



## 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 standalone audited results for the quarter and year ended March 31, 2017

Particulars	Quarter ended			Year ended	
	March 31, 2017	December 31, 2016	March 31, 2016	March 31, 2017	March 31, 2016
	Audited*	Unaudited	Audited*	Audited	Audited
<b>1 INCOME</b>					
(a) Revenue from operations (gross of excise duty)	2,55,778	2,22,804	2,46,462	10,22,816	9,64,000
(b) Other income	425	3,295	2,986	5,160	8,616
<b>Total income from operations</b>	<b>2,56,203</b>	<b>2,26,099</b>	<b>2,49,448</b>	<b>10,27,976</b>	<b>9,72,616</b>
<b>2 EXPENSES</b>					
(a) Cost of materials consumed	55,594	48,436	58,019	2,20,626	2,09,703
(b) Purchase of stock-in-trade	545	-	711	825	5,289
(c) Decrease/(Increase) in inventories of finished goods, work-in-progress and stock-in-trade	(1,969)	(1,204)	(2,371)	(2,032)	(1,107)
(d) Excise duty on sale of goods	1,44,508	1,20,584	1,25,213	5,49,404	4,80,119
(e) Employee benefits expense (refer Note 6)	8,891	8,497	8,595	35,209	33,429
(f) Finance costs	1,444	1,528	1,802	5,865	8,107
(g) Depreciation and amortisation expense	8,331	6,975	6,384	28,695	24,351
(h) Other expenses (refer Note 7)	38,097	33,695	43,702	1,54,667	1,67,382
<b>Total expenses</b>	<b>2,55,441</b>	<b>2,18,511</b>	<b>2,42,055</b>	<b>9,93,259</b>	<b>9,27,273</b>
<b>3 Profit before tax</b>	<b>762</b>	<b>7,588</b>	<b>7,393</b>	<b>34,717</b>	<b>45,343</b>
<b>4 Tax expenses</b>					
(a) Current tax	(76)	3,175	1,948	13,254	15,973
(b) Deferred tax charge/(credit)	165	(436)	208	(1,470)	(417)
<b>Total tax expenses</b>	<b>89</b>	<b>2,739</b>	<b>2,156</b>	<b>11,784</b>	<b>15,556</b>
<b>5 Profit for the period/year</b>	<b>673</b>	<b>4,849</b>	<b>5,237</b>	<b>22,933</b>	<b>29,787</b>
<b>6 Other comprehensive income (OCI)</b>					
(a) Items that will not be reclassified to profit or loss in subsequent periods					
Re-measurement gains/(losses) on defined benefit plans	193	(100)	48	(387)	(662)
Income tax effect on above	(67)	35	(17)	134	229
(b) Items that will be reclassified to profit or loss in subsequent periods					
Net movement in cash flow hedges	48	(326)	-	(504)	-
Income tax effect on above	(17)	113	-	174	-
<b>Total other comprehensive income, net of taxes</b>	<b>157</b>	<b>(278)</b>	<b>31</b>	<b>(583)</b>	<b>(433)</b>
<b>7 Total comprehensive income</b>	<b>830</b>	<b>4,571</b>	<b>5,268</b>	<b>22,350</b>	<b>29,354</b>
<b>8 Paid up equity share capital (Face value of Re.1 each)</b>	2,644	2,644	2,644	2,644	2,644
<b>9 Reserve excluding Revaluation Reserve as per balance sheet of previous accounting year</b>				2,11,918	1,85,746
<b>10 Earnings per equity share in Rs. (nominal value per share Re.1)**</b>					
(a) Basic	0.25	1.84	1.98	8.67	11.27
(b) Diluted	0.25	1.84	1.98	8.67	11.27

