



UNITED SPIRITS

Ref: bm 290411

April 29, 2011

Bangalore Stock Exchange Limited,
51, Stock Exchange Towers,
1st Cross, J.C. Road,
Bangalore - 560 027

Dear Sirs,

Sub: 1) Unaudited Financial Results (Provisional) for the three months ended March 31, 2011.

2) Appointment of Managing Director.

1. The Board of Directors of the Company at their meeting held today, has considered and taken on record the un-audited financial results (provisional) of the Company for the three months ended March 31, 2011. We forward herewith a copy thereof along with explanatory statement for your information and records. The Limited Review Report thereon received from the Statutory Auditors of the Company was placed at the said Board Meeting.

We are making arrangements to publish the above results in the newspapers in terms of the requirements of the Listing Agreement.

2. The Board of Directors of the Company at the said meeting, has also appointed Mr.Ashok Capoor as Managing Director of the Company for a period of 3 years with effect from May 2, 2011.

We have already informed you that Mr.V.K.Rekhi has ceased to be the Managing Director of the Company with effect from April 19, 2011, consequent upon the expiry of the period of his office as Managing Director of the Company. Mr.V.K.Rekhi also ceased to be a Director of the Company with effect from the close of business hours on April 29, 2011.

Thanking you,

**Yours faithfully,
for UNITED SPIRITS LIMITED,**


**V.S. VENKATARAMAN
COMPANY SECRETARY**

Encl: as above

cc: 1. Bombay Stock Exchange Limited, Mumbai
(Regular Office & Corporate Relations Dept. – Scrip Code: 532432)

2. National Stock Exchange of India Limited, Mumbai

United Spirits Limited

Registered Office: 'UB Tower', # 24, Vittal Mallya Road, Bangalore - 560 001, India.

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UNITED SPIRITS LIMITED

'UB Tower', # 24, Vittal Mallya Road, Bangalore - 560 001

Unaudited Financial Results (Provisional) for the three months ended March 31, 2011.

	Unaudited		Audited	
	Three months Ended		Year Ended	Year Ended
	March 31	March 31	March 31,	March 31
	2011	2010	2011	2010
1 Sales/Income from Operations	320,964	232,644	1,284,217	918,386
Less: Excise duty	161,272	107,430	646,801	425,494
(a) Net Sales/Income from Operations	159,692	125,214	637,416	492,892
(b) Other Operating Income	2,027	1,418	4,856	5,055
Total Income	161,719	126,632	642,272	497,947
2 Expenditure				
a) (Inc)/Dec in stock in trade	(15,597)	(7,027)	(27,191)	(14,106)
b) Consumption of Raw Materials	50,613	34,036	166,786	122,588
c) Purchase of Traded Goods	19,699	18,675	76,471	64,931
d) Consumption of Other Materials	37,215	23,046	143,549	101,887
e) Employee Cost	9,045	7,520	35,665	29,045
f) Depreciation	1,299	1,141	4,513	3,863
g) Other expenditure				
i) Advertisement & Sales Promotion	17,653	14,984	66,531	47,354
ii) Others	19,763	15,847	76,677	63,798
h) Total	139,690	108,222	543,001	419,360
3 Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	22,029	18,410	99,271	78,587
4 a) Other Income	254	573	468	583
b) Exchange Difference - Gain/(Loss)	(258)	(535)	(2,488)	(841)
5 Profit before Interest & Exceptional Items (3+4)	22,025	18,448	97,251	78,329
6 Interest / Finance Charges (Net of receipts)	10,443	10,226	40,305	30,962
7 Profit after Interest but before Exceptional Item (5-6)	11,582	8,222	56,946	47,367
8 Exceptional Items (Net)	-	-	3,684	7,000
9 Profit(+)/Loss (-) from ordinary Activities (7 + 8)	11,582	8,222	60,630	54,367
10 Tax Expense				
Current	4,498	1,310	18,300	15,250
Deferred	(660)	1,227	2,026	1,515
11 Net Profit(+)/ Loss(-) from Ordinary Activities after Tax(9-10)	7,744	5,685	40,304	37,602
12 Extraordinary Items (Net of tax expense)	-	-	-	-
13 Net Profit(+)/Loss(-) for the Period (11-12)	7,744	5,685	40,304	37,602
14 Paid-up Equity Share Capital (Face value Rs.10)	13,079	12,559	13,079	12,559
15 Reserves excluding Revaluation Reserves				464,919
16 Earnings Per Share				
a) EPS Basic - Rs/share (Not annualised)	5.92	4.53	30.82	32.51
b) EPS Diluted - Rs/share (Not annualised)	5.92	4.53	30.82	32.51
17 Public shareholding				
- No. of Shares	94,154,208	87,839,527	94,154,208	87,839,527
- Percentage of shareholding	71.99	69.94	71.99	69.94
18 Promoters and Promoter Group Shareholding				
a) Pledged/Encumbered				
- No. of Shares	32,069,407	31,459,566	32,069,407	31,459,566
- Percentage of shares	87.52%	85.89%	87.52%	85.89%
(as a % of the total share Capital of Promoter and Promoter Group)				
- Percentage of shares	24.52%	25.05%	24.52%	25.05%
(as a % of the total share Capital of the Company)				
b) Non-encumbered				
- No. of Shares	4,571,353	5,168,694	4,571,353	5,168,694
- Percentage of shares	12.48%	14.11%	12.48%	14.11%
(as a % of the total share Capital of Promoter and Promoter Group)				
- Percentage of shares	3.50%	4.12%	3.50%	4.12%
(as a % of the total share Capital of the Company)				

