


UNITED BREWERIES LIMITED

Registered office: UB Tower, UB City, 24, Vittal Mallya Road, Bengaluru - 560001
 Phone: 080 - 45655000 Fax: 080 - 22211964, 22229488
 CIN: L36999KA1999PLC025195 Email: ubinvestor@ubmail.com Website: www.unitedbreweries.com

Rs. in Lakhs

Statement of audited standalone financial results for the quarter and year ended March 31, 2022					
Particulars	Quarter ended			Year ended	
	March 31, 2022	December 31, 2021	March 31, 2021	March 31, 2022	March 31, 2021
	Audited*	Unaudited	Audited*	Audited	Audited
1 INCOME					
(a) Revenue from operations (gross of excise duty) (refer Note 6)	3,66,240	3,50,992	3,61,693	13,11,741	10,18,340
(b) Other income	1,298	604	1,157	2,966	5,020
Total income	3,67,538	3,51,596	3,62,850	13,14,707	10,23,360
2 EXPENSES					
(a) Cost of materials consumed	83,894	73,047	74,222	2,71,394	1,97,256
(b) Purchase of stock-in-trade	4,847	5,157	2,167	19,582	7,371
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,151)	891	(2,284)	2,289	(995)
(d) Excise duty on sale of goods	1,95,554	1,92,906	2,07,345	7,28,548	5,94,267
(e) Employee benefits expense (refer Note 7)	12,513	14,670	13,321	51,936	48,229
(f) Finance costs	250	369	422	1,478	2,267
(g) Depreciation and amortisation expense	5,318	5,294	6,227	21,691	23,185
(h) Other expenses (refer Note 6)	44,550	46,964	40,794	1,68,500	1,34,262
Total expenses	3,45,775	3,39,298	3,42,214	12,65,418	10,05,842
3 Profit before exceptional items and tax	21,763	12,298	20,636	49,289	17,518
4 Exceptional items (refer Note 8)	-	-	(6,222)	-	(722)
5 Profit before tax	21,763	12,298	14,414	49,289	16,796
6 Tax expense (refer Note 8)					
(a) Current tax	5,151	3,407	5,040	13,159	6,733
(b) Deferred tax charge/(credit)	316	(165)	(302)	(371)	(1,222)
Total tax expense	5,467	3,242	4,738	12,788	5,511
7 Profit for the period/year	16,296	9,056	9,676	36,501	11,285
8 Other comprehensive (loss)/income (OCI)					
Items that will not be reclassified to profit or loss in subsequent periods					
Re-measurement (losses)/gains on defined benefit plans	(122)	(135)	927	80	1,991
Income tax effect on above	31	34	(233)	(20)	(501)
Total other comprehensive (loss)/income, net of taxes	(91)	(101)	694	60	1,490
9 Total comprehensive income for the period/year	16,205	8,955	10,370	36,561	12,775
10 Paid up equity share capital (Face value of Re. 1 each)	2,644	2,644	2,644	2,644	2,644
11 Other equity				3,90,557	3,55,318
12 Earnings per equity share in Rs. (nominal value per share Re. 1)**					
(a) Basic	6.17	3.42	3.66	13.81	4.27
(b) Diluted	6.17	3.42	3.66	13.81	4.27

**Not annualised for interim periods

Segment information (also refer Note 3)

Rs. in Lakhs

Particulars	Quarter ended			Year ended	
	March 31, 2022	December 31, 2021	March 31, 2021	March 31, 2022	March 31, 2021
	Audited*	Unaudited	Audited*	Audited	Audited
1 Segment revenue					
Beer	3,65,639	3,50,187	3,60,768	13,08,753	10,15,449
Non-alcoholic beverages	601	805	925	2,988	2,891
Total segment revenue	3,66,240	3,50,992	3,61,693	13,11,741	10,18,340
2 Segment results					
Beer	30,275	22,969	30,947	83,938	50,114
Non-alcoholic beverages	(1,528)	(2,431)	(1,148)	(6,510)	(3,841)
Total segment results	28,747	20,538	29,799	77,428	46,273
Other income	1,298	604	1,157	2,966	5,020
Finance costs	(250)	(369)	(422)	(1,478)	(2,267)
Other unallocable expenses	(8,032)	(8,475)	(9,898)	(29,627)	(31,508)
Profit before exceptional items and tax	21,763	12,298	20,636	49,289	17,518
Exceptional items (refer Note 8)	-	-	(6,222)	-	(722)
Profit before tax	21,763	12,298	14,414	49,289	16,796

*Refer Note 13

See accompanying notes to the standalone financial results

**UNITED BREWERIES LIMITED**

Registered office: UB Tower, UB City, 24, Vittal Mallya Road, Bengaluru - 560001

Phone: 080 - 45655000 Fax: 080 - 22211964, 22229488

CIN: L36999KA1999PLC025195 Email: ubinvestor@ubmail.com Website: www.unitedbreweries.com

