



UNITED BREWERIES LIMITED

July 28, 2021

1. Department of Corporate Services,
BSE Limited,
Floor 25, P J Towers,
Dalal Street,
Mumbai - 400 001
Scrip Code: 532478

2. Department of Corporate Services,
National Stock Exchange of India Ltd.,
Exchange Plaza, Bandra Kurla Complex,
Bandra (East),
Mumbai - 400 051
Scrip Code: UBL

Dear Sirs,

Sub: Outcome of Board Meeting - Unaudited Financial Results for the Quarter ended June 30, 2021

In terms of Regulation 30 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, we are furnishing herewith Statement of Unaudited Financial Results (Standalone and Consolidated) of the Company for the quarter ended June 30, 2021 along with Independent Auditor's Review Report.

Time of commencement of Board Meeting: 11.30 a.m.

Time of conclusion of Board Meeting: 16.20 p.m.

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: As above



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 unaudited standalone financial results for the quarter ended June 30, 2021				
Particulars	Quarter ended			Year ended
	June 30, 2021	March 31, 2021	June 30, 2020	March 31, 2021
	Unaudited	Audited*	Unaudited	Audited
1 INCOME				
(a) Revenue from operations (gross of excise duty) (refer Note 7)	265,118	361,693	126,225	1,018,340
(b) Other income	609	1,157	141	5,020
Total income	265,727	362,850	126,366	1,023,360
2 EXPENSES				
(a) Cost of materials consumed	51,545	74,222	21,338	197,256
(b) Purchase of stock-in-trade	4,248	2,167	717	7,371
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	1,967	(2,284)	4,984	(995)
(d) Excise duty on sale of goods	153,316	207,345	75,537	594,267
(e) Employee benefits expense	11,346	13,321	11,510	48,229
(f) Finance costs	386	422	715	2,267
(g) Depreciation and amortisation expense	5,515	6,227	5,052	23,185
(h) Other expenses (refer Note 7)	33,154	40,794	21,705	134,262
Total expenses	261,477	342,214	141,558	1,005,842
3 Profit/(loss) before exceptional items and tax	4,250	20,636	(15,192)	17,518
4 Exceptional items (refer Note 8)	-	(6,222)	-	(722)
5 Profit/(loss) before tax	4,250	14,414	(15,192)	16,796
6 Tax expense				
(a) Current tax	1,159	5,040	-	6,733
(b) Deferred tax charge/(credit)	7	(302)	(3,763)	(1,222)
Total tax expense/(credit)	1,166	4,738	(3,763)	5,511
7 Profit/(loss) for the period/year	3,084	9,676	(11,429)	11,285
8 Other comprehensive income/(loss) (OCI)				
Items that will not be reclassified to profit or loss in subsequent periods				
Re-measurement (losses)/gains on defined benefit plans	(234)	927	19	1,991
Income tax effect on above	59	(233)	(5)	(501)
Total other comprehensive (loss)/income, net of taxes	(175)	694	14	1,490
9 Total comprehensive income/(loss) for the period/year	2,909	10,370	(11,415)	12,775
10 Paid up equity share capital (Face value of Re. 1 each)	2,644	2,644	2,644	2,644
11 Other equity				355,318
12 Earnings/(loss) per equity share in Rs. (nominal value per share Re. 1)**				
(a) Basic	1.17	3.66	(4.32)	4.27
(b) Diluted	1.17	3.66	(4.32)	4.27

**Not annualised for interim periods

Segment information (also refer Note 4)

Rs. in Lakhs

Particulars	Quarter ended			Year ended
	June 30, 2021	March 31, 2021	June 30, 2020	March 31, 2021
	Unaudited	Audited*	Unaudited	Audited
1 Segment revenue				
Beer	264,430	360,768	125,510	1,015,449
Non-alcoholic beverages	688	925	715	2,891
Total revenue	265,118	361,693	126,225	1,018,340
2 Segment results				
Beer	11,379	30,947	(7,303)	50,114
Non-alcoholic beverages	(1,204)	(1,148)	(501)	(3,841)
Total segment results	10,175	29,799	(7,804)	46,273
Other income	609	1,157	141	5,020
Finance costs	(386)	(422)	(715)	(2,267)
Other unallocable expenses	(6,148)	(9,898)	(6,814)	(31,508)
Profit/(loss) before exceptional items and tax	4,250	20,636	(15,192)	17,518
Exceptional items (refer Note 8)	-	(6,222)	-	(722)
Profit/(loss) before tax	4,250	14,414	(15,192)	16,796

