

United Spirits Limited

Registered Office:  
UB Tower  
#24, Vittal Mallya Road,  
Bengaluru 560 001

Tel: +91 80 2221 0705  
Fax: +91 80 2224 5253  
[www.diageoindia.com](http://www.diageoindia.com)

8<sup>th</sup> November 2023

BSE Limited  
Listing Department  
Dalal Street,  
Mumbai 400 001  
Scrip Code: 532432

National Stock Exchange of India Limited  
Exchange Plaza, C-1 Block G,  
Bandra Kurla Complex,  
Bandra East, Mumbai- 400051  
Scrip Code: MCDOWELL-N

Dear Sirs,

**Sub: Outcome of Board Meeting in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") - Financial Results & Interim Dividend**

The Board of Directors at their meeting held today i.e., Wednesday, 8<sup>th</sup> November 2023, have *inter alia* approved the following:

- a. Unaudited financial results (standalone and consolidated) of the Company for the quarter and half-year ended 30th September 2023; and
- b. Payment of interim dividend of Rs. 4 per equity share (face value Rs. 2/- each) for the financial year ending 31<sup>st</sup> March 2024. The record date for the purpose of determining the entitlement of the shareholders of interim dividend has been fixed as Friday, 17<sup>th</sup> November 2023. The interim dividend declared will be paid on or after 4<sup>th</sup> December 2023.

The meeting commenced at 12:45 hours IST and concluded at 17:30 hours IST.

This is for your information and records.

Thank you,

For United Spirits Limited

Mital Sanghvi  
Company Secretary

Encl: as above



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Unaudited Standalone Statement of Financial Results for the quarter and six months ended September 30, 2023

(₹ in Millions except for earnings per share data)

Particulars	Quarter ended			Half year ended		Year ended
	September 30,2023 (Unaudited)	June 30,2023 (Unaudited)	September 30,2022 (Unaudited)	September 30,2023 (Unaudited)	September 30,2022 (Unaudited)	March 31, 2023 (Audited)
<b>1 Income</b>						
(a) Revenue from operations	67,338	53,125	82,759	120,463	151,827	275,775
(b) Other income	388	209	85	597	341	742
<b>Total income</b>	<b>67,726</b>	<b>53,334</b>	<b>82,844</b>	<b>121,060</b>	<b>152,168</b>	<b>276,517</b>
<b>2 Expenses:</b>						
(a) Cost of materials consumed	15,268	10,601	17,549	25,869	31,611	53,370
(b) Purchase of stock-in-trade	2,349	647	687	2,996	3,065	8,642
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,407)	997	(643)	(410)	(4,111)	(1,294)
(d) Excise duty	38,691	31,406	53,717	70,097	100,839	172,038
(e) Employee benefits expense	1,429	1,249	1,525	2,678	3,244	6,071
(f) Depreciation, amortisation and impairment expense	653	650	645	1,303	1,386	2,706
(g) Others:						
(i) Advertisement and sales promotion	2,403	1,468	1,584	3,871	2,987	9,199
(ii) Other expenses	3,904	2,906	3,916	6,810	7,063	13,562
(h) Finance costs	262	43	210	305	436	1,039
<b>Total expenses</b>	<b>63,552</b>	<b>49,967</b>	<b>79,190</b>	<b>113,519</b>	<b>146,520</b>	<b>265,333</b>
<b>3 Profit before exceptional items and tax (1 - 2)</b>	<b>4,174</b>	<b>3,367</b>	<b>3,654</b>	<b>7,541</b>	<b>5,648</b>	<b>11,184</b>
4 Exceptional items, net (Refer Note 5)	307	(171)	3,716	136	3,332	1,709
<b>5 Profit before tax (3 + 4)</b>	<b>4,481</b>	<b>3,196</b>	<b>7,370</b>	<b>7,677</b>	<b>8,980</b>	<b>12,893</b>
6 Income tax expense / (credit)						
(a) Current tax	977	841	1,293	1,818	1,749	2,817
(b) Current tax relating to earlier years	-	-	-	-	-	(297)
(c) Deferred tax charge / (credit)	91	(27)	654	64	(141)	(144)
<b>Total tax expense</b>	<b>1,068</b>	<b>814</b>	<b>1,947</b>	<b>1,882</b>	<b>1,608</b>	<b>2,376</b>
<b>7 Profit for the period (5 - 6)</b>	<b>3,413</b>	<b>2,382</b>	<b>5,423</b>	<b>5,795</b>	<b>7,372</b>	<b>10,517</b>
8 Other Comprehensive Income						
A. Items that will be reclassified to profit or loss	-	-	-	-	-	-
B. Items that will not be reclassified to profit or loss						
(i) Remeasurements of post-employment benefit	(67)	-	-	(67)	-	(6)
(ii) Income tax credit / (charge) relating to above	17	-	-	17	-	1
<b>Total other comprehensive income, net of income tax</b>	<b>(50)</b>	<b>-</b>	<b>-</b>	<b>(50)</b>	<b>-</b>	<b>(5)</b>
<b>9 Total Comprehensive Income (7 + 8)</b>	<b>3,363</b>	<b>2,382</b>	<b>5,423</b>	<b>5,745</b>	<b>7,372</b>	<b>10,512</b>
<b>10 Paid up Equity Share Capital (Face value of ₹ 2/- each)</b>	<b>1,455</b>	<b>1,455</b>	<b>1,455</b>	<b>1,455</b>	<b>1,455</b>	<b>1,455</b>
<b>11 Other Equity</b>						<b>57,990</b>
<b>12 Earnings per share of ₹ 2/- each:</b>						
Basic and Diluted (in ₹)	4.69	3.27	7.46	7.97	10.14	14.46

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## Unaudited Standalone Statement of assets and liabilities as at September 30, 2023

(₹ in Millions)