Rs. in Lakhs

Statement of audited standalone assets and liabilities

Particulars	As at	As at
	March 31, 2022	March 31, 2021
	Audited	Audited
ASSETS		
Non-current assets		
(a) Property, plant and equipment	1,88,838	1,92,106
(b) Capital work-in-progress	10,989	12,799
(c) Intangible assets	1,638	2,098
(d) Financial assets		
(i) Investments	1,600	1,371
(ii) Other financial assets	4,417	4,260
(e) Income tax assets (net)	20,195	20,396
(f) Deferred tax asset (net)	3,843	3,492
(g) Other non-current assets	25,012	15,792
	2,56,532	2,52,314
Current assets		
(a) Inventories	93,441	1,13,529
(b) Financial assets		
(i) Trade receivables	1,25,450	1,39,482
(ii) Cash and cash equivalents	86,238	40,940
(iii) Bank balances other than (ii) above	4,536	5,865
(iv) Other financial assets	115	84
(c) Other current assets	27,271	31,751
	3,37,051	3,31,651
(d) Assets held for sale	488	488
	3,37,539	3,32,139
Total assets	5,94,071	5,84,453
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	2,644	2,644
(b) Other equity	3,90,557	3,55,318
	3,93,201	3,57,962
Liabilities		
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	-	10,750
(ia) Lease liabilities	606	774
(ii) Other financial liabilities	2,497	1,109
(b) Provisions	441	160
	3,544	12,793
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	-	14,267
(ii) Lease liabilities	368	406
(iii) Trade payables		
- Total outstanding dues to micro and small enterprises	9,144	6,332
- Total outstanding dues of creditors other than micro and small enterprises	54,625	56,572
(iv) Other financial liabilities	55,719	52,315
(b) Other current liabilities	67,256	74,706
(c) Provisions	10,214	9,100
	1,97,326	2,13,698
Total equity and liabilities	5,94,071	5,84,453



UNITED BREWERIES LIMITED

Registered office: UB Tower, UB City, 24, Vittal Mallya Road, Bengaluru - 560001
 Phone: 080 - 45655000 Fax: 080 - 22211964, 22229488
 CIN: L36999KA1999PLC025195 Email: ublinvestor@ubmail.com Website: www.unitedbreweries.com

Rs. in Lakhs

Audited standalone cash flow statement for the year ended March 31, 2022

Particulars	Year ended	
	March 31, 2022	March 31, 2021
	Audited	Audited
A Cash flow from operating activities		
Profit before tax	49,289	16,796
<u>Adjustments for:</u>		
Depreciation and amortisation expense	21,691	23,185
Bad debts/advances written off	301	28
Loss allowance for trade receivables	1,720	479
Provision for doubtful advances/deposits	620	966
Unrealised exchange differences (net)	48	(33)
Net (gain) on sale of property, plant and equipment	(11)	(4)
Profit on sale of investments	(54)	-
Liabilities no longer required written back	(479)	(205)
Loss allowance for trade receivables, no longer required written back	(217)	(3,380)
Impairment loss on property, plant and equipment (included under exceptional items)	-	4,446
Impairment loss on investment in subsidiary company (included under exceptional items)	-	1,776
(Gain) on sale of property, plant and equipment (included under exceptional items)	-	(5,500)
Interest expense	1,464	2,244
Interest income	(1,499)	(434)
Dividend income	(23)	(23)
Operating profits before working capital changes	72,850	40,341
Movement in working capital:		
(Increase)/decrease in Inventories	20,088	(4,300)
(Increase)/decrease in Trade receivables	12,188	(1,614)
(Increase)/decrease in Other financial assets	(77)	862
(Increase)/decrease in Other assets	(4,510)	9,247
Increase/(decrease) in Trade payables	1,689	7,540
Increase/(decrease) in Other financial liabilities	6,612	4,782
Increase/(decrease) in Other current liabilities and provisions	(5,975)	13,243
Cash generated from operations	1,02,865	70,101
Direct taxes paid (net of refund)	(12,958)	(8,184)
Net cash flow from operating activities (A)	89,907	61,917
B Cash flow from investing activities		
Purchase of property, plant and equipment including capital work-in-progress, intangible assets and capital advances	(17,333)	(19,986)
Proceeds from sale of property, plant and equipment	79	5,091
Investments in equity and debt securities	(300)	(579)
Proceeds from sale of investments	125	-
Investments in bank deposits (having original maturity of more than three months)	(150)	(47)
Redemption/maturity of bank deposits (having original maturity of more than three months)	122	9
Interest received	1,468	430
Dividend received from subsidiary company	23	23
Net cash (used in) investing activities (B)	(15,966)	(15,059)
C Cash flow from financing activities		
Proceeds from long-term borrowings	-	25,000
Repayment of long-term borrowings	(25,000)	(7,543)
Payment of lease liabilities	(492)	(853)
(Repayment of)/proceeds from short-term borrowings (net)	(17)	(15,998)
Interest paid	(1,812)	(2,813)
Dividend paid to equity shareholders*	(1,322)	(6,610)
Net cash (used in) financing activities (C)	(28,643)	(8,817)
Net increase in cash and cash equivalents (A+B+C)	45,298	38,041
Cash and cash equivalents at the beginning of the year	40,940	2,899
Cash and cash equivalents at the end of the year	86,238	40,940

