

# Notice of Annual General Meeting



**NOTICE** is hereby given of the **Ninety-Fourth** Annual General Meeting of the Members of **UNITED BREWERIES [HOLDINGS] LIMITED** to be held at Good Shepherd Auditorium, Opp. St. Joseph's Pre-University College, Residency Road, Bangalore 560 025, on **Thursday, September 30, 2010 at 10.30.a.m.** to transact the following business:

## Ordinary Business

1. To consider and adopt the Accounts for the year ended March 31, 2010 and the Reports of the Auditors and Directors thereon.
2. To declare dividend for the year ended March 31, 2010.
3. To appoint a Director in the place of Mr. S G Ruparel, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in the place of Mr. B.S Patil, who retires by rotation and, being eligible, offers himself for re-appointment.
5. To appoint Auditors for the ensuing year and fix their remuneration. The retiring Auditors are eligible for re-appointment.

## Special Business

6. To consider and, if thought fit, to pass with or without modification, the following Resolution as an **Ordinary Resolution**:

**RESOLVED THAT** Mr. M S Kapur, who was appointed as Additional Director of the Company with effect from December 7, 2009 and who, in terms of Section 260 of the Companies Act, 1956, holds office up to the date of this Annual General Meeting and in respect of whom the Company has received Notice from a Member under Section 257 of the Companies Act, 1956, signifying his intention to propose Mr. M S Kapur as a candidate for the office of Director, be and is hereby appointed a Director of the Company liable to retire by rotation.

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

**RESOLVED THAT** subject to the provisions of Section 269 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, Mr. R N Pillai, be and is hereby re-appointed as Managing Director of the Company, without remuneration, from March 18, 2010 up to the close of business of August 20, 2010.

**FURTHER RESOLVED THAT** as the Managing Director, Mr. R N Pillai be entrusted with substantial powers of management and be responsible for the general conduct and management of business and affairs of the Company, subject to the superintendence, control and direction of the Board of Directors of the Company and that he shall be entitled for reimbursement of all expenses incurred by him for discharging his official duties.

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

**RESOLVED THAT** subject to the provisions of Section 269 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, Mr. A Harish Bhat, Director be and is hereby appointed as Managing Director of the Company, without remuneration, from the close of business hours of August 20, 2010 for a period of three years or date of superannuation whichever is earlier.

**FURTHER RESOLVED THAT** as the Managing Director, Mr. A Harish Bhat be entrusted with substantial powers of management and be responsible for the general conduct and management of business and affairs of the Company,

## Notice (contd.)

subject to the superintendence, control and direction of the Board of Directors of the Company and that he shall be entitled for reimbursement of all expenses incurred by him for discharging his official duties.

**FURTHER RESOLVED THAT** Mr. A Harish Bhat shall not be subject to retirement by rotation, during his tenure as the Managing Director of the Company.

9. To consider and, if thought fit, to pass with or without modification, the following Resolution as an **Ordinary Resolution**:

**RESOLVED THAT** in supersession of the Ordinary Resolution passed by the Members of the Company at the Extra-Ordinary General Meeting held on July 13, 2006, the Board of Directors of the Company ["the Board"] be and is hereby authorized pursuant to the provisions of Section 293[1][d] of the Companies Act, 1956 to borrow from any Bank[s] and / or any Public Financial Institution[s] as defined under Section 4A of the Companies Act, 1956 and / or any Foreign Financial Institution[s] or any other entity / entities or authority / authorities and / or through suppliers credit, securities, instruments such as Floating Rate Notes, Fixed Rate Bond, Syndicated Loan and / or through credit from official agencies and / or by way of Commercial borrowings from the Private Sector window of Multilateral Finance Institutions, either in Rupees or in such other Foreign Currency as may be permitted by Law from time to time, as may be deemed appropriate by the Board for an aggregate amount not exceeding Rs.2500 crores (Rupees Two Thousand and Five Hundred Crores only) or equivalent thereof in Foreign Exchange [inclusive of such premium, as may be fixed on the Securities] as may be required in future for the Company's activities and / or for general corporate purposes including Capital Expenditure, Working Capital requirements, strategic investment, mergers, demergers, amalgamation, acquisitions, re-constructions or rearrangements or any other re-organizations as the Board may deem fit for the purpose of the business of the Company, notwithstanding that monies so borrowed together with the monies already borrowed by the Company, if any, [apart from temporary loans obtained from the Company's Bankers in the ordinary course of business] may exceed the aggregate for the time being of the Paid-up Capital of the Company and its Free Reserves, that is to say, Reserves not set apart for any specified purpose, but so that the total amount of the monies to be so borrowed together with the monies already borrowed [apart from temporary loans obtained from the Company's bankers in the ordinary course of business] shall not exceed Rs.2500 crores (Rupees Two Thousand and Five Hundred Crores only) at any one time.