Particulars	As at September 30, 2023	As at March 31, 2023
	Unaudited	Audited
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	9,864	9,783
Right-of-use assets	1,936	1,726
Capital work-in-progress	605	668
Intangible assets	415	312
Intangible assets under development	4	160
Investment property	246	253
Financial assets		
Investments in subsidiaries and associate	2,209	2,059
Other financial assets	1,415	1,462
Deferred tax assets (net)	1,524	1,573
Current tax assets (net) (Non-current)	12,994	13,114
Other non-current assets	2,405	2,392
<b>Total non-current assets</b>	<b>33,617</b>	<b>33,502</b>
<b>Current assets</b>		
Inventories	25,391	22,300
Financial assets		
Investments	11,302	2,558
Trade receivables	25,800	23,828
Cash and cash equivalents	1,419	814
Bank balances other than cash and cash equivalents	4,110	7,682
Loans	140	1,087
Other financial assets	1,106	1,365
Other current assets	2,603	2,578
<b>Total current assets</b>	<b>71,871</b>	<b>62,212</b>
<b>Total assets</b>	<b>105,488</b>	<b>95,714</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	1,455	1,455
<b>Other equity</b>		
Reserves and surplus	63,736	57,990
<b>Total equity</b>	<b>65,191</b>	<b>59,445</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
Borrowings	-	3
Lease liabilities	1,057	800
Provisions	151	123
<b>Total non-current liabilities</b>	<b>1,208</b>	<b>926</b>
<b>Current liabilities</b>		
Financial liabilities		
Borrowings	3	8
Lease liabilities	968	1,022
Trade payables		
(A) total outstanding dues of micro and small enterprises	534	502
(B) total outstanding dues of creditors other than micro and small	18,053	16,881
Other financial liabilities	2,450	2,846
Provisions	3,487	3,715
Current tax liabilities (net)	3,040	2,829
Other current liabilities	10,554	7,540
<b>Total current liabilities</b>	<b>39,089</b>	<b>35,343</b>
<b>Total liabilities</b>	<b>40,297</b>	<b>36,269</b>
<b>Total equity and liabilities</b>	<b>105,488</b>	<b>95,714</b>

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Unaudited Standalone Statement of Cash flows for the period ended September 30, 2023

(₹ in Millions)

Particulars	Six months ended September 30, 2023	Six months ended September 30, 2022
	<b>Unaudited</b>	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	7,677	8,980
<b>Adjustments for</b>		
Depreciation, amortisation and impairment expense	1,303	1,386
Employee share-based payment expense	194	140
Loss allowance on trade receivables, other financial assets and other assets(net)	266	84
Profit on redemption of mutual fund investments	(175)	(42)
Increase in fair value of mutual fund investments	(32)	(27)
Exchange gain (net) on translation of assets and liabilities	25	(1)
Finance costs	305	436
Gain on disposal of property, plant and equipment and investment property (net)	(76)	(192)
Interest income	(246)	(38)
Exceptional item- Profit on sale of business undertaking	-	(3,815)
Exceptional Items- Others	(136)	99
Unwinding of interest on government grant	-	(15)
<b>Operating profit before changes in working capital</b>	<b>9,105</b>	<b>6,995</b>
(Increase) / decrease in trade receivables	(2,266)	(273)
(Increase) / decrease in other financial assets	353	(2,107)
(Increase) / decrease in other assets	(156)	(722)
(Increase) / decrease in inventories	(3,091)	(5,381)
Increase / (decrease) in trade payables	1,093	3,208
Increase / (decrease) in other financial liabilities	(607)	83
Increase / (decrease) in other liabilities	3,311	3,212
Increase / (decrease) in provisions	(519)	(720)
<b>Cash generated from operations</b>	<b>7,223</b>	<b>4,295</b>
Income taxes paid (net of refund)	(1,521)	(1,539)
<b>Net cash generated from operating activities (A)</b>	<b>5,702</b>	<b>2,756</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment and intangible assets	(630)	(821)
Proceeds from sale of property, plant and equipment and investment property	125	259
Purchase of current Investments	(97,164)	(41,084)
Redemption of current Investments	92,200	38,338
Acquisition/ Additional investment in an associate	(150)	(315)
Proceeds from slump sale	-	8,180
Loans given to subsidiaries	(290)	(1,513)
Loans given to others	-	(80)
Repayment of loans given to others	29	9
Repayment of loans by subsidiaries	1,214	2,624
Interest received	317	31
<b>Net cash inflow/(outflow) from investing activities (B)</b>	<b>(4,349)</b>	<b>5,628</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from current borrowings	-	2,400
(Repayment) of current borrowings	-	(2,400)
Working capital loan / cash credit from banks (net)	-	(73)
Repayment of deferred sales tax liability	(8)	(16)
Interest paid on borrowings	-	(129)
Principal repayment of lease liabilities	(649)	(585)
Interest paid on lease liabilities	(91)	(80)
<b>Net cash outflow from financing activities (C)</b>	<b>(748)</b>	<b>(883)</b>
<b>Net increase / (decrease) in cash and cash equivalents [D = A+B+C]</b>	<b>605</b>	<b>7,501</b>
<b>Cash and cash equivalents as at the beginning of the year (E)</b>	<b>814</b>	<b>270</b>
Net increase / (decrease) in cash and cash equivalents	605	7,501
<b>Cash and cash equivalents as at the end of the year [D+E]</b>	<b>1,419</b>	<b>7,771</b>

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Unaudited Consolidated Statement of Financial Results for the quarter and six months ended September 30, 2023

(₹ in Millions except for earnings per share data)

