UB GROUP

UNITED SPIRITS

May 29, 2012

1. Bangalore Stock Exchange Limited
   P.B.No.27024
   No. 51, Stock Exchange Towers,
   1st Cross, J.C. Road,
Bangalore – 560 027.

2. National Stock Exchange of India Limited
   Exchange Plaza, C-1, Block G
BandraKurla Complex, Bandra(East)
Mumbai - 400 051.

3. Bombay Stock Exchange Limited
   (Regular Office & Corporate Relations Dept-Scrip Code 532432)
PhirozeJeejeebhoy Towers
Dalal Street
Mumbai - 400 001.

Dear Sirs,

Sub: Board Meeting held on May 29, 2012

This is further to our letter dated May 16, 2012.

The accounts of the Company for the year ended March 31, 2012 were considered and approved at the Meeting of the Board of Directors held today and the Board has recommended a dividend on equity shares at the rate of Rs.2.50 per share (25%). The audited financial results including Statement of Assets and Liabilities as at March 31, 2012 in the prescribed format under Clause 41 of the Listing Agreement, is enclosed. We also enclose herewith a Press Release in this regard.

We give below the details of the audited accounts for the year ended March 31, 2012, in terms of Clause 20 of the Listing Agreement:

United Spirits Limited
Registered Office : 'UB Tower', # 24, Vittal Mallya Road, Bangalore - 560 001, India.
Tel : 91-80 3985 6500, 2221 0705, Fax : 91-80 3985 6862, 3985 6959, 3985 6607
www.unitedspirits.in

	Current Financial year ended 31.03.2012	Previous Financial Year ended 31.03.2011
	Rs. in crores	Rs. in crores
1. Turnover	16,046.43	12,366.12
2. Gross Profit	575.55	592.51
3. Exceptional and other non recurring items	(10.82)	36.84
4. Net Profit:	342.79	385.47
After providing for:		
- Depreciation	60.84	47.75
- Taxation (including deferred tax)	161.10	196.14
5. Add:		
- Surplus/(Loss) transferred from previous year	1,535.80	1,238.05
- Profit transferred on Amalgamation	-	0.41
6. Transfer to Reserves:		
- Less: General Reserve	50.00	50.00
7. Dividend recommended subject to necessary approvals:		
On 130,794,968 Equity Shares of Rs.10/- each @ Rs.2.50 per share (25%)	32.70	32.70
8. Corporate Dividend Tax	5.30	5.43
9. Balance carried to Balance Sheet	1,790.59	1,535.80

Please take the above on your record and acknowledge receipt.

Thanking you,

Yours faithfully,
For UNITED SPIRITS LIMITED

V.S.VENKATARAMAN
COMPANY SECRETARY

Encl. as above

UNITED SPIRITS LIMITED

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

PART I: Statement of Audited Financial Results for the three months and Year ended March 31, 2012