*Refer Note 11

See accompanying notes to the standalone financial results

NOTES

1. The outbreak of Coronavirus (COVID-19) pandemic in India has caused significant disturbance and slowdown of economic activities. The business operations of United Breweries Limited ("the Company") have also been significantly impacted by way of interruption of production, supply chain, etc. During the quarter ended June 30, 2021, there has been a surge in the spread of COVID-19 in India and various state governments imposed restrictions ranging from curfew / lockdown to contain the spread of COVID-19. The Company has taken various precautionary measures to protect its employees from COVID-19.

The Company has assessed the impact of this 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, intangible assets, investments, trade and other receivables, inventories and other financial statement captions. The impact of COVID-19 pandemic on the overall economic environment continues to be uncertain and 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.

2. The standalone financial results of the Company for the quarter ended June 30, 2021 have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on July 27, 2021 and July 28, 2021, respectively, and have been subjected to limited review by the statutory auditors of the Company.
3. 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.
4. 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.

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 made requisite filings and also certain officials of the Company appeared before the aforesaid authorities. The Director General, CCI submitted its investigation report to the CCI for consideration which was also communicated to the Company on March 19, 2020. On August 28, 2020, the Company filed its comments / objections to the aforesaid investigation report. The matter was heard before the CCI on February 11, 2021 and March 2, 2021, followed by post hearing submissions filed by the Company with the CCI on March 23, 2021.

Management, along-with its legal advisors, believe that there are mitigating factors to counter presumptions made against the Company by the CCI under the Competition Act, 2002, which have also been highlighted in the comments / objections to the investigation report and during hearing submissions filed by the Company. Pending conclusion of this matter by the CCI, the management is of view that it is not practicable to state an estimate of its financial effect, if any.

6. 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. Considering uncertainty in the Government's plans in respect of policy towards alcoholic beverages and the Company's change in plan for use of these assets, the Company carried out an impairment assessment of these property, plant and equipment at Bihar and accordingly an impairment loss of Rs. 4,446 Lakhs was recognized during the quarter and year ended March 31, 2021. As at June 30, 2021, the carrying value of property, plant and equipment at Bihar is Rs. 11,132 Lakhs (net of impairment). No further impairment is considered necessary by the management as at the quarter end.

7. Revenue from operations for the quarters ended June 30, 2021, March 31, 2021 and June 30, 2020 is adjusted for reversals in variable consideration of Rs. 196 Lakhs, Rs. 515 Lakhs and Rs. 559 Lakhs, respectively, and that for the year ended March 31, 2021 is adjusted for reversal of Rs. 1,528 Lakhs (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 June 30, 2021 and March 31, 2021 is net of reversal of Rs. 392 Lakhs and Rs. 516 Lakhs, respectively, and that for the year ended March 31, 2021 is net of reversal of Rs. 331 Lakhs (excluding the amounts accrued and reversed within the said year).


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 as discussed in Note 6 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 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.
10. 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. 2,016 Lakhs relating to dividend on aforesaid shares. The Company would also withhold payment of proposed dividend for the year ended March 31, 2021 on aforesaid shares, which is subject to approval by the shareholders in 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. 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.
11. The figures of the last quarter ended March 31, 2021 are the balancing figures between audited figures in respect of the full financial year up to March 31, 2021 and the unaudited published year-to-date figures up to December 31, 2020 being the date of the end of the third quarter of the financial year, which were subjected to limited review.
12. 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 : July 28, 2021