Particulars	Quarter ended			Half year ended		Year ended
	September 30,2023 (Unaudited)	June 30,2023 (Unaudited)	September 30,2022 (Unaudited)	September 30,2023 (Unaudited)	September 30,2022 (Unaudited)	March 31, 2023 (Audited)
<b>1 Income</b>						
(a) Revenue from operations	67,365	58,084	82,827	125,449	154,140	278,154
(b) Other income	401	217	76	618	338	731
<b>Total income</b>	<b>67,766</b>	<b>58,301</b>	<b>82,903</b>	<b>126,067</b>	<b>154,478</b>	<b>278,885</b>
<b>2 Expenses:</b>						
(a) Cost of materials consumed	15,268	10,601	17,585	25,869	31,628	53,370
(b) Purchase of stock-in-trade	2,349	647	687	2,996	3,065	8,642
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,407)	997	(643)	(410)	(4,111)	(1,371)
(d) Excise duty	38,691	31,406	53,717	70,097	100,839	172,038
(e) Employee benefits expense	1,439	1,258	1,526	2,697	3,249	6,100
(f) Depreciation, amortisation and impairment expense	653	743	659	1,396	1,490	2,825
(g) Others:						
(i) Advertisement and sales promotion	2,419	1,473	1,600	3,892	3,008	9,218
(ii) Other expenses	3,939	4,567	3,982	8,506	8,366	15,988
(h) Finance costs	262	43	210	305	435	1,039
<b>Total expenses</b>	<b>63,613</b>	<b>51,735</b>	<b>79,323</b>	<b>115,348</b>	<b>147,969</b>	<b>267,849</b>
<b>3 Profit before share of net profit in associates, exceptional items and tax (1-2)</b>	<b>4,153</b>	<b>6,566</b>	<b>3,580</b>	<b>10,719</b>	<b>6,509</b>	<b>11,036</b>
4 Share of net loss in associates	(4)	(5)	(5)	(9)	(8)	(14)
<b>5 Profit before exceptional items and tax (3+4)</b>	<b>4,149</b>	<b>6,561</b>	<b>3,575</b>	<b>10,710</b>	<b>6,501</b>	<b>11,022</b>
6 Exceptional items, net (Refer Note 5)	307	(171)	3,815	136	3,431	1,764
<b>7 Profit before tax (5 + 6)</b>	<b>4,456</b>	<b>6,390</b>	<b>7,390</b>	<b>10,846</b>	<b>9,932</b>	<b>12,786</b>
8 Income tax expense / (credit)						
(a) Current tax	975	1,221	1,251	2,196	1,766	2,814
(b) Current tax relating to earlier years	-	-	(11)	-	7	(1,159)
(c) Deferred tax charge / (credit)	88	402	673	490	71	(127)
<b>Total tax expense / (credit)</b>	<b>1,063</b>	<b>1,623</b>	<b>1,913</b>	<b>2,686</b>	<b>1,844</b>	<b>1,528</b>
<b>9 Profit for the period (7-8)</b>	<b>3,393</b>	<b>4,767</b>	<b>5,477</b>	<b>8,160</b>	<b>8,088</b>	<b>11,258</b>
10 Other Comprehensive Income						
A. Items that will be reclassified to profit or loss						
(i) Exchange differences on translation of foreign operations	3	(3)	(10)	0	(13)	(17)
B. Items that will not be reclassified to profit or loss						
(i) Remeasurements of post-employment benefit plans	(67)	-	-	(67)	-	(6)
(ii) Income tax credit / (charge) relating to above	17	-	-	17	-	1
<b>Total other comprehensive income, net of income tax</b>	<b>(47)</b>	<b>(3)</b>	<b>(10)</b>	<b>(50)</b>	<b>(13)</b>	<b>(22)</b>
<b>11 Total Comprehensive Income (9+10)</b>	<b>3,346</b>	<b>4,764</b>	<b>5,467</b>	<b>8,110</b>	<b>8,075</b>	<b>11,236</b>
12 Paid up Equity Share Capital (Face value of ₹ 2/- each)	1,455	1,455	1,453	1,455	1,453	1,455
13 Other Equity and Non controlling interest	-	-	-	-	-	58,540
<b>14(a) Profit/ (loss) attributable to:</b>						
Owners	3,393	4,767	5,531	8,160	8,193	11,363
Non-controlling interest	-	-	(54)	-	(105)	(105)
	<b>3,393</b>	<b>4,767</b>	<b>5,477</b>	<b>8,160</b>	<b>8,088</b>	<b>11,258</b>
<b>14(b) Other comprehensive income attributable to:</b>						
Owners	(47)	(3)	(10)	(50)	(13)	(22)
Non-controlling interest	-	-	-	-	-	-
	<b>(47)</b>	<b>(3)</b>	<b>(10)</b>	<b>(50)</b>	<b>(13)</b>	<b>(22)</b>
<b>14(c) Total comprehensive income attributable to: [14(a) + 14(b)]</b>						
Owners	3,346	4,764	5,521	8,110	8,180	11,341
Non controlling Interest	-	-	(54)	-	(105)	(105)
	<b>3,346</b>	<b>4,764</b>	<b>5,467</b>	<b>8,110</b>	<b>8,075</b>	<b>11,236</b>
<b>15 Earnings per share of ₹ 2/- each:</b>						
Basic and Diluted (in ₹)*	4.78	6.71	7.80	11.49	11.55	16.01

\* In calculating the weighted outstanding equity shares during all the periods presented under Consolidated Statement of results, Company has reduced its own shares held by USL Benefit Trust (of which the Company is the sole beneficiary).

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## Unaudited Consolidated Statement of assets and liabilities as at September 30, 2023

(₹ in Millions)

Particulars	As at	As at
	September 30, 2023	March 31, 2023
	Unaudited	Audited
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	9,863	9,783
Right-of-use assets	1,936	1,726
Capital work-in-progress	605	668
Goodwill	13	13
Other Intangible assets	3,576	3,567
Intangible assets under development	4	160
Investment property	246	253
Financial assets		
Investments in associate	441	301
Other financial assets	1,415	1,462
Deferred tax assets (net)	1,524	1,573
Current tax assets (net) (Non-current)	13,237	13,356
Other non-current assets	2,421	2,407
<b>Total non-current assets</b>	<b>35,281</b>	<b>35,269</b>
<b>Current assets</b>		
Inventories	25,391	22,300
Financial assets		
Investments	12,536	2,558
Trade receivables	26,523	24,340
Cash and cash equivalents	1,907	1,151
Bank balances other than cash and cash equivalents	4,710	7,682
Loans	140	163
Other financial assets	1,078	1,360
Other current assets	2,680	2,792
<b>Total current assets</b>	<b>74,965</b>	<b>62,346</b>
<b>Total assets</b>	<b>110,246</b>	<b>97,615</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	1,455	1,455
<b>Other equity</b>		
Reserves and surplus	66,650	58,540
<b>Equity attributable to the owners of the United Spirits Limited</b>	<b>68,105</b>	<b>59,995</b>
Non-controlling interests	-	-
<b>Total equity</b>	<b>68,105</b>	<b>59,995</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
Borrowings	-	3
Lease liabilities	1,057	800
Deferred tax liabilities	876	451
Provisions	151	123
<b>Total non-current liabilities</b>	<b>2,084</b>	<b>1,377</b>
<b>Current liabilities</b>		
Financial liabilities		
Borrowings	3	8
Lease liabilities	968	1,022
Trade payables		
(A) total outstanding dues of micro and small enterprises	534	503
(B) total outstanding dues of creditors other than micro and small	18,926	17,322
Other financial liabilities	2,449	2,846
Provisions	3,502	3,731
Current tax liabilities (net)	3,091	2,829
Other current liabilities	10,584	7,982
<b>Total current liabilities</b>	<b>40,057</b>	<b>36,243</b>
<b>Total liabilities</b>	<b>42,141</b>	<b>37,620</b>
<b>Total equity and liabilities</b>	<b>110,246</b>	<b>97,615</b>

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## Unaudited Consolidated Statement of Cash flows for the period ended September 30, 2023

(₹ in Millions)