Rs. Lakhs

	Standalone					Consolidated	
	3 Months Ended March 31,	Previous 3 Months Ended December 31	3 Months Ended March 31,	Year Ended March 31		Year Ended March 31	
	2012	2011	2011	2012	2011	2012	2011
	Audited (Note 3)	Unaudited	Audited (Note 3)	Audited			
1 Sales/Income from Operations	402,623	415,027	320,407	1,604,643	1,283,660	1,823,354	1,420,876
Less: Excise duty	216,354	219,633	161,242	850,376	646,771	904,705	683,257
(a) Net Sales/Income from Operations	186,269	195,394	159,165	754,268	636,889	918,650	737,619
(b) Other Operating Income	1,905	1,340	2,090	11,721	4,919	16,958	15,018
Total Income	188,174	196,734	161,256	765,989	641,808	935,608	752,637
2 Expenditure							
a) Consumption of Materials Consumed	99,778	103,789	88,430	384,458	310,937	471,605	339,591
b) Purchase of Stock in Trade	20,906	22,123	19,477	85,927	76,249	89,083	78,012
c) Changes in inventories of Finished Goods, Work-in- Progress and stock in trade	(7,145)	(6,973)	(16,139)	(17,982)	(27,733)	(47,534)	(30,398)
d) Employee Cost	10,067	11,917	9,851	42,101	36,471	72,465	46,592
e) Depreciation	1,749	1,549	1,561	6,085	4,775	14,741	10,233
f) Other expenditure						-	-
i) Advertisement & Sales Promotion	20,892	21,672	18,173	74,458	67,051	101,114	87,032
ii) Others	24,167	24,177	20,652	90,382	77,568	125,890	102,397
g) Total Expenses	170,414	178,255	142,006	666,429	545,318	827,364	633,458
3 Profit from Operations before Other Income, Finance Cost & Exceptional Items (1-2)	17,760	18,479	19,250	100,559	96,490	108,244	119,179
4 a) Other Income	1,469	1,815	1,449	6,038	4,733	9,963	6,094
b) Exchange Difference - Gain/(Loss)	(2,052)	2,335	(27)	4,308	(2,257)	3,971	10,149
5 Profit before Interest & Exceptional Items (3+4)	17,177	22,629	20,671	110,905	98,966	122,178	135,422
6 Finance Cost	16,625	15,373	11,557	59,435	44,489	87,567	55,750
7 Profit after Interest but before Exceptional Item (5-6)	552	7,256	9,114	51,471	54,477	34,611	79,672
8 Exceptional Items-(Expense)/Income (Note 4)	207	(198)	-	(1,082)	3,684	(1,082)	3,684
9 Profit(+)/Loss (-) from ordinary Activities (7 + 8)	759	7,058	9,114	50,389	58,161	33,530	83,356
10 Tax Expense							
Current Tax	(900)	3,350	4,133	16,950	17,935	17,131	19,278
Deferred Tax Charge/ (Credit)	658	(997)	(1,007)	(840)	1,679	(2,322)	7,245
11 Net Profit(+)/ Loss(-) from Ordinary Activities after Tax(9-10)	1,001	4,705	5,988	34,280	38,547	18,720	56,833
12 Extraordinary Items (Net of tax expense)	-	-	-	-	-	-	-
13 Net Profit(+)/Loss(-) for the Period (11-12)	1,001	4,705	5,988	34,280	38,547	18,720	56,833
14 Share of Profit / (loss) of Associate	-	-	-	-	-	(55)	(138)
15 Minority Interest in Profit / (Loss)	-	-	-	-	-	(127)	(257)
16 Net Profit / (Loss) after taxes, minority interest and share of profit /(loss) of associates (13+14+15)	1,001	4,705	5,988	34,280	38,547	18,793	56,952
17 Paid-up Equity Share Capital (Face value Rs.10)	13,080	13,080	13,080	13,080	13,080	12,587	12,587
18 Reserves excluding Revaluation Reserves				573,669	496,197	452,490	404,175
19 Earnings Per Share							
a) EPS Basic - Rs/share (Not annualised)	0.77	3.60	4.58	26.21	29.47	14.93	45.25
b) EPS Diluted - Rs/share (Not annualised)	0.77	3.60	4.58	26.21	29.47	14.93	45.25

PART II: Select Information for the three months and Year Ended March 31, 2012

A. Particulars of Shareholding					
1 Public shareholding					
- No. of Shares	94,458,736	94,154,208	94,154,208	94,458,736	94,154,208
- Percentage of shareholding	72.22	71.99	71.99	72.22	71.99
2 Promoters and Promoter Group Shareholding					
a) Pledged/Encumbered					
- No. of Shares	34,307,879	33,509,407	32,069,407	34,307,879	32,069,407
- Percentage of shares (as a % of the total share capital of Promoter and Promoter Group)	94.42%	91.45%	87.52%	94.42%	87.52%
- Percentage of shares (as a % of the total share capital of the Company)	26.23%	25.62%	24.52%	26.23%	24.52%
b) Non-encumbered					
- No. of Shares	2,028,353	3,131,353	4,571,353	2,028,353	4,571,353
- Percentage of shares (as a % of the total share capital of Promoter and Promoter Group)	5.58%	8.55%	12.48%	5.58%	12.48%
- Percentage of shares (as a % of the total share capital of the Company)	1.55%	2.39%	3.50%	1.55%	3.50%

B. Investor Complaints	
Pending at the beginning of the quarter	Nil
Received during the quarter	18
Disposed off during the quarter	18
Remaining unresolved at the end of the quarter	Nil

