

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN of the Eleventh Annual General Meeting of the Members of **UNITED BREWERIES LIMITED** to be held at GOOD SHEPHERD AUDITORIUM, OPP. ST. JOSEPH'S PRE-UNIVERSITY COLLEGE, RESIDENCY ROAD, BANGALORE-560 025, on Friday, August 20, 2010, at 12.15 p.m. for the following purposes:

1. To receive and consider the Accounts for the year ended March 31, 2010, and the Reports of the Auditors and Directors thereon.
2. To declare a Dividend.
3. To appoint a Director in the place of Mr. Chugh Yoginder Pal, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in the place of Mr. Sunil Alagh, who retires by rotation and, being eligible, offers himself for re-appointment.
5. To appoint a Director in the place of Mr. A K Ravi Nedungadi, who retires by rotation and, being eligible, offers himself for re-appointment.
6. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS:

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

RESOLVED that Ms. Kiran Mazumdar Shaw, who in terms of Section 260 of the Companies Act, 1956 holds office till the date of this Annual General Meeting, and in respect of whom a notice has been received from a Member under Section 257 of the said Act, be and is hereby appointed as a Director of the Company.

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

RESOLVED that Mr. Madhav Bhatkuly, who in terms of Section 260 of the Companies Act, 1956 holds office till the date of this Annual General Meeting, and in respect of whom a notice has been received from a Member under Section 257 of the said Act, be and is hereby appointed as a 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 Mr. Duco Reinout Hooft Graafland, who in terms of Section 260 of the Companies Act, 1956 holds office till the date of this Annual General Meeting, and in respect of whom a notice has been received from a Member under Section 257 of the said Act, be and is hereby appointed as a Director of the Company.

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

RESOLVED that Mr. Sijbe Hiemstra, who in terms of Section 260 of the Companies Act, 1956 holds office till the date of this Annual General Meeting, and in respect of whom a notice has been received from a Member under Section 257 of the said Act, be and is hereby appointed as a Director of the Company not liable to retire by rotation.

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

RESOLVED that Mr. Guido de Boer, who in terms of Section 260 of the Companies Act, 1956 holds office till the date of this Annual General Meeting, and in respect of whom a notice has been received from a Member under Section 257 of the said Act, be and is hereby appointed as a Director of the Company.

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

RESOLVED that Mr. Stephan Gerlich, who in terms of Section 260 of the Companies Act, 1956 holds office till the date of this Annual General Meeting, and in respect of whom a notice has been received from a Member under Section 257 of the said Act, be and is hereby appointed as a Director of the Company.

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

RESOLVED that pursuant to Sections 198, 269, 309 and the provisions of Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, or any statutory modification or re-enactment thereof, Mr. Guido de Boer's appointment as Chief Financial Officer of the Company, effective from December 7, 2009, for a period of Three Years up to December 6, 2012, be hereby approved by the members on the following terms and conditions:

1.	Salary	Rs.2,00,000/- per month with such increments as may be determined by the Board of Directors of the Company, from time to time as per the Rules of the Company.
2.	Special Allowance	Rs.8,09,000/- per month with such increases as may be determined by the Board of Directors of the Company from time to time as per Rules of the Company.
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 the Company, in this regard.
4.	Perquisites:	
i)	Housing	Company Leased furnished / unfurnished residential accommodation or House Rent Allowance of Rs.2,40,000 per month in lieu thereof plus the maintenance charges.
ii)	Medical Reimbursement	Expenditure incurred by Mr. Guido de Boer and his family, in accordance with the Rules of the 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 the Company.
v)	Provident Fund	Company's contribution to Provident Fund shall be as per the Rules of the Company.
vi)	Provision of Car and telephone at the residence of Mr. Guido de Boer	As per the Rules of the Company.
vii)	Gas / Water / Electricity	Expenditure incurred on gas, water, electricity and furnishings shall be reimbursed at actuals.
viii)	Such other benefits, amenities, facilities and perquisites as per the Rules of the Company as applicable to senior executives and as may be permitted by the Board of Directors to the Chief Financial Officer and shall be valued as per Income Tax Rules.	

Notice (contd.)

Further **RESOLVED** that the remuneration payable to Mr. Guido de Boer (salary, 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 and/or such other Statutory / Regulatory bodies as may be required in terms of the relevant Regulations.

Further **RESOLVED** that in the event of absence or inadequacy of Profits in any financial year, the remuneration by way of salary, perquisites, benefits, amenities and facilities payable to Mr. Guido de Boer shall be subject to the provisions prescribed under the Companies Act, 1956 and the Rules made thereunder or any Statutory modification or re-enactment thereof.

During his tenure as Chief Financial Officer, Mr. Guido de Boer shall not be liable to retire by rotation.

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

RESOLVED that in terms of the provisions contained in Section 268 of the Companies Act, 1956 and subject to the approval of the Central Government and/or such other Regulatory Bodies, as may be required, and subject to such modifications as the Central Government and/or such other Regulatory Bodies may require while granting such approval, consent of the Members be and is hereby accorded for making Amendment to the terms of appointment of Dr. Vijay Mallya to hold office as Chairman of the Company and the existing Article 118 of the Articles of Association of the Company be replaced with a new Article containing the requisite Amendment.

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

RESOLVED that pursuant to Section 31 and all other applicable provisions, if any, of the Companies Act, 1956, in view of the understanding with Heineken N.V. and terms agreed therein, the Regulations contained in the existing Articles of Association of the Company be altered / replaced appropriately by making such modifications/substitutions as are required and the Articles of Association containing the amended Regulations submitted to the Meeting and initialed for the purpose of identification by the Chairman be approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of such existing Regulations in the Articles of the Company where applicable.

