UNITED BREWERIES LIMITED

July 17, 2022

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

2. National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex
Bandra (East),
Mumbai – 400 051,
Scrip: UBL

Dear Sir,

Sub: **Compliance with Regulation 34(1) of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015**

In compliance with the requirement under sub-regulation (1) of Regulation 34 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, we enclose herewith copy of Annual Report for the financial year ended March 31, 2022.

Further, copies of Notice of 23rd Annual General Meeting to be held on Wednesday, August 10, 2022, and Annual Report for the financial year ended March 31, 2022 have been sent to all the members through e-mail, whose email addresses are registered with the Company/Depository Participant(s) by our Registrar and Transfer Agent and Central Depository Services (India) Limited (CDSL) a Depository Participant of the company, on Saturday, July 16, 2022.

Thanking you, we remain,

Yours faithfully,
For UNITED BREWERIES LIMITED

GOVIND IYENGAR
Senior Vice President – Legal &
Company Secretary

Encl: As above.

UNITED BREWERIES LIMITED

ANNUAL REPORT 2021-2022

STRONGER TOGETHER

EST. 1873

Heineken®

KINGFISHER



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KINGFISHER. NOW SERVED IN A NEW LOOK!

Even India's most iconic beer needs a refreshing change now and then. Introducing the new-look Kingfisher!





Crafted to be even more eye-catching than before, we introduced our brand-new packaging in a majority of our markets.

We announced this "Visual Identity System" revamp with a high-impact campaign: 'Good Times Never Looked So Good', breaking the news to audiences that the brand they love just got a whole lot more attractive! Initial response has been overwhelmingly positive with many customer reviews on social media actively appreciating the new look.

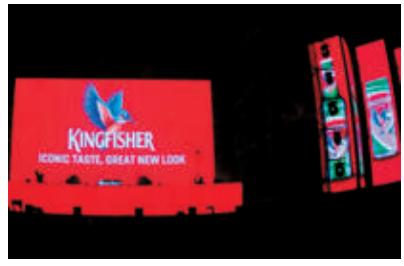
RAISING THE BAR AT SUNBURN!

Kingfisher makes Sunburn 2021 bigger, better and redder!

With over 100 gate arches, OOH and venue branding sites including one right outside the Goa airport, we made sure that everyone knew exactly where to go and celebrate the good times.

A pre-party contest for free Sunburn tickets generated a lot of buzz with audiences. We then continued to spread the cheer by entertaining everyone with fun activities like beer pong, magic mirrors, and more, providing a completely gamified experience at the venue. The King of Good Times created strong brand engagement at the Kingfisher lounge where the audience could taste all the beers from the house of United Breweries. The highlight of the event was the launch of the brand-new packaging of the Kingfisher bottle presented during a performance of the extermely talented Ritviz.







THE CHEERS GET LOUDER AT THE IPL!

No IPL season is complete without Kingfisher and this year, we treated fans to exciting 'Spread the Cheer' experiences.



Featuring cricketers from 3 of the tournament's biggest teams, the IPL campaign showed how Good Times has spread onto the cricket field too!

Kickstarted by a highly entertaining film, the campaign was supported by POSM bursts to generate even more reach. One of the main attractions for fans was a virtual meet and greet that gave them a once-in-a-lifetime chance to interact with their favourite cricketing stars. A hi-tech Virtual Reality cricket game engaged with audiences on-ground, bringing the excitement beyond the stadium!

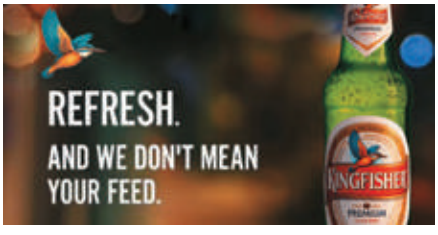




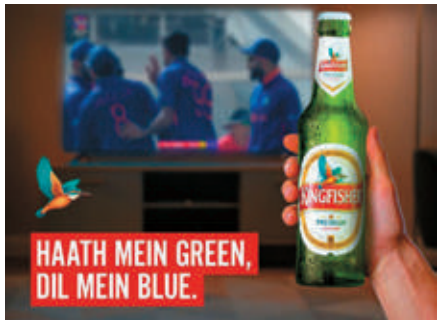
KINGFISHER STAYS ON TOPIC!

Kingfisherworld continues to be the ultimate destination for entertainment by staying on top of what's trending and topical.





We spread the cheer on World Happiness Day, broke stereotypes on Women's Day, brought everyone together on Holi, and celebrated the new-age Indian festival - the IPL, with all our fans! We did all this to entertain audiences with relatable content and keep them hooked for more.







KINGFISHER WANTS YOU TO #MAKEROOMFORBEER



Making Home Stocking a Habit

As India's biggest beer provider, we took it upon ourselves to build the behaviour of stocking beer at home. We wanted people to realise that just like everything essential, beer too, deserves its rightful place and space in our homes.

That's why we launched a campaign: #MakeRoomForBeer, playing up the act of stocking beer in our fridges, chilled and ready for consumption.

One of the key opportunities to drive catagory growth is in driving home stocking.

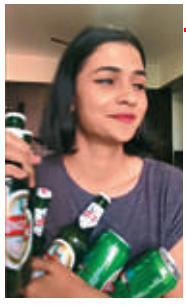
Getting Audiences to Pay Attention

We kicked things off with a series of intriguing teasers, then revealed our campaign via a thoroughly entertaining film about a lost little beer can looking to find its space in a home. Until it discovers the one true place where it belongs, inside our refrigerators.

We also launched a fun petition highlighting the fact that we've neglected stocking beer at home and it's time for change. Over 16500 people signed our petition to #MakeRoomForBeer.







Influencing the Nation

We collaborated with popular influencers across different genres such as content creators like BeYouNick, traveloggers like Bruised Passports and comedians like Anu, to amplify this campaign with their own unique content. We scaled this on-ground with impactful visibility and special home packs.

Raising Support on Social Media

Reaching out to over 48 million people, the campaign had a clear impact on brand loyalty, increasing our Instagram community by over 6500 new followers. Through organic engagement alone, the campaign generated over 1.8 million views, 2,00,000 likes and a plethora of comments from people in support of the campaign. Talk about cause and effect!



Heineken®

The packed brand activity calendar started with #safegettogethers, a purpose-led campaign, during the unlock phase and ended with the coolest brand association, James bond. The year 2020-21 also saw brand health indicators grow substantially led by the following key marketing initiatives:



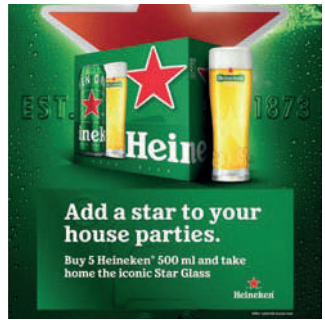
AT-HOME CONSUMPTION

Heineken® launched two strategic campaigns to drive at-home penetration. 'Pure Malt Served at Home' on e-commerce platforms was targeted at discerning and affluent consumers. The BTL-focused campaign 'Star of Your Home Parties' helped drive at-home consumption through bulk offtake consumer promotions.

HOME GATHERING

Heineken® continued its efforts of driving the #SocialiseResponsibly initiative by launching a new campaign 'Home Gathering' to propagate #SafeGetTogethers during the unlock phase. The campaign reached 34 million people and generated 248 million impressions.







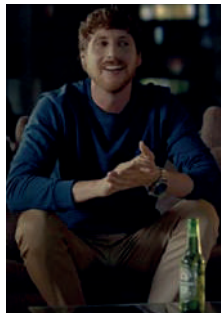


JAMES BOND

The iconic Heineken® association with James Bond came to life with the release of "No Time to Die". The high-impact campaign leveraged the partnership at every consumer touchpoint to reinforce Heineken® as an international, premium, and aspirational brand. A 10-week-long, integrated 360° campaign was activated across the country, supported by an exclusive movie screening for customers, consumers, and influencers.

EURO & UCL

The UEFA EURO 2020™ campaign was activated in India to celebrate what fans of rival teams have in common – enjoying a nice cold Heineken® while cheering for their teams. The campaign reached 20+ million football fans through ATL and BTL platforms.









MOMENT MARKETING

Heineken® leveraged moment marketing at its best and paid an ode to cultural conversations through contextual social media content. Topical posts on Meta, Squid Games and Wineken drove engagement amongst the younger cohort.









CONSUMER EXPERIENCE & ACTIVATION

Heineken® activated #GreenZone in India with a total of 14 sessions in our key markets, followed by a 5-day main festival in Goa around the New Year. The initiative was supported with integrated initiatives encompassing outdoor, social media communication, radio, print and POSM, driving affinity amongst Gen Y & Z by reaching 13+ million audiences.



Heineken® 0.0

Heineken® 0.0 business saw substantial growth through e-commerce, which grew by 66% as compared to the previous year. The key thematic campaigns like James Bond and #SafeGetTogethers were repurposed to drive awareness and affinity amongst non-alcoholic drinkers.









AMSTEL

BRINGING IN AMSTERDAM'S CREDENTIALS TO INDIA

Amstel continued expanding its nationwide footprint across key markets. Integrated ATL and BTL interventions drove awareness and helped build a community of Amstel consumers across the country.







EXCITING JOURNEY AHEAD:

Amstel is now geared up to go live with a reinvigorated positioning to bring alive the spirit of Amsterdam at every consumer touchpoint. The journey ahead entails new communication anchored on Amstel's international heritage and superior product quality supported with renewed packaging, immersive on-ground experiences, and a digital-first approach to drive imagery and consumer engagement.







FARHAN AKHTAR AND ULTRA - A PARTNERSHIP THAT CONTINUES TO BREW.

A prolific partnership with Farhan Akhtar continued to lift the spirits of Ultra lovers across the country for another year. The versatility and sophistication brought by Farhan was pivotal in representing Ultra's brand ethos and keeping the brand love on a high.

LOVING THE ULTRA LIFE

"Live the Ultra Life" campaign was coupled with refreshing "Liquid Love", which was focused on images that raised the bar of followers on Instagram. The Liquid Love was contextualized to at-home occasions to let people get a taste of the experience, at home.



THE ULTRA PARTY SPIRIT



Ultra Access, an IP by Ultra filled the party with a whole lot of flavour and fervour. The musical experience raised the spirits of patrons with fine music and beer across 7 cities in India. And managed to do this responsibly, by adhering to all social distancing norms.

The brand took another big step in its journey with its association with the Satellite Beachside Music Festival. In the course of the festival, 13 events were executed across 6 cities. More than 4000 music enthusiasts connected on-ground and online and got to be part of an Ultra-luxurious experience.

DERBY DAY DELIGHTS WITH ULTRA

Two dazzling Kingfisher Derby Events, in Bangalore and Mumbai continued to live up to the tradition of the elite racing event. Despite the challenges brought on by Covid-19, a limited capacity crowd found massive fanfare. The thrills and spills of the Derby live-streamed on YouTube and built connections beyond the racing turf.





ULTRA DRAUGHT EXPANDING FOOTPRINTS



After the successful launch of Ultra Draught in Karnataka, the brand expanded its footprint to Maharashtra. Ultra-Draught launch was successfully amplified through a digital campaign and a game. The campaign leveraged formats like reels and built hyperlocal stories as a platform to optimize audience touchpoints. A gamified ad deployed on the Inmobi app network (hyperlocal) helped engage audiences across different regions.

TAKING AUTHENTIC FLAVOURS ACROSS INDIA WITH ULTRA WITBIER

Kingfisher Ultra Witbier, UB's introduction to the specialty and assortment section, took off in December 2019.

In the last Financial Year 2021-22 the brand ventured into Kerala, West Bengal, and Haryana, making it accessible in 9 business sectors in general.

The brand drove saliency and engagement on media via product and occasion-led messaging on social media and on-ground trials in the on-premise and off-premise as well as through events like Holi, Ultra Access and Satellite where Ultra Witbier shadows mother brand Ultra.





ULTRA WITBIER GRABS YET ANOTHER AWARD

Kingfisher Ultra Witbier won the product launch of the year at Channelier FMCG grants 2021.



BIEROSCOPE

The brand executed "Topical Campaign" on the occasion of 'Oktoberfest' with a twist using horoscopes connected to beer led occasions where personalized predictions were posted to engage consumers.



THE ALL-NEW KINGFISHER RADLER



Through the initial part of the pandemic and lockdown, when the youth of the country voiced their need for a fresh start, we heard them loud and clear. The people were looking for a change from old patterns; a drink that could work in tandem with their need to 'Hit Refresh'!

HOW DID WE 'HIT REFRESH'?

Heeding the voices that define the pulse of culture; millennials and Gen-Z, we let go of the old Radler and refreshed the product and its range; hitting refresh on everything from product formulation to packaging as well as ensuring bold, yet relatable communication in terms of our messaging.

ALL NEW PRODUCT FORMULATION



The new product formulation is much lighter, markedly more refreshing and packs a zest that is going to be a constant companion to the unbridled spirit of a world finally able to come out of isolation.

ALL NEW EXCITING FLAVOURS



We launched 4 delicious new flavours that have certainly piqued the interest of both millennial and Gen-Z demographics.

ALL NEW PACKAGING DESIGN – FRESH & VIBRANT | PLAYFUL & BOLD. JUST LIKE THE NEW INDIA WE KNOW.

We've refreshed the packaging, with a vibrant Kingfisher bird 2.0 to stand out on the shelves. Borrowing from the heritage of the Kingfisher brand, this leads the brand into the next generation.

As the first tangible experience a consumer has with the brand, the new design reflects their bold & vibrant personality & creates an understanding of the flavour.



ALL NEW COMMUNICATION: 'HIT REFRESH'

The mundane day-to-day motions often make us feel stuck in the hamster-wheel of life. The new Kingfisher Radler brings in a new perspective and is about finding a new purpose in the everyday!

With 'Hit Refresh' - And an all new digital communication strategy with an Instagram first play, this brand shows the next generation of consumers a never-seen-before vibrance. Follow us on instagram, @kfradler!









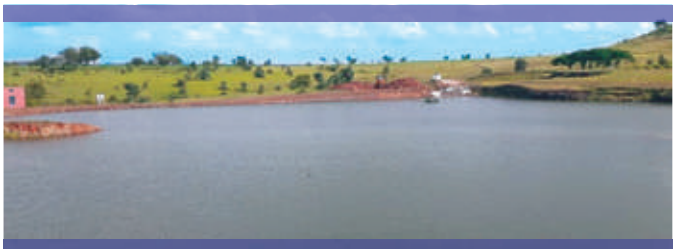






CORPORATE SOCIAL RESPONSIBILITY

At United Breweries, we are passionate about brewing a better world. We know that we can thrive only if our planet and the communities around us thrive, and we have aligned our CSR strategy to drive progress towards an impactful and sustainable change. With revised focus areas and new commitments in FY 21-22, we accelerated our efforts towards Water Conservation, Women Empowerment, Community Development and Covid Relief.



WATER CONSERVATION

Through our Water conservation initiatives, we continue to focus our CSR efforts on water stewardship. Our aim is to create sustainable access to water and citizen-led governance for water resources in our co-communities. To achieve this goal, more than 60% of our CSR budget is allocated towards rejuvenating water bodies and restoring ground water levels. Given below is an overview of our key water initiatives:

PROJECT: JAL SANCHAYAN

PARTNER:
S M Sehgal Foundation

BENEFICIARIES:
4800

LOCATION:
4 Villages of Behror block, Alwar, Rajasthan

Brief: We initiated this project in 2020 to rejuvenate the traditional water bodies in the 4 target villages. This year we completed renovation of 3 ponds and organized capacity building sessions for community members on how to use and maintain these structures. Our efforts have improved the availability of water in these villages and in the long run the project will provide water security for household and agricultural activities in these communities. While working in these communities we also recognized similar needs for pond rejuvenation in other nearby villages. In March 2022, we initiated a phase 2 of this project which includes 3 additional nearby villages where we will continue to work on water conservation.

PROJECT: WATER CONSERVATION

PARTNER:
Action for Food Production

BENEFICIARIES:
17000

LOCATION:
Kondapur Mandal, Sangareddy District, Telangana and Nelamangala block of Bengaluru Rural District, Karnataka

Brief: Launched in 2020, this multi-year project aims to conserve water resources through an integrated water management approach. This year, we constructed 8 check dams, 13 recharge structures and 3 percolation tanks to improve groundwater recharge. Additionally, we organised sensitization sessions for the community and capacity building sessions for farmers on the efficient and productive use of water.

SUSTAINABLE LIVELIHOOD THROUGH CLIMATE-RESILIENT PRACTICES

PARTNER:
United Way of Bengaluru

BENEFICIARIES:
41696

LOCATION:
Pudussery, Pallakad, Kerala

Brief: We successfully completed this multi-year project, launched back in 2019. The two major components of this project were - water conservation and supporting farmers with sustainable livelihood interventions. Under water conservation, we have rejuvenated ponds and lakes, restored dried bore wells, constructed check dams and rooftop rainwater harvesting systems. To support farmers, we conducted trainings in the System of Rice Intensification (SRI) method of paddy cultivation and helped community members to develop household nutrition gardens.

PROJECT: JAL SANCHAYAN

PARTNER:
Akhil Bhartiya Gramin Uthan Samiti

BENEFICIARIES:
76265

LOCATION:
Dharuhera, Rewari, Haryana

Brief: The region of Rajpura Alamgir in Dharuhera is under tremendous water stress with declining groundwater levels in many places. This pond rejuvenation project was launched in in 2020 covering 4 villages of Dharuhera. Over the two years we have rejuvenated 5 ponds benefiting almost 20,000 community members from 4 Panchayats.

PROJECT: WATER CONSERVATION

PARTNER:
Action for Food Production

BENEFICIARIES:
38444

LOCATION:
30 villages and semiurban areas near UBL Ludhiana, Punjab

Brief: A multi-year project with major activities which include pond rejuvenation and civil construction of recharge shafts and rooftop rainwater harvesting structures. This year we have rejuvenated 4 ponds, mapped 21 borewells, initiated plantation near the rejuvenated ponds and continued maintaining the rooftop rainwater harvesting structures installed last year.



WOMEN EMPOWERMENT

Inclusion is at the heart of everything we do at United Breweries. In our bid to ensure a more equal world we revised our CSR strategy and added women empowerment as a focus area to support rural and marginalized women and improve their socio-economic status. The initiatives under this include skill-based training, scholarships, and accelerator programs that are focused on women. We undertook two major projects last year details of which are given below:

PROJECT: TARANG AGROFORESTRY

PARTNER:
Prayas Youth Foundation

BENEFICIARIES:
17820

LOCATION:
8 villages near Aurangabad, Maharashtra

Through this initiative we are partnering with 30 women farmers to enable a sustainable source of livelihood through Agroforestry while improving the green cover of Aurangabad district. Through this project we are creating fruit forests with more than 15000 fruit bearing trees to promote livelihood, environmental sustainability and boost rural economy with climate resilient agricultural practices.

PROJECT: PRAGATI

PARTNER:
Shiksha Seva Foundation

BENEFICIARIES:
97

LOCATION:
Raigad district, Maharashtra and Bangalore Rural, Karnataka

This year we launched Pragati, our scholarship programme designed in collaboration with Protean eGov Technologies Ltd. (Formerly NSDL e-Governance Infrastructure Ltd.) and Shiksha Seva Foundation to support meritorious female students across India in realising their dreams of a fulfilling career. We have successfully supported 97 women through this initiative and will continue to support more women over the next year.



COMMUNITY DEVELOPMENT

We undertake various projects from time to time to meet the specific needs of the community near our breweries. A few of the community development projects done over the last year are:

PROJECT: OXYGEN HUB

PARTNER:
Prayas Youth Foundation

BENEFICIARIES:
64,500

LOCATION:
Waluj MIDC, Aurangabad

A multi-year project, launched in 2020, to develop an urban native forest using the Miyawaki plantation technique. We have planted 75,000 trees of more than 80 native species in a stretch of about 6 acres of industrial land to create Maharashtra's biggest man-made forest. The project has effectively improved green cover and biodiversity in the project location. The success of this project has encouraged us to replicate a dense forest in the coming year in the same industrial area.



COVID RELIEF

PROJECT: COVID RELIEF

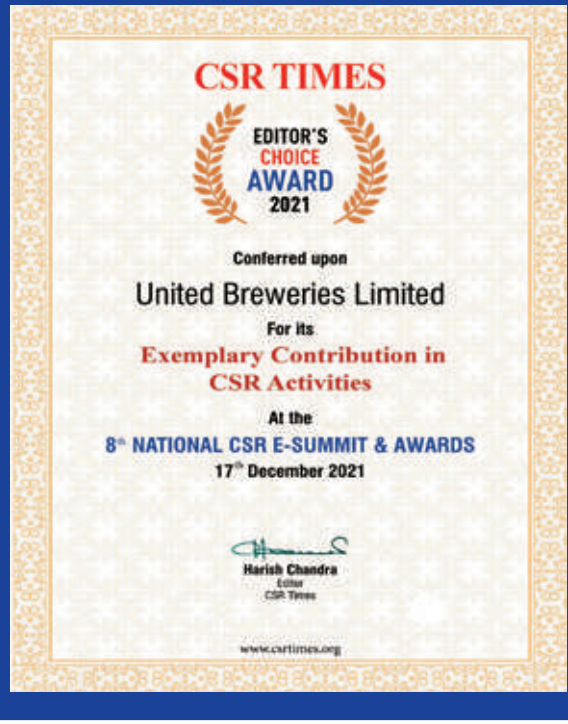
PARTNER:
Various Partners and Direct Implementation

LOCATION:
Pan-India

Brief: In FY 21-22 we continued to focus on the health and safety of our co-communities by responding to the Covid-19 crisis. Our first response was to support them with basic necessities during lockdown. We initiated discussions with the local district authorities and the Panchayats near our breweries to recognize any gaps and understand the requirement of the community. With the help of our NGO partners, we made provisions for ambulances, oxygen cylinders, ICU beds, ventilators and setting up of oxygen plants at various locations. We also partnered with the NRAI (National Restaurant Association of India) under the H.E.A.L program to launch a country wide vaccination program for essential workers of the restaurant industry.

RECOGNITION

CSR Times awarded UBL for 'Exemplary Contribution in CSR Activities' in recognition of our safe drinking water project in Rajasthan. The project is providing potable water to 75000 people in 20 villages.



Directors' Report

Your Company's Directors are pleased to present this Annual Report on the business performance and operations of the Company and the audited accounts of United Breweries Limited ('UBL' or 'your Company' or 'the Company') for the financial year ended March 31, 2022 ('the year under review', 'the year' or 'FY22').

Management Summary

The year 2021-22 was characterized by two high impact events - the second wave of COVID and the integration with HEINEKEN - which have reshaped your Company and ultimately made it stronger, more resilient and better prepared for the future.

- The Delta wave, a virulent incarnation of COVID, that swept the country in April and May 2021, had a devastating impact on companies and communities alike. Amidst the nation-wide spike in infections that brought us all to the grips of a public health emergency, your Company stood by two guiding principles - first, ensuring the health and safety of our colleagues, consumers and other stakeholders and second, extending support and relief to communities which were most impacted by the pandemic by means of medical support, donations and local aid. The resilience and commitment demonstrated by our colleagues and stakeholders was crucial for your Company to sail through these tough months. Your Company continued to engage its consumers and also practiced tight cost control measures to preserve cash. The work done during this period in terms of zero based cost management will stand your Company in good stead for the future.
- Your Company's integration with HEINEKEN seeks to capitalize on our collective strengths to win in the market. With HEINEKEN having been a UBL Shareholder and an active member of the board for over a decade, there is continuity in business strategy and confidence in UBL's market leadership, expertise and the growth potential of the beer market in India. Your Company is stronger together with HEINEKEN and well-poised to accelerate penetration, drive premiumization, unlock future growth and shape the Indian beer industry.

During the period, your Company delivered some strong results:

- Volumes in the December quarter recovered to pre-COVID levels thanks to continuous engagement with consumers and the opening of markets. The month of March saw a record sales volume with early onset of summer.
- The Company expanded its market share during the financial year, thereby solidifying its market leadership.
- With progressively recovering volumes throughout the year, financial results showed recovery vs prior year with net sales up 38% and EBIT up 157%.
- Robust underlying free operating cash flows at Rs.721 crores due to continued improvement in working capital and optimised investment levels.

(Given the strong liquidity position, the Board proposes a dividend significantly up to Rs.10.50 per Share, representing circa 76.06% pay out of profit after tax.)

During the year, your Company continued to invest in future growth drivers mapped to our strategic priorities. With an eye on driving category penetration and creating new opportunities for growth, your Company launched a new campaign to boost at-home beer consumption. The new and refreshed packaging for Kingfisher received a positive response from customers and consumers and is a significant step in our journey to retain the iconicity of our flagship brand. We continued to strengthen the premium portfolio by expanding our craft style Belgian wheat beer Ultra Witbier.

The pandemic also reinforced the importance of working together as a collective force and during the year, your Company conducted trainings and workshops for colleagues and launched best-in-class inclusion and diversity policies with the objective of building a diverse, empowered and engaged workforce with the right culture and capabilities.

Your Company strives to relentlessly drive productivity and capital efficiency and during the year implemented a combination of productivity and cost control measures. As a result, EBIT margin improved by 404 basis points to 8.7%. Strict cash and

working capital management enabled the pre-payment of the remaining debt and year end bank balances are more than Rs. 850 Crores. We also continued to engage with external stakeholders to enable a fair regulatory environment for beer in India.

Our future depends on how we shoulder our present responsibilities and your Company, a responsible corporate citizen, aims to build an organization that not just delivers value to Shareholders but also works together to brew a better world with responsibility and sustainability at the heart of its agenda. During the year, we continued to work towards reducing our overall water consumption needs for the business and improve water stressed areas, with consumption per hl reducing by 5% to 3.4 hl/hl. In a phased manner, we are gradually moving to renewable energy sources to support our carbon footprint reduction in addition to recycling our packaging materials. Renewable energy usage for the year has reached 81%. We are pleased to share a comprehensive report on ESG as part of this annual report.

Overall, your Company is optimistic about the long-term growth drivers of the industry on the basis of GDP growth, climatic conditions, rapid urbanization, rising incomes and evolving consumer trends, and is brimming with renewed vigour to shape the future of Indian beer market together with HEINEKEN.

UBL & HEINEKEN: STRONGER TOGETHER!

FINANCIAL SUMMARY

Financial performance for the year ended March 31, 2022 is summarized below:

(Amount in Rupees million)

STANDALONE FINANCIAL RESULTS	Year ended March 31	
	2022	*2021*
Gross Turnover	**131,174**	*101,834*
Net Turnover	**58,319**	*42,407*
Other Income	**297**	*502*
EBITDA	**7,246**	*4,298*
Exceptional Items	**—**	*(72)*
Depreciation and amortization	**(2,169)**	*(2,319)*
EBIT	**5,077**	*1,907*
Interest	**(148)**	*(227)*
Profit before Taxation	**4,929**	*1,680*
Provision for Taxation	**(1,279)**	*(551)*
Profit after Tax available for appropriation	**3,650**	*1,129*
Appropriations:		
Dividend on Equity Shares (including taxes thereon)	**(132)**	*(661)*
Transfer to the General Reserve	**—**	*(113)*
Other Comprehensive Income/(Loss)	**6**	*149*
Balance carried to the Balance Sheet	**3,524**	*504*

The financial statements for the year ended March 31, 2022 have been prepared under Indian Accounting Standards ("Ind AS") pursuant to notification by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 as amended.

In a year, where the beer industry was again under pressure due to the second and third wave of COVID with consequent impact across businesses, your Company was able to increase its sales volumes and profits. The Gross turnover for

FY22 stood at Rs.131,174 million which grew by 29%. Your Company achieved a Net turnover (net of excise duty) of Rs.58,319 million during FY22 as against Rs.42,407 million during FY21. Despite two waves of COVID during FY22, your Company could achieve improved performance. Interest cost was contained with effective working capital management. EBITDA for the year under review stood at Rs.7,246 million as compared to Rs.4,298 million in the previous year, an increase of 68.6% over the previous year.

Profit before taxation for the year stood at Rs.4,929 million. Profit after taxation stood at Rs.3,650 million. Increased volumes, better operational management, and efficiently controlled costs resulted in higher sales and profits.

DIVIDEND

We take pleasure in proposing a dividend of Rs.10.50 per Equity Share of Re.1/- each for the year ended March 31, 2022. The dividend declared for the previous year was Re.0.50/- per Equity Share of Re.1/- each. The total dividend is Rs. 2776.3 million, which amounts to about 76.06 % of the Profit after Tax.

RESERVES

The Company does not propose to transfer any amount to General Reserve.

CAPITAL

The Authorized Share Capital of the Company stands at Rs. 9,990 million, comprising Equity Share Capital of Rs. 4,130 million and Preference Share Capital of Rs. 5,860 million. The Issued, Subscribed and Paid-up Equity Share Capital of the Company as on March 31, 2022 remains unchanged at Rs. 264.4 million comprising 26,44,05,149 Equity Shares of Re.1/- each.

On June 23, 2021, Heineken International B.V. acquired an additional 3,96,44,346 Equity Shares of the Company being 14.99% of the Equity Share Capital from the Recovery Officer, DRT (under sale proclamation) through a block deal taking Heineken Group Shareholding in the Company from 46.52% to 61.52%. Heineken Group has therefore become a majority promoter shareholder.

MANAGEMENT DISCUSSION AND ANALYSIS

Industry Overview

Beer has been bringing people together for many years. In India, we believe our best days are ahead of us as young people continue to choose beer as a social lubricant. The beer market is gaining prominence owing to rising disposable incomes, preference for differentiated and immersive consumer experiences, the popularity of low-alcohol beverages and growing social acceptance.

During the FY22, business commenced in April 2021 on a good trend. However, government restrictions towards the last week of April following the spike in infection resulted in challenging market conditions. The next two months of the quarter witnessed muted volumes with some recovery towards the end of June as markets opened up gradually. Restrictions in the June quarter were less stringent compared to the previous year's period, with almost all the markets partially functional in some form.

The second quarter saw volumes stabilize, with a number of markets achieving volumes comparable to or ahead of pre-COVID levels by September. The third quarter witnessed robust growth, resulting in quarterly volumes back to pre-COVID levels. January 2022 was impacted negatively by the third COVID wave, whereby market demand recovered during February, followed by a strong performance in March at the start of the peak season.

The industry's potential is yet to be fully unlocked owing to factors such as a relatively limited outlet universe, various government regulations and high taxation policies in most states across India. Rapid urbanization, rising middle class, and change in societal perspective, along with the launch of new low-and no-alcohol variants of beer and technological advancements, are poised to propel market growth. The introduction of online ordering and ease of doorstep delivery

in certain states could further enable wider distribution towards end consumers. Overall, the industry fundamentals remain very strong and your Company is convinced that with the current strategies in place, it can drive, lead and shape the beer market in India.

Sales and Marketing

The rise of the Delta variant, which led to the second wave of lockdowns throughout the summer and beyond, impacted business. Despite this, we continued to communicate with our consumers.

Our flagship brand Kingfisher engaged with consumers with relevant messaging on COVID-appropriate behavior anchored on optimism and hope. Our digital initiatives helped build linkages to at-home consumption and ensured relevant communication for our consumers. During the second half of the year, Kingfisher engaged with its consumers on the need to socialize responsibly in addition to topical messaging around festivities.

In 2021, our association with IPL continued, and our integrated communication helped drive positive consumer connections and improve brand health metrics. In the minds of our consumers, Kingfisher remained one of the top recalled brands with respect to the IPL.

Kingfisher also unveiled its new packaging in Goa in December 2021 and in multiple markets later. The new packaging has garnered an encouraging response from our trade partners and consumers.

The global sponsors of UEFA Champions League and Euro 2020, Heineken also brought the #SocialiseResponsibly and #BetterTogether campaigns for Euro 2020 and Champion's League to Indian consumers. Heineken was also the official sponsor for the much-awaited offering from the James Bond franchise –'No Time to Die.' The new Bond movie release was amplified through release on the digital medium along with engaging James Bond and Heineken co-branded memorabilia. Heineken also activated Live Your Music (LYM) through its property 'Krank' in India and brought high-energy music sessions leading up to our signature New Year festival in Goa.

