mumbai to Delhi. The Complainant has alleged that the said flight was cancelled. However he was accommodated in another flight. This flight was also delayed for more than 2 hours. The Complainant has filed a claim for Rs.25,000/- exclusive of the cost of litigation. The matter is pending.
213. Thakur Karan Singh has filed a consumer case bearing No.573 of 2007 before Consumer Forum VI, Delhi against DAL. It is alleged in the Complaint that the Complainant had purchased air tickets for travel from Delhi to Kullu. The said flight was cancelled and refund was also denied. The Complainant has filed a claim for Rs.23,080/-The matter is pending.
214. Anuj Singhania has filed a consumer case bearing No.966 of 2007 before Consumer Forum, Jaipur against DAL and another. It is alleged in the Complaint that the Complainant had purchased air tickets for travel from Udaipur to Jaipur. He checked in the luggage and was issued boarding pass also, but was denied boarding without any reason. The Complainant has filed a claim for Rs, 80,600/-The matter is pending.
215. Surinder Bhakroo has filed a consumer case bearing No.620 of 2007 before Consumer Forum, Chandigarh against DAL and another. It is alleged in the Complaint that the Complainant had purchased air tickets for travel from Chandigarh-Jammu-Chandigarh. The Complainant traveled from Chandigarh to Jammu but the return flight was cancelled. He alleges that he was not informed earlier and when he reached air port he was told that the said flight was cancelled just 15 minutes prior to departure. The Complainant has filed a claim for recovery of litigation cost, mental and physical harassment and refund of air fare Rs.1999/-The matter is pending.

216. Mohammed Wazir has filed a consumer case bearing No.1449 of 2007 before Consumer Forum, Bangalore against DAL. It is alleged in the Complaint that the Complainant had purchased air tickets for travel from Bangalore to Belgaum. The Complainant has alleged that he checked in his luggage and boarded the flight. He was waiting for the take off of the flight and one of the staff came and disembarked him from the flight. The Complainant has filed a claim for Rs.1,05,000/-The matter is pending.
217. S.K.Roy has filed a consumer case bearing No.530 of 2007 before Consumer Forum, Visakhapatnam against DAL. It is alleged in the Complaint that the Complainant had purchased air tickets for travel from Vishakapatnam to Bhuvaneshwar. When the Complainant reached air port he was told that there was no flight on that day stating that the flight was overweight as he was latecomer he would have to disembark. The Complainant further alleges that he was promised a seat in alternate flight. at 10.30.AM.. However later on the Complainant came to know that there was no such flight at that time from Vishakapatnam to Bhuvaneshwar. The Complainant has filed a claim for Rs.52, 630/-The matter is pending.
218. Vikas Kapoor has filed a consumer case bearing No.217 of 2007 before Consumer Forum, Mandi, Himachal Pradesh against DAL. It is alleged in the Complaint that the Complainant had purchased air tickets for travel from Kullu-Delhi-Kullu. The Complainant received an SMS on January 20, 2007 that the flight was rescheduled on January 23, 2007. Once again he received an SMS on January 20, 2007 that the flight was delayed by 30 minutes and not cancelled, but when he reached airport he was told that the flight was cancelled. The Complainant has filed a claim for Rs.68,648/-The matter is pending.
219. Devendra Jarwala has filed a consumer case bearing No 811 of 2007 before Consumer Forum, Indore against DAL. It is alleged in the Complaint that the Complainant had purchased air ticket for travel from Delhi to Indore. The Complainant has alleged that he received an SMS on the date of travel that the flight was delayed by 2 hours. The Complainant reached airport and was issued boarding pass also, but later he was told that the flight was cancelled due to inadequacy of passengers. The Complainant has filed a claim for Rs.3,53,200/-The matter is pending.
220. Shankarlal Poddar has filed a consumer case bearing No.422 of 2007 before Consumer Forum, Mumbai Suburban District against DAL. It is alleged in the Complaint that the Complainant had purchased air tickets for travel from Mumbai-Kolkata. The Complainant has alleged that the flight was delayed without any reason. The Complainant has filed a claim for Rs.46500/-The matter is pending.
221. Kuchi Bhotla Venkatrama Phani has filed a consumer case bearing No.208 of 2007 before Consumer Forum, Vijayawada against DAL. It is alleged in the Complaint that the Complainant had purchased air tickets for travel from Chennai to Vijayawada. The Complainant has alleged that he went at the check in counter to collect the boarding passes for himself, his brother and his brother's wife, who were suppose to arrive at Chennai through Mumbai-Chennai flight. The said flight was delayed by half an hour and hence the Complainant had come to collect the boarding passes for the other two passengers also. He was denied the issuance of the boarding passes. Later when the other passengers arrived they were denied boarding. The said Kuchi Bhotla Venkatrama has filed a claim for compensation of Rs. 5,16,147/-and costs of Rs. 5,90,000/-. DAL is required to file written statement. The matter is pending.
222. Malavika Nair has filed a consumer case bearing No.337 of 2007 before Consumer Forum, Chennai against DAL. It is alleged in the Complaint that the Complainant had purchased air tickets for travel from Hyderabad to Coimbatore. When she reached the airport she was told that the said flight was cancelled and she sought for refund and purchased air ticket for another flight. The Complainant further alleges that she came to know later that the flight which was said to be cancelled was not cancelled and it flew on the same day on scheduled time.. The Complainant has filed a claim for Rs 61748/-The matter is pending.
223. S.S. Smitha has filed a consumer case bearing No.46 of 2007 before Consumer Forum, Chennai against DAL. It is alleged in the Complaint that the Complainant along with her Colleague travel form Chennai – Kolkata – Chennai. The Complainant and her colleague both are disabled with Demilination & Post Polio Paralyses and were not treated as per Persons with Disability Act of 1995 during the travel and were not provided proper services. The Complainant has filed a claim for Rs.3,10,000/-The matter is pending.

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224. Ketan Anand has filed a consumer case bearing No.588 of 2007 before Consumer Disputes Redressal Forum, Ahmedabad against DAL. It is alleged in the Complaint that the Complainant had purchased air tickets for travel from Ahmedabad-Goa-Ahmedabad. But when the Complainant reached airport he was told that the said flight was cancelled. The Complainant has filed a claim for Rs.1, 95,006/- alongwith interest @18% p.a. The matter is pending.
225. Chandrakant Hiralal Patel & Others have filed a consumer case bearing No.161 of 2007 before Consumer Disputes Redressal Forum, Jamnagar against DAL. It is alleged in the Complaint that the Complainant had purchased air tickets for travel from Mumbai to Jamnagar. The Complainant alleges that the said flight was cancelled without any reason. The Complainant has filed a Complaint demanding apology in writing and a claim for Rs.2,10,656/- along with interest (interest rate not mentioned). The matter is pending.
226. Jeevanlal Mahobia has filed a consumer case bearing No.324 of 2007 before Consumer Forum, Durg against DAL. It is alleged in the Complaint that the Complainant had purchased air tickets for travel from Chennai-Portblair-Chennai. The Complainant alleges that the return flight was cancelled. The Complainant has filed a claim for Rs.1,65,887/-The matter is pending.
227. Lalnunsiami has filed a consumer case bearing No.465 of 2007 before Consumer Forum, Aizwal against DAL. It is alleged in the Complaint that the Complainant had purchased air tickets for travel from Aizwal –Delhi. The Complainant alleges that since there was no direct flight, he had booked for connecting flight. The said flight was cancelled and got his ticket rescheduled to another flight but when he reached Kolkata airport he was told that the flight from Kolkata to Delhi in which his tickets were rescheduled has already left in the morning. The Complainant has filed a claim for Rs.6275/-The matter is since amicably settled and the status of the payment made / committed is not yet advised.
228. Dinesh B.V. has filed a Consumer Case bearing No.1807 of 2007 before Consumer Forum, Bangalore against DAL. It is alleged in the Complaint that the Complainant had purchased air tickets for travel from Bangalore to Chennai. The Complainant had checked-in a baggage which was not delivered to him after his journey. The Complainant has filed a claim for Rs.46, 400/-The matter is pending.
229. Sunil Jain has filed a consumer case bearing No.1113 of 2007 before Consumer Forum, Jaipur against DAL. It is alleged in the Complaint that the Complainant had purchased air tickets for travel from Delhi to Kulu. The flight was to take off at 10.30AM, but he was told that the said flight has departed at 8.00AM. The Complainant has filed a claim for Rs.58, 013/-The matter is pending.
230. Kurian Pius has filed a consumer case bearing No.275 of 2007 before Consumer Forum, Ernakulam against DAL. It is alleged in the Complaint that the Complainant made a booking through Web, for travel from Cochin to Hyderabad. When he called the call center to know the status of his tickets and he was told that the PNR could not be retrieved and he had purchased fresh tickets. The Complainant has filed a claim for Rs. 27,500/-The matter is pending.
231. Bijay Karan Dugar has filed a consumer case bearing No.163 of 2007 before Consumer Forum, 24-Paraganas against DAL. It is alleged in the Complaint that the Complainant had purchased air tickets for travel from Kolkata to Baghdogra. The Complainant has alleged that he had purchased the tickets at airport and as there was system problem it took time to generate the PNR and by the time he could reach the check in counter it was closed and was denied boarding. The Complainant has filed a claim for Rs.65, 780/-The matter is pending.
232. Gulab Chand Jain has filed a consumer case bearing No.405 of 2007 before Consumer Forum, Jabalpur against DAL. It is alleged in the Complaint that the Complainant had purchased air tickets for travel from Delhi to Jabalpur. The Complainant has alleged that he had called the call center to reschedule the tickets but was refused, instead he was asked to cancel the earlier tickets and book fresh tickets and the price was 4 times higher than what he had paid. The Complainant has further alleged that the children below 12 years were charged as adults. The Complainant has filed a claim for Rs.23,817/-The matter is pending.
233. H.K.Narang has filed a consumer case bearing No.983 of 2007 before Consumer Forum, Delhi against DAL. It is alleged in the Complaint that the Complainant had purchased air tickets for travel from Delhi-Pathankot-Delhi. The Complainant has alleged that the flight was cancelled and the refund has not been

- made. The Complainant has filed a claim for Rs. 25,066/- alongwith interest @ 18% from November 21, 2006 till realisation. The matter is pending.
234. Sneh Sharma has filed a consumer case bearing No.337 of 2007 before Consumer Forum, Delhi against DAL. It is alleged in the Complaint that the Complainant had purchased air tickets for travel from Jammu-Delhi-Jammu. The Complainant completed the out bound journey, but during return journey, the flight took off from Delhi and landed at Srinagar and failed to complete the journey from Srinagar to Jammu. The Complainant has filed a claim for Rs.62349/- including Rs.2349/- towards cost of ticket @18% interest from August 8, 2007 till payment.. The matter is pending.
235. Anjali Malik has filed a Civil Case bearing No.629 of 2007 before Consumer Forum, Delhi against DAL. It is alleged in the suit that the Complainant had purchased air tickets for travel from Delhi-Kulu-Delhi, travel date being February 23, 2007 and February 28,2007, flight DN-557 & 558, with PNR-DA09169003. The Complainant has alleged that when she reached airport she was told that the said flight was rescheduled for next day. The same reason was given to her for four consecutive days and later she was told that the said flights were cancelled. The Complainant has filed a claim for 55,000/- .The matter is pending.
236. Dilip Kewalani has filed a Civil Case bearing No.680 of 2007 before Consumer Forum, Jodhpur against DAL. It is alleged in the suit that the Complainant had purchased air tickets for travel from Jodhpur to Ahmedabad. The Complainant was issued boarding pass but since he had excess baggage, he went to give them to his relatives out side and when he came back he was denied boarding. The Complainant alleges that even his boarding pass was snatched and torn. The Complainant has filed a claim for Rs.4,54,099/-The matter is pending.
237. Kishor Bansilal Parikh has filed a Consumer case bearing No.429 of 2007 before Consumer Forum, Mumbai against DAL. It is alleged in the suit that the Complainant had purchased air ticket for travel from Mumbai to Delhi. He had checked-in 5 bag gages but on reaching Delhi airport he received only 4 bag gages and one was missing. The Complainant has filed a claim for Rs.21, 600/-The matter is pending.
238. Ravi Gandotra has on 08/09/2007 filed a Consumer Case No.429 of 2007 before the Jammu and Kashmir Consumer Disputes Redressal Commission, Jammu against DAL. It is alleged in the Complaint that the Complainant had purchased air tickets for travel from Jammu – Delhi, travel date being June 8 2007,. The Complainant has alleged that said flight was cancelled and he had to face tremendous Harassment, physical torture, financial losses and disrespect. The compensation claim is for Rs.9,00,000/- DAL is required to file written statement in the matter. The matter is pending.
239. Anil Bhandoola has filed a consumer case bearing no. 715 of 2007 before Consumer Forum, Delhi against DAL. It is alleged in the Complaint that the Complainant had purchased a sit ticket for travel from Pune to Delhi. The Complainant has alleged that the said flight was cancelled and has filed a claim for Rs.5,55,930 with interest @ 12% p.a. from the date of filing i.e. September 20, 2007 till payment. The matter is pending.
240. Chander Prakash has filed a consumer case bearing no.737 of 2007 before Consumer Forum Delhi against DAL. The Complainant had purchased air tickets for travel from Srinagar to Delhi, The Complainant has alleged that he had checked in 18 pieces of check-in baggage but when he reached the Delhi airport he found one of the 18 bagages was missing. He has filed a claim for Rs.98,622/- plus interest @ 12% p.a. on Rs.48,622/. The matter is pending.
241. Salim Kumar has filed a consumer case bearing no.07 of 313 of 2007 before Consumer Disputes Redressal Forum, Kollam in which he was denied refund. The Complainant came to know about the new offer for the Airtel Customer and as per the offer to avail the benefit of the new offer of free flight one has to remit Rs.899 to any Airtel office and obtain a post paid connection. The Complainant paid the said amount and was given the post paid connection. Thereafter the Complainant sent two demand draft of Rs 1800/- and Rs.7300/- for booking the tickets from Trivandrum to Mumbai for himself and his wife and the tickets were booked. It is alleged that on the date of travel the Complainant with his wife left for Airport but on the way his wife met with an accident and he had to cancel her ticket and for which he

called up and asked for cancellation but it was not done. He has filed a claim for Rs.17,600/- . The matter is pending.

242. Shreyans.S.Chougle has filed an Execution Petition bearing no.105 of 2007 at Belgaum. The Decree Holder had filed a consumer case against DAL and the travel agent alleging flight cancellation. The Hon'ble District Court had partly allowed the Complaint and directed DAL and the travel agent to pay an amount of Rs.3000/-jointly and severally. For the compliance of the said order the Decree Holder has filed this Execution Petition. The matter is pending.
243. Smita.S.Chougle has filed an Execution Petition bearing no.104 of 2007 at Belgaum against DAL. The Decree Holder has filed a consumer case against DAL and the travel agent alleging flight cancellation. The Hon'ble District Court had partly allowed the Complaint and directed DAL and the travel agent to pay an amount of Rs.3000/-jointly and severally. For the compliance of the said order the Decree Holder has filed this Execution Petition. The matter is pending.
244. Mehul Parikh has filed a consumer case bearing no.742 of 2007 against DAL before the Consumer Forum Ahmedabad. The Complainant has alleged that he had purchased air tickets for travel from Ahmedabad- Goa- Ahmedabad. The Complainant has alleged that when he called to enquire the status of the flight he was told that the said flights were cancelled. He has filed a claim for Rs. 25,000/- plus interest @ 12% p.a. on Rs.10,000/- . The matter is pending.
245. C.M.Manek has filed a consumer case bearing no.182 of 2007 against DAL at the Consumer Forum Bhavnagar regarding the Auto Cancellation of the ticket. The Complainant has alleged that he had purchased air tickets for travel from Mumbai to Bhavnagar. The Complainant has alleged that when he went to airport to board the flight he was told that his tickets were cancelled. Hence he has filed a claim for Rs. 26,437/- . The matter is pending.
246. Damyantiben has filed a consumer case bearing no.181 of 2007 against DAL at the Consumer Forum Bhavnagar regarding the Auto Cancellation of the ticket. The Complainant had purchased air tickets for travel from Mumbai to Bhavnagar. The Complainant has alleged that when she went to airport to board the flight he was told that his tickets were cancelled. Filed a claim for Rs. 26,437/- . The matter is pending.
247. P.D.Trivedi has filed a consumer case bearing no.183 of 2007 against DAL before the Consumer Forum Bhavnagar regarding the Auto Cancellation of the ticket. The Complainant had purchased air tickets for travel from Mumbai to Bhavnagar. The Complainant has alleged that when he went to airport to board the flight he was told that his tickets were cancelled. Filed a claim for Rs. 26,437/- . The matter is pending
248. Ajay Kumar Bhotika has filed a consumer bearing case bearing no. 1860 of 2007 before the Consumer Forum Bangalore alleging loss of baggage. The Complainant had purchased air ticket for travel from Bangalore – Kolkata. The Complainant has alleged that he had checked-in 10 bag gages out of which one baggage was missing. He has filed a claim for Rs. 7,00,000/- . The matter is pending.
249. Santosh Kumar has filed a consumer case bearing no.291 of 2007 before the Consumer Forum Gautam Budhnagar (U.P). The Complainant had booked air tickets for his wife, Santosh Bindu, his son Santosh Jayagovind and daughter Santosh Amritha, for travel from Thiruvananthpuram to Delhi. The Complainant has alleged that when the passengers reached airport on the travel date they were told that the tickets were cancelled. He has filed a claim for Rs.28,954/- . The matter is pending.
250. Sisir Kumar has filed a consumer case bearing no. 682 of 2007 before the Consumer Forum Vishakhapatnam. The Complainant had purchased air tickets for travel from Baghdogra to Kolkata. The Complainant has alleged that when he reached air port he was told that the said flight was cancelled .Hence, he has filed a claim for Rs.73,997/- . The matter is pending.
251. Bharti Chopra has filed a consumer case bearing no. 790 of 2007 before the Consumer Forum Chandigarh against DAL. The Complainant had purchased air tickets for travel from Mumbai-Goa-Mumbai. She has alleged that she had to cancel the tickets due to some reasons. She requested for

- cancellation and refund, however she did not receive the refund in spite of several requests. Hence she has filed a claim for Rs.1,34,610/- . The matter is pending.
252. S.S.Dhingra has filed a consumer case bearing no. 884 of 2007 before the Consumer Forum Delhi against DAL for improper services. The Complainant had purchased air tickets for travel from Delhi to Jammu. The Complainant has alleged that after entering into the aircraft all the passengers started feeling suffocated and the daughter of the Complainant became unconscious and was admitted to the Hospital. It is alleged that there was no sufficient oxygen in the aircraft and also there was leakage of hazardous gas in the aircraft. Hence a claim for Rs. 1, 42,162/- is made with interest @ 18% p.a on Rs.36, 792/- .
253. Manish Kumar Jain has filed a consumer case bearing no.1981 of 2007 before the Consumer Forum Bangalore. The Complainant had purchased air tickets for travel from Bombay to Bangalore. The Complainant has alleged that when he reached airport he was told that the said flight was delayed. However the flight took off and the Complainant was not allowed to board the flight and his boarding pass was also snatched and cancelled. He has filed a claim for Rs.2,50,000/- . Complaint was disposed with a direction to DAL to pay Rs.11,000 /-, by Order dated November 29, 2007. The Decree Holder has filed an Execution Petition No. 11 of 2008 for the recovery of the said amount. DAL has preferred an Appeal to the State Commission and the Appeal is pending.
254. Shekar Arya has filed a consumer case bearing no.693 of 2007, against DAL before the Consumer Forum, Delhi. The Complainant had purchased air tickets for travel from Delhi-Chennai. The Complainant has alleged that when he reached airport he was told that the said flight was cancelled. He has filed a claim for Rs.3,96,247/- with interest @ 24% p.a on Rs.14,693/- The matter is pending.
255. Basant Maheshwari has filed a consumer case bearing no. 682 of 2007 against DAL before the Consumer Forum Ahmedabad. The Complainant had purchased air tickets for travel from Ahmadabad-Delhi-Ahmadabad. The Complainant has alleged that the flight was delayed for more than two hours and he was not informed about this. He has filed a claim for Rs.2,09,447/- plus interest @ 12% p.a on refund amount. The matter is pending.
256. Jomon Puthen Purackkal has filed a consumer case bearing no. 200 of 2007 against DAL before Consumer Forum Thiruvananthpuram. The Complainant had purchased air tickets for travel from Delhi to Trivandrum. The Complainant has alleged that the flight was delayed without any reason. Hence he has filed a claim for Rs.50,000/- . The matter is pending.
257. Animesh Saha & Ors. Have filed a consumer case bearing no. 48 of 2007 against DAL & Others, before the Consumer Forum Agartala. The Complainant had purchased air tickets for travel from Agartala to Kolkata. The Complainants had to reschedule their tickets due to some personal reasons and sought for rescheduling but was denied on the pretext that computer system was not working and he will have to purchase fresh tickets and the full amount of the fresh tickets will be made to them later. Accordingly the Complainants purchased fresh tickets. The Complainants have alleged that till date their amount is not refunded and have filed a claim for Rs.42,500/- . The matter is pending.
258. Waskar has filed a consumer case bearing No. 29 of 2007 before the Consumer Disputes Redressal Forum, Port Blair, Andaman & Nicobar. It is alleged in the Complaint that the Complainant had purchased air tickets for travel from Chennai to Port Blair. The Complainant has alleged that he had checked in two baggages from Chennai but after reaching the Port Blair Airport he received only one baggage. He has filed a claim for Rs.6, 02,000/- . The matter is pending.
259. Jogaram Tejavath filed a consumer case bearing No., 875 of 2007 before the Consumer Disputes Redressal Forum Hyderabad. It is alleged by the Complainant that he had purchased air tickets for travel from Hyderabad to Delhi. The Complainant has alleged that he had checked-in three numbers of baggages at Hyderabad but when he reached Delhi airport he received only two out of the three checked- in baggages and one of the baggage was missing. He has filed a claim for Rs.11,30,000/- plus interest @ 24% p.a. on Rs.11,25,000/- . The matter is pending.
260. Bharat Bhushan has filed an Execution Petition bearing No. E.P. No. 01 of 2007 before the District Consumer Disputes Redressal Forum, Faridabad. The Decree Holder had filed a Consumer case

against DAL alleging cancellation of flight. The Hon'ble District Forum allowed the Complaint and directed DAL to pay a total sum of Rs.14,625/- . Against the said order the Decree holder has filed this Execution Petition. The matter is pending.

261. Badrish Prakash has filed a consumer case bearing No. 400 of 2007 before the Consumer Disputes Redressal Forum, Patna. It is alleged by the Complainant that had purchased air ticket for travel from Kolkata to Patna. It is alleged by the Complainant that he had checked-in a baggage at the Patna Airport but when he reached Kolkata Airport the said baggage was missing. He has filed a claim for Rs.92, 002/- plus interest @ 18% p.a. The matter is pending.
262. Ravi .S. Nair has filed a consumer case bearing No. 588 of 2007 before the Permanent Lok Adalat, Thiruvananthapuram. It is alleged by the Complainant that he had purchased air ticket for travel from Bangalore to Thiruvananthapuram. The Complainant has alleged that he received a call from DAL stating that the said flight was delayed and rescheduled. The Complainant called up to enquire at the Bangalore office but was not replied properly and was told they were not in a position to say whether the flight will operate or not. He was forced to cancel the tickets. He has filed a claim for recovery of refund amount along with compensation of Rs.5,00,000/-. The matter is pending.
263. Deepak Sanghi has filed an Execution Petition in E.P. No.18 of 2006 before the Consumer Disputes Redressal Forum, Rewari, Haryana. The Decree Holder had purchased air tickets for travel from Mumbai to Goa. He has alleged that the he had confirmed the flight timings and was told that flight was as per schedule, but on the travel date when he reached airport he was told that the said flight had departed before the schedule time. Filed a claim for Rs.1,00,000/-. The Hon'ble Forum had passed an Ex parte order against DAL directing DAL to pay a total sum of Rs. 22,200/- plus interest @ 9% p.a. DAL never received any notice or Complaint from the Hon'ble Forum.. DAL received only the Execution Petition. The Decree Holder has filed this Execution Petition against the said order. The matter is pending.
264. Naveen Malhotra has filed a consumer case bearing No. 487 of 2007 before the Consumer Disputes Redressal Forum, Rohtak. It is alleged by the Complainant that he had purchased air tickets for travel from Delhi to Chennai. The Complainant has alleged that he received a call a day before journey that the said flight was cancelled. Filed a claim for Rs. 3, 20,791/-. The matter is pending.
265. Puneet Kumar has filed a consumer case bearing No. 599 of 2007 before the Consumer Disputes Redressal Forum, Delhi. It is alleged by the Complainant that he had purchased air tickets for travel from Delhi to Jammu. The Complainant has alleged that the said flight was cancelled without any reason. He has filed a claim for Rs.60,100/-. The matter is pending.
266. Sanjeev Agarwal has filed a consumer case bearing No. 678 of 2007 before the Consumer Disputes Redressal Forum, Jaipur. It is alleged by the Complainant that he had purchased air ticket for travel from Kolkata to Delhi. The Complainant has alleged that the said flight was delayed without assigning any valid reason. He has filed a claim for Rs.1,95,863/-. The matter is pending.
267. Ravinder Gupta, on 1st November, 2007 has filed a consumer case before the Consumer Disputes Redressal Forum, Jammu. It is alleged by the Complainant that he had purchased air ticket for travel from Jammu to Srinagar. The Complainant has alleged that when he reached air port and asked for the boarding pass he was told that his ticket was cancelled and hence he cannot travel. He has filed a claim for Rs.1,43,845/-. The matter is pending.
268. Vijay Maniklal Kakni on has filed a consumer case bearing No. 220 of 2007 before the Consumer Disputes Redressal Forum, Nasik. It is alleged by the Complainant that he had purchased air tickets for travel from Chennai to Pune. The Complainant has alleged that the said flight was cancelled without any reason. He has filed a claim for Rs. 81,000/-. The matter is pending.
269. K.S.R. Sastry on has filed a consumer case bearing No. 2158 of 2007 before the Consumer Disputes Redressal Forum, Bangalore. It is alleged by the Complainant that he had purchased air tickets for travel from Chennai to Rajamundry. The Complainant has alleged that the fight took off and landed at Vijayawada and was told that the flight had some problem and could not take-off to Rajamundry. He has filed a claim for Rs.25,550/-. The matter is pending.