Registered Office:

"UB TOWER", UB CITY,
No. 24, Vittal Mallya Road,
BANGALORE - 560 001.
Bangalore, July 21, 2010

By Order of the Board
Govind Iyengar
Divisional Vice President – Legal &
Company Secretary

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 and such proxy need not be a Member of the Company. The proxies, in order to be effective, must be received by the Company not less than 48 hours before the Meeting.**
2. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 and Annexure to Item No. 15 of the Resolution forms part of this Notice.
3. The Register of Members and the Share Transfer Books of the Company will remain closed on **Thursday, August 19, 2010 and Friday, August 20, 2010.**
4. Members are requested to intimate 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:**
 - a. any change in their addresses, and
 - b. the Nomination facility to be availed by them.
5. Members holding Shares in the same name or in the same order of names under different Ledger Folio Numbers are requested to apply for consolidation of such Folios to the Company's Registrars and Share Transfer Agents, Alpha Systems Private Limited.
6. Members are requested to:
 - bring their copy of **Annual Report** to the Meeting,
 - bring the **Attendance Slip sent herewith, duly filled in,**
 - bring their **Folio Number / DP and Client ID,** and
 - **avoid being accompanied by non-Members and children.**
7. Members are requested to quote the Folio Number / Client ID / DP ID in all correspondence.
8. Profile of Directors retiring by rotation and new Directors form part of Corporate Governance Report. Their details are also attached to this Notice, as required, for perusal of the Members.
9. **MEMBERS PLEASE NOTE THAT NO GIFTS SHALL BE DISTRIBUTED AT THE MEETING.**

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173 OF THE COMPANIES ACT, 1956

Item No. 7:

Ms. Kiran Mazumdar Shaw was appointed an Additional Director of the Company on October 26, 2009, as an addition to the Board pursuant to the provisions of Article 115 of the Articles of Association of the Company. In terms of the said Article and Section 260 of the Companies Act, 1956, she will hold office only up to the date of this Annual 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 Ms. Kiran Mazumdar Shaw as a Director of the Company.

None of the Directors, other than Ms. Kiran Mazumdar Shaw, is concerned or interested in the above Resolution.

Your Directors recommend the above Resolution for your approval.

Item No. 8:

Mr. Madhav Bhatkuly was appointed an Additional Director of the Company on October 26, 2009 as an addition to the Board pursuant to the provisions of Article 115 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 Annual 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. Madhav Bhatkuly as a Director of the Company.

None of the Directors, other than Mr. Madhav Bhatkuly, is concerned or interested in the above Resolution.

Your Directors recommend the above Resolution for your approval.

Item No. 9:

Mr. Duco Reinout Hooft Graafland was appointed an Additional Director of the Company on December 07, 2009 as an addition to the Board pursuant to the provisions of Article 115 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 Annual 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. Duco Reinout Hooft Graafland as a Director of the Company.

None of the Directors, other than Mr. Duco Reinout Hooft Graafland, is concerned or interested in the above Resolution.

Your Directors recommend the above Resolution for your approval.

Item No. 10:

Mr. Sijbe Hiemstra was appointed an Additional Director of the Company on December 07, 2009 as an addition to the Board pursuant to the provisions of Article 115 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 Annual 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. Sijbe Hiemstra as a Director of the Company.

In terms of the Shareholders' Agreement inter alia with Heineken N.V., in addition to the Chairman, CEO and CFO, the office of one more Heineken designated Director shall not be liable to retire by rotation. Therefore, it is proposed by Heineken that Mr. Sijbe Hiemstra shall not be liable to retire by rotation.

None of the Directors, other than Mr. Sijbe Hiemstra, is concerned or interested in the above Resolution.

Your Directors recommend the above Resolution for your approval.

Item No. 11:

Mr. Guido de Boer was appointed an Additional Director of the Company on December 07, 2009 as an addition to the Board pursuant to the provisions of Article 115 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 Annual 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. Guido de Boer as a Director of the Company.

None of the Directors, other than Mr. Guido de Boer, is concerned or interested in the above Resolution.

Your Directors recommend the above Resolution for your approval.

Item No. 12:

Mr. Stephan Gerlich was appointed an Additional Director of the Company on July 02, 2010 as an addition to the Board pursuant to the provisions of Article 115 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 Annual 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. Stephan Gerlich as a Director of the Company.

None of the Directors, other than Mr. Stephan Gerlich, is concerned or interested in the above Resolution.

Your Directors recommend the above Resolution for your approval.

Item No. 13:

Pursuant to the understanding with Heineken N.V., Mr. Guido de Boer has been appointed as Chief Financial Officer (CFO) with effect from December 07, 2009, for a period of Three Years up to December 06, 2012. Heineken N.V. has seconded the appointment of Mr. Guido de Boer to hold the position of CFO in the Company and the salary, perquisites, amenities and benefits mentioned in the Resolution alone shall be paid by the Company.

Mr. Guido de Boer is M.Sc. in Economics & Business from Erasmus University Rotterdam. He has completed various Executive Development Programs at INSEAD-Fontainebleau and IMD-Lausanne. He started his career in investment banking, ultimately as Director at MeesPierson Corporate Finance & Capital Markets, advising corporations on M&A and Equity Capital Markets transactions in the Food & Beverages and Media industries. In 2004, he joined Heineken's Group Business Development department where he was involved in acquisitions, business due diligence projects, and business development strategy. Mr. de Boer led the Heineken deal team in the public offer for Scottish & Newcastle, in consortium with Carlsberg, for an enterprise value in excess of EUR 15bn. Having worked on acquisition and business due diligence projects in countries like Russia, Colombia, Nigeria and China, he brings with him the experience of a finance professional, possessing broad business skills, and an understanding of diverse emerging markets.