*Includes amount transferred to separate bank accounts earmarked for unpaid dividend

NOTES

1. The standalone financial results of United Breweries Limited (“the Company”) for the quarter and year ended March 31, 2022 have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on April 25, 2022 and April 26, 2022, respectively, and have been audited by the statutory auditors of the Company.
2. The standalone financial results have been prepared in accordance with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
3. As per Ind AS 108, operating segment is a component of the Company that engages in business activities, whose operating results are regularly reviewed by the Company’s Chief Operating Decision Maker (‘CODM’) to make decisions about resources to be allocated to the segment and assess its performance; and for which discrete financial information is available. Accordingly, the Company has identified its operating segments, as below:
 - (a) Beer - This segment includes manufacture, purchase and sale of beer including licensing of brands
 - (b) Non-alcoholic beverages - This segment includes manufacture, purchase and sale of non-alcoholic beverages

Considering the seasonality of the business, the revenue and profits do not accrue evenly over the year in respect of aforesaid operating segments. The Company’s CODM does not review assets and liabilities for each operating segment separately, hence segment disclosures relating to total assets and liabilities have not been furnished.

4. The Company received an order dated September 24, 2021 under Section 27 of the Competition Act, 2002 from the Competition Commission of India (“CCI”) (‘the CCI Order’), wherein the CCI concluded that the Company and certain executives (including former executives) of the Company contravened the provisions of Section 3 of the Competition Act, 2002. The CCI levied a penalty of Rs. 75,183 Lakhs on the Company. On December 8, 2021, the Company filed an appeal against the aforesaid CCI Order before the National Company Law Appellate Tribunal (‘NCLAT’). The NCLAT vide its order dated December 22, 2021 granted a stay of the CCI Order during the pendency of the appeal, including recovery of the penalty imposed by the CCI, subject to deposit of 10% of the penalty amount by the Company. The Company has accordingly deposited Rs. 7,518 Lakhs with the Registrar, NCLAT.

Based on the advice of the external legal experts, the Company is of the view that the Director General and the CCI has not considered all aspects of its submissions particularly considering the nature of the regulations governing the manufacture, distribution and sale of beer in India. As advised by the Company’s external legal experts, the Company has a strong case on merits, there exists uncertainty relating to the final outcome in this matter, which is dependent on judicial proceedings; and that it is not in a position to reliably estimate the final obligation relating to penalties, if any. Accordingly, no provision has been recorded in the books of account and the same has been considered as a contingent liability in accordance with Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets.

5. The Bihar State Government (“the Government”) vide its notification dated April 5, 2016 had imposed ban on trade and consumption of alcoholic beverages in the State of Bihar. The Company had filed a writ petition with the High Court at Patna, requesting remedies and compensation for losses incurred on account of such abrupt notification, against which the Government preferred a special leave petition before the Supreme Court of India. Further, the Government did not renew brewery licenses for the financial year 2017-18 onwards and consequently the Company discontinued production of beer at Bihar. The matter is currently pending before the Supreme Court for final conclusion.

During the financial year 2018-19, in order to maintain the assets in running condition, the Company commenced manufacture of non-alcoholic beverages at its existing manufacturing facility at Bihar using its existing property, plant and equipment. The Company carried out an impairment assessment of its property, plant and equipment at Bihar and the recoverable amount for these property, plant and equipment was determined by an external valuer based on a fair value less cost of disposal calculation, considering uncertainty in the alcoholic beverages and the change in plan for use of these assets and accordingly, an impairment loss of Rs. 4,446 Lakhs was recognized during the year ended March 31, 2021. As at March 31, 2022, the carrying value of property, plant and equipment at Bihar is Rs. 10,031 Lakhs (net of impairment) and no further impairment is considered necessary by the management based on annual impairment assessment.

6. Revenue from operations for the quarters ended March 31, 2022, December 31, 2021 and March 31, 2021 is adjusted for reversals in variable consideration of Rs. 897 Lakhs, Rs. 499 Lakhs and Rs. 515 Lakhs, respectively, and that for the years ended March 31, 2022 and March 31, 2021 is adjusted for reversal of Rs. 753 Lakhs and Rs. 1,528 Lakhs, respectively (excluding the amounts accrued and reversed within the said year).

Sales promotion expense and selling and distribution expense (included under other expenses) for the quarters ended March 31, 2022 and March 31, 2021 is net of reversal of Rs. 1,528 Lakhs and Rs. 516 Lakhs, respectively, and that for the years ended March 31, 2022 and March 31, 2021 is net of reversal of Rs. 967 Lakhs and Rs. 331 Lakhs, respectively (excluding the amounts accrued and reversed within the said year).