Aditya Vikram
Bhauwala

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Bhauwala
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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, 2021 (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, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company'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. 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 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 accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') 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 Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. Emphasis of Matter

We draw attention to below mentioned notes to the accompanying standalone financial results:

- (a) Note 1 which describes management's assessment of the impact of COVID-19 pandemic on the Company's operations and carrying value of assets as at June 30, 2021;
- (b) Note 5 which more fully describes the uncertainty relating to the future outcome of the investigation by the Competition Commission of India ("CCI"); and

- (c) Note 6 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

Aditya Vikram
Bhauwala
per Aditya Vikram Bhauwala
Partner

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Bengaluru

July 28, 2021



UNITED BREWERIES LIMITED

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Rs. in Lakhs

Statement of unaudited consolidated financial results for the quarter ended June 30, 2021

Particulars	Quarter ended			Year ended
	June 30, 2021	March 31, 2021	June 30, 2020	March 31, 2021
	Unaudited	Audited*	Unaudited	Audited
1 INCOME				
(a) Revenue from operations (gross of excise duty) (refer Note 7)	265,263	361,809	126,282	1,018,576
(b) Other income	616	1,166	148	5,025
Total income	265,879	362,975	126,430	1,023,601
2 EXPENSES				
(a) Cost of materials consumed	51,454	73,941	21,290	196,516
(b) Purchase of stock-in-trade	4,248	2,167	717	7,371
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	1,976	(2,279)	5,021	(950)
(d) Excise duty on sale of goods	153,316	207,345	75,537	594,267
(e) Employee benefits expense	11,432	13,431	11,555	48,549
(f) Finance costs	386	422	715	2,267
(g) Depreciation and amortisation expense	5,524	6,231	5,056	23,201
(h) Other expenses (refer Note 7)	33,278	40,974	21,752	134,717
Total expenses	261,614	342,232	141,643	1,005,938
3 Profit/(loss) before exceptional items and tax	4,265	20,743	(15,213)	17,663
4 Exceptional items (refer Note 8)	-	(6,222)	-	(722)
5 Profit/(loss) before tax	4,265	14,521	(15,213)	16,941
6 Tax expense				
(a) Current tax	1,164	5,072	-	6,779
(b) Deferred tax charge/(credit)	7	(304)	(3,763)	(1,221)
Total tax expense/(credit)	1,171	4,768	(3,763)	5,558
7 Profit/(loss) for the period/year	3,094	9,753	(11,450)	11,383
8 Other comprehensive income/(loss) (OCI)				
Items that will not be reclassified to profit or loss in subsequent periods				
Re-measurement (losses)/gains on defined benefit plans	(234)	927	19	1,991
Income tax effect on above	59	(233)	(5)	(501)
Total other comprehensive (loss)/income, net of taxes	(175)	694	14	1,490
9 Total comprehensive income/(loss) for the period/year	2,919	10,447	(11,436)	12,873
10 Profit/(loss) for the period/year attributable to:				
Equity shareholders of the Holding Company	3,089	9,714	(11,440)	11,322
Non-controlling interest	5	39	(10)	61
	3,094	9,753	(11,450)	11,383
11 Other comprehensive (loss)/income (OCI) attributable to:				
Equity shareholders of the Holding Company	(175)	694	14	1,490
Non-controlling interest	-	-	-	-
	(175)	694	14	1,490
12 Total comprehensive income/(loss) for the period/year attributable to:				
Equity shareholders of the Holding Company	2,914	10,408	(11,426)	12,812
Non-controlling interest	5	39	(10)	61
	2,919	10,447	(11,436)	12,873
13 Paid up equity share capital (Face value of Re. 1 each)	2,644	2,644	2,644	2,644
14 Other equity				355,584
15 Earnings/(loss) per equity share in Rs. (nominal value per share Re. 1)**				
(a) Basic	1.17	3.67	(4.33)	4.28
(b) Diluted	1.17	3.67	(4.33)	4.28

**Not annualised for interim periods

Segment information (also refer Note 4)