270. Abhimanyu has filed a consumer case bearing No. 1121 of 2007 before the Consumer Disputes Redressal Forum, Jagadhri. It is alleged by the Complainant that he had purchased air ticket for travel from Delhi-Srinagar-Delhi. The Complainant has alleged that the flight from Delhi-Srinagar was cancelled therefore he cancelled the tickets for the return flight also i.e. Srinagar-Delhi, but till date he has not received the refund. Filed a claim for Rs.86,243/- . The matter is pending.
271. Goutam Ghosh has filed a consumer case bearing No. 81 of 2007 before the Consumer Disputes Redressal Forum, Agartala. It is alleged by the Complainant that he had purchased air tickets for travel from Kolkata to Agartala. The Complainant has alleged that he was carrying 4 No. of check-in baggage for 3 persons and was asked to pay for the excess baggage. Filed a claim for Rs.4,80,820/- . The matter is pending.
272. Pravin Purushotam Patel has filed a consumer case bearing No. DF/NSD/303 of 2007 before the Consumer Disputes Redressal Forum, Mumbai. It is alleged by the Complainant that he had purchased air ticket for travel from Mumbai to Coimbatore. The Complainant has alleged that when he reached airport he was told that the flight was preponeed and the flight which was to depart at 8.40 am has departed at 7.40 am. Filed a claim for Rs.2,70,000/- . Case decided in favour of DAL on September 20, 2007 and no compensation has been awarded.
273. M.L.Sudheen has filed an Execution Petition bearing No. 819 of 2007 before the Consumer Disputes Redressal Forum, Delhi. The Decree Holder had purchased a Super Flier package from DAL by paying an amount of Rs. 50,000/- and the same was to be utilized within a year. He has alleged that he wanted to use the said package booking for Delhi-Bangalore and Mumbai-Bangalore sector which he was not allowed to utilize as the said sectors were not covered under the scheme and later the time for the package booked expired. Filed a claim for Rs. 2,70,000/- . The Hon'ble district Forum partially allowed the Complaint and directed DAL to pay a sum of Rs.57,500/- . The Decree Holder has filed this Execution Petition for the compliance of the said order.
274. Ragni Nair has filed a consumer case bearing No. 49 of 2007 before the Consumer Disputes Redressal Forum, Andaman & Nicobar. It is alleged by the Complainant that she had had purchased air ticket. She has alleged that the said ticket was cancelled without any intimation. Filed a claim for Rs. 50,000/- . The matter is pending.
275. R. Joy Christian has filed a Consumer Case bearing No.684 of 2007 before the Consumer Disputes Redressal Forum, Ahmedabad. Order passed on May 9, 2007 directing DAL to pay Rs.10,900/- plus interest @ 5% p.a. on Rs.8,500/- . Order not complied with till date hence notice given to DAL before filing Execution Petition.
276. Dhirendra Dubey & Another has filed a consumer case bearing No.924 of 2007 before the Consumer Dispute Redressal Forum, Bhopal. It is alleged by the Complainant that he has purchased 8 Air Tickets for a travel from Delhi to Bhopal. The Complainant alleges that their flight was cancelled without any notice or information passed on to the Complainant despite having their telephone and mobile numbers. Filed a claim for Rs.6,20,400/- . The matter is pending.
277. Mr. P.J. Mathews has filed a Consumer Case bearing No.344 of 2007 before the Consumer Dispute Redressal Forum, Cochin. It is alleged by the Complainant that he had purchased a return ticket from Delhi to Nedumbassery via Chennai. The Complainant alleges that the flight was delayed by 2 hours and 45 minutes and his claim to get his ticket rescheduled or refunded was turned down. Filed a claim for Rs.6337/- . The matter is pending.
278. Mr. Prasad Kumar has filed a Consumer Case bearing No.320 of 2007 before the Consumer Dispute Redressal Forum, Belgaum. It is alleged by the Complainant that he had purchased air ticket for his sister to travel from Belgaum to Bombay. The Complainant alleges that the flight was cancelled later on the scheduled day and he was to take alternative measures at his expense. Filed a claim for Rs.40,500/. The matter is pending.
279. Mr. Murali Agarwal has filed a Consumer Case bearing No.990 of 2007 before the Consumer Dispute Redressal Forum, Hyderabad. It is alleged by the Complainant that he had purchased 11 air tickets for travel from Hyderabad to Delhi. The Complainant alleges that they were all forced to leave the flight on

ground that the flight attendant refused to take on board 2 of the family members after the cockpit was closed. He has filed a claim for Rs.8500+interest @ 24% p.a. and a sum of compensation of Rs.1,03,000/- . The matter is pending for hearing.

280. Mr. Rahul Agarwal has filed a Consumer Case bearing No.989 of 2007 before the Consumer Dispute Redressal Forum at Hyderabad. It is alleged by the Complainant that he had purchased 11 air tickets for travel from Hyderabad to Delhi. The Complainant alleges that they were all forced to leave the flight on ground that the flight attendant refused to take on board 2 of the family members after the cockpit was closed. Filed a claim for Rs.8500+interest @ 24% p.a. and a sum of compensation of Rs.1,03,000/- . The matter is pending for hearing.
281. Mr. Kailash Agarwal has filed a Consumer Case bearing No.988 of 2007 before the Consumer Dispute Redressal Forum at Hyderabad. It is alleged by the Complainant that he had purchased 11 air tickets for travel from Hyderabad to Delhi. The Complainant alleges that they were all forced to leave the flight on ground that the flight attendant refused to take on board 2 of the family members after the cockpit was closed. Filed a claim for Rs.8500+interest @ 24% p.a. and a sum of compensation of Rs.1,03,000/- . The matter is pending for hearing.
282. Mr. Aru Kumar has filed a Consumer Case bearing No.987 of 2007 before the Consumer Dispute Redressal Forum at Hyderabad. It is alleged by the Complainant that he had purchased 11 air tickets for travel from Hyderabad to Delhi. The Complainant alleges that they were all forced to leave the flight on ground that the flight attendant refused to take on board 2 of the family members after the cockpit was closed. Filed a claim for Rs.8500+interest @ 24% p.a. and a sum of compensation of Rs.1,03,000/- . The matter is pending for hearing.
283. Smt. Dropadhi Bai has filed a Consumer Case bearing No.986 of 2007 before the Consumer Dispute Redressal Forum at Hyderabad. It is alleged by the Complainant that he had purchased 11 air tickets for travel from Hyderabad to Delhi. The Complainant alleges that they were all forced to leave the flight on ground that the flight attendant refused to take on board 2 of the family members after the cockpit was closed. Filed a claim for Rs.8500+interest @ 24% p.a. and a sum of compensation of Rs.1,03,000/- . The matter is pending for hearing.
284. Mr. M.L. Agarwal has filed a Consumer Case bearing No.985 of 2007 before the Consumer Dispute Redressal Forum at Hyderabad. It is alleged by the Complainant that he had purchased 11 air tickets for travel from Hyderabad to Delhi. The Complainant alleges that they were all forced to leave the flight on ground that the flight attendant refused to take on board 2 of the family members after the cockpit was closed. Filed a claim for Rs.8500/- +interest @ 24% p.a. and a sum of compensation of Rs.1,03,000/- . The matter is pending for hearing.
285. Mr. Arun Kumar has filed a Consumer Case bearing No.984 of 2007 before the Consumer Dispute Redressal Forum at Hyderabad. It is alleged by the Complainant that he had purchased 11 air tickets for travel from Hyderabad to Delhi. The Complainant alleges that they were all forced to leave the flight on ground that the flight attendant refused to take on board 2 of the family members after the cockpit was closed. Filed a claim for Rs.8,500+interest @ 24% p.a. and a sum of compensation of Rs.1,03,000/- . The matter is pending for hearing.
286. Ms. Nirmala Devi has filed a Consumer Case No.983 of 2007 before the Consumer Dispute Redressal Forum at Hyderabad. It is alleged by the Complainant that he had purchased 11 air tickets for travel from Hyderabad to Delhi. The Complainant alleges that they were all forced to leave the flight on ground that the flight attendant refused to take on board 2 of the family members after the cockpit was closed. Filed a claim for Rs.8500/- +interest @ 24% p.a. and a sum of compensation of Rs.1,03,000/- . Case pending for hearing.
287. Mr. Prahlad Raj has filed a Consumer Case bearing No.982 of 2007 before the Consumer Dispute Redressal Forum at Hyderabad. It is alleged by the Complainant that he had purchased 11 air tickets for travel from Hyderabad to Delhi. The Complainant alleges that they were all forced to leave the flight on ground that the flight attendant refused to take on board 2 of the family members after the cockpit was closed. Filed a claim for Rs.8500+interest @ 24% p.a. and a sum of compensation of Rs.1,03,000/- . The matter is pending for hearing..

288. Mr. Anshul has filed a Consumer Case bearing No.981 of 2007 before the Consumer Dispute Redressal Forum at Hyderabad. It is alleged by the Complainant that he had purchased 11 air tickets for travel from Hyderabad to Delhi. The Complainant alleges that they were all forced to leave the flight on ground that the flight attendant refused to take on board 2 of the family members after the cockpit was closed. Filed a claim for Rs.8,500/- +interest @ 24% p.a. and a sum of compensation of Rs.1,03,000/-. The matter is pending for hearing.
289. Mr. P.D. Tibrewal has filed a Consumer Case bearing No.980 of 2007 before the Consumer Dispute Redressal Forum at Hyderabad. It is alleged by the Complainant that he had purchased 11 air tickets for travel from Hyderabad to Delhi. The Complainant alleges that they were all forced to leave the flight on ground that the flight attendant refused to take on board 2 of the family members after the cockpit was closed. Filed a claim for Rs.8,500+interest @ 24% p.a. and a sum of compensation of Rs.1,03,000/- The matter is pending for hearing..
290. Ramakrishna Menon has filed a Consumer Case bearing No.714 of 2007 before the Permanent Lok Adalat, Thiruvananandapuram. It is alleged by the Complainant that he had purchased 4 air tickets for travel from Mumbai to Thiruvananandapuram. Further the Complainant has alleged that the said flight was cancelled without any reason. So, he has to book another ticket. Started a conciliation proceeding in the Permanent Lok Adalat, Thiruvananandapuram. The matter is pending.
291. Shalini Gambhir has filed a Consumer Case bearing No. 353 of 2007 before the Rural and The Industrial add. District Consumer Disputes Redressal Forum, Bangalore. An execution Petition No.96 of 2007 is pending.
292. Satish Malik and others have filed a complaint against DAL and others bearing Complaint No. 1498 of 2007 before the District Consumer Disputes Redressal Forum, Delhi. It is alleged in the Complaint that the Complainant had purchased air tickets for travel from Delhi-Chennai-Delhi, Travel on March 10, 2007 and March 15, 2007. The said flight took-off an hour prior to departure and the Complainant was not intimated about the change in the Schedule of the flight. He has filed a claim for Rs. 8,00,000/- plus interest @18% p.a plus cost of litigation. The matter is pending.
293. N. K. Pandey had filed a Complaint against DAL and others bearing Complaint No. 336 of 2006 before the District Consumer Disputes Redressal Forum, Hyderabad; alleging cancellation of the flight and claiming Rs.2,16,620/-. The Hon'ble Forum had passed an Order dated July 16, 2007 directing DAL to pay a total sum of Rs. 52,000/-. Execution Petition No.118 of 2007 has been filed by the Complainant. DAL has preferred an appeal to the State Commission, challenging above order. The matter is pending.
294. B. S. Shiva Kumar and another have filed a Complaint against DAL bearing Complaint No. 2560 of 2007 before the District Consumer Disputes Redressal Forum, Bangalore. It is alleged in the Complaint that the Complainant had purchased air tickets for travel from Chennai to Bangalore, on September 2, 2007. The Complainant has alleged that the said flight was delayed for more than 2 hours and was not informed of the same though he had given his contact number. He has filed a claim for Rs.51,000/- plus interest @ 6% p.a plus cost of litigation. The matter is pending.
295. N. S. Mahara has filed a Complaint against DAL bearing Complaint No. 570 of 2007 before the District Consumer Disputes Redressal Forum, Amritsar. It is alleged in the Complaint that the Complainant had purchased air tickets for travel from Amritsar to Delhi, on August 6, 2007. he had checked-in the baggage in a good condition at Amritsar but on reaching Delhi he found his baggage in damaged condition. He has filed a claim for Rs. 10,000/-. The matter is pending.
296. Sanjeet Yadav has filed a Complaint against DAL and others bearing Complaint No. 01 of 2008 before the District Consumer Disputes Redressal Forum, Gurgaon. It is alleged in the Complaint that the Complainant had purchased air tickets for travel from Delhi-Jammu, on March 25. 2007. He had cancelled the ticket, but has not received the refund till date. He has filed a claim for Rs. 22,765/-. The matter is pending.
297. P. Vitthal Reddy has filed a Complaint against DAL and others bearing Complaint No. 21 of 2008 before the Permanent Lok Adalat, Hyderabad. It is alleged in the Complaint that the Complainant had purchased air tickets for travel from Hyderabad-Tirupati-Hyderabad, on October 27, 2007 and October

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29. 29, 2007. The return flight was cancelled due to bad weather. He has filed a claim for Rs. 30,852/- The matter is pending.
298. Consumer Guidance Society has filed a Complaint against DAL and another bearing Complaint No. 06 of 2008 before the District Consumer Disputes Redressal Forum, Vijaywada. It is alleged in the Complaint that the Complainant had purchased air tickets for travel from Hyderabad to Ahmedabad, on October 5, 2007. . The Complainant received an SMS stating that the said flight was cancelled. It has filed a claim for Rs.1,22,885/- The matter is pending.
299. Consumer Education and Research Society of Ahmedabad and another have filed a Complaint against DAL and another bearing Complaint No. 967 of 2007 before the District Consumer Disputes Redressal Forum, Ahmedabad. It is alleged in the Complaint that the Complainant no.2 had purchased air tickets for travel from Ahmedabad to Chennai, on September 4, 2006. The Complainant has alleged that the said flight was delayed for more than two hours and later cancelled. After this he again booked air tickets from Chennai-Bangalore-Chennai, on December 23, 2006. He has alleged that the flight was initially preponed by half an hour and when he reached the airport he was told that the flight was now delayed He has filed a claim for Rs. 40,802/- The matter is pending.
300. Satish Kumar Saini and another have filed a Complaint against DAL bearing Complaint No. 04 of 2008 before the District Consumer Disputes Redressal Forum, Chandigarh. It is alleged in the Complaint that ; the Complainant had purchased air tickets for travel from Delhi-Jabalpur-Delhi, on December 18, 2007 and December 19, 2007. The said flight was preponed and left before the schedule departure time. He has filed a claim for Rs. 4,24,520/- The matter is pending.
301. Manoj Kumar Mangla has filed a Complaint against DAL bearing Complaint No. 1255 of 2007 before the District Consumer Disputes Redressal Forum, Delhi. It is alleged in the Complaint that the Complainant had purchased air tickets for travel from Hyderabad to Ahmedabad, on October 05 2007., He received an SMS stating that the said flight was cancelled. He has filed a claim for Rs. 1,22,885/- The matter is pending.
302. Baldev Kanaiyalal Damani and another have filed a Complaint against DAL bearing Complaint No. 948 of 2007 before the District Consumer Disputes Redressal Forum, Ahmedabad.; It is alleged in the Complaint that The Complainant had purchased air tickets for travel from Ahmedabad-Delhi-Ahmedabad, on November 25, 2007 and November 26, 2007. Both the flights were delayed by more than two hours. He has filed a claim for Rs. 40,000/- The matter is pending.
303. Sunil Jain has filed a Complaint against DAL and another bearing Complaint No. 1130 of 2007 before the District Consumer Disputes Redressal Forum, Delhi. It is alleged in the Complaint that the Complainant had purchased air tickets to travel from Delhi to Mumbai, on December 21, 2006. The said flight was cancelled without any reasons. He has filed a claim for Rs. 9,13,000/- The matter is pending.
304. B. V. Krishna Reddy had filed a Consumer Case against DAL before the District Consumer Disputes Redressal Forum, Eluru, alleging denial of boarding and claiming Rs.5,27,180/. The Hon'ble District Forum had passed an Order dated June 30, 2007 directing DAL to pay a sum of Rs. 23,081/- plus interest @ 9% p.a.. The Decree Holder has filed an Execution Petition No. 44 of 2007 for the recovery of the said amount. Appeal No. 87 of 2008 has been filed by DAL before the Andhra Pradesh State Commission, challenging above order. The matter is pending.
305. Hans Raj Barak has filed a Complaint against DAL and another bearing Complaint No. 08 of 2008 before the District Consumer Disputes Redressal Forum, Gurgaon. It is alleged in the Complaint that the Complainant had purchased air tickets for travel from Delhi-Mumbai-Delhi, on December 27, 2006 and December 31, 2006. the flight DN-666 was delayed by more than an hour while the return flight was cancelled and the passengers were not intimated about the same. He has filed a claim for Rs. 200,000/- with costs and interest. The matter is pending.
306. B. C. Sahu has filed a Complaint against DAL and another bearing Complaint No. 1464 of 2007 before the District Consumer Disputes Redressal Forum, Jaipur. It is alleged in the Complaint that the Complainant had purchased air tickets for travel from Jaipur to Jodhpur, on August 7, 2007. After issuing the boarding passes he was told that the flight was cancelled and was also denied refund. He has filed a claim for Rs.1,71,467/. The matter is pending.
307. Mohammad Bashir Kirmani and others have filed a Complaint against DAL and others before the District Consumer Disputes Redressal Forum, Srinagar. It is alleged in the Complaint that the Complainant had purchased air tickets for travel from Delhi to Kolkata, on November 12, 2007. But they were denied boarding at the air port due to delayed arrival of connecting flight. He has filed a claim for Rs. 1,14,815/- plus interest @ 18% p.a. The matter is pending.
308. R. Nityanandan has filed a Complaint against DAL bearing Complaint No. 01 of 2008 before the District Consumer Disputes Redressal Forum, Andaman & Nicobar District. It is alleged in the Complaint that; The Complainant had purchased air tickets for travel from Port Blair-Chennai-Lucknow. The said ticket

- was cancelled but the Complainant was denied full refund. He has filed a claim for Rs. 98,098/- . The matter is pending.
309. Goutam Acharya has filed a Complaint against DAL and another bearing Complaint No. 654 of 2007 before the District Consumer Disputes Redressal Forum, Cuttack. It is alleged in the Complaint that the Complainant had purchased air tickets for travel from Kolkata-Baghdogra-Kolkata, on May 21, 2007 and May 26 2007. The Complainant has also alleged that when he went to airport, he was told that the said PNR is not retrievable. He has filed a claim for Rs. 18,25,000/- . The matter is pending.
310. Chil Prakash has filed a Complaint against DAL bearing Complaint No. 396 of 2007 before the District Consumer Disputes Redressal Forum, Nedumbasserry, Cochin. It is alleged in the Complaint that the Complainant had purchased air tickets for travel from Cochin-Bangalore-Cochin, on September 15, 2006 and September 16, 2006. The Complainant had checked-in a baggage which was misplaced. He received the baggage after two days, but the camera in the bag was missing. He has filed a claim for Rs. 1,00,000/- . The matter is pending.
311. Chandrashekhar Magoor and others have filed a Complaint against DAL bearing Complaint No. 2942 of 2007 before the District Consumer Disputes Redressal Forum, Bangalore. It is alleged in the Complaint that he Complainant had purchased air tickets for travel from Delhi to Bangalore on December 16, 2006 . (PNR No. not mentioned). The scheduled timing of departure was 05.50 AM. The complainant reported at 05.20 AM however, endorsement on his ticket was made as he reported at 05.25 AM. Refund was made after deduction of Rs. 6,096/- . Another in which his family was traveling on January 7, 2007 was rescheduled from 08.50 AM to 08.25 AM and the said flight landed in Delhi after 12 noon in place of 10.50 AM which caused inconvenience to them. The complainant himself is a Civil Judge. The complainant has filed this complaint claiming compensation of Rs. 36,096/- plus interest and damages. The matter is pending.
312. Sujit Sen had filed a Complaint No. 11 of 2006 against DAL before the District Consumer Disputes Redressal Forum, Silchar, alleging change in schedule and claiming Rs.30,716/- . The Hon'ble District Forum had allowed the Complaint by Order dated October 9, 2007, directing us to pay a total sum of Rs. 28,216/- . The Decree Holder has filed this Execution Petition No. 08 of 2007 for the recovery of the said amount. The matter is pending.
313. Randeep Singh Sandhu and another had filed a Complaint against DAL bearing Complaint No. 146 of 2007 before the District Consumer Disputes Redressal Forum, Amritsar, alleging cancellation of flight and claiming Rs.2,37,011/- . The Hon'ble District Forum had allowed the Complaint by Order dated December 3, 2007, directing us to pay a total sum of Rs. 21,000/- . The Decree Holder has filed this Execution Petition No. 08 of 2008 for the recovery of the said amount. Appeal is to be filed by DAL before the Punjab State Commission, challenging above order. Appeal is pending.
314. Indu Bhushan Dey had filed a consumer case No. 08 of 2006 against DAL before the District Consumer Disputes Redressal Forum, Silchar, alleging change in schedule and claiming Rs. 5,24,180/- . The Hon'ble District Forum had allowed the Complaint by Order dated October 8, 2007 directing us to pay a total sum of Rs. 25,180/- . The Decree Holder has filed this Execution Petition No. 09 of 2007 for the recovery of the said amount. The matter is pending.
315. Shrenikbhai Nikujbhai and others have filed a Complaint against DAL bearing Complaint No. 01 of 2008 before the District Consumer Disputes Redressal Forum, Bhavnagar. It is alleged in the Complaint that the Complainant had purchased air tickets for travel from Hyderabad-Ahmedabad, on October 14, 2007. The said flight was cancelled. He has filed a claim for Rs. 30,038/- . The matter is pending.
316. Dalip Singh Chawla has filed a Complaint against DAL bearing Complaint No. 645 of 2007 before the District Consumer Disputes Redressal Forum, Delhi. It is alleged in the Complaint that the Complainant had purchased air tickets for travel from Bangalore to Delhi, on December 10, 2005. The said flight was cancelled and he was not given full refund of the ticket amount. He has filed a suit for the recovery of the amount of Rs.5000/- . The matter is pending.
317. Shabbir H. Navaghawala has filed a Complaint against DAL bearing Complaint No. 07 of 2008 before the District Consumer Disputes Redressal Forum, Coimbatore. It is alleged in the Complaint that the Complainant had purchased air tickets for his minor grand daughter, on November 20, 2008, from Coimbatore-Mumbai, with PNR-4585580. The Complainant has also alleged that since the passenger was a minor he had paid a sum of Rs. 500/- as special Child Care, but the flight was delayed for more than 7 hours and the child was confined like in a prison. He has filed a claim for Rs. 27,000/- . Matter is pending.
318. Rajesh Kumar and others have filed a Complaint against DAL bearing Complaint No. 84 of 2008 before the District Consumer Disputes Redressal Forum, Gurdaspur. It is alleged in the Complaint that the Complainant had purchased air tickets for travel from Delhi to Leh, on January 17 2007. The said flight

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- was cancelled after issuance of the boarding pass and waiting for more than 14 hours. He has filed a claim for Rs. 60,160/- . The matter is pending.
319. M. C. Padmavati has filed a Complaint against DAL bearing Complaint No. 245 of 2008 before the District Consumer Disputes Redressal Forum, Bangalore. It is alleged in the Complaint that the Complainant had purchased air tickets for travel from Delhi-Bangalore, on October 28, 2007. After completing all the formalities she was not issued the boarding pass and later was told that the flight was full and hence she cannot travel. He has filed a claim for Rs. 89,974/- . The matter is pending.
320. Navitha A.M. had filed a Consumer case against us before the District Consumer Disputes Redressal Forum, Bangalore, alleging cancellation of flight, claiming Rs 95,000/- . The Hon'ble Forum allowed the Complaint by order dated December 7, 2007, directing DAL to pay a total sum of Rs. 23,799/- . The Decree Holder has filed this Execution Petition No. 12 of 2008 for the recovery of the said amount. Appeal No. 12/2008 has been filed by DAL before the State Commission, challenging above order. The matter is pending.
321. Satish K. Agarwal has filed a Complaint against DAL bearing Complaint No. 1193 of 2007 before the District Consumer Disputes Redressal Forum, Delhi. It is alleged in the Complaint that the Complainant had purchased air tickets for travel from Delhi to Hyderabad, on February 3, 2007 and February 04, 2007, the said flight was cancelled and his refund was not given inspite of several requests. He has filed a claim for Rs. 39,500/- . The matter is pending.
322. Krithiga Santhanakrishnan has filed a Complaint against DAL bearing Complaint No. 15 of 2008 before the District Consumer Disputes Redressal Forum, Chennai. It is alleged in the Complaint that the Complainant had purchased air tickets for travel from Bangalore to Chennai, on May 01, 2007. The said flight was delayed and she had to purchase air tickets of Kingfisher airlines. Her refund is not made till date. She has filed a claim for Rs. 53,398/- . The matter is pending.
323. Irshad Ahmed has filed a Complaint against DAL before the District Consumer Disputes Redressal Forum, Jammu. It is alleged in the Complaint that the Complainant had purchased air tickets for travel from Jammu to Srinagar, on March 13, 2007. The said flight was cancelled and his refund was also not made inspite of several requests. She has filed a claim for Rs. 1,00,000/- . The matter is pending.
324. A. L. Sahani had filed a consumer case against DAL before District Forum, Amritsar, alleging change in schedule of the flight claiming Rs.4,01,000/- . The Hon'ble district forum had partially allowed the Complaint directing us to pay a total sum of Rs. 8,271/- , jointly and severally to be paid by us and the travel agent. The Decree Holder has filed this Execution petition no. 14 of 2008 for the recovery of the said amount. The matter is pending.
325. K. Indra Kumar Meitei has filed a Complaint against DAL bearing Complaint No. 09 of 2008 before the District Consumer Disputes Redressal Forum, Imphal. The Complainant had purchased air tickets for travel from Kolkata to Imphal, on December 11, 2007. The Complainant has alleged that he had checked-in few baggages. After reaching Imphal he found one of his baggages bearing No. 005516 was missing. Filed a claim for Rs.99,200/- . The matter is pending.
326. LEO has filed a Complaint against DAL bearing Complaint No. 1109 of 2007 before the District Consumer Disputes Redressal Forum, Jaipur.

