



UNITED BREWERIES LIMITED

August 13, 2019

1. Department of Corporate Services,
BSE Limited,
Floor 25, P J Towers,
Dalal Street,
Mumbai - 400 001
2. National Stock Exchange of India Limited,
Exchange Plaza,
Bandra Kurla Complex,
Bandra (E),
Mumbai - 400 051

Dear Sirs,

Sub: Outcome of Board Meeting - Unaudited Financial Results for the Quarter ended June 30, 2019

In terms of Regulation 30 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, we are furnishing herewith Unaudited Financial Results of the Company for the quarter ended June 30, 2019.

Time of commencement of Board Meeting: 15.00 Hours

Time of conclusion of Board Meeting: 18.30 Hours

The Results will be published in an English Daily and also in a local Newspaper in Kannada, being the regional language where the Registered Office of the Company is situated.

A copy of the Press Release is enclosed.

Thanking you, we remain,

Yours faithfully,

For UNITED BREWERIES LIMITED,

GOVIND IYENGAR
Senior Vice President - Legal &
Company Secretary

Encl: a/a


UNITED BREWERIES LIMITED

Registered office: UB Tower, UB City, 24, Vittal Mallya Road, Bengaluru - 560001
 Phone: 080 - 39855000, 22272806/07 Fax: 080 - 22211964, 22229488
 CIN: L36999KA1999PLC025195 Email: ubinvestor@ubmail.com Website: www.unitedbreweries.com

Rs. in Lakhs

Statement of unaudited standalone results for the quarter ended June 30, 2019				
Particulars	Quarter ended			Year ended
	June 30, 2019	March 31, 2019	June 30, 2018	March 31, 2019
	Unaudited	Audited*	Unaudited	Audited
1 INCOME				
(a) Revenue from operations (gross of excise duty) (refer Note 10)	470,720	345,868	415,790	1,413,682
(b) Other income	316	1,062	1,528	3,170
Total income from operations	471,036	346,930	417,318	1,416,852
2 EXPENSES				
(a) Cost of materials consumed	97,555	78,629	88,915	292,714
(b) Purchase of stock-in-trade	4,742	4,764	3,132	16,477
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(582)	(2,756)	(6,409)	(7,447)
(d) Excise duty on sale of goods	265,867	182,928	229,199	766,439
(e) Employee benefits expense	12,310	12,352	10,682	44,386
(f) Finance costs	768	1,178	922	3,120
(g) Depreciation and amortisation expense	6,921	6,390	6,371	25,978
(h) Other expenses	57,934	52,828	50,230	187,337
Total expenses	445,515	336,313	383,042	1,329,004
3 Profit before tax	25,521	10,617	34,276	87,848
4 Tax expense				
(a) Current tax	9,858	3,264	12,514	32,234
(b) Deferred tax charge/(credit)	(791)	561	(430)	(664)
Total tax expense	9,067	3,825	12,084	31,570
5 Profit for the period/year	16,454	6,792	22,192	56,278
6 Other comprehensive income (OCI)				
(a) Items that will not be reclassified to profit or loss in subsequent periods				
Re-measurement (losses)/gains on defined benefit plans	(43)	(48)	113	(293)
Income tax effect on above	15	16	(39)	102
(b) Items that will be reclassified to profit or loss in subsequent periods				
Net movement in cash flow hedges	-	229	25	261
Income tax effect on above	-	(74)	(9)	(85)
Total other comprehensive income, net of taxes	(28)	123	90	(15)
7 Total comprehensive income	16,426	6,915	22,282	56,263
8 Paid up equity share capital (Face value of Re.1 each)	2,644	2,644	2,644	2,644
9 Other equity				315,545
10 Earnings per equity share in Rs. (nominal value per share Re.1)**				
(a) Basic	6.22	2.57	8.39	21.29
(b) Diluted	6.22	2.57	8.39	21.29

**Not annualised for quarters

Segment information (also refer Note 3)