\*Refer Note 11

\*\*Not annualised for quarters



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Rs. in Lakhs

### Statement of Standalone Assets and Liabilities

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
	Audited	Audited	Audited
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	1,69,603	1,76,198	1,77,022
(b) Capital work-in-progress	13,718	6,084	9,016
(c) Intangible assets	2,952	3,538	4,062
(d) Financial assets			
(i) Investments	2,550	2,547	2,547
(ii) Others	5,371	10,063	12,342
(e) Income tax assets (net)	9,598	8,412	8,140
(f) Other non-current assets	7,450	11,625	8,259
	<b>2,11,242</b>	<b>2,18,467</b>	<b>2,21,388</b>
<b>Current assets</b>			
(a) Inventories	75,014	68,735	60,933
(b) Financial assets			
(i) Trade receivables	1,29,535	1,11,881	93,172
(ii) Cash and cash equivalents	1,255	329	616
(iii) Bank balances other than (ii) above	900	818	467
(iv) Others	4,482	6,184	4,754
(c) Other current assets	24,969	29,762	26,566
	<b>2,36,155</b>	<b>2,17,709</b>	<b>1,86,508</b>
<b>Total assets</b>	<b>4,47,397</b>	<b>4,36,176</b>	<b>4,07,896</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	2,644	2,644	2,644
(b) Other equity	2,30,608	2,11,918	1,85,746
	<b>2,33,252</b>	<b>2,14,562</b>	<b>1,88,390</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	18,403	25,795	59,809
(ii) Others	773	-	-
(b) Provisions	-	849	523
(c) Deferred tax liability (net)	4,704	6,348	6,765
	<b>23,880</b>	<b>32,992</b>	<b>67,097</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	21,190	21,288	18,758
(ii) Trade payables	45,988	41,814	38,000
(iii) Other financial liabilities	66,646	71,848	43,884
(b) Other current liabilities	48,544	45,765	43,221
(c) Provisions	7,897	7,907	8,546
	<b>1,90,265</b>	<b>1,88,622</b>	<b>1,52,409</b>
<b>Total equity and liabilities</b>	<b>4,47,397</b>	<b>4,36,176</b>	<b>4,07,896</b>

## NOTES

1. The standalone results for the quarter and year ended March 31, 2017 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 May 17, 2017 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 Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Companies Act, 2013, read with relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
3. The Company has transitioned to Ind AS with effect from April 1, 2016 with transition date being April 1, 2015. The transition has been carried out from generally accepted accounting principles in India ("the Previous GAAP").
  - a) The reconciliation of the net profit for the corresponding periods under the Previous GAAP with the total comprehensive income as reported in these standalone financial results under Ind AS, is presented below:

	Rs. in Lakhs	
	Quarter ended March 31, 2016	Year ended March 31, 2016
	Audited*	Audited
<b>Net profit under Previous GAAP</b>	<b>5,144</b>	<b>29,457</b>
Fair valuation of financial instrument	187	4,136
Actuarial loss/(gain) on defined benefit plan recognised under Other comprehensive income	(48)	661
Foreign exchange gain/(loss) on restatement of loan	3	(4,292)
Effect of tax on above	(49)	(175)
<b>Net profit under Ind AS</b>	<b>5,237</b>	<b>29,787</b>
Other comprehensive income, net of tax	31	(433)
<b>Total comprehensive income</b>	<b>5,268</b>	<b>29,354</b>

\*Refer Note 11.

- b) The reconciliation of the equity as at March 31, 2016 reported under the Previous GAAP with the equity as reported in these standalone financial results under Ind AS, is presented below:

	Rs. in Lakhs
	As at March 31, 2016
	Audited
<b>Equity under Previous GAAP</b>	<b>210,760</b>
Fair valuation of financial instrument	15,776
Foreign exchange gain/(loss) on restatement of loan	(15,558)
Effect of tax on above	(76)
Proposed dividend (including tax thereon) reversed, pending approval by the shareholders	3,660
<b>Equity under Ind AS</b>	<b>214,562</b>

4. The Company is engaged in the manufacture and sale of beer including licensing of brands which constitutes a single operating segment. The Company also considers the whole of India as a single geographical area. Further, considering the seasonality of the business, the revenue and profits do not accrue evenly over the year.
5. The Bihar State Government (“the Government”) vide its notification dated April 5, 2016 imposed ban on trade and consumption of foreign liquor in the State of Bihar with immediate effect. The Company filed a writ petition with the Honourable High Court at Patna (“the High Court”), requesting remedies and compensation for losses incurred on account of such abrupt notification. The High Court vide its order dated September 30, 2016 (“the Order”) allowed the aforesaid writ petition, however, the Government preferred a special leave petition against the Order before the Honourable Supreme Court of India (“the Supreme Court”). As an interim measure, the Supreme Court directed stay of operation of the Order.