7. Employee benefits expense for the quarter ended December 31, 2021 and the year ended March 31, 2022 includes severance pay of Rs. 1,748 Lakhs paid to certain employees of the Company on separation.

8. Exceptional items presented in the standalone financial results comprise of the following:

	Rs. in Lakhs	
	Quarter ended March 31, 2021	Year ended March 31, 2021
Impairment (loss) on property, plant and equipment (see note 5 above)	(4,446)	(4,446)
Impairment (loss) on investment in subsidiary company (see note (a) below)	(1,776)	(1,776)
Gain on transfer of rights and interest in a leasehold land (see note (b) below)	-	5,500
Total exceptional items before tax	(6,222)	(722)
Less: Tax (credit)/expense on exceptional items	(1,119)	145
Net	(5,103)	(867)

- (a) As at March 31, 2021, the Company carried out impairment assessment of its investment in a subsidiary company with carrying value of Rs. 2,541 Lakhs. The recoverable amount for this investment was determined by an external valuer to be Rs. 765 Lakhs based on a fair value less cost of disposal calculation and accordingly an impairment loss of Rs. 1,776 Lakhs was recognized during the quarter and year ended March 31, 2021.

- (b) The Company executed a deed for assignment cum transfer of its rights and interest in a leasehold land property and accordingly a profit of Rs. 5,500 Lakhs realised on such transfer was recognized during the year ended March 31, 2021.

9. The Company had received orders from the Debt Recovery Tribunal, Karnataka, Bangalore (DRT), whereby the Company has been directed not to pay/release amounts that may be payable with respect to shares in the Company held by an erstwhile director (including his joint holdings) and certain other shareholders, without its prior permission; accordingly, the Company has withheld payment of Rs. 2,099 Lakhs (net of taxes) relating to dividend on aforesaid shares. Further, the Company had received various orders from tax and provident fund authorities prohibiting the Company from making any payment to an erstwhile director; accordingly the Company has withheld payment of Rs. 45 Lakhs (net of TDS) relating to director commission and sitting fees payable to the aforesaid erstwhile director.
10. The Board of Directors of the Company has proposed dividend of Rs.10.50 per equity share of Re. 1 each amounting to Rs. 27,763 Lakhs for the year ended March 31, 2022. The proposed dividend on equity shares is subject to approval at the ensuing annual general meeting and accordingly has not been recognised as a liability as at the year end.
11. The Code on Social Security, 2020 (the "Code") relating to employee benefits during employment and post-employment benefits, received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect is yet to be notified and the final rules/interpretation are yet to be issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact accordingly.
12. The Company has assessed the impact of Coronavirus (COVID-19) pandemic on its business operations and has considered all relevant internal and external information available upto the date of approval of these standalone financial results in determining the recoverability and carrying values of property, plant and equipment, right-of-use assets, intangible assets, investments, trade and other receivables, inventories and other financial statement captions. The impact of COVID-19 pandemic on the overall economic environment being uncertain may affect the underlying assumptions / estimates used in preparation of these standalone financial results, whereby actual outcome may differ from those assumptions / estimates considered at the date of approval of these standalone financial results. The Company will continue to closely monitor the situation and any material changes to future economic conditions.
13. The figures of the last quarter ended March 31, 2022 / 2021 are the balancing figures between audited figures in respect of the full financial year up to March 31, 2022 / 2021 and the unaudited published year-to-date figures up to December 31, 2021 / 2020, being the date of the end of the third quarter of the respective financial year, which were subjected to limited review.
14. The comparative figures have been regrouped / reclassified, where necessary, to conform to current quarter's / year's classification.
15. The standalone financial results and notes are also available on the websites of the Stock Exchanges viz. www.bseindia.com and www.nseindia.com and also on the website of the Company viz. www.unitedbreweries.com.

By the authority of the Board



Rishi Pardal
Managing Director

Place : Bengaluru
Date : April 26, 2022

Aditya Vikram
Bhauwala

Digitally signed by Aditya Vikram
Bhauwala
DN: cn=Aditya Vikram Bhauwala,
c=IN, o=Personal,
email=aditya.bhauwala@srb.in
Date: 2022.04.26 19:12:42 +05'30'


UNITED BREWERIES LIMITED

Registered office: UB Tower, UB City, 24, Vittal Mallya Road, Bengaluru - 560001

Phone: 080 - 45655000 Fax: 080 - 22211964, 22229488

CIN: L36999KA1999PLC025195 Email: ubinvestor@ubmail.com Website: www.unitedbreweries.com

Rs. in Lakhs

Statement of audited consolidated financial results for the quarter and year ended March 31, 2022