Particulars	Rs. in Lakhs			
	Quarter ended			Year ended
	June 30, 2019	March 31, 2019	June 30, 2018	March 31, 2019
	Unaudited	Audited*	Unaudited	Audited
1 Segment revenue				
Beer	470,170	345,366	415,790	1,412,874
Non-alcoholic beverages	550	502	-	808
Total revenue	470,720	345,868	415,790	1,413,682
2 Segment results				
Beer	35,211	19,795	33,670	106,545
Non-alcoholic beverages	(2,019)	(827)	-	(2,298)
Total segment results	33,192	18,968	33,670	104,247
Other income	316	1,062	1,528	3,170
Finance costs	(768)	(1,178)	(922)	(3,120)
Other unallocable expenses	(7,219)	(8,235)	-	(16,449)
Profit before tax	25,521	10,617	34,276	87,848

*Refer Note 12

See accompanying notes to the standalone financial results

NOTES

1. The standalone financial results for the quarter ended June 30, 2019 of United Breweries Limited ("the Company") have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on August 13, 2019, and have been subjected to limited review 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 Indian Accounting Standard 34 (Ind AS 34), "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013, read with Rule 3 of 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 and SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019.
 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. Effective April 1, 2019, the Company has adopted Ind AS 116 on Leases which replaces Ind AS 17 on Leases, including appendices thereto. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The Company has used the modified retrospective approach for transition to Ind AS 116 and consequently comparatives for previous period / year have not been restated. This has resulted in recognition of right-of-use assets and corresponding lease liabilities of Rs. 2,060 Lakhs as at April 1, 2019. Right-of-use assets are depreciated over the lower of useful life of the asset or the lease term and interest on lease liabilities is recognized under finance costs. The net impact of adopting this standard on the financial results and earnings per share is not material.
 5. On October 10, 2018, certain officials from the Competition Commission of India ("CCI") had visited the Company for their investigation in relation to allegations of price-fixation and performed search of the premises and conducted inquiries with certain officials of the Company at its registered office. Pursuant to this, the Company has made requisite filings and also certain officials of the Company have appeared before the aforesaid authorities. The Company has not received any demand order in respect of this matter and the investigation is ongoing, hence it is not practicable to state an estimate of its financial effect, if any. Management, along-with its legal advisors, are in the continuous process of evaluating this matter and believe that there are mitigating circumstances to counter presumptions made against the Company by the CCI as contained in the Competition Act, 2002.



6. The Supreme Court of India in a judgment on Provident Fund dated February 28, 2019 addressed the principle for determining salary components that form part of Basic Salary for individuals below a prescribed salary threshold. The Company determined that they had not previously included such components in Basic Salary for such individuals. It is however unclear as to whether the clarified definition of Basic Salary would be applicable prospectively or retrospectively. The Company has made a provision on a prospective basis from the date of the Supreme Court order and is in the process of obtaining clarity on the judgment as well as determining the impact of any retrospective adjustment, if applicable.
7. The Bihar State Government ("the Government") vide its notification dated April 5, 2016 had imposed ban on trade and consumption of foreign liquor 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 and all its inventories lying with Bihar State Beverages Corporation Limited (BSBCL) were drained / destroyed. The matter is currently pending before the Supreme Court for final conclusion.