Rs. in Lakhs

Particulars	Quarter ended			Year ended
	June 30, 2021	March 31, 2021	June 30, 2020	March 31, 2021
	Unaudited	Audited*	Unaudited	Audited
1 Segment revenue				
Beer	264,575	360,884	125,567	1,015,685
Non-alcoholic beverages	688	925	715	2,891
Total revenue	265,263	361,809	126,282	1,018,576
2 Segment results				
Beer	11,387	31,045	(7,331)	50,254
Non-alcoholic beverages	(1,204)	(1,148)	(501)	(3,841)
Total segment results	10,183	29,897	(7,832)	46,413
Other income	616	1,166	148	5,025
Finance costs	(386)	(422)	(715)	(2,267)
Other unallocable expenses	(6,148)	(9,898)	(6,814)	(31,508)
Profit/(loss) before exceptional items and tax	4,265	20,743	(15,213)	17,663
Exceptional Items (refer Note 8)	-	(6,222)	-	(722)
Profit/(loss) before tax	4,265	14,521	(15,213)	16,941

*Refer Note 11

See accompanying notes to the consolidated financial results

NOTES

1. The outbreak of Coronavirus (COVID-19) pandemic in India has caused significant disturbance and slowdown of economic activities. The business operations of United Breweries Limited ("the Holding Company") and its subsidiary (together referred to as "the Group") have also been significantly impacted by way of interruption of production, supply chain, etc. During the quarter ended June 30, 2021, there has been a surge in the spread of COVID-19 in India and various state governments imposed restrictions ranging from curfew/lockdown to contain the spread of COVID-19. The Group has taken various precautionary measures to protect its employees from COVID-19.

The Group has assessed the impact of this 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, 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 continues to be uncertain and 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.

2. The consolidated financial results of the Group and its associate for the quarter ended June 30, 2021 have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on July 27, 2021 and July 28, 2021, respectively, and have been subjected to limited review 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.
3. 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.
4. 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.

5. On October 10, 2018, certain officials from the Competition Commission of India ("CCI") had visited the Holding 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 Holding Company at its registered office. Pursuant to this, the Holding Company made requisite filings and also certain officials of the Holding Company appeared before the aforesaid authorities. The Director General, CCI submitted its investigation report to the CCI for consideration which was also communicated to the Holding Company on March 19, 2020. On August 28, 2020, the Holding Company filed its comments / objections to the aforesaid investigation report. The matter was heard before the CCI on February 11, 2021 and March 2, 2021, followed by post hearing submissions filed by the Holding Company with the CCI on March 23, 2021.

Management, along-with its legal advisors, believe that there are mitigating factors to counter presumptions made against the Holding Company by the CCI under the Competition Act, 2002, which have also been highlighted in the comments / objections to the investigation report and during hearing submissions filed by the Holding Company. Pending conclusion of this matter by the CCI, the management is of view that it is not practicable to state an estimate of its financial effect, if any.

6. 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. Considering uncertainty in the Government's plans in respect of policy towards alcoholic beverages and the Holding Company's change in plan for use of these assets, the Holding Company carried out an impairment assessment of these property, plant and equipment at Bihar and accordingly an impairment loss of Rs. 4,446 Lakhs was recognized during the quarter and year ended March 31, 2021. As at June 30, 2021, the carrying value of property, plant and equipment at Bihar is Rs. 11,132 Lakhs (net of impairment). No further impairment is considered necessary by the management as at the quarter end.

7. Revenue from operations for the quarters ended June 30, 2021, March 31, 2021 and June 30, 2020 is adjusted for reversals in variable consideration of Rs. 196 Lakhs, Rs. 515 Lakhs and Rs. 559 Lakhs, respectively, and that for the year ended March 31, 2021 is adjusted for reversal of Rs. 1,528 Lakhs (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 June 30, 2021 and March 31, 2021 is net of reversal of Rs. 392 Lakhs and Rs. 516 Lakhs, respectively, and that for the year ended March 31, 2021 is net of reversal of Rs. 331 Lakhs (excluding the amounts accrued and reversed within the said year).