Particulars	Six months ended	Six months ended
	September 30, 2023	September 30, 2022
Unaudited		
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	10,846	9,932
<b>Adjustments for</b>		
Depreciation, amortisation and impairment expense	1,396	1,490
Employee share-based payment expense	194	140
Loss allowance on trade receivables, other financial assets and other assets(net)	266	84
Exchange gain (net) on translation of assets and liabilities	23	(6)
Finance costs	305	435
Profit on redemption of mutual fund investments	(176)	(42)
Increase in fair value of mutual fund investments	(40)	(27)
Gain on disposal of property, plant and equipment and investment property	(76)	(193)
Interest income	(243)	(34)
Share of net loss in associate accounted for using equity method	9	8
Exceptional items- Profit on sale of business undertaking	-	(3,815)
Exceptional Items- Others	(136)	-
<b>Operating profit before changes in working capital</b>	<b>12,368</b>	<b>7,972</b>
(Increase) / decrease in trade receivables	(2,475)	17
(Increase) / decrease in other financials assets	373	(2,165)
(Increase) / decrease in other assets	(19)	(647)
(Increase) / decrease in inventories	(3,091)	(5,458)
Increase / (decrease) in trade payables	1,525	3,144
Increase / (decrease) in other financial liabilities	(609)	308
Increase / (decrease) in other liabilities	2,899	3,010
Increase / (decrease) in provisions	(519)	(715)
<b>Cash generated from operations</b>	<b>10,452</b>	<b>5,466</b>
Income taxes paid(net of refund)	(1,850)	(1,617)
<b>Net cash generated from operating activities (A)</b>	<b>8,602</b>	<b>3,849</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment and intangible assets	(628)	(797)
Proceeds from sale of property, plant and equipment and investment property	125	259
Proceeds from slump sale	-	8,180
Purchase of current Investments	(99,234)	(41,084)
Redemption of current Investment	92,444	38,338
Acquisition/ Additional investment in an associate	(150)	(315)
Loans given to others	-	(80)
Repayment of loans given to others	29	9
Interest received	317	14
<b>Net cash inflow / (outflow) from investing activities (B)</b>	<b>(7,097)</b>	<b>4,524</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Net repayment of working capital loans	-	(74)
Principal repayment on lease liabilities	(649)	(585)
Repayment of deferred sales tax liability	(8)	(16)
Interest paid on borrowings	-	(130)
Interest paid on lease liabilities	(91)	(80)
<b>Net cash outflow from financing activities (C)</b>	<b>(748)</b>	<b>(885)</b>
<b>Net increase / (decrease) in cash and cash equivalents [D = A+B+C]</b>	<b>757</b>	<b>7,488</b>
<b>Cash and cash equivalents as at the beginning of the year (E)</b>	<b>1,151</b>	<b>545</b>
Net increase / (decrease) in cash and cash equivalents	756	7,488
<b>Cash and cash equivalents as at the end of the year [D+E]</b>	<b>1,907</b>	<b>8,033</b>

# UNITED SPIRITS LIMITED

'UB Tower', # 24, Vittal Mallya Road, Bangalore - 560 001  
Tel +91 80 2221 0705 | CIN: L01551KA1999PLC024991 | www.diageoindia.com

**DIAGEO**  
INDIA

Unaudited Consolidated Segment wise Revenue, Results, Assets and Liabilities as of and for the quarter and six months ended on September 30, 2023

(₹ in Millions)

Particulars	Quarter ended			Half year ended		Year ended
	September 30,2023 (Unaudited)	June 30,2023 (Unaudited)	September 30,2022 (Unaudited)	September 30,2023 (Unaudited)	September 30,2022 (Unaudited)	March 31, 2023 (Audited)
<b>1 Segment Revenue</b>						
Beverage Alcohol	28,647	21,719	29,108	50,366	51,054	103,737
Sports	33	4,986	2	5,019	2,266	2,442
<b>Total Net Segment Revenue</b>	<b>28,680</b>	<b>26,705</b>	<b>29,110</b>	<b>55,385</b>	<b>53,320</b>	<b>106,179</b>
Inter segment elimination	(6)	(27)	-	(33)	(19)	(63)
<b>Net Segment Revenue</b>	<b>28,674</b>	<b>26,678</b>	<b>29,110</b>	<b>55,352</b>	<b>53,301</b>	<b>106,116</b>
Add: Excise duty (Beverage alcohol)	38,691	31,406	53,717	70,097	100,839	172,038
<b>Revenue from operations</b>	<b>67,365</b>	<b>58,084</b>	<b>82,827</b>	<b>125,449</b>	<b>154,140</b>	<b>278,154</b>
<b>2 Segment Results - Earning before interest, tax, depreciation and exceptional items (EBITDA)</b>						
Beverage Alcohol	4,701	3,850	4,413	8,551	7,107	14,230
Sports	(34)	3,285	(40)	3,251	989	(61)
<b>Total Segment results</b>	<b>4,667</b>	<b>7,135</b>	<b>4,373</b>	<b>11,802</b>	<b>8,096</b>	<b>14,169</b>
Other income	401	217	76	618	338	731
Depreciation, amortisation and impairment expense						
Beverage Alcohol	(653)	(650)	(659)	(1,303)	(1,410)	(2,745)
Sports	-	(93)	-	(93)	(80)	(80)
Finance costs	(262)	(43)	(210)	(305)	(435)	(1,039)
Exceptional items net gain/(loss) - Beverage Alcohol	307	(171)	3,815	136	3,431	1,764
Share of net (loss) in associate accounted for using equity method	(4)	(5)	(5)	(9)	(8)	(14)
<b>Profit before tax</b>	<b>4,456</b>	<b>6,390</b>	<b>7,390</b>	<b>10,846</b>	<b>9,932</b>	<b>12,786</b>
<b>3 Segment Assets</b>						
Beverage Alcohol	103,982	94,952	96,993	103,982	96,993	94,244
Sports	6,297	8,258	4,370	6,297	4,370	4,355
<b>Total segment assets</b>	<b>110,279</b>	<b>103,210</b>	<b>101,363</b>	<b>110,279</b>	<b>101,363</b>	<b>98,599</b>
Inter-Segment elimination	(33)	(59)	(157)	(33)	(157)	(984)
<b>Total Assets</b>	<b>110,246</b>	<b>103,151</b>	<b>101,206</b>	<b>110,246</b>	<b>101,206</b>	<b>97,615</b>
<b>4 Segment Liabilities</b>						
Beverage Alcohol	40,288	34,617	42,995	40,288	42,995	36,285
Sports	1,886	3,832	1,544	1,886	1,544	2,319
<b>Total segment liabilities</b>	<b>42,174</b>	<b>38,449</b>	<b>44,539</b>	<b>42,174</b>	<b>44,539</b>	<b>38,604</b>
Inter-Segment elimination	(33)	(59)	(157)	(33)	(157)	(984)
<b>Total liabilities</b>	<b>42,141</b>	<b>38,390</b>	<b>44,382</b>	<b>42,141</b>	<b>44,382</b>	<b>37,620</b>