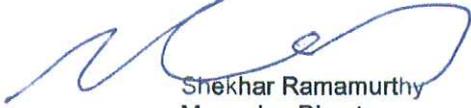
The financial impact on current assets arising from aforesaid matter was fully provided for. Also, during the financial year 2018-19, the Company commenced manufacture of non-alcoholic beverages at its existing manufacturing facility at Bihar using its existing property, plant and equipment at Bihar which has carrying value of Rs.19,100 Lakhs as at June 30, 2019. Management believes that the carrying amount of these property, plant and equipment do not exceed their recoverable amount and accordingly no provision has been considered necessary by the management in this regard.
8. The Company received emails from certain persons raising allegations in relation to the Company's export business including the services of an export management service provider. The Company's preliminary view is that the transactions have been undertaken as per approved policies and there is no financial impact on the Company. However, management is conducting a detailed investigation in this matter which is currently in progress and would take necessary action.
9. During the year ended March 31, 2019, the Company had received e-mails / letter whereby allegations were raised against an employee of the Company relating to his involvement in certain irregularities in the procurement of packing materials from certain select vendors. Based on an initial inquiry on this matter, the service of the said employee was terminated. The Company is conducting a detailed investigation on this matter which is currently in progress. Management is of the view that although the actual financial impact, if any, which may arise from this matter can be ascertained only after completion of the investigation, the amount involved is not expected to be material, considering the profitability of the Company.
10. Revenue from operations for the quarters ended June 30, 2019, March 31, 2019 and June 30, 2018 is adjusted for reversals in variable considerations of Rs. 789 Lakhs, Rs. 1,806 Lakhs and Rs. 1,382 Lakhs, respectively, and that for the year ended March 31, 2019 is adjusted for such reversals of Rs. 2,091 Lakhs (excluding the amounts accrued and reversed within the said year).
11. The Company had received an order dated September 30, 2015 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 United Breweries (Holdings) Limited, without its prior permission. Accordingly, the Company has withheld payment of Rs. 918 Lakhs (net of payment of Rs. 784 Lakhs to the official liquidator of United Breweries (Holdings) Limited) relating to dividend on aforesaid shares. The Company would also withhold payment of proposed dividend for year ended March 31, 2019 on aforesaid shares, which is subject to approval by the shareholders at the ensuing annual general meeting.



Further, the Company had received various orders from tax and provident fund authorities prohibiting the Company from making any payment to an erstwhile director of the Company. The Company has accordingly withheld payment of Rs. 45 Lakhs (net of TDS), relating to director commission and sitting fees payable to the aforesaid erstwhile director.

12. The figures of the last quarter ended March 31, 2019 are the balancing figures between audited figures in respect of the full financial year up to March 31, 2019 and the unaudited published year-to-date figures up to December 31, 2018 being the date of the end of the third quarter of the financial year which were subjected to limited review.
13. 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



Shekhar Ramamurthy
Managing Director

Place : Mumbai
Date : August 13, 2019



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

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"UB City" Canberra Block
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Independent Auditor's Review Report on the Quarterly Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Review Report to
The Board of Directors
United Breweries Limited

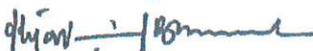
1. We have reviewed the accompanying statement of unaudited standalone financial results of United Breweries Limited (the "Company") for the quarter ended June 30, 2019 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Regulation") as amended, read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 ("the Circular").
2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, read with the Circular is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement 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 is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and 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 accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of the Regulation, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to below mentioned notes to the accompanying unaudited standalone financial results:
 - (a) Note 5 which more fully describes the uncertainty relating to the future outcome of ongoing investigation by the Competition Commission of India ("CCI"); and
 - (b) Note 7 which more fully describes the uncertainty relating to the outcome of special leave petition filed by the Bihar State Government before the Honourable Supreme Court of India and the consequential impact thereof.

Our conclusion is not modified in respect of aforesaid matters.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004



per Aditya Vikram Bhauwala
Partner

Membership No.: 208382

Unique Document Identification Number (UDIN): 19208382 AAAAAA51907



Place : Mumbai

Date : August 13, 2019


UNITED BREWERIES LIMITED

Registered office: UB Tower, UB City, 24, Vittal Mallya Road, Bengaluru - 560001
 Phone: 080 - 39855000, 22272806/07 Fax: 080 - 22211964, 2229488
 CIN: L36999KA1999PLC025195 Email: ubinvestor@ubmail.com Website: www.unitedbreweries.com

