

NOTES:

1. The Company is engaged in manufacture, purchase and sale of Beer including licensing of brands which constitutes a single business segment. The Company also considers the whole of India as a single geographical segment.
2. 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 JV has its manufacturing locations in critical markets and meets almost 30% of the Company's capacity requirement. The Company has adopted a turn-around strategy for the JV operations which has involved in operational merger of the businesses. This has led to a rationalization of spend, a repositioning of the combined brands, restructuring the debt profile of the JV in order to reduce the cost of borrowing, all of which generated positive earning before interest, depreciation and taxes for the quarter. The brewing capacities have been expanded in all the entities in line with the growth in the business by infusing additional funds. The Company continues to consider 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. The JV Companies for the last two years have made cash profits and financials are improving. 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.
3. In view of the amalgamation of Karnataka Breweries and Distilleries Limited (KBDL) a wholly owned Subsidiary into the Company, the figures for the current quarter are not comparable with the figures of the corresponding quarter in the previous year. In the previous year, whole year results of KBDL had been taken in the last quarter of previous year subsequent to the Scheme of Amalgamation of KBDL into the Company effective April 1,2006 granted by the Hon'ble High Court of Karnataka on April 27,2007.
4. In order to achieve economies in scale of operations and better utilization of Brewing Assets located at Nerul Unit to be used at other Units of the Company, the Company has closed the operations of its Nerul Unit. Upon application, the Labour Commissioner has approved such closure in terms of the relevant provisions of Law.
5. During the year the company purchased a 51% shareholding in Maltex Malsters Limited, a company involved in the manufacture of malting barley. This is considered to be a strategic investment by the company, and provides an important move to manage the supply of malt to it's breweries. The company has plans to invest in a significant capacity expansion of the plant, and develop the business. The management is of the view that there is no permanent diminution in the value of investment and no provision, therefore, is considered necessary at this stage
6. The "Rights" Issue of 24,004,825 Equity Shares of Re.1 each of the Company aggregating to Rs.424.89 Crore was over subscribed. Share

Certificates / demat credit and Refund Orders have been effected within the prescribed time. Pending utilization of funds to meet the objects as envisaged in the Letter of Offer, the Company has decided to place the proceeds received from the Issue temporarily in Interest bearing Fixed Deposits / liquid instruments of Mutual Funds and temporary deposit in Cash Credit Accounts for reducing the Interest on Overdraft / Loans.

7. Mrs. Lesley Jackson, Director, CFO has resigned from the position of Director and CFO of the Company effective June 22, 2008.
8. Investor complaints pending as on March 31, 2008 were Nil. Complaints received and disposed of during the quarter ended March 31, 2008 were 6 and there were no complaints unresolved as on that date.
9. The Company has paid dividend @ 3% amounting to Rs.8.45 Crore (inclusive of distribution tax) to Scottish & Newcastle India Limited on Cumulative Redeemable Preference Shares held by them. The total Dividend payout (inclusive of distribution tax) on Equity Shares @ 25% was Rs.6.23 Crore (including Interim Dividend on Equity Shares @ 15% amounting to Rs.3.70 Crore) for the financial year 2006-2007.
10. Earning per Share is stated after providing for Dividend on the Cumulative Redeemable Preference Shares for the twelve months of financial year 2007 – 2008.
11. The figures relating to the previous period have been reclassified wherever considered necessary. Due to the seasonality of the business, the quarterly results are not indicative of the overall profitability of the year.
12. The audited results for the year ended March 31, 2008 have been approved by the Board of Directors at the meeting held on June 23, 2008.

By the Authority of the Board,

Place: Paris, France
Date: June 23, 2008.

Kalyan Ganguly
Managing Director