Particulars	Quarter ended			Year ended	
	March 31, 2022	December 31, 2021	March 31, 2021	March 31, 2022	March 31, 2021
	Audited*	Unaudited	Audited*	Audited	Audited
1 INCOME					
(a) Revenue from operations (gross of excise duty) (refer Note 6)	3,66,471	3,51,185	3,61,809	13,12,392	10,18,576
(b) Other income	1,305	613	1,166	2,979	5,025
Total income	3,67,776	3,51,798	3,62,975	13,15,371	10,23,601
2 EXPENSES					
(a) Cost of materials consumed	83,661	72,877	73,941	2,70,729	1,96,516
(b) Purchase of stock-in-trade	4,847	5,157	2,167	19,582	7,371
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,139)	877	(2,279)	2,301	(950)
(d) Excise duty on sale of goods	1,95,554	1,92,906	2,07,345	7,28,548	5,94,267
(e) Employee benefits expense (refer Note 7)	12,619	14,766	13,431	52,312	48,549
(f) Finance costs	250	369	422	1,478	2,267
(g) Depreciation and amortisation expense	5,324	5,303	6,231	21,719	23,201
(h) Other expenses (refer Note 6)	44,782	47,185	40,974	1,69,258	1,34,717
Total expenses	3,45,898	3,39,440	3,42,232	12,65,927	10,05,938
3 Profit before exceptional items and tax	21,878	12,358	20,743	49,444	17,663
4 Exceptional items (refer Note 8)	-	-	(6,222)	-	(722)
5 Profit before tax	21,878	12,358	14,521	49,444	16,941
6 Tax expense (refer Note 8)					
(a) Current tax	5,181	3,420	5,072	13,203	6,779
(b) Deferred tax charge/(credit)	319	(164)	(304)	(367)	(1,221)
Total tax expense	5,500	3,256	4,768	12,836	5,558
7 Profit for the period/year	16,378	9,102	9,753	36,608	11,383
8 Other comprehensive (loss)/income (OCI)					
Items that will not be reclassified to profit or loss in subsequent periods					
Re-measurement (losses)/gains on defined benefit plans	(122)	(135)	927	80	1,991
Income tax effect on above	31	34	(233)	(20)	(501)
Total other comprehensive (loss)/income, net of taxes	(91)	(101)	694	60	1,490
9 Total comprehensive income for the period/year	16,287	9,001	10,447	36,668	12,873
10 Profit/(loss) for the period/year attributable to:					
Equity shareholders of the Holding Company	16,340	9,079	9,714	36,546	11,322
Non-controlling interest	38	23	39	62	61
	16,378	9,102	9,753	36,608	11,383
11 Other comprehensive (loss)/income (OCI) attributable to:					
Equity shareholders of the Holding Company	(91)	(101)	694	60	1,490
Non-controlling interest	-	-	-	-	-
	(91)	(101)	694	60	1,490
12 Total comprehensive income for the period/year attributable to:					
Equity shareholders of the Holding Company	16,249	8,978	10,408	36,606	12,812
Non-controlling interest	38	23	39	62	61
	16,287	9,001	10,447	36,668	12,873
13 Paid up equity share capital (Face value of Re. 1 each)	2,644	2,644	2,644	2,644	2,644
14 Other equity				3,90,868	3,55,584
15 Earnings per equity share in Rs. (nominal value per share Re. 1)**					
(a) Basic	6.18	3.43	3.67	13.82	4.28
(b) Diluted	6.18	3.43	3.67	13.82	4.28

**Not annualised for interim periods

Segment information (also refer Note 3)

Rs. in Lakhs

Particulars	Quarter ended			Year ended	
	March 31, 2022	December 31, 2021	March 31, 2021	March 31, 2022	March 31, 2021
	Audited*	Unaudited	Audited*	Audited	Audited
1 Segment revenue					
Beer	3,65,870	3,50,380	3,60,884	13,09,404	10,15,685
Non-alcoholic beverages	601	805	925	2,988	2,891
Total segment revenue	3,66,471	3,51,185	3,61,809	13,12,392	10,18,576
2 Segment results					
Beer	30,383	23,020	31,045	84,080	50,254
Non-alcoholic beverages	(1,528)	(2,431)	(1,148)	(6,510)	(3,841)
Total segment results	28,855	20,589	29,897	77,570	46,413
Other income	1,305	613	1,166	2,979	5,025
Finance costs	(250)	(369)	(422)	(1,478)	(2,267)
Other unallocable expenses	(8,032)	(8,475)	(9,898)	(29,627)	(31,508)
Profit before exceptional items and tax	21,878	12,358	20,743	49,444	17,663
Exceptional items (refer Note 8)	-	-	(6,222)	-	(722)
Profit before tax	21,878	12,358	14,521	49,444	16,941

*Refer Note 13

See accompanying notes to the consolidated financial results



UNITED BREWERIES LIMITED

Registered office: UB Tower, UB City, 24, Vittal Mallya Road, Bengaluru - 560001

Phone: 080 - 45655000 Fax: 080 - 22211964, 22229488

CIN: L36999KA1999PLC025195 Email: ublinvestor@ubmail.com Website: www.unitedbreweries.com