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 as discussed in Note 6 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 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.
10. 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. 2,016 Lakhs relating to dividend on aforesaid shares. The Holding Company would also withhold payment of proposed dividend for the year ended March 31, 2021 on aforesaid shares, which is subject to approval by the shareholders in the ensuing annual general meeting.
- 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. The Holding 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.
11. The figures of the last quarter ended March 31, 2021 are the balancing figures between audited figures in respect of the full financial year up to March 31, 2021 and the unaudited published year-to-date figures up to December 31, 2020 being the date of the end of the third quarter of the financial year, which were subjected to limited review.
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 Holding Company viz. www.unitedbreweries.com.

By the authority of the Board



Rishi Pardal
Managing Director

Place : Bengaluru
Date : July 28, 2021

Aditya Vikram
Bhauwala

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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 "Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") and its associate for the quarter ended June 30, 2021 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Holding Company's Management and 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, (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. 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 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 No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the Holding 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 Standards ('Ind AS') 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 Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. Emphasis of Matter

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

- (a) Note 1 which describes management's assessment of the impact of COVID-19 pandemic on the Group's operations and carrying value of assets as at June 30, 2021;
- (b) Note 5 which more fully describes the uncertainty relating to the future outcome of the investigation by the Competition Commission of India ("CCI"); and
- (c) Note 6 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. The accompanying Statement includes the unaudited interim financial results and other financial information, in respect of a subsidiary whose unaudited interim financial results include total revenue of Rs. 236 Lakhs, total net profit after tax of Rs. 12 Lakhs and total comprehensive income of Rs. 12 Lakhs for the quarter ended June 30, 2021, as considered in the Statement, which have been reviewed by the independent auditors of the subsidiary.

The independent auditor's report on interim financial results of this subsidiary have 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 such auditors and procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement in respect of matter stated above is not modified with respect to our reliance on the work done and the report of the other auditors.

8. The accompanying unaudited consolidated financial results does not include the Holding Company's share of net profit/loss for the quarter ended June 30, 2021 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

Aditya Vikram
Bhauwala
per Aditya Vikram Bhauwala

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Partner

Membership No.: 208382

Unique Document Identification Number (UDIN): 21208382AAAACE6888

Bengaluru

July 28, 2021



United Breweries Ltd

PERFORMANCE HIGHLIGHTS FOR THE QUARTER ENDING JUNE 2021

- **PRIMARY VOLUME GROWTH 115%**
- **EBITDA FOR THE QUARTER, RS.102 CR AS AGAINST A LOSS OF RS.94 CR IN PRIOR YEAR**
- **COMPANY REACTED WITH AGILITY TO CHANGING MARKET CIRCUMSTANCES**
- **BUSINESS IN THE QUARTER AND THE COMPARABLE QUARTER IN THE PREVIOUS YEAR ADVERSELY IMPACTED**

Business commenced in April 2021 on a good trend but a spike in infections and related Government restrictions towards the last weeks of April resulted in challenging market conditions. The next two months of the quarter witnessed muted business with some recovery towards the end of June as markets started to gradually open. Restrictions in the quarter were less stringent when compared to the similar period of the previous year with almost all the markets partially functional in some form, resulting in an 115% growth in primary volumes. June 2021 volumes were at about half that of volumes in June 2019.

UBL pro-actively focused on health & safety measures of its employees and stakeholders, business continuity, business impact mitigations and cash management while continuing to manage all elements of costs and capital investments in this uncertain environment.

Effective working capital management resulted in higher liquidity and lower gearing, resulting in interest costs lower by 46% as compared to the corresponding quarter of the previous year. UBL's net debt stood at Rs.123 Cr with capex programs focused on safety, statutory & compliance.

The performance in the quarter has placed UBL in a strong position with respect to market leadership, brand portfolio and a robust balance sheet, all essential to navigate the current unpredictable environment. While the industry outlook continues to be volatile given the uncertain trajectory of the pandemic, the company continues to be optimistic about the long-term growth drivers of the industry and is committed to strengthen its market position.

Bangalore, July 28, 2021