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

**RESOLVED THAT** in partial modification of the Special Resolution passed by the Shareholders of the Company through Postal Ballot on September 19, 2008 and subject to such approvals, consents, sanctions and permission as may be necessary, the Board of Directors (hereinafter referred to as the "Board" which term shall be deemed to include any Committee which the Board may constitute to exercise its powers, including the powers conferred by this Resolution) be and is hereby authorized to acquire/ subscribe to such number of preference shares and/ or debentures and/or any other security/ies, in consideration for conversion/ settlement of loan outstanding from Kingfisher Airlines Limited to the Company prior to such conversion/ settlement, being partly, optionally or compulsorily convertible into equity shares, of Kingfisher Airlines Limited, at such price as determined under the SEBI Guidelines, and on such terms and conditions as the Board may agree with Kingfisher Airlines Limited, and the investment in such securities in the aggregate not exceeding Rs.1,200 crores (Rupees One Thousand Two Hundred Crores only).

**RESOLVED FURTHER THAT** the limits specified above shall apply in respect of the Company, notwithstanding that the aggregate of the loans and investments so far made, the amount for which the guarantee or security so far provided to or all other bodies corporate along with the investment, loan, guarantee, or security proposed to be made or given by the Board, exceeds the ceiling prescribed under Section 372A of the Companies Act, 1956.

**RESOLVED FURTHER THAT** Mr. A Harish Bhat, Managing Director and Mr. Kaushik Majumder, Assistant Vice President –Legal & Company Secretary be and are hereby authorised severally, for and on behalf of the Company to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and execute all deeds, applications, agreements, undertakings, powers of attorney, documents and writings that may be required, agree to such terms and conditions relating to the issue and subscription, conversion or purchase of the securities, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution.

**Registered Office:**

UB Tower, Level 12, UB City  
No.24, Vittal Mallya Road  
Bangalore 560 001

Bangalore  
August 31, 2010



**By Order of the Board**

**Kaushik Majumder**  
Assistant Vice President - Legal  
& Company Secretary

## Notice (contd.)

### Notes:

1. A Member entitled to attend and vote at the Meeting is entitled to appoint a Proxy to attend and vote instead of himself / herself and such proxy need not be a Member of the Company.
2. [a] The instrument appointing a Proxy must be deposited with the Company at its Registered Office not less than 48 hours before the time of holding the meeting.  
  
[b] Corporate Members intending to send their authorized representative to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. An Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, relating to the Special Business to be transacted at the Meeting is annexed hereto.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from **September 28, 2010 to September 30, 2010** [both days inclusive].
5. Members / Proxies are requested to bring their copy of the **Annual Report** and **Attendance/Proxy Slip** sent herewith duly filled in for attending the meeting to avoid inconvenience and delay at the time of registration **and avoid being accompanied by non-members and children**. Copies of Annual Report and Attendance slip will **NOT** be available for distribution at the venue of the Meeting.
6. The trading in the Company's Shares has been made compulsory in dematerialized form effective August 28, 2000 for all class of investors. In view of the numerous advantages offered by the Depository System, shareholders who have not yet availed the facility of dematerialization of the Company's Shares are requested to avail such facility.
7. Members are requested to quote the Folio Number / Client ID /DP ID in all correspondence. The Company has designated an e-mail ID of the Compliance Officer viz., [ubhlinvestor@ubmail.com](mailto:ubhlinvestor@ubmail.com) exclusively for the purpose of registering complaints, if any, by Investors.
8. Members are requested to notify change in their address, quoting Folio number to the Company's Registrars and Share Transfer Agents viz., **ALPHA SYSTEMS PRIVATE LIMITED, 30, Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bangalore 560 003**.
9. **Members holding shares in dematerialised form should address all their correspondence including change of address, nominations, ECS mandates, bank details to be incorporated on dividend warrants, powers of attorney, etc. to their Depository Participant.**
10. Since no dividend has been declared for the year ended March 31, 2002, transfer of unclaimed dividend to the Investor Protection Fund does not arise.
11. As per the provisions of the amended Companies Act, 1956 facility for making nominations is now available for Members in respect of the shares held by them. Nomination forms can be obtained from the Registrars and Transfer Agents.
12. The relevant information relating to the Directors seeking appointment/re-appointment viz., Mr. S G Ruparel, Mr. B S Patil, Mr. M S Kapur, Mr. R N Pillai and Mr. A Harish Bhat are given in the Annexure to the Notice.