Labour and Statutory Cases against Deccan Aviation Limited

1. Labour Enforcement Officer (Central) has filed two complaints bearing No. 37 of 2004 and 9 of 2005 before the Hon'ble Court of 22nd Metropolitan Magistrate, Andheri, Mumbai against DAL for alleged violations of the provisions of Sections 81(3), 19, 7, 81 (i), 73, 74 & 81 (2) of Contract Labour (Regulation & Abolition) Act, 1970 and Control Labour Central Rules 1971 regarding the notices, which were not found displayed at the conspicuous place. As also a Complaint bearing No.60 of 2004 for violation of Rules 20 and 2 & 4 of Payment of Wages (Air Transport Services) Rules 1968. Inspite of Show Cause Notice DAL failed to rectify irregularities and submit compliance report. Hence case filed praying for trial under Section 23 and 24 of Contract Labour Act which provides for imprisonment upto 3 months or fine upto Rs.1,000/- or both plus cost of litigation. Also prayer has been made for trial under Rule 21 of Payment of Wages Rules. The matter is pending.
2. Labour Enforcement Officer (Central) has filed a Complaint bearing No. 365 of 2007 before the Hon'ble Court of Metropolitan Magistrate, Trivandrum against DAL for not displaying the notices showing rates of wages, hours of work, wage period, date of payment of wages, name and address of the inspector having jurisdiction and the date of payment of unpaid wages. It has further alleged that DAL has also not sent the copy of notices, which were to be displayed to the inspector and failed to maintain Register of Contractors. Hence, filed this case for imposing fine on DAL. The matter is pending.
3. Labour Enforcement Officer (Central) has filed a Complaint bearing No. 366 of 2006 before the Hon'ble Court of Metropolitan Magistrate, Trivandrum against DAL alleging that DAL has not obtained a

- certificate of registration to engage M/s Decos Drapes Aviation Ltd, in the ground duty handling, baggage handling and passenger handling at the Trivandrum International Airport. It is further alleged that DAL has also not submitted the commencement notice to the inspector. Hence filed this case for taking cognizance for offences punishable under section 24 Contract Labour (Abolition and Regulation Act and has further prayed for imposing a fine, the punishment contemplated under the said Act . The matter is pending.
4. Labour Enforcement Officer (Central) has filed a Complaint bearing No. 31 of 2007 before the Hon'ble Court of Metropolitan Magistrate, Vasco-Da-Gama against DAL. There is an allegation against DAL under Section 9 , 81(1) (i) & 74 of Contract Labour Central Rules 1970 & Contract Labour Central Rules 1971 for not displaying the notices showing rates of wages, hours of work, wage period, date of payment of wages, name and address of the inspector having jurisdiction and the date of payment of unpaid wages etc. Inspite of Show Cause Notice DAL failed to rectify irregularities and submit compliance report. Hence case filed praying for trial under Section 23 and 24 of Contract Labour Act which provides for imprisonment upto 3 months or fine upto Rs.1000/- or both plus cost of litigation. The matter is pending.
5. The Director General of Investigation and Registration, Ministry of Corporate Affairs has issued a Show Cause Notice dated September 14, 2007 to DAL for a preliminary investigation under Section 11(1) of Monopolies & Restrictive Trade Practices Act, 1969, alleging lack of transparency in offering zero basic fare arising out of an advertisement issued by DAL. DAL has sent its reply dated October 18, 2007 providing details of the Schemes, the terms and conditions of booking and cancellation of tickets, etc., and explaining details justifying the promotional Scheme. DAL has lodged its further reply producing the relevant documents and terms and conditions, as requested by the Director General of Investigation and Registration vide its letter dated November 19, 2007. Thereafter, there is no further progress in the matter.
- Civil and Arbitration Cases against Deccan Aviation Limited**
1. Prem Kumar (Plaintiff) has filed a Civil Suit bearing No.O.S.No. 5997 of 2006 at Bangalore. The Plaintiff is a contractor engaged in sanitary and plumbing works. DAL Defendant no.1 has engaged Concorde Designs Pvt. Ltd Defendant no. 2 which is an Architecture company for furnishing repairs of their office premises at different places. During this period DAL availed services of the Plaintiff for goods/services. Plaintiff alleges that despite many requests have not made any payments towards the services rendered. The Plaintiff has filed a Suit for recovery of Rs.70,568/- . The matter is pending.
 2. Javed Abidi has filed a Civil Suit bearing No. 812 of 2006 at Delhi. against Union of India and Ors. for getting justice to the disabled Community for their travel by Surface, Railway and Air transportation. The matter is pending.
 3. Disabled Rights' Group (Javed Abidi) has filed a Civil Suit bearing No. 13781 of 2004 at Delhi . Plaintiff has filed a Civil Writ Petition against Union of India and Ors. for getting justice to the disabled Community for their travel for by Surface, Railway and Air transportation. The matter is pending.
 4. Javed Abidi has filed a Civil Suit bearing No. 24125 of 2005 at Delhi . Plaintiff has filed a Civil Writ Petition against Union of India and Ors. for getting justice to the disabled Community for their travel for by Surface, Railway and by Air transportation. The matter is pending.
 5. The Director General has filed a case under MRTP Act in U.T.P.E No. 87 of 2006 at Delhi against Indian Airlines and others alleging that the Low Cost Airlines (including DAL) have introduced different schemes to promote the sale of tickets and such schemes are subject certain terms and conditions. Under such terms and conditions upon cancellation of the ticket, amount is not refunded to the passenger even after collecting cancellation charges. The allegation is that said terms and conditions are unfair and prejudicial public interest of such customers /passengers. The matter is pending.
 6. Charles Langdon has filed a Civil Case bearing O.S. No. 8529 at Bangalore for recovery of outstanding amount of US \$5,100.00 against DAL. The Plaintiff has averred that he was given the assignment of display advertisement board in the playground during a cricket match in Sri Lanka and his payments for the same was not made. The matter is pending.
 7. Mr. Kinjal Patel has filed a Summary Suit bearing O.S. No.2389 of 2006 at Ahmedabad against DAL for recovery of Rs.20,00,000/- . The matter is pending.
 8. Anitha Ramesh & Ors (plaintiff) have filed a civil case bearing O.S. No.2902 of 2007 at Bangalore against DAL for a dispute over property. DAL is a tenant in the said property thus is a proforma party. The matter is pending.
 9. Pratap Venugopal has filed a Complaint against DAL under Section 36B of MRTP Act in U.T.P.E. No. 107 of 2007, at Delhi. It is alleged that the Complainant booked return ticket for travel for Delhi-Trivandrum-Delhi sector. Later he got the ticket canceled and requested for refund but didn't get refund.

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- Consequently he filed a Petition for enquiry alongwith Application for refund and Compensation for a total claim for Rs.48096/- . The matter is pending.
10. Indo Pacific Aviation has filed a Writ Petition under Article 226 of the Constitution of India bearing Writ Petition No.344 of 2007. It is alleged that the Govt. of Jammu & Kashmir awarded the contract of carrying pilgrims by helicopter for Amarnath Yatra to DAL which was previously awarded to the Petitioner. Being aggrieved by the said award, the Petitioner has filed the Petition. The matter is pending.
11. T.M.Youseff has filed a Complaint against DAL under Section 36B of MRTP Act in U.T.P.E. No. 116 of 2007, at Delhi. It is alleged that the Complainant purchased super flier package. He tried to book tickets several times on the website but could not book it due to server problem. He also sent emails and fax intimating the inability to book the tickets but he did not get any satisfactory reply. Consequently he has alleged unfair trade practice and has filed the present Complaint for initiation of an enquiry and claim for refund of Rs.1, 00,000/- . The matter is pending.
12. M/s B.P.Ergo, the Plaintiff has filed a Civil Suit bearing O.S.No.1497 of 2007 under Order VII Rule I against DAL alleging that DAL purchased System Furniture and storages from them. DAL has alleged that in spite of several requests DAL company did not clear the dues and hence the Plaintiffs has filed a recovery Suit for Rs.11,69,049/- . The matter is pending.
13. Rekhasree, (the Plaintiff) has filed a Civil Suit in O. S. No. 1476 of 2007 against DAL. It is alleged in the Suit that the Plaintiff is an employee, working as "Base Supervisor" of DAL and as a result of her best performance she was given confirmation letter and her salary was also hiked. The Plaintiff has alleged that she was later reduced to the rank of: Flight Purser". Hence the Plaintiff has filed the Suit for permanent injunction. The matter is pending.
14. Sasmita Acharya has filed a Civil Suit in O. S. No. 296 of 2007 against DAL. It is alleged by the Plaintiff that she had purchased air tickets for travel from Kolkata-Baghdogra-Kolkata. The Plaintiff has alleged that she called up to enquire about the status of the ticket and she was told that her tickets were invalid. Filed a claim for Rs.50, 32,712/- . The matter is pending.
15. M/s CDR Health Care Ltd has filed a civil suit in O.S NO. 1255 of 2007. It is alleged in the suit that DAL had entered into with CDR a MOU for hiring the DAPL Helicopter to lift the accident victims and the patients of serious illness to their hospital for treatment and DAL had to provide the Helicopter whenever DAL requires. DAL has alleged that from 22/01/1999 to 25/05/1999 the Helicopter Services were not made available and due to which the Plaintiff Company sustained heavy loss. Hence the Plaintiff Company has filed a claim for recovery of Rs.4,07,000/- . Judgement was passed on July 7, 2005 granting compensation of Rs. 1,92,000/- with interest @ 12% p.a. upto date of decree and thereafter interest @ 6% p.a. However, payment not made by DAL hence warrant of attachment of moveable property to settle Rs.3,36,027/- was issued. Thereafter, Extension Petition filed DAL on October 12, 2007. The Petition is pending.

Appeals against Deccan Aviation Limited

1. C. R. Shekar and another has filed an Appeal bearing No.4408 of 2006 before the Andhra Pradesh State Consumer Disputes Redressal Commission, Hyderabad against the order dated March 22, 2006 passed by District Forum, Hyderabad in Complaint No.867/05 wherein the Forum had directed DAL to pay Rs.17, 000/- for cancellation of flight. The matter is pending.
2. Y. Radhakrishna Murthy and another has filed an Appeal bearing No.139 of 2006 before The Andhra Pradesh State Consumer Disputes Redressal Commission, Hyderabad against the order dated January 20, 2006 passed by the District Forum, Hyderabad in Complaint No.993 of 2005 wherein the Forum had directed DAL to pay Rs.5,500/- for loss of baggage. The matter is pending.
3. Rakesh Kawatra has filed a Revision Application bearing No.163 of 2007 before the Delhi National Commission against the order dated May 18,2006 of the District Forum, Delhi, passed by the State Commission, Delhi in Complaint bearing No.446 of 2005 wherein the State Commission directed partly allowing the Appeal reduced the compensation from Rs.31,000/- by District Forum to 10,000/-plus cost of proceedings for delay of flight. The Applicant has filed a claim for Rs.3,80,000/- to the National Commission. DAL has filed an Appeal bearing No. 599 of 2006 against the said Order, The matter is pending.
4. Rajesh Ashwani had filed an Appeal bearing No.174 of 2007 before the Raipur State Consumer Disputes Redressal Commission, against the Order dated January 10, 2007 passed by the District Forum, Raipur in Complaint bearing No.256 of 2006 wherein the Forum had directed DAL to pay Rs.8,200/- to the Appellant for loss of baggage. By Order dated September 21, 2007, the State Commission allowed the appeal and enhanced the amount of Compensation directing DAL to pay a

- total sum of Rs. 25,000/- . Aggrieved by the order DAL has preferred Revision Petition No. 159 of 2008 before the National Consumer Disputes Redressal Forum, Delhi. The Petition is pending.
5. M. Bramacharry has filed an Appeal bearing No.454 of 2007 before the Andhra Pradesh State Consumer Disputes Redressal Commission, Hyderabad against the order dated July 9, 2007 passed by the District Forum, Hyderabad in Complaint bearing No.454 of 2006 wherein the Forum had dismissed the Complaint for denying boarding.
 6. N. H. Desai has filed an Appeal bearing No.1442 of 2007 before the Karnataka State Consumer Disputes Redressal Commission, against the order dated May 30, 2007 passed by the District Forum, Bangalore in Complaint bearing No.16 of 2007 wherein the Forum had dismissed the Complaint for missing flight after check in due to absence of any announcements.
 7. Rajender Chingaravelu has filed an Appeal against DAL in Appeal bearing No.1367 of 2007 before the Hyderabad State Commission. The Complainant had filed a consumer case against DAL alleging flight delay. The Hon'ble District Court had allowed the Complaint directing DAL to pay a total sum of Rs.3000/- . Aggrieved by the said order the Complainant has preferred this Appeal . The Appeal is pending.
 8. Surendra Nath Shukla has filed an Appeal bearing No.1477 of 2007 before the Andhra Pradesh State Consumer Disputes Redressal Commission, against the order dated August 10, 2007 passed by the District Forum, Bangalore in C.C.No.943 of 2006 wherein the Forum had dismissed the Complaint for free ticket under a scheme wherein on every purchase of five tickets a passenger would get one free ticket. The matter is pending.

Cases filed by Deccan Aviation Limited

Appeals filed by Deccan Aviation Limited

1. DAL have filed a Revision Petition against Pavanjit Dhingra in Revision bearing No.493 of 2006 before the Delhi National Consumer Disputes Redressal Commission, in Complaint bearing No.930 of 2005 against the order dated October 27, 2005 passed by the 3rd Additional District Forum, Bangalore, directing DAL to pay Rs.5,000/- for loss of baggage plus Rs.5,000/- as cost of litigation. This said order was upheld by the Karnataka State Commission in Appeal bearing No.1887 of 2005. The National Consumer Disputes Redressal Commission has stayed the said Order of the State Commission until final hearing and asked DAL to pay Rs.16000/- plus Rs.10000/- for cost of litigation to the Complainant . The matter is pending.
2. DAL have filed a Appeal against Bharat Bhushan in Appeal bearing No.2265 of 2006 before the Haryana State Commission, in Complaint bearing No.444 of 2005 against the order dated May 15, 2006 passed by the State Commission, Chandigarh wherein the Hon'ble Forum had directed DAL to pay a total sum of Rs.14,220/- for flight cancellation. The matter is pending.
3. DAL have filed a Appeal against C.R. Sekhar in Appeal bearing No.7244 of 2006 before the Hyderabad State Commission, in Complaint bearing No.867 of 2005 against the order dated March 22, 2005 passed by the State Commission, Hyderabad wherein the Hon'ble Forum had directed DAL to pay a total sum of Rs.17,000/- for flight cancellation. The matter is pending.
4. DAL have filed a Appeal against Indrajit Surendra Gandhi in Appeal bearing No.229 of 2007 before the Hyderabad State Commission, in Complaint bearing No.558/2006 against the order dated December 11, 2006 passed by the District Forum, Hyderabad wherein the Hon'ble Forum had directed DAL to pay a total sum of Rs.12,000/- for loss of baggage. The matter is pending.
5. DAL have filed an Appeal against Ram Gopal Agarwal in Appeal bearing No.07 of 2007 before the Shillong State Commission, in Complaint bearing No.39 of 2006 against the order dated May 15, 2007 passed by the District Forum, Shillong wherein the Hon'ble Forum had directed DAL to pay a total sum of Rs.71,558/- for loss of baggage plus interest @ 12% p.a. The matter is pending.
6. DAL have filed an Appeal against K.Venkatswamy in Appeal bearing No.1620 of 2007 before the Hyderabad State Commission, in Complaint bearing No.104 of 2006 against the order dated March 8, 2007 passed by District Forum, Tirupati wherein the Hon'ble Forum had directed DAL to pay a total sum of Rs.23, 000/- for loss of baggage. The matter is pending.
7. DAL have filed an Appeal against Ajit Kumar Das in Appeal bearing No 1083 of 2007 before the Mumbai State Commission, in Complaint bearing No. 484 of 2006 against the order dated May 15, 2007 passed by District Forum , Mumbai wherein the Hon'ble Forum had directed DAL to pay a total sum of Rs. 47,316/- for refund denied with penal interest @ 18% p.a. if failure to comply with the said order. The matter is pending.
8. DAL have filed an Appeal against N.S. Sanjay Gowda in Appeal bearing No.1362 of 2007 before the Karnataka State Commission at Bangalore in Complaint bearing No. 1780 of 2006 against the order

dated May 11, 2007 passed by the 2nd Additional District Forum, Bangalore, wherein the Hon'ble Forum had directed DAL to pay a total sum of Rs. 18,600/- for loss of baggage. Also Appeal bearing No.1481 of 2007 has been filed by Sanjay Gowda against the above order of the Dist. Forum, Bangalore with the Karnataka State Commission. The matter is pending.

9. DAL have filed an Appeal against Ravinder Kumar Sharma in Appeal bearing No.13 of 2007 before the Jaipur State Commission, in Complaint bearing No. 994 of 2005 against the order dated March 21, 2007 passed by the District Forum, Jaipur wherein the Hon'ble Forum had directed DAL to pay a total sum of Rs. 24,038/- plus interest @ 9% p.a. for off loading the passenger from the flight. The matter is pending.
10. DAL have filed an Appeal against B.R.Srinath in Appeal bearing No.1707 of 2007 before the Karnataka State Commission, at Bangalore in Complaint bearing No. 95 of 2007 against the order dated July 13, 2007 passed by the District Forum, Kolar wherein the Hon'ble Forum had directed DAL to pay a total sum of Rs.17,479/- plus interest @ 6% p.a. for denying boarding. The matter is pending.
11. DAL have filed an Appeal against Kamal Pugalia in Appeal before the Mumbai State Commission, in Complaint bearing No. 486 of 2006 against the order dated March 30, 2007 passed by District Forum, Thane wherein the Hon'ble Forum had directed DAL to pay a total sum of Rs. 24,500/- for loss of baggage plus penal interest @ 6% p.a. if failure to comply with order. The matter is pending.
12. DAL have filed an Appeal bearing No.597 of 2006 before the State Commission, Delhi against the Order passed by the District Forum, New Delhi dated May 15, 2006 in Case No.653 of 2005 of Dr. Gurpreet Singh & others v/s. DAL. The Appeal is dismissed by the State Commission on December 12, 2006. Execution Appeal filed before the District Forum , Delhi to restore decree granting Rs.5000/- compensation plus Rs.9000/- cost of tickets plus Rs.2000/- as cost of litigation. The matter is pending.
13. DAL have filed an Appeal against T. Velpandian in Appeal before the Delhi State Commission, in Complaint No. 92 of 2007 against the order dated July 26, 2007 passed by District Forum, Delhi wherein the Hon'ble Forum had directed DAL to pay a total sum of Rs. 33,185/- for denying boarding. The matter is pending.
14. DAL have filed an Appeal against Bibinaaz Sheikh Balooch in Appeal bearing No. 807 of 2007 before the Aurangabad State Commission, in Complaint bearing No. 327 of 2006 against the order dated July 30, 2007 passed by the District Forum, Aurangabad wherein the Hon'ble Forum had directed DAL to pay a total sum of Rs. 25,000/ for issuance of boarding pass of wrong flight. The matter is pending.
15. DAL have filed an Appeal against Tejinder Singh in Appeal before the Delhi State Commission, in Complaint bearing No. 94 of 2007 against the order dated August 7, 2007 passed by District Forum, Delhi wherein the Hon'ble Forum had directed DAL to pay a total sum of Rs. 50,500/- for delaying of refund. The matter is pending.
16. DAL has filed a Revision Petition bearing No. 3278 of 2007 FA No 384 of 2007 against M.L.Sudheen in Revision bearing Appeal No.A-2007/384 before the Delhi National Consumer Disputes Redressal Commission. The Respondent had purchased a Super Flier package from DAL by paying an amount of Rs. 50,000/- and the same was to be utilized within a year. He had alleged that he wanted to use the said package booking for Delhi-Bangalore and Mumbai-Bangalore sector which he was not allowed to utilize as the said sectors were not covered under the scheme and later the time for the package expired. Filed a claim for Rs. 2,70,000/. The Hon'ble District Forum partially allowed the Complaint and directed DAL to pay a total sum of Rs.57,500/. Against the said order DAL had preferred an Appeal before the State Commission. The Hon'ble State Commission dismissed the Appeal directing DAL to pay an additional sum of Rs.10, 000/- to be paid to the respondent. Aggrieved by the said order DAL has preferred this Revision Petition before the National Commission. A compliance Petition of the Complainant is still pending.

Cases filed by Deccan Aviation Limited under Negotiable Instruments Act

1. DAL has filed a case bearing complaint No. 18745 of 2006 before the Additional Chief Metropolitan Magistrate, Bangalore City against Pankaj Kumar Mishra, AME, under Section 138 Negotiable Instruments Act against bouncing of his four post dated cheques aggregating to Rs.1,20,000/- in favour of DAL against the cost of training incurred by DAL on his behalf. The matter is pending.
2. DAL has filed a case bearing complaint No. 18760 of 2006 before the Additional Chief Metropolitan Magistrate, Bangalore City against Pankaj Kumar Mishra, AME, U/S 138 Negotiable Instruments Act against bouncing of his two post dated cheques for Rs. 80,000/- in favour of DAL against the cost of training incurred by DAL on his behalf. The matter is pending.
3. DAL has, filed a case bearing complaint No. 18747 of 2006 before the Additional Chief Metropolitan Magistrate, Bangalore City against Sumit Arora, against bouncing of his four post dated cheques for Rs.

- 1,20,000/- in favour of DAL towards the cost of training incurred by DAL on his behalf. The matter is pending.
4. DAL has filed a case bearing complaint No. 18812 of 2006 before the Additional Chief Metropolitan Magistrate, Bangalore City against Sumit Arora, against bouncing of his two post dated cheques for Rs. 80,000/- in favour of DAL towards the cost of training incurred by DAL on his behalf. The matter is pending.
 5. DAL has filed a case before the Additional Chief Metropolitan Magistrate, Bangalore City against Rohit Kumar, against bouncing of his four post dated cheques for Rs. 1,20,000/- in favour of DAL towards the cost of training incurred by DAL on his behalf. The matter is pending.
 6. DAL has filed a case before the Additional Chief Metropolitan Magistrate, Bangalore City against Rohit Kumar, against bouncing of her two post dated cheques for Rs. 80,000/- in favour of DAL towards the cost of training incurred by DAL on his behalf. The matter is pending.
 7. DAL has filed a case bearing complaint No. 32623 of 2006 before the Additional Chief Metropolitan Magistrate, Bangalore City against Zafarullah Ahmed, against bouncing of his five post dated cheques for Rs.25,00,000/- in favour of DAL towards the cost of training incurred by DAL on his behalf. The matter is pending.
 8. DAL has filed a case bearing complaint No.11 of 2006 before the Additional Chief Metropolitan Magistrate, Bangalore City against Jyoti Pandey, against bouncing of his five post dated cheques for Rs. 2,92,000/- in favour of the company towards the cost of training incurred by DAL on his behalf. The matter is pending.

Civil & Arbitration Cases filed by DAL

1. DAL has filed a Civil Suit bearing No. 222 of 2005 before the Court of the Hon'ble City Civil Judge at Bangalore against Shaheer S. Khan & Others for injunction and recovery for Rs.28,00,000/-The matter is pending.
2. DAL has filed a Civil Case bearing No.36 of 2006 before the Hon'ble ESI Court at Bangalore against Regional Director & Another, vide its order dated June 9, 2006 directed DAL to pay a sum of Rs.6,59,615/- towards employer's and employees contribution against 60% of the total payment made by DAL to the security agencies and Ground Handling Agents during the period August, 2003 to March, 2004. The matter is pending.
3. DAL has filed Civil Case bearing No.8531 of 2006 before the Hon'ble City Civil Court, Bangalore against Suresh Chandra Mehra for recovery of Rs.3,84,299/- with regard to salary over paid for three months by DAL . The matter is pending.
4. DAL has filed ESI Appeal bearing No.55 of 2006 before the Hon'ble ESI Court at Bangalore against the order dated September 1, 2006 of the Regional Director whereby the Hon'ble Court has directed DAL to pay a sum of Rs.4,38,649/- towards arrears. The matter is pending.
5. DAL has filed arbitration proceedings before the Arbitral Tribunal of three arbitrators in Mumbai against Inter Globe Travel Technology Services Pvt. Ltd and others ("the Respondents"). Inter Globe Travel Technology Services Pvt. Ltd was providing software and hosting services to DAL. It failed to provide the services as per the terms of the agreement. DAL has filed a claim for approximately Rs.101 crores against the Respondents. The Respondents have filed counter claim against DAL claiming Rs.102 crores plus interest @ 18%. DAL had filed application No.25005 of 2007 for interim reliefs under Section 9 of the Arbitration and Conciliation Act, 1996 in the City Civil Court at Bangalore. However, subsequently, DAL and the Respondents filed a Joint Memo in the said Court agreeing that all disputes will be resolved by the Arbitral Tribunal and accordingly the said application was withdrawn. Thereafter the matter is pending.
6. DAL has filed arbitration proceedings before the Sole Arbitrator Me. Sudhir Kumar against Airport Authority of India in the Juhu Hanger matter. DAL had taken on license the Hanger no. 8 at Juhu aerodrome in Mumbai. DAL has alleged that in Jan 2003 AAI issued a circular and unilaterally revised the license fee retrospectively and demanded payment. DAL refused to pay the revised license fee on grounds of lack of basic infrastructural facilities. Thereafter AAI served DAL with an eviction notice and also cases no. 03 & 04 of 2004 were filed by AAI against DAL in the Court of Estate Officer which passed an eviction order against DAL on March 01 2005. DAL has challenged this order by filing claim praying for arbitration, quashing of the above order of the Estate Officer and also the costs plus any other relief. Sole Arbitrator has been appointed by AAI as per directions of Mumbai High Court. The matter is pending before the said Arbitrator.



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:

Incorporation

Certificate of Incorporation No. 08/25195 of UB Infrastructure Projects Limited dated May 13, 1999 issued by the Registrar of Companies, Karnataka.