Amstel International Strong Beer continued its footprint expansion despite the operational challenges of navigating through a difficult year. Haryana, Telangana and Maharashtra were added to the list of Amstel markets post the gradual unlocking of markets last year.

Kingfisher Ultra led the premiumization agenda for brand Kingfisher and the brand was active on TV and digital media, with the versatile actor Farhan Akhtar anchoring the "Live the Ultra Life" thematic campaign. Kingfisher Ultra extended its offering in draught format in the Maharashtra market and promoted the new offering with an influencer-led campaign - 'Smoothest Brew on Tap.' The new format has gained a lot of appreciation, and we intend to expand it to other key metros in the coming year.

On-ground, Ultra continued its association with two prestigious Derby events in Bombay and Bangalore. With COVID restrictions being eased, the events operated with limited seating capacity and were aired live on Facebook and YouTube.

Kingfisher Ultra accelerated to activate the main brand pillar of music with its music IP 'Ultra Access,' with a series of 13 events bringing in Indian and international artists across eight metros and creating a superlative experience. The brand also continued its partnership with the Satellite Beachside music festival during the year-end celebrations. The festival executed five pre-events, two mini festivals and a four-day main event, connecting with over 6,000 consumers across major metros.

Ultra Witbier, our craft-style beer brand, expanded its presence into nine markets across the country, covering most of the key markets. The brand introduction has largely been supported by digital media and has built good overall awareness.

London Pilsner went live with its 'Taste of London in every sip' campaign with cricketer Ben Stokes in the key markets. The campaign on digital and OOH generated good brand recall and association.

UB Export continued to build on its franchise and awareness in Karnataka with its 'Innoba Star' campaign with superstar – Rakshit Shetty.

Supply Chain

Manufacturing expenses for FY22 amounted to Rs.29,327 million, representing 50% of net sales, as against Rs.20,363 million in the previous financial year, which constituted 48% of net sales. The year was marred by two COVID waves. The supply chain team focused primarily on the safety of our colleagues in addition to ensuring that production and delivery of volumes were done safely and within the strict guidelines as per the Ministry of Home Affairs and relevant local authorities. The supply chain has delivered well against the set targets despite a challenging environment due to disrupted global supply chain, material shortages, and partial lockdowns. Tight cost control measures, planning, and initiation for material supply security for the 2022 season have remained top priorities.

The supply chain has also focused on expanding its specialty footprint to drive premiumization across key markets. In line with this strategy, we continued to expand the production of premium brands at various breweries to ensure product availability via Witbier capacity at Chamundi Brewery (Karnataka). The commercial supplies are expected by the second half of 2022.

With sustainability at the heart of our business, your Company initiated the commissioning of the "New Water" project in our brewery in Chopanki (Rajasthan). This is the first of its kind project in the alcobev space in India and will help breweries reach Zero Liquid Discharge (ZLD), significantly reducing our fresh consumption through recovery and reuse. More such projects are planned across other breweries in line with our ESG roadmap in the coming years. This is well on track to meeting the key deliverables and should be streamlined by the second half of 2022.

Your Company's renewable energy usage for FY22 stands at 80.8%. UBL's own units consumed 32.4% of electricity generated from renewable sources. In addition, 96% of thermal energy comes from renewable sources. This has led to a reduction of carbon footprint by 32,350 tons of Co_2, equivalent to 1.59 Mio trees' annual absorption capacity, a forward step towards our carbon emission goals.

Input material costs and availability have remained under stress during the entire year.

- Barley-malt has seen extremely high prices due to the reasons listed below.
- Competitive crops are trading at prices that are significantly higher vs. barley. This has led to more farmers shifting to alternative crops and hence a drop in area under barley cultivation. There is enhanced demand for barley by other industries which are looking for cheaper grain alternatives combined with global commodity inflation.
- Unseasonal showers impacted 2022 harvest quality in March, leading to lower-than-expected arrivals of malting barley in the market.
- Prices of all major packaging commodities like aluminum, paper, and steel continued to remain high globally, adversely impacting our packaging cost for cans, cartons, crowns, and labels.
- The biggest material cost element, 'Bottles' remained under stress as the recycled bottle supply chain was disrupted by COVID waves and higher cullet prices in certain states.
- There was higher focus on localization and value engineering for cost optimization
- Increased proportion of localized malt from imported barley with an equivalent reduction in direct usage of imported malt for some of our brands.
- Shifting to Kraft cartons in some of the premium brands.

Research and Development

Your Company's Research and Development function continues to support its growth strategy with a focus on new capabilities, development of new products, enhancement of existing products, productivity improvement and cost reduction.

Human Resources

Human Resources (HR) develops UBL's most important asset – our people. Your Company recognizes that the long-term success and sustainable growth of our organization depends on our capacity to attract, retain and develop our

employees. We are committed to providing our employees across the country with a safe and healthy work environment and helping them realize their full potential. The organization fosters an open and transparent work culture that drives innovation and nurtures entrepreneurial spirit among all employees. Your Company believes in celebrating milestones, both big and small, and encourages people to connect, communicate and collaborate through various forums.

UBL has an inclusive culture and takes pride in being an equal opportunity employer. We encourage all forms of diversity and believe that it adds to building a more engaged workforce, thereby contributing to better business performance. In addition to the mandated policies to develop a conducive work environment, we have an Inclusion and Diversity Council that plays an active role in realizing our goal of nurturing an empowered workforce.

Learning is ingrained in our culture and employees are constantly encouraged and given ample opportunities to upgrade their knowledge and skill. On the job training is the principal source of learning in addition to curated initiatives to build talent and leadership with an aim to enhance the organizational capability to compete and win in the market. Apart from our mandatory programs, customized learning modules are also offered to build specific capabilities at various levels of the organization. The UBL Competency Framework helps in assessing the current and future talent capability. It also helps highlight the specific strengths to be further developed and flags critical skills that can be sharpened.

Your Company believes in ethical governance and abides by the robust policies laid down under the Code of Business Conduct. The guidelines laid down in the Code help our employees navigate difficult situations related to the business. Our employees and vendors can report any violation of the Code via an online platform named Speak-Up. The platform is managed by a third party to ensure that the identity of the whistleblower is protected.

UBL uses technology effectively in all stages of the employee life cycle from onboarding to retirement. This has resulted in standardized automated processes, improved productivity, and enhanced employee experience.

The inputs from our annual employee engagement survey help in continuous improvement of our people practices, policies and programs and lends an ear to the ground in terms of employee expectations.

Industrial Relations continue to be harmonious and peaceful at all levels and at all locations of the Company.

All the wage agreements have been renewed in a timely manner and are valid and subsisting. Workers and unions support the implementation of reforms that impact quality, cost, and improvements in productivity across all locations, which is commendable.

UBL has 2,837 employees on its rolls across all locations. The Company has not offered any stock options to the employees during the year under review.

Total employee benefit expenses for the year stood at Rs. 5,194 million, as compared to Rs. 4,823 million in the previous year. This constituted 3.96% of gross revenue from operations. Your Directors place on record their sincere appreciation to all employees for their contribution towards the continued success of the organization.

Significant changes in Key Financial Ratios

Following are the Key Financial Ratios, where variance of more than 25% is noticed as compared to the previous financial year, along with detailed explanations therefor, including.

Debtors Turnover: Improvement in Debtors Turnover ratio from 7.42 to 9.90 due to increase in sales as compared to previous year which was impacted by the pandemic and recoveries as per credit terms.

Inventory Turnover: Improvement in Inventory turnover ratio from 7.16 to 9.87 due to increase in sales as compared to previous year which was impacted by the pandemic and reduction in inventory levels in certain categories considering the timing of purchases.

Debt Service Coverage Ratio: Improvement in debt service coverage ratio from 1.61 to 2.21 due to increase in sales leading to increase in profits as compared to previous years which was impacted by the pandemic and repayment of debt in the current year.

Debt Equity Ratio: No debts at year end March 31, 2022 compared to 2,502 million as on March 31, 2021.

Net Profit Ratio: Net profit ratio increased from 1.11% in 2020-2021 to 2.78% in 2021-2022, primarily on account of increase in sales leading to increase in profits as compared to previous year which was impacted by the pandemic.

Return on Equity: Return on Equity increases from 3% in 2020-2021 to 10% in 2021-2022 due to increase in sales leading to increase in profits as compared to previous year which was impacted by the pandemic.

Impact of COVID

The FY22 continued to be impacted following the second wave of COVID in April-May 2021. The human, social and economic impact from COVID has been severe, especially for the beer industry where volumes were lower compared to previous years. The third wave of COVID in January 2022 was fortunately less impactful.

The Company continues to place the health and safety of its stakeholders as the top priority, while also extending support to various communities in which it operates by means of medical support and relief.

Despite a challenging business environment, your Company remained focused on key strategic pillars: increasing category penetration, building a strong brand portfolio, managing costs and cash, ensuring further improvements on sustainability, while fostering a highly engaged and inclusive workforce that is supported by best-in-class processes.

Although the trajectory of COVID is unknown, the Company is confident in successfully navigating such uncertainties with its leadership position, strong brand portfolio, and healthy financial position. The Company expanded its market share during the financial year thereby solidifying its leadership.

CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABILITY

United Breweries aims to brew a better world and firmly believes in growing the business in a socially and environmentally responsible and sustainable way while meeting the interests of all its stakeholders. Your Company is committed to improving the lives of the community it works with and reducing the impact of its operations on the environment it draws its resources from.

Thus, over the last year, we continued to support our core Corporate Social Responsibility (CSR) programs on water conservation, safe drinking water and community development initiatives while also focusing on the health and safety of our communities by responding to the COVID crisis. Through partnerships with credible implementation partners, we aim to build a more equitable and sustainable future for our co-communities.

UBL is committed to water stewardship and makes conscious efforts to conserve and replenish water. Last year, we spent more than 60% of our CSR funds on water initiatives through six large water conservation projects. In the next five years, we are focused on increasing this commitment to 75%. In addition to implementing large rainwater harvesting and watershed management projects in the vicinity of our breweries for water conservation, we also make extensive efforts to generate awareness in the communities on adopting rainwater harvesting practices, promoting climate-resilient practices for agriculture, and incorporating necessary infrastructure for water preservation. We undertook these projects in Tamil Nadu, Punjab, Rajasthan, Haryana, Telangana, Karnataka, and Kerala.

Our project to develop an Urban Dense Forest in the Waluj MIDC area in Aurangabad, Maharashtra, which was initiated in FY21, got completed last year. Under this project, we planted 75,000 trees in 75+ native species in an area of 5 acres and improved the biodiversity in this region using the Miyawaki technique of afforestation.

The COVID pandemic has impacted lives and livelihoods. As a responsible corporate citizen, our first response was to stand with our communities and ensure the supply of basic necessities during the lockdown. By initiating discussions with the Panchayat and the people on the ground, UBL galvanized its NGO partners to conduct a rapid needs assessment to find out the requirement of the community. With the help of our NGO partners, we made provisions for ambulances, oxygen cylinders, ICU beds, oxygen plants and ventilators for various locations. We also partnered with the NRAI (National Restaurant Association of India) under the H.E.A.L program to launch a country-wide vaccination program for essential workers of the restaurant industry. Over 2500 people were vaccinated through this initiative.

Your Company is committed to creating a more equal world, and this can only be achieved when women are given equal opportunities. During the year, we launched Pragati - our scholarship program to support meritorious female students across India in realizing their dreams of a fulfilling career. We provided scholarships from standard 9th to under-graduation as part of this project.

The Business Responsibility and Sustainability Report in the format prescribed under the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") is annexed as **Annexure-A**. Annual Report on CSR activities in terms of the Companies Act, 2013 ("the Act") and the Companies (Corporate Social Responsibility) Rules, 2014, is annexed as **Annexure-B**.

Sustainability

Your Company aims to brew a better world with responsibility and sustainability at the heart of its agenda. United Breweries has framed long-term Environment, Social and Governance (ESG) sustainability goals on various Materiality Indices in order to make its place among the responsible organizations across the globe.

Water has been the focus of our business, and we are continuously working towards reducing our overall water consumption at the organization. We also monitor and work towards improving water-stressed areas.

Our energy consumption is gradually shifting to renewable sources, in a planned and phased manner, in both electricity and thermal, and these initiatives are supporting our carbon footprint reduction.

We continue to focus on recycling our packaging materials. More than 60% of bottles used by us are recycled by us and the remaining are also recycled by bottle manufacturers and others.

Our secondary packaging like carton is made by using more than 80% recycled paper. We have tied up with CPCB-approved plastic waste recyclers through Extended Producer Responsibility (EPR) guidelines to recycle 100% equivalent of the low-density polyethylene used in our manufacturing process.

Green Energy

Your Company has been consistently marching ahead in its journey of maximizing the usage of Green Energy. This journey demonstrates the organizational vision to lead the initiative by being proactive and contributing to environment protection. This is aligned with our long-term Sustainability Goals as part of ESG Roadmap. Total renewable energy usage for FY22 stood at 80.7%. UBL's own units consumed 32.4% electricity generated from renewable sources. To supplement this, 96% of thermal energy came from use of renewable sources. The renewable electrical energy usage is equivalent to carbon footprint of 32,350 tons of Co_2 which is equivalent to 1.37 Mio trees. Our breweries in Karnataka and Tamil Nadu are leading the Renewable Energy drive with Total Renewable energy usage of more than 80%.

Awards

1) **Pollution Control Board:**
   Our brewery at Palakkad, Kerala won the Best Innovative Water Technology Industry.
2) **Confederation of Indian Industry (CII) Environment, Health and Safety (EHS) Excellence Awards:**
   Our breweries at Palakkad, Kerala received EHS Bronze Category award for 2021.
3) **Total Productive Management (TPM):**
   In our journey of operational excellence through process of TPM, we are on a continual improvement path and in FY22, we bagged 4 prestigious national level awards.
   - Our Brewery at Taloja, Mumbai was awarded with Platinum award (Innovative Kaizen Category) at 40th CII National Level Competition.
   - Our Brewery at Chopanki, Rajasthan was awarded with 2 Gold awards at Challengers Trophy (Innovative Kaizen Category) organized by CII Institute of Quality.
   - Our Brewery at Palakkad, Kerala was awarded with 1 Gold award at Challengers Trophy (Autonomous Management Category) organized by CII Institute of Quality.

OPPORTUNITIES, THREATS, RISKS & CONCERNS

India is the second-most populous country in the world with over 1.3 billion people, i.e., more than a sixth of the world's population. Over 50% of its population is below the age of 25 and more than 65% below the age of 35, as per statistics from the United Nations, Department of Economic and Social Affairs. The sheer size of India's population provides a massive opportunity for growth.

Rapid urbanization, rising incomes, change in societal perspective, the launch of new low-and no-alcohol variant beer and technological advancements are a few factors that will propel market growth. The introduction of online order and ease of doorstep delivery in certain states could further drive the market. Should certain State Governments proactively open up and regulate the online sale of alcohol/home delivery, it would be favorable for the beer industry in the long term. India has all the necessary infrastructure required to further develop online sale of beer.

The consumption of alcoholic beverages is becoming more acceptable particularly among youth, working women and urban residents who are developing an appetite for beer, which is emerging as a social beverage in metros and tier two cities. Beer is gradually becoming a perfect after-work companion for corporate India as well.

Compared to various international markets including markets in Asia, beer penetration is very low in India. Beer accounts for a very low share of consumption compared to other alcohol products and along with the current cultural evolution, higher disposable income and demographics, there is a great long-term opportunity for your Company to shape the beer industry in India.

Threats, Risks and Concerns

But for the short-term impact due to COVID, the beer industry has been modestly flourishing, with both new and old brands catering to a growing pool of beer enthusiasts across the country. As exciting as this is, there are also several challenges.

There is a perennial threat of competition introducing new brands in various segments like craft and premium beers. However, we compete fearlessly and healthily based on brand variants, product quality, distribution network, brand value and promotion strategies.

A variety of taxes & levies are imposed on beer during and after production, transport, and sale by each state. Pricing regulations, inadequate market infrastructure and restrictions as well as additional taxes on inter-state movement of beer continue to pose a challenge to the industry. Government intervention in distribution, ever increasing taxation, restricted communication, and increased cost of raw materials prices (glass, barley malt, other packaging material, etc.) and government restrictions applied on advertising also pose challenges to industry growth.

The threat of prohibitive actions, which stems from constant changes in the political climate in the country, is also present.

The distribution of beer in India is still largely controlled by the state-or state-owned corporations resulting in stricter regulations across various states so as to have better control over prices, consumption, and excise duty.

The market for beer is characterized by pricing and competitive pressures. The effects of social and economic cataclysms in the market often make it difficult to predict demand cycles. To overcome these challenges, we continue to remain cost conscious at all levels of operations, and work with a high level of agility and efficiency.

We continue to invest in and expand the brand portfolio while continuing to be cost-efficient and quality-focussed. We upgrade and adopt modern technologies and solutions to be able to respond with agility to current market demands, without losing focus on quality.

In order to cater to new consumers, capture market opportunities, compete with new launches by competitors and in continuous endeavor to offer new product ranges and cater to new occasions, your Company has expanded its

"Kingfisher Ultra Draft" offering in the lighthouse market of Maharashtra and has received an encouraging response from consumers. Your Company plans to launch this offering in other relevant Northern markets in a phased manner.

The labor market in India is becoming more competitive. Your Company has taken various initiatives to be able to continue to attract the right talent, build a diverse and inclusive culture and continue to create an engaging place to work.

Non-availability of water, rationing of its supply and restrictions on withdrawal of ground water also pose major threat. We have built infrastructure which helps in reduction of water consumption in breweries as a sustainability initiative. We have pro-actively managed sustainability under our "3R" policy to reduce, recycle and recharge as well as look at opportunities for water conservation through Rainwater Harvesting to achieve a positive or at least neutral water balance.

The Company also focuses on secure IT operations and addressing risks of cyber security. This includes risks from IT security lapses, malware and ransomware attacks, disruptions in key Enterprise Processes and hacking, which could lead to disruptions in business operations and loss and/or leakage of confidential data.

Prospects

The growth rates of Indian beer industry compare favorably to the global beer industry average. Factors such as climatic conditions and younger population make the future more promising for the beer industry in India. With growth in GDP estimated beyond 5%, higher disposable income and growth in the middle and upper class, change in consumer behavior and examples of liberalization in retail/distribution, the beer market is expected to grow at a healthy pace.

Your Company's established brand equity provides a significant competitive advantage over other domestic and international brands. Your Company has the benefit of a strong distribution network across the length and breadth of the country and rapid growth can be expected year on year.

The competitive environment is expected to remain intense, and your Company shall continue to focus on robust innovations to solidify its market leadership. Though a challenging commodity inflation environment will have an impact on costs, your Company shall continually strive for appropriate price increase approvals and achieve high operational efficiencies to offset the increase in costs. Augmenting capacities in critical markets will continue to be a priority investment in the future too.

The Company seeks to drive beer category penetration, drive further premiumization, reinforce the iconicity of Kingfisher while building the overall brand in addition to continued focus on efficiency & compliance, execution of the ESG agenda, digitalization and people development to build a highly motivated and skilled workforce.

Through these actions, we are confident that your Company would continue its leadership position, drive growth of the overall market and expand profit margins in the years to come.

Growth in premium retail trade and on-premises outlets in metropolitan cities has increased the range of beers and improved the retail environment. In a few States, the Government has issued additional licenses for sale of beer which signals good growth prospects for the industry. Innovative introductions also help in penetrating untapped markets and consumer segments and your Company's new introductions have fared well.

Risk Management

Though already established efficiency programmes apply to all aspects of our business, there is a constant drive for further efficiencies and reducing cost. Backed by strong internal control systems, the current Risk Management Framework consists of key elements laying down the roles and responsibilities in relation to risk management covering a range of responsibilities, from strategic to operational. These role definitions, inter alia, provide the foundation for appropriate risk management procedures, their effective implementation across your Company and independent monitoring and reporting. The Risk Management Committee, constituted by the Board, monitors, and reviews the strategic risk management plans of your Company as a whole and provides necessary directions on the same.

The Corporate Risk Management Cell, through focused interactions with businesses, facilitates the identification and prioritization of strategic and operational risks, development of appropriate mitigation strategies and conducts periodic reviews of the progress on the management of identified risks.

The competitive environment is expected to remain intense. Your Company's strategy and focus remains consistent to robustly strengthen its leadership and thereby maintain its position as the clear leader in the Indian Beer Market. In line herewith, your Company endeavours to continually sharpen its Risk Management systems and processes in line with a rapidly changing business environment.

The COVID pandemic has triggered new risks in business operations. While the impact of the pandemic continues to unfold, your Company pro-actively put in place Crisis/Contingency Management Teams, both at the breweries as well as at the Corporate office. These cross-functional teams, represented by senior management, continually review strategic, operational, financial matters as well as measures relating to employee well-being health and safety.

Detailed advisories have been issued to employees on how to safeguard themselves, their colleagues and associates, and their families both at the workplace as well as at their homes. These guidelines also provide details on social distancing norms and the organisational support system. Heightened safety protocols were implemented at all units that resumed operations, with end-to-end solutions from transportation of workmen, screening, regular deep cleaning and sanitisation, innovations to ensure safe distancing and strict adherence to hygiene standards and use of personal protective equipment where required.

Through these actions, your Directors are confident that your Company would sustain its leadership position, grow ahead of the market, and realize improved profitability in the years to come.

Internal Control System

Your Company has established a robust system of Internal Controls to ensure that assets are safeguarded, and transactions are appropriately authorized, recorded and reported. With the introduction of Internal Controls over Financial Reporting (ICFR) in the Act, we have made an evaluation of functioning and quality of internal controls and Corporate Governance Policy that guides the conduct of affairs of your Company and clearly delineates the roles, responsibilities, and authorities at each level of its governance structure and key functionaries involved in governance.

The Internal Financial Control framework of your Company is established in accordance with COSO (Committee of Sponsoring Organizations) framework and is commensurate with the size and operations of your Company's business. In addition to statutory mandate, Internal Audit evaluates and provides assurance of its adequacy and effectiveness through periodic reporting. Controls in place are routinely evaluated and audited by the Internal and Statutory Auditors and gaps are identified by the Auditors through a detailed testing exercise. The process of internal control ensures orderly and efficient conduct of business, safeguarding of assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records and timely preparation of reliable financial information. Financial Statements are prepared based on Significant Accounting Policies that are carefully selected by management. The Accounting Policies are reviewed and updated from time to time.

These, in turn are supported by a set of Standard Operating Procedures (SOPs) that have been established for the business. Internal Control evaluates adequacy of segregation of duties, transparency in authorization of transactions, adequacy of records and documents, accountability & safeguarding of assets and reliability of the management information system. The systems, SOPs and controls are reviewed and audited by Internal Audit periodically for identification of control deficiencies and opportunities, whose findings and recommendations are reviewed by the Audit Committee and tracked through till implementation.

Your Company believes that the overall internal control system is dynamic and reflects the current requirements at all times, thereby ensuring that appropriate procedures and operating and monitoring practices are in place by regular audit and review processes to ensure that such systems are reinforced on an ongoing basis.

OTHER INFORMATION

Subsidiary Company

Maltex Malsters Limited is the only subsidiary in which your Company holds 51% of its Equity Share Capital. Maltex Malsters Limited is a non-listed entity and is not a material non-listed subsidiary as defined in Regulation 16(1)(c) of the Listing Regulations.

UBL has formulated a policy for determining material subsidiaries which is placed on the website of the Company www.unitedbreweries.com and is available through the webpage:
https://www.unitedbreweries.com/pdf/policyandcodes/Policy%20for%20Determining%20Material%20Subsidiaries-PDF.pdf

The consolidated financial statements of the Company including the financial statements of its subsidiary forms part of this Report in terms of the Act and the Listing Regulations. A statement containing the salient features of the financial statements of the subsidiary and associate is attached as **Annexure-C** to this Report.

Cash Flow Statement

A Cash Flow Statement for the year ended March 31, 2022 is appended.

Particulars of Loans, Guarantees or Investments

Details of loans, guarantees and investments covered under Section 186 of the Act are given in the notes to the Financial Statements. The Company has not advanced loans to Directors/to a Company in which the Director is interested to which provisions of Section 185 of the Act apply and has not given loans/guarantees/provided security to which provisions of Section 186 of the Act apply.

Listing requirements

Your Company's Equity Shares are listed on the BSE Limited and National Stock Exchange of India Limited. Listing fees have been paid to these Stock Exchanges for the year 2022-2023.

Depository System

The trading in the Equity Shares of the Company is under compulsory dematerialization mode. The Company has entered into an agreement with National Securities Depository Limited and Central Depository Services (India) Limited in accordance with the provisions of the Depositories Act, 1996 and as per the directions issued by the Securities and Exchange Board of India. As the depository system offers numerous advantages, Members are requested to take advantage of the same and avail the facility of dematerialization of the Company's Shares.

Deposits

There were no outstanding deposits at the end of the previous financial year. The Company has not invited any deposits during the year.

Ratio of Remuneration and Particulars of Employees

In terms of sub-section(1) of Section 136 of the Act, the Company has opted to provide full version of financial statements including consolidated financial statements, auditor's report and other documents required to be annexed to such financial statements excluding the details relating to ratio of the remuneration of each Director to the median employee's remuneration and remuneration drawn by certain employees over the threshold etc. as provided in sub-section(12) of Section 197 of the Act read with Rule 5(1) & 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The details provided by the Company are in compliance with Section 136(1) of the Act and includes salient features of Form AOC-3A.

Also, in terms of second proviso to this Section, the Company shall keep open for inspection for all Members, statement relating to above details at its registered office. Any Member interested in inspection of the documents pertaining to

above information or desires a copy thereof may write to the Company Secretary. The above details be treated as part of this Annual Report.

Cautionary Statement

Statements in this Report, particularly those which relate to 'Management Discussion and Analysis' and 'Opportunities, Threats, Risks and Concerns', describing the Company's objectives, projections, estimates and expectations, may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

Employees Stock Option Scheme and Sweat Equity Share

The Company has not offered any Shares to its employees or Key Managerial Personnel under a scheme of Employees' Stock Option and has also not issued any Sweat Equity Shares at any time.

Related Party Transactions

Details of transactions with related parties as defined in the Act and the Rules framed thereunder, the Listing Regulations and Accounting Standard 18 of the Companies (Accounting Standards) Rules, 2006, have been reported in the Notes to financial statements. Approval of the Audit Committee and the Board of Directors as required under the Listing Regulations has been obtained for such transactions.

The Company has formulated a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions which is placed on the website of the Company www.unitedbreweries.com and is available through the webpage http://unitedbreweries.com/pdf/policyandcodes/Policy%20on%20Related%20Party%20Transactions.pdf.

All transactions entered by the Company during FY22 with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company has not entered into any transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

Familiarization programme for Independent Directors

During the last financial year, the Company has not appointed any new Independent Director. The Company has inducted Ms. Geetu Gidwani Verma and Mr. Manu Anand with effect from May 29, 2022 as Independent Directors of the Company. The existing Board comprises Executive, Non-Executive, and Independent Directors who have been at the helm of Management of the Company for several years and are fully conversant with the business and operations of the Company. The Familiarization programme for new Independent Directors upon induction shall aim to familiarize them with the Company, their roles, rights, responsibility in the Company, business model of the Company etc. The Board of Directors has complete access to requisite information within the Company.

Familiarization will be undertaken during the year for new Independent Directors. Also, at the Board Meeting itself business is discussed at length along with Industry dynamics, Strategic planning, and other relevant information. Presentations are regularly made to the Board of Directors/Audit Committee/Nomination & Remuneration Committee and other Committees on various related matters, where Directors get an opportunity to interact with Senior Management. The Company has issued appointment letters to the Independent Directors which also incorporates their role, duties, and responsibilities. The details of the Familiarization Programme for Independent Directors are disclosed on the Company's website at the webpage: https://www.unitedbreweries.com/pdf/policyandcodes/Familiarisation-Programme-2022.pdf

For new Independent Directors, the Company will issue appointment letters effective their date of appointment.

Whistle Blower Policy

The Company has adopted vigil mechanism which is a channel for receiving and redressing of complaints about any misconduct, actual or suspected fraud, actual or potential violations of the Company's code of conduct and any other unethical, unlawful, or improper practices, acts, or activities within the Company. The Company has formulated a Whistle Blower Policy for Employees and Directors and has ensured adequate safeguards against victimization of whistle blowers. The details of establishment of the vigil mechanism are disclosed on the Website of the Company.

None of the Employees and Directors have been denied access to the Chairman of the Audit Committee. There are no whistle blowing complaints leading to material fraud or which have an impact on the financials of the Company.

Internal Complaints Committee

UBL has constituted an Internal Complaints Committee (ICC) at its Corporate/Registered Office and at all its breweries/ Regional Offices to consider and deal with all reported sexual harassment complaints. The constitution of the ICC is as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Investigations are conducted, and decision made by the ICC at the respective locations, and the constitution is as prescribed. Details of complaints pertaining to sexual harassment filed, disposed of, and pending during the financial year are provided in the Corporate Governance and Business Responsibility and Sustainability Report of this Annual Report.

Conservation of Energy

The Company is taking continuous steps to conserve energy. Its "Sustainability" initiatives are disclosed separately as part of this Report.

The information on conservation of energy, technology absorption, foreign exchange earnings and outgo, as stipulated under clause (m) of sub-section (3) of Section 134 of the Act read with the Companies (Accounts) Rules, 2014 is set out herewith as **Annexure-D** to this Report.

Code of Business Conduct and Ethics

The Board of Directors of UBL have adopted a Code of Business Conduct and Ethics in terms of the Listing Regulations which has been posted on the website of the Company viz., www.unitedbreweries.com.

Code for Prevention of Insider Trading

Your Company has adopted a comprehensive 'Code of Conduct to Regulate, Monitor and Report of Trading by Insiders' and also a 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' relating to the Company, under the provisions of the Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

The Board of Directors have approved and adopted the 'Code of Conduct to Regulate, Monitor and Report of Trading by Insiders' and a 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information'.

Directors

The Board of Directors of UBL currently comprises of eight Directors with a balanced combination of Executive, Non-Executive, and Independent Directors.

Mr. Jan Cornelis van der Linden, a Non-Executive Director retires by rotation at this Annual General Meeting (AGM), and being eligible, has offered himself for re-appointment. Resolution for re-appointment of Mr. Jan Cornelis van der Linden is proposed at this AGM.

The Committee members expressed their grief over the sad demise of Mr. Ravi Nedungadi and Mr. C Y Pal, erstwhile Directors of the Company, and conveyed their heartfelt condolences to their families for their loss. Their contribution to the Board and the Company were acknowledged.

Mr. Berend Odink is a Director with effect from June 29, 2021.

Ms. Geetu Gidwani Verma and Mr. Manu Anand were appointed as an Additional Directors with effect from May 29, 2022 and the Resolutions for regularization of their appointment have been proposed for approval of Members at this AGM. Mr. Sunil Alagh and Mr. Stephan Gerlich, Independent Directors of the Company voluntarily resigned with effect from June 13, 2022.

The Board of Directors place on record, its appreciation for Mr. Sunil Alagh and Mr. Stephan Gerlich for their invaluable contribution, guidance, and support provided by them during their tenure as Independent Directors of your Company.

Chief Financial Officer

Mr. Berend Odink, Director is also the Chief Financial Officer of the Company.

Meetings of the Board of Directors and Committees of the Board

The Meetings of the Board and Committees are pre-scheduled, and a tentative calendar of the meetings finalized in consultation with the Directors is circulated to them in advance to facilitate them to plan their schedule. In case of special and urgent business needs, approval is taken by passing resolutions through circulation. During FY22, seven (7) Board Meetings were held. Other details including the composition of the Board and various Committees and Meetings thereof held in FY22 are given in the Corporate Governance Report forming part of this Report.

Meeting of the Independent Directors

During the year, one (1) Meeting of Independent Directors was held on November 08, 2021. All Independent Directors have given a declaration that they meet the criteria of Independence and in the opinion of the Board, the Independent Directors fulfill the condition of Independence as laid down under the Act and Listing Regulations.