**EXPLANATORY STATEMENT as required under Section 173 of the Companies Act, 1956.****Item No. 6**

Mr. M S Kapur was appointed as Additional Director of the Company with effect from December 7, 2009 pursuant to the relevant provisions of the Articles of Association of the Company. In terms of the said Article and Section 260 of the Companies Act, 1956, he will hold office only up to the date of this General Meeting. A Notice in writing under Section 257 of the Companies Act, 1956 along with a deposit of Rs.500 has been received by the Company from a Member signifying his intention to propose the appointment of Mr. M S Kapur as a Director of the Company liable to retire by rotation.

Your Directors recommend passing of the Resolution as set out in Item No. 6.

None of the Directors, other than Mr. M S Kapur, is concerned or interested in the above Resolution.

A brief profile of Mr. M S Kapur is given in the Annexure to the Notice.

**Item No. 7**

The Members of the Company at their Extraordinary General Meeting held on May 21, 2007 re-appointed Mr. R.N.Pillai as the Managing Director of the Company for a further period of three years with effect from March 18, 2007. Accordingly, the term of office of Mr. R.N.Pillai as Managing Director of the Company expired with effect from close of business on March 17, 2010. The Board at its meeting held on August 20, 2010 ratified the re-appointment of Mr. Pillai as the Managing Director of the Company from March 18, 2010 to close of business on August 20, 2010.

Your Directors recommend passing of the Resolution as set out in Item No. 7.

None of the Directors of the Company except Mr. R N Pillai is interested or concerned in this Resolution.

The relevant resolution concerning re-appointment of Mr. R N Pillai, as Managing Director in the accompanying Notice may be treated as an abstract pursuant to Section 302 of the Companies Act, 1956.

A brief profile of Mr. R N Pillai is given in the Annexure to the Notice.

**Item No. 8**

At the Board Meeting held on August 20, 2010, Mr. A Harish Bhat was appointed by the Board of Directors as the Managing Director of the Company without remuneration with effect from the close of business hours of August 20, 2010 for a period of three years or date of superannuation whichever is earlier, subject to approval of the Members at this Annual General Meeting. Mr. Bhat is already a Director of the Company and the Board at its meeting held on August 20, 2010 appointed Mr. Bhat as the Managing Director of the Company, not subject to retirement by rotation, in place of Mr. R.N.Pillai.

Your Directors recommend passing of the Resolution as set out in Item No. 8.

None of the Directors of the Company except Mr. A Harish Bhat is interested or concerned in this Resolution.

The relevant resolution concerning appointment of Mr. A Harish Bhat, as Managing Director in the accompanying Notice may be treated as an abstract pursuant to Section 302 of the Companies Act, 1956.

Mr. A Harish Bhat is also the Managing Director of McDowell Holdings Limited, a Promoter of the Company. A brief profile of Mr. A Harish Bhat is given in the Annexure to the Notice.

**Item No. 9**

By an Ordinary Resolution passed by the Company at the Extra-Ordinary General Meeting held on July 13, 2006, the Board of Directors of the Company [“the Board’] was authorized pursuant to Section 293[1][d] of the Companies Act,

## Notice (contd.)

1956, to borrow monies in excess of the aggregate of its Paid-up Capital and Free Reserves, up to a maximum amount of Rs.1,500 crores. Having regard to the activities of the Company, the aforesaid limit of borrowing is considered by the Board to be inadequate and accordingly, it recommends that the limit of the borrowing should be increased to Rs.2500 crores.

