



McDOWELL HOLDINGS LIMITED

Date: 04-10-2019

The Manager
Dept. of Corporate Services
BSE Limited
Phiroze Jeejeebhoy Tower
Dalal Street, Mumbai-400001

BSE Scrip Code:532852

The Asst. Vice President
Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza, C-1, Block - G
Bandra-Kurla Complex, Bandra (East)
Mumbai-400051

NSE Symbol: MCDHOLDING

Sub: Additional disclosure (reasons for encumbrance by promoter) under Regulation 31 (1) read with Regulation 28 (3) of SEBI (SAST) Regulation, 2011.

Dear Sir,

Additional disclosure (reasons for encumbrance by promoter) pursuant to SEBI Circular SEBI/HO/CFD/DCR1/CIR/P/2019/90 dated August 07, 2019 under Regulation 31 (1) read with Regulation 28 (3) of SEBI (SAST) Regulation, 2011 is enclosed herewith.

This may please be treated as compliance of the above Circular.

Thanking You

For **McDowell Holdings Limited**

Manoj Kumar
DGM-Legal & Company Secretary

CC:

The Company Secretary
United Breweries Limited
Level-4, UB Tower, UB City
24 Vittal Mallya Road
Bangalore-560001

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GROUP

Annexure - II
Format for disclosure of reasons for encumbrance
(In addition to Annexure - I prescribed by way of circular dated August 05, 2015)

Name of listed company	United Breweries Limited
Name of the recognised stock exchanges where the shares	National Stock Exchange & Bombay Stock Exchange
Name of the promoter(s) / PACs whose shares have been Encumbered	1. Vijay Mallya 2. Kamsco Industries Private Limited 3. Pharma Trading Company Private Limited 4. McDowell Holdings Limited 5. Devi Investment Private Limited 6. Vittal Investments Private Limited 7. Mallya Private Limited 8. The Gem Investment Trading Company Private Limited 9. United Breweries (Holdings) Limited 10. Heineken International B.V 11. Heineken UK Limited 12. Scottish And Newcastle India Limited 13. UB Overseas Limited
Total promoter shareholding in the listed company	No. of shares- Held by McDowell Holdings Limited 45,51,000 (Refer Note No. 1) % of total share capital – 1.721 % (Refer Note No. 1)
Encumbered shares as a % of promoter shareholding	100 % (Refer Note No. 1)
Whether encumbered share is 50% or more of promoter	YES / NO
Whether encumbered share is 20% or more of total share	YES / NO

For McDowell Holdings Limited


Manoj Kumar
(DGM Legal & Company Secretary)

Details of all the existing events/ agreements pertaining to encumbrance

		Encumbrance 1 (Date of creation of encumbrance: ____)	Encumbrance 2 (Add columns for each event/ agreement)
		YES BANK LIMITED 02-05-2013	ECL FINANCE LIMITED 26 -03-2014
Type of encumbrance (pledge, lien, negative lien, non-disposal undertaking etc. or any other covenant, transaction, condition or arrangement in the nature of encumbrance)		Pledge	Pledge
No. and % of shares encumbered		27,45,000 (100%)	11,88,000 (100%)
Specific details about the encumbrance	Name of the entity in whose favour shares encumbered (X)	YES BANK LIMITED	ECL FINANCE LIMITED
	Whether the entity X is a scheduled commercial bank, public financial institution, NBFC or housing finance company? If No, provide the nature of the business of the entity.	YES/NO	YES/NO

For McDowell Holdings Limited


Manoj Kumar
(DGM Legal & Company Secretary)

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	Names of all other entities in the agreement	Listed company and its group companies (if any) Nil Other entities (if any) <u>(Refer Note No. -2)</u> 1. United Breweries (Holdings) Limited 2. United Spirits Limited 3. Mangalore Chemicals and Fertilizers Limited 4. UB Engineering Limited	-Listed company and its_group companies (if any) Nil -Other entities (if any) – Nil
	Whether the encumbrance is relating to any debt instruments viz. debenture, commercial paper, certificate of deposit etc.? If yes, provide details about the instrument, including credit rating	YES / NO If yes, 1. Name of the issuer 2. Details of the debt instrument 3. Whether the debt instrument is listed on stock exchanges? 4. Credit Rating of the debt instrument 5. ISIN of the instrument	NO If yes, 4. Name of the issuer 5. Details of the debt instrument 6. Whether the debt instrument is listed on stock exchanges? 5. Credit Rating of the debt instrument 5. ISIN of the instrument
Security Cover / Asset Cover	Value of shares on the date of event / agreement (A)	Rs. 4,78.04 Cr. (As on 02-05-2013)	Rs. 81.85 Cr. (As on 26-03-2013)