Approvals from Tax Authorities

- Our Company's Permanent Account Number is AAACU6053C

Major Licences *inter alia* required for Green field Project

Sr. No.	Issuing Authority	Nature of the Licence / Consent / Approval / Registrations
1	State Pollution Control Board	Pollution Control Board consents under Air (Prevention & Control of Pollution) Act & Rules
2	State Pollution Control Board	Pollution Control Board consents under Water (Prevention & Control of Pollution) Act & Rules
3	State Excise Commissioner	Excise Licence to manufacture beer under the State Excise Act and Rules.
4	State Pollution Control Board	Registration / Permission under Hazardous Wastes (Management and Handling) Rules, 1989 for generating, collection, store and disposal of hazardous wastes
5	Chief Inspector of Factories	Factory Licence to operate factory under the Factories Act, 1948
6	Chief Inspector of Boiler	Licence to use Boiler under the Indian Boilers Act,
7	Office of Licencing Authority & Labour Commissioner	Registration certificate of principal employer to employ contract labour under Contract Labour (Regulation and Abolition) Act, 1970
8	Office of Licencing Authority & Labour Commissioner	Registration certificate of contractors to employ contract labour under Contract Labour (Regulation and Abolition) Act, 1970
9	Commissioner of Employees' Provident Fund	Registration under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952
10	Central Excise Commissioner	Service Tax registration under the Finance Act, 1994
11	Central Sales Tax Department	Certificate of Registration under Central Sales Tax Act.
12	Sales Tax / Commercial Tax Department	Certificate of registration under Sales Tax / Value Added Tax Acts of the State
13	Commercial Tax Department	Certificate of registration of TAN

14	Office of Professional Tax Officer	Certificate of registration under Professional Tax Act of the State
15	State Electricity Board	Electricity Load Sanction
16	Legal Metrology Department	Certification of Weights & Measures (filler, weighing balance, etc.)
17	District Collector / Commissioner of the area	Certificate of Safety for storage of Furnace Oil & Diesel under the Petroleum Rules, 2002
18	Chief Controller of Explosives, Department of Explosives	Licence for storage of Furnace Oil and Diesel under the Petroleum Rules, 2002
19	Chief Controller of Explosives, Department of Explosives	Licence for storage of CO ₂ under the Explosives Act,

Our Company is yet to receive the Letter of Intent for issue of State Excise licence. Post receipt of the Letter of Intent, the Company will make applications to the respective authorities for issue of various licences and approvals detailed above for the Green field project.

Unit: Taloja, Maharashtra

Sr. No.	Issuing Authority	License No.	Nature of the Licence / Consent / Approval / Registrations	Validity
1	State Pollution Control Board	BO/WPAE/CC-166	Pollution Control Board consents under Air (Prevention & Control of Pollution) Act & Rules	31.10.2012
2	State Pollution Control Board	BO/WPAE/CC-166	Pollution Control Board consents under Water (Prevention & Control of Pollution) Act & Rules	31.10.2012
3	State Excise Commissioner	Licence no 9	Excise Licence to manufacture beer under the State Excise Act and Rules.	31.03. 2012
4	State Pollution Control Board	MWML-HZW TAL-929	Registration / Permission under Hazardous Wastes (Management and Handling) Rules, 1989 for generating, collection, store and disposal of hazardous wastes	31.03.2010
5	Chief Inspector of Factories	Raigad -2(m)(i) – 222-1	Factory Licence to operate factory under the Factories Act, 1948	31.12.2010
6	Chief Inspector of Boiler	MR/12306 MR/12303	Licence to use Boiler under the Indian Boilers Act,	25.12.2008 06.09.2008
7	Office of Licensing Authority & Labour Commissioner	ACLRAIGAD R-17/92	Registration certificate of principal employer to employ contract labour under Contract Labour (Regulation and Abolition) Act, 1970	31.12.2008
8	Office of Licencing Authority & Labour Commissioner	Venktesh Enterprises- ACL/Raigad/CLA/L-64/96 B.S.Enterprises- ACL/Raigad/CLA/LC-142/06	Registration certificate of contractors to employ contract labour under Contract Labour (Regulation and Abolition) Act, 1970	31.12.2008 31.12.2008
9	Office of Licencing Authority & Labour Commissioner	Not Applicable	Registration under the Inter-State Migrant Workmen (Regulation and Employment conditions of service) Act,	Not Applicable
10	Commissioner of Employees' Provident Fund	MH/95800/ZONE IX/1379	Registration under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952	One Time Registration
11	Commissioner of Employees' State Insurance	Not Applicable	Registration of Employees' State Insurance Corporation	Not Applicable



	Corporation			
12	Central Excise Commissioner	AAACU6053CST005	Service Tax registration under the Finance Act, 1994	One Time Registration
13	Central Sales Tax Department	410208 S 315	Certificate of Registration under Central Sales Tax Act.	One Time Registration
14	Sales Tax / Commercial Tax Department	27430277859V (TIN)	Certificate of registration under Sales Tax / Value Added Tax Acts of the State	One Time Registration
15	Commercial Tax Department	PNEU06044D	Certificate of registration of TAN	One Time Registration
16	Office of Professional Tax Officer	PT/R1/3/2/3097	Certificate of registration under Professional Tax Act of the State	One Time Registration
17	State Electricity Board	UCW/Tech/Panvel/16/32 52	Electricity Load Sanction	One Time Registration
18	Legal Metrology Department	1580880 1580879 1580886 1580888 1580889 1580890 1580891 1580885 1580884 1580883 2374216	Certification of Weights & Measures (filler, weighing balance, etc.)	24.05.2008 24.05.2008 25.05.2012 26.05.2012 26.05.2012 26.05.2012 26.05.2012 25.05.2012 25.05.2012 25.02.2012 19.08.2009
19	District Collector / Commissioner of the area	06/2007	Certificate of Safety for storage of Furnace Oil & Diesel under the Petroleum Rules, 2002	11.06.2008
20.	Chief Controller of Explosives, Department of Explosives	RAIGAD/CLA/R-17/92	Licence for storage of Furnace Oil and Diesel under the Petroleum Rules, 2002	31.12.2009
21	Chief Controller of Explosives, Department of Explosives	S/HO/MH/03/1215 (S30393)	Licence for storage of CO ₂ under the Explosives Act,	31.03.2008

Unit: Cherthala, Kerala

Sr. No.	Issuing Authority	License No.	Nature of the License / Consent / Approval / Registrations	Validity
1	State Pollution Control Board	PCB/HO/ALPA/ICO/02/07#	Pollution Control Board consents under Air (Prevention & Control of Pollution) Act & Rules	31.12.2008
2	State Pollution Control Board	PCB/HO/ALPA/ICO/02/07#	Pollution Control Board consents under Water (Prevention & Control of Pollution) Act & Rules	31.12.2008
3	State Excise Commissioner	Form B1/12/2007-08 & B1(A)/13/2007-08	Excise License to manufacture beer under the State Excise Act and Rules.	31.03.08
4	State Pollution Control Board	Not applicable	Registration / Permission under Hazardous Wastes (Management and Handling) Rules, 1989 for generating, collection, store and disposal of hazardous wastes	Not applicable
5	Chief Inspector of Factories	APY/01/56/88	Factory License to operate factory under the Factories Act, 1948	31.12.2008

6	Chief Inspector of Boiler	K-348 #	License to use Boiler under the Indian Boilers Act,	17.02.2008 (Applied for renewal by USL)
7	Office of Licensing Authority & Labour Commissioner	Not applicable	Registration certificate of principal employer to employ contract labour under Contract Labour (Regulation and Abolition) Act, 1970	Not applicable
8	Office of Licensing Authority & Labour Commissioner	Not applicable	Registration certificate of contractors to employ contract labour under Contract Labour (Regulation and Abolition) Act, 1970	Not applicable
9	Office of Licensing Authority & Labour Commissioner	N.A	Registration under the Inter-State Migrant Workmen (Regulation and Employment conditions of service) Act,	N.A
10	Central Excise Commissioner	AAACU6063CST013	Service Tax registration under the Finance Act, 1994	One Time Registration.
11	Central Sales Tax Department	0402C 111011	Certificate of Registration under Central Sales Tax Act.	One Time Registration.
12	Sales Tax / Commercial Tax Department	32040286942 KGST: 13010051	Certificate of registration under Sales Tax / Value Added Tax Acts of the State	One Time Registration.
13	Commercial Tax Department	CHNU00358B (TAN)	Certificate of registration of TAN	One Time Registration.
14	Office of Professional Tax Officer	Not applicable	Certificate of registration under Professional Tax Act of the State	Not applicable
15	State Electricity Board	DB1.14/2001-02/113 dt 29.05.01	Electricity Load Sanction	One Time Registration.
16	Legal Metrology Department	No.2107/2007 – Filler No.2108/2007-Weighing balances	Certification of Weights & Measures (filler, weighing balance, etc.)	24.06.2008 24.06.2008
17	Chief Controller of Explosives, Department of Explosives	Not applicable	Licence for storage of Furnace Oil and Diesel under the Petroleum Rules, 2002	Not applicable
18	Commissioner of Employees' Provident Fund	KR/4071	Registration under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952	One time registration
19	Commissioner of Employees' State Insurance Corporation	54-1634-08	Registration of Employees' State Insurance Corporation	One time registration
20	Food and Drugs Department	D.19/165/PFA/2007-08	Certificate under Prevention of Food Adulteration Act, 1954	31.03.08

Consents / Registration in the name of McDowell & Co (now United Spirits Ltd.). Our Company using these facilities of USL under the common sharing agreement with USL.

Unit: Pallakad, Kerala

Sr. No.	Issuing Authority	License No.	Nature of the License / Consent / Approval / Registrations	Validity
1	State Pollution Control Board	PCB/HO/ICO/PKD/01/2007	Pollution Control Board consents under Air (Prevention & Control of Pollution) Act & Rules	30.06.2009
2	State Pollution Control Board	PCB/HO/ICO/PKD/01/2007	Pollution Control Board consents under Water (Prevention & Control of	30.06.2009



			Pollution) Act & Rules	
3	State Excise Commissioner	2/2007-08	Excise Licence to manufacture beer under the State Excise Act and Rules.	31.03.2008
4	State Pollution Control Board	PCB/HO/ICO/PKD/01/2007	Registration / Permission under Hazardous Wastes (Management and Handling) Rules, 1989 for generating, collection, storage and disposal of hazardous wastes	30.06.2009
5	Chief Inspector of Factories	PGT / 09 / 70 /88	Factory Licence to operate factory under the Factories Act, 1948	31.12.2008
6	Chief Inspector of Boiler	6 T Boiler –B-913/2007 4 T Boiler -	Licence to use Boiler under the Indian Boilers Act,	11.07.2008 13.09.2008
7	Office of Licencing Authority & Labour Commissioner	CL(R) 3/2003 DATED 10.03.03	Registration certificate of principal employer to employ contract labour under Contract Labour (Regulation and Abolition) Act, 1970	One time registration
8	Office of Licencing Authority & Labour Commissioner	CL(L)13/07 dated 22/10/07 CL(L)14/07 dated 22/10/07 CL(L)15/07 dated 22/10/07 CL(L)16/07 dated 22/10/07	Registration certificate of contractors to employ contract labour under Contract Labour (Regulation and Abolition) Act, 1970	31.03.2008 30.05.2008 31.03.2008 31.03.2008
9	Office of Licencing Authority & Labour Commissioner	Not applicable	Registration under the Inter-State Migrant Workmen (Regulation and Employment conditions of service) Act,	Not applicable
10	Commissioner of Employees' State Insurance Corporation	54-1600-08	Registration of Employees' State Insurance Corporation(Department of Social Security)	One time registration
11	Central Excise Commissioner	2/ST/GTA/PKD-VII/05	Service Tax registration under the Finance Act, 1994	One time registration
12	Office of Professional Tax Officer	124/2006-07	Certificate of registration under Professional Tax Act of the State	31.03.2011
13	State Electricity Board	HT Agreement No.45/94-95 dated 22.04.1994	Electricity Load Sanction	One time registration
14	Legal Metrology Department	1350 / 2005	Certification of Weights & Measures (filler, weighing balance, etc.)	04.11.2010
15	Chief Controller of Explosives, Department of Explosives	S/HO/KL/03/40 (S3392)	Licence for storage of CO ₂ under the Explosives Act,	31.03.2008 (Applied for renewal)
16	District Collector / Commissioner of the area	D3-17108/92	Certificate of Safety for storage of Furnace Oil & Diesel) under The Petroleum Rules, 2002	One time registration
17	Chief Controller of Explosives, Department of Explosives	Not applicable	Licence for storage of Furnace Oil and Diesel under the under the Petroleum Rules, 2002	Not applicable
18	Commissioner of Employees' State Insurance Corporation	54-1600-08	Registration of Employees' State Insurance Corporation	One time registration
19	Central Sales Tax Department	0902C123489	Certificate of Registration under Central Sales Tax Act.	One time registration

20	Sales Tax / Commercial Tax Department	TIN 32090231992 KGST 31010163	Certificate of registration under Sales Tax / Value Added Tax Acts of the State	One time registration
21	Commercial Tax Department	CHNU00189A	Certificate of registration of TAN	One time registration

Unit: Hyderabad, Andhra Pradesh

Sr. No.	Issuing Authority	License No.	Nature of the License / Consent / Approval / Registrations	Validity
1	State Pollution Control Board	Order No. 226-RR-I/APPCB/ZO-HYD/2008-2067	Pollution Control Board consents under Air (Prevention & Control of Pollution) Act & Rules	31.03.2008 (Applied for renewal)
2	State Pollution Control Board	Order No. 226-RR-I/APPCB/ZO-HYD/2006-1781	Pollution Control Board consents under Water (Prevention & Control of Pollution) Act & Rules	31.03.2008 (Applied for renewal)
3	State Excise Commissioner	Cr. No. B2/400/2008/DDB/Ex	Excise Licence to manufacture beer under the State Excise Act and Rules.	31.3.2009.
4	State Pollution Control Board	.226-RR-I/APPCB/ZOH/HWM/2006-2026	Registration / Permission under Hazardous Wastes (Management and Handling) Rules, 1989 for generating, collection, treatment, transportation, storage and disposal of hazardous wastes	31.3.2007 (Renewal awaited)
5	Chief Inspector of Factories	Lic No.43523 & Regn No.58409	Factory Licence to operate factory under the Factories Act, 1948	31.12.2007 (Applied for renewal)
6	Chief Inspector of Boiler	Order No. 80	Licence to use Boiler under the Indian Boilers Act,	01.08.2008
7	Office of Licensing Authority & Labour Commissioner	Cert. No.A-82(cr)/98	Registration certificate of principal employer to employ contract labour under Contract Labour (Regulation and Abolition) Act, 1970	One time registration
8	Office of Licensing Authority & Labour Commissioner	Not applicable	Registration certificate of contractors to employ contract labour under Contract Labour (Regulation and Abolition) Act, 1970	Not applicable
9	Office of Licensing Authority & Labour Commissioner	Not Applicable	Registration under the Inter-State Migrant Workmen (Regulation and Employment conditions of service) Act,	Not Applicable
10	Commissioner of Employees' Provident Fund	AP/HY/4111	Registration under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952	One time registration
11	Commissioner of Employees' State Insurance Corporation	52-0974-08	Registration of Employees' State Insurance Corporation	One time registration
12	Central Excise Commissioner	AAACU6053CST001	Service Tax registration under the Finance Act, 1994	One time registration
13	Central Sales Tax Department	SAR/06/1/1005	Certificate of Registration under Central Sales Tax Act.	One time registration
14	Sales Tax / Commercial Tax Department	SAR/06/1/1007 28300209866 (TIN)	Certificate of registration under Sales Tax / Value Added Tax Acts of the State	One time registration
15	Commercial Tax Department	HYDU00091A (TAN)	Certificate of registration of TAN	One time registration
16	Legal Metrology	159913-18	Certification of Weights & Measures	08.01.2009



	Department	159947 0984057 748385 719861	(filler, weighing balance, etc.)	13.01.2011 30.01.2012 10.03.2009 25.06.2008
17	Chief Controller of Explosives, Department of Explosives	Not applicable	Licence for storage of CO ₂ under the Explosives Act,	Not applicable
18	District Collector / Commissioner of the area	Not applicable	Certificate of Safety for storage of Furnace Oil & Diesel) under The Petroleum Rules, 2002	Not applicable
19	Chief Controller of Explosives, Department of Explosives	Not applicable	Licence for storage of Furnace Oil and Diesel under the Petroleum Rules, 2002	Not applicable
20	Office of Professional Tax Officer	Not applicable	Certificate of registration under Professional Tax Act of the State	Not applicable

Unit: Ponda, Goa

Sr. No.	Issuing Authority	License No.	Nature of the License / Consent / Approval / Registrations	Validity
1	State Pollution Control Board	Consent Order No: AIR/1051/2007	Pollution Control Board consents under Air (Prevention & Control of Pollution) Act & Rules	31.07.2009
2	State Pollution Control Board	Letter No: 5/74/88-PCB/1851 DT 01/10/04	Pollution Control Board consents under Water (Prevention & Control of Pollution) Act & Rules	31.01.2008 (Applied for renewal)
3	State Excise Commissioner	B(M)74-75/1	Excise License to manufacture beer under the State Excise Act and Rules.	31.03.2008
4	State Pollution Control Board	Lt No. 10/216/06-PCB/	Registration / Permission under Hazardous Wastes (Management and Handling) Rules, 1989 for generating, collection, store and disposal of hazardous wastes	26.03.2008
5	Chief Inspector of Factories	PLN/LC/FA-4/73/4349 DT. 6/3/1969	Factory Licence to operate factory under the Factories Act, 1948	31.12.2009
6	Central Excise Commissioner	AAACU6053CST003	Service Tax registration under the Finance Act, 1994	One time Registration.
7	Central Sales Tax Department	B/CST/205	Certificate of Registration under Central Sales Tax Act.	One time Registration.
8	Sales Tax / Commercial Tax Department	B/481 TIN: 30120202999	Certificate of registration under Sales Tax / Value Added Tax Acts of the State	One time Registration
9	Office of Professional Tax Officer	Not applicable	Certificate of registration under Professional Tax Act of the State	Not applicable
10	Legal Metrology Department	099311	Certification of Weights & Measures (filler, weighing balance, etc.)	29.05.2008
11	Chief Inspector of Boiler	PLN/LC/FA-4/73/4349 DT. 6/3/1969	License to use Boiler under the Indian Boilers Act,	31.12.2009
12	Chief Controller of Explosives, Department of Explosives	Not applicable	Licence for storage of CO ₂ under the Explosives Act,	Not applicable
13	District Collector / Commissioner of the area	Not applicable	Certificate of Safety for storage of Furnace Oil & Diesel) under The Petroleum Rules, 2002	Not applicable

14	Chief Controller of Explosives, Department of Explosives	Not applicable	Licence for storage of Furnace Oil and Diesel under the Petroleum Rules, 2002	Not applicable
15	Office of Licencing Authority & Labour Commissioner	Not applicable	Registration certificate of principal employer to employ contract labour under Contract Labour (Regulation and Abolition) Act, 1970	Not applicable
16	Office of Licencing Authority & Labour Commissioner	Not applicable	Registration certificate of contractors to employ contract labour under Contract Labour (Regulation and Abolition) Act, 1970	Not applicable
17	Office of Licencing Authority & Labour Commissioner	Not applicable	Registration under the Inter-State Migrant Workmen (Regulation and Employment conditions of service) Act,	Not applicable
18	Commissioner of Employees' Provident Fund	PF Registration No: GOA/9930 DT 1/4/1975	Registration under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952	One time registration
19	Commissioner of Employees' State Insurance Corporation	Registration No: 320097	Registration of Employees' State Insurance Corporation	One time registration
20	State Electricity Board	Sanctioned Load.	Electricity Load Sanction	One time registration
21	Commercial Tax Department	BLRU013915 (TAN)	Certificate of registration of TAN	One time registration

Unit: Kalyani, West Bengal

Sr. No.	Issuing Authority	Licence No.	Nature of the Licence / Consent / Approval / Registrations	Validity
1	State Pollution Control Board	1) Consent Letter No. C026261 Memo No. 660-2 N-114/2006(O) Dated: 28/06/2006 2) Expansion N O C Sl. No. N045928 Memo No. 398-357/WBP/SEE(KO)-GEN/'06 Dated: 20.04.07	Pollution Control Board consents under Air (Prevention & Control of Pollution) Act & Rules	1) 31.12.2007 (Applied for renewal) 2) 30.04.2012
2	State Pollution Control Board	1) Consent Letter No. C026261 Memo No. 660-2 N-114/2006(O) Dated: 28/06/2006 2) Expansion N O C Sl. No. N045928 Memo No. 398-357/WBP/SEE(KO)-GEN/'06 Dated: 20.04.2007	Pollution Control Board consents under Water (Prevention & Control of Pollution) Act & Rules	1) 31.12.2007 (Applied for renewal) 2) 30.04.2012
3	State Excise Commissioner	178-1 of 1970-71	Excise Licence to manufacture beer under the State Excise Act and Rules.	31.03.07 (Renewal for 2007-08 under process)



4	State Pollution Control Board	Not Applicable	Registration / Permission under Hazardous Wastes (Management and Handling) Rules, 1989 for generating, collection, store and disposal of hazardous wastes	Not applicable
5	Chief Inspector of Factories	Licence No. 5681 Regn. No. 1-ND/X/65	Factory Licence to operate factory under the Factories Act, 1948	31.12.2007 (Applied for renewal)
6	Chief Inspector of Boiler	1) WBF 11766 dt. 30.01.2008 2) MYS/1220 dt. 14.02.08 3) WBL/11099 dt 13.12.07	Licence to use Boiler under the Indian Boilers Act,	1) 29.01.2009 2) 13.08.2008 3) 12.12.2008
7	Office of Licencing Authority & Labour Commissioner	1/R/CL/K/88	Registration certificate of principal employer to employ contract labour under Contract Labour (Regulation and Abolition) Act, 1970	One time registration
8	Office of Licencing Authority & Labour Commissioner	7/K/2001	Registration certificate of contractors to employ contract labour under Contract Labour (Regulation and Abolition) Act, 1970	31.12.2008
9	Office of Licencing Authority & Labour Commissioner	Not Applicable	Registration under the Inter-State Migrant Workmen (Regulation and Employment conditions of service) Act,	Not applicable
10	Commissioner of Employees' Provident Fund	WB/12517/BKP-V/544	Registration under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952	One time registration
11	Commissioner of Employees' State Insurance Corporation	40-7615-08	Registration of Employees' State Insurance Corporation	One time registration
12	Central Excise Commissioner	247/GTO/SB02/KOL/200 4-05	Service Tax registration under the Finance Act, 1994	One time registration
13	Central Sales Tax Department	19200053222	Certificate of Registration under Central Sales Tax Act.	One time registration
14	Sales Tax / Commercial Tax Department	19200053125 (Sales Tax) 19200053028 (TIN)	Certificate of registration under Sales Tax / Value Added Tax Acts of the State	One time registration
15	Commercial Tax Department	CALK00043B (TAN)	Certificate of registration TAN	One time registration
16	Office of Professional Tax Officer	ECN 0855006	Certificate of registration under Professional Tax Act of the State	One time registration
17	State Electricity Board	C33028	Electricity Load Sanction	13.07.2012 One time registration
18	Legal Metrology Department	PC/WB/245/2005	Certification of Weights & Measures (filler, weighing balance, etc.)	One time registration
19	Chief Controller of Explosives, Department of Explosives	S/HO/WB/03/232 (S32390)	Licence for storage of CO ₂ under the Explosives Act,	31.03.2009
20	District Collector / Commissioner of the area	WBFL/2975 No. Kalyani/K 5/82 00267	Certificate of Safety for storage of Furnace Oil & Diesel) under The Petroleum Rules, 2002	10.03.2008 (Applied for renewal)

21	Chief Controller of Explosives, Department of Explosives	1) P/HQ/WB/15/2514(P1 618) 2) P/HQ/WB/15/2515(P1 120)	Licence for storage of Furnace Oil and Diesel under the Petroleum Rules, 2002	1) 31.12.2009 2) 31.12.2009
22	Deputy Secretary, Govt. of West Bengal	WBFL 2975 dated 10.08.2007	Licence under the West Bengal Fire Services Act, 1950	10.03.2008 (Applied for renewal)

Unit: Ludhiana, Punjab

Sr. No.	Issuing Authority	License No.	Nature of the License / Consent / Approval / Registrations	Validity
1	State Pollution Control Board Patiala	Consent No. LDH/APC/2007-08/V (1493)1594	Pollution Control Board consents under Air (Prevention & Control of Pollution) Act & Rules	27.12.2008
2	State Pollution Control Board Patiala	Consent No- LDH/WPC/2007-08/V (1986)2265	Pollution Control Board consents under Water (Prevention & Control of Pollution) Act & Rules	27.12.2008
3	State Excise Commissioner	--	Excise Licence to manufacture beer under the State Excise Act and Rules.	16-06-2008
4	State Pollution Control Board	HMC/LDH/2006-2008/F-234	Registration / Permission under Hazardous Wastes (Management and Handling) Rules, 1989 for generating, collection ,and storage of hazardous wastes	16-04-2008
5	Chief Inspector of Factories	LDH-7/U-7/596	Factory Licence to operate factory under the Factories Act, 1948	31-12-2008
6	Chief Inspector of Boiler Punjab	2889-PI3381 2890-PI-4192 2891-Mys -1831	Licence to use Boiler under the Indian Boilers Act,	04.01.2009
7	Office of Licencing Authority & Labour Commissioner	01of 1996	Registration certificate of principal employer to employ contract labour under Contract Labour (Regulation and Abolition) Act, 1970	One time registration
8	Office of Licencing Authority & Labour Commissioner	01 of 1996	Registration certificate of contractors to employ contract labour under Contract Labour (Regulation and Abolition) Act, 1970	One time registration
9	Office of Licencing Authority & Labour Commissioner	Not applicable	Registration under the Inter-State Migrant Workmen (Regulation and Employment conditions of service) Act,	Not applicable
10	Commissioner of Employees' Provident Fund	Reg No :-PN/4679 dated 24-06-77	Registration under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952	One time registration
11	Commissioner of Employees' State Insurance Corporation	Employer ESI Establishment Code No 12-7816-34	Registration of Employees' State Insurance Corporation	One time registration
12	Central Excise Commissioner	AAACU6053CST008	Service Tax registration under the Finance Act, 1994	One time registration
13	Central Sales Tax Department	45143015	Certificate of Registration under Central Sales Tax Act.	One time registration
14	Excise and Taxation Commissioner	03081114248 (TIN)	Certificate of registration under Sales Tax / Value Added Tax Acts	One time registration



			of the State	
15	Commercial Tax Department	JLDU00179E (TAN)	Certificate of registration TAN Taxation deduction of account number	One time registration
16	Office of Professional Tax Officer	Not applicable	Certificate of registration under Professional Tax Act of the State	Not applicable
17	State Electricity Board	A/c No. E31-FP01-00003	Electricity Load Sanction	One time registration
18	Legal Metrology Department	171/82 dated 03-05-2007	Certification of Weights & Measures (filler, weighing balance, etc.)	2-5-2008
19	Chief Controller of Explosives, Department of Explosives	S/HO/PB03/65 (S4146) DATED 23-03-2007	Licence for storage of CO ₂ under the Explosives Act,	Valid till 31-03-2010
20	District Collector / Commissioner of the area	N.A as storage is less than 45 KL	Certificate of Safety for storage of Furnace Oil & Diesel) under The Petroleum Rules, 2002	Not applicable
21	Chief Controller of Explosives, Department of Explosives	N.A as storage is less than 45 KL	Licence for storage of Furnace Oil and Diesel under the Petroleum Rules, 2002	Not applicable