The Board is of the opinion that the additional borrowings will be required to supplement the need for finance for the Company's activities. The borrowings will be made from such lending institutions and / or sources and in such manner as set out in the said Resolution following, however, the appropriate guidelines issued by the authority / authorities for the time being in force.

This is an enabling Resolution and the Board may borrow funds as and when considered appropriate.

Your Directors recommend passing of the Resolution as set out in Item No. 9.

None of the Directors of the Company is, in any way concerned or interested in this Resolution.

### Item No. 10

The civil aviation sector in India is one of the key drivers of economic growth. There has been positive development in the airlines industry which is showing sure signs of revival. The performance of Kingfisher Airlines Limited (KFA) is improving quite satisfactorily. In this context of positive developments in the aviation sector and various steps initiated by KFA for its turnaround, it would be desirable to support KFA.

The Shareholders of the Company by way of Special Resolution passed through Postal Ballot on September 19, 2008 had approved lending the funds of the Company to KFA upto an amount not exceeding Rs.1500 crores (Rupees Fifteen Hundred Crores only). The present resolution put before the Shareholders for adoption is in partial modification of the resolution passed through Postal Ballot on September 19, 2008 in terms of which the loan outstanding from KFA is proposed to be converted into securities, partly, optionally or compulsorily convertible into equity shares, as per terms and conditions as the Board of Directors of the Company may decide and agree upon with KFA. The Board of Directors of the Company in terms of this resolution is to be authorized to negotiate and finalise the terms and conditions of conversion of the loan as may be agreed upon with KFA.

Since the Company's investment in KFA is a strategic long term investment and considering the long term benefit to be obtained through this investment in terms of its appreciation and the future requirements of KFA which may require additional investment, the Board recommends passing of this resolution as a Special Resolution. The approval of the Shareholders by means of Special Resolution is required, since such additional investment will exceed the limits set out in Section 372A of the Companies Act 1956.

Your Directors recommend passing of the Resolution as set out in Item No. 10.

None of the Directors of the Company except Dr. Vijay Mallya and Mr. Piyush G Mankad are concerned or interested in this resolution.

### Registered Office:

UB Tower, Level 12, UB City  
No.24, Vittal Mallya Road  
Bangalore 560 001

### By Order of the Board

**Kaushik Majumder**  
Assistant Vice President - Legal  
& Company Secretary

Bangalore  
August 31, 2010



## Particulars of Directors seeking Appointment/Re-Appointment:

Name, brief Resume and Functional Expertise of the Director	Appointment/ Re-Appointment	Directorships held in other Companies	Committee positions held in other Companies
<p><b>Mr. S G Ruparel</b></p> <p><b>Resume:</b>  <b>Qualification:</b> Master's Degree in Arts (Oxon) &amp; Master's Degree in Science (London)</p> <p><b>Experience:</b> Mr. S G Ruparel was the former Managing Director of Kolhapur Sugar Mills and on the Board of State Bank of India for 18 years. Held Chairmanship of various Companies and Councils including Indo US Joint Business Council, Indo France Joint Business Council and Indo Swedish Joint Business School. Mr. Ruparel is also on the Advisory Board of Stanford Research Institute and has held important positions in various other Educational Institutions.</p> <p><b>Expertise:</b> Corporate Management</p> <p>Director of the Company since December 1991.</p> <p>Shareholding in the Company- Nil</p>	Re-appointment on retirement by rotation.	Ruparel Enterprises Limited Bentley Finance(India) Limited Mangalore Chemicals and Fertilizers Limited McDowell Holdings Limited	<b>Audit Committee</b> Mangalore Chemicals and Fertilizers Limited (Chairman)
<p><b>Mr. B S Patil</b></p> <p><b>Resume:</b>  <b>Qualification:</b> I.A.S [Retd]</p> <p><b>Experience:</b> Retired as Chief Secretary to Government of Karnataka and held important assignments. He has wide ranging experience from heading State financial institutions to industrial development. The industrial and IT development in Karnataka owes a great deal to him for initiating imaginative policies for attracting investments.</p> <p><b>Expertise:</b> General Management</p> <p>Director of the Company since March 2006.</p> <p>Shareholding in the Company- Nil</p>	Re- appointment on retirement by rotation.	Grover Vineyards Limited Mangalore Chemicals & Fertilizers Limited Sadashiv Sugars Limited Shetron Limited Suprajit Engineering Limited UB International Trading Limited Surana Industries Limited AMR Constructions Limited Scotts Garments Limited	<b>Audit Committee</b> Shetron Limited (Chairman)  <b>Shareholders'/ Investors' Grievance Committee</b> Mangalore Chemicals & Fertilizers Limited (Member)
<p><b>Mr. M S Kapur</b></p> <p><b>Resume:</b>  <b>Qualification:</b> B.Sc, M.A Punjab University</p> <p><b>Experience:</b> Mr. M S Kapur is a career banker with more than 38 years experience. He retired as Chairman &amp; Managing Director of Vijaya Bank. He was also the former Executive Director and Officiating Chairman &amp; Managing Director of Syndicate Bank, Punjab &amp; Sind Bank.</p> <p><b>Expertise:</b> Finance and Banking</p> <p>Shareholding in the Company- Nil</p>	Appointment as a Director of the Company liable to retire by rotation.	Corporate Ispat Alloys Limited Broad Cast Initiatives Limited CHD Developers Limited Shakti Bhog Foods Limited Sri Adhikari Brothers Television Network Limited Precision Pipes & Profiles Co. Limited ISID Private Limited The Lake (Shore) Palace Hotel Private Limited	<b>Audit Committee</b> Broad Cast Initiatives Limited (Chairman) Corporate Ispat Alloys Limited (Chairman) Shakti Bhog Foods Limited (Member)