Your Directors are of the view that there will be considerable synergies in his joining the Board and holding the position of CFO of your Company and shall be an effective contribution to further the growth of the Company in all its spheres. Mr. de Boer is a Dutch National and a Non-Resident.

Approval of the Central Government and/or such other Statutory / Regulatory bodies as may be required are being sought in terms of relevant Regulations.

None of the Directors except Mr. Guido de Boer is concerned or interested in the above Resolution. Mr. de Boer's interest is to the extent of remuneration to be received by him from the Company.

Your Directors recommend the above Resolution for your approval.

Notice (contd.)

Item No.14:

The existing Article 118 of the Articles of Association of the Company provides that “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”.

In terms of the understanding inter alia with Heineken N.V. (Heineken), it is necessary to incorporate certain conditions stipulated in the new Shareholders’ Agreement entered into with Heineken N.V. and hence the existing Regulations in the Articles of Association are being replaced by a new set of Regulations incorporating the said terms. **Members may note that Dr. Vijay Mallya has been defined as “VJM” inter alia in new Shareholders’ Agreement and the amended Articles of Association. Further, Members of the VJM Group holding Shares or securities in the Company from time to time and their permitted assigns / transferees are defined as “VJM Shareholders”.** The amended Regulations contained in Article 118.1, 118.2 and 118.3 provide as under:

CHAIRMAN

- 118.1** VJM shall act as the Chairman of the Company during his life time till such time that the VJM Group holds any shares in the Company. The VJM Shareholders shall have the right to appoint a successor to VJM as Chairman after consultation with the Heineken Group who shall have no objection to such successor acting as Chairman if VJM’s successor is a member of VJM’s family. Provided however that if on account of any statutory regulations hereafter VJM is not eligible to be Chairman because of his “Non-resident” status then in that event, VJM shall be entitled to nominate one of the VJM Designated Directors as the Chairman who shall be appointed subject to the prior written approval of Heineken which approval shall not be unreasonably withheld.
- 118.2** In the event that the VJM Shareholders appoint a successor to VJM as Chairman, the successor’s role will be that customarily fulfilled by a non-executive chairman unless the Heineken Shareholders and the VJM Shareholders, after discussion in good faith, agree otherwise.
- 118.3** 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 Heineken Designated Directors as Chairman of the meeting.

The above revision will tantamount to amendment of the terms of appointment of Dr. Vijay Mallya as compared with the existing Article 118 mentioned above. In terms of the provisions contained in Section 268 of the Companies Act, 1956, any amendment or any modification relating to appointment of a Director not liable to retire by rotation whether the same is contained in the Articles or in any agreement will require approval of the Central Government and the amendment shall be void if not approved by the Central Government. Dr. Vijay Mallya shall continue to be a Director not liable to retire by rotation. In view of the changes in the existing terms of appointment of Dr. Vijay Mallya as Chairman of the Company, the above Resolution is proposed for passing by the Members and the approval of the Central Government would be sought thereafter.

None of the Directors, other than Dr. Vijay Mallya, is deemed to be concerned or interested in the above Resolution.

Your Directors recommend the above Resolution for your approval.

Item No.15:

As a consequence of takeover of Scottish & Newcastle (S&N) Group by the Heineken Group (Heineken), the effective ownership of 37.49% of equity holding and that of the Cumulative Redeemable Preference Shares in your Company now effectively vests with Heineken. Your company has entered into a new Shareholders' Agreement inter alia with Heineken and have negotiated a comprehensive business partnership with Heineken thereby formalizing their entry into your Company.

Pursuant to the understanding with Heineken it would be necessary to incorporate certain conditions stipulated in the Agreements and thereby amend the existing Articles of Association of the Company substantially to contain provisions in conformity with the terms agreed with Heineken. The Articles of Association containing revised regulations has been prepared to meet the requirements of your Company and a copy thereof has been tabled at this Meeting and shall also be available at the Registered Office of the Company for inspection by any Member during the Company's working hours on any day.

The Articles have been corrected, re-numbered and restated wherever applicable and Articles which are relevant in terms of the statutory provisions have been retained in the amended Articles.

Details of all material alterations, substitutions, deletions, renumbering etc. proposed in the Articles of Association forming part of this Resolution and Explanatory statement is attached to this Notice.

None of the Directors is concerned or interested in the above Resolution.

Your Directors recommend the above Resolution for your approval.

Registered Office:

"UB TOWER", UB CITY,
No. 24, Vittal Mallya Road,
BANGALORE - 560 001.
Bangalore, July 21, 2010

By Order of the Board
Govind Iyengar
Divisional Vice President – Legal &
Company Secretary

UNITED BREWERIES LIMITED

Annexure to Notice

ITEM NO. 15 OF NOTICE

Amendments to the Regulations contained in the Articles of Association appearing below forms part of the Special Resolution and Explanatory Statement thereto proposed at Item 15 of the Notice.

The following Articles are proposed to be incorporated and appropriate amendments proposed to be carried out. Certain Articles in the existing Articles of Association as mentioned herein have been deleted, renumbered, corrected or modified in view of the Amendments.

PRELIMINARY

ARTICLE 1

The Regulations contained in Table A, in the First Schedule to the Companies Act, 1956 or any Statutory modification thereof from time to time shall not be applicable to the Company in so far as such Regulations are not embodied in these Articles. Without prejudice to Article (35A), the rights and privileges granted to the VJM Group and the Heineken Group pursuant to these Articles shall continue until the same are terminated by written consent or agreement of each of them or otherwise or either of them ceases to be a Shareholder of the Company.