Audit Committee

The Audit Committee of the Board of Directors is constituted to act in accordance with the terms of reference and perform roles, as prescribed under the Act and Listing Regulations. The composition of the Audit Committee, its terms of reference, roles and details of Meetings convened and held during the year under review are given in the Corporate Governance Report forming part of this Report.

During the year under review, all the recommendations of the Audit Committee were accepted by the Board.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee is constituted to act in accordance with the terms of reference and perform roles, as prescribed under the Act and Listing Regulations. The composition of the Nomination and Remuneration Committee, its terms of reference, roles and details of Meetings convened and held during the year under review are given in the Corporate Governance Report forming a part of this Report.

Policy on Performance Evaluation

UBL has formulated a Performance Evaluation Policy *inter-alia* prescribing evaluation criteria for Independent Directors and the Board of Directors of the Company. The Policy is posted on the website of the Company and is available through the webpage http://unitedbreweries.com/pdf/policyandcodes/Directors%20Performance%20Evaluation%20Policy.pdf.

Performance Evaluation of Directors

Performance evaluation of Non-Executive Directors including Independent Directors, the Board as a whole and Committees of the Board is being carried out in accordance with the statutory provisions as contained in the Act and Listing Regulations.

To ensure an effective evaluation process, the Nomination and Remuneration Committee has put in place a robust framework for conducting the exercise with key steps and practices defined clearly. Performance of the Board is evaluated on various parameters such as composition, strategy, tone at the top, risk and controls and diversity. Also, a questionnaire for Committees is framed on parameters such as adherence to the terms of reference and adequate reporting to the Board. Parameters for the Directors, including intellectual independence of the Director, participation in formulation of business plans, constructive engagement with colleagues and understanding of the risk profile of the Company.

Keeping in view the sensitivity, confidentiality is ensured. As part of this process, customized questionnaires, were circulated to all Directors of the Company. Each Director is required to undertake a self-assessment. Additionally, the effectiveness of the Board and Committees is also evaluated by each Member of the Board and Committee through an electronic platform and kept confidential.

Summary of responses received from Directors was placed at a Board Meeting.

Remuneration Policy

The Company carries out periodic reviews of comparable Companies and through commissioned survey ascertains the remuneration level prevailing in these Companies. The Company's Remuneration Policy is designed to ensure that the remuneration applicable to Managers in the Company is comparable with multinational Companies operating in Brewing or similar industry in India. In line with statutory requirements, the Board of Directors has adopted a Remuneration Policy for Directors, Key Managerial Personnel (KMP) and other employees of the Company. The Remuneration Policy lays down the criteria for appointment and removal of Directors, KMP and Senior Management. The Policy also prescribes the criteria and manner for fixation and approval of remuneration payable to Directors, KMP and other employees. The Policy is posted on the website of the Company www.unitedbreweries.com.

Dividend Distribution Policy

As required under Regulation 43A of the Listing Regulations, the Company has formulated a Dividend Distribution Policy. This policy can be viewed on the Company's website at www.unitedbreweries.com.

Foreign Exchange Earnings and Outgo

During FY22 total foreign exchange earnings of the Company stood at Rs.1,684 million (Previous Year: Rs. 768 million) and foreign exchange outgo stood at Rs.1,117 million (Previous Year: Rs.1,641 million).

Corporate Governance Report

Report on Corporate Governance forms a part of this Report along with the Certificate from the Company Secretary in Practice.

Annual Return

As required under sub-section (3) of Section 92 of the Act as amended by the Companies (Amendment) Act, 2017, the Company has placed a copy of the Annual Return in Form MGT-9 on its website www.unitedbreweries.com and is available through the webpage: https://www.unitedbreweries.com/investors.

Auditors and the Auditor's Report

Messrs S.R. Batliboi & Associates LLP., Chartered Accountants (Firm Registration Number 101049W/E300004), the current Statutory Auditors of the Company have completed their two terms of five consecutive years from 2012. They are statutorily not eligible for re-appointment and therefore they cannot continue as Statutory Auditors of the Company after the conclusion of this AGM. Your Board of Directors place on record their appreciation for the valuable services rendered by them during their tenure as Statutory Auditors of your Company.

It is proposed to appoint Messrs Deloitte Haskins & Sells, Chartered Accountants (Firm Registration Number 008072S), as the Statutory Auditors of your Company to hold office from the conclusion of this AGM till the conclusion of the 28th AGM.

Messrs Deloitte Haskins & Sells, Chartered Accountants, have consented to be the Statutory Auditors of your Company, if appointed by the Members at the AGM and have also confirmed that their appointment would be within the limits specified under Section 139 of the Act.

There are no qualifications or adverse remarks in the Auditor's Report which require any clarification or explanation.

Secretarial Audit

Pursuant to Section 204 of the Act and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Sudhir Hulyalkar, Company Secretary in Practice, to undertake Secretarial Audit of the Company for the FY22. The Secretarial Audit Report forms part of this Report and is annexed as **Annexure-E**.

There are no qualifications or adverse remarks in the Secretarial Audit Report.

Reporting of frauds by auditors

During the year under review, under Section 143(12) of the Act, neither the statutory auditors nor the secretarial auditor have reported to the audit committee, any instance of fraud committed against the Company by its officers or employees, the details of which would be required to be mentioned in this Report.

Details of Significant and Material Orders

No order/s have been passed or stringent action taken by any Regulator or Court or Tribunal impacting the going concern status of the Company. However, we bring to your attention the following developments/orders for sake of transparency.

(i) It is in public domain that United Breweries (Holdings) Limited {UBHL}, a promoter of UBL was ordered to be wound up by Hon'ble High Court of Karnataka vide dated February 07, 2017. Appeal filed by UBHL against the said winding up order was dismissed by the Hon'ble Karnataka High Court on March 06, 2020. Against this dismissal, a special leave petition has been filed by UBHL before the Hon'ble Supreme Court of India. The Supreme Court on October 2, 2020 had also allowed the winding-up of UBHL. However, UBL has not received any confirmation from UBHL in terms of Supreme Court order of Winding-up.

(ii) As per disclosures received by UBL in May 2018 under SEBI (Prohibition of Insider Trading) Regulations, 2015 and SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 from a few Promoter Companies controlled by Dr. Vijay Mallya, we notice that 4,13,15,690 Equity Shares held by such entities in UBL constituting 15.63% of the total paid up capital had been transferred to the demat account of Enforcement Directorate (ED), Mumbai, Government of India. Earlier, in August 2017, 13,89,068 Equity Shares constituting 0.52% of the total paid-up capital were also transferred to the demat account of ED. The ED thereby held 4,27,04,758 Equity Shares constituting 16.15% of the total paid-up capital in the Company. UBL did not receive any communication from the ED in this regard. These Equity Shares were later on transferred by ED to Recovery Officer-I, DRT-II, Bengaluru.

Recovery Officer-I, DRT-II, Bengaluru had transferred 74,04,932 Equity Shares comprising 2.80% of the total paid-up Equity Share capital of the Company in its name from the demat account of UBHL which is under liquidation. However, UBL did not receive any disclosure from UBHL in terms of SEBI (Prohibition of Insider Trading) Regulations, 2015 and SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011. The Recovery Officer-I, DRT-II, pursuant to a block deal through BSE/NSE on March 27, 2019 has transferred 74,04,932 constituting 2.80% Equity Shares of the Company to Heineken International B.V.

On June 23, 2021, the Recovery Officer-I, DRT-II, Bengaluru, had sold 3,96,44,346 (14.99%) Equity Shares out of 4,27,04,758 (16.15%) Equity Shares of the Company through the block deal window of the BSE Ltd. These Shares were purchased by the Heineken International B.V. a promoters' Shareholder of the Company, in accordance with the terms of the proclamation issued by the Recovery officer and all applicable laws. As a result, the Heineken Group shareholding in the Company has been increased substantially from 46.52% to 61.52% of the total Equity Share capital of the Company.

We understand, as on date, the Recovery Officer-I, DRT-II, Bengaluru holds 30,60,412 Equity Shares constituting 1.16% of the total paid-up capital of the Company comprising 13,89,068 (0.53%) Equity Shares of United Breweries (Holdings) Limited and 16,71,344 (0.63%) Equity Shares of McDowell Holdings Limited, promoters of the Company.

(iii) Pursuant to Order of Debt Recovery Tribunal, Karnataka, Bengaluru dated September 30, 2015, dividend for the financial years 2015-2016 onwards payable to Dr. Vijay Mallya and United Breweries (Holdings) Limited (UBHL) have been withheld till disposal of the O.A. The Recovery Officer-I, DRT-II, Bengaluru vide letter dated October 11, 2018 directed the Company to make payment of dividend for the financial year 2017-2018 on Equity Shares held by UBHL in the Company to the account of Recovery Officer-I, DRT-II. Thereafter, the Official Liquidator, vide letter dated October 26, 2018 informed the Company that the Hon'ble High Court of Karnataka has directed the Official Liquidator by Order dated August 29, 2018 to collect rent and other income due to UBHL, the Company which is in liquidation. The Official Liquidator also directed the Company to remit the dividend aggregating to Rs.7,83,89,631.10

for the financial years 2015-2016, 2016-2017 and 2017-2018 payable to UBHL to the account of Official Liquidator. Accordingly, the Company has remitted the aforesaid dividend amounts to the account of Official Liquidator.

Further, pursuant to letter dated October 12, 2021 from office of Official Liquidator, High Court of Karnataka for payment of dividend on shareholding of UBHL in United Breweries Limited, the Company has remitted Rs.13,66,19,990.70 toward dividend accrued on the shareholding of UBHL for the financial years 2017-2018 to 2020-2021 to the account of Official Liquidator.

(iv) Effective April 05, 2016, the State Government of Bihar had imposed a ban on sale and consumption of alcoholic beverages in Bihar though it had permitted manufacture of alcoholic beverages for export out of the State vide Notification dated April 05, 2016. The said Notification of Bihar Government imposing ban was struck down by Patna High Court vide Judgement dated September 30, 2016. The State Government of Bihar has challenged the Judgement of Patna High Court in Supreme Court which is pending. Subsequently, effective April 01, 2017, total prohibition (including export out of state) has been imposed in Bihar State and production of beer at the Company's brewery at Kopakalan, Naubatpur, Patna was discontinued. The Company had then commenced manufacture of non-alcoholic beverages (NAB) at its above facility. Considering the economies in scale of operation in NAB products, and consequent impact, the Management has decided to close the operations of NAB manufactured out of Company's unit in Naubatpur effective May 01, 2022. The Management has made alternate arrangements to manufacture NAB products by entering into a contract manufacturing arrangement.

(v) Pursuant to enquiry initiated by Competition Commission of India ("CCI") on October 10, 2018 in relation to allegations of price-fixation and cartelization, the office of the Director General, Competition Commission of India had completed its investigation in November 2019 and filed its investigation report (DG Report) with the CCI. UBL and other parties to the enquiry, filed their comments/objections to the DG Report and appeared for an oral hearing in the matter. Hearings were held on February 11, 2021 and March 12, 2021 respectively. UBL filed its response and argued during the oral hearings countering the DG report. Subsequently written submissions were filed with the CCI. Thereafter CCI issued an Order dated September 24, 2021 levying a penalty of Rs.75,183 lakhs for the contravention of provision of Section 3 of the Competition Act, 2002. UBL and individuals connected to UBL filed their Appeal before the NCLAT. After hearing the Company's Interlocutory application, the NCLAT vide its order dated December 22, 2021 granted a stay of the CCI order subject to payment of deposit of 10% of penalty amount during the pendency of the appeal and the Company has deposited the said amount by way of Fixed Deposit Receipt (FDR).

Based on the advice of the external legal experts, the Management is of the view that the Director General and the CCI have not considered all aspects of its submissions particularly considering the nature of the regulations governing the manufacture, distribution, and sale of beer in India. As advised by the Company's external legal experts, the Company has a strong case on merits, there exists uncertainty relating to the final outcome in this matter, which is dependent on judicial proceedings; and that it is not in a position to reliably estimate the final obligation relating to penalties, if any.

The orders/proceedings mentioned above do not have any impact on going concern status of the Company.

Directors' Responsibility Statement

Pursuant to clause (c) of sub-section (3) of Section 134 of the Act, 2013, the Board of Directors report that:

(a) in the preparation of the annual accounts for the financial year ended March 31, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

(c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

(d) the Directors have prepared the annual accounts on a going concern basis;

(e) the Directors have laid down internal financial controls to be followed by the Company and ensured that such internal financial controls are adequate and were operating effectively, and

(f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and ensured that such systems were adequate and operating effectively.

All Annexures referred to in the Directors' Report have been disclosed under the Statutory Information forming part of this Annual Report.

ACKNOWLEDGEMENT AND APPRECIATION

Your Directors take this opportunity to thank UBL's customers, Shareholders, suppliers, bankers, business partners and associates, financial institutions and central and state governments for their consistent support and encouragement to the Company. Finally, your Directors would like to convey sincere appreciation to all the employees of the Company for their hard work and commitment.

By Authority of the Board

April 26, 2022.
Bengaluru

Rishi Pardal
Managing Director
DIN: 02470061

Berend Odink
Director & CFO
DIN: 09138421

UNITED BREWERIES LIMITED

Corporate Governance Report

As manifested in the Company's vision, United Breweries Limited (UBL) has always strived for excellence in Corporate Governance. Beyond mere compliance, we are committed towards taking all strategic initiatives to enhance Shareholders' wealth in the long term. In pursuit of corporate goals, the Company accords high importance to transparency, accountability, and integrity in its dealings. Our philosophy on Corporate Governance is driven towards welfare of all the Stakeholders and the Board of Directors remains committed towards this end.

The Board of Directors supports the broad principles of Corporate Governance and lays strong emphasis on its role to align and direct the actions of the Company in achieving its objectives.

BOARD OF DIRECTORS

The Company is managed and controlled through a professional Board of Directors. The Board comprises of a balanced combination of Non-Executive and Independent Directors in addition to the Managing Director and Chief Financial Officer (CFO). The Board consists of eminent persons with considerable professional expertise and experience.

Executive Director

Mr. Rishi Pardal (Managing Director)
Mr. Berend Odink (Director & CFO)

Non-Executive Directors

Mr. Christiaan A J Van Steenbergen
Mr. Jan Cornelis van der Linden

Independent Directors

Mr. Sunil Alagh **
Ms. Kiran Mazumdar Shaw
Mr. Madhav Bhatkuly
Mr. Stephan Gerlich **
Ms. Geetu Gidwani Verma *
Mr. Manu Anand *

Senior Vice President – Legal & Company Secretary

Mr. Govind Iyengar

Audit Committee

Mr. Madhav Bhatkuly	Chairman
Mr. Jan Cornelis van der Linden	Member
Mr. Sunil Alagh	Member

Nomination and Remuneration Committee

Ms. Kiran Mazumdar Shaw	Chairperson
Mr. Christiaan A J Van Steenbergen	Member
Mr. Sunil Alagh	Member

Stakeholders' Relationship Committee

Mr. Madhav Bhatkuly	Chairman
Mr. Berend Odink	Member
Mr. Sunil Alagh	Member
Mr. Stephan Gerlich	Member

Risk Management Committee

Mr. Sunil Alagh	Chairman
Mr. Rishi Pardal	Member
Mr. Berend Odink	Member
Mr. Jan Cornelis van der Linden	Member
Ms. Kiran Mazumdar Shaw	Member
Mr. Madhav Bhatkuly	Member
Mr. Stephan Gerlich	Member

Corporate Social Responsibility/Environmental, Social and Governance Committee

Mr. Stephan Gerlich	Chairman
Mr. Rishi Pardal	Member
Mr. Berend Odink	Member
Mr. Christiaan A J Van Steenbergen	Member
Ms. Kiran Mazumdar Shaw	Member

In addition to the above-mentioned mandatory Committees required to be constituted as per Companies Act, 2013 (the "Act") and/or Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (Listing Regulations), a few other Non-mandatory Committees are also constituted by the Board, details whereof are disclosed in this report.

Auditors	Messrs S.R. Batliboi & Associates LLP, (Firm registration no. 101049W/E300004) Chartered Accountants Messrs Deloitte Haskins & Sells, (Firm registration no. 008072S) Chartered Accountants***
Registrar and Share Transfer Agent	Integrated Registry Management Services Private Limited

Notes: * Ms. Geetu Gidwani Verma and Mr. Manu Anand shall be appointed as Independent Directors with effect from May 29, 2022.

** Mr. Sunil Alagh and Mr. Stephan Gerlich have voluntary resigned from their position as Board members with effect from June 13, 2022.

*** Messrs Deloitte Haskins & Sells, Chartered Accountants, has been recommended by the Board for appointment as Statutory Auditors of the Company in place of Messrs. S.R. Batliboi & Associates LLP., Chartered Accountant, to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the 28th AGM.

Profile of Directors and their other Directorships

Brief Resume	Other Directorships & Committee Memberships in India and Areas of Expertise
Mr. Rishi Pardal (DIN: 02470061) Mr. Rishi Pardal has been appointed on the Board of UBL effective August 01, 2020. Mr. Rishi came to UBL from Avery Dennison Corporation, a Fortune 500 Company which he joined in November 2010 as Vice President and Managing Director of Retail Brand and Information Solutions, South Asia. He championed significant growth and profitability improvement at businesses across India, Bangladesh, Sri Lanka and Pakistan. In 2014, Mr. Rishi was appointed to the position of Vice President and General Manager, North Asia where he made equally significant progress. In June 2017, he was promoted to his last position i.e., Vice President of Global Apparel Solutions for Retail Brand and Information Solutions and was a Member of Corporate Leadership Team of Avery Dennison Corporation. As a Member of the Corporate Leadership Team, Mr. Rishi was engaged in contributing to strategy and initiatives that have a global and cross Business impact for Avery Dennison Corporation including sustainability, diversity, business policies etc. Prior to Avery Dennison Corporation, Mr. Rishi was Managing Director of Marico Bangladesh Limited, following a 14-year career in various Management roles with Hindustan Unilever Limited. He has extensive experience in sales and customer development, marketing, corporate governance, brand equity and talent development. Mr. Rishi has completed his Masters' Program in International Business from the Indian Institute of Foreign Trade, New Delhi. He has also completed various functional, leadership and Management Development Programs from Northwestern-Kellogg's, IMD and Harvard Business School (in-progress).	**Other Directorship & Committee Membership:** NIL **Areas of Expertise:** Business Strategy, Sales & Marketing, Customer Development, Corporate Governance, Brand Equity and Talent Development

Brief Resume	Other Directorships & Committee Memberships in India and Areas of Expertise
Mr. Berend Odink (DIN: 09138421) Mr. Berend Odink holds MSc in Economics from the Erasmus University, Rotterdam, Netherlands with a specialization in Financial Economics. After three years working in investment banking at Merrill Lynch in London, he joined Heineken in 2004 at Global Business Development in the Netherlands and thereafter worked in various capacities in Heineken Global and the Netherlands as Manager Purchasing Control from 2008 to 2012, as Finance Manager from 2012 to 2016. In 2016 he was appointed Finance Director of Heineken Ethiopia where he strengthened the Finance function while delivering strong financial results. He brings with him about 21 years' experience of a professional in finance. Mr. Berend was appointed as Chief Financial Officer of the Company in August 2019. Mr. Berend Odink has been on the Board of UBL since June 29, 2021.	**Other Directorship:** • Maltex Malsters Limited **Other Committee Membership:** NIL **Areas of Expertise:** Financial Economics.
Mr. Christiaan A J Van Steenbergen (DIN: 07972769) Mr. Christiaan A J Van Steenbergen was appointed Chief Human Resources Officer of Heineken in May 2014. Prior to that, he was Executive Vice President Corporate HR of Royal DSM since 2010 based in Heerlen, the Netherlands. He is a lawyer by training and has spent more than 20 years in Senior HR and operational roles. He was Chief Human Resources Officer Cadbury, President Europe Cadbury, for 8 years from 2002 to 2010. Prior to Cadbury, he held different positions in Quick Restaurants SA in Belgium as CEO and in Randstad Belgium as Managing Director. He retired from Heineken effective March 01, 2021. Mr. Christiaan A J Van Steenbergen has been on the Board of UBL since November 08, 2017.	**Other Directorship & Committee Membership:** NIL **Areas of Expertise:** Legal and Human Resource, Business Strategy, Brand Building and Leadership
Mr. Jan Cornelis van der Linden (DIN: 08743047) Mr. Jan Cornelis van der Linden, is an MBA in Business Administration from Erasmus University, Rotterdam, Netherlands. He has completed various Management Development Programs from Harvard Business School, Wharton – University of Pennsylvania, INSEAD Business School and University of Michigan. He joined Heineken in 1999 as Management Trainee, and since then has worked in increasingly senior international management positions in Sales, Marketing and General Management. From 1999-2008 he worked in Africa, Ireland and was part of the Management Team at Group Commerce, Heineken International, in the capacity of Global Brand Director Amstel. In 2008 he became Executive Board Member of Nigerian Breweries Plc. and joined the Management Team at Heineken UK in 2012. In 2015 he was appointed as Managing Director of Heineken China and in August 2019 he was appointed as Managing Director of Heineken Vietnam. Currently, Mr. van der Linden is President Asia Pacific, Heineken. Mr. Jan Cornelis van der Linden has been on the Board of UBL since June 01, 2020.	**Other Directorship & Committee Membership:** NIL **Areas of Expertise:** Business Development, Business Strategy & Transformation, Marketing and Commercial.

Brief Resume	Other Directorships & Committee Memberships in India and Areas of Expertise
Mr. Sunil Alagh (DIN: 00103320) Mr. Sunil Alagh is the Managing Director of SKA Advisors Private Limited, a Business Advisory / Consultancy firm with a focus on Marketing and Brand building strategies. He is a graduate in Economics (Hons.) with MBA from IIM Calcutta. He has worked with ITC Limited, Jagatjit Industries Limited and Britannia Industries Limited. He was Managing Director and CEO of Britannia Industries Limited from 1989 to 2003. During this tenure, Britannia figured in the Forbes Magazine list of 300 Best Small Companies in the world for 3 years. It also became the Number 1 food Brand in India. He is on the Board of Indofil Industries Ltd., and Pritish Nandy Communications Ltd. In addition, he was a Senior Advisor to AXA, France, a Member on Advisory Board of Vikas Ecotech Ltd., New Delhi and on the Executive Committee of the Federation of Indian Chambers of Commerce and Industry (FICCI). He is a former Member of the Board of IL&FS Investsmart Ltd., the Indian Advisory Board of Schindler Switzerland, Board of Governors' of IIM Bangalore and IIM Indore, the Governing Council of the National Institute of Design, Ahmedabad and a Member of the Round Table on Higher Education of the Ministry of HRD, Government of India. He is also the past Board Member of Prasar Bharati, India. He was honoured with the 'Gold Medal Kashlkar Memorial Award 2000' for outstanding contribution to the food processing industry in India. He was a finalist for the Ernst and Young Entrepreneur of the Year Award, 2002. Mr. Alagh has been on the Board of UBL since April 29, 2005.	**Other Directorships:** • Indofil Industries Limited • SKA Advisors Private Limited • British Nandy Communications Limited **Other Committee Memberships:** • Indofil Industries Limited - Audit Committee; • Indofil Industries Limited - Stakeholders' Relationship Committee. **Areas of Expertise:** Business Strategy with emphasis on Marketing and Brand Building.
Ms. Kiran Mazumdar Shaw (DIN: 00347229) Ms. Kiran Mazumdar-Shaw is a pioneering biotech entrepreneur, a healthcare visionary, a global influencer and a passionate philanthropist. She is a pioneer of India's biotech industry and founder of Biocon. She is the proud recipient of two of India's highest civilian honours, the Padma Shri (1989) and the Padma Bhushan (2005). She was also honoured with the Order of Australia, Australia's Highest Civilian Honour in January 2020. In 2016, she was conferred with the highest French distinction - Knight of the Legion of Honour. The U.S. based Chemical Heritage Foundation has conferred her with the '2014 Othmer Gold Medal'. Ms. Mazumdar-Shaw has been ranked amongst the world's top 20 inspirational leaders in the field of biopharmaceuticals in The Medicine Maker Power List 2021, she has been on this list every year since 2015. Her achievements have been recognised with the 'Lifetime Achievement Award for Outstanding Achievement in Healthcare' by the Indian Council of Medical Research (ICMR), New Delhi. She has been named as the winner of EY World Entrepreneur of the Year 2020 Award, which is a testimony to her entrepreneurial journey of over four decades. She holds key positions in various industry, educational, government and professional bodies globally. She has been elected as a full-term Member of the Board of Trustees of The Massachusetts Institute of Technology (MIT), USA. She has been elected as a Member of the prestigious USA based National Academy of Engineering (NAE), for her contribution to the development of affordable bio-pharmaceuticals and the biotechnology industry in India and she is a first	**Other Directorships:** • Biocon Limited (Executive Chairperson); • Syngene International Limited (Non-Executive Chairperson); • Biocon Biologics Limited (Executive Chairperson); • Narayana Hrudayalaya Limited; • Infosys Limited; • Biocon Pharma Limited; • Biocon Biosphere Limited; • Biofusion Therapeutics Limited; • Mazumdar Shaw Medical Foundation; • Biocon Academy; • Narayana Vaishno Devi Speciality Hospitals Private Limited; • Immuneel Therapeutics Private Limited; • Science Gallery Bangalore; • CSEP Research Foundation

Brief Resume	Other Directorships & Committee Memberships in India and Areas of Expertise
Ms. Kiran Mazumdar Shaw (DIN: 00347229) (contd.) female Foreign Fellow to be elected as a member of the Australian Academy of Technology and Engineering (ATSE). Recently, she has been elected as the Fellow of the Royal Society of Edinburgh (RSE), Scotland's National Academy for the advancement of learning and useful knowledge. Ms. Mazumdar-Shaw pioneered the setting up of Association of Biotech Led Enterprises (ABLE), which has been instrumental in bringing government, industry and academia together to charter a clear and progressive growth path for biotechnology in India. She is a founder Member of Karnataka's Vision Group on Biotechnology and currently chairs this forum. She holds a bachelor's degree in science (Zoology Hons.) from Bangalore University and a master's degree in malting and brewing from Ballarat College, Melbourne University. She has been awarded with several honorary degrees from the Universities of repute including Ballarat (2004), University of Abertay (2007), University of Glasgow (2008), Heriot-Watt University (2008), National University of Ireland (2012), Trinity College, Dublin (2012), Deakin University (2019) for her pre-eminent contributions in the field of biotechnology. Ms. Mazumdar-Shaw has been on the Board of UBL since October 26, 2009.	**Other Committee Membership:** • Biocon Pharma Limited – Audit Committee (Chairperson). **Areas of Expertise:** Biotechnology, General Management, Finance & Risk Management, Scientific knowledge, Global Healthcare, Corporate Governance and Compliance.
Mr. Madhav Bhatkuly (DIN: 00796367) Mr. Madhav Bhatkuly has a Master's Degree in Commerce from Sydenham College, Bombay and a Master's Degree in Economics from the London School of Economics. He is a recipient of the Foreign and Commonwealth Scholarship from the British Government. Mr. Bhatkuly was a country partner of Arisaig Partners from 1999 to 2005. Prior to that, he was associated with SG Securities and ICICI Bank Limited. He partnered with Chris Hohn of The Children's Investment Fund, (UK) TCI to set up a dedicated India Fund. He is credited to have been amongst the first institutional investors in many small Companies which have gone on to become some of India's leading names. He has been featured on several TV shows including "CNBC's Wizards of Dalal Street", Indianomics, the Karan Thapar Show etc. and has been invited to speak at many business schools such as the Indian Institute of Management and by many organisations such as the Confederation of India Industries (CII), Goldman Sachs etc. He currently serves as Director on the Board of New Horizon Opportunities Master Fund (NHOF). Mr. Bhatkuly has been on the Board of UBL since October 26, 2009.	**Other Directorship:** • New Horizon Wealth Management Private Limited **Other Committee Membership:** NIL **Areas of Expertise:** Finance and Economics.

Brief Resume	Other Directorships & Committee Memberships in India and Areas of Expertise
Mr. Stephan Gerlich (DIN: 00063222) Mr. Stephan Gerlich retired from Bayer after 41 years working with Bayer in different functions and Countries across Mexico, United States of America, France and India. For 11 years he was Managing Director for Bayer in India, based in Mumbai. Mr. Stephan Gerlich retired as Managing Director of Bayer de Mexico in October 2019 and now lives in his home country, Germany, since then. Mr. Gerlich has been on the Board of UBL since July 02, 2010.	**Other Directorship & Committee Membership:** NIL **Areas of Expertise:** Overall Business Management & Operations in Healthcare, Crop Science & Material Science.

Note: Committee Memberships of Directors mentioned above includes only those Committees prescribed for reckoning of limits under Regulation 26(1)(b) of the Listing Regulations. None of the Directors are related inter-se.

Profile of New Independent Directors and their other Directorships

Brief Resume	Other Directorships & Committee Memberships in India and Areas of Expertise
Ms. Geetu Gidwani Verma (DIN: 00696047) Ms. Geetu Verma is a global business leader with close to 35 years' experience in the FMCG sector with Procter & Gamble, Pernod Ricard, PepsiCo and Unilever. Her experience pans launching breakthrough innovations, leading businesses of scale, turnaround assignments in developed and emerging markets – Asia, Europe. Ms. Verma is now a global management consultant, helping businesses with innovation, marketing strategy & new business models to create sustainable growth. She partners OxfordSM, a BCorp and a global strategic and marketing consultancy headquartered in the UK. She is also a strategy advisor to Companies in the nutrition and social impact space both in Netherlands and India. She is credited with having turned around HUL India's Foods & Refreshment (F&R) business, has led the turnaround/creation of iconic brands for the Indian market – Kissan, Brooke Bond Red Label, Kwality Walls, Kurkure, Royal Stag and led strategic business acquisitions in India and Europe. Ms. Verma has been recognized as among the most powerful women in Indian business by Business Today and ranked among the top 10 most influential marketers, several years in a row. She is an immensely respected FMCG industry voice, an ardent advocate on authentic leadership and a strong proponent of an inclusive culture that helps diversity thrive. Ms. Geetu Verma shall be appointed on the Board of UBL effective May 29, 2022.	**Other Directorships:** • Philips India Limited • Dhanvarsha Finvest Limited **Other Committee Membership:** • Philips India Limited – Audit Committee **Areas of Expertise:** • Business strategy, brand building and innovation • Turning around scale businesses • Leading start-ups to scale • M&A and integration strategy

Brief Resume	Other Directorships & Committee Memberships in India and Areas of Expertise
Mr. Manu Anand (DIN:00396716) Mr. Manu is a Chartered Accountant and has completed Advanced Management Program from the Wharton School of the University of Pennsylvania, USA. Mr. Manu brings the experience of over three decades, out of which he has been in the general manager roles for the last 20 years with a track record of building diverse teams, driving growth, managing multi-billion-dollar P&Ls, and leading change and transformation. In his role with Mondelez International before his retirement, he managed the Chocolate business (approx. $2 billion) operations across the Asia Pacific, Middle East, and Africa, covering a range of developed and developing markets. The role required managing the levers of P&L, driving top and bottom line and market share growth through a combination of region-wide and market-specific initiatives on the brands and innovation. In addition, he ran a consolidated supply chain with a complex manufacturing site network and worked closely with sales teams in markets to deliver sustained business performance. Mr. Manu was earlier leading the India business for Mondelez International and as Managing Director for Cadbury India Limited was responsible for all business functions; the role required a high degree of general management skills to steer the categories and functions appropriately to drive continued growth and build competent teams. Mondelez International started transforming to a category run model from the end of 2014, and he led significant change management initiatives to transition the organization to the new model seamlessly. At PepsiCo India, Mr. Manu spent 19 years in various roles and is credited with building its food business virtually from scratch. In his last role at PepsiCo as the Chairman and CEO, PepsiCo India, Mr. Manu was responsible for PepsiCo's beverage and foods business (including JVs) in India and South Asia, reporting to the President of AMEA. PepsiCo India was a scale operation with over 6000 direct employees, over 50 manufacturing sites, and availability in over 2 million retail outlets with high growth driven by scale brands. Preceding this, Mr. Manu was based in Bangkok as the President of South East Asia. He was responsible for the Beverage and Food businesses in Thailand, Vietnam, Malaysia, Indonesia, Singapore, Cambodia and Laos. The Business Unit was a complex portfolio of different business models in the various stages of development across the markets. It included Company-owned businesses, Joint Ventures, and Franchise business models through bottlers. The job helped develop a strong ability to collaborate and work effectively with local partners while learning to work effectively in a multi-cultural environmental. As a result. Mr. Manu successfully built sustainability and profitable growth models in these competitive, high potential markets with healthy growth in top and bottom lines.	**Other Directorships:** • Manjushree Technopack Limited • DFM Foods Limited **Other Committee Membership:** • Manjushree Technopark Limited: Audit Committee **Areas of Expertise:** General Management, Finance, Sales and Marketing in Food and Beverage industry.