Rs. in Lakhs

Statement of audited consolidated assets and liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
	Audited	Audited
ASSETS		
Non-current assets		
(a) Property, plant and equipment	1,89,008	1,92,203
(b) Capital work-in-progress	10,989	12,879
(c) Intangible assets	1,638	2,098
(d) Goodwill on consolidation	645	645
(e) Financial assets		
(i) Investments	835	606
(ii) Other financial assets	4,816	4,711
(f) Income tax assets (net)	20,199	20,395
(g) Deferred tax asset (net)	3,844	3,497
(h) Other non-current assets	25,044	15,826
	2,57,018	2,52,860
Current assets		
(a) Inventories	93,581	1,13,668
(b) Financial assets		
(i) Trade receivables	1,25,486	1,39,499
(ii) Cash and cash equivalents	86,260	40,970
(iii) Bank balances other than (ii) above	4,708	5,958
(iv) Other financial assets	115	84
(c) Other current assets	27,275	31,689
	3,37,425	3,31,868
(d) Assets held for sale	488	488
	3,37,913	3,32,356
Total assets	5,94,931	5,85,216
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	2,644	2,644
(b) Other equity	3,90,868	3,55,584
Equity attributable to equity holders of parent company	3,93,512	3,58,228
Non-controlling interest	414	375
	3,93,926	3,58,603
Liabilities		
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	-	10,750
(ia) Lease liabilities	606	774
(ii) Other financial liabilities	2,497	1,109
(b) Provisions	441	160
	3,544	12,793
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	-	14,267
(ia) Lease liabilities	368	406
(ii) Trade payables		
- Total outstanding dues to micro and small enterprises	9,158	6,344
- Total outstanding dues of creditors other than micro and small enterprises	54,642	56,603
(iii) Other financial liabilities	55,810	52,382
(b) Other current liabilities	67,261	74,710
(c) Provisions	10,222	9,108
	1,97,461	2,13,820
Total equity and liabilities	5,94,931	5,85,216

**UNITED BREWERIES LIMITED**

Registered office: UB Tower, UB City, 24, Vittal Mallya Road, Bengaluru - 560001
 Phone: 080 - 45655000 Fax: 080 - 22211964, 22229488
 CIN: L36999KA1999PLC025195 Email: ublinvestor@ubmail.com Website: www.unitedbreweries.com

Rs. in Lakhs

Audited consolidated cash flow statement for the year ended March 31, 2022

Particulars	Year ended	
	March 31, 2022	March 31, 2021
	Audited	Audited
A Cash flow from operating activities		
Profit before tax	49,444	16,941
<u>Adjustments for:</u>		
Depreciation and amortisation expense	21,719	23,201
Bad debts/advances written off	301	28
Loss allowance for trade receivables	1,720	479
Provision for doubtful advances/deposits	620	966
Unrealised exchange differences (net)	48	(33)
Net (gain) on sale of property, plant and equipment	(8)	(4)
Profit on sale of investments	(54)	-
Liabilities no longer required written back	(479)	(205)
Loss allowance for trade receivables, no longer required written back	(217)	(3,380)
Impairment loss on property, plant and equipment (included under exceptional items)	-	4,446
Impairment loss on goodwill (included under exceptional items)	-	1,776
(Gain) on sale of property, plant and equipment (included under exceptional items)	-	(5,500)
Interest expense	1,464	2,244
Interest income	(1,528)	(462)
Operating profits before working capital changes	73,030	40,497
Movement in working capital:		
(Increase)/decrease in Inventories	20,087	(4,275)
(Increase)/decrease in Trade receivables	12,169	(1,570)
(Increase)/decrease in Other financial assets	(76)	862
(Increase)/decrease in Other assets	(4,574)	9,198
Increase/(decrease) in Trade payables	1,676	7,546
Increase/(decrease) in Other financial liabilities	6,631	4,756
Increase/(decrease) in Other current liabilities and provisions	(5,974)	13,242
Cash generated from operations	1,02,969	70,256
Direct taxes paid (net of refund)	(13,007)	(8,228)
Net cash flow from operating activities (A)	89,962	62,028
B Cash flow from investing activities		
Purchase of property, plant and equipment including capital work-in-progress, intangible assets and capital advances	(17,355)	(20,066)
Proceeds from sale of property, plant and equipment	77	5,091
Investments in equity and debt securities	(300)	(579)
Proceeds from sale of equity and debt securities	125	-
Investments in bank deposits (having original maturity of more than three months)	(173)	(394)
Redemption/maturity of bank deposits (having original maturity of more than three months)	122	335
Interest received	1,497	458
Net cash (used in) investing activities (B)	(16,007)	(15,155)
C Cash flow from financing activities		
Proceeds from long-term borrowings	-	25,000
Repayment of long-term borrowings	(25,000)	(7,543)
Payment of lease liabilities	(492)	(853)
(Repayment of)/proceeds from short-term borrowings (net)	(17)	(15,998)
Interest paid	(1,812)	(2,813)
Dividend paid*	(1,344)	(6,632)
Net cash (used in) financing activities (C)	(28,665)	(8,839)
Net increase in cash and cash equivalents (A+B+C)	45,290	38,034
Cash and cash equivalents at the beginning of the year	40,970	2,936
Cash and cash equivalents at the end of the year	86,260	40,970