Unit: Chopanki, Rajasthan

Sr. No	Issuing Authority	Licence No.	Nature of the Licence / Consent / Approval / Registrations	Validity
1	State Pollution Control Board	F.12(2-1338)RPCB/Gr.-I/4218	Pollution Control Board consents under Air (Prevention & Control of Pollution) Act & Rules	31.03.2011
2	State Pollution Control Board	F.12(2-1338)RPCB/Gr.-I/4214	Pollution Control Board consents under Water (Prevention & Control of Pollution) Act & Rules	31.03.2011
3	State Excise Commissioner	8/2006-07	Excise Licence to manufacture beer under the State Excise Act and Rules.	31.03.2008
4	State Pollution Control Board	Not applicable	Registration / Permission under Hazardous Wastes (Management and Handling) Rules, 1989 for generating, collection, store and disposal of hazardous wastes	Not applicable
5	Chief Inspector of Factories	RJ/27906	Factory Licence to operate factory under the Factories Act, 1948	31.03.2008 (Applied for renewal)
6	Chief Inspector of Boiler	RJ-1405	Licence to use Boiler under the Indian Boilers Act,	29.03.2008
7	Office of Licencing Authority & Labour Commissioner	ALW/20/2006	Registration certificate of principal employer to employ contract labour under Contract Labour (Regulation and Abolition) Act, 1970	One time registration.
8	Office of Licencing Authority & Labour Commissioner	Contractors have applied for registration (FORM-V) has been given to all contractor	Registration certificate of contractors to employ contract labour under Contract Labour (Regulation and Abolition) Act, 1970	Registration awaited
9	Office of Licencing	Not applicable	Registration under the Inter-State	Not applicable

	Authority & Labour Commissioner		Migrant Workmen (Regulation and Employment conditions of service) Act,	
10	Commissioner of Employees' Provident Fund	RJ/16449	Registration under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952	One time registration.
11	Commissioner of Employees' State Insurance Corporation	15/22542/08	Registration of Employees' State Insurance Corporation	One time registration.
12	Central Excise Commissioner	ST/UBL/BHD/VI-63/2007/ 322	Service Tax registration under the Finance Act, 1994	One time registration.
13	Central Sales Tax Department	08040853694C	Certificate of Registration under Central Sales Tax Act.	One time registration.
14	Sales Tax / Commercial Tax Department	08040853694	Certificate of registration under Sales Tax / Value Added Tax Acts of the State	One time registration.
15	Commercial Tax Department	JTRN02351G (TAN)	Certificate of registration TAN	One time registration
16	Office of Professional Tax Officer	Not applicable	Certificate of registration under Professional Tax Act of the State	Not applicable
17	State Electricity Board	ALC/1-1-0990	Electricity Load Sanction	One time registration.
18	Legal Metrology Department	6915	Certification of Weights & Measures (filler, weighing balance, etc.)	23.10.2012
19	Chief Controller of Explosives, Department of Explosives	Application made for licence	Licence for storage of CO ₂ under the Explosives Act,	Applied
20	District Collector / Commissioner of the area	Application made	Certificate of Safety for storage of Furnace Oil & Diesel) under The Petroleum Rules, 2002	Applied
21	Chief Controller of Explosives, Department of Explosives	Application made for licence	Licence for storage of Furnace Oil and Diesel under the Petroleum Rules, 2002	Applied

Unit: Mangalore, Karnataka

Sr. No	Issuing Authority	Licence No.	Nature of the Licence / Consent / Approval / Registrations	Validity
1	State Pollution Control Board Karnataka	KSPCB/APC/SEO-4/EO/TC/AEO/2007/124 DATED 06.06.2007	Pollution Control Board consents under Air (Prevention & Control of Pollution) Act & Rules	30.06.2008
2	State Pollution Control Board Karnataka	KSPCB/WPC/SEO-4/EO/TC/AEO/2007/130 DATED 06.06.07	Pollution Control Board consents under Water (Prevention & Control of Pollution) Act & Rules	30.06.2008
3	State Excise Commissioner Karnataka	EXS.BRW.3. 2007-08 DT 30.06.2007 (Brewing licence) EXE/DST/MEB/2/07-08 DT30.06.2007 (Bottling)	Excise Licence to manufacture beer under the State Excise Act and Rules.	30.06.2008 30.06.2008
4	State Pollution Control Board Karnataka	KSPCB/HWMC/AEO/EO / 2003-04/2048 DT 17.01.2004	Registration / Permission under Hazardous Wastes (Management and Handling) (Rules, 1989) Amendment Rules, 2003for generating, collection, store and disposal of hazardous	16.01.2009



			wastes	
5	Chief Inspector of Factories	26651 MYSK/1565/ DT 25.3.99 677KV	Factory Licence to operate factory under the Factories Act, 1948	31.12.2008
6	Chief Inspector of Boiler	MAN/Boiler/CFN/100/07-08.	Licence to use Boiler under the Indian Boilers Act,	27.08.2008
7	Office of Licencing Authority & Labour Commissioner	RGN /CLA/MNG-188/2000-01	Registration certificate of principal employer to employ contract labour under Contract Labour (Regulation and Abolition) Act, 1970	One time registration.
8	Office of Licencing Authority & Labour Commissioner	LNC/CLA/MNG/947/01-02	Registration certificate of contractors to employ contract labour under Contract Labour (Regulation and Abolition) Act, 1970	30.04.2008
9	Office of Licencing Authority & Labour Commissioner	Not Applicable	Registration under the Inter-State Migrant Workmen (Regulation and Employment conditions of service) Act,	One time registration
10	Commissioner of Employees' Provident Fund	KN/MN/ 20343	Registration under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952	One time registration
11	Commissioner of Employees' State Insurance Corporation	53-16420-08	Registration of Employees' State Insurance Corporation	One time registration
12	Central Excise Commissioner	AAACU6053CST010	Service Tax registration under the Finance Act, 1994 read with Service Tax Rules, 1994.	One time registration
13	Central Sales Tax Department	30167887	Certificate of Registration under Central Sales Tax Act.	One time registration
14	Sales Tax / Commercial Tax Department	KST:30117884 29340084797 (TIN)	Certificate of registration under Sales Tax / Value Added Tax Acts of the State	One time registration
15	Commercial Tax Department	BLRU01863B (TAN)	Certificate of registration TAN	One time registration
16	Office of Professional Tax Officer	R. No 5402144-2	Certificate of registration under Professional Tax Act of the State	One time registration
17	State Electricity Board	SEEE/EEE/AEE(3)/T-HT/ 3522-27 dated 26.12.02	Electricity Load Sanction	One time registration
18	Legal Metrology Department	Filler-693570/28.11.2006. Diptank etc 29.03.2007. Storage tanks-563499/19.12.2006	Certification of Weights & Measures (filler, weighing balance, etc.)	19.11.2008 18.11.2008 18.12.2011
19	Chief Controller of Explosives, Department of Explosives	S/HO/KA/03/209/(s4994)	Licence for storage of CO ₂ under the Explosives Act,	31.3.2010
20	District Collector / Commissioner of the area	Not applicable	Certificate of Safety for storage of Furnace Oil & Diesel) under The Petroleum Rules, 2002	Not applicable
21	Chief Controller of Explosives, Department of Explosives	P.1(4)/SK/UL/05/98	Licence for storage of Furnace Oil and Diesel under the Petroleum Rules, 2002	One time registration
22.	Commissioner City corporation	No.2007COM 18950	Trade License	31.03.2009

Unit: Nerul*, Maharashtra

Sr. No.	Issuing Authority	Licence No.	Nature of the Licence / Consent / Approval / Registrations	Validity
1	State Pollution Control Board Maharashtra	BO/MPCB/NM/RO (NM) /HSMD-AMD/CO/CC-47	Pollution Control Board consents under Air (Prevention & Control of Pollution) Act & Rules	31.08.2009
2	State Pollution Control Board	BO/MPCB/NM/RO (NM) /HSMD-AMD/CO/CC-47	Pollution Control Board consents under Water (Prevention & Control of Pollution) Act & Rules	31.08.2009
3	State Excise Commissioner	BRL-02	Excise Licence to manufacture beer under the State Excise Act and Rules.	31.03.2008
4	State Pollution Control Board	BO/MPCB/NM/RO (NM) /HSMD-AMD/CO/CC-47	Registration / Permission under Hazardous Wastes (Management and Handling) Rules, 1989 for generating, collection, store and disposal of hazardous wastes	31.08.2009
5	Chief Inspector of Factories	52757	Factory Licence to operate factory under the Factories Act, 1948	31.12.2008
6	Chief Inspector of Boiler	MR/12267	Licence to use Boiler under the Indian Boilers Act,	01.07.2008
7	Central Excise Commissioner	AAACU6053CST012	Service Tax registration under the Finance Act, 1994 reads with the Service Tax Rules 1994	One time registration
8	State Electricity Board	Sanctioned load	Electricity Load Sanction	One time registration
9	Legal Metrology Department	146686	Certification of Weights & Measures (filler, weighing balance, etc.)	22.08.2008
10	Chief Controller of Explosives, Department of Explosives	Not applicable	Licence for storage of CO ₂ under the Explosives Act,	Not applicable
11	District Collector / Commissioner of the area	MR/TH-573 P/HQ/MH/15/598/(P5944) DATED 07.02.2005	Certificate of Safety for storage of Furnace Oil & Diesel) under The Petroleum Rules, 2002	31.12.2007 *
12	Chief Controller of Explosives, Department of Explosives	P-12(7)2121/MR/TH-573	Licence for storage of Furnace Oil and Diesel under the Petroleum Rules, 2002	31.12.2007 *
13	Office of Licencing Authority & Labour Commissioner	DC/THN/CLA/A-4/85/2003	Registration certificate of principal employer to employ contract labour under Contract Labour (Regulation and Abolition) Act, 1970	One time registration
14	Office of Licencing Authority & Labour Commissioner	Not applicable	Registration certificate of contractors to employ contract labour under Contract Labour (Regulation and Abolition) Act, 1970	Not applicable
15	Office of Licencing Authority & Labour Commissioner	Not applicable	Registration under the Inter-State Migrant Workmen (Regulation and Employment conditions of service) Act,	Not applicable
16	Commissioner of Employees' Provident Fund	MH/17409	Registration under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952	One time registration
17	Commissioner of Employees' State Insurance Corporation	31-24038-08	Registration of Employees' State Insurance Corporation	One time registration
18	Central Sales Tax Department	27430277859C	Certificate of Registration under Central Sales Tax Act.	One time registration



19	Sales Tax / Commercial Tax Department	27430277859V	Certificate of registration under Sales Tax / Value Added Tax Acts of the State	One time registration
20	Commercial Tax Department	MUMA19812C	Certificate of registration TAN	One time registration
21	Office of Professional Tax Officer	PT/R/1/1/21/4379	Certificate of registration under Professional Tax Act of the State	One time registration

* The Board of Directors of our Company in their meeting held on January 22, 2008 approved closure of operations of the Nerul Unit. For more details please refer to page 230 of the Letter of Offer.

Unit: Neelmangala, Karnataka

Sr. No.	Issuing Authority	Licence No.	Nature of the Licence / Consent / Approval / Registrations	Validity
1	State Pollution Control Board	Consent No. KSPCB/APC/TGH-Cell/EO/AEO/2007-08/7410 dt.21.01.2008	Pollution Control Board consents under Air (Prevention & Control of Pollution) Act & Rules	31.03.2008
2	State Pollution Control Board	No./KSPCB/SEO-3/EO/WPC/2007-08/7411	Pollution Control Board consents under Water (Prevention & Control of Pollution) Act & Rules	31.03.2008
3	State Excise Commissioner	EXS.BRW.1/2007-08 dt.30.06.2007	Excise Licence to manufacture beer under the State Excise Act and Rules.	30.06.2008
4	State Pollution Control Board	KSPCB/HWMC/AEO/EO/SEO-1/2003-04/1465 dt.08.09.2003	Registration / Permission under Hazardous Wastes (Management and Handling) for generating, collection, store and disposal of hazardous wastes	30.06.2008
5	Chief Inspector of Factories	MYB-8629	Factory Licence to operate factory under the Factories Act, 1948	31.12.2010
6	Chief Inspector of Boiler	1) SADB/BLR/MYS-1915/CFN 281/07-08 2) SADB/BLR/MYS-1914/CFN 154/07-08 3) SADB/BLR/MYS-1915/CFN-107/07-08	Licence to use Boiler under the Indian Boilers Act,	1) 20.01.2009 2) 17.09.2008 3) 22.07.2008
7	Chief Controller of Explosives, Department of Explosives	S/HO/KA/03/281(S3063) dt.28.11.2006	Licence for storage of CO ₂ under the Explosives Act,	31.03.2009
8	District Collector / Commissioner of the area	P/HO/KA/15/1015(P16086) dt.28.02.2007	Certificate of Safety for storage of Furnace Oil & Diesel) under The Petroleum Rules, 2002	31.12.2009
9	Chief Controller of Explosives, Department of Explosives	P-12(22)/1778 dt.11.09.2001	Licence for storage of Furnace Oil and Diesel under the Petroleum Rules, 2002	31.12.2008
10	Office of Licencing Authority & Labour Commissioner	ALC-II/CLA/P-8/98-99 dt.18.07.1999	Registration certificate of principal employer to employ contract labour under Contract Labour (Regulation and Abolition) Act, 1970	One time registration
11	Office of Licencing Authority & Labour Commissioner	1) ALCB1/ISM/CR3/07-08 dt.20.11.07 2) ALCB1/CLA/C122/07-08 dt.01.09.1999 3) ALC-B1/CLA/c37/06-	Registration certificate of contractors to employ contract labour under Contract Labour (Regulation and Abolition) Act, 1970	1) 19.11.2008 2) 31.08.2008 3) 22.09.2008

		07 dt.23.09.2004		
12	Office of Licencing Authority & Labour Commissioner	ALCB1/IMW/P2/06-07 dt.10/11/2006	Registration under the Inter-State Migrant Workmen (Regulation and Employment conditions of service) Act,	One time registration
13	Commissioner of Employees' Provident Fund	KN-29302 dt.01.07.2002	Registration under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952	One time registration
14	Commissioner of Employees' State Insurance Corporation	KAR.INSPI.53-24436-08 dt.11.07.2007	Registration of Employees' State Insurance Corporation	One time registration
15	Central Excise Commissioner	AAACK5851AST001	Service Tax registration under the Finance Act, 1994	One time registration
16	Central Sales Tax Department	CST No.00651667	Certificate of Registration under Central Sales Tax Act.	One time registration
17	Sales Tax / Commercial Tax Department	KST:00601664 TIN No.29830735931	Certificate of registration under Sales Tax / Value Added Tax Acts of the State	One time registration
18	Commercial Tax Department	BLRK07697E	Certificate of registration TAN	One time registration
19	Office of Professional Tax Officer	P07-P0756-B	Certificate of registration under Professional Tax Act of the State	One time registration
20	State Electricity Board	Load sanctioned	Electricity Load Sanction	One time registration
21	Legal Metrology Department	87:03-04	Certification of Weights & Measures (filler, weighing balance, etc.)	29.03.2009
22	Food and Drugs Department	THO(N)PFALNO18/07-08 dt.11.04.2007	Certificate under Prevention of Food Adulteration Act, 1954	31.03.2008
23.	Office of the Vishveshwarpura Village Panchayat	No.40 dt.30.08.2007	General License to carry on manufacturing operations	31.03.2008

Unit: Khurda, Orrisa

Sr. No.	Issuing Authority	Licence No.	Nature of the Licence / Consent / Approval / Registrations	Validity
1	State Pollution Control Board	Consent No. 6916/IND-I-CON-5812	Pollution Control Board consents under Air (Prevention & Control of Pollution) Act & Rules	31.03.2009
2	State Pollution Control Board	Consent No. 6916/IND-I-CON-5812	Pollution Control Board consents under Water (Prevention & Control of Pollution) Act & Rules	31.03.2009
3	State Excise Commissioner	02/2007-2008	Excise Licence to manufacture beer under the State Excise Act and Rules.	31.03.2009
4	State Pollution Control Board	Consent	Registration / Permission under Hazardous Wastes (Management and Handling) Rules, 1989 for generating, collection, store and disposal of hazardous wastes	15.11.2008
5	Chief Inspector of Factories	KD-709	Factory Licence to operate factory under the Factories Act, 1948	31.12.2012
6	Chief Inspector of Boiler	K/932	Licence to use Boiler under the Indian Boilers Act,	27.04.2008
7	Office of Licencing Authority & Labour	K-211/06 Amendment applied	Registration certificate of principal employer to employ contract labour	One Time Registration



	Commissioner		under Contract Labour (Regulation and Abolition) Act, 1970	
8	Office of Licencing Authority & Labour Commissioner	Not applicable	Registration certificate of contractors to employ contract labour under Contract Labour (Regulation and Abolition) Act, 1970	Not applicable
9	Office of Licencing Authority & Labour Commissioner	Not applicable	Registration under the Inter-State Migrant Workmen (Regulation and Employment conditions of service) Act,	Not applicable
10	Commissioner of Employees' Provident Fund	OR13190	Registration under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952	One time registration
11	Commissioner of Employees' State Insurance Corporation	44-5997-08	Registration under Employees' State Insurance Corporation	One time registration
12	Central Excise Commissioner	AAACU6053CST009	Service Tax registration under the Finance Act, 1994	One time registration
13	Sales Tax / Commercial Tax Department	21101118014 (TIN)	Certificate of registration under Sales Tax / Value Added Tax Acts of the State	One time registration
14	Commercial Tax Department	BBNU00675D (TAN)	Certificate of registration TAN	One time registration
15	Office of Professional Tax Officer	ECPUII-337	Certificate of registration under Professional Tax Act of the State	One time registration
16	Central Electricity Supply Utility of Orrisa	Agreement dated April 10, 2007	Electricity Load Sanction	10.04.2012
17	Legal Metrology Department	080889 080888 080848 080846 080847	Certification of Weights & Measures (filler, weighing balance, etc.)	05.05.2008 05.05.2008 13.04.2008 11.04.2012 12.04.2012
18	Chief Controller of Explosives, Department of Explosives	Not applicable	Licence for storage of CO ₂ under the Explosives Act,	Not applicable
19	District Collector / Commissioner of the area	Not applicable	Certificate of Safety for storage of Furnace Oil & Diesel) under The Petroleum Rules, 2002	Not applicable
20	Chief Controller of Explosives, Department of Explosives	Not applicable	Licence for storage of Furnace Oil and Diesel under the Petroleum Rules, 2002	Not applicable
21	Central Sales Tax Department	21101118014C	Certificate of Registration under Central Sales Tax Act.	One time registration

Note: At all the units, where the licenses have expired, the Company has already preferred applications for renewal of the respective licenses

OTHER REGULATORY AND STATUTORY DISCLOSURES

Eligibility for the Issue

Our Company is an existing company listed on Bombay Stock Exchange Limited, (Designated Stock Exchange), The Ahmedabad Stock Exchange Association Limited, The Bangalore Stock Exchange Association Limited, The Calcutta Stock Exchange Association Limited, The Cochin Stock Exchange Association Limited, The Delhi Stock Exchange Association Limited, The Hyderabad Stock Exchange Association Limited, The Ludhiana Stock Exchange Association Limited and The Madras Stock Exchange Association Limited. 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 Bombay Stock Exchange Limited, (Designated Stock Exchange), Ahmedabad Stock Exchange Limited, Bangalore Stock Exchange Limited, The Calcutta Stock Exchange Association Limited, Cochin Stock Exchange Limited, The Delhi Stock Exchange Association Limited, Ludhiana Stock Exchange Association Limited and Madras Stock Exchange Limited where the Equity Shares offered through this Letter of Offer are proposed to be listed vide their letters dated February 8, 2008, February 12, 2008, February 1, 2008, February 15, 2008, February 8, 2008, February 15, 2008, February 7, 2008 and January 17, 2008 respectively. Hyderabad Stock Exchange Limited vide its letter dated January 31, 2008 has informed that SEBI has withdrawn its recognition with effect from August 29, 2007 under Sec 5 (2) of SCR Act.

Prohibition by SEBI

Neither our Company, nor its Directors or the Promoters, 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

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF 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 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 JANUARY 10, 2008 WHICH READS AS FOLLOWS:

- 1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIALS MORE PARTICULARLY REFERRED TO IN THE ANNEXURE, IN CONNECTION WITH THE FINALIZATION OF THE LETTER OF OFFER PERTAINING TO THE SAID RIGHTS ISSUE.**
- 2. 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:

- THE LETTER OF OFFER FORWARDED TO SEBI IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;
 - 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
 - THE DISCLOSURES MADE IN THE LETTER OF OFFER ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL-INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, THE SEBI (DISCLOSURE AND INVESTOR PROTECTION) GUIDELINES, 2000 AND OTHER APPLICABLE LEGAL REQUIREMENTS
3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE LETTER OF OFFER ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATIONS ARE VALID.
 4. WE HAVE SATISFIED OURSELVES ABOUT THE WORTH OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS – NOT APPLICABLE.
 5. WE CERTIFY THAT WRITTEN CONSENT FROM SHAREHOLDERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN, WILL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE LETTER OF OFFER WITH SEBI TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE LETTER OF OFFER – NOT APPLICABLE.
 6. WE CERTIFY THAT CLAUSE 4.6 OF THE SEBI (DISCLOSURE AND INVESTOR PROTECTION) GUIDELINES, 2000, WHICH RELATES TO SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE CLAUSE HAVE BEEN MADE IN THE LETTER OF OFFER – NOT APPLICABLE.
 7. WE UNDERTAKE THAT CLAUSES 4.9.1, 4.9.2, 4.9.3 AND 4.9.4 OF THE SEBI (DISCLOSURE AND INVESTOR PROTECTION) GUIDELINES, 2000 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION AND SUBSCRIPTION FROM ALL FIRM ALLOTTEES WOULD BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE .WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE – NOT APPLICABLE.
 8. WE CERTIFY THAT THE REQUIREMENTS OF PROMOTER'S CONTRIBUTION ARE NOT APPLICABLE TO THE ISSUER COMPANY UNDER CLAUSE 4.10.1(C).
 9. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.

10. WE CONFIRM THAT NECESSARY ARRANGEMENTS WILL BE MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF THE SECTION 73(3) OF THE COMPANIES ACT, 1956 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM THE DESIGNATED STOCK EXCHANGE AS MENTIONED IN THE LETTER OF OFFER. WE FURTHER NOTE THAT THE AGREEMENT TO BE ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SHALL SPECIFICALLY CONTAIN THIS CONDITION.
11. WE CERTIFY THAT NO PAYMENT IN THE NATURE OF DISCOUNT, COMMISSION, ALLOWANCE OR OTHERWISE SHALL BE MADE BY THE ISSUER OR THE PROMOTERS, DIRECTLY OR INDIRECTLY, TO ANY PERSON WHO RECEIVES SECURITIES BY WAY OF FIRM ALLOTMENT IN THE ISSUE – NOT APPLICABLE.
12. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE LETTER OF OFFER THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE.
13. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE LETTER OF OFFER:
 - (a) AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME THERE SHALL BE ONLY ONE DENOMINATION FOR THE SHARES OF THE COMPANY
 - (b) AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY SEBI FROM TIME TO TIME.

THE FILING OF OFFER DOCUMENT 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(S) ANY IRREGULARITIES OR Lapses IN OFFER DOCUMENT.

Caution

Our 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 Bangalore, 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/JA/IP-RT/3185/07-08 dated February 8, 2008, 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:

- (i) warrant, certify or endorse the correctness or completeness of any of the contents of this Letter of Offer; or
- (ii) warrant that the Company's securities will be listed or will continue to be listed on the Exchange; or
- (iii) 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.

Disclaimer Clauses of Ahmedabad Stock Exchange Limited

Ahemdabad Stock Exchnage Limited ("The Exchange") has given vide its letter no. ASEL/2008 dated February 12, 2008, has 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 are listed. Further, the Exchange's permission to use the name of the Exchange as stated above, does not in any manner –

- a. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- b. warrant that this Company's securities issued pursuant to the rights issue will be listed or that the securities of the Company will continue to be listed on the Exchange; or
- c. take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

And it should not be, 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/acquisition whether by reason of anything stated in the offer document or any other reason whatsoever.

Disclaimer Clauses of Bangalore Stock Exchange Limited

Bangalore Stock Exchange Limited ('BgSE'), vide its letter no. 03/2008/541 dated February 1, 2008, has given its permission to the Company to use the name of the Exchange in this offer document as one of the Stock Exchanges on which the Company's securities are listed. BgSE does not in any manner –

- a. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document
- b. warrant that this Company's securities will be listed or will continue to be listed on BgSE
- c. take any responsibility for the financial or other soundness of this Company, promoters, management or any scheme or project of this Company;

And it should not be, for any reason be deemed or construed that this offer document has been cleared or approved by BgSE. 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 BgSE, whatsoever, by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated in the offer document or any other reason whatsoever.

Disclaimer Clauses of the Calcutta Stock Exchange Association Limited

The Calcutta Stock Exchange Association Limited ('Exchange'), vide its letter no. CSEA/LD/089/2008 dated February 15, 2008, has given its permission to the Company to use the name of the Exchange in the Offer Document as a Non-Designated Stock Exchange on which the Company's further securities are proposed to be listed. The Exchange has scrutinized this Offer Document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Company. The Exchange does not in any manner –

1. warrant, certify or endorse the correctness or completeness of any of the contents of this Letter of Offer; or
2. warrant that the Company's securities will be listed or will continue to be listed on this Exchange; or
3. take any responsibility for the financial or other soundness of this Company, its promoters, management or any scheme or project of this Company;

and it should not be, in 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 the 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/acquisition whether by reason of anything stated or omitted in the Offer Document or any other reason whatsoever.