INTERPRETATION

ARTICLE 2

"Act" means the Companies Act, 1956 or any statutory modification or re-enactment thereof from time to time.

"Annual Budget" – definition deleted.

"Articles" means the Articles of Association of the Company as constituted and as may be amended by these presents or other Article of Associations or Regulations of the Company from time to time in force.

"Business Plan" – definition deleted;

"Budget" means the budget of the UBL Group from time to time setting out the business and funding plan (including capital expenditure requirements) for any financial year.

"Business Day" means any day (other than a Saturday or Sunday) on which banks are generally open for business in India, the United Kingdom, The Netherlands and Singapore (if applicable)

"Bye-Laws" – definition deleted.

"Chairman" shall be the chairman of the Board as provided in Article 118.1.

"Company" means United Breweries Limited established under the Memorandum of Association to which these Articles are annexed.

"Designated Directors" means, in relation to the Heineken Shareholder, the Heineken Designated Directors and, in relation to the VJM Shareholder the VJM Designated Directors appointed from time to time to the Board of the Company or their respective alternates appointed in accordance with these Articles and a "Designated Director" means any one of them.

"General Meeting" means a Meeting of Shareholders or Members of the Company whether Annual or Extraordinary.

"Heineken" means Heineken NV, a company incorporated and existing according to the laws of Netherlands, having its principal place of business at Tweede Weteringplantsoen 21, 1071 ZD, Amsterdam, Netherlands.

"Heineken Designated Directors" means the directors appointed from time to time to the Board by the Heineken Shareholder in accordance with Articles 115.1 and 115.2 or any alternate of such directors appointed in accordance with the Articles and an "Heineken Designated Director" shall mean any one of them.

"Heineken Representative" shall mean the Chief Executive Officer from time to time of Heineken or his designated representative nominated in accordance with Article 120.

"Heineken Group" means Heineken, SNIL, their subsidiaries, their holding companies (including Heineken) and any subsidiaries of such holding companies, in each case from time to time and a "member of the Heineken Group" shall mean any one of them provided however that the Heineken Group shall not include Heineken Holding N.V. or its holding companies from time to time.

"Heineken Shareholders" means any member of the Heineken Group which holds Shares or other securities from time to time in the Company and, as the case may be, their permitted assigns/permitted transferees in accordance with these Articles and an "Heineken Shareholder" shall mean any one of them provided however that Heineken Holding N.V. and its holding companies from time to time shall form part of Heineken Shareholders if they hold shares in the Company.

"Investor Directors" – definition deleted.

"Kingfisher Brand Protocol Agreement" means the agreement entered into between the Company and UBHL relating to the terms of use of the intellectual property in respect of the Kingfisher brand and logo.

"Kingfisher Copyright Licence" means the agreement entered into between the Company and UBHL relating to the license of certain intellectual property in respect of the Kingfisher logo.

"Member" shall mean each Shareholder and includes the duly registered holder from time to time of the Shares of the Company and the beneficial owner.

"Memorandum" means the Memorandum of Association of the Company.

"Record" includes the records maintained in the form of books or stored in a computer or in such other form as may be determined by Regulations made by the SEBI.

"Shareholder" shall mean any person who holds Shares of the Company.

"SNIL" means Scottish & Newcastle India Limited, a company incorporated under the laws of England (registration NoJ043809) having its registered office at Ashby House, 1 Bridge Street, Staines, Middlesex, TW18 4TP, United Kingdom.

"S&N" - definition deleted.

"S&N Designated Directors" - definition deleted.

"S&N Group" - definition deleted.

"S&N Representative" - definition deleted.

"S&N Shareholders" - definition deleted.

"The Company" - definition deleted.

"UBHL" means United Breweries (Holdings) Limited.

"VJM Shareholders" means any member of the VJM Group which holds Shares or securities in the Company from time to time and, as the case may be, their permitted assigns/permitted transferees in accordance with these Articles and a "VJM Shareholder" shall mean any one of them.

"Meeting or General Meeting" - definition deleted.

Existing **ARTICLES 3 to 35** have been retained as they are.

Annexure to Notice (contd.)

35 A Without prejudice to the provisions of Articles 35 and to any other rights applying generally to Members under these Articles or the Act, any rights attaching under these Articles to a Heineken Shareholder or a VJM Shareholder shall be personal to that Shareholder and may only be transferred to a Member who is (and remains) a member of the Heineken Group or the VJM Group respectively, unless otherwise agreed between the VJM Group and the Heineken Group.

36 The Directors may, by such means as they shall deem expedient, authorize the registration of the transfers as Shareholder without the necessity of any meeting of the Directors for that purpose provided that any transfer of Shares by any Heineken Shareholder or VJM Shareholder if in physical form shall only by a duly convened meeting of the Board.

Existing **ARTICLES 37 to 115** have been retained as they are.

115.1 The Directors of the Company shall be as follows:

- (a) 2 (two) directors nominated by the VJM Shareholders (the "*VJM Designated Directors*") in accordance with Article 115.2;
- (b) 2 (two) directors nominated by the Heineken Shareholders (the "*Heineken Designated Directors*") in accordance with Article 115.2;
- (c) the CEO from time to time of the UBL Group appointed in accordance with Article 121;
- (d) the CFO from time to time of the UBL Group appointed in accordance with Article 122; and
- (e) at least 6 (six) independent directors (within the meaning of Clause 49 of the Listing Agreement).