## Annexure to Notice (contd.)

Name, brief Resume and Functional Expertise of the Director	Appointment/ Re-Appointment	Directorships held in other Companies	Committee positions held in other Companies
<p><b>Mr. R N Pillai</b></p> <p><b>Resume:</b> <b>Qualification:</b> B.Sc.(Hons), A.C.A.</p> <p><b>Experience:</b> Mr. Pillai is a Chartered Accountant. He joined The UB Group in 1986 as Financial Accountant in the Corporate Management Division and has since worked in senior positions in different areas ranging from finance, administration and management. Presently working as Senior Executive in United Spirits Limited.</p> <p><b>Expertise:</b> Finance and Corporate Management</p> <p>Director of the Company since March 2004.</p> <p>Shareholding in the Company- Nil</p>	<p>Re- appointment as Managing Director w.e.f. March 18, 2010 to the close of business hours of August 20,2010.</p>	<p>Bangalore Beverages Limited Millennium Beer Industries Limited United Alcobev Limited United Vintners Limited Idea Streamz Consultants Private Limited Millennium Night Star Breweries Private Limited Tumri Software Solutions Private Limited VJM Media Private Limited Yenkay Associates Private Limited Ganapathy Mallya Investments Private Limited</p>	<p><b>Audit Committee</b> Millennium Beer Industries Limited (Member)</p> <p><b>Shareholders'/ Investors' Grievance Committee</b> Millennium Beer Industries Limited (Member)</p>
<p><b>Mr. A Harish Bhat</b></p> <p><b>Resume:</b> <b>Qualification:</b> B.Com, A.C.A.</p> <p><b>Experience:</b> Mr. Harish Bhat is a Chartered Accountant. Mr. Bhat has held various positions in various listed Indian companies and multinational corporations apart from the UB Group. He is presently the Deputy President-Finance &amp; Group Treasurer, The UB Group. Mr Bhat brings with him 27 years of experience in finance, administration and management. Presently working as Senior Executive in United Spirits Limited.</p> <p><b>Expertise:</b> Corporate Finance and Treasury</p> <p>Director of the Company since September 2002.</p> <p>Shareholding in the Company- 600.</p>	<p>Appointment as Managing Director w.e.f. close of business hours of August 20, 2010.</p>	<p>City Properties Maintenance Company (Bangalore) Limited Herbertsons Limited Kingfisher Finvest India Limited Kingfisher Aviation Training Limited McDowell Holdings Limited Ramanreti Investments &amp; Trading Company Limited United Alcobev Limited UB Infrastructure Projects Limited UB Engineering Limited Shaw Wallace Breweries Limited UB Infrastructure Limited Yenkay Associates Private Limited</p>	<p><b>Audit Committee</b> UB Engineering Limited (Member)</p> <p>Shaw Wallace Breweries Limited (Member)</p> <p><b>Shareholders'/ Investors' Grievance Committee</b> UB Engineering Limited (Member)</p>