*Includes amount transferred to separate bank accounts earmarked for unpaid dividend and also includes dividend paid for non-controlling interest

NOTES

1. The consolidated financial results of United Breweries Limited (“the Holding Company”) and its subsidiary (together referred to as “the Group”) and its associate for the quarter and year ended March 31, 2022 have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on April 25, 2022 and April 26, 2022, respectively, and have been audited by the statutory auditors of the Holding Company. The consolidated financial results does not include the Holding Company’s share of net profit/loss in respect of Kingfisher East Bengal Football Team Private Limited, an associate, which is considered as not material to the Group.
2. The consolidated financial results have been prepared in accordance with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
3. As per Ind AS 108, operating segment is a component of the Group that engages in business activities, whose operating results are regularly reviewed by the Group’s Chief Operating Decision Maker (‘CODM’) to make decisions about resources to be allocated to the segment and assess its performance; and for which discrete financial information is available. Accordingly, the Group has identified its operating segments, as below:
 - (a) Beer - This segment includes manufacture, purchase and sale of beer including licensing of brands
 - (b) Non-alcoholic beverages - This segment includes manufacture, purchase and sale of non-alcoholic beverages

Considering the seasonality of the business, the revenue and profits do not accrue evenly over the year in respect of aforesaid operating segments. The Group’s CODM does not review assets and liabilities for each operating segment separately, hence segment disclosures relating to total assets and liabilities have not been furnished.

4. The Holding Company received an order dated September 24, 2021 under Section 27 of the Competition Act, 2002 from the Competition Commission of India (“CCI”) (“the CCI Order”), wherein the CCI concluded that the Holding Company and certain executives (including former executives) of the Holding Company contravened the provisions of Section 3 of the Competition Act, 2002. The CCI levied a penalty of Rs 75,183 Lakhs on the Holding Company. On December 8, 2021, the Holding Company filed an appeal against the aforesaid CCI Order before the National Company Law Appellate Tribunal (‘NCLAT’). The NCLAT vide its order dated December 22, 2021 granted a stay of the CCI Order during the pendency of the appeal, including recovery of the penalty imposed by the CCI, subject to deposit of 10% of the penalty amount by the Holding Company. The Holding Company has accordingly deposited Rs. 7,518 Lakhs with the Registrar, NCLAT.

Based on the advice of the external legal experts, the Holding Company is of the view that the Director General and the CCI has not considered all aspects of its submissions particularly considering the nature of the regulations governing the manufacture, distribution and sale of beer in India. As advised by the Holding Company’s external legal experts, the Holding Company has a strong case on merits, there exists uncertainty relating to the final outcome in this matter, which is dependent on judicial proceedings; and that it is not in a position to reliably estimate the final obligation relating to penalties, if any. Accordingly, no provision has been recorded in the books of account and the same has been considered as a contingent liability in accordance with Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets.

5. The Bihar State Government (“the Government”) vide its notification dated April 5, 2016 had imposed ban on trade and consumption of alcoholic beverages in the State of Bihar. The Holding Company had filed a writ petition with the High Court at Patna, requesting remedies and compensation for losses incurred on account of such abrupt notification, against which the Government preferred a special leave petition before the Supreme Court of India. Further, the Government did not renew brewery licenses for the financial year 2017-18 onwards and consequently the Holding Company discontinued production of beer at Bihar. The matter is currently pending before the Supreme Court for final conclusion.

During the financial year 2018-19, in order to maintain the assets in running condition, the Holding Company commenced manufacture of non-alcoholic beverages at its existing manufacturing facility at Bihar using its existing property, plant and equipment. The Holding Company carried out an impairment assessment of its property, plant and equipment at Bihar and the recoverable amount for these property, plant and equipment was determined by an external valuer based on a fair value less cost of disposal calculation, considering uncertainty in the alcoholic beverages and the change in plan for use of these assets and accordingly, an impairment loss of Rs. 4,446 Lakhs was recognized during the year ended March 31, 2021. As at March 31, 2022, the carrying value of property, plant and equipment at Bihar is Rs. 10,031 Lakhs (net of impairment) and no further impairment is considered necessary by the management based on annual impairment assessment.

6. Revenue from operations for the quarters ended March 31, 2022, December 31, 2021 and March 31, 2021 is adjusted for reversals in variable consideration of Rs. 897 Lakhs, Rs. 499 Lakhs and Rs. 515 Lakhs, respectively, and that for the years ended March 31, 2022 and March 31, 2021 is adjusted for reversal of Rs. 753 Lakhs and Rs. 1,528 Lakhs, respectively (excluding the amounts accrued and reversed within the said year).