115.2 The Heineken Shareholders and VJM Shareholders shall each be entitled to appoint and remove their respective Designated Directors to the Board. The Heineken Shareholder and the VJM Shareholder shall as far as practicable, endeavour to consult with each other prior to any removal or new appointment. Neither Heineken Shareholder nor VJM Shareholder (nor any of their Designated Directors) may seek to remove any of the Designated Directors nominated by the other except with the written consent of such other shareholder and each of the Heineken Shareholder and VJM Shareholder shall vote (either at a meeting of the shareholders of the Company or through its Designated Directors at a meeting of the Board) at the direction of the other shareholder to procure the replacement or appointment of any of such other Designated Directors. To the extent that any of the Designated Directors are required to retire by rotation each of the Heineken Group and the VJM Group shall exercise their voting rights at board and shareholders meetings to ensure that such Designated Directors are duly reappointed for further terms as provided in the Act.

115.3 Each of the Designated Directors shall be entitled in their sole discretion to nominate an appropriately qualified alternate director, and in accordance with the Act.

115.4 Each of the Heineken Shareholder and the VJM Shareholder shall be entitled (to be exercised by notice in writing to the Company) to require that any of their respective Designated Directors be appointed to or removed from any committee of the Board or any Corporate Governance Committee.

115.5 The Chairman, CEO, CFO and one Heineken Designated Director shall be those whose office as director shall not be liable to retire by rotation under these Articles.

Existing **ARTICLES 116 & 117** have been retained as they are.

CHAIRMAN

- 118.1** VJM shall act as the Chairman of the Company during his life time till such time that the VJM Group holds any shares in the Company . The VJM Shareholders shall have the right to appoint a successor to VJM as Chairman after consultation with the Heineken Group who shall have no objection to such successor acting as Chairman if VJM's successor is a member of VJM's family. Provided however that if on account of any statutory regulations hereafter VJM is not eligible to be Chairman because of his "Non-resident" status then in that event, VJM shall be entitled to nominate one of the VJM Designated Directors as the Chairman who shall be appointed subject to the prior written approval of Heineken which approval shall not be unreasonably withheld.
- 118.2** In the event that the VJM Shareholders appoint a successor to VJM as Chairman, the successor's role will be that customarily fulfilled by a non-executive chairman unless the Heineken Shareholders and the VJM Shareholders, after discussion in good faith, agree otherwise.
- 118.3** 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 Heineken 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 following prior consultation with the Heineken Shareholder. It is agreed between the Parties that if VJM's successor is a member of VJM's family, Heineken Group shall have no objection to such successor acting as the VJM Representative.

HEINEKEN REPRESENTATIVE

- 120.1** The Heineken Representative shall be the Chief Executive Officer of Heineken from time to time;
- 120.2** The Heineken Representative may nominate a Heineken Designated Director or any other senior executive of the Heineken Group to perform any of the functions of the Heineken Representative under these Articles following prior consultation with the VJM Representative;
- 120.3** The Heineken Shareholders and the VJM Shareholders shall procure that the VJM Representative and the Heineken Representative (and/or the CEO of Heineken, acting as the Brands Development Representative as the case may be) shall make themselves available (provided reasonable notice is given) to discuss any of the matters in relation to role of Heineken Representative.

CHIEF EXECUTIVE OFFICER

- 121.1** The CEO of the Company shall be proposed by the VJM Shareholders and appointed subject to the consent of the Heineken Representative in accordance with this Article 121.
- 121.2** If either of the Heineken Shareholder or the VJM Shareholder (a "Dissatisfied Shareholder") loses confidence in the CEO, it shall notify the other of it having lost confidence in him (such notice being a "CEO Confidence Notice"). The Heineken Shareholder and the VJM Shareholder shall then discuss with one another the most appropriate manner of resolving this situation. If such situation has not been resolved to the satisfaction of the Dissatisfied Shareholder within 3 ("three") months of the date of receipt of the CEO Confidence Notice, the other will join with the Dissatisfied Shareholder in procuring the CEO's replacement, in which case Article 121.3 shall apply.
- 121.3** The VJM Shareholders shall propose all candidates for the role of CEO, who shall have appropriate seniority, expertise and experience. The Heineken Shareholder shall, have an absolute veto right on the appointment of any candidate proposed by the VJM Shareholders. In the event of such veto being exercised, the VJM

Annexure to Notice (contd.)

Shareholders shall continue to propose alternative candidates to the Heineken Shareholder until a suitable replacement can be found.

121.4 The role of the CEO shall include the management of the day to day affairs of the Company and such other functions as may be approved by VJM and Heineken and set out in a resolution of the Board. Any changes to the role of the CEO shall be made with the prior written approval of VJM and Heineken. The CEO shall report to the Chairman on a day to day basis and to the Board from time to time.

CFO

122.1 The CFO of the Company shall be proposed by the Heineken Shareholder and appointed subject to the consent of the VJM Shareholders in accordance with this Article 122.

122.2 If a Dissatisfied Shareholder loses confidence in the CFO, it shall notify the other of it having lost confidence in him (such notice being a “CFO Confidence Notice”). The Heineken Shareholders and the VJM Shareholders shall then discuss with one another the most appropriate manner of resolving this situation. If such situation has not been resolved to the satisfaction of the Dissatisfied Shareholder within 3 (“three”) months of receipt of the CFO Confidence Notice, the other will join with the Dissatisfied Shareholder in procuring the CFO’s replacement and the provisions of Article 122.3 shall apply.

122.3 The Heineken Shareholder shall propose all candidates for the role of CFO who shall have appropriate seniority, expertise and experience. The VJM Shareholders shall have an absolute veto right on the appointment of any candidate proposed by the Heineken Shareholder. In the event of this veto right being exercised, the Heineken Shareholder shall continue to propose alternative candidates to the VJM Shareholders until a suitable replacement can be found.