For McDowell Holdings Limited


 Manoj Kumar
 (DGM Legal & Company Secretary)

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	Amount involved (against which shares have been encumbered) (B)	<u>(Refer Note No. 3)</u> Rs. 1,111.25 Cr. (Sanctioned amount as on 02-05-2013) Rs. 00.00 (No dues as on 30-09-2019)	: <u>(Refer Note No. 3.)</u> Rs. 50.00 Cr. (Sanctioned amount as on 26-03-2013) Rs. 00.00 (No dues as on 30-09-2019)
	Ratio of A / B	0.430 (as on 02-05-2013)	1.637 (as on 26-03-2013)
End use of money	Borrowed amount to be utilized for what purpose – (a) Personal use by promoters and PACs (b) For the benefit of listed company Provide details including amount, purpose of raising money by listed company, schedule for utilization of amount, repayment schedule etc. (a) Any other reason (please specify)	<u>Pledge Agreement with Yes Bank Limited:</u> <u>(Refer Note No. -4)</u> No	<u>Pledge Agreement with ECL Finance Limited:</u> For repayment of the existing debt by McDowell Holdings Limited and to meet other general corporate purposes. No

For McDowell Holdings Limited

Manoj Kumar
(DGM Legal & Company Secretary)

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NOTE:

1. 45,51,000 shares of United Breweries Limited held by McDowell Holdings Limited are shown as under pledge to secure the borrowing availed by erstwhile Group Companies, whose dues have now been repaid in full. Further an investment of 16,71,344 shares in United Breweries Limited has been unilaterally transferred from the Demat account of the McDowell Holdings Limited to the Demat account of the Deputy Director, Enforcement Directorate, Mumbai on 3rd May, 2018 and 1,22,667 shares United Breweries Limited are held in custody of lenders pending their release. Thus the total investment by McDowell Holdings Limited in United Breweries Limited is 63,45,011 as on 30th September, 2019.
2. United Breweries Limited, United Breweries (Holdings) Limited, United Sprites Limited, UB Engineering Limited and Mangalore Chemicals and Fertilizers Limited were a part of same group on the date of pledge of shares of United Breweries Limited with ECL Finance Limited and Yes Bank Ltd. i.e. 26th March, 2013 and 2nd May, 2013 respectively.
3. 63,00,000 shares of United Breweries Limited held by McDowell Holdings Limited were pledged with Yes Bank Limited on 2nd May, 2013 for various facilities sanctioned by the said Bank to erstwhile Group Companies [(1) United Breweries (Holdings) Limited, (2) United Spirits Limited, (3) Mangalore Chemicals and Fertilizers Limited and (4) UB Engineering Limited. As on date there is no due payable to the said bank, however pledge on these investments of McDowell Holdings Limited have not been removed consequent to the direction/order of the Enforcement Directorate.
4. United Breweries (Holdings) Limited, United Sprites Limited, UB Engineering Limited and Mangalore Chemicals and Fertilizers Limited were sanctioned in aggregate Rs. 1,111.25 Cr. towards various facilities.
5. As per the SEBI Circular SEBI/HO/CFD/DCR1/CIR/P/2019/90 dated August 07, 2019 the disclosure is required to be made, if the combined encumbrance by the promoter along with PACs with him equals or exceeds: (a) 50% of their shareholding in the company; or (b) 20% of the total share capital of the company. However we are making this disclosure as an abundant precaution.

Signature of Authorised Signatory:

For McDowell Holdings Limited

(DGM Legal & Company Secretary)

Place: Bangalore
Date: 04-10-2019

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