Disclaimer Clauses of the Delhi Stock Exchange Association Limited (DSE)

The Delhi Stock Exchange Association Limited has given its no objection to the Company vide its letter no. DSE/LIST/9539/NR/1812 dated February 15, 2008 to use the name of the Exchange in this Offer Document as one of the stock exchange on which the Company's securities are proposed to be listed. The Delhi Stock Exchange has scrutinised this Offer Document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Company and has also relied on the in principle approval given by the Designated Stock Exchange i.e Bombay Stock Exchange Limited, Mumbai. The Delhi Stock Exchange does not in any manner:

- a. Warrant, certify or endorse the correctness or completeness of any of the contents of this Offer Document
- b. Warrant that this Company's securities will be listed or will continue to be listed on this Exchange
- c. Take any responsibility for the financial or other soundness of this Company, its promoters, management or any scheme or project of this Company;

and it should not be, in any reason be deemed or construed that this Offer Document has been cleared or approved by DSE. Every person who desires to apply for or otherwise acquires any securities of the Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against DSE, whatsoever, by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted in the Offer Document or any other reason whatsoever.

Disclaimer Clauses of the Hyderabad Stock Exchange Limited

The Hyderabad Stock Exchange Association Limited (HSE) has pursuant to its letter dated January 31, 2008, that SEBI vide its letter dated September 5, 2007 has withdrawn the recognition of HSE with effect from August 29, 2007 under Sec 5(2) of SCR Act.

Disclaimer Clauses of the Madras Stock Exchange Limited

The Madras Stock Exchange Limited, Chennai ('Exchange'), vide its letter no. MSE/SEC/738/038/08 dated January 17, 2008, has given its no objection to the Company to use the name of the Exchange in this Offer Document as one of the stock exchange on which the Company's securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Madras Stock Exchange Limited does not in any manner –

- a. Warrant, certify or endorse the correctness or completeness of any of the contents of this Offer Document
- b. Warrant that this Company's securities will be listed or will continue to be listed on the Exchange
- c. Take any responsibility for the financial or other soundness of this Company, its promoters, management or any scheme or project of this Company;

It should not be, in any reason be deemed or construed that this Offer Document has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of the 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/acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

Disclaimer Clauses of the Cochin Stock Exchange Limited

Cochin Stock Exchange Limited ('Exchange'), vide its letter no. SE/LIST/16/2008 dated February 8, 2008, has given its permission to the Company to use the name of the Exchange in the Offer Document as one of the stock exchange on which the Company's securities are proposed to be listed. The Exchange has scrutinized this Offer Document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the 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 this Exchange; or
- c. take any responsibility for the financial or other soundness of this Company, its promoters, management or any scheme or project of this Company;

and it should not be, in 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 the 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/acquisition whether by reason of anything stated or omitted in the Offer Document or any other reason whatsoever.

Disclaimer Clauses of the Ludhiana Stock Exchange Limited

Ludhiana Stock Exchange Association Limited ('Exchange'), vide its letter no. Listing/2008 Ref. No. 3167 dated February 7, 2008, has given its permission to the Company to use the name of the Exchange in the Offer Document as one of the stock exchange on which the Company's securities are proposed to be listed. The Exchange has scrutinized this Offer Document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the 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 this Exchange; or
- c. take any responsibility for the financial or other soundness of this Company, its promoters, management or any scheme or project of this Company;

and it should not be, in 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 the 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/acquisition whether by reason of anything stated or omitted in the Offer Document or 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. The Letter of Offer has also filed with the stock exchanges at Mumbai, Ahmedabad, Bangalore, Cochin, Chennai, Delhi, Hyderabad, Kolkata and Ludhiana for their observations. 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 the Company are listed on Bombay Stock Exchange Limited, (Designated Stock Exchange), Ahmedabad Stock Exchange Limited, Bangalore Stock Exchange Limited, The Calcutta Stock Exchange Association Limited, Cochin Stock Exchange Limited, The Delhi Stock Exchange Association Limited, Hyderabad Stock Exchange Limited, Ludhiana Stock Exchange Association Limited and Madras Stock Exchange Limited.

Our Company has received 'in-principle' approval from Bombay Stock Exchange Limited, (Designated Stock Exchange), Ahmedabad Stock Exchange Limited, Bangalore Stock Exchange Limited, The Calcutta Stock Exchange Association Limited, Cochin Stock Exchange Limited, The Delhi Stock Exchange Association Limited, Ludhiana Stock Exchange Association Limited and Madras Stock Exchange Limited for listing of Equity Shares arising from this Issue vide their letters dated February 8, 2008, February 12, 2008, February 1, 2008, February 15, 2008, February 8, 2008, February 15, 2008, February 7, 2008 and January 17, 2008 respectively. Hyderabad Stock Exchange vide its letter dated January 31, 2008 has informed that SEBI vide its letter dated September 5, 2007 has withdrawn the recognition of the said Stock Exchange with effect from August 29, 2007 under Sec 5 (2) of SCR Act. 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

- 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."**

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 Price Waterhouse, Chartered Accountants, 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 are estimated at around 0.80% of the gross proceeds of the Rights Issue 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 Memorandum of Understanding 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 36 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. 96 of this Letter of Offer.

Previous Issues by our Company

Rights Issue of Redeemable Optionally Convertible Preference Shares (ROCPs) of Rs.100 each:

Our Company issued 2,13,84,724 Redeemable Optionally Convertible Preference Shares of Rs.100/- each for cash at par aggregating Rs. 21384.72 Lakhs 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

Promise versus Performance

No projection was made in the letter of offer and the amount raised through rights issue was utilized for the purposes as disclosed in the letter of offer.

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 any Equity Shares for consideration other than cash or out of revaluation reserves since inception.

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

Except as disclosed in the section titled "Capital Structure" on page no. 15 of 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 Company is an existing company listed on Bombay Stock Exchange Limited, (Designated Stock Exchange), The Ahmedabad Stock Exchange Association Limited, The Bangalore Stock Exchange Association Limited, The Calcutta Stock Exchange Association Limited, The Cochin Stock Exchange Association Limited, The Delhi Stock Exchange Association Limited, The Hyderabad Stock Exchange Association Limited, The Ludhiana Stock Exchange Association Limited and The Madras Stock Exchange Association Limited.

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	Date						Volume Traded		
	Highest	Lowest	Average	Highest	Lowest	Day of Highest	Day of Lowest	No of shares	
2005	780.00	308.25	544.13	26-Dec-05	23-Mar-05	518	20408	3328146	
2006	2019.60	80.00	1049.50	4-May-06	15-June-06	3082	103334	19755414	
2007	415.00	175.00	295.00	25-Sep-07	2-Jan-07	40706	9656	49727273	

* A stock split of 1 Equity share of Rs.10/- each into 10 Equity shares of Re 1/- each was undertaken in June 2006. The highest price pertains to period prior to stock split and lowest price to period post stock split.

The high and low prices and volume of Equity Shares traded on the respective dates during the last six months is as follows:

Month	Date						Volume Traded		
	Highest	Lowest	Average	Highest	Lowest	Day of Highest	Day of Lowest	No of Shares	
Oct - 07	413.40	300.00	356.70	24-Oct - 07	17-Oct-07	33256	10513	24031996	
Nov - 07	374.95	310.00	342.48	01-Nov-07	08-Nov-07	12882	5429	236644	
Dec - 07	360.00	306.00	333.00	14-Dec-07	20-Dec-07	21665	18606	376320	
Jan - 08	385.00	240.00	312.50	17-Jan-08	22-Jan-08	496,458	34,861	1,402,865	
Feb - 08	319.00	229.00	274.00	1-Feb-08	13-Feb-08	4,452	11,080	851,669	
Mar - 08	258.50	150.00	204.25	3-Mar-08	24-Mar-08	5,151	25,950	304,372	

Source (www.bseindia.com)

The market price on the Bombay Stock Exchange Limited as on October 01, 2007, the trading day immediately following September 28, 2007 i.e. the day on which the Board of Directors approved the Issue was:

Opening price: Rs. 384.00 and Closing price: Rs. 375.80

The Equity Shares of our Company started trading on ex-rights basis from April 10, 2008 on BSE. The ex-rights closing price on April 10, 2008 was Rs. 179.05 on BSE.

Except as stated under point no. 10 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.

Mechanism Involved For Redressal of Investor Grievances

Our Company has Investor Service Centre located at 'UB Tower', UB City, 24, Vittal Mallya 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 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 Alpha Systems Private Limited situated at 30, Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bangalore – 560 003. M/s. Alpha Systems Private Limited has 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. 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 renouncee should be furnished.

Our Company has also appointed Mr. Govind Iyengar, 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 three months. Further, as on March 31, 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 "Financial Information on Group Companies" beginning on page no. 197 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.

Capitalisation of reserves or profits

Our Company has not capitalized any of its reserves or profits for the last five years.

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.

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:	Wednesday, April 30, 2008
Issue Closes on:	Thursday, May 15, 2008
Last date for receiving request for split forms:	Thursday, May 29, 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 September 28, 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 shares held in Electronic Form and on the Register of Members of the Company in respect of shares held in the physical form at the close of business hours on the Record Date, i.e., April 21, 2008 fixed in consultation with BSE, the Designated Stock Exchange.

The Equity Shares are being offered for subscription in the ratio of 1 (one) Equity Shares for every 9 (nine) Equity Shares held by the Equity Shareholders on the Record Date.

Rights Entitlement

As your name appears as beneficial owner in respect of the shares held in electronic form or appears in the Register of Members as an equity shareholder of the Company as on April 21, 2008 (Record Date), you are entitled to the number of shares as disclosed in Block I of Part A of the enclosed CAF.

Rights Entitlement Ratio

The eligible shareholders shall be entitled to the following:

1 (one) Equity shares for every 9 (nine) Equity Shares held on the Record Date.

Rights entitlement on shares held in the pool account of the clearing members on the Record Date shall be considered, and such claimants are requested to:

- a. Approach the concerned depository through the clearing member of the Stock exchange with requisite details; and
- b. Depository in turn should furnish details of the transaction to the Registrar.

Only upon receipt of the aforesaid details, rights entitlement of the claimants shall be determined.

Principal Terms of the Issue

Face Value

Each Equity Share shall have a face value of Re. 1.

Issue Price

Each Equity Share is being offered at a price of Rs. 177/- (including a premium of Rs. 176/-) for cash.



Terms of payment

Full amount of Rs. 177/- per share is payable on application.

Fractional Entitlements

Fractional entitlement will be ignored. For Equity Shares being offered on rights basis under this Rights Issue, if the shareholding of any of the Equity Shareholders is less than 9 or is not in the multiples of 9, then the fractional entitlement of such holders shall be ignored. Equity shareholders whose fractional entitlements are being ignored would be given preferential allotment of ONE additional Equity Share each if they apply for additional Equity Shares, as per the Basis of Allotment mentioned on page 411 of this Letter of Offer.

Those Equity shareholders having holding less than 9 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 renounce 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 the benefits of survivorship subject to provisions contained in the Articles of Association of the Company.

Ranking of the Equity Shares

The Equity Shares certificates shall be subject to the Memorandum and Articles of Association of the Company. The Equity Shares allotted in this Issue shall rank pari passu with the existing Equity Shares in all respects including dividend. For more details see "Main Provisions of our Articles of Association" on page 420 of this Letter of Offer.

Subject to applicable laws, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation;
- Right to free transferability; and
- Such other rights, as may be available to a shareholder of a listed public Company under the Companies Act and the Company's Memorandum and Articles.

For a detailed description of the main provisions of our Articles of Association dealing with voting rights, dividend, forfeiture and lien, transfer and transmission and/or consolidation/splitting, see section titled "Main Provisions of our Articles of Association" on page 420 of this Letter of Offer.

Mode of Payment of Dividend

We shall pay dividend to our shareholders as per the provisions of the Companies Act.

Payment of Refund

Applicants should note that on the basis of name of the applicant, 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 applicant at the applicant's sole risk and neither the Lead Manager nor the Company shall have any responsibility and undertake any liability for the same.

The payment of refund, if any, shall be undertaken in any of the following manners:

1. **NEFT:** Payment of refund shall be undertaken through National Electronic Fund Transfer (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 immediately 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.
2. **ECS:** Payment of refund shall be undertaken through ECS for applicants having an account at any of the following fifteen centres: Ahmedabad, Bangalore, Bhubaneshwar, 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 above mentioned fifteen centers.
3. **Direct Credit:** Applicants having bank accounts with the Banker(s) to the Issue / Refund Banker(s), in this case being, Citibank. NA., shall be eligible to receive refunds through direct credit. Charges, if any, levied by the Banker(s) to the Issue / Refund Banker(s) for the same would be borne by the Issuer.
4. **RTGS:** Applicants having a bank account at any of the abovementioned fifteen centres and whose refund amount exceeds Rs. 5 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 CAF. In the event the same is not provided, refund shall be made through ECS. Charges, if any, levied by the Banker(s) to the Issue / Refund Banker(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.
5. For all other applicants, including those who have not updated their bank particulars with the MICR code, the refund orders shall be dispatched under Certificate of Posting for value up to Rs. 1,500 and through Speed Post/ Registered Post for refund orders of Rs. 1,500 and above. Such refunds will be made by cheques, pay orders or demand drafts drawn on the Citibank. NA., and payable at par at the places where applications are accepted. Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centres will be borne by the Applicants.

Notices

All notices to the Equity Shareholder(s) required to be given by the Company shall be published in one English national daily with wide circulation and 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

Since trading of the Company's Equity Shares is in dematerialized form, the tradable lot is one equity share. In case of physical certificates the Company would issue one certificate for the Equity shares allotted to one person ("Consolidated Certificate"). In respect of the Consolidated Certificate, the Company will only upon receipt of a request from the Equity shareholders, split such Consolidated Certificate into smaller denomination with in week's time from the date of the request from the Equity shareholders. No fee would be charged by the Company for splitting the Consolidated Certificate.

Nomination facility

In accordance with Section 109A of the Companies Act, only individuals applying as sole applicants/ joint applicants can nominate, non-individuals including society, trust, body corporate, partnership firm, holder of power of attorney cannot nominate. In accordance with Section 109A of the Companies Act, the sole or first holder, along with other joint holders, may nominate any one person in whom, in the event of the death of sole holder or in case of joint holders, death of all the holders, as the case may be, the Equity Shares allotted, if any,

shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 109A of the Companies Act, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/ transfer/ alienation of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Company's Registered / Corporate Office or to the Company's Registrar and Transfer Agents. The Applicant can make the nomination by filling in the relevant portion of the CAF. In accordance with Section 109B of the Companies Act, any person who becomes a nominee by virtue of the provisions of Section 109A of the Companies Act, 1956, shall upon the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Only one nomination would be applicable for one folio. Hence, in case the Equity Shareholder(s) has already registered the nomination with the Company, no further nomination needs to be made for Equity Shares to be allotted in this Issue under the same folio.

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 DP of the applicant would prevail. If the applicant requires changing the nomination, they are requested to inform their respective DP.

Odd Lots

The Equity Shares would be traded in dematerialised form and the minimum trading lot for Equity Shares will be one Equity Share. Therefore there would not be any odd lots generated at the time of allotment.

Further issue / secured borrowings/ bonus issue / rights issue

The Company shall be entitled, from time to time, to make further issue(s) of Equity Shares, bonds and/ or other instruments to the public, members of the Company and/ or any other person(s) and/ or raise further loans, advances, deferred credit and/ or avail of further financial and/ or guarantee non-fund based facilities from financial institutions, banks and/ or any other person(s) on the security of the said properties/ assets as may be decided by the Company, from time to time, and having such ranking and on such terms and conditions as may be agreed to by the Company.

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 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 the rules and regulations thereunder. 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 the 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 the Company and renounce the shares offered in full or part thereof in favour of a person named by them. NR shareholders are requested to refer to the paragraph titled "Renunciation" for the approvals required from FIPB / RBI for renunciation. Non-Residents may subscribe for additional shares over and above the shares offered on rights basis by the 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 NR 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 NR. Accordingly, the existing Equity Shareholders of the 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 the Company at its registered office, the OCB shall receive the Letter of Offer and the CAF.

Letter of Offer and CAF shall be dispatched to non-resident Equity Shareholders in India only. In case the registered address of non-resident Equity Shareholders is not in India, the Letter of Offer and CAF shall be dispatched, to the address in India, supplied by such non-resident Equity Shareholders to the Company.

Procedure for Application

The CAF would be mailed to all the shareholders, with an additional, separate advice for non-resident shareholders. In case the original CAF is not received by the applicant or is misplaced by the applicant, the applicant may request the Registrars to the Issue for issue of a duplicate CAF, by furnishing the registered folio number, DP ID Number, Client ID Number and their full name and address. Non-resident shareholders can obtain a copy of the CAF from the Registrars to the Issue by furnishing the registered folio number, DP ID number, Client ID number and their full name and address.

Acceptance of the Issue

You may accept the Issue and apply for the Equity Shares offered, either in full or in part by filling Part A of the enclosed CAF and submit the same along with the Application Money payable to the Bankers to the Issue at 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 or a committee authorized 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 cheque drawn on a local bank at Bangalore or a demand draft payable at Bangalore, for an amount net of bank and postal charges, 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.

Options available to the Equity Shareholders

The CAF clearly indicates the number of Equity Shares that the Equity Shareholder is entitled to.

If the Equity Shareholder applies, then he can:

- Apply for his entitlement in part; or
- Apply for his entitlement in part and renounce the other part; or
- Apply for his entitlement in full; or
- Apply for his entitlement in full and apply for additional Equity Shares; or
- Renounce his entitlement in full to one or more than one person.

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 have applied for all the Equity Shares offered without renouncing them in whole or in part in favor of any other person(s). The application for additional Equity Shares shall be considered and allotment shall be made at the absolute discretion of the Board or the Committee of Directors.



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 in the manner prescribed under the section titled 'Basis of Allotment' on page 411 of this Letter of Offer. The renouncees applying for all the Equity Shares renounced in their favor may also apply for additional Equity Shares.

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.

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 (BSE).

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 persons. Such renouncees can only be Indian Nationals (including minor through their natural/legal guardian)/limited companies incorporated under and governed by the Act, statutory corporations/institutions, trusts (registered under the Indian Trust Act), societies (registered under the Societies Registration Act, 1860 or any other applicable laws) provided that such trust/society is authorised 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 other Non-Resident Indian(s) or from Non-Resident Indian Shareholder(s) to 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 derecognized 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 the 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 the Company at its registered office, the OCB shall receive the Letter of Offer and the CAF.

Your attention is drawn to the fact that the Company shall not allot and/or register any Equity Shares in favor of:

- More than three persons including joint holders
- Partnership firm(s)
- Minors (unless guardian appointed)
- Hindu Undivided Family
- Any Trust or Society (unless the same is registered under the Societies Registration Act, 1860 or any other applicable Trust laws and is authorized under its Constitutions to hold Equity Shares of a Company)

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 Banker to the Issue at its collecting branches 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 the Company of the person(s) applying for Equity Shares in Part C

to receive allotment of such Equity Shares. The renouncees 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 renouncee(s) as this will render the application invalid. Renouncee(s) will also have no further right to renounce any shares in favour of any other person. Renouncer will not be entitled to apply for additional Equity Shares.

Procedure for Renunciation

(a) To renounce the whole offer in favour of one renouncee

If you wish to renounce the offer indicated in Part A, in whole, please complete Part B of the CAF. In case of joint holding, all joint holders must sign Part B of the CAF. The person in whose favor renunciation has been made should complete and sign Part C of the CAF. In case of joint renouncees, all joint renouncees must sign this part of the CAF.

(b) To renounce in part/or 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 renouncees, the CAF must be first split into requisite number of forms.

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 May 15, 2008. On receipt of the required number of split forms from the Registrar, the procedure as mentioned in paragraph 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 the Company, the application is liable to be rejected.

(c) Renouncee(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.

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 May 15, 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(s), not more than three, who is/are not already a joint holder 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.

Splitting of Composite Application Forms

Only the person to whom this Letter of Offer has been addressed to and not the renouncee(s) shall be entitled to renounce and to apply for split application forms. Request for split forms should be sent to the Registrars to the Issue, before the closure of business hours on or before May 15, 2008 by filling in Part D of the CAF along with entire CAF. Split Forms cannot be re-split. The renouncee(s) shall not be entitled to split form(s). Split forms shall be sent to the applicant by post at the applicant's risk. Requests for Split forms should be made for Equity Shares in multiples of 1 only. Requests for split forms will be entertained only once



How to Apply

Resident Equity Shareholders

Applications should be made on the enclosed CAF provided by the 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 the Company at any offices except in the case of postal applications as per instructions given on page 415 in the Letter of Offer.

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 renounces

Part D: Form for request for split application forms

Non-resident Equity 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 RBI, in the matter of refund of application moneys, allotment of Equity Shares, issue of letters of allotment/ certificates/ payment of dividends etc. Export of letters of allotment (if any)/ share certificates/ demat credit to non-resident allottees will be subject to the approval of RBI. Letter of Offer and CAF shall be dispatched to non-resident Equity Shareholders in India only.

The summary of options available to the Equity Shareholder is presented below. You may exercise any of the following options with regard to the Equity Shares offered, 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 renouncees not exceeding three are considered as one renouncee).	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 renouncee. The renouncees must fill in and sign Part C of the CAF (All joint renouncees must sign)
E.	Accept a part of your entitlement and renounce the balance or part of it to one or more renouncee(s) (Joint renouncees are deemed as one person)	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.

On receipt of the Split Form take action as indicated below.

(i) For the Equity Shares you wish to accept, if any, fill in and sign Part A of one split CAF.

(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 renouncees.

(iii) Each of the renouncees should fill in and sign Part C

Option	Option Available	Action Required
F.	Renounce your entitlement to all the Equity Shares offered to you or part of it to more than one renouncee(s) (Joint renouncees are deemed as one person).	for the Equity Shares accepted by them. (iv) Send the entire CAF to the Registrar to the Issue 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 renouncees must fill in and sign Part C.

Applications for Equity Share should be made only on the CAF, which are provided by the 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 Share-holders. 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 utilise 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, the 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.

For applicants residing at places other than designated Bank collecting branches.

- (i) Applicants residing at places other than the cities where the Bank collection centres have been opened should send their completed CAF by registered post/speed post to the Registrars to the Issue, Alpha Systems Private Limited, along with bank drafts payable at Bangalore in favour of "**UBL - Rights Issue**" crossed "A/c Payee only" so that the same are received on or before the Issue Closing Date.
- (ii) The Company 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 below. The date of mailing by the applicant and / or the date of Demand Draft / Banker's Cheque will not be the criteria for acceptance.
- (iii) All application forms duly completed together with cash/ cheque/demand draft for the application money net of banking and postal charges must be submitted before the close of the subscription list to the Bankers to the Issue named herein or to any of its branches mentioned on the reverse of the CAF. The CAF along with application money must not be sent to the Company or the Lead Manager to the Issue or the Registrars to the Issue except as mentioned above.
- (iv) The applicants are requested to strictly adhere to these instructions. Failure to do so could result in the application being liable to be rejected with the Company, the Lead Manager and the Registrars not having any liabilities to such applicants.

Availability of duplicate CAF

In case the original CAF is not received, or is misplaced by the applicant, the Registrar to the Issue will issue a duplicate CAF on the request of the applicant who should furnish the registered folio number/ DP and Client ID number and his/ her full name and address to the Registrar to the Issue. Please note that the request for duplicate CAF should reach the Registrar to the Issue by May 15, 2008. 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. Thus 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.

Application on Plain Paper

- (i) 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 drawn on a local bank at Bangalore / Demand Draft, net of bank and postal charges, payable at Bangalore which should be drawn in favor of "**UBL – Rights Issue**" in case of resident shareholders and non-resident shareholders applying on non-repatriable basis and in favour of "**UBL – 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 Issue Closing Date. The envelope should be superscribed "**UNITED BREWERIES LIMITED – RIGHTS ISSUE**".
- (ii) The application on plain paper, duly signed by the applicants including joint holders, in the same order as per specimen recorded with the Company, must reach the office of the Registrar to the Issue before the Issue Closing Date and should contain the following particulars:
- Name of Issuer, being United Breweries Limited.
 - Name and address of the Equity Shareholder including joint holders
 - Registered Folio Number/ DP ID No., DP Name and Client ID No.
 - Number of shares held as on Record Date
 - Certificate numbers and distinctive numbers, if held in physical form.
 - Number of Rights Equity Shares entitled
 - Number of Rights Equity Shares applied for, out of entitlement
 - Number of additional Equity Shares applied for, if any
 - Total number of Equity Shares applied for
 - Total amount paid on application at the rate of Rs. 177/- (application amount only) per Equity Share
 - Allotment option either in physical or demat mode with Client ID number, DP name & DP ID number in case demat mode of allotment is preferred
 - Particulars of cheque/draft enclosed
 - Savings/Current Account Number and name and address of the bank where the Equity Shareholder will be depositing the refund order. In case of depository the bank account details shall be obtained from the information available with the Depositories.
 - PAN/PAN communication/Form 60/Form 61 declaration for the applicant and for each applicant in case of joint names.
 - Signature of Equity Shareholders to appear in the same sequence and order as they appear in the records of the Company.
 - In case of Non Resident Shareholders, NRE/ FCNR/ NRO A/c No. Name and Address of the Bank and Branch;
 - If payment is made by a draft purchased from NRE/ FCNR/ NRO A/c No., 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.
- (iii) Payments in such cases, should be through a cheque/ demand draft payable at Bangalore be drawn in favor of "**UBL – Rights Issue**" in case of resident shareholders and non-resident shareholders applying on non repatriable basis and in favour of "**UBL – Rights Issue – NR**" in case of non-resident shareholders applying on repatriable basis and marked "A/c Payee Only".
- (iv) Attention of the shareholders is drawn to the fact that those shareholders making the application otherwise than on the CAF (i.e. on a plain paper as stated above) shall not be entitled to renounce their rights and should not utilise the CAF for any purpose including renunciation even if it is received subsequently. In case the original and duplicate CAFs and application on the plain paper or any two of these applications are lodged or if any shareholder violates any of these requirements, the Company will have the absolute right to reject any one or both of his/her/their application and refund the application money received. However, the Company is not liable to pay any interest whatsoever on money so refunded.