122.4 The role of the CFO shall be approved by VJM and Heineken and set out in a resolution of the Board. Any changes, if any to the role of the CFO shall be made with the prior written approval of VJM and Heineken. The CFO shall report to the CEO on a day to day basis and to the Board from time to time.

Existing **ARTICLE 122A** has been retained as it is.

FREQUENCY AND LOCATION OF THE BOARD AND COMMITTEE MEETINGS

Existing **ARTICLE 123.1** has been retained as it is.

123.2 Without prejudice to Article 123.1, 124.1, 124.3 and 124.4, meetings of the Board may be convened at any time by a Designated Director in respect of any matter of business of genuine business urgency provided that notice of not less than 3 (“three”) Business Days is provided. In such case an agenda shall be circulated to the Board and board papers shall be circulated as soon as practicable and each of the Heineken Shareholders and the VJM Shareholders shall use all reasonable endeavours to procure that its Designated Directors (or their alternates) attend such meeting of the Board.

123.3 The Heineken Shareholders, the VJM Shareholders and the Company shall each procure that the indicative dates and venues for the quarterly meetings of the Board or of any Corporate Governance Committee for the following calendar year be fixed by 30th November of the preceding calendar year, provided that these dates and venues shall be subject to change to suit the mutual convenience of the Directors.

123.4 Meetings of the Board or any Corporate Governance Committee shall take place ordinarily in Bangalore or Mumbai, unless otherwise agreed by the Chairman or a VJM Designated Director and a Heineken Designated Director.

BOARD AGENDAS AND MINUTES

The following **ARTICLES 124.1 to 124.7** have been inserted in place of existing **ARTICLES 124.1, 124.2, 124.3, 124.5 and 124.6** and existing **ARTICLE 124.4** has been retained as it is and renumbered as **ARTICLE 124.8**.

- 124.1** Save as may otherwise be agreed by a VJM Designated Director and a Heineken Designated Director, the Company shall procure that the company secretary of the Company shall circulate to each of the Designated Directors a draft agenda setting out brief details of the business which is proposed to be transacted for a forthcoming board meeting not less than 5 ("five") Business Days prior to the proposed date of such board meeting.
- 124.2** Subject to Article 124.1 and 124.3, the final form of the board agenda will thereafter be agreed between the Chairman or a VJM Designated Director, a Heineken Designated Director and the CEO as soon as practicable after the circulation of the draft agenda. Once agreed, it shall be promptly circulated and dispatched not less than 3 ("three") Business Days prior to the date of the proposed meeting.
- 124.3** In the event that the draft board agenda contains any business which, if transacted, would constitute a Shareholder Reserved Matter, each of the Heineken Shareholders and the VJM Shareholders shall procure that VJM and the Heineken Representative are afforded sufficient opportunity to evaluate, consider and, if agreement can be reached, agree on a common decision in respect of such Shareholder Reserved Matter prior to the board meeting to which such item of business relates.
- 124.4** If the common decision referred to in Article 124.3 cannot be reached between the VJM and the Heineken Representative on any such Shareholder Reserved Matter(s) or otherwise where there is disagreement between the Heineken Shareholders and the VJM Shareholders on any Shareholder Reserved Matter, each Shareholder shall procure that:
- 124.4.1** a decision of the Board in respect of such Shareholder Reserved Matter(s) shall be deferred to the next meeting of the Board and no decision or action on such Shareholder Reserved Matter be taken by the Board pending such next meeting (during which time the Heineken Representative and VJM shall use their reasonable endeavours to resolve such disagreement); and
 - 124.4.2** none of them, nor any of their respective Designated Directors, directly or indirectly take any action or solicit or encourage any conduct which could lead to a Shareholder Reserved Matter being transacted without agreement having been reached in accordance with Article 126 of these Articles.
- 124.5** Agenda items submitted within 5 ("five") Business Days of a board meeting shall only be included in a board agenda with the consent of the Chairman or a VJM Designated Director and the Heineken Representative (in each case not to be unreasonably withheld in the case of genuinely urgent business).
- 124.6** The Company shall procure that board papers relating to the board agenda agreed pursuant to the foregoing provisions of this Article 124 shall be circulated to the members of the Board not less than 3 ("three") Business Days prior to the date of the meeting, or if not practicable, as soon as possible thereafter.
- 124.7** Minutes of each board meeting will be prepared by the company secretary of the Company, approved by the VJM Designated Director and circulated to the other members of the Board for formal approval at the following board meeting within 5 ("five") Business Days of the meeting.

CONDUCT OF PROCEEDINGS AT BOARD MEETINGS

The following **ARTICLES 125.1 to 125.4** have been inserted in place of the existing **ARTICLES 125.1 to 125.3** and existing **ARTICLE 125.4** has been retained as it is and renumbered as **ARTICLE 125.5**.

Annexure to Notice (contd.)