Brief Resume	Other Directorships & Committee Memberships in India and Areas of Expertise
Mr. Manu Anand (DIN:00396716) (contd.) Currently Mr. Manu is the Senior Advisor with Advent and Director on Manjushree Technopack and DFM Foods boards. He has also been a member of CII and has experience as Chairman of PepsiCo India and Director on board of Mondelez India. Mr. Manu Anand shall be appointed on the Board of UBL effective May 29, 2022.	

Membership in Boards and Board Committees - other than United Breweries Limited (UBL)

Name of the Directors	Membership in Boards other than UBL in India	Membership in Board Committees other than UBL	
		Prescribed for reckoning the limits under Regulation 26(1)(b) of Listing Regulations*	Other Committees not so prescribed**
Mr. Rishi Pardal	NIL	NIL	NIL
Mr. Berend Odink	1	NIL	NIL
Mr. Christiaan A J Van Steenbergen	NIL	NIL	NIL
Mr. Jan Cornelis van der Linden	NIL	NIL	NIL
Mr. Sunil Alagh	3	2	3
Ms. Kiran Mazumdar Shaw	14	1 (Chairperson of 1 Committee)	8
Mr. Madhav Bhatkuly	1	NIL	NIL
Mr. Stephan Gerlich	NIL	NIL	NIL

Membership in Boards and Board Committees of New Independent Directors - other than UBL

Name of the Directors	Membership in Boards other than UBL in India	Membership in Board Committees other than UBL	
		Prescribed for reckoning the limits under Regulation 26(1)(b) of Listing Regulations*	Other Committees not so prescribed**
Ms. Geetu Gidwani Verma	2	1	2
Mr. Manu Anand	2	1	2

* Audit Committee and Stakeholders' Relationship Committee.

** Nomination and Remuneration Committee, Share Transfer Committee and Other Committees.

The above position is as on the date of this Report and in respect of their Directorships only in Indian Companies.

Notes:

a) Mr. Rishi Pardal is not a Director in any other Company.

b) Mr. Berend Odink is on the Board of 1 Company.

c) Mr. Christiaan A J Van Steenbergen is on the Board of 1 Overseas Company.

d) Mr. Jan Cornelis van der Linden is on the Board of 11 Overseas Companies.

e) Mr. Sunil Alagh is on the Board of 3 Companies. Out of which 1 is a Private Limited Company.

f) Ms. Kiran Mazumdar Shaw is on the Board of 14 Companies. Out of which 2 are Private Limited Companies and 4 are Section 8 Companies under the Companies Act, 2013. Ms. Mazumdar is also on the Board of 9 Overseas Companies.

g) Mr. Madhav Bhatkuly is a Director in 1 Private Limited Company. Mr. Bhatkuly is also on the Board of 1 Overseas Company.

h) Mr. Stephan Gerlich is not a Director in any other Company.

i) Ms. Geetu Gidwani Verma is on the Board of 2 Companies.

j) Mr. Manu Anand is on the Board of 2 Companies.

The skills/expertise/competencies available with the Board are as per the matrix given below:

Skills	Mr. Rishi Pardal	Mr. Berend Odink	Mr. Christiaan A J Van Steenbergen	Mr. Jan Cornelis van der Linden	Mr. Sunil Alagh	Ms. Kiran Mazumdar Shaw	Mr. Madhav Bhatkuly	Mr. Stephan Gerlich	Ms. Geetu Gidwani Verma (effective May 29, 2022)	Mr. Manu Anand (effective May 29, 2022)
Business Strategy, Brand Building and Leadership	✓	✓	✓	✓	✓	✓		✓	✓	✓
Sales and Marketing	✓			✓	✓			✓	✓	✓
Strategic Planning	✓	✓		✓		✓			✓	✓
Financial Management and Economics	✓	✓		✓			✓			✓
Legal and Human Resource			✓							
Industry Knowledge	✓	✓	✓	✓		✓				
General Administration	✓	✓						✓		✓
Research and Innovation				✓		✓				

Board Meetings

Matters of policy and other relevant and significant information are regularly made available to the Board. In order to ensure better Corporate Governance and transparency, the Company has constituted an Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility/ Environmental, Social and Governance Committee, Risk Management Committee, Share Transfer Committee, Borrowing Committee and Special Purpose Committee to look into the Terms of Reference of each Committee.

In addition to securing Board approvals for various matters prescribed under the Act, matters such as annual budget, operating plans, material show cause notices and demands, if any, minutes of Committee Meetings and subsidiary Company, control self-assessment, risk management and updates thereof are regularly placed before the Board. There is a comprehensive management reporting system involving preparation of operating results and their review by senior management and by the Board.

During the financial year ended on March 31, 2022, seven (7) Board Meetings were held on April 27, 2021, May 12, 2021, June 29, 2021, July 04, 2021, July 28, 2021, October 27, 2021 and January 28, 2022. During the financial year, Mr. Stephan Gerlich was the Acting Chairman of the Board.

Attendance at Board Meetings and AGM

Names of the Directors	Category	Number of Board Meetings Held	Number of Board Meetings attended	Attendance at the last AGM held on 29.07.2021
Mr. Rishi Pardal	Managing Director	7	7	YES
Mr. Berend Odink *	Director & CFO	7	5	YES
Mr. A K Ravi Nedungadi **	Director (NE)	7	5	N.A.
Mr. Christiaan A J Van Steenbergen	Director (NE)	7	7	YES
Mr. Jan Cornelis van der Linden	Director (NE)	7	6	YES
Mr. Sunil Alagh	Director (IND)	7	7	YES
Ms. Kiran Mazumdar Shaw	Director (IND)	7	7	YES
Mr. Madhav Bhatkuly	Director (IND)	7	7	YES
Mr. Stephan Gerlich	Director (IND)	7	7	YES

Notes: NE – Non-Executive, IND – Independent.

* Mr. Berend Odink was appointed as Director & CFO with effect from June 29, 2021.

** Mr. A K Ravi Nedungadi resigned as Non-Executive Director with effect from July 29, 2021.

COMMITTEES OF DIRECTORS

The Board has constituted Committees of Directors as mandatorily required and to deal with matters which need urgent decisions and timely monitoring of the activities falling within their terms of reference. The Board Committees are as follows:

Audit Committee

The Audit Committee comprises of Mr. Madhav Bhatkuly, Mr. Jan Cornelis van der Linden and Mr. Sunil Alagh as Members, out of which two are Independent Directors and one is a Non-Executive Director. The Chairmanship of the Committee vests with Mr. Madhav Bhatkuly.

The Committee oversees the financial reporting process, disclosure requirements and matters relating to Internal Control System. The Committee also reviews periodically the financial accounts, adequacy of the internal audit function, compliance with accounting standards and other areas within its Terms of Reference, as under:

i) Oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

ii) Recommending to the Board, the appointment, remuneration and terms of appointment of auditors of the Company;

iii) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

iv) Reviewing, with the Management, the Annual Financial Statements and auditor's report before submission to the Board for approval, with particular reference to;

- Matters required to be included in the Directors Responsibility Statement to be included in the Board's report in terms of Clause (c) of sub-section 3 of Section 134 of the Act;
- Changes, if any, in accounting policies and practices and reasons for the same;
- Major accounting entries involving estimates based on the exercise of judgement by the Management;
- Significant adjustments made in the Financial Statements arising out of Audit findings;
- Compliance with listing and other legal requirements relating to Financial Statements;
- Disclosure of any related party transactions;
- Modified opinion(s) in the draft audit report;

v) Reviewing with the Management the quarterly Financial Statements before submission to the Board for approval;

vi) Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;

vii) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

viii) Approval or any subsequent modification of transactions of the Company with related parties;

ix) Scrutiny of inter-corporate loans and investments;

x) Valuation of undertakings or assets of the Company, wherever it is necessary;

xi) Evaluation of internal financial controls and risk management systems;

xii) Reviewing with the management the performance of statutory and internal auditors, adequacy of the internal control system;

xiii) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;

xiv) Discussion with internal auditors of any significant findings and follow-up thereon;

xv) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

xvi) Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

xvii) To look into the reasons for substantial defaults in the payments to the depositors, debenture holders, Shareholders (in case of non-payment of declared dividends) and creditors;

xviii) To review the functioning of Whistle Blower mechanism;

xix) Approval of appointment of Chief Financial Officer (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

xx) To review utilization of loans and / or advances from investment by holding Company in the subsidiary exceeding Rs.100 Crore or 10% of the asset size of the subsidiary, including existing loans, advances and investments;

xxi) To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc. and;

xxii) Carrying out any other function as is mentioned in terms of reference of the Audit Committee.

The Audit Committee mandatorily reviews the following information:

1. Management discussion and analysis of financial conditions and results of operations;
2. Management letters/letters of internal control weaknesses issued by the Statutory Auditors;
3. Internal audit reports relating to internal control weaknesses;
4. The appointment, removal and terms of remuneration of the Chief Internal Auditor; and
5. Statement of deviations:
   (a) quarterly statement of deviation(s) including report of monitoring agency;
   (b) annual statement of funds utilized for purposes other than those stated in the offer documents/prospectus/ notice.

During the financial year ended March 31, 2022, five (05) Audit Committee Meetings were held on April 26, 2021, June 29, 2021, July 27, 2021, October 26, 2021, and January 27, 2022.

Attendance at Audit Committee Meetings

Names of the Directors	Category	Number of Audit Committee Meetings held	Number of Audit Committee Meetings attended
Mr. Madhav Bhatkuly	Chairman	05	05
Mr. Jan Cornelis van der Linden	Member	05	04
Mr. Sunil Alagh	Member	05	05

Share Transfer Committee

The Share Transfer Committee comprises of Mr. Stephan Gerlich, Mr. Rishi Pardal, Mr. Berend Odink and Mr. Christiaan A J Van Steenbergen as Members. The Chairmanship of the Committee vests with Mr. Stephan Gerlich.

The Terms of Reference are as under:

- To monitor Transfer, Transmission and Transposition of the Shares of the Company;
- Issue of Duplicate Share Certificates, in lieu of Certificates lost or misplaced;
- Issue of New Share Certificates In lieu of Certificates torn, mutilated, cages for transfer filled up etcetera;
- Consolidation and sub-division of Share Certificates;
- To oversee compliance of the norms laid down under the Depositories Act, 1996;
- To appoint/remove Registrar and Transfer Agent;
- To oversee compliance of the norms laid down under the Tripartite Agreement with National Securities Depository Limited/Central Depository Services (India) Limited, and
- Perform all such acts and deeds, matters and things as it may in its absolute discretion deem necessary, expedient, desirable, usual or proper and to settle any question, dispute, difficulty or doubt that may arise in regard to the matters arising out of the aforesaid acts.

In order to facilitate prompt and efficient service to the Shareholders, all the transactions in connection with Transfer, Transmission, issue of Duplicate Certificates, etc., have been entrusted to Integrated Registry Management Services Private Limited, Registrar and Share Transfer Agent and the same are being processed and approved once in ten days.

During the financial year ended March 31, 2022, four (04) Share Transfer Committee Meetings were held on April 23, 2021, July 21, 2021, October 22, 2021, and January 24, 2022 for approving the transactions falling within the Terms of Reference mentioned above.

Attendance at Share Transfer Committee Meetings

Names of the Directors	Category	Number of Share Transfer Committee Meetings held	Number of Share Transfer Committee Meetings attended
Mr. Stephan Gerlich	Chairman	4	4
Mr. Rishi Pardal	Member	4	4
Mr. Berend Odink *	Member	4	2
Mr. A K Ravi Nedungadi **	Member	4	2
Mr. Christiaan A J Van Steenbergen	Member	4	4

* Mr. Berend Odink was appointed as Director & CFO with effect from June 29, 2021.
** Mr. A K Ravi Nedungadi resigned as Non-Executive Director with effect from July 29, 2021.

The Board of Directors has, by a resolution by circulation passed on May 5, 2004, delegated the power to approve transfers/transmission etc., up to 5,000 Shares to the Managing Director and the Company Secretary, who can act severally in the above matter.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee comprises of Mr. Madhav Bhatkuly, Mr. Berend Odink, Mr. Sunil Alagh, and Mr. Stephan Gerlich as Members. The Chairmanship of the Committee vests with Mr. Madhav Bhatkuly.

The Terms of Reference are as under:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of Shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general Meetings etc.;
- Review of measures taken for effective exercise of voting rights by Shareholders;
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent; and
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the Shareholders of the Company.

The Compliance Officer is Mr. Govind Iyengar, Senior Vice President – Legal and Company Secretary.

Number of Shareholders' complaints received from 01-04-2021 to 31-03-2022 (These complaints pertained mainly to non-receipt of Share Certificates upon transfer, non-receipt of Annual Report, non-receipt of Dividend, etc.)	05
Number of complaints not solved to the satisfaction of the Shareholders	NIL
Number of pending Share transfers	NIL

During the financial year ended March 31, 2022, two (2) Stakeholders Relationship Committee Meetings were held on April 23, 2021, and October 22, 2021.

Attendance at Stakeholders Relationship Committee Meetings

Names of the Directors	Category	Number of Stakeholders Relationship Committee Meetings held	Number of Stakeholders Relationship Committee Meetings attended
Mr. Madhav Bhatkuly	Chairman	2	2
Mr. Berend Odink *	Member	2	1
Mr. A K Ravi Nedungadi **	Member	2	1
Mr. Sunil Alagh	Member	2	2
Mr. Stephan Gerlich	Member	2	2

* Mr. Berend Odink was appointed as Director & CFO with effect from June 29, 2021.
** Mr. A K Ravi Nedungadi resigned as Non-Executive Director with effect from July 29, 2021.

Corporate Social Responsibility/ Environmental, Social and Governance Committee

Your Company has been focusing on Corporate Social Responsibility (CSR) activities viz., Primary Health, Primary Education, Water Conservation & Providing Safe Drinking Water and Responsible Consumption of Alcohol. UBL has formulated a CSR policy for a seamless integration of market place, work place, environment and community concerns with its business operations. We use CSR as an integral business process in order to support sustainable development and inclusive growth in our constant endeavour to be a good corporate citizen.

The CSR/ESG Committee comprises of Mr. Stephan Gerlich, Mr. Rishi Pardal, Mr. Berend Odink, Mr. Christiaan A J Van Steenbergen and Ms. Kiran Mazumdar Shaw as Members. The Chairmanship of the Committee vests with Mr. Stephan Gerlich.

During the financial year ended March 31, 2022, one (1) CSR/ESG Committee Meeting was held on March 15, 2022 which was attended by all the Members.

Risk Management Committee

The Risk Management Committee comprises of Mr. Sunil Alagh, Mr. Rishi Pardal, Mr. Berend Odink, Mr. Jan Cornelis van der Linden, Ms. Kiran Mazumdar Shaw, Mr. Madhav Bhatkuly, and Mr. Stephan Gerlich as Members. The Chairmanship of the Committee vests with Mr. Sunil Alagh.

The Terms of Reference are as under:

- To formulate a detailed risk management policy which shall include:
  a. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  b. Measures for risk mitigation including systems and processes for internal control of identified risks.
  c. Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems.
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken.
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

During the financial year ended March 31, 2022, two (02) Risk Management Committee Meetings were held on October 26, 2021 and February 24, 2022.

Attendance at Risk Management Committee Meetings

Names of the Directors	Category	Number of Risk Management Committee Meetings held	Number of Risk Management Committee Meetings attended
Mr. Sunil Alagh	Chairman	2	2
Mr. Rishi Pardal	Member	2	2
Mr. Berend Odink	Member	2	2
Mr. Jan Cornelis van der Linden	Member	2	1
Ms. Kiran Mazumdar Shaw	Member	2	2
Mr. Madhav Bhatkuly	Member	2	2
Mr. Stephan Gerlich	Member	2	2

Borrowing Committee

Having regard to the size of operations, frequency of funds requirement and administration convenience, the Board has constituted a Borrowing Committee of Directors and has delegated powers to borrow moneys within approved limits from time to time.

The Borrowing Committee comprises of Mr. Madhav Bhatkuly, Mr. Berend Odink, Mr. Sunil Alagh, Ms. Kiran Mazumdar Shaw and Mr. Stephan Gerlich as Members. The Chairmanship of the Committee vests with Mr. Madhav Bhatkuly. During the financial year ended March 31, 2022, there was no Borrowing Committee Meetings held.

Special Purpose Committee

The Special Purpose Committee was formed inter alia to review the investigation/matters with respect to Competition Commission of India. The Special Purpose Committee comprises of Mr. Madhav Bhatkuly, Mr. Rishi Pardal,

Mr. Berend Odink and Mr. Christiaan A J Van Steenbergen. The Chairmanship of the Committee vests with Mr. Madhav Bhatkuly.

During the financial year ended March 31, 2022, three (03) Special Purpose Committee Meetings were held on October 28, 2021, November 09, 2021 and November 30, 2021 which were attended by all the Members.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises of Ms. Kiran Mazumdar Shaw, Mr. Christiaan A J Van Steenbergen and Mr. Sunil Alagh as Members. The Chairperson of the Committee vests with Ms. Kiran Mazumdar Shaw.

The Terms of Reference are as under:

- Formulate criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to, the remuneration of the Directors, Key Managerial Personnel and other employees;
- For appointment of an Independent Director, the Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such description. The Committee for the purpose of identifying suitable candidates may:

  a) use the services of an external agencies, if required;

  b) consider candidates from a wide range of backgrounds, having due regard to diversity; and

  c) consider the time commitments of the candidates.
- Formulate criteria for evaluation of performance of Independent Directors and the Board of Directors;
- Devise a policy on diversity of Board of Directors;
- Identify persons who are qualified to become Directors and who may be appointed to the Board as well as senior management in accordance with the criteria that may be laid down, and recommend to the Board their appointment and removal;
- To extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;
- Recommend to the Board, all remuneration, in whatever form, payable to senior management; and
- Operate and cover areas as may be prescribed under the Act, and other applicable Regulations from time to time including formulation of Employee Stock Option Scheme to Employees/Directors in compliance with guidelines prescribed.

During the financial year ended March 31, 2022, six (06) Nomination and Remuneration Committee Meetings were held on April 19, 2021, June 29, 2021, July 26, 2021, October 25, 2021, January 25, 2022 and March 21, 2022.

Attendance at Nomination and Remuneration Committee Meetings

Names of the Directors	Category	Number of Nomination and Remuneration Committee Meetings held	Number of Nomination and Remuneration Committee Meetings attended
Ms. Kiran Mazumdar Shaw	Chairperson	6	6
Mr. A. K. Ravi Nedungadi *	Member	6	3
Mr. Sunil Alagh	Member	6	6
Mr. Christiaan A J Van Steenbergen	Member	6	6

* Mr. A K Ravi Nedungadi resigned as Non-Executive Director with effect from July 29, 2021.

The Company Secretary was present in all the Meetings of the Board and/or Committees.

Note: For "Performance Evaluation of Directors" please refer to page No. 28 of Directors Report.

Remuneration Policy

The Company carries out periodic reviews of comparable Companies and through commissioned survey ascertains the remuneration levels prevailing in these Companies. The Company's Remuneration Policy is designed to ensure that the remuneration applicable to Managers in the Company is comparable with multinational Companies operating in Brewing or similar industry in India. In line with statutory requirements, the Board of Directors has adopted a Remuneration Policy for Directors, Key Managerial Personnel (KMP) and other employees of the Company. The Remuneration Policy lays down the criteria for appointment and removal of Directors, KMP and Senior Management. The Policy also prescribes the criteria and manner for fixation and approval of remuneration payable to Directors, KMP and other employees. The Policy is posted on the website of the Company www.unitedbreweries.com and is available through the webpage: http://unitedbreweries.com/pdf/policyandcodes/Remuneration-Policy.pdf.

For the financial year ended March 31, 2022, Mr. Rishi Pardal, Managing Director and Mr. Berend Odink, Director & CFO (effective June 29, 2021) were paid remuneration as Director as under:

(Rupees)

Name	Joining Bonus	Salary & Allowance	Variable Pay	Long Term Incentive Payment	Perquisites	Retiral Benefits
Mr. Rishi Pardal	2,70,00,000*	6,12,65,736	NIL	NIL	57,90,293	83,61,630
Mr. Berend Odink (June 29, 2021, to March 31, 2022)	NIL	2,07,56,973	NIL	29,80,377	84,91,981	5,46,387

* Mr. Rishi Pardal was paid the balance of joining bonus being part of his agreed one-time joining bonus.

Performance criteria is decided by Nomination and Remuneration Committee and the Board.

Sitting fees to Directors during 2021-2022

Sl. No.	Name of the Directors	Sitting fees paid (Rupees)*
1.	Mr. A K Ravi Nedungadi	8,00,000/-
2.	Mr. Christiaan A J Van Steenbergen	14,00,000/-
3.	Mr. Jan Cornelis van der Linden	11,00,000/-
4.	Mr. Sunil Alagh	17,50,000/-
5.	Ms. Kiran Mazumdar Shaw	11,50,000/-
6.	Mr. Madhav Bhatkuly	16,00,000/-
7.	Mr. Stephan Gerlich	12,00,000/-

* Subject to deduction of tax at source, as applicable.

Sitting fees are being paid @ Rs.1,00,000/- for attending Board Meetings and Audit Committee Meetings and Rs.50,000/- for attending other Committee Meetings including Independent Directors Meeting. During the year, there was no pecuniary relationships or transactions between the Company and any of its Non-Executive Directors apart from receiving sitting fees and commission. The Company has not provided any stock options scheme or pension to any of the Directors.

Commission to Directors during 2021-2022

Sl. No.	Name of the Directors	Commission (Rupees)##
1.	Mr. A K Ravi Nedungadi#	28,24,857/-
2.	Mr. Sunil Alagh	98,87,006/-
3.	Ms. Kiran Mazumdar Shaw	98,87,006/-
4.	Mr. Madhav Bhatkuly	98,87,006/-
5.	Mr. Stephan Gerlich	98,87,006/-

Commission is paid on a pro rata basis to Mr. A K Ravi Nedungadi as he resigned as Non-Executive Director with effect from July 29, 2021.

Subject to deduction of tax at source. The above amount excludes applicable Goods and Services Tax which was paid by the Company under reverse charge separately.

Independent Directors

The Independent Directors of the Company viz., Ms. Kiran Mazumdar Shaw, Mr. Sunil Alagh, Mr. Madhav Bhatkuly, and Mr. Stephan Gerlich have been re-appointed on the Board for a second consecutive term at the AGM held on August 22, 2019. All of them have given a declaration that they meet the criteria of independence and in the opinion of the Board, the Independent Directors fulfil the conditions of independence as laid down under the Act, and Listing Regulations.

On the recommendation of Nomination and Remuneration Committee, the Board has appointed Ms. Geetu Gidwani Verma and Mr. Manu Anand as Additional Directors with effect from May 29, 2022, to hold office up to the date of the forthcoming AGM. The Board considered the domain knowledge and experiences of Ms. Geetu Gidwani Verma and Mr. Manu Anand in the areas of marketing/digital and finance respectively while approving their appointment as Independent Directors on the Board of the Company. The Board is of the opinion that Ms. Geetu Gidwani Verma and Mr. Manu Anand, Independent Directors possesses requisite qualification, experience, expertise and holds high standards of integrity and is independent of the Management of the Company and fulfils the conditions specified under the Act, read with Rules thereunder and the SEBI LODR Regulations for their appointment as Independent Directors of the Company. Being eligible, Ms. Geetu Gidwani Verma and Mr. Manu Anand have offered themselves to be appointed as Independent Directors of your Company. As per the provisions of the Act, the Independent Directors shall not be liable to retire by rotation.

Mr. Sunil Alagh and Mr. Stephan Gerlich, Independent Directors considering their long tenure on the UBL Board and due to other personal commitments, that they have now, have voluntarily relinquished their position as Board members with effect from June 13, 2022, after serving 17 years and 12 years respectively. The Board places on record its appreciation for Mr. Sunil Alagh and Mr. Stephan Gerlich for their invaluable contribution, guidance and support provided by them during their tenure as Independent Directors. The Independent Directors have confirmed that there are no other material reasons for their resignations as Independent Directors other than those stated above.

During the financial year ended March 31, 2022, one (1) Independent Directors Meeting was held on November 08, 2021, which were attended by all the Members viz., Ms. Kiran Mazumdar Shaw, Mr. Sunil Alagh, Mr. Madhav Bhatkuly, and Mr. Stephan Gerlich.

SHAREHOLDERS' INFORMATION

General Body Meetings

The previous three AGMs of the Company were held on the dates, time and venue as given below:

Date	Time	Venue	Special Resolutions Passed
July 29, 2021	01.00 p.m. (IST)	Video Conference/ Other Audio-Visual Means	Two
August 26, 2020	12.30 p.m. (IST)	Video Conference/ Other Audio-Visual Means	Two
August 22, 2019	11.00 a.m. (IST)	Level 1, UB Tower, UB City, #24, Vittal Mallya Road, Bengaluru - 560 001.	Four

All the Resolutions set out in respective Notices were passed by the Members at the above AGMs.

Extraordinary General Meeting

During FY 2022, an Extraordinary General Meeting (EGM) was held on April 09, 2021, for the purpose of payment of remuneration to Mr. Rishi Pardal, Managing Director for the period August 01, 2020, to March 31, 2021, and Mr. Shekhar Ramamurthy, former Managing Director for the period April 01, 2020, to July 31, 2020, beyond the ceiling

in case of inadequacy or absence of profits during the financial year ended March 31, 2021, arising out of COVID impact. The Special Resolutions were passed with requisite majority at the EGM.

Postal Ballot

The Company had not conducted any Postal Ballot during the year. None of the businesses proposed to be transacted in the ensuing AGM require passing of resolution through postal ballot.

Remote E-voting

In terms of Section 108 of the Act, Rules framed thereunder and Regulation 44 of the Listing Regulations, the Company is providing remote e-voting facility to its Shareholders in respect of all resolutions proposed to be passed at this AGM.

Dividend

Post its declaration at this AGM, dividend on Equity Shares for the financial year ended March 31, 2022, will be paid on or before September 09, 2022, to the Members whose names appear:

i. as Beneficial Owners as at the close of the business hours on Wednesday, August 03, 2022, as per the list to be furnished by the Depositories in respect of the Shares held in electronic form, and

ii. as Members in the Register of Members of the Company as on Wednesday, August 10, 2022, after giving effect to all valid Share transfers in physical form which are lodged with the Company on or before Wednesday, August 03, 2022.

Unclaimed Dividend

Unclaimed Dividend for the financial year ended March 31, 2015, will be due for transfer to the Investor Education and Protection Fund (IEPF) on October 27, 2022, in terms of the applicable provisions of the Act. Members who have not encashed the Dividend Warrants for the aforesaid Dividend are requested to approach the Registrar and Share Transfer Agent of the Company. Further, the Equity Shares held by the Shareholders (either in physical form or in demat form) in respect of such unclaimed dividend which has not been encashed and in respect of which dividend has not been claimed for last seven consecutive years shall also be transferred to the IEPF in terms of provisions of the Act, and the Rules made thereunder.

UNITED BREWERIES LIMITED

Unclaimed Shares

After due compliance with the procedure prescribed in Schedule VI of the Listing Regulations relating to unclaimed Shares, we have transferred all unclaimed Equity Shares in one folio and have dematerialized these Equity Shares in a demat account with HDFC Bank Limited who has arrangement with National Securities Depository Limited (Depository). The voting rights on these Shares shall remain frozen till the rightful owner of such Equity Shares claims the Shares.

Details relating to unclaimed Equity Shares as on March 31, 2022, as required under Schedule V(F) of the Listing Regulations is given hereunder:

No. of Shareholders holding unclaimed Shares as on 01.04.2021	No. of unclaimed Shares as on 01.04.2021	No. of Shareholders who claimed Shares during the year	No. of unclaimed Shares transferred during the year	No. of Shareholders holding unclaimed Shares as on 31.03.2022	Balance unclaimed Shares as on 31.03.2022	Voting Rights Frozen (%)
1,388	228,483	16	3,330	1,372 **	225,153	0.09

**During the year, the Company credited 3,330 Equity Shares held by 16 Shareholders in unclaimed suspense account. As on March 31, 2022, the Company holds 225,153 Equity Shares held by 1,372 Shareholders in unclaimed suspense account.

Investor Education and Protection Fund (IEPF)

As per Section 124(5) of the Act, any money transferred to the unpaid dividend account of a Company which remained unpaid or unclaimed for a period of seven years from the date of such transfer shall be transferred by the Company to IEPF. Pursuant to the said provision, the Company had transferred Rs. 9,81,247 as dividend for the year 2013-2014 to IEPF which remained unclaimed for a period of seven years.

Further, pursuant to Section 124(6) of the Act, all Shares in respect of which unpaid or unclaimed dividend has been transferred under Section 124(5) of the Act, shall also be transferred by the Company in the name of IEPF.

Pursuant to the said provisions, the Company has transferred 15,82,047 Equity Shares held by 10,219 Shareholders (including 10,39,357 Equity Shares held by 6,297 Shareholders from Unclaimed Suspense Account) to IEPF after following due procedure laid down under the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended (the Rules). Details of Dividend and Equity Shares transferred to IEPF is uploaded on the website of the Company and is available through the webpage: http://unitedbreweries.com/investors. Out of 15,82,047 Shares, IEPF has credited 34,399 Shares to a Shareholder's account.

The Shareholders may claim the Dividend and Equity Shares transferred to IEPF after following the procedure laid down in the Rules. The Company has appointed a Nodal Officer for the purpose of coordinating with the IEPF Authority in respect of claims by Shareholders. Details of the Nodal Officer is uploaded on the website of the Company.

Means of Communication

The Company has its own website and all vital information relating to the Company and its performance including quarterly financial results, official press releases, presentation to analysts, shareholding pattern etc., are posted on the Company's website **www.unitedbreweries.com**. Apart from furnishing financial results to all the Stock Exchanges, the Quarterly, Half-yearly and Annual Results of the Company's performance are published in 'The Financial Express' and 'Kannada Prabha' Newspapers. As part of transparency, good governance and consistency in reporting, the Company publishes its detailed financial results along with notes and not only extracts in the Newspapers in the same form as furnished to the Stock Exchanges where the Company's Shares are listed and uploaded on the website of the Company.

The Company has designated an exclusive Email-ID viz., ublinvestor@ubmail.com for the purpose of registering complaints by the investors. The investors can post their grievances by sending a mail to the said Email-ID.

Credit Ratings

The Company has not issued any debt instruments and does not have any fixed deposit programme or any scheme or proposal involving mobilization of funds in India or abroad during the financial year ended March 31, 2022.

The ratings given by ICRA Limited for short-term borrowings and long-term borrowings of the Company are A1+ and AA+ respectively.

Familiarization programme for Independent Directors

The details of the Familiarization programme for Independent Directors is disclosed on the Company's website at the webpage: https://www.unitedbreweries.com/pdf/policyandcodes/Familiarisation-Programme-2022.pdf.

Secretarial Standards

The Company complies with all applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India.

Disclosures

1. Management Discussion and Analysis forms part of the Directors' Report.
2. The Company has formulated a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions which is placed on the website of the Company www.unitedbreweries.com and is available through the webpage: http://unitedbreweries.com/pdf/policyandcodes/Policy%20on%20Related%20Party%20Transactions.pdf.