United Spirits Limited
Unaudited Financial Results (Provisional) for the three months ended
March 31, 2011

Notes:

1. The Company is engaged in the business of manufacture, purchase and sale of Beverage Alcohol (Spirits and Wines) including through Tie-up Manufacturing / brand franchise, which constitutes a single business segment. The Company's operations outside India did not exceed the quantitative threshold for disclosure envisaged in AS-17 on "Segment Reporting" notified under the Companies (Accounting Standard) Rules 2006. In view of the above, primary and secondary reporting disclosures for business/geographical segment as envisaged in AS-17 are not applicable to the Company.
2. The Hon'ble Appellate Authority for Industrial and Financial Reconstruction ('AAIFR'), vide its order dated November 29, 2010, sanctioned the Rehabilitation Scheme inter alia, containing the Scheme of Arrangement between Balaji Distilleries Limited ('BDL'), Chennai Breweries Private Limited ('CBPL') and United Spirits Limited and their respective shareholders and creditors, as the case may be ('Scheme'). The Scheme has become effective on December 27, 2010 and the company has given effect to the Scheme in the accounts effective from April 1, 2009 being the Appointed Date.

The figures for the quarter ended March 31, 2011 and year ended March 31, 2011 are after giving effect to the merger of BDL as a going concern (post transfer of the brewery division undertaking to its wholly owned subsidiary CBPL) ("Balaji"), while figures for the quarter ended March 31, 2010 and the year ended March 31, 2010 are those of the Company prior to the merger of Balaji and hence, are not comparable.

The Board of CBPL, a wholly owned subsidiary of the Company, at its meeting held on March 11, 2011 has considered and approved the amalgamation of CBPL in to United Breweries Limited with effect from close of business hours on March 31, 2011, being the Appointed date.

3. In accordance with SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 1997 (SEBI Takeover Code), the Company has made an Open Offer to the public share holders of Pioneer Distilleries Limited (PDL) for the acquisition of 2,677,640 equity shares of Rs.10 each representing 20% of the fully paid-up equity share capital at a price of Rs.101 per share payable in cash pursuant to the execution of Share Purchase Agreement with the existing promoters of PDL. The Open Offer opened on January 15, 2011, closed on February 03, 2011. The Company is in the process of completing the Open Offer formalities.
4. During the quarter, the Company has acquired 41.54% of equity stake in Karnataka based Sovereign Distilleries Limited (SDL). SDL is engaged in the manufacture and sale of Extra Neutral Alcohol (ENA) and Indian Made Foreign Liquor (IMFL).

United Spirits Limited
Unaudited Financial Results (Provisional) for the three months ended
March 31, 2011

Notes:

5. Mr.V.K.Rekhi ceased to be the Managing Director of the Company with effect from April 19, 2011 consequent upon the expiry of the term of his office as Managing Director. Mr.V.K.Rekhi also ceased to be a Director with effect from the close of business hours on April 29, 2011.. At the Meeting of Board of Directors held on April 29, 2011, Mr. Ashok Capoor has been appointed as the Managing Director of the Company for a period of three years with effect from May 2, 2011 subject to the approval of the shareholders.
6. Details of number of investor complaints for the quarter ended March 31, 2011: Opening: NIL, Received: 34, Disposed of: 34, Pending: NIL.
7. The above unaudited results have been approved by the Board of Directors at their meeting held on April 29, 2011 and have been subjected to a Limited Review by the Auditors of the Company.
8. Previous period/year's figures have been regrouped, wherever necessary, to conform to the current period/year's classifications.