Rs. in Lakhs

Statement of unaudited consolidated results for the quarter ended June 30, 2019

Particulars	Quarter ended			Year ended
	June 30, 2019	March 31, 2019	June 30, 2018	March 31, 2019
	Unaudited*	Unaudited*	Unaudited*	Audited
1 INCOME				
(a) Revenue from operations (gross of excise duty) (refer Note 10)	470,842	345,973	415,860	1,413,982
(b) Other income	325	1,076	1,557	3,201
Total income from operations	471,167	347,049	417,417	1,417,183
2 EXPENSES				
(a) Cost of materials consumed	97,293	78,343	88,651	291,731
(b) Purchase of stock-in-trade	4,742	4,764	3,132	16,477
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(569)	(2,720)	(6,409)	(7,442)
(d) Excise duty on sale of goods	265,867	182,928	229,199	766,439
(e) Employee benefits expense	12,433	12,448	10,805	44,843
(f) Finance costs	768	1,178	922	3,120
(g) Depreciation and amortisation expense	6,922	6,394	6,372	25,986
(h) Other expenses	58,169	52,972	50,400	188,098
Total expenses	445,625	336,307	383,072	1,329,252
3 Profit before tax	25,542	10,742	34,345	87,931
4 Tax expense				
(a) Current tax	9,864	3,291	12,536	32,261
(b) Deferred tax charge/(credit)	(791)	564	(430)	(661)
Total tax expense	9,073	3,855	12,106	31,600
5 Profit for the period/year	16,469	6,887	22,239	56,331
6 Other comprehensive income (OCI)				
(a) Items that will not be reclassified to profit or loss in subsequent periods				
Re-measurement (losses)/gains on defined benefit plans	(43)	(48)	113	(293)
Income tax effect on above	15	16	(39)	102
(b) Items that will be reclassified to profit or loss in subsequent periods				
Net movement in cash flow hedges	-	229	25	261
Income tax effect on above	-	(74)	(9)	(85)
Total other comprehensive income, net of taxes	(28)	123	90	(15)
7 Total comprehensive income	16,441	7,010	22,329	56,316
8 Profit for the period/year attributable to:				
Equity shareholders of the Parent	16,462	6,841	22,216	56,294
Non-controlling interest	7	46	23	37
Total comprehensive income for the period/year attributable to:	16,469	6,887	22,239	56,331
9 Total comprehensive income for the period/year attributable to:				
Equity shareholders of the Parent	16,434	6,964	22,306	56,279
Non-controlling interest	7	46	23	37
Total comprehensive income for the period/year attributable to:	16,441	7,010	22,329	56,316
10 Paid up equity share capital (Face value of Re.1 each)	2,644	2,644	2,644	2,644
11 Other equity				315,733
12 Earnings per equity share in Rs. (nominal value per share Re.1)**				
(a) Basic	6.23	2.59	8.41	21.30
(b) Diluted	6.23	2.59	8.41	21.30

**Not annualised for quarters

Segment information (also refer Note 3)

Rs. in Lakhs

Particulars	Quarter ended			Year ended
	June 30, 2019	March 31, 2019	June 30, 2018	March 31, 2019
	Unaudited*	Unaudited*	Unaudited*	Audited
1 Segment revenue				
Beer	470,292	345,471	415,860	1,413,174
Non-alcoholic beverages	550	502	-	808
Total revenue	470,842	345,973	415,860	1,413,982
2 Segment results				
Beer	35,223	19,906	33,710	106,597
Non-alcoholic beverages	(2,019)	(827)	-	(2,298)
Total segment results	33,204	19,079	33,710	104,299
Other income	325	1,076	1,557	3,201
Finance costs	(768)	(1,178)	(922)	(3,120)
Other unallocable expenses	(7,219)	(8,235)	-	(16,449)
Profit before tax	25,542	10,742	34,345	87,931

*Refer Note 1

See accompanying notes to the consolidated financial results

NOTES

1. The consolidated financial results for the quarter ended June 30, 2019 of United Breweries Limited ("the Company"), its subsidiary (together referred to as "the Group") and its associate have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on August 13, 2019 and have been subjected to limited review by the statutory auditors of the Company. The consolidated financial results does not include the 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. The consolidated figures for the last quarter ended March 31, 2019 and the corresponding quarter ended June 30, 2018 as reported in the consolidated Ind AS financial results have been approved by the Company's Board of Directors, but have not been subjected to limited review by the statutory auditors of the Company.
2. The consolidated financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 (Ind AS 34), "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013, read with Rule 3 of 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, and SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019.
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. Effective April 1, 2019, the Group has adopted Ind AS 116 on Leases which replaces Ind AS 17 on Leases, including appendices thereto. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The Group has used the modified retrospective approach for transition to Ind AS 116 and consequently comparatives for previous period / year have not been restated. This has resulted in recognition of right-of-use assets and corresponding lease liabilities of Rs. 2,060 Lakhs as at April 1, 2019. Right-of-use assets are depreciated over the lower of useful life of the asset or the lease term and interest on lease liabilities is recognized under finance costs. The net impact of adopting this standard on the consolidated financial results and consolidated earnings per share is not material.
5. On October 10, 2018, certain officials from the Competition Commission of India ("CCI") had visited the Company for their investigation in relation to allegations of price-fixation and performed search of the premises and conducted inquiries with certain officials of the Company at its registered office. Pursuant to this, the Company has made requisite filings and also certain officials of the Company have appeared before the aforesaid authorities. The Company has not received any demand order in respect of this matter and the investigation is ongoing, hence it is not practicable to state an estimate of its financial effect, if any. Management, along-with its legal advisors, are in the continuous process of evaluating this matter and believe that there are mitigating circumstances to counter presumptions made against the Company by the CCI as contained in the Competition Act, 2002.