3. During the financial year ended March 31, 2022, there were no materially significant related party transactions with the Company's Directors or their relatives. Details of related party transactions form part of Notes to Accounts. In preparation of Financial Statements for the year under review, treatment as prescribed in Indian Accounting Standards (Ind AS) has been followed.
4. The Company has complied with all the statutory requirements comprised in the Listing Agreements / Regulations / Guidelines / Rules of the Stock Exchanges / Securities and Exchange Board of India (SEBI) / other Statutory Authorities.
5. The Company did not suffer from any levies and there were no strictures on any Capital market related matters. The Company has complied with all the mandatory and certain non-mandatory requirements of Corporate Governance as prescribed under the Listing Regulations.
6. The Company has not issued any Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments.
7. The Company does not trade in commodities. However, with respect to certain raw/packaging materials, the Company mitigates commodity pricing risks by using pricing benchmarks and tracking pricing trends over a longer period of time and has entered into long term contracts where found beneficial.

   The Company's import payments for materials and services are covered by natural hedge with the export earnings.
8. The Company has not raised any funds through preferential allotment or qualified institutional placement as per the Listing Regulations.
9. The Company has formulated a policy for determining material subsidiaries which is placed on the website of the Company www.unitedbreweries.com and is available through the webpage: http://unitedbreweries.com/pdf/policyandcodes/Policy%20for%20Determining%20Material%20Subsidiaries-PDF.pdf
10. The Company has obtained a certificate from M/s BMP & Co. LLP, Practising Company Secretary, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.
11. The Company has received three complaints in relation to Sexual Harassment during the financial year 2021-2022 which stands resolved.

No. of Complaints filed during the year	No. of Complaints disposed during the year	No. of Complaints pending as on 31.03.2022
03	03	NIL

12. During the year, the Company has paid Rs.323 Lacs (including GST and reimbursement of expenses) to the Statutory Auditors towards Statutory Audit and other services provided by them to the Company. The Company has also paid Rs.19.46 Lacs for other services to all the entities in the network firm/network entity of which Statutory Auditor is a part during the year.
13. The Company has complied with corporate governance requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of sub-Regulation (2) of Regulation 46 of the Listing Regulations.
14. The Company has adopted vigil mechanism which is a channel for receiving and redressing of complaints about any misconduct, actual or suspected fraud, actual or potential violations of the Company's code of conduct and any other unethical, unlawful or improper practices, acts or activities within the Company. The Company has formulated a Whistle Blower Policy for Employees, Directors and also for vendors and has ensured that there are adequate safeguards against victimization of whistle blowers. The details of establishment of the vigil mechanism are disclosed on the website of the Company.
15. None of the Employees and Directors have been denied access to the Chairman of the Audit Committee.

Note: For "Additional Disclosures on Significant and Material Orders" please refer to page No. 30 of Directors Report.

General Shareholder Information

The Company's financial year begins on April 01 and ends on March 31 of immediately subsequent year. During financial year 2021-2022, the meetings of the Board of Directors, for approval of quarterly financial results, were held on the following dates within statutory time limits:

Division of Financial Calendar	Declaration of Results	
April 01 to June 30	First Quarter Results	July 28, 2021
July 01 to September 30	Second Quarter and Half yearly Results	October 27, 2021
October 01 to December 31	Third Quarter Results	January 28, 2022
January 01 to March 31	Fourth Quarter and Annual Results	April 26, 2022

AGM Information

Board Meeting for consideration of Accounts	April 26, 2022
Cut-off-Date for ascertaining Shareholders entitled for Notice	July 08, 2022
Cut-off-Date for determining the eligibility to vote by remote e-voting system	August 03, 2022 (close of business hours)
Book Closure dates	August 04, 2022 to August 10, 2022 (both days inclusive).
Remote E-voting starting date and time	August 07, 2022 at 9.00 a.m.
Remote E-voting closure date and time	August 09, 2022 at 5.00 p.m.
Date of AGM	August 10, 2022
Time	01.00 p.m. IST
Venue	The Company is conducting Meeting through Video Conference/Other Audio-Visual Means pursuant to the Ministry of Corporate Affairs Circulars and as such there is no requirement to have a venue for the AGM. For details please refer to the Note below.
Participation through video conference	Services provided by Central Depository Services (India) Limited (CDSL) and login through e-voting portal of CDSL.
Helpline number for video conference participation	Toll free No. 022-2305 8738 and 022-2305 8542/43
Webcast and transcripts	http://www.unitedbreweries.com/investors
Dividend record date	August 03, 2022
Dividend payment date	September 09, 2022

Note: Pursuant to the General Circular numbers 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 05, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 02/2021 dated January 13, 2021, 10/2021 dated June 23, 2021, 19/2021 dated December 08, 2021, 21/2021 dated December 14, 2021, and 02/2022 dated May 05, 2022 issued by the Ministry of Corporate Affairs (MCA) and Circular number SEBI/HO/CFD/CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 issued by the Securities and Exchange Board of India (SEBI) (hereinafter collectively referred to as "the Circulars"). As per MCA Circular No. 02/2022 dated May 05, 2022, Companies are allowed to hold AGM through VC/OAVM, without the physical presence of Members at a common venue till December 31, 2022. In compliance with the Circulars, this AGM is being held through VC/OAVM and the Notice and the Annual Report 2021-2022 are being sent only by electronic mode to those Members whose Email addresses are registered with the Company/Depository Participant(s). Members may also note that the Notice and the Annual Report 2021-2022 are also available on the Company's website, www.unitedbreweries.com and website of the Central Depository Services (India) Limited (CDSL) viz., https://www.evotingindia.com and the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited, at https://www.bseindia.com and https://www.nseindia.com respectively.

Listing with Stock Exchanges

The Equity Shares of UBL are listed with BSE Limited and National Stock Exchange of India Limited. UBL has paid the Annual Listing Fee to all these Stock Exchanges for the year 2022-2023. The Scrip Code of Equity Shares on these Stock Exchanges are as under:

STOCK EXCHANGES	SCRIP CODE
BSE LIMITED Address: Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	532478
NATIONAL STOCK EXCHANGE OF INDIA LIMITED Address: Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East) Mumbai - 400 051	UBL

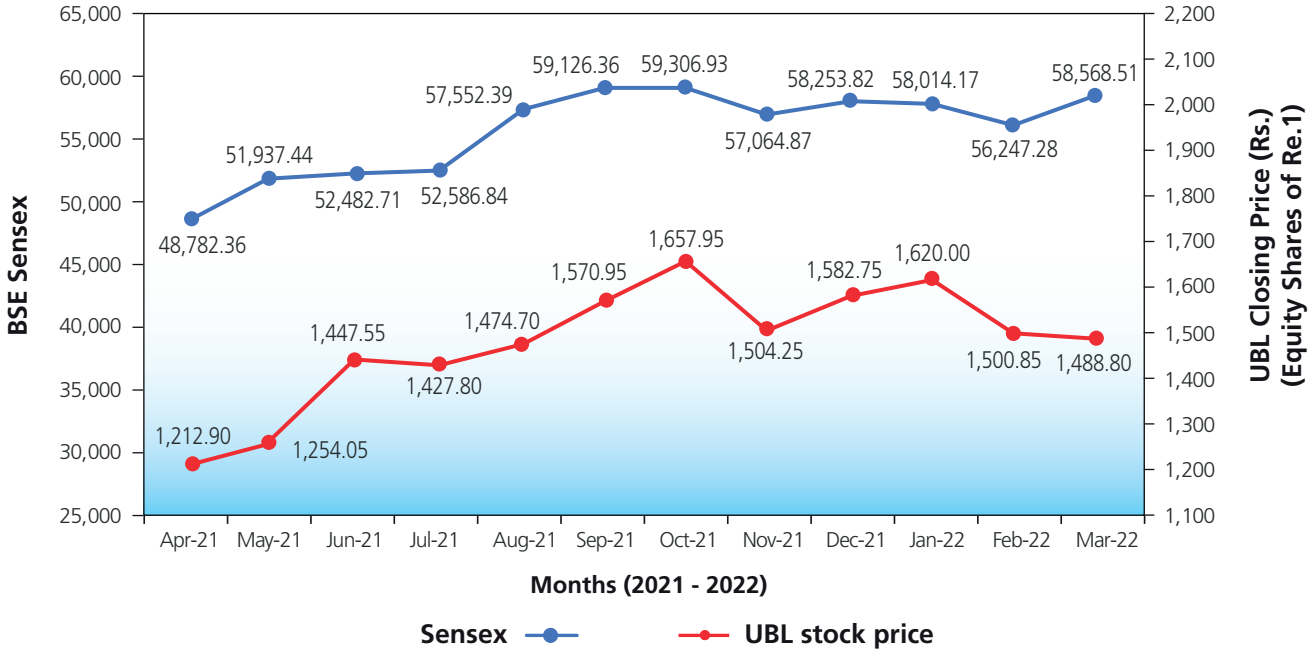
Market price data of the Company's Equity Shares traded on the BSE Limited (BSE), during the period April 2021 to March 2022

Month	High (Rs.)	Low (Rs.)	Close (Rs.)	Sensex – Close
April, 2021	1,250.50	1,050.00	1,212.90	48,782.36
May, 2021	1,314.45	1,190.90	1,254.05	51,937.44
June, 2021	1,497.65	1,238.00	1,447.55	52,482.71
July, 2021	1,476.45	1,394.15	1,427.80	52,586.84
August, 2021	1,537.65	1,366.00	1,474.70	57,552.39
September, 2021	1,685.00	1,471.25	1,570.95	59,126.36
October, 2021	1,740.60	1,557.10	1,657.95	59,306.93
November, 2021	1,793.65	1,441.60	1,504.25	57,064.87
December, 2021	1,638.60	1,485.85	1,582.75	58,253.82
January, 2022	1,682.35	1,474.80	1,620.00	58,014.17
February, 2022	1,676.00	1,455.00	1,500.85	56,247.28
March, 2022	1,520.55	1,274.60	1,488.80	58,568.51

(Market Price data source: www.bseindia.com)

Graphical representation of the Company's Shares in comparison to broad-based indices i.e., BSE Sensex, is given below:

Comparision - UBL Share Price Vs. BSE Sensex

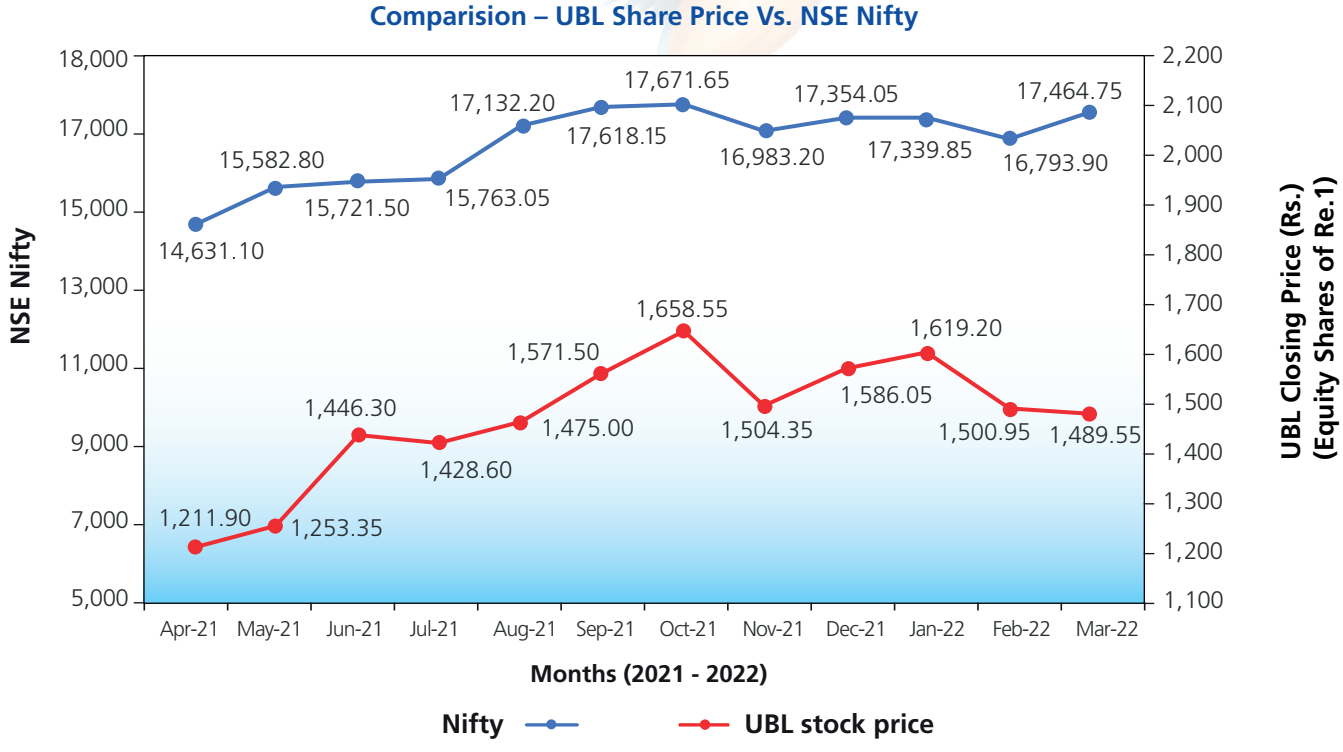


Market price data of the Company's Equity Shares traded on the National Stock Exchange of India Limited, (NSE) during the period April 2021 to March 2022

Month	High (Rs.)	Low (Rs.)	Close (Rs.)	Nifty – Close
April, 2021	1,250.05	1,051.40	1,211.90	14,631.10
May, 2021	1,315.00	1,191.00	1,253.35	15,582.80
June, 2021	1,498.95	1,238.45	1,446.30	15,721.50
July, 2021	1,477.35	1,393.65	1,428.60	15,763.05
August, 2021	1,538.00	1,365.15	1,475.00	17,132.20
September, 2021	1,686.00	1,469.55	1,571.50	17,618.15
October, 2021	1,741.40	1,556.55	1,658.55	17,671.65
November, 2021	1,785.80	1,443.00	1,504.35	16,983.20
December, 2021	1,654.00	1,484.05	1,586.05	17,354.05
January, 2022	1,682.55	1,460.30	1,619.20	17,339.85
February, 2022	1,678.25	1,451.10	1,500.95	16,793.90
March, 2022	1,510.00	1,274.50	1,489.55	17,464.75

(Market Price data source: www.nseindia.com)

Graphical representation of the Company's Shares in comparison to broad-based indices i.e., NSE Nifty, is given below:



Share Transfer System

All matters pertaining to Share Transfer are being handled by Integrated Registry Management Services Private Limited, the Registrar and Share Transfer Agent of the Company. The Share Transfer requests received are processed by them and a Memorandum of Transfer is sent to the Company for approval. Time taken for processing Share Transfer requests including dispatch of Share Certificates is 10 days, while it takes a minimum of 10-12 days for processing dematerialization requests. The Company regularly monitors and supervises the functioning of the system so as to ensure that there are no delays or lapses in the system.

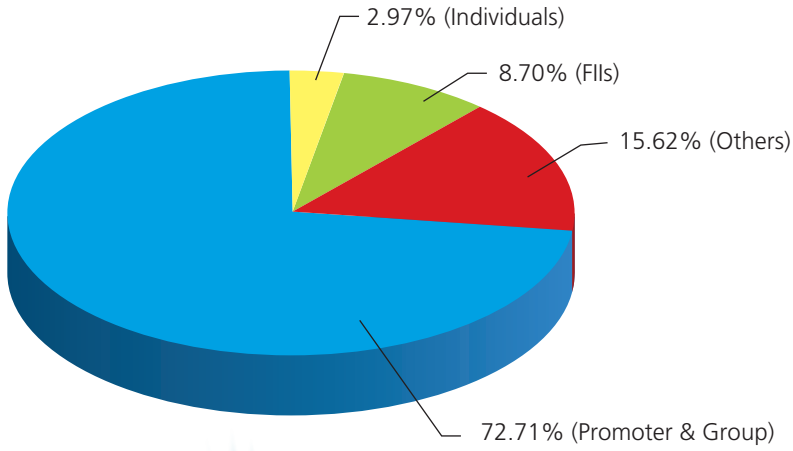
The distribution of shareholding as on March 31, 2022 is furnished below:

Category (Rs.)	No. of Shareholders	% (Percentage)	No. of Shares held	% (Percentage)
Up to 5,000	66,161	99.39	69,38,638	2.62
5,001 – 10,000	115	0.17	8,46,084	0.33
10,001 – 20,000	66	0.10	9,31,449	0.35
20,001 – 30,000	30	0.05	7,48,844	0.28
30,001 – 40,000	25	0.04	8,94,732	0.34
40,001 – 50,000	18	0.03	7,97,187	0.30
50,001 – 1,00,000	34	0.05	25,16,489	0.95
1,00,001 and Above	115	0.17	25,07,31,726	94.83
Total	**66,564**	**100.00**	**26,44,05,149**	**100.00**

Shareholding Pattern as on March 31, 2022

Category	No. of Shares held	Percentage of Shareholding
Promoters		
Indian	2,91,79,240	11.03
Foreign	16,30,81,891	61.68
Sub-Total	**19,22,61,131**	**72.71**
Foreign Institutional Investors (FIIs)	**2,30,01,093**	**8.70**
Individuals	**78,57,330**	**2.97**
Others		
IEPF	15,47,648	0.58
Mutual Funds	2,61,59,307	9.89
Banks / Financial Institution	7,04,139	0.27
Central / State Governments	30,61,412	1.16
Insurance Companies	44,70,812	1.69
Bodies Corporate	43,00,824	1.63
Trust	2,54,730	0.10
NRI	4,44,364	0.17
Clearing Members	1,70,266	0.06
Overseas Corporate Bodies	1,72,093	0.07
Qualified Foreign Investors	—	—
Sub-Total	**4,12,85,595**	**15.62**
Total	**26,44,05,149**	**100.00**

Pie-Chart of Shareholding Pattern



Equity Shares of the Company held by Promoters, Directors and Key Managerial Personnel

Sl. No.	Names	Number of Equity Shares held			
		As on March 31, 2022		As on March 31, 2021	
		No. of Shares	% of Total	No. of Shares	% of Total
Promoters					
1.	Scottish & Newcastle India Limited	8,99,94,960	34.04	8,99,94,960	34.04
2.	Heineken International B.V.	6,41,69,921	24.27	2,45,25,575	9.28
3.	Heineken UK Limited	84,89,270	3.21	84,89,270	3.21
4.	Dr. Vijay Mallya (singly & jointly)	2,13,53,620	8.08	2,13,53,620	8.08
5.	McDowell Holdings Limited	45,51,000	1.72	45,51,000	1.72
6.	Kamsco Industries Limited	32,74,000	1.24	32,74,000	1.24
7.	Pharma Trading Company Private Limited	620	0.00	620	0.00
8.	UB Overseas Limited	4,27,740	0.16	4,27,740	0.16
9.	United Breweries (Holdings) Limited	NIL	NIL	NIL	NIL
10.	Mallya Private Limited	NIL	NIL	NIL	NIL
11.	The Gem Investment & Trading Company Private Limited	NIL	NIL	NIL	NIL
12.	Devi Investments Private Limited	NIL	NIL	NIL	NIL
13.	Vittal Investments Private Limited	NIL	NIL	NIL	NIL
	Total	**19,22,61,131**	**72.71**	**15,26,16,785**	**57.72**
Directors & Key Managerial Personnel					
1.	Mr. Rishi Pardal	Nil	Nil	Nil	Nil
2.	Mr. Berend Odink	Nil	Nil	Nil	Nil
3.	Mr. Govind Iyengar	Nil	Nil	Nil	Nil

Note: As per confirmation received from Registrar and Share Transfer Agent.

As per disclosures received by UBL, 4,27,04,758 Equity Shares held by a few Promoter Companies promoted by Dr. Vijay Mallya viz., United Breweries (Holdings) Limited, Devi Investments Private Limited, Vittal Investments Private Limited, Kamsco Industries Private Limited, Mallya Private Limited, McDowell Holdings Limited, Pharma Trading Company Private Limited, and The Gem Investment and Trading Company Private Limited constituting 16.15% of the total paid up capital have been transferred to the demat account of Enforcement Directorate (ED), Mumbai. However, UBL has not received any communication from the ED so far in this regard. These Equity Shares were later on transferred by ED to Recovery Officer-I, DRT-II, Bengaluru.

On June 23, 2021, the Recovery Officer-I, DRT-II, Bengaluru, had sold 3,96,44,346 (14.99%) Equity Shares out of 4,27,04,758 (16.15%) Equity Shares of the Company through the block deal window of the BSE Ltd. Heineken International B.V. acquired these Shares from the Recovery Officer, DRT (under sale proclamation) through a block deal taking Heineken Group Shareholding in the Company from 46.52% to 61.52%. Heineken Group has therefore become a majority promoter Shareholder.

For further information, please refer to point (ii) on page No. 30 under the heading "Additional Disclosures on Significant and Material Orders" in Directors Report.

Dematerialization of Shares

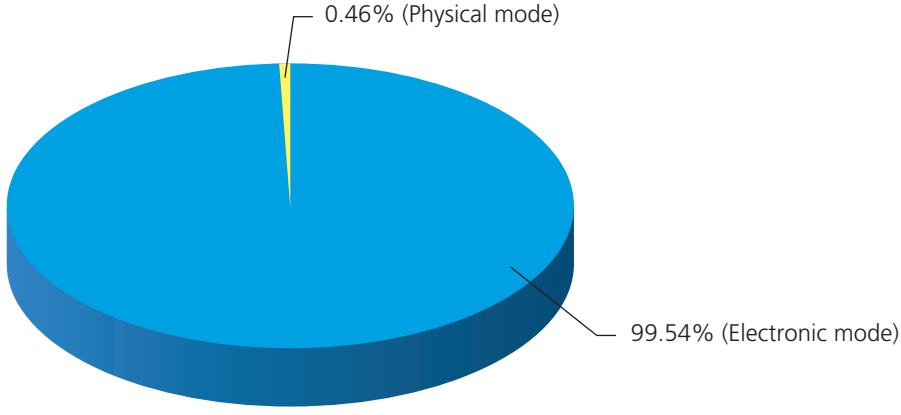
The Company has set up requisite facilities for dematerialization of its Equity Shares in accordance with the provisions of the Depositories Act, 1996 with National Securities Depository Limited and Central Depository Services (India) Limited. The Company has entered into agreements with both the Depositories for the benefit of Shareholders. The International Securities Identification Number (ISIN) allotted to Equity Shares of the Company is INE686F01025.

Effective April 01, 2019, transfer of Equity Shares of the Company held in physical form will not be processed and accepted in terms of the Listing Regulations, as amended by SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018. Members holding Equity Shares in physical form may open a demat account with any depository participant and get their physical shareholding converted into dematerialised form. This will bring numerous advantages including convenience in managing shareholding, transfer and trading in Equity Shares. Procedure for dematerialisation of physical shareholding is placed on the website of the Company and can be viewed using the webpage: http://unitedbreweries.com/pdf/investorinfodividend/Guidance%20Note_Dematerialise%20Shares.pdf

The status of Dematerialization of the Company's Shares as on March 31, 2022 is as under:

Mode	No. of Shares	% age	No. of Shareholders
Physical mode	12,05,948	0.46	4,362
Electronic mode	26,31,99,201	99.54	62,202
TOTAL	**26,44,05,149**	**100.00**	**66,564**

Shares held in physical and demat form as on March 31, 2022



For any assistance regarding Share Transfers, Transmissions, change of address, issue of duplicate / lost Share Certificates/ exchange of Share Certificate/Dematerialization and other relevant matters, please write to the Registrar and Share Transfer Agent of the Company, at the address given below:

INTEGRATED REGISTRY MANAGEMENT SERVICES PRIVATE LIMITED
30, RAMANA RESIDENCY, 4TH CROSS, SAMPIGE ROAD, MALLESWARAM, BENGALURU-560 003.
Tel. No.: (+91 080) 2346 0815 to 2346 0818 Fax No.: (+91 080) 2346 0819
CIN : U74900TN2015PTC101466; Email: blr@integratedindia.in
Contact Person: MR. VIJAYAGOPAL
Investors can also post their queries to 'ublinvestor@ubmail.com'

Additional information on Corporate Governance Report is attached as **Annexure - F** to this Report.

Independent Auditor's Report

To the Members of United Breweries Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of United Breweries Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2022, the Standalone Statement of Profit and Loss, including the Standalone Statement of Other Comprehensive Income, the Standalone Cash Flow Statement and the Standalone Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Emphasis of Matter

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

(a) Note 35(a) which more fully describes the matter pertaining to the levy of a penalty of Rs 75,183 Lakhs on the Company, vide Order issued by the Competition Commission of India (CCI) for alleged contravention of the provisions of section 3 of the Competition Act, 2002. Based on advice of external legal experts, the Company is of the view that it has strong case on merits, there exists uncertainty relating to the final outcome in this matter, which is dependent on judicial proceedings; and that it is not in a position to reliably estimate the final obligation relating to penalties, if any. Accordingly, no provision has been recorded in the books of account; and

(b) Note 42 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 opinion is not modified in respect of aforesaid matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial

statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
Revenue from sale of products (as described in Note 2.1(d), (v) and 21 of the standalone financial statements)	
Revenue from sale of products is recognised when control of products has been transferred to the customer and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Revenue from sale of products is measured at the fair value of the consideration received or receivable, net of returns and allowances, discounts and incentives. At year end, amounts of discounts and incentives that have been incurred and not yet issued to customers are estimated and accrued. Significant judgement is required in estimating accruals relating to discounts and incentives recognised in relation to sales made during the year.	Our procedures included the following: • Assessed the Company's revenue recognition accounting policy for sale of products, including those relating to discounts and incentives. • Understood, evaluated and tested on sample basis the design and operating effectiveness of key internal controls over recognition and measurement of revenue, discounts, and incentives. • Performed test of details on a sample basis and inspected the underlying accounting documents relating to sales and accrual of discounts and incentives. • Tested on a sample basis, sales transactions near year end date as well as credit notes issued to customers after the year end date. • Obtained an understanding of and evaluated underlying data used in management assessment of estimates relating to discounts and incentives. • Performed analytical procedures on revenue, discounts and incentives. • Assessed the disclosures in the standalone financial statements in respect of revenue, discounts and incentives for compliance with disclosure requirements.
Provision for trade receivables (as described in Note 2.1(v), 10 and 40(b) of the standalone financial statements)	
Trade receivable balances represent significant portion of the total assets as at March 31, 2022. Trade receivables include dues from state government corporations, distributors, retailers and contract manufacturing units. The Company records expected credit loss for unsecured trade receivables based on management estimates. Timing of collection of dues from customers may differ from the contractual credit period. Significant judgment is involved in management estimates of the amounts unlikely to be ultimately collected.	Our procedures included the following: • Understood, evaluated and tested on a sample basis the design and operating effectiveness of internal controls over trade receivables. • Performed audit procedures on existence of trade receivables, which included reading and comparing balance confirmations with books of account, testing subsequent receipts and testing sales transactions on a sample basis. • Evaluated the assumptions used by management to calculate the expected credit loss for trade receivables through audit procedures which included analysis of ageing, past trend of bad debts write-off. • Assessed the disclosures in the standalone financial statements for compliance with disclosure requirements.

Independent Auditor's Report contd.

Key audit matters (continued)	How our audit addressed the key audit matter
Tax contingencies and provisions (as described in Note 2.1(v), 17 and 35(b) of the standalone financial statements)	
The Company has received income tax demand orders and notices relating to transfer pricing, disallowance of certain expenses, etc. and has also received indirect tax demand orders and notices, which are under litigation. The Company is contesting these demands and has made provision where the outflow of resources embodying economic benefits is considered to be probable. Significant judgement and estimates are required to assess uncertain income tax/other indirect tax positions and impact of these litigations on the financial position, results of operations and cash flows.	Our procedures included the following: • Obtained an understanding of the Company's process with respect to completeness and recognition of tax contingencies and provisions. • Read the confirmations, on sample basis, from the Company's external legal counsel on tax litigations and evaluated the independence, objectivity and competency of the Company's specialists involved. • Read relevant tax laws and discussed with the management, to understand the underlying matters in the demand orders / notices and basis for management judgement and estimates. • Included tax specialists in our team to perform an evaluation of assumptions used by the management and relevant judgements passed by the authorities, including the interpretation of the relevant tax laws. • Assessed the related disclosures in the standalone financial statements for compliance with disclosure requirements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the director's report and the corporate governance report but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2022 and are

therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss including the Standalone Statement of Other Comprehensive Income, the Standalone Cash Flow Statement and the Standalone Statement of Changes in Equity dealt with by this report are in agreement with the books of account;

   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) The matter described in paragraph (a) of Emphasis of Matter paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;

   (f) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of section 164(2) of the Act;

   (g) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate report in "Annexure 2" to this report;

   (h) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act; and

   (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 17, 35 and 42 to the standalone financial statements;

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;

      iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediary"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiary") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiary;

(b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Party"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiary") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiary; and

(c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The final dividend paid by the Company during the year pertaining to dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 14 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Aditya Vikram Bhauwala
Partner
Membership Number: 208382
Unique Document Identification Number (UDIN): 22208382AHUZLC2609

Bengaluru
April 26, 2022

Independent Auditor's Report contd.

ANNEXURE '1' REFERRED TO IN PARAGRAPH UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

Re: United Breweries Limited ("the Company")

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) Property, plant and equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) The title deeds of immovable properties (other than properties where the Company is the lessee, and the lease agreements are duly executed in favour of the lessee) disclosed in Note 3 to the standalone financial statements are held in the name of the Company, as per title deeds available with the Company and per confirmation received from bank where applicable, except for immovable properties as below:

Description of property	Gross carrying value (Rs. in Lakhs)	Held in name of	Whether promoter, director or their relative or employee	Period held since	Reason for not being held in the name of Company
Freehold land (9.04 acres at Kutthambakkam, Tamil Nadu)	80	Tamil Nadu State Marketing Corporation Ltd.	No	2010-11	Application for registration of title deed is pending with the state government for approval
Freehold land (63.07 acres at Kothlapur, Telangana)	654	UB Nizam Breweries Pvt. Ltd.*	No	2010-11	Application for registration of name change is pending with the state government for approval
Freehold land (0.533 acres at Nanjangud, Karnataka)	22	United Breweries Limited	No	2009-10	Title deeds are under dispute and pending resolution at the Courts as at March 31, 2022
Freehold land (0.006 acres at Nelamangala, Karnataka)	1	United Breweries Limited	No	2006-07	
Freehold land (0.002 acres at Mallepally, Telangana)	-^	United Breweries Limited	No	2010-11	
Leasehold land (25.71 acres at Aurangabad, Maharashtra)	1,189	Inertia Industries Limited*	No	2010-11	Application for adjudication of stamp duty for name change in the lease deed is pending with the concerned authorities
Leasehold land (18.02 acres at Aurangabad, Maharashtra)	66	Aurangabad Breweries Limited*	No	2011-12	

^Rounded off to nearest Lakhs *Erstwhile entity which merged with the Company

(d) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets during the year ended March 31, 2022.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory has been physically verified by the management during the year, except for inventories lying with third parties. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Inventories lying with third parties have been confirmed by them as at March 31, 2022. There were no discrepancies of 10% or more in aggregate that were noted for each class of inventory in respect of such physical verification and third party confirmations.

(b) As disclosed in Note 18 to the standalone financial statements, the Company has been sanctioned working capital limits in excess of Rupees five crores in aggregate from banks during the year on the basis of security of current assets of the Company. The quarterly returns/statements filed by the Company with such banks are in agreement with the books of accounts of the Company, except in instances as below:

(Rs. in Lakhs)

Quarter ended	Value as per books of account	Value as per quarterly return/ statement	Discrepancy*
June 30, 2021 - Inventories (Work-in-progress)	25,524	27,468	(1,944)
December 31, 2021 - Inventories (Finished goods)	25,070	24,388	682

*Updated for book closure entries recorded post submission of returns/statements to banks.

(iii) (a) During the year the Company has provided loans or advances in the nature of loans aggregating to Rs. 303 Lakhs to other parties (employees) and the balance outstanding as at March 31, 2022 in respect of above cases is Rs. 258 Lakhs. Other than above, the Company has not provided any other loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties.