\*Refer Note-1



## United Spirits Limited

### Notes to the Unaudited Standalone and Consolidated Statements of Financial Results for the quarter and six months ended September 30, 2023

1. United Spirits Limited ('the Company' or 'the Holding Company') is engaged in the business of manufacture (including through tie-up manufacturing units), purchase and sale of beverage alcohol (including franchising of some of its brands in certain states), and other allied spirits. In addition, Royal Challengers Sports Private Limited, a 100% subsidiary of the Company, has rights to operate sports franchise.

The Executive Committee of the Company has been identified as the Chief Operating Decision Maker (CODM). The CODM of the Company assesses performance and allocates resources for the business of the Group. Effective April 1, 2023, the Management has reassessed the composition of its segments. Accordingly, the operating segments have been changed from single operating segment to following operating segments:

- Beverage alcohol – Manufacture, purchase, franchise and sale of beverage alcohol and other allied spirits
- Sports-Rights to operate sports franchise

2. The consolidated financial results for the quarter and six months ended September 30, 2023 include the following subsidiaries and a trust controlled by the Company ('the Group'):

#### Indian subsidiaries:

- Royal Challengers Sports Private Limited

#### Overseas subsidiaries:

- Asian Opportunities and Investments Limited
- McDowell & Co. (Scotland) Limited
- Palmer Investment Group Limited
- Shaw Wallace Overseas Limited
- United Spirits (Great Britain) Limited
- United Spirits (UK) Limited
- USL Holdings Limited
- USL Holdings (UK) Limited

#### Trusts controlled by the Company:

- USL Benefit Trust

The consolidated results also include the Group's share of total comprehensive loss (comprising loss and other comprehensive income) of the following associate company:

- Nao Spirits & Beverages Private Limited (equity ownership interest of 11%)

3. These Standalone and Consolidated Statements of Financial Results have been prepared in accordance with the applicable Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 (the "Act") [Companies (Indian Accounting Standards) Rules, 2015 (as amended)] and other accounting principles generally accepted in India.

## United Spirits Limited

### Notes to the Standalone and Consolidated Statements of Financial Results for the quarter and six months ended September 30, 2023 – Contd.

#### 4. Historical Matters

##### (a) Additional Inquiry and other regulatory matters

As disclosed in each of the annual financial statements commencing from year ended March 31, 2014, upon completion in April 2015 of an inquiry into past improper transactions ('Initial Inquiry') which identified references to certain additional parties and certain additional matters, the then MD & CEO, pursuant to the direction of the Board of Directors, carried out an additional inquiry into past improper transactions ('Additional Inquiry') which was completed in July 2016. The Additional Inquiry prima facie identified transactions indicating actual and potential diversion of funds from the Company and its Indian and overseas subsidiaries to, in most cases, Indian and overseas entities that appeared to be affiliated or associated with the Company's former non-executive chairman, Dr. Vijay Mallya, and other potentially improper transactions. All amounts identified in the Additional Inquiry have been provided for or expensed in the financial statements of the Company or its subsidiaries in the respective prior periods. The Company has filed recovery suits against relevant parties and individuals identified pursuant to the Additional Inquiry. Additionally, the Company has also filed a suit for recovery of excess managerial remuneration amounting to ₹ 134 million paid to the former Executive Director and CFO (ED & CFO) for the year ended March 31, 2015. The receivable recorded for excess managerial remuneration has been fully provided for.

As disclosed in each of the annual financial statements commencing from the year ended March 31, 2014, in relation to the above-mentioned Initial Inquiry and Additional Inquiry and the matters arising out of the settlement agreement dated February 25, 2016 entered into by the Company with Dr. Vijay Mallya pursuant to which, inter alia, the Company and Dr. Vijay Mallya agreed a mutual release in relation to matters arising out of the Initial Inquiry ('Agreement'), the Company received letters and notices from the Securities Exchange Board of India ('SEBI') during the year ended March 31, 2016 to which the Company has responded. There has been no further communication with SEBI on these matters since the Company's response in October 2017.

As disclosed in each of the annual financial statements commencing from the year ended March 31, 2014, in connection with the investigations carried out by the Directorate of Enforcement ('ED') under the Foreign Exchange Management Act, 1999 and Prevention of Money Laundering Act, 2002, the Company received letters and notices from ED during the year ended March 31, 2016, to which the Company responded. During the year ended March 31, 2022, the Company received a notice from the ED requesting for information, which the Company has provided. The Company has also received queries from its authorized dealer banks, based on queries from the Reserve Bank of India ('RBI'), with regard to remittances made in the prior years by the Company to its overseas subsidiaries, past acquisitions and Annual Performance Reports ('APR') for prior years, to which the Company has responded.

As disclosed in each of the annual financial statements commencing from the year ended March 31, 2019, with the objective of divesting its non-core assets, the Company reviewed its subsidiaries' operations, obligations, and compliances, and recommended a plan for rationalisation through sale, liquidation or merger ("Rationalisation Process"). After receiving approval from the Board, the Company is taking steps to implement this plan and has liquidated three overseas subsidiaries, merged one overseas subsidiary into another, amalgamated one Indian subsidiary with the Company and sold three subsidiaries, one of which was overseas and the two others in India. The Rationalisation Process is subject to regulatory and other approvals (in India and overseas). If any historical non-compliances are established during the Rationalisation Process, the Company will consult with its legal advisors, and address any such issues including, if necessary, considering filing appropriate compounding applications with the relevant authorities. At this stage, it is not possible for the management to estimate the financial impact on the Company, if any, arising out of potential non-compliances with applicable laws, if established.

## United Spirits Limited

### Notes to the Standalone and Consolidated Statements of Financial Results for the quarter and six months ended September 30, 2023 – Contd.