6. The Supreme Court of India in a judgment on Provident Fund dated February 28, 2019 addressed the principle for determining salary components that form part of Basic Salary for individuals below a prescribed salary threshold. The Group determined that they had not previously included such components in Basic Salary for such individuals. It is however unclear as to whether the clarified definition of Basic Salary would be applicable prospectively or retrospectively. The Group has made a provision on a prospective basis from the date of the Supreme Court order and is in the process of obtaining clarity on the judgment as well as determining the impact of any retrospective adjustment, if applicable.
7. The Bihar State Government ("the Government") vide its notification dated April 5, 2016 had imposed ban on trade and consumption of foreign liquor 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 and all its inventories lying with Bihar State Beverages Corporation Limited (BSBCL) were drained / destroyed. The matter is currently pending before the Supreme Court for final conclusion.

The financial impact on current assets arising from aforesaid matter was fully provided for. Also, during the financial year 2018-19, the Company commenced manufacture of non-alcoholic beverages at its existing manufacturing facility at Bihar using its existing property, plant and equipment at Bihar which has carrying value of Rs.19,100 Lakhs as at June 30, 2019. Management believes that the carrying amount of these property, plant and equipment do not exceed their recoverable amount and accordingly no provision has been considered necessary by the management in this regard.

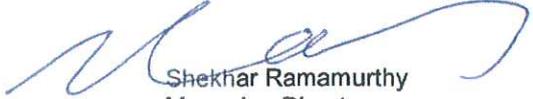
8. The Company received emails from certain persons raising allegations in relation to the Company's export business including the services of an export management service provider. The Company's preliminary view is that the transactions have been undertaken as per approved policies and there is no financial impact on the Company. However, management is conducting a detailed investigation in this matter which is currently in progress and would take necessary action.
9. During the year ended March 31, 2019, the Company had received e-mails / letter whereby allegations were raised against an employee of the Company relating to his involvement in certain irregularities in the procurement of packing materials from certain select vendors. Based on an initial inquiry on this matter, the service of the said employee was terminated. The Company is conducting a detailed investigation on this matter which is currently in progress. Management is of the view that although the actual financial impact, if any, which may arise from this matter can be ascertained only after completion of the investigation, the amount involved is not expected to be material, considering the profitability of the Company.
10. Revenue from operations for the quarters ended June 30, 2019, March 31, 2019 and June 30, 2018 is adjusted for reversals in variable considerations of Rs. 789 Lakhs, Rs. 1,806 Lakhs and Rs. 1,382 Lakhs, respectively, and that for the year ended March 31, 2019 is adjusted for such reversals of Rs. 2,091 Lakhs (excluding the amounts accrued and reversed within the said year).
11. The Company had received an order dated September 30, 2015 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 United Breweries (Holdings) Limited, without its prior permission. Accordingly, the Company has withheld payment of Rs. 918 Lakhs (net of payment of Rs. 784 Lakhs to the official liquidator of United Breweries (Holdings) Limited) relating to dividend on aforesaid shares. The Company would also withhold payment of proposed dividend for year ended March 31, 2019 on aforesaid shares, which is subject to approval by the shareholders at the ensuing annual general meeting.