(b) The investments made during the year and loans or advances in the nature of loans provided to other parties (employees) are not prejudicial to the Company's interest.

(c) The Company has granted interest-free loans or advances in the nature of loans during the year to other parties (employees) where the schedule of repayment of principal has been stipulated and the repayment or receipts are regular.

(d) There are no amounts of loans or advances in the nature of loans granted to other parties (employees) which are overdue for more than ninety days.

(e) There were no loans or advances in the nature of loans granted to other parties (employees) which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans or advances given to the same parties.

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to other parties (employees). Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) Investments made during the year in respect of which provisions of section 186 of the Companies Act, 2013 ("the Act") are applicable have been complied with by the Company. There are no loans, guarantees, and securities in respect of which provisions of sections 185 and 186 of the Act are applicable.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

Independent Auditor's Report contd.

(vi) The Central Government has not specified the maintenance of cost records under section 148(1) of the Act, for the products/services of the Company.

(vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, goods and services tax, duty of customs, duty of excise, value added tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues which have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (including interest and penalty) (Rs. in Lakhs)	Payment under protest (Rs. in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
The Income Tax Act, 1961	Income tax / tax deducted at source	30,696	1,567	FY 2002-03 to 2006-07, 2008-09 to 2011-12 and 2015-16 to 2017-18	Commissioner of Income Tax (Appeals)
		24,794	7,679	FY 2001-02 to 2014-15	Income Tax Appellate Tribunal
		22,045	664	FY 2003-04 to 2008-09, 2012-13 and 2013-14	High Court of Karnataka
		3,599	458	FY 2001-02 to 2009-10	High Court of Madras
		69	46	FY 2009-10	High Court of Andhra Pradesh and Telangana
		20	—	FY 2007-08 to 2017-18	Commissioner of Income Tax (TDS)
The Central Goods and Services Tax Act, 2017	Goods and Services Tax	133	133	2017-18 to 2018-19	High Court of Telangana
The Finance Act, 1994	Service tax	2,192	96	2009-10 to 2011-12	Commissioner of Customs and Central Excise, Aurangabad
		401	—	2008-09 to 2010-11	Customs, Excise and Service Tax Appellate Tribunal
		6	—	2014-15	The Commissioner GST & Central Excise, Bhubaneswar

UNITED BREWERIES LIMITED

Name of the statute	Nature of the dues	Amount (including interest and penalty) (Rs. in Lakhs)	Payment under protest (Rs. in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
The Central Excise Act, 1944	Excise duty/ disallowance of cenvat credit	82	—	2010-11 to 2015-16	Commissioner of Customs, Central Excise & Service tax Appellate Tribunal
		67	9	2005-06 to 2007-08, 2013-14 and 2014-15	Customs, Excise and Service Tax Appellate Tribunal
		49	—	2014-15 and 2015-16	Commissioner (Appeals), Central Excise
		32	2	2017-18	Assistant Commissioner of Central Excise, Sadashivpet Division
		29	—	2009-10 to 2016-17	Commissioner of Customs, Central Excise & Service tax (Appeals)
		18	—	2016-17	Assistant Commissioner, Appeals, Jaipur
		11	1	2015-16 and 2017-18	Assistant Commissioner of Goods and Services Tax (Appeals)
		1	—	2007-08	Commissioner (Appeals) Central Excise, Chandigarh
		67	9	2005-06 to 2007-08, 2013-14 and 2014-15	Customs, Excise and Service Tax Appellate Tribunal
		49	—	2014-15 and 2015-16	Commissioner (Appeals), Central Excise
		32	2	2017-18	Assistant Commissioner of Central Excise, Sadashivpet Division
		29	—	2009-10 to 2016-17	Commissioner of Customs, Central Excise & Service tax (Appeals)
		18	—	2016-17	Assistant Commissioner, Appeals, Jaipur
		11	1	2015-16 and 2017-18	Assistant Commissioner of Goods and Services Tax (Appeals)
		1	—	2007-08	Commissioner (Appeals) Central Excise, Chandigarh

Independent Auditor's Report contd.

Name of the statute	Nature of the dues	Amount (including interest and penalty) (Rs. in Lakhs)	Payment under protest (Rs. in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
State Excise (various statutes)	Excise duty, Storage and privilege fee, etc.	10,929	—	2015-16	Deputy Commissioner (Excise), Bangalore Rural District, Beerasandra
		2,322	2,299	2013-14, 2017-18, 2020-21 and 2021-22	High Court of Rajasthan
		619	613	2019-20	Excise Commissioner, Aligarh, Uttar Pradesh
		350	50	2007-08 to 2011-12	High Court of Bombay
		218	150	1999-00 to 2005-06	High Court of Karnataka
		56	—	2015-16	Deputy Commissioner, Guwahati
		43	13	1988-89	High Court of Calcutta
		38	38	2011-12 to 2015-16	High Court of Bombay at Goa
		19	5	2008-09 to 2012-13	High Court of Madhya Pradesh
		3	—	2000-01 to 2003-04	Excise Commissioner, Karnataka
Sales Tax (various statutes)	Sales tax/ Value added tax/ Entry tax	5,890	2,400	2001-02 to 2013-14	Rajasthan Tax Board, Ajmer
		2,979	535	2008-09, 2012-13, 2013-14 and 2017-18	Joint Commissioner of Commercial Taxes (Appeal), Maharashtra
		447	—	2006-07 and 2007-08	The West Bengal Sales Tax Appellate and Revisional Board
		326	5	2012-13	Tax Board, Ajmer
		314	—	2017-18	Joint Commissioner of Sales tax, West Bengal
		184	172	2009-10, 2010-11 and 2015-16	Joint Commissioner of Commercial Taxes (Appeal), Patna
		166	2	2014-15 and 2015-16	Additional Commissioner of Sales Tax, West Bengal
		129	—	2016-17	Joint Commissioner of Sales Tax, West Bengal
		63	—	2002-03	Jt. Excise and Taxation Commissioner (Appeals), Faridabad

Name of the statute	Nature of the dues	Amount (including interest and penalty) (Rs. in Lakhs)	Payment under protest (Rs. in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
		58	58	2007-08 to 2014-15	Additional Commissioner of Commercial tax, Tamil Nadu
		28	—	2015-16	Additional Commissioner of Sales tax, Bihar
		26	7	2011-12 and 2013-14	Commissioner of Commercial Taxes, Bihar
		17	1	2011-12 to 2016-17	Deputy Commissioner Appeals, Alwar
		16	1	2016-17	Assistant Commercial Tax Officer, Ponda
		15	8	2003-04	Maharashtra Sales Tax Tribunal
		13	1	2008-09 and 2011-12	Commercial Taxes Tribunal, Bihar
		7	—	2013-14 and 2014-15	Additional Commissioner of Commercial taxes (Appeal), Berhampur

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) Term loans were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary or associate. The Company does not have any joint venture.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary or associate companies and the Company does not have any joint venture. Hence, the requirement to report on clause (ix) (f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares / fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

Independent Auditor's Report contd.

(xi) (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Act has been filed by cost auditor / secretarial auditor or by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

(xii) The Company is not a nidhi company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii)(a) to (c) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Act where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the year under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(xvii) The Company has not incurred any cash losses in the current and immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in Note 43 to the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Act, for the year ended March 31, 2022 in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in Note 29 to the standalone financial statements.

(b) The Company has not transferred the amount remaining unspent in respect of ongoing projects for the year ended March 31, 2022 to a Special Account, till the date of the report. However, the period for such transfer i.e., thirty days from the end of the financial year as permitted under sub section (6) of section 135 of the Act, has not elapsed till the date of our report. This matter has been disclosed in Note 29 to the standalone financial statements.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Aditya Vikram Bhauwala
Partner
Membership Number: 208382
Unique Document Identification Number (UDIN): 22208382AHUZLC2609

Bengaluru
April 26, 2022

ANNEXURE '2' REFERRED TO IN PARAGRAPH UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

Report on the Internal Financial Controls under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of United Breweries Limited ("the Company") as of March 31, 2022, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal financial controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these standalone financial statements.

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely

detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to these standalone financial statements and such internal financial controls with reference to these standalone financial statements were operating effectively as at March 31, 2022, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Aditya Vikram Bhauwala
Partner
Membership Number: 208382
Unique Document Identification Number (UDIN): 22208382AHUZLC2609

Bengaluru
April 26, 2022

Standalone Balance Sheet as at March 31, 2022

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	1,88,838	1,92,106
Capital work-in-progress	3(c)	10,989	12,799
Intangible assets	4	1,638	2,098
Financial assets			
(i) Investments	5	1,600	1,371
(ii) Other financial assets	6	4,417	4,260
Income tax assets (net)	7	20,195	20,396
Deferred tax asset (net)	7	3,843	3,492
Other non-current assets	8	25,012	15,792
		2,56,532	2,52,314
Current assets			
Inventories	9	93,441	1,13,529
Financial assets			
(i) Trade receivables	10	1,25,450	1,39,482
(ii) Cash and cash equivalents	11	86,238	40,940
(iii) Bank balances other than (ii) above	12	4,536	5,865
(iv) Other financial assets	6	115	84
Other current assets	8	27,271	31,751
		3,37,051	3,31,651
Assets held for sale	3(d)	488	488
		3,37,539	3,32,139
Total assets		**5,94,071**	5,84,453
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	2,644	2,644
Other equity	14	3,90,557	3,55,318
		3,93,201	3,57,962
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	15	—	10,750
(ia) Lease liabilities	33	606	774
(ii) Other financial liabilities	16	2,497	1,109
Provisions	17	441	160
		3,544	**12,793**
Current liabilities			
Financial liabilities			
(i) Borrowings	18	—	14,267
(ia) Lease liabilities	33	368	406
(ii) Trade payables	19		
- Total outstanding dues of micro and small enterprises		9,144	6,332
- Total outstanding dues of creditors other than micro and small enterprises		54,625	56,572
(iii) Other financial liabilities	16	55,719	52,315
Other current liabilities	20	67,256	74,706
Provisions	17	10,214	9,100
		1,97,326	2,13,698
Total equity and liabilities		**5,94,071**	5,84,453
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Aditya Vikram Bhauwala
Partner
Membership Number: 208382

Place: Bengaluru
Date: April 26, 2022

For and on behalf of the Board of Directors of
United Breweries Limited

Rishi Pardal
Managing Director
DIN: 02470061

Madhav Bhatkuly
Director
DIN: 00796367

Place: Bengaluru
Date: April 26, 2022

Berend Cornelis Roelof Odink
Director and Chief Financial Officer
DIN: 09138421

Govind Iyengar
Senior Vice-President Legal and
Company Secretary

Standalone Statement of Profit and Loss for the year ended March 31, 2022

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	Notes	March 31, 2022	*March 31, 2021*
INCOME			
Revenue from contracts with customers (including excise duty)	21	13,11,741	*10,18,340*
Other income	22	2,966	*5,020*
Total Income		**13,14,707**	*10,23,360*
EXPENSES			
Cost of materials consumed	23	2,71,394	*1,97,256*
Purchase of stock-in-trade	24	19,582	*7,371*
Changes in inventories of finished goods, work-in-progress and stock-in-trade	25	2,289	*(995)*
Excise duty on sale of goods		7,28,548	*5,94,267*
Employee benefits expense	26	51,936	*48,229*
Finance costs	27	1,478	*2,267*
Depreciation and amortisation expense	28	21,691	*23,185*
Other expenses	29	1,68,500	*1,34,262*
Total		**12,65,418**	*10,05,842*
Profit before exceptional items and tax		**49,289**	*17,518*
Exceptional items	30	—	*(722)*
Profit before tax		**49,289**	*16,796*
Tax expense	31		
Current tax		13,159	*6,733*
Deferred tax (credit)		(371)	*(1,222)*
Total tax expense		**12,788**	*5,511*
Profit for the year		**36,501**	*11,285*
Other comprehensive income (OCI)			
Items that will not be reclassified to the statement of profit and loss in subsequent periods			
Re-measurement gains on defined benefit plans		80	*1,991*
Income tax effect on above		(20)	*(501)*
		60	*1,490*
Total comprehensive income for the year (net of tax)		**36,561**	*12,775*
Earnings per share in Rs. [nominal value per share Re.1 (Previous year: Re.1)]	32		
Basic		13.81	*4.27*
Diluted		13.81	*4.27*
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Aditya Vikram Bhauwala
Partner
Membership Number: 208382

Place: Bengaluru
Date: April 26, 2022

For and on behalf of the Board of Directors of
United Breweries Limited

Rishi Pardal
Managing Director
DIN: 02470061

Madhav Bhatkuly
Director
DIN: 00796367

Place: Bengaluru
Date: April 26, 2022

Berend Cornelis Roelof Odink
Director and Chief Financial Officer
DIN: 09138421

Govind Iyengar
Senior Vice-President Legal and
Company Secretary

Standalone Cash Flow Statement for the year ended March 31, 2022

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	Notes	March 31, 2022	March 31, 2021
A Cash flow from operating activities			
Profit before tax		49,289	16,796
Adjustments for:			
Depreciation and amortisation expense		21,691	23,185
Bad debts/advances written off		301	28
Loss allowance for trade receivables		1,720	479
Provision for doubtful advances/deposits		620	966
Unrealised foreign exchange differences (net)		48	(33)
Net (gain) on disposal of property, plant and equipment		(11)	(4)
Profit on sale of investments		(54)	—
Liabilities no longer required written back		(479)	(205)
Loss allowance for trade receivables, no longer required written back		(217)	(3,380)
Impairment loss on property, plant and equipment (included under exceptional items)		—	4,446
Impairment loss on investment in subsidiary company (included under exceptional items)		—	1,776
(Gain) on sale of property, plant and equipment (included under exceptional items)		—	(5,500)
Interest expense		1,464	2,244
Interest income		(1,499)	(434)
Dividend income		(23)	(23)
Operating profits before working capital changes		**72,850**	40,341
Movement in working capital:			
(Increase)/decrease in Inventories		20,088	(4,300)
(Increase)/decrease in Trade receivables		12,188	(1,614)
(Increase)/decrease in Other financial assets		(77)	862
(Increase)/decrease in Other assets		(4,510)	9,247
Increase/(decrease) in Trade payables		1,689	7,540
Increase/(decrease) in Other financial liabilities		6,612	4,782
Increase/(decrease) in Other current liabilities and provisions		(5,975)	13,243
Cash generated from operations		**1,02,865**	70,101
Direct taxes paid (net of refund)		(12,958)	(8,184)
Net cash flow from operating activities (A)		**89,907**	61,917
B Cash flow from investing activities			
Purchase of property, plant and equipment including capital work-in-progress, intangible assets and capital advances		(17,333)	(19,986)
Proceeds from sale of property, plant and equipment		79	5,091
Investments in equity and debt securities		(300)	(579)
Proceeds from sale of investments		125	—
Investments in bank deposits (having original maturity of more than three months)		(150)	(47)
Redemption/maturity of bank deposits (having original maturity of more than three months)		122	9
Interest received		1,468	430
Dividend received from subsidiary company		23	23
Net cash (used in) investing activities (B)		**(15,966)**	(15,059)

Cash Flow Statement contd.

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	Notes	March 31, 2022	March 31, 2021
C Cash flow from financing activities			
Proceeds from long-term borrowings		—	*25,000*
Repayment of long-term borrowings		(25,000)	*(7,543)*
Payment of principal portion of lease liabilities		(492)	*(853)*
(Repayment of)/Proceeds from short-term borrowings (net)		(17)	*(15,998)*
Interest paid		(1,812)	*(2,813)*
Dividend paid to equity shareholders*		(1,322)	*(6,610)*
Net cash flow (used in) financing activities (C)		**(28,643)**	*(8,817)*
*Includes amount transferred to separate bank accounts earmarked for unpaid dividend			
Net increase in cash and cash equivalents (A+B+C)		**45,298**	*38,041*
Cash and cash equivalents at the beginning of the year		40,940	*2,899*
Cash and cash equivalents at the end of the year		**86,238**	*40,940*
Components of cash and cash equivalents	11		
Cash on hand		2	*9*
Bank balances on current accounts		14,736	*8,431*
Bank balances on deposit accounts with original maturity of three months or less		71,500	*32,500*
Total cash and cash equivalents		**86,238**	*40,940*
The summary of cash flow and non-cash flow changes in respect of financial liabilities is as below:			
Long-term borrowings (including current maturities)			
At beginning of the year		25,000	*7,543*
Proceeds from borrowings		—	*25,000*
Repayment of borrowings		(25,000)	*(7,543)*
At end of the year		—	*25,000*
Lease liabilities			
At beginning of the year		1,180	*1,659*
Cash outflows - Payment of principal portion		(492)	*(853)*
Non-cash changes - Addition of right-of-use assets		286	*374*
At end of the year		**974**	*1,180*
Short-term borrowings			
At beginning of the year		17	*16,015*
Cash outflows - Repayment		(17)	*(15,998)*
At end of the year		—	*17*
Summary of significant accounting policies	2.1		

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Aditya Vikram Bhauwala
Partner
Membership Number: 208382

Place: Bengaluru
Date: April 26, 2022

For and on behalf of the Board of Directors of
United Breweries Limited

Rishi Pardal
Managing Director
DIN: 02470061

Berend Cornelis Roelof Odink
Director and Chief Financial Officer
DIN: 09138421

Madhav Bhatkuly
Director
DIN: 00796367

Govind Iyengar
Senior Vice-President Legal and
Company Secretary

Place: Bengaluru
Date: April 26, 2022

Standalone Statement of Changes in Equity for the year ended March 31, 2022

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

a) Equity share capital

Equity shares of Re. 1 each issued, subscribed and fully paid

	As at March 31, 2022		As at March 31, 2021	
	Numbers	Rs. in Lakhs	Numbers	Rs. in Lakhs
Balance at the beginning of the year	26,44,05,149	2,644	26,44,05,149	2,644
Changes during the year	—	—	—	—
Balance at the end of the year	**26,44,05,149**	**2,644**	26,44,05,149	2,644

b) Other equity

	Reserves and surplus				Total
	Capital redemption reserve	Securities premium	General reserve	Retained earnings	
	Note 14	Note 14	Note 14	Note 14	
Balance as at April 1, 2020	24,690	62,938	41,201	2,20,324	3,49,153
Profit for the year	—	—	—	11,285	11,285
Other comprehensive income	—	—	—	1,490	1,490
Transfer from retained earnings	—	—	1,129	(1,129)	—
Cash dividends (Refer Note 14)	—	—	—	(6,610)	(6,610)
Balance as at March 31, 2021	**24,690**	**62,938**	**42,330**	**2,25,360**	**3,55,318**
Balance as at April 1, 2021	24,690	62,938	42,330	2,25,360	3,55,318
Profit for the year	—	—	—	36,501	36,501
Other comprehensive income	—	—	—	60	60
Cash dividends (Refer Note 14)	—	—	—	(1,322)	(1,322)
Balance as at March 31, 2022	**24,690**	**62,938**	**42,330**	**2,60,599**	**3,90,557**

Capital redemption reserve - The said reserve was created by transfer from general reserve on redemption of preference shares. This reserve account can be applied in paying up unissued shares to be issued to members of the Company as fully paid bonus shares in accordance with the provisions of the Companies Act, 2013.

Securities premium - The reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares etc., in accordance with the provisions of the Companies Act, 2013.

General reserve - Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act, 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. The Company has made voluntarily transfer of net income to general reserve. The amount transferred to the general reserve can be utilised only in accordance with the specific requirements of the Companies Act, 2013.

There are no changes in equity share capital and other equity due to accounting policy changes or prior period errors.

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Aditya Vikram Bhauwala
Partner
Membership Number: 208382

Place: Bengaluru
Date: April 26, 2022

For and on behalf of the Board of Directors of
United Breweries Limited

Rishi Pardal
Managing Director
DIN: 02470061

Madhav Bhatkuly
Director
DIN: 00796367

Berend Cornelis Roelof Odink
Director and Chief Financial Officer
DIN: 09138421

Govind Iyengar
Senior Vice-President Legal and
Company Secretary

Place: Bengaluru
Date: April 26, 2022

Notes to standalone financial statements for the year ended March 31, 2022

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

1. Corporate information

United Breweries Limited ("UBL" or "the Company") is a public limited company domiciled in India and incorporated under the provisions of the Indian Companies Act. Its shares are listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The registered office of the Company is located at UB Tower, UB City, 24, Vittal Mallya Road, Bengaluru 560001, Karnataka, India. The Company is primarily engaged in the manufacture, purchase and sale of beer and non-alcoholic beverages. The Company has manufacturing facilities in India. The standalone financial statements were approved by the Board of Directors of the Company on April 26, 2022.

2. Basis of preparation of standalone financial statements

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable. The standalone financial statements have been prepared on a historical cost basis, except for assets and liabilities which are required to be measured at fair value. The standalone financial statements are presented in Indian Rupees ("INR") and all values are rounded to the nearest lakhs (INR 00,000), except when otherwise indicated.

The significant accounting policies adopted for preparation and presentation of financial statements have been applied consistently.

2.1 Summary of significant accounting policies

(a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- expected to be realized or intended to be sold or consumed in normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realized within twelve months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- expected to be settled in normal operating cycle;
- held primarily for the purpose of trading;
- due to be settled within twelve months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

(b) Foreign currencies

The standalone financial statements are presented in INR, which is also the Company's functional currency. Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date, the transaction first qualifies for recognition. However, for practical reasons, the Company uses monthly average rate, if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in other comprehensive income ("OCI") or the statement of profit and loss are also recognised in OCI or the statement of profit and loss, respectively).

In determining the spot exchange rate for initial recognition of the related asset, expense or income (or part of it) on derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Company initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Company determines the transaction date for each payment or receipt of advance consideration.

(c) Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring

measurement, such as assets held for distribution in discontinued operations. External valuers are involved, wherever considered necessary.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above. This note summarizes accounting policy for fair value and the other fair value related disclosures are given in the relevant notes.

(d) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements, except in certain contract manufacturing arrangements as explained below, since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Based on the Educational Material on Ind AS 115 issued by the Institute of Chartered Accountants of India ("ICAI"), the recovery of excise duty flows to the Company on its own account and hence is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Company on its own account, revenue includes excise duty. However, sales tax/value added tax (VAT), goods and services tax are not received by the Company on its own account and are taxes collected on value added to the commodity by the seller on behalf of the government. Accordingly, these are excluded from revenue.

The following specific recognition criteria must also be met before revenue is recognized:

Sale of products

Revenue from the sale of products is recognised at a point in time when control of the products is transferred to the customer and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Revenue from the sale of products is measured at the fair value of the consideration received or receivable, net of returns and allowances, discounts and incentives.

If the consideration in a contract includes a variable amount (discounts and incentives), the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer and such discounts and incentives are estimated at contract inception.

Generally, the Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

Sale of services

Royalty income is recognized, on an accrual basis, at agreed rate on sale of branded products by the licensee, in accordance with the terms of the agreement. The Company provides license to the parties to manufacture, sell and distribute its goods in exchange of royalty fee which is based on the sales made to the end customer. The Company recognises revenue from sales-based royalty promised in exchange for a license of intellectual property only when (or as) the later of the events occurs - (a) the sale occurs; and (b) the performance obligation for sales has been satisfied (or partially satisfied).

Income from contract manufacturing units

The Company evaluates its revenue arrangements with Contract Manufacturing Units ("CMUs") to identify agency relationship.

The Company is regarded as a principal if it controls promised good or service before it transfers the good or service to customer. In case if the Company is a principal in a contract, it may satisfy a performance obligation by itself or may engage CMU to satisfy some or all of a performance obligation on its behalf. In this case, the Company recognises revenue at the gross amount of consideration to which it expects to be entitled in exchange for those goods or services transferred. Revenue is recognized on sale of products to customers and the related cost of sales is also recognized by the Company, as and when incurred.

The Company is regarded as an agent if its performance obligation is to arrange for the provision of goods or services by CMU. In this case CMU is primarily responsible for fulfilling the contract and the Company does not have discretion in establishing prices and is also not exposed to inventory and credit risks for the amount receivable from the customer. In this case, the Company recognises revenue at the net amount of consideration the Company is eligible under the contract. This net consideration is recognized as income, as per the terms of respective agreement and on the basis of information provided by respective CMU. Such income is included under the head "other operating revenues" in the statement of profit and loss.

Interest

Interest income is recognized using the effective interest rate method. The effective interest rate is the rate that discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. Interest income is included under the head "other income" in the statement of profit and loss.

Dividends

Dividend income is recognized when the Company's right to receive the payment is established, which is generally when the shareholders approve the dividend.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A trade receivable is recognised if an amount of consideration is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets.

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from the customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

(e) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

(f) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in OCI or in equity in correlation to the underlying transaction). Management periodically evaluates whether it is probable that the relevant taxation authority would accept an uncertain tax treatment that the Company has used or plan to use in its income tax filings, including with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions, where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities and assets are recognized for all taxable temporary differences and deductible temporary differences, except:

- when the deferred tax liability or asset arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences and deductible temporary differences associated with investments in subsidiary and associate, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in OCI or in equity in correlation to the underlying transaction).

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Sales/value added tax/goods and services tax paid on acquisition of assets or on incurring expenses

When the tax incurred on purchase of assets or services is not recoverable from the taxation authority, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable. Otherwise, expenses and assets are recognized net of the amount of sales/value added taxes/goods and services tax paid. The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Notes to standalone Financial Statements contd.
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

(g) Non-current assets held for sale

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale and the sale expected within one year from the date of classification.

Property, plant and equipment and intangibles are not depreciated or amortised once classified as held for sale. Assets and liabilities classified as held for sale are presented separately from other items in the balance sheet.

(h) Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Capital work-in-progress is stated at cost. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects, if the recognition criteria is met.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement, if the recognition criteria is satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

Depreciation is calculated on a straight-line basis over the useful lives of the assets, estimated by the management, as follows:

	Useful life (years)
Factory buildings	30
Other buildings (RCC)	60
Other buildings (Non-RCC)	30
Roads (RCC)	10
Roads (Non-RCC), Fences, etc	5
Plant and equipment	15*
Electrical installations	10
Office equipments	5
Computers	3
Servers and networks	6
Furniture and fixtures	10
Laboratory equipments	10
Vehicles	8 and 10

*In respect of assets (excluding pipelines) used at any time during the year on double shift or triple shift basis, the depreciation for that period is increased by 50% or 100%, respectively.

For the purpose of depreciation calculation, residual value is determined as 5% of the original cost for all the assets, as estimated by the management basis independent assessment by an expert. The Company, based on technical assessment made by an expert and management estimate, depreciates following assets, not included above, over the estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives reflect fair approximation of the period over which the assets are likely to be used.

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(i) Assets acquired on amalgamation, etc. (where original dates of acquisition are not readily available), are depreciated over the remaining useful life of the assets, as certified by an expert.

(ii) Beer dispensers and coolers (included under furniture and fixtures) and Kegs (included under plant and equipment) are depreciated on a straight-line basis over a period of 3 years being useful life, as estimated by the management considering nature of these assets.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(i) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in the statement of profit and loss in the period in which the expenditure is incurred. The useful lives of intangible assets are assessed as finite.

Intangible assets are amortized over the useful economic life and assessed for impairment, whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets is recognized in the statement of profit and loss, unless such expenditure forms part of carrying value of another asset.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

Licenses and rights are amortised on a straight-line basis over useful life of 10 years, as estimated by the management.

(j) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(k) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

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(All amounts in Indian Rupees Lakhs, except as otherwise stated)

The Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets (disclosed under property, plant and equipment) are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

	Useful life (years)
Leasehold land	90-99
Buildings	2-9
Plant and equipment	2
Furniture and fixtures	3
Vehicles	4 and 5

If ownership of the leased asset is transferred to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policy on impairment of non-financial assets.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects exercising of the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. The Company has applied practical expedient of using a single discount rate to a portfolio of leases with similar characteristics. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The Company's lease liabilities are included under Interest-bearing borrowings.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase

option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

The Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income is accounted for on a straight-line basis over the lease term. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

(l) Inventories

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials, Packing materials and bottles, Stores and spares: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Finished goods and Work-in-progress: Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excludes borrowing costs. Excise duty, as applicable, is included in the valuation.

Stock-in-trade: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Cost is determined on a weighted average basis. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(m) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's ("CGU") fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth

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rate for the products, industries, or country in which the entity operates, or for the market in which the asset is used. Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised.

The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss, unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(n) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss, net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(o) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to a reduction in future payment or a cash refund.

In respect of certain employees, the Company had established a Provident Fund Trust, which was a defined benefit plan, to which contributions towards provident fund were made each month. The Provident Fund Trust guaranteed a specified rate of return on such contributions on a periodical basis as per the government notification. The Company would meet the shortfall in the return, if any, which was determined based on an actuarial valuation carried out, as per projected unit credit method, as at the date of balance sheet. The contributions to provident fund were charged to the statement of profit and loss on an accrual basis. During the year, the Company has surrendered the Provident Fund Trust to the Employee's Provident Fund Organisation, Government of India and transferred the funds from Provident Fund Trust to the funds maintained by the Regional Provident Fund Commissioner (RPFC). Effective January 1, 2022, the Provident Fund Benefit is a defined benefit contribution scheme and the Company recognizes contribution payable to the fund as expenditure, when an employee renders the related service.

Retirement benefit in the form of superannuation fund is a defined contribution scheme. The Company has established a Superannuation Fund Trust to which contributions are made each month. The Company

recognizes contribution payable to the superannuation fund scheme as expenditure, when an employee renders the related service. The Company has no other obligations beyond its monthly contributions.

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to the statement of profit and loss in subsequent periods.

Past service costs are recognized in the statement of profit and loss on the earlier of the date of the plan amendment or curtailment, and the date that the Company recognizes related restructuring costs. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes changes in the net defined benefit obligation which includes service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and net interest expense or income, as an expense in the statement of profit and loss.

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for twelve months after the reporting date. Where the Company has the unconditional legal and contractual right to defer the settlement for a period beyond twelve months, the same is presented as non-current liability.

(p) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e. the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

A 'debt instrument' is measured at the amortised cost, if both of the following conditions are met:

(i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and

(ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

A 'debt instrument' is classified as FVTOCI, if both of the following criteria are met:

(i) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and

(ii) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in OCI. However, the Company recognizes interest income, impairment losses and foreign exchange gain or loss in the statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of the investments. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Investment in subsidiary and associate

Investments in subsidiary and associate are carried at cost less allowance for impairment, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. The recoverable amount is the higher of fair value less cost of disposal and value in use.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the balance sheet) when:

- The rights to receive cash flows from the asset have expired; or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets and credit risk exposure. The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, twelve-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on twelve-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The twelve-month ECL is a portion of the lifetime ECL which results from default events that are possible within twelve months after the reporting date. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e., all cash shortfalls), discounted at the original EIR. ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include borrowings, trade and other payables, and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification. Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading, unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to the statement of profit and loss. However, the Company may

transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Reclassification of financial assets and liabilities

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no re-classification is made for financial assets which are equity instruments and financial liabilities.

For financial assets which are debt instruments, a re-classification is made only if there is a change in the business model for managing those assets. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the re-classification prospectively from the re-classification date, which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(q) Cash and cash equivalents

Cash and cash equivalents in the balance sheet and cash flow statement comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

(r) Dividend to equity holders

The Company recognises a liability to pay dividend to equity holders when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

(s) Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of obligation cannot be measured with sufficient reliability. The Company does not recognize a contingent liability but discloses its existence in the standalone financial statements.

(t) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number

of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(u) Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the Company), whose operating results are regularly reviewed by the Company's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. Operating segments of the Company are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

(v) Significant accounting judgements, estimates and assumptions

The preparation of the standalone financial statements require management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The Company bases its assumptions and estimates on parameters available when the standalone financial statements are prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. The judgements, estimates and assumptions management has made which have the most significant effect on the amounts recognized in the standalone financial statements are as below. Also refer Note 45 in respect of the assessment of impact of the Coronavirus (COVID-19) pandemic.

Revenue from contracts with customers

The Company determines and updates its assessment of expected discounts and incentives periodically and the accruals are adjusted accordingly. Estimates of expected discount and incentives are sensitive to changes in circumstances and the Company's past experience regarding these amounts may not be representative of actual amounts in the future.