#### **(b) Preparation of financial statements of subsidiaries on liquidation basis**

Consequent to the Rationalisation Process, the financial information of the following subsidiaries included in the consolidated financial results have been prepared on a liquidation basis (i.e. “break up” basis) i.e. (i) USL Holdings Limited, (ii) USL Holdings (UK) Limited, (iii) United Spirits (UK) Limited, (iv) United Spirits (Great Britain) Limited, (v) McDowell & Co. (Scotland) Limited, (vi) Shaw Wallace Overseas Limited and (vii) Asian Opportunities and Investments Limited. Accordingly, assets and liabilities of such subsidiaries have been recognized at their fair values that approximate their carrying values as at September 30, 2023. Such remeasurement did not have any material impact on the consolidated financial results.

#### **(c) Loan to United Breweries (Holdings) Limited ('UBHL')**

As disclosed in each of the annual financial statements commencing from year ended March 31, 2015, the Company had pre-existing loans/ deposits/ advances/ accrued interest that were due to the Company and its subsidiaries from UBHL and its subsidiaries aggregating to ₹ 13,374 million and that were consolidated into, and recorded as, an unsecured loan through an agreement entered into between the Company and UBHL on July 3, 2013 ('Loan Agreement'). UBHL defaulted on its obligations to pay any amounts under the Loan Agreement. The Company has made provision in prior financial years for the entire principal amount due of ₹ 13,374 million, and for the accrued interest of ₹ 846 million up to March 31, 2014. The Company has not recognised interest income on said loan after March 31, 2014 which cumulatively amounts to ₹ 11,661 million up to September 30, 2023. The Company has cumulatively offset ₹ 2,062 million payable to UBHL arising under a trademark license agreement against the principal amount of loan and interest accrued thereon.

Since UBHL had defaulted on its obligations under the Loan Agreement, the Company sought redressal of disputes and claims through arbitration under the terms of the Loan Agreement. In April 2018, the arbitral tribunal passed a final award against the Company. The reasons for this adverse award were disputed by the Company, and the Company obtained leave from the High Court of Karnataka to challenge this arbitral award. In July 2018, the Company filed a petition challenging the said award before the Jurisdictional Court in Bangalore (the “Court”). The Court issued notice pursuant thereto to the Official Liquidator (OL). The Company filed its claim with the OL. Notwithstanding the arbitral award, based on management assessment supported by an external legal opinion, the Company has offset payable to UBHL under the trademark license agreement against the balance of loan receivable from UBHL. During the quarter ended June 30, 2023, the OL filed an application before the High Court of Karnataka, seeking avoidance of setoff by the Company of the above license fee payments and recovery of the entire license fee payable under trademark license agreement with interest. Based on the Management assessment supported by external legal opinions, the Company continues to believe that it has a good case on merits. The Company is contesting the application filed by the OL and has filed its statement of objections during the quarter ended September 30, 2023.

#### **(d) Dispute with IDBI Bank Limited**

As disclosed in each of the annual financial statements commencing from year ended March 31, 2015, during the year ended March 31, 2014, the Company prepaid a term loan taken from IDBI Bank Limited (the “bank”) in earlier years which was secured by certain property, plant and equipment and brands of the Company as well as by a pledge of certain shares of the Company held by the USL Benefit Trust (of which the Company is the sole beneficiary). The bank disputed the prepayment, following which the Company filed a writ petition (“WP”) in November 2013 before the Hon'ble High Court of Karnataka ('High Court') challenging the actions of the bank.

## United Spirits Limited

### Notes to the Standalone and Consolidated Statements of Financial Results for the quarter and six months ended September 30, 2023 – Contd.

In February 2016, following the original maturity date of the loan, the Company received a notice from the bank seeking to recall the loan and demanding a sum of ₹ 459 million on account of outstanding principal, accrued interest and other amounts as also further interest till the settlement date as per the security documents. The Company challenged this notice in the pending writ proceedings during which the High Court directed that, subject to the Company depositing ₹ 459 million with the bank in a suspense account, the bank should not deal with any of the secured assets including the shares until disposal of the writ petition. The Company deposited the full amount, and the bank was restrained from dealing with any of the secured assets.

In June 2019, a single judge bench of the High Court dismissed the Company's writ petition, amongst other reasons, on the basis that the matter involved an issue of breach of contract by the Company and was therefore not maintainable in exercise of the court's writ jurisdiction. The Company filed an appeal against this order before a division bench of the High Court, which was admitted and interim protection on the secured assets was reinstated. The writ appeal is pending.

Based on management assessment supported by external legal opinions, the Company continues to believe that it has a strong case on merits and therefore continues to believe that the aforesaid amount of ₹ 459 million remains recoverable from the bank.

In a separate proceeding before the Debt Recovery Tribunal (DRT), Bengaluru, initiated by a consortium of banks (including the bank) for recovery of loans advanced by the consortium of banks to Kingfisher Airlines Limited (KAL), the bank filed an application for attachment of the pledged shares belonging to USL Benefit Trust. DRT dismissed the said application of the bank and the bank filed an appeal against this order before the Debt Recovery Appellate Tribunal ('DRAT'), Chennai in September 2017. The bank's appeal is pending for final hearing by the DRAT.

#### 5. Exceptional items

S. No.	Description	Quarter ended September 30, 2023 Income / (Expense)		Half year ended September 30, 2023 Income / (Expense)	
		Standalone	Consolidated	Standalone	Consolidated
1.	Gain on sale of Business Undertaking (*)	307	307	307	307
2.	Supply restructuring cost (**)	-	-	(171)	(171)
	<b>Total</b>	<b>307</b>	<b>307</b>	<b>136</b>	<b>136</b>

\* During the quarter ended September 30, 2022, the Company sold a business undertaking comprising certain brands in its popular segment. During the quarter ended September 30, 2023, the Company has satisfied last of the post-closure conditions for sale of the undertaking and has consequently recognised the unrecognised gain on sale amounting to ₹ 307 million and has presented it as an exceptional item.

\*\* Pursuant to an approved multi-year supply chain agility programme announced during the year ended March 31, 2023, the Company has recognised a provision of ₹ 171 million as severance cost for a closed unit during the quarter ended June 30, 2023.

#### 6. Investment in Nao Spirits:

Board of Directors on January 24, 2023 approved additional investment of ₹ 150 million in Nao Spirits & Beverages Private Limited ("Nao Spirits") subject to the fulfillment of the conditions specified in the Share Subscription and Shareholders Agreement ("SSHA"). During the current quarter, the Company has invested ₹ 150 Million, based on a valuation, in Nao Spirits by subscribing to 6,078 Compulsory Convertible Preference Shares.

## United Spirits Limited

### Notes to the Standalone and Consolidated Statements of Financial Results for the quarter and six months ended September 30, 2023 – Contd.