Further, the Company had received various orders from tax and provident fund authorities prohibiting the Company from making any payment to an erstwhile director of the Company. The Company has accordingly withheld payment of Rs. 45 Lakhs (net of TDS), relating to director commission and sitting fees payable to the aforesaid erstwhile director.

12. 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 Company viz. www.unitedbreweries.com.

By the authority of the Board


Shekhar Ramamurthy
Managing Director

Place : Mumbai
Date : August 13, 2019



Independent Auditor's Review Report on the Quarterly Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**Review Report to
The Board of Directors
United Breweries Limited**

1. We have reviewed the accompanying statement of unaudited consolidated financial results of United Breweries Limited ("the Parent" or "the Company") and its subsidiary (the Parent and its subsidiary together referred to as "the Group"), and its associates for the quarter ended June 30, 2019 (the "Statement") attached herewith, being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("the Regulation"), read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 ("the Circular"). Attention is drawn to the fact that the consolidated figures for the last quarter ended March 31, 2019 and the corresponding quarter ended June 30, 2018, as reported in these unaudited consolidated financial results have been approved by the Parent's Board of Directors, but have not been subjected to review.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India read with the Circular. Our responsibility is to express a conclusion on the Statement 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. 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.

We also performed procedures in accordance with the Circular issued by the Securities and Exchange Board of India under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, to the extent applicable.

4. The Statement includes the results of the Company and its subsidiary i.e. Maltex Malsters Limited.
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review report of other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standard specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Regulation, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

6. We draw attention to below mentioned notes to the accompanying unaudited consolidated financial results:

- (a) Note 5 which more fully describes the uncertainty relating to the future outcome of ongoing investigation by the Competition Commission of India ("CCI"); and
- (b) Note 7 which more fully describes the uncertainty relating to the outcome of special leave petition filed by the Bihar State Government before the Honourable Supreme Court of India and the consequential impact thereof.

Our conclusion is not modified in respect of aforesaid matters.

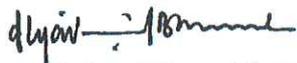
7. We did not review the interim financial results of a subsidiary, included in the consolidated unaudited financial results, whose interim financial results reflect total revenues of Rs. 385 Lakhs, total net profit after tax of Rs. 16 Lakhs and total comprehensive income of Rs. 16 Lakhs, for the quarter ended June 30, 2019, as considered in the consolidated unaudited financial results. These interim financial results have been reviewed by other auditors, whose report has been furnished to us by the management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of this subsidiary is based solely on the report of the other auditors and procedures performed by us as stated in paragraph 3 above. Our conclusion on the Statement is not modified in respect of the above matter.

8. The accompanying unaudited consolidated financial results does not include the Company's share of net profit/loss for the quarter ended June 30, 2019 in respect of Kingfisher East Bengal Football Team Private Limited, an associate, which is considered as not material to the Group.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004



per Aditya Vikram Bhauwala

Partner

Membership No.: 208382

Unique Document Identification Number (UDIN): **19208382 AAAAA T6368**



Place : Mumbai

Date : August 13, 2019



PERFORMANCE HIGHLIGHTS FOR THE QUARTER ENDING JUNE 2019

- **NET SALES UP 9%**
- **VOLUME GROWTH 5%**
- **QUARTER AFFECTED BY ELECTIONS AND COST CONSTRAINTS**

UBL commenced the year with challenges in the form of restricted supplies, production and dispatch curtailments in April and May 2019 on account of general elections. In addition sharp increases in input prices of new glass and barley during this quarter resulted in cost push that couldn't be passed on.

Strong beer volumes witnessed high single digit growth while mild beer growth was limited to low single digit. Despite constrains key markets posted volume growth, West Bengal market bounced back with volumes almost doubling, riding on reduced end consumer prices on account of price cuts.

- In the North, UBL witnessed volume growth in Rajasthan, Delhi and U.P.
- Growth in the South was driven by large markets of Andhra Pradesh and TN.
- Growth in the East was driven by West Bengal, where volumes almost doubled
- In the West, markets were sluggish with Maharashtra remaining flat.

The cash flow from operations was healthy with better working capital controls resulting in a 17% drop in interest costs after investing Rs.125 Cr towards capital expenditure during the quarter.

Mumbai, August 13, 2019