Leases

The Company determines the lease term as non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Company applies judgement and considers all relevant factors that create an economic incentive in evaluating whether it is reasonably certain to exercise the option to renew or terminate the lease. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or terminate.

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR requires estimation when

no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates), when available and makes entity-specific estimates, wherever required.

Property, plant and equipment

The depreciation of property, plant and equipment is derived on determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Company's assets are determined by the management at the time of acquisition of asset and is reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life.

Impairment of investments carried at cost and non-financial assets

Investments carried at cost and non-financial assets such as property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. Significant management judgement is required to determine recoverable amount and the impairment loss, if any. These calculations are sensitive to underlying assumptions.

Provision for expected credit loss on trade receivables

The measurement of expected credit loss reflects a probability-weighted outcome, the time value of money and the best available forward-looking information. The correlation between historical observed default rates, forecast economic conditions and expected credit loss is a significant estimate. The amount of expected credit loss is sensitive to changes in circumstances and forecasted economic conditions. The Company's historical credit loss experience and forecast of economic conditions may not be representative of the actual default in the future.

Tax contingencies and provisions

Significant management judgement is required to determine the amounts of tax contingencies and provisions, including amount expected to be paid/recovered for uncertain tax positions and the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Defined benefit plans

The cost of the defined benefit plan and the present value of the obligation are determined using actuarial valuation. An actuarial valuation involves various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, expected return, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation rates.

2.2 Changes in accounting policies and disclosures

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after April 1, 2021. The Company has not early adopted any other standard or amendment that has been issued but is not yet effective:

(a) Ind AS 116: COVID-19 related rent concessions

The Ministry of Corporate Affairs (MCA) issued an amendment to Ind AS 116 Covid-19-Related Rent Concessions beyond June 30, 2021 to update the condition for lessees to apply the relief to a reduction in

lease payments originally due on or before June 30, 2022 from June 30, 2021. The amendment applies to annual reporting periods beginning on or after April 1, 2021. These amendments had no material impact on the standalone financial statements of the Company.

(b) Amendment to Ind AS 105, Ind AS 16 and Ind AS 28

The definition of "Recoverable amount" is amended such that the words "the higher of an asset's fair value less costs to sell and its value in use" are replaced with "higher of an asset's fair value less costs of disposal and its value in use". The consequential amendments are made in Ind AS 105, Ind AS 16 and Ind AS 28. These amendments had no impact on the standalone financial statements of the Company.

2.3 Standards issued but not yet effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2022 dated March 23, 2022 to amend the following Ind AS which are effective from April 1, 2022.

(a) Onerous Contracts – Costs of Fulfilling a Contract – Amendments to Ind AS 37

The amendments to Ind AS 37 specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs, for example direct labour and materials and an allocation of other costs directly related to contract activities, for example an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling that contract. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract. The amendments are effective for annual reporting periods beginning on or after April 1, 2022. The Company is currently assessing the impact of the amendments to determine the impact they may have on the Company's accounting policy disclosures.

(b) Reference to the Conceptual Framework – Amendments to Ind AS 103

The amendments replaced the reference to the ICAI's *"Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards"* with the reference to the *"Conceptual Framework for Financial Reporting under Indian Accounting Standard"* without significantly changing its requirements. The amendments also added an exception to the recognition principle of Ind AS 103 *Business Combinations* to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets or Appendix C, Levies, of Ind AS 37, if incurred separately. It has also been clarified that the existing guidance in Ind AS 103 for contingent assets would not be affected by replacing the reference to the *Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards*. The amendments are effective for annual reporting periods beginning on or after April 1, 2022. The amendments are not expected to have a material impact on the Company.

(c) Property, Plant and Equipment: Proceeds before Intended Use – Amendments to Ind AS 16

The amendments modified paragraph 17(e) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The amendments are effective for annual reporting periods beginning on or after April 1, 2022. The amendments are not expected to have a material impact on the Company.

(d) Ind AS 109 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. The amendments are effective for annual reporting periods beginning on or after April 1, 2022. The amendments are not expected to have a material impact on the Company.

Notes to standalone Financial Statements contd.

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

3. PROPERTY, PLANT AND EQUIPMENT

	Cost				Depreciation / Amortisation					Net book value
	As at April 1, 2021	Additions	Deletions	**As at March 31, 2022**	*As at April 1, 2021*	For the year	Impairment	On deletions	**As at March 31, 2022**	**As at March 31, 2022**
Freehold land (refer note a)	*19,717*	183	—	19,900	—	—	—	—	—	19,900
Buildings (refer note b)	*76,551*	4,494	—	81,045	*26,459*	2,575	—	—	29,034	52,011
Plant and equipment	*3,14,601*	11,548	853	3,25,296	*2,17,340*	14,713	—	826	2,31,227	94,069
Office equipments	*2,593*	297	7	2,883	*1,664*	267	—	7	1,924	959
Computer equipments	*1,937*	49	17	1,969	*1,335*	185	—	15	1,505	464
Furniture and fixtures	*24,676*	914	43	25,547	*20,119*	2,351	—	26	22,444	3,103
Laboratory equipments	*4,555*	164	92	4,627	*2,676*	322	—	88	2,910	1,717
Vehicles	*974*	28	379	623	*838*	31	—	361	508	115
	4,45,604	**17,677**	**1,391**	**4,61,890**	***2,70,431***	**20,444**	**—**	**1,323**	**2,89,552**	**1,72,338**
Right-of-use assets (also refer Note 33)										
Leasehold land (refer note a)	*17,148*	—	—	17,148	*1,307*	200	—	—	1,507	15,641
Buildings	*1,727*	283	420	1,590	*724*	485	—	420	789	801
Plant and equipment	—	3		3	—	1	—	—	1	2
Furniture and fixtures	*36*	—	—	36	*22*	12	—	—	34	2
Vehicles	*93*	—	—	93	*18*	21	—	—	39	54
	19,004	**286**	**420**	**18,870**	***2,071***	**719**	**—**	**420**	**2,370**	**16,500**
Total	***4,64,608***	**17,963**	**1,811**	**4,80,760**	***2,72,502***	**21,163**	**—**	**1,743**	**2,91,922**	**1,88,838**

Previous year

	Cost				Depreciation / Amortisation					Net book value
	As at April 1, 2020	*Additions*	*Deletions*	*As at March 31, 2021*	*As at April 1, 2020*	*For the year*	*Impairment (refer note 42)*	*On deletions*	*As at March 31, 2021*	*As at March 31, 2021*
Freehold land (refer note a)	*19,717*	—	—	*19,717*	—	—	—	—	—	*19,717*
Buildings (refer note b)	*68,637*	*8,203*	*289*	*76,551*	*22,133*	*2,461*	*2,153*	*288*	*26,459*	*50,092*
Plant and equipment	*2,97,254*	*20,879*	*3,532*	*3,14,601*	*2,02,883*	*15,837*	*2,112*	*3,492*	*2,17,340*	*97,261*
Office equipments	*2,217*	*464*	*88*	*2,593*	*1,516*	*227*	*8*	*87*	*1,664*	*929*
Computer equipments	*2,210*	*81*	*354*	*1,937*	*1,491*	*178*	*2*	*336*	*1,335*	*602*
Furniture and fixtures	*23,485*	*1,449*	*258*	*24,676*	*17,735*	*2,523*	*111*	*250*	*20,119*	*4,557*
Laboratory equipments	*4,482*	*199*	*126*	*4,555*	*2,418*	*324*	*60*	*126*	*2,676*	*1,879*
Vehicles	*1,062*	—	*88*	*974*	*835*	*41*	—	*38*	*838*	*136*
	4,19,064	***31,275***	***4,735***	***4,45,604***	***2,49,011***	***21,591***	***4,446***	***4,617***	***2,70,431***	***1,75,173***
Right-of-use assets (also refer Note 33)										
Leasehold land (refer note a)	*17,148*	—	—	*17,148*	*1,107*	*200*	—	—	*1,307*	*15,841*
Buildings	*2,354*	*311*	*938*	*1,727*	*820*	*842*	—	*938*	*724*	*1,003*
Furniture and fixtures	*36*	—	—	*36*	*10*	*12*	—	—	*22*	*14*
Vehicles	*30*	*63*	—	*93*	*2*	*16*	—	—	*18*	*75*
	19,568	***374***	***938***	***19,004***	***1,939***	***1,070***	**—**	***938***	***2,071***	***16,933***
Total	***4,38,632***	***31,649***	***5,673***	***4,64,608***	***2,50,950***	***22,661***	***4,446***	***5,555***	***2,72,502***	***1,92,106***

(a) Detail of immovable properties (included under property, plant and equipment) whose title deeds are not held in the name of the Company or disputed

Description of Property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, directors or relative of promoter/director or employee of promoter/director	Property held since	Reason for not being held in the name of the Company
Freehold land (9.04 acres at Kuthumbakkam, Tamil Nadu)	80	Tamil Nadu State Marketing Corporation Ltd.	No	2010-11	Application for registration of title deed is pending with the state government for approval
Freehold land (63.07 acres at Kothlapur, Telangana)	654	UB Nizam Breweries Pvt Ltd.*	No	2010-11	Application for registration of name change is pending with the state government for approval
Freehold land (0.533 acres at Nanjangud, Karnataka)	22	United Breweries Limited	No	2009-10	Title deed is in dispute and pending resolution in court as at March 31, 2022.
Freehold land (0.006 acres at Nelamangala, Karnataka)	1	United Breweries Limited	No	2006-07	Title deed is in dispute and pending resolution in court as at March 31, 2022.
Freehold land (0.002 acres at Mallepally, Telangana)	_^	United Breweries Limited	No	2010-11	Title deed is in dispute and pending resolution in court as at March 31, 2022.
Leasehold land (25.71 acres at Aurangabad, Maharashtra)	1,189	Inertia Industries Limited*	No	2010-11	Application for adjudication of stamp duty for name change in the lease deed is pending with the concerned authorities
Leasehold land (18.02 acres at Aurangabad, Maharashtra)	66	Aurangabad Breweries Limited*	No	2011-12	Application for adjudication of stamp duty for name change in the lease deed is pending with the concerned authorities

^ Rounded off to nearest lakhs. * Erstwhile entity which merged with the Company.

(b) Buildings include those constructed on leasehold land as follows:

	March 31, 2022	*March 31, 2021*
Gross block	33,110	*31,806*
Depreciation charge for the year*	1,067	*1,041*
Accumulated depreciation*	11,089	*10,022*
Net block	**22,021**	*21,784*

*Net of depreciation on deletions

Notes to standalone Financial Statements contd.
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

(c) Capital work-in-progress

Capital work-in-progress as at March 31, 2022 and March 31, 2021 comprises of capital expenditure relating to plant and equipment and buildings which are in the course of construction. The ageing of capital work-in-progress is as below:

	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1–2 years	2–3 years	More than 3 years	
As at March 31, 2022					
Projects in progress	8,148	1,154	757	24	10,083
Projects temporarily suspended	16	519	222	149	906
Total	**8,164**	**1,673**	**979**	**173**	**10,989**
As at March 31, 2021					
Projects in progress	*8,294*	*3,637*	*131*	*25*	*12,087*
Projects temporarily suspended	*355*	*208*	—	*149*	*712*
Total	*8,649*	*3,845*	*131*	*174*	*12,799*

The details of capital work in progress whose completion is overdue are as below:

March 31, 2022

	To be completed in				Total
	Less than 1 year	1–2 years	2–3 years	More than 3 years	
Projects in progress					
Effluent/water treatment	2,317	—	—	—	2,317
Infrastructure development*	2,174	—	—	—	2,174
Capacity expansion	775	—	—	—	775
Health, safety and environment	569	—	—	—	569
Quality improvement	434	—	—	—	434
Others	848	—	—	—	848
Total	**7,117**	**—**	**—**	**—**	**7,117**
Projects temporarily suspended					
Infrastructure development*	581	—	—	—	581
Capacity expansion	177	—	—	—	177
Effluent/water treatment	148	—	—	—	148
Total	**906**	**—**	**—**	**—**	**906**

UNITED BREWERIES LIMITED

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March 31, 2021

	To be completed in				Total
	Less than 1 year	1–2 years	2–3 years	More than 3 years	
Projects in progress					
Effluent/water treatment	*1,537*	*972*	—	—	*2,509*
Infrastructure development*	*1,608*	*1,209*	—	—	*2,817*
Capacity expansion	*415*	*3,752*	—	—	*4,167*
Health, safety and environment	*65*	*67*	—	—	*132*
Quality improvement	*85*	*395*	—	—	*480*
Others	*727*	*1,040*	—	—	*1,767*
Total	*4,437*	*7,435*	—	—	*11,872*
Projects temporarily suspended					
Infrastructure development*	—	*564*	—	—	*564*
Effluent/water treatment	—	*148*	—	—	*148*
Total	—	*712*	—	—	*712*

* Infrastructure development includes factory buildings, warehouses and roads.

There are no projects which exceeded cost compared to original plan as on March 31 2022 and March 31, 2021.

For the purpose of aforesaid disclosure, considering voluminous details, projects have been grouped under the relevant category.

(d) Assets held for sale:

	March 31, 2022	*March 31, 2021*
Balance at the beginning of the year	488	*714*
Transfer/sale [Refer Note 30(b)]	—	*(226)*
Balance at the end of the year	**488**	*488*

(e) Refer Note 15 for details of property, plant and equipment pledged as security against borrowings.

4. INTANGIBLE ASSETS

	Cost				Amortisation					Net book value
	As at April 1, 2021	Additions	Deletions	As at March 31, 2022	*As at April 1, 2021*	For the year	Impairment	Deletions	As at March 31, 2022	As at March 31, 2022
Licenses and rights	*11,609*	68	—	11,677	*9,511*	528	—	—	10,039	1,638
Total	*11,609*	**68**	**—**	**11,677**	*9,511*	**528**	**—**	**—**	**10,039**	**1,638**

Previous year

	Cost				Amortisation					Net book value
	As at April 1, 2020	Additions	Deletions	*As at March 31, 2021*	*As at April 1, 2020*	For the year	Impairment	Deletions	*As at March 31, 2021*	*As at March, 2021*
Licenses and rights	*11,380*	229	—	*11,609*	*8,987*	524	—	—	*9,511*	*2,098*
Total	*11,380*	229	—	*11,609*	*8,987*	524	—	—	*9,511*	*2,098*

Notes to standalone Financial Statements contd.

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	As at March 31, 2022		As at March 31, 2021	
5. FINANCIAL ASSETS - INVESTMENTS (NON-CURRENT)				
Trade investments				
Equity instruments at cost (fully paid-up) (Unquoted)				
Investments in subsidiary company				
Maltex Malsters Limited ('MML') [22,950 (March 31, 2021: 22,950) equity shares of Rs. 100 each]	4,500		*4,500*	
Less: Provision for impairment in value of investments*	3,735	765	*3,735*	*765*
Investment in associate				
Kingfisher East Bengal Football Team Private Limited [4,999 (March 31, 2021: 4,999) equity shares of Rs. 10 each]		1		*1*
Non-trade investments				
Equity instruments at fair value through profit or loss (fully paid-up) (Unquoted)				
The Zoroastrian Co-operative Bank Limited [2,000 (March 31, 2021: 2,000) equity shares of Rs. 25 each]		1		*1*
SABMiller India Limited (Formerly, Skol Breweries Limited) [300 (March 31, 2021: 300) equity shares of Rs. 10 each]**		—		—
Castle Breweries Ltd. (Formerly, Jupiter Breweries Industries Limited) [50 (March 31, 2021: 50) equity shares of Rs. 10 each]**		—		—
Mohan Meakin Limited [100 (March 31, 2021: 100) equity shares of Rs. 5 each]**		—		—
Blossom Industries Limited [100 (March 31, 2021: 100) equity shares of Rs. 3 each]**		—		—
Renew Wind Energy (Karnataka) Private Limited [10,400 (March 31, 2021: 10,400) equity shares of Rs. 100 each]		15		*15*
Mytrah Vayu (Manjira) Private Limited [1,44,000 (March 31, 2021: 1,44,000) equity shares of Rs. 10 each]		14		*14*
Capsol Sunray Private Limited [27,20,035 (March 31, 2021: 27,20,035) equity shares of Rs. 10 each]		272		*272*
FPEL Maha 2 Pvt Ltd [13,26,984 (March 31, 2021: Nil) equity shares of Rs. 10 each]		251		—
Debt instruments at fair value through other comprehensive income (fully paid-up) (Quoted)				
IL&FS Financial Services Limited [9.55%, 5,000 (March 31, 2021: 5,000) non-convertible debentures of Rs. 1,000 each]***		17		*17*
IL&FS Financial Services Limited [8.80%, 17,000 (March 31, 2021: Nil) non-convertible debentures of Rs. 1,000 each]***		49		—
Dewan Housing Finance Corporation Limited [9.15%, Nil (March 31, 2021: 4) non-convertible debentures of Rs. 10,00,000 each]***		—		*14*
Dewan Housing Finance Corporation Limited [9.30%, Nil (March 31, 2021: 20) non-convertible debentures of Rs. 10,00,000 each]***		—		*70*
Dewan Housing Finance Corporation Limited [9.25%, Nil (March 31, 2021: 53,500) non-convertible debentures of Rs. 1,000 each]***		—		*188*
Dewan Housing Finance Corporation Limited [9.30%, Nil (March 31, 2021: 3,100) non-convertible debentures of Rs. 1,000 each]***		—		*11*
Piramal Capital & Housing Finance Limited [6.75%, 21,217 (March 31, 2021: Nil) non- convertible debtentures of Rs. 1,000 each]		212		—
In government securities (Unquoted)				
National Savings Certificate	18		*18*	
Less: Provision for impairment in value of investments	15	3	*15*	*3*
Total		**1,600**		*1,371*

*The fair value for the purpose of determination of impairment loss has been estimated by the management based on fair value of assets by an independent expert. The impairment in value of investment in MML is due to continued delay in obtaining necessary approvals to expand malting facility at MML, leading to high overhead costs incurred on operating at its current level of capacity. Also refer Note 30(a).

**Rounded off.

***Purchased from United Breweries Limited Provident Fund Trust (Refer Note 38).

Aggregate cost of quoted investments	278	*300*
Aggregate market value of quoted investments	278	*300*
Aggregate value of unquoted investments (gross)	5,072	*4,821*
Aggregate amount of impairment in value of investments	(3,750)	*(3,750)*

	Non-current		Current	
	As at March 31, 2022	*As at March 31, 2021*	**As at March 31, 2022**	*As at March 31, 2021*
6. FINANCIAL ASSETS - OTHERS				
Unsecured, considered good				
Financial assets at amortised cost				
Security deposits	4,181	*4,105*	—	—
Bank deposits with remaining maturity of more than twelve months	134	*43*	—	—
Margin money deposits towards bank guarantees	102	*112*	—	—
Interest accrued on bank and other deposits	—	—	115	*84*
	4,417	*4,260*	**115**	*84*
Unsecured, credit impaired				
Security deposits	94	*93*	—	—
Less: Loss allowance	94	*93*	—	—
	—	—	—	—
Total	**4,417**	*4,260*	**115**	*84*

	As at March 31, 2022	*As at March 31, 2021*
7. TAX ASSET/(LIABILITY) (NET)		
(a) Income tax assets (net)		
Balance at the beginning of the year	20,396	*18,945*
Less: Provision for the year	13,159	*6,733*
Add: Taxes paid (net of refund)	12,958	*8,184*
Closing balance (net)	**20,195**	*20,396*

The above amounts include amounts paid under protest against various income tax demands under appeal, which are included under contingent liabilities.

	Balance sheet		Statement of profit and loss	
	As at March 31, 2022	*As at March 31, 2021*	**For the year ended March 31, 2022**	*For the year ended March 31, 2021*
(b) Deferred tax asset/(liability) (net)				
Deferred tax assets				
Provision/allowance for receivables and advances	2,376	*1,843*	(533)	*487*
Provision for employee benefits	1,879	*1,443*	(436)	*340*
Other provisions	1,708	*1,758*	50	*(432)*
	5,963	*5,044*	**(919)**	*395*
Deferred tax liabilities				
Property, plant and equipment: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	2,120	*1,552*	568	*(1,116)*
	2,120	*1,552*	**568**	*(1,116)*
Net deferred tax asset	**3,843**	*3,492*		
Deferred tax (credit)			**(351)**	*(721)*

Notes to standalone Financial Statements contd.
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	As at March 31, 2022	*As at March 31, 2021*
7. TAX ASSET/(LIABILITY) (NET) (continued)		
Reconciliation of movement in deferred tax asset		
Balance at the beginning of the year	3,492	*2,771*
Tax credit/(charge) during the year		
Recognised in the statement of profit and loss	371	*1,222*
Recognised in OCI	(20)	*(501)*
	351	*721*
Balance at the end of the year	**3,843**	*3,492*

The Company has not recognised deferred tax asset on provision for impairment in value of investments amounting to Rs. 3,750 Lakhs (March 31, 2021: Rs. 3,750 Lakhs), considering uncertainty that sufficient future taxable capital gains would be available against which such tax credits can be utilised.

	Non-current		Current	
	As at March 31, 2022	*As at March 31, 2021*	As at March 31, 2022	*As at March 31, 2021*
8. OTHER ASSETS				
Unsecured, considered good				
Capital advances	1,517	*663*	—	—
Advances other than capital advances				
Advance to suppliers*	3,793	*3,697*	1,744	*1,009*
Advance to a related party (Refer Note 38)	—	—	—	*75*
Employees and other advances	71	*70*	361	*203*
Prepaid expenses	1,882	*2,855*	7,975	*7,849*
Balance with statutory/government authorities**	17,188	*7,868*	17,191	*22,615*
Government grant receivable***	561	*639*	—	—
	25,012	*15,792*	**27,271**	*31,751*
Unsecured, considered doubtful				
Capital advances	82	*82*	—	—
Advances other than capital advances				
Advance to suppliers	613	*532*	—	—
Balance with statutory/government authorities	1,363	*825*	—	—
Less: Provision for doubtful advances	2,058	*1,439*	—	—
	—	—	—	—
Total	**25,012**	*15,792*	**27,271**	*31,751*

*Non-current advance to suppliers includes an amount of Rs. 3,271 Lakhs (March 31, 2021: Rs. 3,197 Lakhs) paid under protest to Maharashtra Industrial Development Corporation ("MIDC") towards increased charges for water supplies. The Company has filed a special leave petition before the Supreme Court in respect of this matter and the management, basis a legal advice, believes that the Company's position will be upheld in the appellate process and accordingly, the same has been considered as a contingent liability as at year end.

**Non-current portion includes amount paid under protest against various tax demands under appeal, which are included under contingent liabilities in Note 35.

***Relates to Industrial promotion subsidy. There are no unfulfilled conditions or other contingencies attached to these grants.

There are no advances to directors or other officers of the Company or any of them either severally or jointly with any other person or advances to firms or private companies, respectively, in which any director is a partner or a director or a member. Further there are no loans or advances in the nature of loan to promoters, directors or key management personnel.

	As at March 31, 2022	*As at March 31, 2021*
9. INVENTORIES		
(valued at lower of cost and net realisable value)		
Raw materials [Includes in transit: Rs. 970 Lakhs (March 31, 2021: Rs. 719 Lakhs)]	15,894	*25,453*
Packing materials and bottles [Includes in transit: Rs. 1,432 Lakhs (March 31, 2021: Rs. 1,059 Lakhs)]	16,543	*16,252*
Work-in-progress	36,088	*39,560*
Finished goods [Includes in transit: Rs. 5,237 Lakhs (March 31, 2021: Rs. 6,103 Lakhs)]^	18,875	*26,344*
Stock-in-trade [Includes in transit: Rs. 151 Lakhs (March 31, 2021: Rs. 24 Lakhs)]	231	*457*
Stores and spares [Includes in transit: Rs. 5 Lakhs (March 31, 2021: Rs. 21 Lakhs)]	5,810	*5,463*
Total	**93,441**	*1,13,529*

^Net of provision for obsolete stock Rs. 1,702 Lakhs (March 31, 2021: Rs. 2,331 Lakhs).

During the year, an amount of Rs. 1,386 Lakhs (March 31, 2021: Rs. 1,771 Lakhs) was recognised as an expense for inventories carried at net realisable values.

10. TRADE RECEIVABLES		
(Financial assets at amortised cost)		
Considered good		
Secured	1,571	*2,226*
Unsecured	1,23,879	*1,37,256*
	1,25,450	*1,39,482*
Credit impaired		
Unsecured	7,295	*5,792*
Less: Loss allowance	7,295	*5,792*
	—	—
Total	**1,25,450**	*1,39,482*

(a) Trade receivables are non-interest bearing and are generally on terms of 0 to 90 days. Balances disclosed as secured are secured by security deposits received from customers or amounts payable to commission agents.

(b) No debts are due from directors or other officers of the Company or any of them either severally or jointly with any other person. Also, no debts are due from firms or private companies, respectively, in which any director is a partner or a director or a member.

(c) The above balances includes dues from related parties (Refer Note 38).

(d) Trade receivables ageing schedule

	Current but not due	Outstanding for the following periods from due date of payment					Total
		Less than 6 monhts	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2022							
Undisputed Trade Receivables- Considered good*	1,02,916	19,605	393	1,554	—	—	1,24,468
Undisputed Trade Receivables- Credit impaired	—	—	156	102	101	213	572
Disputed Trade Receivables- Credit impaired**	—	—	83	1,076	363	6,183	7,705
Total	**1,02,916**	**19,605**	**632**	**2,732**	**464**	**6,396**	**1,32,745**

Notes to standalone Financial Statements contd.
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	Current but not due	Outstanding for the following periods from due date of payment					Total
		Less than 6 monhts	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2021							
Undisputed Trade Receivables-Considered good*	1,10,334	23,312	3,138	1,716	—	—	1,38,500
Undisputed Trade Receivables-Credit impaired	—	—	27	269	26	187	509
Disputed Trade Receivables-Credit impaired**	—	—	—	—	4,099	2,166	6,265
Total	**1,10,334**	**23,312**	**3,165**	**1,985**	**4,125**	**2,353**	**1,45,274**

* Includes unbilled receivables not due of Rs. 10 Lakhs (March 31, 2021: Rs. 55 Lakhs)
**Includes Rs. 982 Lakhs (March 31, 2021: Rs. 982 Lakhs) relating to dispute with a customer which is fully provided for and for which provision is included under provision for litigations in Note 17.

	As at March 31, 2022	*As at March 31, 2021*
11. CASH AND CASH EQUIVALENTS		
Bank balances on current accounts^	14,736	*8,431*
Bank deposits with original maturity of three months or less	71,500	*32,500*
Cash on hand	2	*9*
Total	**86,238**	*40,940*

^Includes balances in exchange earners foreign currency accounts of Rs. 5,856 Lakhs (March 31, 2021: Rs. 4,692 Lakhs)

12. OTHER BANK BALANCES		
Bank balances on current accounts towards unpaid dividend	3,870	*5,147*
Bank balances on current account towards CSR expense	1	—
Bank deposits with original maturity of:		
Less than twelve months but more than three months	624	*613*
Greater than twelve months	41	*105*
Total	**4,536**	*5,865*

Bank balances towards unpaid dividend and CSR expense can be utilised only towards payment of dividend and CSR expense, respectively. Other bank balances excludes bank deposits with remaining maturity of more than twelve months and margin money deposits (Refer Note 6). Bank deposits include balances where fixed deposits receipts are pledged with statutory/government authorities.

13. EQUITY SHARE CAPITAL		
Authorised share capital		
4,12,98,00,000 (March 31, 2021: 4,12,98,00,000) equity shares of Re. 1 each	41,298	*41,298*
5,86,00,000 (March 31, 2021: 5,86,00,000) preference shares of Rs. 100 each	58,600	*58,600*
	99,898	*99,898*
Issued, subscribed and fully paid-up shares		
26,44,05,149 (March 31, 2021: 26,44,05,149) equity shares of Re. 1 each	2,644	*2,644*
	2,644	*2,644*

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	As at March 31, 2022		*As at March 31, 2021*	
	Nos.	Rs. in Lakhs	*Nos.*	*Rs.in Lakhs*
At the beginning of the year	26,44,05,149	2,644	*26,44,05,149*	*2,644*
Changes during the year	—	—	—	—
Outstanding at the end of the year	**26,44,05,149**	**2,644**	*26,44,05,149*	*2,644*

(b) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Re. 1 per share. Each holder of equity share is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Equity shares held by holding/ultimate holding company and/or their subsidiaries/associates

	As at March 31, 2022*	
	Nos.	Value
Scottish & Newcastle India Limited	8,99,94,960	900
Heineken International B.V.	6,41,69,921	642
Heineken UK Limited	84,89,270	85
Total	**16,26,54,151**	**1,627**

*Comparatives not applicable as these entities became holding/ultimate holding company with effect from July 29, 2021.

(d) Details of shareholders holding more than 5% of the shares in the Company

Name of the shareholder	As at March 31, 2022		*As at March 31, 2021*	
	Nos.	%	*Nos.*	*%*
Equity shares of Re.1 each fully paid				
Scottish & Newcastle India Limited	8,99,94,960	34.04%	*8,99,94,960*	*34.04%*
Deputy Director, Directorate of Enforcement	—	—	*4,27,04,758*	*16.15%*
Heineken International B.V.	6,41,69,921	24.27%	*2,45,25,575*	*9.28%*
Dr. Vijay Mallya (including joint holdings)	2,13,53,620	8.08%	*2,13,53,620*	*8.08%*

As per records of the Company, the above shareholding represents legal ownership of shares.

(e) There are no equity shares issued as bonus, shares issued for consideration other than cash or shares bought back during the period of five years immediately preceding the reporting date.

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Notes to standalone Financial Statements contd.
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

(f) Details of equity shares (of Re.1 each fully paid up) held by promoters

March 31, 2022

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total shares	% change during the year
Scottish & Newcastle India Limited	8,99,94,960	—	8,99,94,960	34.04	—
Heineken International B.V.	2,45,25,575	3,96,44,346	6,41,69,921	24.27	14.99
Heineken UK Limited	84,89,270	—	84,89,270	3.21	—
Dr.Vijay Mallya	4,02,666	—	4,02,666	0.15	—
Dr.Vijay Mallya & Sidhartha Mallya, joint holding	1,04,86,666	—	1,04,86,666	3.97	—
Dr.Vijay Mallya & Ritu Mallya, joint holding	1,04,64,288	—	1,04,64,288	3.96	—
McDowell Holdings Ltd.	45,51,000	—	45,51,000	1.72	—
Kamsco Industries Pvt. Ltd.	32,74,000	—	32,74,000	1.24	—
UB Overseas Ltd.	4,27,740	—	4,27,740	0.16	—
Pharma Trading Company Pvt. Ltd.	620	—	620	0.00	—
Total	**15,26,16,785**	**3,96,44,346**	**19,22,61,131**	**72.72**	**14.99**

March 31, 2021

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total shares	% change during the year
Scottish & Newcastle India Limited	8,99,94,960	—	8,99,94,960	34.04	—
Heineken International B.V.	2,45,25,575	—	2,45,25,575	9.28	—
Heineken UK Limited	84,89,270	—	84,89,270	3.21	—
Dr.Vijay Mallya	4,02,666	—	4,02,666	0.15	—
Dr.Vijay Mallya & Sidhartha Mallya, joint holding	1,04,86,666	—	1,04,86,666	3.97	—
Dr.Vijay Mallya & Ritu Mallya, joint holding	1,04,64,288	—	1,04,64,288	3.96	—
McDowell Holdings Ltd.	45,51,000	—	45,51,000	1.72	—
Kamsco Industries Pvt. Ltd.	32,74,000	—	32,74,000	1.24	—
UB Overseas Ltd.	4,27,740	—	4,27,740	0.16	—
Pharma Trading Company Pvt. Ltd.	620	—	620	0.00	—
Total	**15,26,16,785**	**—**	**15,26,16,785**	**57.73**	**—**

UNITED BREWERIES LIMITED

	As at March 31, 2022	*As at March 31, 2021*
14. OTHER EQUITY		
Capital redemption reserve		
Balance as per last standalone financial statements	**24,690**	*24,690*
Securities premium		
Balance as per last standalone financial statements	**62,938**	*62,938*
General reserve		
Balance as per last standalone financial statements	42,330	*41,201*
Transfer from the statement of profit and loss	—	*1,129*
Closing balance	**42,330**	*42,330*
Retained earnings		
Balance as per last standalone financial statements	2,25,360	*2,20,324*
Profit for the year	36,501	*11,285*
Other comprehensive income	60	*1,490*
Appropriations		
Final equity dividend	(1,322)	*(6,610)*
Transfer to general reserve	—	*(1,129)*
Closing balance	**2,60,599**	*2,25,360*
Total reserves and surplus	**3,90,557**	*3,55,318*
Distribution made and proposed		
Cash dividends on equity shares declared and paid:		
Dividend for the year ended March 31, 2021: Rs. 0.50 per share (March 31, 2020: Rs. 2.50 per share)	1,322	*6,610*
	1,322	*6,610*
Proposed dividends on equity shares:		
Dividend for the year ended on March 31, 2022: Rs. 10.50 per share (March 31, 2021: Rs. 0.50 per share)	27,763	*1,322*
	27,763	*1,322*

Proposed dividend on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at year end.