Sales promotion expense and selling and distribution expense (included under other expenses) for the quarters ended March 31, 2022 and March 31, 2021 is net of reversal of Rs. 1,528 Lakhs and Rs. 516 Lakhs, respectively, and that for the years ended March 31, 2022 and March 31, 2021 is net of reversal of Rs. 967 Lakhs and Rs. 331 Lakhs, respectively (excluding the amounts accrued and reversed within the said year).

7. Employee benefits expense for the quarter ended December 31, 2021 and the year ended March 31, 2022 includes severance pay of Rs. 1,748 Lakhs paid to certain employees of the Holding Company on separation.

8. Exceptional items presented in the consolidated financial results comprise of the following:

	Rs. in Lakhs	
	Quarter ended March 31, 2021	Year ended March 31, 2021
Impairment (loss) on property, plant and equipment (see note 5 above)	(4,446)	(4,446)
Impairment (loss) on goodwill (see note (a) below)	(1,776)	(1,776)
Gain on transfer of rights and interest in a leasehold land (see note (b) below)	-	5,500
Total exceptional items before tax	(6,222)	(722)
Less: Tax (credit)/expense on exceptional items	(1,119)	145
Net	(5,103)	(867)

- (a) As at March 31, 2021, the Holding Company carried out impairment assessment of goodwill with carrying value of Rs. 2,421 Lakhs arising from consolidation of a subsidiary company. The recoverable amount of the underlying assets of the subsidiary company was determined by an external valuer to be Rs. 645 Lakhs based on a fair value less cost of disposal calculation and accordingly an impairment loss of Rs. 1,776 Lakhs was recognized in respect of goodwill attributed to such subsidiary company during the quarter and year ended March 31, 2021.

- (b) The Holding Company executed a deed for assignment cum transfer of its rights and interest in a leasehold land property and accordingly a profit of Rs. 5,500 Lakhs realised on such transfer was recognized during the year ended March 31, 2021.

9. The Holding Company had received orders from the Debt Recovery Tribunal, Karnataka, Bangalore (DRT), whereby the Holding Company has been directed not to pay/release amounts that may be payable with respect to shares in the Holding Company held by an erstwhile director (including his joint holdings) and certain other shareholders, without its prior permission; accordingly, the Holding Company has withheld payment of Rs. 2,099 Lakhs (net of taxes) relating to dividend on aforesaid shares. Further, the Holding Company had received various orders from tax and provident fund authorities prohibiting the Holding Company from making any payment to an erstwhile director; accordingly the Holding Company has withheld payment of Rs. 45 Lakhs (net of TDS), relating to director commission and sitting fees payable to the aforesaid erstwhile director.
10. The Board of Directors of the Holding Company has proposed dividend of Rs.10.50 per equity share of Re. 1 each amounting to Rs. 27,763 Lakhs for the year ended March 31, 2022. The proposed dividend on equity shares is subject to approval at the ensuing annual general meeting and accordingly has not been recognised as a liability as at the year end.
11. The Code on Social Security, 2020 (the "Code") relating to employee benefits during employment and post-employment benefits, received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect is yet to be notified and the final rules/interpretation are yet to be issued. The Group will assess the impact of the Code when it comes into effect and will record any related impact accordingly.
12. The Group has assessed the impact of Coronavirus (COVID-19) pandemic on its business operations and has considered all relevant internal and external information available upto the date of approval of these consolidated financial results in determining the recoverability and carrying values of property, plant and equipment, right-of-use assets, intangible assets (including goodwill), trade and other receivables, inventories and other financial statement captions. The impact of COVID-19 pandemic on the overall economic environment being uncertain may affect the underlying assumptions / estimates used in preparation of these consolidated financial results, whereby actual outcome may differ from those assumptions / estimates considered at the date of approval of these consolidated financial results. The Group will continue to closely monitor the situation and any material changes to future economic conditions.
13. The figures of the last quarter ended March 31, 2022 / 2021 are the balancing figures between audited figures in respect of the full financial year up to March 31, 2022 / 2021 and the unaudited published year-to-date figures up to December 31, 2021 / 2020, being the date of the end of the third quarter of the respective financial year, which were subjected to limited review.
14. The comparative figures have been regrouped / reclassified, where necessary, to conform to current quarter's / year's classification.
15. The consolidated financial results and notes are also available on the websites of the Stock Exchanges viz. www.bseindia.com and www.nseindia.com and also on the website of the Holding Company viz. www.unitedbreweries.com.

By the authority of the Board



Rishi Pardal
Managing Director

Place : Bengaluru
Date : April 26, 2022

Aditya Vikram
Bhauwala

Digitally signed by Aditya Vikram
Bhauwala
DN: cn=Aditya Vikram Bhauwala,
c=IN, o=Personal,
email=aditya.bhauwala@srb.in
Date: 2022.04.26 19:14:29 +05'30'