Meanwhile, vide notification dated April 9, 2016, the Government had allowed production of beer in the state of Bihar for export to outside states, however, vide notification issued on January 24, 2017, the Government has decided not to renew existing brewery licenses from the financial year 2017-18. The said notification also mentions that, upon application, permission shall be granted for manufacture of non-alcoholic drinks / beverages. Pursuant to this notification, the Company has obtained permission from authorities for manufacture of non-alcoholic beverages at its existing manufacturing facility at Bihar and has initiated necessary steps towards commencement of operations for the new product line.

As at March 31, 2017, the Company has property, plant and equipment (net) of Rs. 23,530 Lakhs, inventories (gross) of Rs. 844 Lakhs, trade receivables (gross) of Rs. 2,476 Lakhs and advances of Rs. 875 Lakhs at its units in Bihar. Management believes that the carrying amount of the aforesaid fixed assets do not exceed their recoverable amount and is confident of utilization of aforesaid assets either for the new product line relating to non-alcoholic beverages in Bihar or for manufacturing units in other states. Provision aggregating to Rs. 1,324 Lakhs have been made against aforesaid inventories and trade receivable balances and no other adjustment has been considered necessary by the management in this regard.

The statutory auditors of the Company have drawn an Emphasis of Matter in this regard, in their audit report on the standalone financial results.

6. Employee benefits expense for the year ended March 31, 2016 includes Rs. 1,331 Lakhs towards compensation for loss of office to erstwhile managing director and is net of reversal of provision no longer required amounting to Rs. 424 Lakhs.
7. Selling and distribution expense for the quarters ended March 31, 2017, December 31, 2016 and March 31, 2016 is net of reversal of Rs. 235 Lakhs, Rs. 144 Lakhs and Rs. 762 Lakhs, respectively and that for the years ended March 31, 2017 and March 31, 2016 is net of reversal of Rs. 1,126 Lakhs and Rs. 2,239 Lakhs, respectively.
8. The Board of Directors of the Company has proposed dividend of Rs.1.15 per equity share of Re. 1 each amounting to Rs. 3,660 Lakhs (inclusive of dividend distribution tax) for the year ended March 31, 2017. The proposed dividend on equity shares is subject to approval at the ensuing annual general meeting and are not recognised as a liability (including dividend distribution tax thereon) as at year end.

9. The Company 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 a director (including his joint holdings) and United Breweries (Holdings) Limited, without its prior permission. Accordingly, the Company has withheld payment of Rs. 571 Lakhs relating to dividend on aforesaid shares and the Company would also withhold payment of proposed dividend for year ended March 31, 2017 on aforesaid shares, which is subject to approval by the shareholders at the ensuing annual general meeting.

The Company received an order dated March 11, 2016 from the Deputy Commissioner of Income Tax (International Taxation), Bangalore, requesting the Company to create a charge in favour of the Central Government on any amount due or likely to be due to a director of the Company, to the extent of Rs. 67,980 Lakhs relating to tax demands on Kingfisher Airlines Limited. The Company also received an order dated June 28, 2016 from the Commissioner of Income Tax (TDS), prohibiting the Company from making any payment in the nature of salary, remuneration, allowances, etc. to a director of the Company. The Company had accordingly withheld payment of Rs.164 Lakhs relating to director commission and sitting fees payable to the aforesaid director, which has been paid to the Tax Recovery Officer (TDS), Bengaluru based on an order dated November 30, 2016 received from the Commissioner of Income Tax (TDS). Subsequent to aforesaid payment to tax authorities, the Company has further withheld payment of Rs. 0.69 Lakhs (net of TDS), relating to director sitting fees payable to the aforesaid director.

10. The Securities and Exchange Board of India vide its order dated January 25, 2017 (“the SEBI Order”) has restrained Dr. Vijay Mallya, Non-Executive Chairman of the Company, from holding position as Director or Key managerial person of any listed company. The Bombay Stock Exchange vide its letter dated January 27, 2017 and the National Stock Exchange vide its letters dated January 25, 2017, January 27, 2017 and January 30, 2017, have sought the status of compliance with the SEBI Order from the Company. The Company has already taken effective steps following the SEBI Order directed to the Chairman in discussion with the Board of Directors.
11. The figures of the last quarter ended March 31 are the balancing figures between audited figures in respect of the full financial year up to March 31 and the unaudited published year-to-date figures up to December 31, being the date of the end of the third quarter of the financial year which were subjected to limited review.
12. The previous period/year figures have been regrouped where necessary to confirm to this period/year’s classification.
13. The standalone financial results and notes are also available on the websites of the Stock Exchanges viz. [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) and also on the website of the Company viz. [www.unitedbreweries.com](http://www.unitedbreweries.com).