By authority of the Board

Sd/-
Dr. Vijay Malliya
CHAIRMAN

Bangalore
April 29, 2011



UNITED SPIRITS LIMITED

Bangalore
April 29, 2011

PRESS RELEASE

RESULTS Q-IV FY11

PBT UP 41% (by ₹33.6 Cr to ₹115.8 Cr)

REVENUES UP 28% (by ₹350.9 Cr to ₹1,617 Cr)

EBIDTA UP 19% (by ₹37.3 Cr to ₹233.2 Cr)

VOLUMES UP 12% (to 28.76 mio cases)

Q-IV FY10	January - March	Q-IV FY11	
25.65	VOLUMES – USL INDIA (Million cases)	28.76	+3.11 mio ↑ 12%
1,266.3	REVENUE (₹ crore)	1,617.3	+351 Cr ↑ 28%
195.9	Operational EBIDTA (₹ crore)	233.2	+37 Cr ↑ 19%
82.2	Profit Before Tax (₹crore)	115.8	+34 Cr ↑ 41%

The Board of Directors of United Spirits Limited approved the results for the January-March quarter of fiscal 2011 at their meeting in Bangalore today.

Sales during the quarter were up 12% at 28.8 mio cases – an increase of nearly 3.1 mio cases over the comparable period of the previous fiscal. The published results reflect Revenue at ₹1,617 crore, up 28% from ₹1,266 crore of the corresponding quarter of the previous fiscal. Adjusted for the incorporation of the turnover of Balaji Distilleries Limited in this quarter (which was not a part of the accounts for the comparable period), the effective revenue growth would be 19%, on a volume growth of 12%, reinforcing USL's premiumisation focus.

Spirit costs during the quarter were down 1.5% over the corresponding quarter of the previous fiscal – however, they were up 5% over Q-III. These costs are expected to come

down going forward. During the quarter, price increases were granted on a staggered basis to suppliers of glass and paper (cartons) to cover increases in the prices of their inputs. To neutralize the impact of these increases, USL has already revised selling prices of its brands effective the new fiscal.

EBIDTA for the quarter at ₹233.2 crore represents a 19% (₹37 crore) increase over the comparable period of the previous fiscal. Despite the cost increases, EBIDTA has been maintained at 16% of Net Sales. The incorporation of the large turnover of Balaji Distilleries at ₹112 crore in this quarter (Nil during the comparable period) has impacted the reported EBIDTA margin by 100 basis points.

McDowell's No.1 Platinum Whisky ended fiscal 2011 as a 'Millionaire' brand in its very year of launch – a first for any alcöbev brand in this segment. USL's portfolio now has 21 Millionaire brands of which four brands annually sell over 10 million cases each, apart from the two that sell over 5 million cases. McDowell's VSOP Brandy, a prestige brandy offering, closed the year at just under a million cases in sales – a testimony to the whole-hearted acceptance of the product by consumers. USL's other key brands, particularly at the upper end of the price ladder, continue to register healthy growth in both volume and value.

Interest charges in the current quarter are at ₹104.43 crore vis-à-vis ₹102.26 crore in the same quarter last year. On consolidation of the accounts of USL and its subsidiaries, interest costs are down to ₹505.1 crore from ₹606.9 crore in the previous fiscal.

A comparison of the results for FY11 and FY10 shows an increase in Operational EBIDTA (before exceptional items) of ₹196 crore (+24%) on a revenue growth of 29% (₹1,443 crore).

FY10	April - March	FY11	
100.2	VOLUMES – USL INDIA (Million cases)	112.2	+12.0 mio ↑ 12%
4,979.5	REVENUE (₹ Crore)	6,422.8	+1,443 Cr ↑ 29%
821.9	Operational EBIDTA (₹ Crore)	1,017.5	+196 Cr ↑ 24%
473.7	PBT before Exceptional Items (₹ Crore)	569.5	+96 Cr ↑ 20%

With volume sales during fiscal 2011 at just under 114 million cases including the sales of its subsidiary companies, **the Company has become the largest distilled spirits marketer in the world in volume terms.** It has now unveiled plans internally of crossing the 200-million cases mark within the next five years.

At the fag end of the fiscal year, the Company acquired a 41.54% equity stake in the Karnataka-based **SOVEREIGN DISTILLERIES LIMITED**, an unlisted primary distillation company with a 180 Kilo Litres per Day (KLPD) plant that uses both molasses and grain as substrates. This is another major step by the Company towards securing the supply side for its key liquid ingredient viz. Extra Neutral Alcohol, after the acquisition of Tern Distilleries (Andhra Pradesh) and Pioneer Distilleries (Maharashtra). This investment, which will push up the Company's internal self-sufficiency to 35% of its current requirements, will offer locational advantages as Karnataka is the 3rd largest sugarcane producing state in the country.

Changes in Management

Consequent to the 5-year term of Mr V K Rekhi as Managing Director coming to an end, the Board of Directors announced the appointment of Mr. Ashok Capoor as Managing Director and President who will hold office till May 1, 2014. Mr. P A Murali, CFO was also named as Joint President.