Last date of Application

The last date for submission of the duly filled in CAF is May 29, 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 THE COMPANY CAN BE TRADED ON THE STOCK EXCHANGES ONLY IN DEMATERIALIZED FORM.

Mode of payment for Resident Equity Shareholders/ Applicants

- (i) Only one mode of payment should be used. Payment must be made at the rate of Rs. 177/- per Equity Share by Cash or Cheque/Demand Draft drawn on any Bank (including a Co-operative Bank) which is situated at and is a member or sub-member of the Bankers Clearing House in the city/town at which the CAF is submitted. A separate cash amount or cheque/demand draft, must accompany each CAF. Outstation/ post-dated cheques or demand drafts and postal/ money orders will not be accepted and CAFs accompanied by such cheques/ demand drafts/ order are liable to be rejected. Payments in cash to the Registrars will not be accepted. Returned cheques shall not be represented and the accompanying application will not be considered. All cheques / drafts accompanying the CAF should be drawn in favour of "**UBL – Rights Issue**" and marked 'A/c Payee only'. 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. If a Cheque or Demand Draft is drawn on a bank that is not participating in clearing, the CAF accompanying such Cheque/ Demand Draft shall, at the discretion of the Board, be liable to be rejected.
- (ii) Applicants residing at places other than places where the bank collection centres have been opened by the Company for collecting applications, are requested to send their applications together with Demand Draft of amount net of bank and postal charges, for the full application amount favouring "**UBL – Rights Issue**" and marked 'A/c Payee only' payable at directly to the Registrar to the Issue by registered post so as to reach them on or before the Issue Closing Date. The Company or the Registrar to the Issue will not be responsible for postal delays or loss of applications in transit, if any. The date of mailing by the applicant and / or the date of Demand Draft / Banker's Cheque will not be the criteria for acceptance.
- (iii) Applications will not be accepted by the Lead Manager or by the Company.

Mode of payment for Non-Resident Equity Shareholders/ Applicants

As regards the application by non-resident equity shareholders, the following further conditions shall apply:

Payment by non-residents must be made by demand draft / cheque payable at Bangalore or funds remitted from abroad in any of the following ways:

Application with repatriation benefits

Payment by NRIs/ FIIs/ foreign investors must be made by demand draft/cheque payable at Bangalore or funds remitted from abroad in any of the following ways:

- By Indian Rupee drafts purchased from abroad and payable at Bangalore or funds remitted from abroad (submitted along with Foreign Inward Remittance Certificate); or
- By cheque / draft on a Non-Resident External Account (NRE) or FCNR Account maintained in Bangalore; or
- By Rupee draft purchased by debit to NRE/ FCNR Account maintained elsewhere in India and payable in Bangalore; or
- FIIs registered with SEBI must remit funds from special non-resident rupee deposit account.



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- Payments through Non-Resident Ordinary Account (NR(O) a/c) will not be permitted
 - 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 “**UBL – Rights Issue – NR**” payable at Bangalore and crossed ‘A/c Payee only’ for the amount payable.
 - 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.

A separate cheque or bank draft must accompany each application form. Applicants may note that where payment is made by drafts purchased from NRE/FCNR accounts as the case may be, an Account Debit Certificate from the bank issuing the draft confirming that the draft has been issued by debiting the NRE/FCNR 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.

In the case of NRIs who remit their application money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account details of which should be furnished in the appropriate columns in the CAF. In the case of NRIs who remit their application money through Indian Rupee Drafts from abroad, refunds and other disbursements, if any will be made in US Dollars at the rate of exchange prevailing at such time subject to the permission of RBI. The Company will not be liable for any loss on account of exchange rate fluctuation for converting the Rupee amount into US Dollars or for collection charges charged by the applicant's Bankers.

Application without repatriation benefits

As far as non-residents holding shares on non-repatriation basis is concerned, in addition to the modes specified above, payment may also be made by way of cheque drawn on Non-Resident (Ordinary) Account maintained in Bangalore or Rupee Draft purchased out of NRO Account maintained elsewhere in India but payable at Bangalore. In such cases, the allotment of Equity Shares will be on non-repatriation basis. In such cases, refund, dividend, interest and other disbursement, if any, will be payable in Indian Rupees only.

All cheques/drafts submitted by non-residents applying on non-repatriation basis should be drawn in favour of “**UBL – Rights Issue**” payable at Bangalore and must be crossed ‘A/c Payee only’ for the amount payable. 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 or before the Issue Closing Date. A separate cheque or bank draft must accompany each CAF. 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.

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 the FCNR/NRE / NRO account or foreign Inward Remittance Certificate (FIRC) from the authorized dealers, should be enclosed with the CAF. In the absence of the above, the application shall be considered incomplete and is liable to be rejected. Payment by way of cash shall not be accepted.

New demat account shall be opened for holders who have had a change in status from resident Indian to NRI.

Note:

- In case where repatriation benefit is available, interest, dividend, 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 Equity Shares are allotted on non-repatriation basis, the dividend and sale proceeds of the Equity Shares cannot be remitted outside India.
- 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 or before the Issue Closing Date. A separate cheque or bank draft must accompany each CAF.

- In case of an application received from non-residents, allotment, refunds and other distribution, if any, will be made in accordance with the guidelines/ rules prescribed by RBI as applicable at the time of making such allotment, remittance and subject to necessary approvals.

Payment by Stockinvest

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003-04 dated November 5, 2003, the Stockinvest Scheme has been withdrawn. 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 the Company and the approval of the Designated Stock Exchange, the Board or a Committee of Directors authorized by 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 renouncees 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, Preferential allotment of one additional Equity Share each to the shareholders whose fractional rights 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 as rights 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 Designated Stock Exchange, 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, April 21, 2008, 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.

Unsubscribed Equity Shares

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. Our promoters and promoter group companies have confirmed that they would subscribe to their respective entitlements in this Rights Issue in full. Further, SNIL and UBHL, two of our promoters have confirmed that they will also subscribe to the unsubscribed portion, if any, in this Rights Issue in equal proportion such that the entire Issue is subscribed, as per the relevant provisions of the law. Our Company shall allot Equity Shares to the promoters and promoter group in a manner that the shareholding of UB group and S&N group post this Rights Issue remains equal. Subscription by SNIL and UBHL to the extent of its entitlement in the Issue and acquisition of additional Equity Shares by SNIL and UBHL in case of under-subscription, if any, will not result in change of control of the management of our Company and shall be exempted in terms of proviso to Regulation 3(1)(b)(ii) of the Takeover Code.

Underwriting / Standby arrangements

The present Issue is not underwritten and the Company has not made any standby arrangements for the Issue.

Disposal of Application and Application money

The Board reserves the right to reject applications in case the application concerned is not made in terms of this Letter of Offer. In case an application is rejected in full the whole of the application money received will be refunded to the first named applicant and where an application is rejected in part, the excess application money will be refunded to the first named applicant within 6 weeks from the date of closure of the subscription list in accordance with Section 73 of the Act. If there is delay of refund of application money by more than 8 days after the Company becomes liable to pay (i.e. forty-two days after the closure of Issue), the Company will pay interest for the delayed period at the rate prescribed under sub-Section (2) and (2A) of Section 73 of the Act.

The subscription monies received in respect of this Issue will be kept in a separate bank account and the Company will not have access to nor appropriate the funds until it has satisfied the Designated Stock Exchange with suitable documentary evidence that minimum subscription of 90% of the application money for the Issue has been received.

No acknowledgment will be issued for the application monies received by the Company. However, the Bankers to the Issue at its collection branches to the Issue receiving the CAF as applicable as per the terms of this Letter of Offer, will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each CAF. Except for the reasons stated under "**Grounds for Technical Rejections**" on page 417 of this Letter of Offer and subject to valid application, acknowledgement of receipt of application money given by the collection agent shall be valid and binding on Issuer and other persons connected with the Issue.

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 400 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 400 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 subject to the approval received from RBI, as mentioned on page 402 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 Bangalore, 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 the 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 the Company issues letters of allotment, the relative share certificates will be dispatched within three months from the date of allotment. Allotees 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 allotees will be subject to the approval of RBI.

In accordance with the requirements of the Stock Exchange and SEBI DIP Guidelines, the Company undertakes that:

Interest in case of delay in dispatch of Allotment Letters/ Refund Orders in case of Rights Issues

The Company will issue and dispatch letters of allotment/ share certificates 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 weeks from the date of closure of the Issue. If such money is not repaid within 8 days from the day the Company becomes liable to pay it, the Company shall pay that money with interest at the rate of 15% per annum as stipulated under Section 73 of the Act.

Option to receive Equity Shares in Dematerialized Form

Applicants to the Equity Shares of the Company issued through this Issue shall be allotted the securities in dematerialised (electronic) form at the option of the applicant. The Equity Shares of the Company are been traded in dematerialised mode. The Company has entered into tripartite agreements dated August 29, 2002 and September 24, 2002 with NSDL and CDSL respectively along with the Registrar, (its Equity Shares bear the ISIN INE696A01025), which enables the Investors to hold and trade in securities in a dematerialised form, instead of holding the securities in the form of physical certificates.



In this Issue, the allottees who have opted for Equity Shares in dematerialised 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.

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 the 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 the Company). In case of Investors having various folios in the 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 the 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 pursuant to this Issue 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 the 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 the 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 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.

Renouncees 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.

It may be noted that shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL or CDSL.

Dividend or other benefits with respect to the shares held in dematerialised form would be paid to those Equity Shares holders whose names appear in the list of beneficial owners given by the Depository Participant to the Company as on record date.

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 closure date 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. Our promoters and promoter group companies have confirmed that they would subscribe to their respective entitlements in this Rights Issue in full. Further, SNIL and UBHL, two of our promoters have confirmed that they will also subscribe to the unsubscribed portion, if any, in this Rights Issue in equal proportion such that the entire Issue is subscribed, as per the relevant provisions of the law. Our Company shall allot Equity Shares to the promoters and promoter group in a manner that the shareholding of UB group and S&N group post this Rights Issue remains equal. Subscription by SNIL and UBHL to the extent of its entitlement in the Issue and acquisition of additional Equity Shares by SNIL and UBHL in case of under-subscription, if any, will not result in change of control of the management of our Company and shall be exempted in terms of proviso to Regulation 3(1)(b)(ii) of the Takeover Code. For details please refer to note no. 7 of the Capital Structure.

In case the permission to deal in and for an official quotation of the Equity Shares is not granted by the Stock Exchanges, the Issuer shall forthwith repay without interest, all monies received from the applicants in pursuance of this Letter of Offer within 42 days after closure of the Issue, and if such money is not repaid within 8 days after the day from which the Issuer is liable to repay it, the Issuer shall pay interest as prescribed under Section 73 (2) / 73 (2A) of the Companies Act 1956.

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 the 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 or at any of the branches as mentioned on the CAF or to the Registrar to the Issue (for applicants residing at places other than cities where the branches of the Bankers to the Issue have been authorised by the Company for collecting applications) and not to the 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 authorised by the Company for collecting applications, will have to make payment by Demand Draft payable at Bangalore of amount net of bank and postal charges, and send their application forms to the Registrar to the Issue by Registered Post / Speed Post. If any portion of the CAF is / are detached or separated, such application is liable to be rejected.
- (e) PAN Number: The Applicants or in the case of an application in joint names, each of the Applicants, should mention his/her PAN allotted under the I.T. Act. **Applications without this information and documents will be considered incomplete and are liable to be rejected. It is to be specifically noted that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.** In case the sole/First Applicant and joint Applicant(s) is/are not required to obtain PAN, each of the Applicants(s) shall mention "Not Applicable" and in the event that the sole Applicant and/or the joint Applicant(s) have applied for PAN which has not yet been allotted each of the Applicant(s) should mention "Applied for" in the Composite Application Form. Further, where the Applicant(s) has mentioned "Applied for" or "Not Applicable", the sole/First Applicant and each of the joint Applicant(s), as the case may be, would be required to submit Form 60 (form of declaration to be filed by a person who does not have a permanent account number and who enters into any transaction specified

in Rule 114B of the Income Tax Rules, 1962), or, Form 61 (form of declaration to be filed by a person who has agricultural income and is not in receipt of any other income chargeable to income-tax in respect of transactions specified in Rule 114B of the Income Tax Rules, 1962), as may be applicable, duly filled along with a copy of any one of the following documents in support of the address: (a) ration card (b) passport (c) driving license (d) identity card issued by any institution (e) copy of the electricity bill or telephone bill showing residential address (f) any document or communication issued by any authority of the Central Government, State Government or local bodies showing residential address and (g) any other documentary evidence in support of address given in the declaration. **It may be noted that Form 60 and Form 61 have been amended vide a notification issued on December 1, 2004 by the Central Board of Direct Taxes, Department of Revenue, Ministry of Finance. All Bidders are requested to furnish, where applicable, the revised Form 60 or Form 61 as the case may be.**

- (f) Bank Account Details: It is mandatory for applicants to provide information as to their savings/current account number and the name of the 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: 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. 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 the 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 not later than the Issue Closing Date or not later than 10 days after the Issue Closing Date. In case the above referred documents are already registered with the 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) The shareholders must sign the CAF as per the specimen signature recorded with the Company. 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 renouncees, 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 the Company; Alpha Systems Private Limited, 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 renouncee(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)

As per section 109A of the Act, the sole applicant / joint applicants may nominate, in the prescribed manner, a person to whom his Equity Shares in the Company shall vest in the event of his death.

An applicant cannot make an application for that number of securities exceeding the number of securities being offered through this Rights Issue.

- (r) No receipt will be issued for application money received. The Bankers to the Issue / Registrar will acknowledge receipt of the same by stamping and returning the acknowledgment slip at the bottom of the CAF.

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;
- In case of physical shareholders, bank account details (for refund) are not given;
- Age of first applicant not given in case of renouncee(s);
- PAN not stated for the applicant and for each applicant in case of joint names and GIR number given instead of PAN
- 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 renouncees 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 CAF does not have the Applicant's depository account details;
- CAFs are not submitted by the Applicants within the time prescribed as per the CAF and the 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 Depositary Participant's identity (DP ID) and the beneficiary's identity;
- 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.

Utilisation of Issue Proceeds

The subscription monies received in respect of this Issue will be kept in a separate bank account and the Company will not have access to nor appropriate the funds until it has satisfied the Designated Stock Exchange with suitable documentary evidence that minimum subscription of 90% of the application money for the Issue has been received.

The Board of Directors declares that:

- (a) 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.
- (b) Details of all moneys utilised out of the Issue shall be disclosed under an appropriate separate head in the balance sheet of the Company indicating the purpose for which such moneys has been utilised.
- (c) Details of all such unutilised moneys out of the Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of the Company indicating the form in which such unutilised moneys have been invested.

Undertakings by the Company

The Company undertakes that:

1. The complaints received in respect of the Issue shall be attended to by the Issuer Company expeditiously and satisfactorily;
2. 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;
3. 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.
4. 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.
5. The certificates of the securities/refund orders to the non-resident Indians shall be dispatched within specified time.
6. 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.
7. 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.
8. 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.

Note

The 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.

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 the 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 superscribed "**UNITED BREWERIES LIMITED – RIGHTS ISSUE**" on the envelope) to the Registrar to the Issue at the following address:

Alpha Systems Private Limited
30, Ramana Residency,
4th Cross, Sampige Road,
Malleswaram, Bangalore – 560 003
Tel: 080 - 2346 0815 -18 Fax: 080 - 2346 0819
Contact Person: Rajaraman / Vijayagopal

It is to be specifically noted that this Issue of Equity Shares is subject to the section entitled 'Risk Factors' beginning on page viii 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 be kept open for a minimum of 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.

SHARES

3. The Authorised Share Capital of the Company is Rs.2,800,000,000 (Rupees Two Billion eight hundred million only) divided into 30,000,000 (Thirty Million) Equity Shares of Rs.10 each and 25,000,000 (Twenty-five Million) Preference Shares of Rs.100 each.
4. Subject to the provisions of these Articles, the Companies Act for the time being in force and of the Memorandum of Association of the Company and without prejudice to any special rights previously conferred on the holders of existing Shares in the Company, any Shares in the Company may be issued with such preferred, deferred or other special rights, or such restrictions, whether in regard to dividend, voting, return on capital, or otherwise, as the Company may from time to time by Special Resolution determine.
5. Subject to the provisions of these Articles, the Company shall have power to issue Preference Shares, carrying a right to redemption out of Profits or out of the proceeds of a fresh issue of Shares made for the purpose of such redemption or out of sale proceeds of any property of the Company, or liable to be so redeemed at the option of the Company, and the Directors may, subject to the provisions of the Act, if any, exercise such power in any manner they may think fit.

15. ISSUE OF NEW CERTIFICATE IN PLACE OF ONE DEFACED, LOST OR DESTROYED:

If any Certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any Certificate is lost or destroyed then upon proof thereof, to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, being given, and a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.2/- for each Certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new Certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer. Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the Rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or Rules applicable in this behalf. The provisions of this Article shall mutatis mutandis apply to Debentures of the Company.

16. (i) Dematerialization of Securities:

The Company shall be entitled to dematerialize its existing Shares, Debentures and other securities, rematerialize its Shares, Debentures and other securities held in a Depository and/or offer its fresh Shares and Debentures and other securities in a dematerialized form pursuant to the Depositories Act, 1996 and the Rules framed thereunder, if any.

(ii) Option for Investors:

Every person subscribing to security offered by the Company shall have the option to receive the security certificates or to hold the securities with a Depository. Such a person who is the beneficial owner of the securities can at any time opt out of a Depository, if permitted by Law, in respect of any security in the manner provided by the Depositories Act, 1996 and the Company shall and within the time prescribed, issue to the beneficial owner the required Certificate of securities.

- (iii) **Intimation to Depository:**
Where a person opts to hold his security with a Depository the Company shall intimate such Depository the details of allotment of the security and on receipt of such information, the Depository shall enter in its record the name of the allottee as the beneficial owner of the security.
- (iv) **Securities in Depositories to be in fungible form:**
All securities held by a Depository shall be dematerialized and shall be in fungible form, nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372A of the Companies Act, 1956 shall apply to a Depository in respect of the securities held by it on behalf of the beneficial owner.
- (v) **Rights of Depositories and Beneficial Owners:**
- Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of security on behalf of the Beneficial Owner.
 - Save as otherwise provided in (a) above the Depository as a registered owner of the securities shall not have any voting rights or any other right in respect of the securities held by it.
 - Every person holding securities of the Company and whose name is entered as a Beneficial owner in the records of the "Depository" shall be deemed to be a Member of the Company. The Beneficial Owner of the securities shall be entitled to all rights and benefits and be subjected to all the liabilities in respect of his securities held by a Depository.
- (vi) **Depository to furnish information:**
Every Depository shall furnish to the Company information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-Laws of the Company in this behalf.
- (vii) **Section 83 and 108 of the Companies Act, 1956 not to apply:**
Notwithstanding anything to contrary contained in the Articles;
- Section 83 of the Act shall not apply to the Shares with a Depository.
 - Section 108 of the Act shall not apply to transfer of security effected by the transferor and the transferee, both of whom are entered as Beneficial Owners in the records of a Depository.
- (viii) **The Company to recognise the rights of Registered holders as also the Beneficial Owner in the records of the Depository:**
Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears in the Register of Members as the holder of any Share or whose name appears as the Beneficial Owner of any Share in the records of the Depository as the absolute owner thereof and accordingly shall not (except as ordered by a Court of Competent Jurisdiction or by any Law is required) be bound to recognise any benami, trust or equitable, contingent or other claim to or interest in such Share on the part of any other person whether or not it shall have express or implied notice thereof but the Board of Directors shall be at liberty to register any Shares in the joint names of any two or more persons or the survivors of them.
- (ix) **Register and Index of Beneficial Owners:**
The Company shall maintain a Register and Index of Members in accordance with all applicable provisions of the Companies Act, 1956, and the Depositories Act, 1996, and the Rules framed thereunder with the details of Shares held in material and dematerialized form in any media as may be permitted by Law including any form of electronic media. The Register and Index of Beneficial Members maintained by a Depository under Section 11 of the Depositories Act, 1996 shall be deemed to be a Register and Index of Members for the purpose of this Act.
The Company shall cause to be kept a Register and Index of Debenture holders in accordance with provisions of the Companies Act, 1956. The Company may also keep a foreign Register of Members and Debenture-holders in accordance with the provisions of the Companies Act, 1956.
- (x) **Applicability of Depositories Act:**
In case of transfer of Shares, Debentures and other marketable securities where the Company has not issued any Certificate and where such Shares, Debentures or securities are being held in an electronic and fungible form in a Depository, the provisions of the Depositories Act, 1996 shall apply.



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17. Subject to the provisions of these Articles and in accordance with the provisions of Section 79A of the Companies Act, 1956 and various other Laws governing the issue, the Board may issue and allot sweat Equity Shares under Employees Stock Option Schemes to the persons entitled from time to time.
- 17A. Further Issue of Shares:
- 1) Subject to the provisions of these Articles, where at the 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 or out of the increased Share Capital then:
 - a) 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 near as circumstances admit, to the Capital paid up on those Shares at the date.
 - b) Such offers shall be made by a notice specifying the number of Shares offered and limiting a time not less than 30 days from the date of offer and the offer if not accepted, will be deemed to have been declined.
 - c) The offer aforesaid shall be deemed to include a right exercisable by the persons concerned to renounce the Shares offered to them in favour of any other person and the notice referred to in sub-clause (b) hereof shall contain a statement of this right. Provided that the Directors may decline, without assigning any reason to allot any Shares to any person in whose favour any Member may renounce the Shares offered to him.
 - d) After expiry of time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the Shares offered, the Board of Directors may dispose of them in such manner and to such person/s as they may think, in their sole discretion, fit.
 - 2) Notwithstanding anything contained in sub-clause 1 thereof but subject to the other provisions of these Articles, the further Shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in Clause (a) or sub-Clause (1) hereof) in any manner whatsoever.
 - a) If a Special Resolution to that effect is passed by the Company in General Meeting, or
 - b) 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 the General Meeting (including the casting vote, if any, of the Chairman) by the Members who, being entitled to do so, vote in person, or where proxies are allowed, by proxies, 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.
 - 3) Nothing in sub-Clause (c) of (1) hereof shall be deemed:
 - a) to extend the time within which the offer should be accepted, or
 - b) to authorize any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the Shares comprised in the renunciation.
 - 4) Nothing in this Article shall apply to the increase of the Subscribed Capital of the Company caused by the exercise of an option attached to the Debenture issued or Loans raised by the Company:
 - (i) to convert such Debentures or loans into Shares in the Company, or
 - (ii) to subscribe for Shares in the Company (whether such option is conferred in these Articles or otherwise) provided that the terms of issue of such Debentures or the terms of such Loans include a term providing for such options and such term:
 - a) either has been approved by the Central Government before the issue of Debentures or the raising of the Loans or in conformity with Rules, if any, made by the Government in this behalf, and
 - b) In the case of Debentures or Loans or other than Debentures issued to or Loans obtained from the Government or any institution specified by the Central Government in this behalf, has also been approved by a Special Resolution passed by the Company in General Meeting before the issue of the Debentures or raising of the Loans.

- 17B. Subject to the provisions of these Articles, any Debentures, Debenture-Stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into Shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of Shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with a right to conversion into or allotment of Shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.

COMPANY'S LIEN ON SHARES/DEBENTURES

18. The Company shall have a first and paramount lien upon all the Shares/Debentures (other than fully paid up Shares/Debentures) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such Shares/Debentures and no equitable interest in any Share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all Dividends and bonuses from time to time declared in respect of such Shares/Debentures. Unless otherwise agreed the registration of a transfer of Shares/Debentures shall operate as a waiver of the Company's lien if any, on such Shares/Debentures. The Director may at any time declare any Shares/Debentures wholly or in part to be exempt from the provisions of this Article.

CALLS ON SHARES

22. Subject to the provisions of Section 91 of the Companies Act, 1956, the Directors from time to time make such calls as they think fit upon the Members in respect of all moneys unpaid on the Shares held by them respectively, and not, by the conditions of the allotment thereof, made payable at fixed times, and each Member shall pay the amount of every call so made on him to the persons and at the times and places appointed by the Directors. A call may be made payable by installments.

TRANSFER AND TRANSMISSION

31. Subject to the provisions of the Act, no transfer of Shares shall be registered unless a proper instrument of transfer duly stamped and executed by the transferor and the transferee has been delivered to the company together with the Certificate or Certificates of the Shares. The instrument of transfer of any Share shall be signed by both the transferor and the transferee, and shall contain the name and address both of the transferor and the transferee, shall be deemed to remain the holder of such Share until the name of the transferee is entered in the Register in respect thereof. Each signature to such transfer shall be duly attested by the signature of one credible witness who shall add his address and occupation.

NOMINATION OF SHARES

40. The Provisions contained in Sections 109A and 109B of the Companies Act, 1956 shall apply in relation to Nomination and Transmission of Shares or Debentures respectively and any Statutory modification or amendment made therein shall have effect and apply accordingly.
41. The Executors or Administrators of a deceased sole holder of a Share shall be the only persons recognized by the Company as having any title to the Share. In the case of a Share registered in the names of two or more holders the survivors or survivor, or the executors or administrators of the deceased, shall be the only persons recognized by the Company as having any title to the Share.
42. Any person becoming entitled to a Share in consequence of the death or insolvency of a Member shall, upon such evidence being produced as may from time to time be required by the Directors, have the right, either to be registered as a Member in respect of the Share, or, instead of being registered himself, to make such transfer of the Share as the deceased or insolvent person could have made; but the Directors shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the Share by the deceased or insolvent persons before the death or insolvency. This Article is hereinafter referred to as "The Transmission Article".
43. Any person becoming entitled to a Share by reason of the death or insolvency of the holder shall be entitled to the same Dividends and other advantages to which he would be entitled if he were the registered holder of the Share, except that he shall not, before being registered as a Member in respect of the Share, be entitled in respect of it to exercise any right conferred by Membership in relation to Meetings of the Company.