- 125.1** Each of the directors shall have 1 (one) vote each. Decisions of the Board will be taken on simple majority of those directors present at a duly convened meeting of the Board. The Chairman shall not have a casting vote in the event of a tied vote.
- 125.2** The Heineken Shareholders, the VJM Shareholders and the Company agree to procure that no action shall be taken by the Board, nor shall the Company or the Heineken or VJM Shareholders permit or acquiesce in taking any action with respect to any Shareholder Reserved Matter unless such Shareholder Reserved matter has been approved in accordance with Article 126.1
- 125.3** Subject always to the Act, the provisions of Article 126.1 (Shareholder Reserved Matters) and prior notification to the Board as to the nature of any interest he may have in any business to be transacted at a meeting of the Board, a Designated Director shall not be precluded from voting on any business to be transacted at the meeting as a result of any interest he may have in such business.
- 125.4** Without prejudice to the foregoing provisions of this Article 125 or Article 126 and subject to all directors being notified contemporaneously of the same, a resolution in writing signed by a majority of the directors of the Company shall be valid and effective as if it had been passed at a duly convened meeting of the Board. Such a resolution, if passed, shall be deemed to have been passed on the date of the last Company director's signature on such written resolution which establishes the requisite majority. A facsimile of a directors' signed resolution shall, save in the case of fraud or manifest error, be acceptable evidence that such written resolution has been signed by such directors.

SHAREHOLDER AND BOARD RESERVED MATTERS

- 126.1** The Company, the Heineken Shareholders and the VJM Shareholders shall procure that no decision shall be taken by the Company, whether at a meeting of the Board, by the shareholders of the Company or otherwise on the matters set out in this Articles ("*Shareholder Reserved Matters*") and each "*Shareholder Reserved Matter*" without the prior written consent of each of VJM Representative and the Heineken Representative.

Existing **ARTICLES 126.1.1** to **126.1.7** have been retained as they are.

Budgets, Expenditure and Significant Acquisitions and Disposals - Heading inserted before **ARTICLE 126.1.8**

126.1.8 the approval of the Budget and any material or significant changes to the Budget;

126.1.9 any Project of the UBL Group individually or in aggregate involving projected capital or revenue expenditure in excess of Rs. 75 million, to the extent such expenditure has not previously been approved in the Budget;

Existing **ARTICLE 126.1.10** has been retained as it is.

126.1.11 the acquisition or disposal (whether by sale, lease, exchange or other transfer) of any rights, assets, any interest in real property, or any business of the UBL Group where the aggregate consideration for such rights, assets or business has a capital value in excess of Rs. 75 million, save to the extent such acquisition or disposal has been previously approved in the Budget;

Existing **ARTICLE 126.1.12** has been retained as it is.

Financial Control / Treasury - Heading inserted before Article 126.1.13.

126.1.13 any significant changes in the accounting policies or practices of the UBL Group in force as at the date of the Articles except where required by law or applicable guidelines;

Existing **ARTICLES 126.1.14 to 126.1.16** have been retained as they are.

Material Contracts - Heading inserted before Article 126.1.17.

126.1.17 other than the transaction developments contemplated in the framework agreement or any transactions contemplated therein, any contract or arrangement between any member of the Group and any member of a Shareholder's Group or any persons connected to such member or in which such member of the VJM Group or the Heineken Group or connected person has an interest save to the extent that such contract or arrangement (in terms of quantum and scope) is specifically approved in the approved Budget;

126.1.18 any contract or arrangement (or any variation of such contract or arrangement) to which a member of the UBL Group is a party in respect of contract brewing or bottling, sales or distribution where;

(a) a member of the UBL Group is appointed as or appoints a third party on an exclusive basis in respect of any territory; and

(b) where annual revenues or costs under such arrangement are anticipated to be in excess of Rs.75 million.

except to the extent that such contracts or arrangement are specifically approved (both in terms of quantum and scope) in the approved Budget;

126.1.19 any agreement or arrangement in which any material Intellectual Property Rights of the UBL Group are granted, transferred, charged or otherwise disposed of by any member of the UBL Group except to the extent specifically approved (in terms of quantum and scope) in the Budget;

126.1.20 the grant by any member of the UBL Group of any consent under the terms of the Kingfisher Brand Protocol Agreement or the Kingfisher Copyright Licence;

Directors / Key Employees - Heading inserted before Article 126.1.21.

126.1.21 the appointment or removal of any directors (other than the Designated Directors) of the Company or any member of the UBL Group;

126.1.22 any material changes to the remuneration of any director of the Board or any key executives;

Existing **ARTICLES 126.1.22 & 126.1.23** have been retained as they are and renumbered as **ARTICLES 126.1.23 & 126.1.24** respectively.

Corporate Governance Issues - Heading inserted before restated Article 126.1.25.

Existing **ARTICLES 126.1.24 & 126.1.25** have been retained as they are and have been renumbered as **ARTICLES 126.1.25 & 126.1.26** respectively.

126.1.27 any charitable donation in excess of Rs.10 million in aggregate in any financial year or any political donations, in each case made by any member of the UBL Group;

Existing **ARTICLE 126.1.27** has been deleted.

126.1.28 any alteration to Board Reserved Matters;

Existing **ARTICLE 126.1.28** has been retained as it is and renumbered as **ARTICLE 126.1.29**.

126.2 Without prejudice to Article 126.1, the Heineken Shareholders, the VJM Shareholders and the Company shall procure that the following matters shall be reserved for determination by the Board.

Annexure to Notice (contd.)

Existing **ARTICLE 126.2.1.1** has been retained as it is and renumbered as **ARTICLE 126.2.1**.

Existing **ARTICLES 126.2.1, 126.2.2, 126.2.2.1, 126.2.2.2, 126.2.2.3, 126.2.2.4, 126.2.2.5, 126.2.2.6, 126.2.2.7 & 126.2.2.8** have been retained as they are.

126.2.2.9 approval of terms of reference of any Board Committees (other than the Executive Committee) and receiving, considering and taking any corrective action arising from the conclusions of such committees.

Existing **ARTICLE 126.2.2.10** has been deleted.