By the authority of the Board

Place : Bengaluru  
Date : May 17, 2017

Shekhar Ramamurthy  
Managing Director



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Rs. in Lakhs

### Statement of consolidated audited results for the year ended March 31, 2017

Particulars	Year ended	
	March 31, 2017	March 31, 2016
	Audited	Audited
<b>1 INCOME</b>		
(a) Revenue from operations (gross of excise duty)	10,22,980	9,64,143
(b) Other income	5,171	8,640
<b>Total income from operations</b>	<b>10,28,151</b>	<b>9,72,783</b>
<b>2 EXPENSES</b>		
(a) Cost of materials consumed	2,18,999	2,07,905
(b) Purchase of stock-in-trade	825	5,289
(c) Decrease/(Increase) in inventories of finished goods, work-in-progress and stock-in-trade	(2,032)	(1,100)
(d) Excise duty on sale of goods	5,50,061	4,80,829
(e) Employee benefits expense (refer Note 6)	35,628	33,860
(f) Finance costs	5,865	8,107
(g) Depreciation and amortisation expense	28,705	24,363
(h) Other expenses (refer Note 7)	1,55,287	1,68,065
<b>Total expenses</b>	<b>9,93,338</b>	<b>9,27,318</b>
<b>3 Profit before tax</b>	<b>34,813</b>	<b>45,465</b>
<b>4 Tax expenses</b>		
(a) Current tax	13,291	16,017
(b) Deferred tax credit	(1,470)	(419)
<b>Total tax expenses</b>	<b>11,821</b>	<b>15,598</b>
<b>5 Profit for the year</b>	<b>22,992</b>	<b>29,867</b>
<b>6 Other comprehensive income (OCI)</b>		
(a) Items that will not be reclassified to profit or loss in subsequent periods		
Re-measurement losses on defined benefit plans	(387)	(662)
Income tax effect on above	134	229
(b) Items that will be reclassified to profit or loss in subsequent periods		
Net movement in cash flow hedges	(504)	-
Income tax effect on above	174	-
<b>Total other comprehensive income, net of taxes</b>	<b>(583)</b>	<b>(433)</b>
<b>7 Total comprehensive income for the year</b>	<b>22,409</b>	<b>29,434</b>
<b>8 Profit for the year attributable to:</b>		
Equity shareholders of the Holding Company	22,957	29,830
Non-controlling interest	35	37
	<b>22,992</b>	<b>29,867</b>
<b>9 Total comprehensive income for the year attributable to:</b>		
Equity shareholders of the Holding Company	22,374	29,397
Non-controlling interest	35	37
	<b>22,409</b>	<b>29,434</b>
<b>10 Paid up equity share capital (Face value of Re.1 each)</b>	2,644	2,644
<b>11 Reserve excluding Revaluation Reserve as per balance sheet of previous accounting year</b>	2,12,068	1,85,866
<b>12 Earnings per equity share in Rs. (nominal value per share Re.1)</b>		
(a) Basic	<b>8.70</b>	<b>11.30</b>
(b) Diluted	<b>8.70</b>	<b>11.30</b>