UNITED SPIRITS LIMITED

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

Statement of Assets & Liabilities

Rs. Lakhs

	Audited		Consolidated	
	As at March 31,		As at March 31,	
	2012	2011	2012	2011
A.EQUITY AND LIABILITIES				
1. Shareholders' Funds				
a) Share Capital	13,080	13,080	12,587	12,587
b) Reserves and Surplus	574,769	497,297	453,590	405,275
Minority Interest	-	-	1,461	1,751
2. Non-current Liabilities				
a) Long term borrowings	139,919	172,418	539,602	246,123
b) Other Long-term liabilities	2,002	1,265	2,375	1,374
c) Long term provisions	3,880	3,487	16,888	9,909
3. Current Liabilities				
a) Short-term borrowings	204,565	127,777	212,709	130,377
b) Trade Payables	146,753	108,387	199,511	140,765
c) Other Current Liabilities	118,083	85,532	139,307	335,741
d) Short-term provisions	7,121	6,750	7,624	6,987
	1,210,173	1,015,993	1,585,654	1,290,889
B. ASSETS				
1. Non-current Assets				
a) Fixed Assets	118,255	94,820	282,122	204,246
c) Goodwill on Consolidation	-	-	516,740	443,201
d) Non Current Investments	161,044	145,091	21,688	13,709
e) Deferred Tax Assets (net)	2,868	2,027	5,919	3,253
f) Long term Loans and advances	537,656	485,541	124,001	134,694
g) Other Non Current Assets	600	487	27,934	4,964
2. Current Assets				
a) Current Investments	1,888	234	1,892	1,734
b) Inventories	145,224	116,213	275,476	211,682
c) Trade Receivables	128,280	95,859	197,294	138,682
d) Cash and Bank balance	27,770	15,492	36,323	63,218
e) Short term Loans and Advances	86,575	60,214	96,253	71,492
d) Other Current Assets	13	15	13	15
	1,210,173	1,015,993	1,585,654	1,290,889

United Spirits Limited
Audited Financial Results for the year ended March 31, 2012

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" issued by the Institute of Chartered Accountants of India. 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. Figures for the Previous periods are reclassified / re-arranged / re-grouped, wherever necessary, as per the format revised by SEBI in conformity with the amended Schedule VI to the Companies Act, 1956.

3. The figures for the last quarter ended March 31, 2012 and March 31, 2011 are the balancing figures between the audited figures in respect of the full financial year and the year to date figures up to the period ended December 31, 2011 and December 31, 2010 respectively.

4. The Company has acquired the balance equity shares of 34,168,466 in Sovereign Distilleries Limited (SDL), an unlisted public company based in Karnataka. Consequently, SDL has become a wholly owned subsidiary of the Company with effect from April 19, 2012.

5. The Exceptional Item for the year represents the provision made towards the Excise liability amounting to Rs.8.84 Crores and Water charges amounting to Rs. 1.98 Crores relating to prior years based on the legal pronouncement.

6. The Board has recommended a dividend of Rs 2.50 per share on the equity shares of the Company for the year ended March 31, 2012.

7. The above audited results were taken on record at the meeting of the Board of Directors held on May 29, 2012.

By authority of the Board

Sd/-
ASHOK CAPOOR
MANAGING DIRECTOR

Mumbai
May 29, 2012

UNITED SPIRITS LIMITED

Mumbai
May 29, 2012

PRESS RELEASE

AUDITED RESULTS – 2011-12

USL STANDALONE

EBIDTA UP 5% (by ₹54Cr to ₹1,066Cr)

VOLUMES UP 7% (+ 7.9 mio cases)

REVENUES UP 18% (by ₹1,173.8Cr to ₹7,542.7Cr)

2010-11	*April - March*	2011-12	
112.24	VOLUMES (Million cases)	120.18	+7.94 mio ↑ 7%
6,368.9	REVENUE (₹ crore)	7,542.7	+ 1,173.8Cr ↑ 18%
1,012.6	Operational EBIDTA (₹ crore)	1,066.4	+53.8Cr ↑ 5.3%

USL CONSOLIDATED

VOLUMES UP 7% (+8.4 mio cases)

REVENUES UP 25% (by ₹1,810Cr to ₹9,186.5Cr)

Operational EBIDTA UP 16% (by ₹194.7Cr to ₹1,408.8Cr)

2010-11	*April – March*	2011-12	
114.31	Volumes (Million cases)	122.75	+ 8.4 mio ↑ 7%
7,376.2	REVENUE (₹ crore)	9,186.5	+ 1,810.0Cr ↑ 25%
1,214.1	Operational EBIDTA (₹ crore)	1,408.8	+194.7Cr ↑ 16%

In keeping with the new listing requirements seeking the publication of audited results within 60 days from the end of the fiscal year, the Board of Directors of United Spirits Limited approved the audited results for fiscal 2012 at their meeting in Mumbai today.

For the year **Sales Revenue was up 18% to ₹7,542.7 crore, an increase of ₹1,174 crore** over the previous year (₹6,368.9 crore). **Sales Volumes during the year were up 7% (7.94 million cases)**, and stood at 120.18 million (PY 112.24 million cases). The higher growth in revenue vis-a-vis volume reflects the continuing success of the premiumization drive by the Company. **On a worldwide basis, including the sales of its overseas subsidiaries, sales stood at 122.75 million cases, a growth of 7%** from the previous year's 114.31 million.