7. The Company completed slump sale of the entire business undertaking associated with 32 brands in the popular segment to Inbrew Beverages Private Limited (“Inbrew”) on September 30, 2022. Accordingly, the previous year figures are not comparable to that extent.
8. Pioneer Distilleries Limited was amalgamated with the Company with an effective date of November 04, 2022. The amalgamation was accounted for in the Standalone Financial Results in accordance with the pooling of interest method as specified in Appendix C to Ind AS 103, *Business combinations of entities under common control* by restating the comparative balances for the prior periods. Accordingly, the comparative amounts for the quarter and six months ended September 30, 2022 have been restated in the ‘Unaudited Standalone Statement of Financial Results for the quarter and six months period ended September 30, 2023’ and ‘Unaudited Standalone Statement of Cash flows for the period ended September 30, 2023’.
9. The Company was operating a defined benefit provident fund plan through its own Trust for all permanent employees. During the quarter ended September 30, 2023, the Company has transferred its Provident fund obligation from the Trust to Employee Provident Fund Organization (EPFO) after necessary approval from EPFO. Prior to the transfer, the Company has determined the amount of the obligation through an actuarial valuation. The impact of the settlement of the provident fund obligation has been recognised in the standalone and consolidated financial results during the quarter.
10. The Board of Directors of the Company at its meeting held on November 8, 2023, have approved the interim dividend of ₹4 per equity share (200% on face value of ₹2/- per equity share) for the FY 2023-24.
11. The Statement of Standalone and Consolidated Financial Results for the quarter and six months ended September 30, 2023, have been reviewed by the Audit Committee of the Company and approved by the Board of Directors of the Company at their meetings held on November 8, 2023.

For and on behalf of the Board of Directors

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MAJUMDER** Digitally signed by  
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**HINA  
NAGARAJAN**

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NAGARAJAN  
Date: 2023.11.08 14:14:50 +05'30'

**Place: Bangalore  
Date: November 8, 2023**

**Hina Nagarajan  
Managing Director and Chief Executive Officer**

# Price Waterhouse & Co Chartered Accountants LLP

## Review Report

To  
The Board of Directors  
United Spirits Limited  
UB Tower  
#24 Vittal Mallya Road  
Bengaluru 560 001

1. We have reviewed the consolidated unaudited financial results of United Spirits Limited (the "Holding Company"), its subsidiaries and trust controlled by it (together referred to as "the Group"), and its associate company (refer Note 2 to the Unaudited Consolidated Financial Results) for the quarter and six months ended September 30, 2023 which are included in the accompanying 'Unaudited Consolidated Statement of Financial Results for the quarter and six months ended September 30, 2023', 'the Unaudited Consolidated Statement of Assets and Liabilities as at September 30, 2023', and the 'Unaudited Consolidated Statement of Cash Flows for the period ended September 30, 2023' together with the notes thereon (the "Consolidated Financial Results"). The Consolidated Financial Results is being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations, 2015") which has been digitally signed by us for identification purposes.
2. This Consolidated Financial Results, which is the responsibility of the Holding Company's Management and has been approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Consolidated Financial Results based on our review.
3. We conducted our review of the Consolidated Financial Results in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Consolidated Financial Results is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

Price Waterhouse & Co Chartered Accountants LLP, 5th Floor, Tower 'D', The Millenia, 1 & 2 Murphy Road, Ulsoor  
Bengaluru - 560 008  
T: +91 (80) 4079 5000, F: +91 (80) 4079 5222

Registered office and Head office: Plot No. 56 & 57, Block DN, Sector-V, Salt Lake, Kolkata - 700 091

Price Waterhouse & Co, (a Partnership Firm) converted into Price Waterhouse & Co Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-4362) with effect from July 7, 2014. Post its conversion to Price Waterhouse & Co Chartered Accountants LLP, its ICAI registration number is 304026E/E300009 (ICAI registration number before conversion was 304026E)

## Price Waterhouse & Co Chartered Accountants LLP

5. The Consolidated Financial Results includes the financial information of the following entities:

### **Indian Subsidiaries**

- Royal Challengers Sports Private Limited

### **Overseas subsidiaries**

- Asian Opportunities and Investments Limited
- McDowell & Co. (Scotland) Limited
- Palmer Investment Group Limited
- Shaw Wallace Overseas Limited
- United Spirits (Great Britain) Limited
- United Spirits (UK) Limited
- USL Holdings Limited
- USL Holdings (UK) Limited

### **Trust controlled by the Holding Company**

- USL Benefit Trust

The Consolidated Financial Results also includes the Group's share of total comprehensive loss (comprising loss for the period and other comprehensive income) of the following associate Company:

- Nao Spirits & Beverages Private Limited

6. Based on our review conducted and procedures performed as stated in paragraphs 3 and 4 above, nothing has come to our attention that causes us to believe that the accompanying Consolidated Financial Results has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.
7. We draw your attention to the following matters:
- a. As explained in Note 4(a) to the Consolidated Financial Results which explains the uncertainties post completion of the Initial Inquiry, which identified references to certain Additional Parties and certain Additional Matters, the then MD and CEO of the Holding Company, pursuant to the direction of the Board of Directors of the Holding Company, had carried out an Additional Inquiry that revealed transactions indicating actual and potential diversion of funds from the Holding Company and its Indian and overseas subsidiaries to, in most cases, Indian and overseas entities that appear to be affiliated or associated with the Holding Company's erstwhile non-executive Chairman and other potentially improper transactions. Post completion of Additional Inquiry certain regulatory notices and communications were received from Securities and Exchange Board of India, Directorate of Enforcement and Authorised Dealer banks to which the Holding Company has responded. Subsequently, the Holding Company commenced the rationalisation process for divestment/ liquidation/ merger of certain overseas subsidiaries including step down subsidiaries and completion of the above rationalisation process is subject to regulatory approvals in India and overseas.

## Price Waterhouse & Co Chartered Accountants LLP

The Holding Company has filed suits for recovery of certain amounts against relevant parties and individuals identified in the Additional Inquiry, including excess managerial remuneration paid to the former Executive Director and CFO which have been fully provided for or recognised as expense in prior years. The management is currently unable to estimate the financial impact on the Holding Company, if any, arising out of potential non compliances with applicable laws as above.