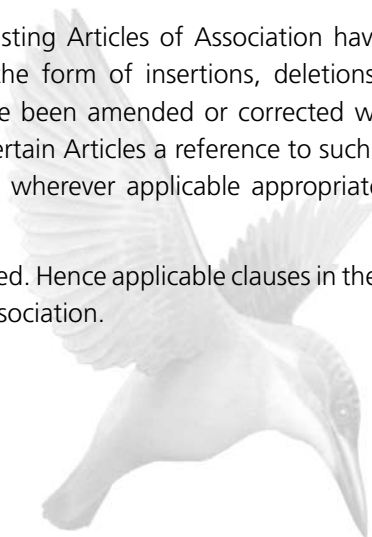
Existing **ARTICLES 127 to 134** have been retained as they are.

135 A register shall be kept by the Directors in which shall be entered particulars of all contract or arrangements to which Article 134 applies, and which shall be open to inspection by any Shareholder of the Company at the Registered Office during business hours and on reasonable notice to the Company.

Existing **ARTICLES 136 to 189** have been retained as they are.

Certain Regulations contained in the existing Articles of Association have been retained as they are. However, in view of the above amendments in the form of insertions, deletions, modifications, corrections etc., such relevant and connected Regulations have been amended or corrected where applicable to be compatible with the insertions/amendments. Further, in certain Articles a reference to such connected Articles have been provided where applicable. For easy of reference, wherever applicable appropriate headings have been provided to the Articles.

Articles have been renumbered and restated. Hence applicable clauses in the amended Articles can not be correlated with clauses of the existing Articles of Association.



DETAILS OF NEW DIRECTORS

PARTICULARS	MS. KIRAN MAZUMDAR SHAW	MR. MADHAV BHATKULY	MR. DUCO REINOUT HOOFT GRAAFLAND	MR. SIJBE HIEMSTRA	MR. GUIDO DE BOER	MR. STEPHAN GERLICH
Qualifications	Honors degree in Zoology, Masters in Brewing and Hon. Doctorate in Science	Masters in Commerce & Masters in Economics	Business Administration & Chartered Accountant	Bachelors Degree in Business Administration	M.Sc. in Economics and Business	Wirtschaftsassistent (Germany)
Expertise in specific functional area	Biotechnology	Finance and Economics	Long standing knowledge & experience in the beer business as well on areas of General Management, Marketing & Finance	Long standing knowledge & experience in the beer business as well on areas of General Management, Marketing, Sales & Export	Finance, Mergers & Amalgamations	Overall business Management & Operations in Healthcare, CropScience & MaterialScience
Date of Appointment	26.10.2009	26.10.2009	07.12.2009	07.12.2009	07.12.2009	02.07.2010
Date of Birth	23.03.1953	22.01.1966	24.09.1955	16.07.1955	28.02.1972	11.09.1958
Directorships held in other Companies in India	Biocon Limited Syngene International Limited Clinigene International Limited Biocon Biopharmaceuticals Private Limited Biocon Research Limited Glenloch Properties Private Limited Narayana Institute For Advance Research Private Limited Narayana Hrudayalaya Private Limited	Motilal Oswal Financial Services Limited New Horizon Financial Research Private Limited New Horizon Wealth Management Private Limited	Millennium Alcobev Private Limited	Millennium Alcobev Private Limited	Nil	Bayer CropScience Limited Bayer MaterialScience Private Limited
Membership in Committees	Investors' Grievance Committee Biocon Limited	Audit Committee Motilal Oswal Financial Services Limited	Nil	Nil	Nil	Investors' Grievance Committee Bayer CropScience Limited

The above details do not include Committee Memberships not prescribed for the purpose of reckoning of limits in terms of Clause 49 of the Listing Agreement. Brief Profile of the above Directors also forms part of Corporate Governance Report.

The above Directors do not hold any equity shares in the Company. None of the Directors of the Company are related inter-se.

Annexure to Notice (contd.)

DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING

PARTICULARS	MR. CHUGH YOGINDER PAL	MR. SUNIL ALAGH	MR. A K RAVI NEDUNGADI
Qualifications	Graduate in Engineering with First Class (Distinction)	Graduate in Economics (Hons.), MBA	Chartered Accountant & Cost Accountant
Expertise in specific functional area	Overall Business Management, Operations and MIS	Expertise in Strategic Marketing and Brand building	Strategic and Financial Planning
Date of Appointment	29.04.2005	29.04.2005	09.08.2002
Date of Birth	06.03.1937	06.11.1946	20.10.1957
Directorships held in other Companies in India	Cadbury India Limited Aptech Limited Shriram Pistons & Rings Limited Renfro India Private Limited	GATI Limited Indofil Organic Industries Limited Tamara Capital Advisors Private Limited SKA Advisors Private Limited	Aventis Pharma Limited Bayer CropScience Limited Kingfisher Airlines Limited Idea Streamz Consultants Private Limited Millennium Alcobev Private Limited Pie Education Limited Millenea Vision Advertising (P) Limited Shaw Wallace Breweries Limited
Membership in Committees	Audit Committee Cadbury India Limited (Chairman) Aptech Limited (Chairman) Shriram Pistons & Rings Limited Investors' Grievance Committee Cadbury India Limited (Chairman)	Investors' Grievance Committee Indofil Organic Industries Limited (Chairman)	Audit Committee Aventis Pharma Limited Bayer CropScience Limited Kingfisher Airlines Limited Investors' Grievance Committee Aventis Pharma Limited Bayer CropScience Limited (Chairman)

The above details do not include Committee Memberships not prescribed for the purpose of reckoning of limits in terms of Clause 49 of the Listing Agreement. Brief Profile of the above Directors also forms part of Corporate Governance Report.

NOTES



UNITED BREWERIES LIMITED