Two key markets – West Bengal & Tamil Nadu, dampened company performance during the year. On top of Maharashtra's steep hike in duties last fiscal, West Bengal followed with an exorbitant increase in taxes and duties in Aug-Sept'11 that led to a 35% drop in off-take in H-2 of the fiscal year; while this was as high as 48% in the quarter immediately following the hike, a gradual coming-to-terms with the new prices by consumers led to the drop reducing to 19% in Q4. The Tamil Nadu parastatal buying agency targeted USL's national brands to favor local offerings thereby affecting off-take of USL brands by 2 million cases in H-2 in the country's largest spirits market – fortunately the lack of off-take of the substitute brands has prompted a reversal of the attempt.

Spirit costs during the year were up ₹13/case from the previous year as a result of two factors - the increased floor rates of Ethanol supplies to the Oil Marketing Companies that raised the minimum prices for ENA for the potable sector and the imbalances created through political interventions in large molasses-producing states like UP and Maharashtra that affected both availability and movement.

While glass suppliers queued up in late 2011 for an increase owing to the increase in price of their energy inputs, they were granted an 8% increase effective February 2012. The combined effect of the increases in costs of wet and dry goods pushed up overall COG by 350 basis points on a Y-o-Y comparison. While **EBIDTA has increased from ₹1,012.6 crore to ₹1,066.4 crore, a 5.3% increase**, margin was impacted adversely by 180 basis points despite the 350 basis points increase in COG as a % of NSR.

This increase in EBIDTA for the fiscal, despite the cost-push and loss of profit in the two markets mentioned above together amounting to ₹350 crore, has been brought about by price increases and the premiumization drive of the Company. Price increases as per the Company's usual practice were taken through a mix of increases in billing prices, decreases in promotional trade spends and the introduction of higher-priced alternate brands.

Profit for the quarter compared to the preceding quarter of FY12 and the comparable quarter of FY11 were affected significantly by notional losses on account of exchange differences in inter-company balances (₹44 crore and ₹20 crore respectively), apart from increase in interest costs.

USL brands, particularly at the top-end of the product portfolio, continue to grow in both volume and value terms. **Key brands like Signature (+27%), Royal Challenge (+23%), Antiquity (+13%), Black Dog (+28%) and the No.1 McDowell's franchise (+9%) have led from the front in the drive to move the portfolio up the value chain.**

McDowell's No.1 Celebration Rum is now the world's largest selling dark rum joining McDowell's No.1 Brandy that has been the world's leading brandy for some years now. **McDowell's No.1 Whisky is now India's largest-selling spirits brand with sales just under 17 million cases during the fiscal year.**

New product launches during the year have been extremely well received both by the trade and consumers alike. **Signature Premier**, a new introduction blended with 8 Year Old Scotch has surpassed all expectations even with its positioning at the pricey super-premium end of the whisky market. **Vladivar Vodka**, a premium brand from the Whyte & Mackay stable, was introduced into the Indian market simultaneously with its three twin-flavored variants, a first in the Indian spirits market. **McDowell's No.1 Cariba Rum**, a premium dark rum offering blended with Jamaican rum spirit, has received a very good response in the few markets of East and North India where it has been rolled out, which augurs well for the future.

During the quarter, the Company increased its shareholding in the North Central Karnataka-based Sovereign Distilleries Ltd, an unlisted primary distillation Company with a 180 Kilo Litres Per Day facility using both molasses and grain as input substrates, to convert it into a

wholly owned subsidiary; plans are afoot to merge it with the parent company this fiscal to derive tax advantages in supplies.

In the early part of fiscal 2012, USL undertook a GBP 370 million re-finance of the remnant debt originally taken for the acquisition of W&M. The new loan has a 7-year tenor including a 3-year moratorium with a ballooning re-payment over the subsequent 4 years. The repeated increases in interest rates by the central bank during fiscal 2012 and increased working capital requirements to fund both operational expansions and capital investments pushed up interest costs from ₹445 crore to ₹594 crore.

With a view to reinforcing its position as the Global Leader in Distilled Spirits, the Company is seeking to open up four new markets in the African and Asian continents. The Company's Emerging Markets Division is spearheading the foray into these markets with brands from both the Indian and the Whyte and Mackay stables, initially on an export basis from India and Scotland while progressively developing local manufacturing capability for the volume portfolio.

At the same meeting, a dividend of ₹2.50 per equity share was also approved for distribution to the equity shareholders of the Company, subject to approval by the members at the ensuing AGM.