- b. As explained in Note 4(d) to the Consolidated Financial Results, which describes the uncertainty relating to the final outcome of litigations with a bank (“the bank”) that continues to retain the pledge of certain assets of the Holding Company and of the Holding Company’s shares held by USL Benefit Trust (of which the Holding Company is the sole beneficiary) despite the Holding Company prepaying the term loan to that bank along with the prepayment penalty and further depositing an additional sum of INR 459 million demanded by the bank and as directed by the High Court of Karnataka (the “Court”). Based on management assessment supported by external legal opinions, the Holding Company has disclosed the aforesaid amount of INR 459 million under Other Non-current financial assets as recoverable from the bank pending the final outcome of the litigation. In a separate proceeding before the Debt Recovery Appellate Tribunal, the bank’s appeal against the judgement awarded by Debt Recovery Tribunal in favour of the Holding Company in respect of attachment of the aforesaid pledged shares for recovery of the loans advanced by the bank to Kingfisher Airlines Limited is pending disposal.
8. The Consolidated Financial Results includes the financial information of 8 subsidiaries and a trust controlled by the Group which have not been reviewed by their auditors, whose financial information reflect total assets of INR 251 million and net assets of INR 240 million as at September 30, 2023, total revenue of Nil and Nil, total net loss after tax of INR 2 million and INR 5 million and total comprehensive loss of INR 2 million and INR 5 million for the quarter ended and six months September 30, 2023, respectively, and cash outflows (net) of INR 11 million for the six months ended September 30, 2023 as considered in the Consolidated Financial Results. The Consolidated Financial Results also includes the Group’s share of net loss after tax of INR 4 million and INR 9 million and total comprehensive loss of INR 4 million and INR 9 million for the quarter and six months ended September 30, 2023, respectively, as considered in the Consolidated Financial Results, in respect of an associate company, based on its financial information which have not been reviewed by their auditors. According to the information and explanations given to us by the Management, these financial information are not material to the Group.

Our conclusion on the Consolidated Financial Results is not modified in respect of the above matters described in paragraphs 7 and 8 above.

For Price Waterhouse & Co Chartered Accountants LLP  
Firm Registration Number: 304026E/ E300009  
Chartered Accountants

**DIBYENDU** Digitally signed by  
DIBYENDU MAJUMDER  
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Dibyendu Majumder  
Partner  
Membership Number: 057687  
UDIN: 23057687BGGVCN1631

Place: Bengaluru  
Date: November 8, 2023



# Price Waterhouse & Co Chartered Accountants LLP

## Review Report

To  
The Board of Directors  
United Spirits Limited  
UB Tower  
#24 Vittal Mallya Road  
Bengaluru 560 001.

1. We have reviewed the unaudited financial results of United Spirits Limited (the "Company") for the quarter and six months ended September 30, 2023 which are included in the accompanying 'Unaudited Standalone Statement of Financial Results for the quarter and six months ended September 30, 2023', the 'Unaudited Standalone Statement of Assets and Liabilities as at September 30, 2023' and the 'Unaudited Standalone Statement of Cash Flows for the period ended September 30, 2023' together with the notes thereon (the "Standalone Financial Results"). The Standalone Financial Results has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations, 2015"), which has been digitally signed by us for identification purposes.
2. This Standalone Financial Results, which is the responsibility of the Company's Management and has been approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Standalone Financial Results based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Standalone Financial Results has not been prepared in all material respects in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

Price Waterhouse & Co Chartered Accountants LLP, 5th Floor, Tower 'D', The Millenia, 1 & 2 Murphy Road, Ulsoor  
Bengaluru - 560 008  
T: +91 (80) 4079 5000, F: +91 (80) 4079 5222

Registered office and Head office: Plot No. 56 & 57, Block DN, Sector-V, Salt Lake, Kolkata - 700 091

Price Waterhouse & Co. (a Partnership Firm) converted into Price Waterhouse & Co Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-4362) with effect from July 7, 2014. Post its conversion to Price Waterhouse & Co Chartered Accountants LLP, its ICAI registration number is 304026E/E300009 (ICAI registration number before conversion was 304026E)

# Price Waterhouse & Co Chartered Accountants LLP

5. We draw your attention to the following matters:

- a. As explained in Note 4(a) to the Standalone Financial Results which explains the uncertainties post completion of the Initial Inquiry, which identified references to certain Additional Parties and certain Additional matters, the then MD and CEO, pursuant to the direction of the Board of Directors, had carried out an Additional Inquiry that revealed transactions indicating actual and potential diversion of funds from the Company and its Indian and overseas subsidiaries to, in most cases, Indian and overseas entities that appear to be affiliated or associated with the Company's erstwhile non-executive Chairman and other potentially improper transactions. Post completion of Additional Inquiry, certain regulatory notices and communications were received from Securities and Exchange Board of India, Directorate of Enforcement and Authorised Dealer ('AD') banks to which the Company has responded. Subsequently, the Company commenced the rationalisation process for divestment/ liquidation/ merger of certain overseas subsidiaries including step down subsidiaries and completion of the above rationalisation process is subject to regulatory approvals in India and overseas. The Company has filed suits for recovery of certain amounts against relevant parties and individuals identified in the Additional Inquiry, including excess managerial remuneration paid to the former Executive Director and CFO which have been fully provided for or recognised as expense in prior years. The management is currently unable to estimate the financial impact on the Company, if any, arising out of potential non compliances with applicable laws as above.
- b. As explained in Note 4(d) to the Standalone Financial Results, which describes the uncertainty relating to the final outcome of litigations with a bank ("the bank") that continues to retain the pledge of certain assets of the Company and of the Company's shares held by USL Benefit Trust (of which the Company is the sole beneficiary) despite the Company prepaying the term loan to that bank along with the prepayment penalty and further depositing an additional sum of INR 459 million demanded by the bank and as directed by the Hon'ble High Court of Karnataka (the "Court"). Based on management assessment supported by external legal opinions, the Company has disclosed the aforesaid amount of INR 459 million under Other Non-current financial assets as recoverable from the bank pending the final outcome of the litigation. In a separate proceeding before the Debt Recovery Appellate Tribunal, the bank's appeal against the judgement awarded by Debt Recovery Tribunal in favour of the Company in respect of attachment of the aforesaid pledged shares for recovery of the loans advanced by the bank to Kingfisher Airlines Limited is pending disposal.

Our conclusion is not modified in respect of the above matters.

For Price Waterhouse & Co Chartered Accountants LLP  
Firm Registration Number: 304026E/ E300009  
Chartered Accountants

**DIBYENDU** Digitally signed by  
DIBYENDU MAJUMDER  
**MAJUMDER** Date: 2023.11.08  
15:03:29 +05'30'

Dibyendu Majumder  
Partner  
Membership Number: 057687  
UDIN: 23057687BGVGCM9994

Place: Bengaluru  
Date: November 8, 2023