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44. If any person who shall become entitled to be registered in respect of any Share under Article 43 shall not, for any cause whatever, within twelve Calendar months after the event on the happening of which his title shall accrue, be registered in respect of such Shares, or if in the case of the death of any Shareholder no person shall, within twelve calendar months after such death be registered as Shareholder in respect of the Shares of such deceased Shareholder, the Company may sell such Shares either by public auction or private contract and give a receipt for the purchase money, and the purchaser shall be entitled to be registered in respect of such Share and shall not be bound to enquire whether the events have happened which entitled the Company to sell the same, and the net proceeds of such sale, after deducting all expenses and all moneys if any in respect of which the Company is entitled to a lien on the Share or sold, shall be paid to the person entitled thereto.
45. The Company shall incur no liability or responsibility whatever in consequence of their registering or giving effect to any transfer of Shares made or purporting to be made by an apparent legal owner thereof (as shown appearing in the Register of Members) to the prejudice of any person or persons having or claiming any equitable right, title or interest to or in the same Shares notwithstanding that the Company may have had notice of such equitable right, title or interest, or notice prohibiting registration of such transfer, and the Company shall not be bound or required to regard, or attend, or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do, but the Company shall nevertheless be at a liberty to regard and to attend to any such notice and give effect thereto if the Directors shall think fit.

SURRENDER AND FORFEITURE OF SHARES

46. If a Member fails to pay any call or instalment of a call on or before the day appointed for payment thereof, the Directors may, at any time thereafter during such time as any part of such call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, 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. The Directors may accept in the name and for the benefit of the Company and upon such terms and conditions as may be agreed, the surrender of any Shares liable to forfeiture and so far as the Law permits of any other Shares.

SHARE WARRANTS

59. Subject to the provisions of these Articles, the Company may issue Share Warrants, and accordingly the Directors may in their discretion with respect to any Share which is fully paid up, on application in writing signed by the person registered as holder of the Share, and authenticated by such evidence (if any) as the Directors may from time to time require as to the identity of the person signing the request and on receiving the Certificate (if any) of the Share, and the amount of the Stamp Duty on the Warrant and such fee as the Directors may from time to time require, issue under the Company's Seal a Warrant duly stamped, stating that the bearer of the Warrant is entitled to the Shares therein specified, and may provide by coupons or otherwise for the payment of Dividends or other moneys on the Shares included in the Warrant.

BORROWING POWERS

65. Subject to the provisions of these Articles, the Directors may from time to time at their discretion raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company's business, and may secure the payment of repayment of such moneys by mortgage or charge upon the whole or any part of the assets and property of the Company (present or future) including its uncalled or unissued Capital or not so charged.

ALTERATION OF CAPITAL

77. Subject to the provisions of these Articles, the Directors may, with the sanction of the Company in General Meeting, increase the Share Capital by such sum, to be divided into Shares of such amount, as the Resolution shall prescribe.
78. Subject to any direction to the contrary that may be given by the Resolution sanctioning the increase of Share Capital, all new Shares shall, before issue, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of General Meetings in proportion, as nearly as the circumstances admit, to the amount of existing Shares to which they are entitled. The offer shall be made by notice specifying the number of Shares offered, and limiting a time within which the offer, if not

- accepted, will be deemed to be declined, and after the expiration of that time, or on the receipt of an intimation from the persons to whom the offer is made that he declines to accept the Shares offered the Directors may (subject to the provisions of these Articles) dispose of the same in such manner as they think most beneficial to the Company. The Directors may likewise so dispose of any new Shares which (by reason of the ratio which the new Shares bear to Shares held by persons entitled to an offer of new Shares) cannot, in the opinion of the Directors be conveniently offered under this Article.
79. Except so far as otherwise provided by the conditions of issue or by these presents, any Capital raised by the creation or new Shares shall be considered part of the original Capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments, transfer and transmission, forfeiture, lien and otherwise.
80. Subject to the provisions of these Articles, the Company may, by Ordinary Resolution:-
- (a) Consolidate and divide its Share Capital into Shares of larger amounts than its existing Shares;
 - (b) By sub-division of its existing Shares or any of them divide the whole or any part of its Share Capital into Shares of smaller amounts than is fixed by the Memorandum and Articles of Association subject nevertheless to the provision of the Act;
 - (c) Cancel any Shares which, at the date of the passing of the Resolution, have not been taken or agreed to be taken by any person.
81. Subject to the provisions of these Articles, the Company may also by Special Resolution reduce its Share Capital in any manner in accordance with the provisions of the Act and subject to the consent required by Law.

GENERAL MEETINGS

82. A General Meeting shall be held once in every year at such time (not being more than fifteen months after the holding of the last preceding General Meeting) and at such place as the Directors may determine. In default of a General Meeting being so held, a General Meeting shall be held in the month next following, and may be called by in such circumstances any two Members in the same manner as nearly as possible as that in which Meetings are to be called by the Directors.

VOTES OF MEMBERS

100. On a show of hands every Member present in person or by proxy shall have one vote and upon a poll every Member present in person or by proxy shall have one vote for every share held by him, provided that no company who is a member shall vote by proxy unless a Resolution of its Directors under the provisions of the Act to this effect is in force.

DIRECTORS

114. The number of Directors shall not be less than three nor more than twelve.
At the date of the adoption of these Articles the persons hereinafter named are the Directors of the Company, that is to say:-
Mr. Morris Mathias
Mr. P. Subramani
Mr. S.Ramanujam
Mr. L. Ranganathan
115. Subject to the provisions of Article 126], the directors shall have the power at any time and from time to time appoint any person, other than a person who has been removed from the office of a Director of the Company under Article [149], as a Director as an addition to the Board but so that the total number of Directors shall not at any time exceed the maximum number provided for in these Articles. In such event, any Director so appointed shall hold office until the following Annual General Meeting of the Company and shall then be eligible for re-election.
- 115.1 Without prejudice to Article [114], the Board of Directors shall be composed of 2 directors nominated by the VJM Shareholders in accordance with Article [115.2] (the "VJM Designated Directors") and 2 directors nominated by the S&N Shareholder in accordance with Article [115.2] (the "S&N Designated Directors")
- 115.2 The S&N Shareholders and VJM Shareholders shall each be entitled to appoint and remove their respective Investor Directors to the Board at their sole discretion by notice served on the Board. The



prior written consent of the S&N Shareholders or the VJM Shareholders shall be required for removal of their respective Investor Directors.

- 115.3 Each of the Investor Directors shall be entitled to nominate an appropriately qualified alternate director.
- 115.4 An Investor Director shall have the right (to be exercised by notice in writing to the Company and the other Investor Directors to be appointed to or removed from any committee of the Board or any Corporate Governance Committee.
- 115.5 The Chairman and one S&N Designated Director shall not be required to retire by rotation under these Articles.

ALTERNATE DIRECTORS

116. A Director, during an absence of not less than three months from the State in which Meetings of the Directors are ordinarily held may, with the approval of the Directors, appoint any person to be an alternate Director during such absence and such appointment shall have effect and such appointee, whilst he holds office as alternate Director, shall be entitled to notice of Meetings or Directors and to attend and vote there at accordingly; but he shall not require any qualification and shall ipso facto vacate office if and when the appointed returns to the District in which Meetings of the Directors are ordinarily held or vacates office as a Director or removes the appointee from office and any appointment or removal under the Article shall be affected by notice in writing under the hand of the Director making the same.
117. An alternate Director shall, in the absence of a direction to the contrary in the instrument appointing him, be entitled to receive notice of and to vote at General Meetings of the Company on behalf of his appointer and generally to represent his appointer in the same manner as if he had been appointed a General Proxy under the provision of these Articles.

118. CHAIRMAN

- 118 VJM shall act as Chairman of the Company. The VJM Shareholders shall have the right to appoint a successor to VJM as Chairman. In the event that the Chairman is not present at any meeting of the Board or any meeting of the shareholders, the Board shall appoint one of the S&N Designated Directors as Chairman of the meeting.

VJM REPRESENTATIVE

119. VJM will act as a representative of the VJM shareholders. The VJM Shareholders may appoint a successor by notice in writing to the Company.

S&N REPRESENTATIVE

- 120.1 The S&N Representative shall be the Chief Executive Officer of S&N from time to time.
- 120.2 The Chief Executive Officer of S&N may nominate an S&N Designated Director or any other senior executive of S&N to perform any of the functions of the S&N Representative under these Articles by notice in writing to the Company.

CHIEF EXECUTIVE OFFICER

- 121 The Chief Executive Officer of the Company shall be proposed by the VJM Shareholders and appointed subject to the consent of the S&N Representative.
- CFO**
122 The Chief Financial Officer of the Company shall be proposed by the S&N Shareholder and appointed subject to the consent of the VJM Shareholders.

MANAGERIAL PERSONNEL

- 122A. Subject to the provisions of these Articles, the Directors may from time to time appoint one or more of their number to the office of Managing Director/CEO/Wholesale Director/CFO or Manager for such term and at such remuneration whether by way of salary or commission or participation in Profits or partly in one way and partly in another or other(s) as they may think fit and a Director so appointed shall not, while holding that office, be subject to retirement by rotation or taken into account in determining the rotation of retirement of Directors but his appointment shall be subject to determination ipso facto if he

ceases from any cause to be a Director or if the Company in General Meeting resolve that his tenure of the office of Managing Director/Wholetime Director or Manager be determined.

123 FREQUENCY AND LOCATION OF THE BOARD AND COMMITTEE MEETINGS

- 123.1 The Board shall meet not less than 4 times each financial year and at least once in every quarter. The Corporate Governance Committees shall meet at least quarterly in each financial year prior to each quarterly meeting of the Board in sufficient time to enable any issues arising from such meetings to be reported and considered by the Board at their quarterly meeting.
- 123.2 Without prejudice to Article 123.1 and 124.1 meetings of the Board may be convened at any time by an Investor Director in respect of any matter of business of genuine business urgency provided that notice of not less than 5 Business Days is provided (or the other Investor Directors consent to such meeting being held on a shorter period of notice).
- 123.3 Meetings of the Board or any Corporate Governance Committee shall take place ordinarily in Bangalore or Mumbai, unless otherwise agreed by the Chairman and an S&N Designated Director.

NOMINEE DIRECTORS

137. (a) Notwithstanding anything to the contrary contained in these Articles (but subject however to Article [126], so long as any monies remain owing by the Company to Bank or any Financial Institution or any Financial Institution owned or controlled by the Central Government or a State Government or a Reserve Bank of India or by two or more of them or by Central Government or State Government by themselves (each of the above is hereinafter in this Article referred to as "the Corporation") out of any Loans/Debenture assistance granted by them to the Company or so long as the Corporation holds or continues to hold Debentures/Shares in the Company as a result of underwriting or by direct subscription or private placement or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remaining outstanding by the Corporation shall have a right to appoint from time to time, any person or persons as a Director or Directors/Wholetime or non-wholetime, (which Director or Directors, is/are hereinafter referred to as "Nominee Director/s") on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their place/s.
- (b) So long as any monies remain owing by the Company to any Institution/party/Company for any loan or External Commercial Borrowing pursuant to a Loan Agreement with such Institution/party/Company, such Institution/party/Company shall have a right to appoint/nominate from time to time any person or persons as a Director on the Board of the Company. The provisions contained in Article [134(a)] of the Articles of Association shall apply accordingly.

ROTATION OF DIRECTORS

139. Subject to Article 115.5, at the Annual General Meeting of the Company, one-third of the Directors for the time being who are subject to retirement by rotation or, if their number is not three or a multiple of three, then the number nearest to one-third shall retire from office.
140. The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who become Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.
141. A retiring Director shall be eligible for re-election.
142. The Company at the General Meeting at which a Director retires in the manner aforesaid may fill up the vacated office by electing a person thereto.

DIVIDENDS, DISTRIBUTIONS, RESERVE FUND AND DEPRECIATION FUND

152. The Profits of the Company available for Dividend shall be applied in the first place in the payment of Dividends on the Shares (if any) entitled to a preference as to Dividend in accordance with their respective rights and priorities, and the surplus Profits shall be applicable to the payment of Dividends and Bonuses on the Ordinary Shares.
153. Subject to the provisions of these Articles, the Company in General Meeting may declare Dividends but no Dividend shall exceed the amount recommended by the Directors.

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154. Subject to the rights of persons entitled to Shares (if any) with special rights as to Dividends, all Dividends shall be declared and paid according to the amounts paid on the Shares, but if and so long as nothing is paid upon any of the Shares in the Company, Dividends may be declared and paid according to the amounts of the Shares. No amount paid on a Share in advance of calls shall, while carrying interest, be treated for the purposes of this Article paid on the Share.
155. Subject to the provisions of these Articles, the Directors may from time to time declare to the Members such Interim Dividends as appear to the Directors to be justified by the Profits of the Company.
156. No Dividend shall be payable except out of the Profits of the Company of the year or any other undistributed Profits and no Dividend shall carry interest as against the Company.
157. Subject to Article 126, the Directors may from time to time before recommending any Dividend set apart any and such portion of the Profits of the Company as they fit as a Reserve Fund to meet contingencies or for the liquidation of any Debentures, debts or other liabilities of the Company, for equalization of Dividends or for repairing improving and maintaining any of the property of the Company, and for such other purposes of the Company as the Directors in their absolute discretion think conducive to the interests of the Company; and may invest the several sums so set aside upon such investments (other than the Shares of the Company) as they may think fit, and from time to time deal with and vary such investments, and dispose of all or any part thereof for the benefit of the Company, and may divide the Reserve Fund into such special funds as they think fit, with full power to employ the Reserve Fund or any parts thereof in the business of the Company, and that without being bound to keep the same separate from the other assets.
158. Subject to Articles 126, the Directors may from time to time before recommending any Dividend, set apart any and such portion of the Profits of the Company, as they think fit, as a Depreciation Fund applicable at the discretion of the Directors for providing against any Depreciation in the investments of the Company or for rebuilding, restoring, replacing or for altering any part of the buildings, work, plant, machinery, or other property of the Company destroyed or damaged by fire, flood, storm, tempest, accident, riot, wear and tear, and other means, and for repairing, altering and keeping in good condition the property of the Company, or for extending and enlarging the buildings, machinery and property of the Company with full power to employ the assets constituting such Depreciation Fund in the business of the Company, and that without being bound to keep the same separate from the other assets.
159. All moneys carried to the Reserve Fund and Depreciation Fund respectively shall nevertheless remain and the Profits of the Company applicable subject to due provision being made for actual loss or depreciation, for the payment of Dividends on such moneys and all the other moneys of the Company not immediately required for the purposes of the Company may, subject to Article 126, be invested by the Directors in or upon such investments or securities as they may select or may be used as Working Capital or may be kept at any Bank on deposit or otherwise as the Directors may from time to time think proper.
160. (a) Subject to the provisions of these Articles, the Company may at any time and from time to time in General Meeting pass a Resolution to the effect that it is desirable to Capitalize any undivided Profit of the Company (including the whole or any part of the undivided Profit for the time being standing to the credit of any Reserve Fund, Suspense Account, or Premium on Shares Account, or any Profit realized up to the sale or shown by a revaluation of all assets or otherwise available for distribution) and that the same be set free for distribution among the Shareholders in accordance with their rights on the Profits upon the footing that the same be not paid in cash but be applied in paying up an equivalent amount of Shares of the Company and that such Shares when paid up be distributed among the Shareholders as aforesaid with full power to the Directors by issue of fractional Certificates as otherwise as they think expedient to make provision for the case of fractions and the Directors shall give effect to any such Resolution accordingly and any Shares allotted pursuant to any such Resolution shall be credited as fully paid up by means of the Profits aforesaid. If an when necessary the Directors shall cause a proper contract to be filed in pursuance of the existing Companies Act in respect of Shares so allotted and the Director may appoint any person on behalf of the holders of the Shares of the Company issued prior to such allotment so made and contract so entered into shall be as valid and effective as if the same had been made and entered into by such Shareholders personally.
- (b) The Directors may at any time or times, with the sanction of a General Meeting in accordance with the provisions of these Articles and with or without any such Capitalization as aforesaid declare and pay a Dividend or Bonus out of any Reserve Fund and fix the time for payment thereof.
- (c) The Directors may, at any time or times, with the sanction of a General Meeting in accordance with the provisions of these Articles, direct the payment of any Dividend or Bonus whether the same is paid out of the Profits of the Company or out of any Reserve Fund wholly or partly by the distribution

- of specific assets and in particular or fully paid Shares, Debentures, Debenture Stock, Bonds or other obligations of the Company, or of any other Company, or in one or more of such ways.
- (d) Where any difficulty arises in regard to any application of distribution under this Clause, the Directors may subject to any Resolution of the Company in General Meeting settle the same as they may think expedient and in particular may issue fractional Certificates and fix the value for distribution of the subject matter distributed as they may think fit and may determine that cash payments shall be made to any Member of the Company on the footing of the value so fixed, and may vest any part of such subject matter in trust for the persons entitled as they may think fit.
- (e) This Clause is subject to any special conditions which may be attached to any Shares of the Company to be hereafter issued.
161. A transfer of Shares shall not pass the right to any Dividend declared thereon before the registration of the transfer.
162. The Directors may retain Dividends payable upon Shares in respect of which any person is under the Transmission Article entitled to become a Member or which any person under Article is entitled to transfer until such person shall become a Member in respect thereof or shall duly transfer the same.
163. Any one of several persons who are registered as the joint-holders of any Share may give effectual receipts for all Dividends and payments on account of Dividends in respect of such Shares.
164. Unless otherwise directed any Dividend may be paid by cheque or warrant sent through the post to the registered addresses of the Member or person entitled thereto, or in the case of a joint-holders to the registered address of that one whose name stands first on the register in respect of the joint-holding or to such person and such address as the Member or person entitled to or such joint-holders, as the case may be, may direct, and every cheque or Warrant so sent shall be made payable to the order of the person to whom it is sent or to the order of such other person as the Member or person entitled or such joint holders as the case may be, may direct.
165. Notice of any Dividend that has been declared or of any Bonus to be paid or interest that become payable shall be given to each Shareholder entitled thereto. Where the Company has declared a Dividend but has not been paid or the Dividend Warrant in respect thereof has not been posted within 30 days from the date of declaration to any Shareholder entitled to the payment of the Dividend, the Company shall within 7days from the date of expiry of the said period of 30 days open a special account in that behalf in any Scheduled Bank called "UNPAID DIVIDEND ACCOUNT.....LIMITED" and transfer to the said account the total amount of the Dividend which remains unpaid or in relation t which no Dividend Warrant has been posted.
- Any money transferred to the Unpaid Dividend Account of the Company that remains unpaid or unclaimed for a period of 7 years from the date of such transfer, shall be transferred by the Company to the Investors Education and Protection Fund established by the Central Government. No unclaimed or unpaid Dividend shall be forfeited by the Board.

AUDIT

176. Once at least in every year the Accounts of the Company shall be examined and the correctness of the Accounts ascertained by one or more Auditors who shall be appointed at the General Meeting of the Company. The Accounts may also be audited for any periods less than a year if the Directors think fit.
177. Auditors shall be appointed and their duties regulated in accordance with the Act so far as those Sections apply to this Company.

N O T I C E

178. Notices from the Company may be authenticated by the signature (printed or written) of the Company Secretary or persons appointed by the Board to authenticate the same.
179. (a) A Notice may be given by the Company to any Member entitled to the same either personally or by sending it by post to him to his registered address whether in India or overseas, or to the address, (if any) within India supplied by him to the Company for the giving of notices to him. Notices to be served on the Company by Members shall be held to be properly served if such notices are left at the Registered Office of the Company.
- (b) Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice and unless the contrary is proved, to have been effected at the time at which the letter would be delivered in the ordinary course of post.
180. A notice may be given by the Company to the joint-holders of a Share by giving the notice to the joint-holder named first in the Register in respect of the Share.



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181. A notice may be given by the Company to the persons entitled to a Share in consequence of the death or insolvency of a Member by sending it through the post in a prepaid letter addressed to them by name or by the title of representative of the deceased or assignee of the insolvent or by any like description at the address (if any) in India supplied for the purpose by the persons claiming to be entitled, or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death or insolvency had not occurred.
 182. Notices of every General Meeting shall be given in some manner hereinbefore authorized to (a) every Member of the Company except those Members who (having no registered address within India) have not supplied to the Company an address within India for the giving of notices to them and also (b) every person entitled to a Share in consequence of the death or insolvency of a Member, who but for his death or insolvency, would be entitled to receive a notice of the Meeting. No other person shall be entitled to receive notices of the General Meetings.

RECONSTRUCTION

183. On any sale of the undertaking of the Company, the Directors or the Liquidators on a winding-up may, if authorized by a Special Resolution, accept fully paid or partly paid up Shares, Debentures, or securities of any other Company, whether incorporated in India or not either then existing or to be formed for the purchase in whole or in part of the property of the Company, and the Director (if the Profits of the Company permit) or the Liquidators in a winding-up, may distribute such Shares, or securities, or any other property of the Company amongst the Members without realization, or vest the same in trustees for them, and any Special Resolution may provide for the distribution or appropriation of the cash, Shares or other securities, benefits or property, otherwise than in accordance with the strict legal rights of the Members or contributors of the Company, and for the valuation of any such securities or property at such price and in such manner as the Meeting may approve, and all holders of Shares shall be bound to accept and shall be bound by any valuation or distribution so authorized, and waive all rights in relation thereto, save only in case the Company is proposed to be or is in the course of being wound up, such Statutory rights (if any) under Section 208C of the Act as are capable of being varied or excluded by these presents.

SECRECY

184. Every Director, Manager, Auditor, 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 Director before entering upon his duties, sign a declaration pledging himself to observe a strict secrecy respecting all transactions of the Company with its customers and the state of accounts with individuals and in matters 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 any Meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.
185. No Member or other person (not being a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties of the Company without the permission of the Directors of the Company for the time being or subject to Article [168] 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 of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Directors it will be inexpedient in the interest of the Company to communicate.

WINDING-UP

186. If the Company shall be wound up and the assets available for distribution amongst the Members as such shall be insufficient to repay the whole of the Paid-up Capital or Capital deemed to be paid up such assets shall (subject to any special rights or liabilities attached to any special class of Shares forming part of the Capital of the Company) 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 deemed to be paid up at the commencement of the winding-up, on the Shares held by them respectively; and if in the winding-up the assets available for distribution amongst the Members shall be more than sufficient to repay the whole of the Capital paid up or deemed to be paid up at the commencement of the winding-up the Shares held

by them respectively. Where Capital is paid up on any Shares in advance of calls upon the footing that the same shall carry interest such Capital shall be excluded and shall be repayable in full before any distribution is made on the Paid-up Capital deemed to be paid up together with interest at the rate agreed upon.

187. The Liquidators may with the sanction of the Special Resolution divided amongst the Members in specie the whole or any part of the assets of the Company.

COMMON SEAL

188. The Directors shall provide a Seal for the purpose of the Company and may from time to time destroy the Seal and substitute a new Seal in lieu thereof and shall provide for the safe custody of the Seal for the time being.
189. Without prejudice to Article 126, the Common Seal shall not be affixed to any instrument except by the authority of the Resolution of the Directors, and in the presence of a Director or Company Secretary or such other person as the Directors may appoint for the purpose; and that Director or Company Secretary or other person as aforesaid shall sign every instrument to which the Seal of the Company is so affixed in his presence.



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 'UB Tower', UB City, 24, Vittal Mallya Road, Bangalore - 560 001 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. Memorandum of Understanding dated December 24, 2007, between our Company and Ambit Corporate Finance Private Limited.
2. Memorandum of Understanding dated December 8, 2007 between our Company and Alpha Systems Private Limited, appointing them as Registrar to the Issue.
3. Tripartite Agreement dated August 29, 2002 between our Company, Alpha Systems Private Limited and NSDL.
4. Tripartite Agreement dated September 24, 2002 between our Company, Alpha Systems Private Limited and CDSL.

B. Documents for Inspection

1. Memorandum and Articles of Association of our Company, as amended till date.
2. Copy of the Resolution u/s 81 of the Companies Act, 1956 passed by the Board of Directors in their meeting held on September 28, 2007.
3. 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.
4. Audit report by the statutory auditors of our Company dated March 26, 2008 included in this Letter of Offer.
5. Certificate dated March 26, 2008 from the statutory auditors of our Company detailing the tax benefits.
6. Annual Reports of our Company for the last five financial years.
7. Applications dated January 10, 2008 for in-principle listing approval addressed to all Stock Exchange(s).
8. Copy of Shareholders agreement between Dr. Vijay Mallya Group, Scottish & Newcastle plc. and our Company dated December 19, 2004 and Amended and Restatement Agreement dated April 29, 2005.
9. Copy of Services Agreement between Scottish & Newcastle plc. and our Company dated November 28, 2005.
10. Copy of the in-principle listing approval from Bombay Stock Exchange Limited, (Designated Stock Exchange), Ahmedabad Stock Exchange Association Limited, Bangalore Stock Exchange Association Limited, Calcutta Stock Exchange Association Limited, Cochin Stock Exchange Association Limited, Delhi Stock Exchange Association Limited, Ludhiana Stock Exchange Association Limited and Madras Stock Exchange Association Limited for listing of Equity Shares arising from this Issue vide their letters dated February 8, 2008, February 12, 2008, February 1, 2008, February 15, 2008, February 8, 2008, February 15, 2008, February 7, 2008 and January 17, 2008 respectively.
11. Copy of Letter from Hyderabad Stock Exchange dated January 31, 2008.
12. SEBI Observation letter no. CFD/ DIL/ SM/ ISSUES/121916/2008 dated April 1, 2008 for the Issue.
13. Due Diligence certificate dated January 10, 2008 to SEBI issued by Ambit Corporate Finance Private Limited as Lead Manager to the Issue.
14. 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 April 15, 2008.

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 the Letter of Offer are true and correct in all material respects.

Yours faithfully
For United Breweries Limited

Dr. Vijay Mallya
Chairman
Place: Bangalore

Mr. Kalyan Ganguly
Managing Director
Place: Bangalore

Mrs. Veronica Lesley Jackson
Director, CFO
Place: Bangalore

Mr. A. K. Ravi Nedungadi
Director
Place: Bangalore

Mr. John Hunt
Director
Place: Edinburgh

Mr. John Nicolson
Director
Place: Edinburgh

Mr. C Y Pal
Director
Place: Mumbai

Mr. Chhaganlal Meghraj Jain
Director
Place: Bangalore

Mr. Sunil Alagh
Director
Place: Mumbai

Mr. Govind Iyengar
Company Secretary and Compliance Officer
Place: Bangalore

Date: April 21, 2008

Enclosure: Composite Application Form



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