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Rs. in Lakhs

### Statement of Consolidated Assets and Liabilities

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
	Audited	Audited	Audited
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	1,69,663	1,76,266	1,77,099
(b) Capital work-in-progress	13,718	6,084	9,016
(c) Intangible assets	2,952	3,538	4,062
(d) Goodwill on consolidation	2,421	2,421	2,421
(e) Financial assets			
(i) Investments	9	6	6
(ii) Others	5,401	10,093	12,372
(f) Income tax assets (net)	9,566	8,371	8,205
(g) Other non-current assets	7,606	11,745	8,259
	<b>2,11,336</b>	<b>2,18,524</b>	<b>2,21,440</b>
<b>Current assets</b>			
(a) Inventories	75,084	68,805	61,005
(b) Financial assets			
(i) Trade receivables	1,29,540	1,11,886	93,178
(ii) Cash and cash equivalents	1,262	336	622
(iii) Bank balances other than (ii) above	1,167	1,067	697
(iv) Others	4,482	6,184	4,754
(c) Other current assets	24,999	29,787	26,594
	<b>2,36,534</b>	<b>2,18,065</b>	<b>1,86,850</b>
<b>Total assets</b>	<b>4,47,870</b>	<b>4,36,589</b>	<b>4,08,290</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	2,644	2,644	2,644
(b) Other equity	2,30,777	2,12,068	1,85,866
	<b>2,33,421</b>	<b>2,14,712</b>	<b>1,88,510</b>
<b>Non-controlling interest</b>	<b>278</b>	<b>253</b>	<b>227</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	18,403	25,795	59,811
(ii) Others	773	-	-
(b) Provisions	-	849	523
(c) Deferred tax liability (net)	4,695	6,339	6,758
	<b>23,871</b>	<b>32,983</b>	<b>67,092</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	21,190	21,288	18,758
(ii) Trade payables	45,955	41,759	37,986
(iii) Other financial liabilities	66,701	71,911	43,939
(b) Other current liabilities	48,552	45,772	43,229
(c) Provisions	7,902	7,911	8,549
	<b>1,90,300</b>	<b>1,88,641</b>	<b>1,52,461</b>
<b>Total equity and liabilities</b>	<b>4,47,870</b>	<b>4,36,589</b>	<b>4,08,290</b>

## NOTES

1. The consolidated results for the year ended March 31, 2017 of United Breweries Limited (“the Company”) and its subsidiary (together referred to as “the Group”) have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on May 17, 2017 and have been audited 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 the applicable Indian Accounting Standards (“Ind AS”) prescribed under section 133 of the Companies Act, 2013, read with relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
3. The Group has transitioned to Ind AS with effect from April 1, 2016 with transition date being April 1, 2015. The transition has been carried out from generally accepted accounting principles in India (“the Previous GAAP”).
  - a) The reconciliation of the consolidated net profit for the corresponding year under the Previous GAAP with the consolidated total comprehensive income as reported in these consolidated financial results under Ind AS, is presented below:

	Rs. in Lakhs
	<b>Year ended March 31, 2016</b>
	Audited
<b>Consolidated net profit under Previous GAAP</b>	<b>29,545</b>
Fair valuation of financial instrument	4,136
Actuarial loss/(gain) on defined benefit plan recognised under Other comprehensive income	661
Foreign exchange gain/(loss) on restatement of loan	(4,292)
Others	(8)
Effect of tax on above	(175)
<b>Consolidated net profit under Ind AS</b>	<b>29,867</b>
Other comprehensive income, net of tax	(433)
<b>Consolidated total comprehensive income</b>	<b>29,434</b>

- b) The reconciliation of the equity as at March 31, 2016 reported under the Previous GAAP with the equity as reported in these consolidated financial results under Ind AS, is presented below:

	Rs. in Lakhs
	<b>As at March 31, 2016</b>
	Audited
<b>Equity under Previous GAAP</b>	<b>210,892</b>
Fair valuation of financial instrument	15,776
Foreign exchange gain/(loss) on restatement of loan	(15,558)
Effect of tax on above	(76)
Proposed dividend (including tax thereon) reversed, pending approval by the shareholders	3,678
<b>Equity under Ind AS</b>	<b>214,712</b>



4. The Group is engaged in the manufacture and sale of beer including licensing of brands which constitutes a single operating segment. The Group also considers the whole of India as a single geographical area. Further, considering the seasonality of the business, the revenue and profits do not accrue evenly over the year.
5. The Bihar State Government (“the Government”) vide its notification dated April 5, 2016 imposed ban on trade and consumption of foreign liquor in the State of Bihar with immediate effect. The Company filed a writ petition with the Honourable High Court at Patna (“the High Court”), requesting remedies and compensation for losses incurred on account of such abrupt notification. The High Court vide its order dated September 30, 2016 (“the Order”) allowed the aforesaid writ petition, however, the Government preferred a special leave petition against the Order before the Honourable Supreme Court of India (“the Supreme Court”). As an interim measure, the Supreme Court directed stay of operation of the Order.

Meanwhile, vide notification dated April 9, 2016, the Government had allowed production of beer in the state of Bihar for export to outside states, however, vide notification issued on January 24, 2017, the Government has decided not to renew existing brewery licenses from the financial year 2017-18. The said notification also mentions that, upon application, permission shall be granted for manufacture of non-alcoholic drinks / beverages. Pursuant to this notification, the Company has obtained permission from authorities for manufacture of non-alcoholic beverages at its existing manufacturing facility at Bihar and has initiated necessary steps towards commencement of operations for the new product line.

As at March 31, 2017, the Company has property, plant and equipment (net) of Rs. 23,530 Lakhs, inventories (gross) of Rs. 844 Lakhs, trade receivables (gross) of Rs. 2,476 Lakhs and advances of Rs. 875 Lakhs at its units in Bihar. Management believes that the carrying amount of the aforesaid fixed assets do not exceed their recoverable amount and is confident of utilization of aforesaid assets either for the new product line relating to non-alcoholic beverages in Bihar or for manufacturing units in other states. Provision aggregating to Rs. 1,324 Lakhs have been made against aforesaid inventories and trade receivable balances and no other adjustment has been considered necessary by the management in this regard.

The statutory auditors of the Company have drawn an Emphasis of Matter in this regard, in their audit report on the consolidated financial results.

6. Employee benefits expense for the year ended March 31, 2016 includes Rs. 1,331 Lakhs towards compensation for loss of office to erstwhile managing director and is net of reversal of provision no longer required amounting to Rs. 424 Lakhs.
7. Selling and distribution expense for the years ended March 31, 2017 and March 31, 2016 is net of reversal of Rs. 1,126 Lakhs and Rs. 2,239 Lakhs, respectively.
8. The Board of Directors of the Company has proposed dividend of Rs. 1.15 per equity share of Re. 1 each amounting to Rs. 3,660 Lakhs (inclusive of dividend distribution tax) for the year ended March 31, 2017. The proposed dividend on equity shares is subject to approval at the ensuing annual general meeting and are not recognised as a liability (including dividend distribution tax thereon) as at year end.

9. The Company 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 a director (including his joint holdings) and United Breweries (Holdings) Limited, without its prior permission. Accordingly, the Company has withheld payment of Rs. 571 Lakhs relating to dividend on aforesaid shares and the Company would also withhold payment of proposed dividend for year ended March 31, 2017 on aforesaid shares, which is subject to approval by the shareholders at the ensuing annual general meeting.

The Company received an order dated March 11, 2016 from the Deputy Commissioner of Income Tax (International Taxation), Bangalore, requesting the Company to create a charge in favour of the Central Government on any amount due or likely to be due to a director of the Company, to the extent of Rs. 67,980 Lakhs relating to tax demands on Kingfisher Airlines Limited. The Company also received an order dated June 28, 2016 from the Commissioner of Income Tax (TDS), prohibiting the Company from making any payment in the nature of salary, remuneration, allowances, etc. to a director of the Company. The Company had accordingly withheld payment of Rs.164 Lakhs relating to director commission and sitting fees payable to the aforesaid director, which has been paid to the Tax Recovery Officer (TDS), Bengaluru based on an order dated November 30, 2016 received from the Commissioner of Income Tax (TDS). Subsequent to aforesaid payment to tax authorities, the Company has further withheld payment of Rs.0.69 Lakhs (net of TDS), relating to director sitting fees payable to the aforesaid director.

10. The Securities and Exchange Board of India vide its order dated January 25, 2017 ("the SEBI Order") has restrained Dr. Vijay Mallya, Non-Executive Chairman of the Company, from holding position as Director or Key managerial person of any listed company. The Bombay Stock Exchange vide its letter dated January 27, 2017 and the National Stock Exchange vide its letters dated January 25, 2017, January 27, 2017 and January 30, 2017, have sought the status of compliance with the SEBI Order from the Company. The Company has already taken effective steps following the SEBI Order directed to the Chairman in discussion with the Board of Directors.
11. The previous year figures have been regrouped where necessary to confirm to this year's classification.
12. The consolidated financial results and notes are also available on the websites of the Stock Exchanges viz. [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) and also on the website of the Company viz. [www.unitedbreweries.com](http://www.unitedbreweries.com).

By the authority of the Board

Place : Bengaluru  
Date : May 17, 2017

Shekhar Ramamurthy  
Managing Director