	Non-current portion		Current portion	
	As at March 31, 2022	*As at March 31, 2021*	**As at March 31, 2022**	*As at March 31, 2021*
15. FINANCIAL LIABILITIES - BORROWINGS (NON-CURRENT) (at amortised cost)				
Secured				
Indian currency term loans from banks	—	*10,750*	—	*14,250*
Less: Amount disclosed under the head "Financial liabilities- Borrowings (Current)"	—	—	—	*14,250*
	—	*10,750*	—	—

Notes to standalone Financial Statements contd.
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

(a) Nature of security and terms are as below:

Nature of security	Repayment and other terms
Indian currency term loans	
Axis Bank: Rs. Nil (March 31, 2021: Rs. 25,000 Lakhs) secured by first pari-passu charge on all present and future movable property, plant and equipment of the Company, excluding those which are exclusively under charge of other lenders and with negative lien on immovable fixed assets of the Company.	Repayable in 5 equal quarterly instalments of Rs. 4,750 Lakhs each and one instalment of Rs. 1,250 Lakhs starting from September 2021. The loan carried floating interest rate, which was in the range of 5.4% to 7.5% per annum during the year and was payable on monthly basis. The loan was pre-paid by the Company during the year ended March 31, 2022.

(b) The Company is in compliance with the applicable debt covenants prescribed in the terms of borrowings. Also there has been no default in repayment of borrowings and payment of interest during the year.

16. OTHER FINANCIAL LIABILITIES

	Non-current		Current	
	As at March 31, 2022	*As at March 31, 2021*	**As at March 31, 2022**	*As at March 31, 2021*
(at amortised cost)				
Liability for capital goods	—	—	5,230	*5,774*
Security deposits	—	—	2,572	*3,693*
Unpaid dividends*	—	—	3,870	*5,147*
Salaries and bonus payable	2,497	*1,109*	5,992	*4,697*
Freight expenses payable	—	—	7,756	*7,046*
Other expenses payable	—	—	30,299	*25,958*
Total	**2,497**	*1,109*	**55,719**	*52,315*

*There are no amounts due for payment to the Investor Education and Protection Fund under the Companies Act, 2013 as at year end.

UNITED BREWERIES LIMITED

17. PROVISIONS

Provision for employee benefits				
Gratuity	441	*160*	500	*1,000*
Provident fund	—	—	—	*265*
Compensated absences	—	—	4,026	*4,308*
	441	*160*	**4,526**	*5,573*
Other provisions				
Provision for litigations	—	—	5,688	*3,527*
	—	—	**5,688**	*3,527*
Total	**441**	*160*	**10,214**	*9,100*

	At the beginning of the year	Additions during the year	Utilised during the year	Unused amounts reversed	At the end of the year
Provision for litigations	3,527	2,161	—	—	5,688
	(3,552)	(8)	—	(33)	(3,527)

Figures in brackets are of previous year.

Provision for litigations relates to matters which are sub-judice and the Company continues to contest these cases.

	As at March 31, 2022	*As at March 31, 2021*
18. FINANCIAL LIABILITIES - BORROWINGS (CURRENT)		
(at amortised cost)		
Secured		
Current maturities of long-term borrowings (Refer Note 15)	—	*14,250*
Indian currency cash credit from banks	—	*17*
Total	—	*14,267*

(a) Indian currency cash credit and working capital demand loans are part of consortium facility and are secured by first pari-passu charge on all current assets of the Company namely stock of raw materials, semi finished and finished goods, stores and spares and not relating to plant & machinery (consumables, stores & spares), bills receivable and book debt of the present and the future. These facilities are repayable within 360 days and carry interest in the range of 4% to 7% per annum.

(b) The quarterly returns/statements filed by the Company with banks are in the agreement with the books of the Company, except in instances as below:

Quarter ended	Value as per books of accounts	Value as per Quarterly returns/statements	Discrepancy^
June 30, 2021 - Inventories (Work in progress)	25,524	27,468	(1,944)
December 31, 2021 - Inventories (Finished goods)	25,070	24,388	682

^Updated for book closure entries recorded post submission of returns/statements to banks.

(c) The Company is in compliance with the applicable financial debt covenants prescribed in the terms of borrowings. Also there has been no default in repayment of borrowings and payment of interest during the year.

	As at March 31, 2022	*As at March 31, 2021*
19. FINANCIAL LIABILITIES - TRADE PAYABLES		
(at amortised cost)		
Total outstanding dues of micro and small enterprises (Refer Note 36 for details)	9,144	*6,332*
Total outstanding dues of creditors other than micro and small enterprises (including acceptances)	54,625	*56,572*
Total	**63,769**	*62,904*

(a) Trade payables are non-interest bearing and are normally settled on 30 to 130 days.

(b) The above disclosure includes dues to related parties (Refer Note 38).

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Notes to standalone Financial Statements contd.
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

(c) Trade payables ageing schedule

	Outstanding for the following periods from due date of payment					Total
	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2022						
Total outstanding dues of micro and small enterprises	—	8,478	345	298	23	9,144
Total outstanding dues of creditors other than micro and small enterprises	6,911	46,921	108	58	575	54,573
Disputed dues of micro and small enterprises	—	—	—	—	—	—
Disputed dues of creditors other than micro and small enterprises	—	—	—	—	52	52
Total	**6,911**	**55,399**	**453**	**356**	**650**	**63,769**
As at March 31, 2021						
Total outstanding dues of micro and small enterprises	—	5,487	302	543	—	6,332
Total outstanding dues of creditors other than micro and small enterprises	2,035	53,110	381	98	736	56,360
Disputed dues of micro and small enterprises	—	—	—	—	—	—
Disputed dues of creditors other than micro and small enterprises	—	45	73	—	94	212
Total	**2,035**	**58,642**	**756**	**641**	**830**	**62,904**

UNITED BREWERIES LIMITED

	As at March 31, 2022	*As at March 31, 2021*
20. OTHER CURRENT LIABILITIES		
Statutory dues payable*	62,671	*71,842*
Contract liabilities - Advances from customers**	4,335	*2,614*
Advance from commission agents	250	*250*
Total	**67,256**	*74,706*

*Includes liability for excise duty on closing stock of work-in-progress and finished goods, value added tax, goods and services tax, etc.

**Revenue recognised from amounts included in contract liabilities at the beginning of the year is Rs. 2,209 Lakhs (March 31, 2021: Rs. 2,583 Lakhs)

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	March 31, 2022	*March 31, 2021*
21. REVENUE FROM CONTRACTS WITH CUSTOMERS (INCLUDING EXCISE DUTY)		
Revenue from operations		
Sale of products (including excise duty)	12,85,718	*9,98,509*
Sale of services	2,775	*1,426*
Other operating revenues	23,248	*18,405*
Total	**13,11,741**	*10,18,340*
(a) Disaggregated revenue information		
Sale of products (including excise duty)		
Beer	12,73,211	*9,89,774*
Non-alcoholic beverages	2,988	*2,891*
Others (Input materials)	9,519	*5,844*
	12,85,718	*9,98,509*
Sale of services	2,775	*1,426*
Royalty income	**2,775**	*1,426*
Other operating revenues		
Income from contract manufacturing units	13,835	*11,921*
Scrap sales	9,100	*6,403*
Others	313	*81*
	23,248	*18,405*
(b) Timing of revenue recognition		
Products transferred at a point in time	12,95,131	*10,04,993*
Services rendered at a point in time	16,610	*13,347*
	13,11,741	*10,18,340*
(c) Reconciliation of amount of revenue recognised with contract price		
Revenue as per contracted price	13,59,036	*10,55,904*
Adjustments (Variable consideration, etc.)	(47,295)	*(37,564)*
Revenue from contracts with customers	**13,11,741**	*10,18,340*

(d) Performance obligations for sale of products is satisfied upon delivery of the goods and that for sale of services is satisfied upon rendering of respective services.

(e) Sale of products for the year ended March 31, 2022 is adjusted for reversals in variable consideration of Rs. 753 Lakhs (Previous year: Rs. 1,528 Lakhs).

(f) Also refer Note 10 for Trade receivables, Note 20 for Contract liabilities and Note 37 for Segment information.

Notes to standalone Financial Statements contd.
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	March 31, 2022	March 31, 2021
22. OTHER INCOME		
Interest income on bank and other deposits	1,499	434
Dividend income on investment in subsidiary company	23	23
Net gain on disposal of property, plant and equipment	11	4
Profit on sale of investments classified as fair value through profit or loss	54	—
Exchange differences (net)	352	356
Liabilities no longer required written back	479	205
Loss allowance for trade receivables, no longer required written back	217	3,380
Other non-operating income	331	618
Total	**2,966**	5,020
23. COST OF MATERIALS CONSUMED		
Raw materials		
Inventories at the beginning of the year	25,453	23,294
Add: Purchases	82,416	70,382
Less: Inventories at the end of the year	15,894	25,453
Consumption	**91,975**	68,223
Packing materials and bottles		
Inventories at the beginning of the year	16,252	18,962
Add: Purchases	1,79,710	1,26,323
Less: Inventories at the end of the year	16,543	16,252
Consumption	**1,79,419**	1,29,033
Total	**2,71,394**	1,97,256
24. PURCHASES OF STOCK-IN-TRADE		
Beer	18,501	6,220
Non-alcoholic beverages	1,081	1,151
	19,582	7,371
25. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Inventories at the beginning of the year		
Finished goods*	28,675	26,718
Work-in-progress	39,560	37,118
Stock-in-trade	457	690
	68,692	64,526
Less: Inventories at the end of the year		
Finished goods*	20,577	28,675
Work-in-progress	36,088	39,560
Stock-in-trade	231	457
	56,896	68,692
Decrease/(increase) in inventories	**11,796**	(4,166)
(Increase)/decrease in excise duty on inventories	**(9,507)**	3,171
Total	**2,289**	(995)

*Before provision for obsolete stock. Refer Note 9.

26. EMPLOYEE BENEFITS EXPENSE

	March 31, 2022	March 31, 2021
Salaries, wages and bonus**	46,293	42,135
Gratuity expense [refer note (i) below]	860	1,067
Contribution to provident and other funds [refer notes (i) and (ii) below]	1,835	2,250
Staff welfare expenses	2,948	2,777
Total	**51,936**	48,229

**Includes severance pay of Rs. 1,748 Lakhs (Previous year: Nil) paid to certain employees of the Company on separation.

(i) The Company operates two defined benefit plans i.e., gratuity and provident fund for its employees. Under the tiered gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure as per the Company policy subject to minimum of 15 days of last drawn salary for each completed year of service. The gratuity fund is managed by external agencies. Under the provident fund benefit plan, till Decmeber 31, 2021 the Company contributed to the provident fund trust which guaranteed a specified rate of return on such contributions on a periodical basis as per the government notification. The shortfall in the return, if any, was borne by the Company. The aforesaid funds are set up as trusts and are governed by the Board of Trustees who is responsible for the administration of plan assets and for deciding the investment strategy. Effective January 1, 2022, the provident fund trust has transferred the funds to the Regional Provident Fund (RPFC). Henceforth the provident fund and returns on the contribution would be managed by the RPFC and the Company's obligation is restricted to payment of the contribution made by employees and the employer's contribution on a monthly basis. As such, effective January 1, 2022 the provident fund benefit is a defined contribution plan. The following table summarises the components of net benefits expense and the funded status of the respective plans.

	Gratuity		Provident fund	
	March 31, 2022	March 31, 2021	**March 31, 2022**	March 31, 2021
(a) Changes in the present value of the defined benefit obligation				
Obligations at beginning of the year	10,401	11,569	19,060	17,100
Current service cost - employer contribution	851	961	673	863
Employee contribution	—	—	1,139	1,724
Interest cost	615	667	286	1,454
Benefits paid**	(1,572)	(1,953)	(21,158)	(2,201)
Actuarial (gain)/loss	(46)	(843)	—	120
Obligations at end of the year	**10,249**	10,401	**—**	19,060
(b) Change in fair value of plan assets				
Plan assets at the beginning of the year	9,241	9,884	18,795	16,127
Return on plan assets	606	561	551	1,404
Contributions during the year*	1,000	—	1,812	2,946
Benefits paid**	(1,572)	(1,953)	(21,158)	(2,201)
Actuarial gain/(loss)	33	749	—	519
Plan assets at end of the year	**9,308**	9,241	**—**	18,795

*Provident fund includes contribution by the employer towards loss on sale of investments by the provident fund trust.

**Provident fund benefits paid during the year ended March 31, 2022 includes Rs. 17,002 Lakhs (March 31, 2021: Nil) transferred to the Employee's Provident Fund Organisation, Government of India on surrender of exempted Provident Fund Trust.

Notes to standalone Financial Statements contd.

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	Gratuity		Provident fund	
	March 31, 2022	*March 31, 2021*	**March 31, 2022**	*March 31, 2021*
(c) Benefit asset/(liability)				
Fair value of plan assets	9,308	*9,241*	—	*18,795*
Less: Present value of the defined benefit obligations	10,249	*10,401*	—	*19,060*
Benefit asset/(liability)	**(941)**	*(1,160)*	**—**	*(265)*
(d) Cost charged to the statement of profit and loss under employee cost				
Current service cost - employer contribution	851	*961*	673	*863*
Interest cost	615	*667*	286	*1,454*
Return on plan assets	(606)	*(561)*	(551)	*(1,404)*
Net employee benefit expense* **	**860**	*1,067*	**408**	*913*
(e) Re-measurement (gain)/loss recognised in other comprehensive income				
Actuarial (gain)/loss				
Change in financial assumption	(437)	*(289)*	—	*182*
Experience variance (actual vs assumption)	390	*(554)*	—	*(62)*
Return on plan assets (excluding amount recognised in net interest expense)	(33)	*(749)*	—	*(519)*
Net actuarial (gain)/loss	**(80)**	*(1,592)*	**—**	*(399)*
(f) Major category of plan assets included in percentage of fair value of plan assets				
Government securities	—	—	—	*11,177*
Corporate bonds	—	—	—	*5,796*
Fund balance with insurance companies	9,308	*9,241*	—	—
Others	—	—	—	*1,822*
Total	**9,308**	*9,241*	**—**	*18,795*

***In respect of provident fund trust, the amount recognised in the statement of profit and loss is the amount contributed to provident fund by the Company and the amount of shortfall in defined benefit obligations (excluding the remeasurment gain/loss which is recognised in other comprehensive income).

(g) The principal assumptions used in determining gratuity and provident fund obligations for the Company plans are as shown below:

	Gratuity		Provident fund	
	March 31, 2022	*March 31, 2021*	**March 31, 2022**	*March 31, 2021*
Discount rate	6.70%	*6.40%*	—	*6.40%*
Salary increase rate	8.00%-10.50%	*8.00%-10.50%*	—	*8.00%-10.50%*
Employee turnover	5.00%-15.00%	*5.00%-15.00%*	—	*5.00%-15.00%*
Expected return on exempt fund	Not applicable		—	*7.65%*

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The overall rate of return on assets is determined based on the market price prevailing on that date, applicable to the period over which the obligation is to be settled.

(h) A quantitative sensitivity analysis for significant assumptions is as below:

	March 31, 2022		March 31, 2021	
	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation (Gratuity) - Increase/(decrease) in liability				
Discount rate	(704)	799	*(735)*	*836*
Salary increase rate	787	(705)	*812*	*(730)*
Employee turnover	(148)	161	*(165)*	*183*
Impact on defined benefit obligation (Provident fund) - Increase/(decrease) in liability				
Expected return on exempt fund	—	—	*(564)*	*627*

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable change in key assumptions occurring at the end of the reporting period.

(i) The Company expects to contribute Rs. 500 Lakhs (March 31, 2021: Rs. 1,000 Lakhs) to gratuity fund during the next financial year. The maturity profile of the benefit payments under the defined benefit plans in future years is a under:

	Gratuity		Provident fund	
	March 31, 2022	*March 31, 2021*	March 31, 2022	*March 31, 2021*
Within next 12 months	691	*686*	—	*3,930*
Between 2 to 5 years	4,683	*4,356*	—	*6,425*
Between 5 to 10 years	7,431	*7,605*	—	*3,979*
Total	**12,805**	*12,647*	**—**	*14,334*

The average duration of the defined benefit plan obligations at the end of the reporting period is 7 years (Previous year: 7 years)

(ii) Contribution to provident and other funds include the following:

	March 31, 2022	*March 31, 2021*
Provident fund (includes defined benefit obligation)	1,225	*1,548*
Superannuation fund	586	*669*
Employees state insurance fund	24	*33*
Total	**1,835**	*2,250*

27. FINANCE COSTS

Interest expense (including on lease liabilities)	1,464	*2,244*
Other borrowing costs	14	*23*
Total	**1,478**	*2,267*

28. DEPRECIATION AND AMORTISATION EXPENSE

Depreciation of property, plant and equipment (including right-of-use assets)	21,163	*22,661*
Amortisation of intangible assets	528	*524*
Total	**21,691**	*23,185*

Notes to standalone Financial Statements contd.
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

29. OTHER EXPENSES

	March 31, 2022		March 31, 2021	
Consumption of stores and spares		11,229		7,946
Power and fuel		14,202		11,451
Rent		3,939		3,892
Repairs and maintenance				
Plant and machinery		4,444		2,656
Buildings		225		121
Others		2,060		1,348
Insurance		2,324		2,223
Rates and taxes		30,854		22,866
Legal and professional charges		6,379		3,933
Auditor's remuneration*				
Statutory audit fee	148		141	
Limited review fee	29		27	
Tax audit fee	19		19	
Certifications	5		15	
Other audit related services	99		15	
Others	23	323	8	225
Sales promotion expenses [net of reversal of Rs.213 Lakhs (Previous year: Rs. 186 Lakhs)]		27,606		21,095
Outward freight, halting and breakage expenses		30,246		23,098
Distribution expenses [net of reversal of Rs. 754 Lakhs (Previous year: Rs. 145 Lakhs)]		16,490		16,451
CSR expenditure (refer details below)		1,080		1,383
Bad debts/advances written off		301		28
Loss allowance for trade receivables		1,720		479
Provision for doubtful advances/deposits		620		966
Miscellaneous expenses		14,458		14,101
Total		**1,68,500**		1,34,262

*Includes goods and service tax and reimbursement of expenses

Details of CSR expenditure		
(a) Gross amount required to be spent by the Company during the year	1,080	1,368
(b) Amount approved by the Board to be spent during the year	1,080	1,368
(c) Amount spent during the year		
Construction/acquisition of any asset	—	—
Other than construction/acquisition of any asset	736	1,383
Total	**736**	1,383
(d) Details related to spent/unspent obligations		
Amount spent during the year	736	1,383
Unspent amount in relation to ongoing project	344	47
Unspent amount in relation to other than ongoing project	—	—
Total	**1,080**	1,430
(e) Details of ongoing projects		
Balance at the beginning of the year (with the Company)**	47	62
Amount required to be spent during the year	1,080	1,368
Less: Amount spent during the year (from the Company's bank account)	736	1,383
Less: Amount spent during the year (from unspent CSR account)	46	—
Balance at the end of the year (with the Company)* **	**345**	47

**Balance at the beginning of the year (i.e.,as at April 1, 2021) was transferred to a separate unspent CSR account during the year.

***The Company is in the process of transferring unspent amount to a separate unspent CSR account.

	March 31, 2022	*March 31, 2021*
30. EXCEPTIONAL ITEMS		
Impairment (loss) on property, plant and equipment (Refer Note 42)	—	*(4,446)*
Impairment (loss) on investment in subsidiary company (see note (a) below)	—	*(1,776)*
Gain on transfer of rights and interest in a leasehold land (see note (b) below)	—	*5,500*
Total	**—**	*(722)*

(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 is 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 year ended March 31, 2021. No further impairment was noted during the year.

(b) The Company executed a deed for assignment cum transfer of its rights and interest in a leasehold land property (disclosed as assets held for sale) and accordingly a profit of Rs. 5,500 Lakhs realised on such transfer was recognized during the year ended March 31, 2021.

31. TAX EXPENSES		
Income tax related to items charged or credited to the statement of profit and loss during the year:		
Profit and loss section		
Current tax	13,159	*6,733*
Deferred tax (credit)	(371)	*(1,222)*
Total	**12,788**	*5,511*
Other comprehensive income		
Deferred tax charge on		
Re-measurement of defined benefit plans	20	*501*
Total	**20**	*501*
Reconciliation of tax expense with accounting profit multiplied by statutory income tax rate:		
Accounting profit before income tax	**49,289**	*16,796*
Tax as per statutory income tax rate of 25.17% (Previous year: 25.17%)	12,406	*4,228*
Non-deductible expenses for tax purposes		
CSR expenditure	272	*348*
Impairment loss on investment	—	447
Others	110	*488*
Income tax expense reported in statement of profit and loss account	**12,788**	*5,511*

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Notes to standalone Financial Statements contd.
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

32. EARNINGS PER SHARE (EPS)

	March 31, 2022	*March 31, 2021*
The following reflects the profit and share data used in the basic and diluted EPS computation:		
Net profit attributable to equity shareholders	36,501	*11,285*
Weighted average number of equity shares considered for calculating basic/diluted EPS	26,44,05,149	*26,44,05,149*
Earnings per share (Basic/Diluted) (Rs.)	**13.81**	*4.27*

33. LEASES

The Company has lease contracts for land, office premises, employee residential premises, computers, plant and equipment, furniture and vehicles. Leasehold land arrangements are for 90-99 years with various government authorities. Other leases are for a period upto 9 years with options of renewal and premature termination with notice, except in certain leases with lock-in period of 6 to 36 months. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and sub-leasing the leased assets. There are certain lease contracts that include extension and termination options. The Company also has certain leases with lease terms of twelve months or less and leases with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases. There are no lease arrangements with variable lease payments.

Refer Note 3 for details of carrying amounts of right-of-use assets recognised and the movements during the year. Set out below are the carrying amounts of lease liabilities and the movements during the year:

At the beginning of the year	1,180	*1,659*
Additions	286	*374*
Accretion of interest	91	*113*
Payments (including interest)	(583)	*(966)*
At the end of the year	**974**	*1,180*
Current	368	*406*
Non-current	606	*774*
Total	**974**	*1,180*

The Company has applied weighted average incremental borrowing rate of 8% per annum to lease liabilities recognised in the balance sheet. The maturity analysis of lease liabilities is disclosed in Note 40(c). The following are the amounts recognised in the statement of profit and loss:

Depreciation expense of right-of-use assets	719	*1,070*
Interest expense on lease liabilities	91	*113*
Expense relating to short-term leases (included in rent expense)	3,760	*3,646*
Expense relating to leases of low-value assets (included in rent expense)	179	*246*
Total amount recognised in the statement of profit and loss	**4,749**	*5,075*

The Company had total cash outflows for leases of Rs. 4,522 Lakhs (Previous year: Rs. 4,858 Lakhs) for the year ended March 31, 2022. The Company also had non-cash additions to right-of-use assets and lease liabilities of Rs. 286 Lakhs (Previous year: Rs. 374 Lakhs) during the year ended March 31, 2022. There are no leases that have been entered into but not yet commenced as at year end.

The undiscounted potential future rental payment relating to periods following the exercise date of extension option that are not included in the lease term is Rs. 151 Lakhs (Previous Year: Rs. 159 Lakhs). There are no termination options which are expected to be exercised but not included in lease term.

	March 31, 2022	*March 31, 2021*
34. CAPITAL AND OTHER COMMITMENTS		
(a) Estimated amount of contracts remaining to be executed (net of capital advances) on capital account and not provided for	6,507	*5,070*
(b) Commitments under contracts for malt conversion	1,404	*2,808*
(c) Commitments under power purchase agreements	6,706	*6,700*
(d) Other contractual commitments	1,949	*2,430*
Total	**16,566**	*17,008*

For commitments relating to lease arrangements, refer Note 33.

35. CONTINGENT LIABILITIES

(a) The Company received an order dated September 24, 2021 under Section 27 of the Competition Act, 2002 from the Competition Commission of India ("CCI") ('the CCI Order'), wherein the CCI concluded that the Company and certain executives (including former executives) of the Company contravened the provisions of Section 3 of the Competition Act, 2002. The CCI levied a penalty of Rs. 75,183 Lakhs on the Company. On December 8, 2021, the Company filed an appeal against the aforesaid CCI Order before the National Company Law Appellate Tribunal ('NCLAT'). The NCLAT vide its order dated December 22, 2021 granted a stay of the CCI Order during the pendency of the appeal, including recovery of the penalty imposed by the CCI, subject to deposit of 10% of the penalty amount by the Company. The Company has accordingly deposited Rs. 7,518 Lakhs with the Registrar, NCLAT.

Based on the advice of the external legal experts, the Company is of the view that the Director General and the CCI has not considered all aspects of its submissions particularly considering the nature of the regulations governing the manufacture, distribution and sale of beer in India. As advised by the Company's external legal experts, the Company has a strong case on merits, there exists uncertainty relating to the final outcome in this matter, which is dependent on judicial proceedings; and that it is not in a position to reliably estimate the final obligation relating to penalties, if any. Accordingly, no provision has been recorded in the books of account and the same has been considered as a contingent liability in accordance with Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets.

(b) On January 5, 2022, a party has filed a claim of Rs. 2,877 Lakhs against the Company before the Arbitral Tribunal, which includes claims towards loss of profit, certain reimbursement claims and damages towards breach of contract, etc. On February 12, 2022, the Company filed a counter claim against the party before the Arbitral Tribunal, which includes claim towards loss of business and other recoverables. Management based on a legal opinion, believes that the claims made by the party are not sustainable and no liability would arise from the same. Accordingly, no liability/provision is recognised in this regard.

(c) Others

Claims against the Company not acknowledged as debts^		
Income tax	77,959	*45,166*
Excise duty	14,845	*14,551*
Sales tax	11,410	*9,820*
Service tax	2,599	*2,599*
Water charges	3,271	*3,197*
Employee state insurance/provident fund	104	*84*
Others	9,941	*9,614*
Other money for which the Company is contingently liable		
Bank guarantees	1,891	*3,809*
Letter of credit	—	*1,176*
Total	**1,22,020**	*90,016*

Notes to standalone Financial Statements contd.
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

^The Company is contesting these demands / notices and the management, based on advice of its legal/tax consultants, believes that its position will likely be upheld in the appellate process. No expense has been accrued in the standalone financial statements for these demands raised. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations. The Company does not expect any reimbursements in respect of these contingent liabilities. The amounts disclosed as contingent liabilities above are based on the demands stated in the orders /notices received from the tax authorities. These do not include amounts for similar matters for periods subsequent to periods covered by these demands / notices and interest or penalty which are not included in these demands / notices.

During the financial year 2006-07 relating to assessment year 2007-08, pursuant to acquisition of a subsidiary and its subsequent merger in the same financial year, the Company recognized goodwill of Rs. 6,230 Lakhs and has claimed depreciation thereon under the Income Tax Act. The claim of depreciation on goodwill has been litigated by the tax authorities and the Company's appeal in this regard is pending before the Honorable High Court of Karnataka. The Company has relied on the Honorable Supreme Court's (SC) judgement on depreciation claim and other rulings of High Courts relying on the aforesaid SC order which supports claim for depreciation on goodwill. Based on advice of its tax consultants and senior counsel, the Company believes that it is probable that its position will be upheld in the appellate process and hence tax thereupon is considered as a contingent liability.

In addition, the Company is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The management reasonably does not expect that these legal actions, when ultimately concluded and determined, will have material effect on the Company's results of operations or financial condition.

(d) The Supreme Court of India in a judgement on Provident Fund dated February 28, 2019 addressed the principle for determining salary components that form part of Basic Salary for individuals below a prescribed salary threshold. It is however unclear as to whether the clarified definition of Basic Salary would be applicable prospectively or retrospectively. The Component has complied with the aforesaid judgement on a prospective basis from the date of the judgement and will continue to monitor and evaluate retrospective application, if applicable, based on future events and developments.

36. Details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

	March 31, 2022	*March 31, 2021*
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount due to micro and small enterprises	8,353	*5,193*
- Interest due on above	791	*1,139*
- Total	**9,144**	*6,332*
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	150	—
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	192	*268*
The amount of interest accrued and remaining unpaid at the end of each accounting year	791	*1,139*
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	791	*1,139*

The information given above is to the extent such parties have been identified by the Company on the basis of information disclosed by the suppliers.

37. Segment reporting

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

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.

	March 31, 2022	*March 31, 2021*
Segment revenue		
Beer	13,08,753	*10,15,449*
Non-alcoholic beverages	2,988	*2,891*
Total revenue	**13,11,741**	*10,18,340*
Segment results		
Beer	83,938	*50,114*
Non-alcoholic beverages	(6,510)	*(3,841)*
Total segment results	**77,428**	*46,273*
Other income	2,966	*5,020*
Finance costs	(1,478)	*(2,267)*
Other unallocable expenses	(29,627)	*(31,508)*
Profit before exceptional items and tax	**49,289**	*17,518*
Exceptional items (refer Note 30)	—	***(722)***
Profit before tax	**49,289**	*16,796*
Information about geographical areas is as below:		
Revenue from external customers (including excise duty)		
India	12,96,041	*10,10,662*
Outside India	15,700	*7,678*
Total	**13,11,741**	*10,18,340*
The above information is based on the location of customers.		
Non-current operating assets		
India	2,01,465	*2,07,003*
Outside India	—	—
Total	**2,01,465**	*2,07,003*

Non-current assets for this purpose consists of property, plant and equipment, capital work-in-progress and intangible assets.

Revenue (including excise duty) from customers individually contributing more than 10% of the Company's revenue aggregates to Rs. 438,084 Lakhs (Previous year: Rs. 256,556 Lakhs) from 2 customers (Previous year: 1 customer).

Notes to standalone Financial Statements contd.
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

38. RELATED PARTY DISCLOSURES

A. Name of related parties and related party relationships

Related party where control or significant influence exists:

Ultimate holding company	: Heineken N.V. (effective July 29, 2021)
Subsidiary	Maltex Malsters Limited ('MML')
Associate	: Kingfisher East Bengal Football Team Private Limited ('KEBFTPL')

Related parties under Ind AS 24 with whom transactions have taken place:

Enterprises having significant influence	: Scottish & Newcastle India Limited, UK ('SNIL') Heineken International B.V. ('HIBV') (effective June 23, 2021)
Key management personnel (KMP)	: Mr. Rishi Pardal, Managing Director (effective August 1, 2020) Mr. Berend Cornelis Roelof Odink, Chief Financial Officer and Director (Director effective June 29, 2021*) Mr. Shekhar Ramamurthy, Managing Director (till July 31, 2020)

*During the year ended March 31, 2022, the Company appointed Mr. Berend Cornelis Roelof Odink, a Non-resident as whole-time director of the Company. The Company has filed an application with the Central Government seeking approval for appointment of Mr. Berend Cornelis Roelof Odink as a director, as per Rule 7 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the same is presently awaited. The Company obtained shareholders' approval in this regard at the Annual General Meeting of the Company held on July 29, 2021.

Enterprises over which investing parties have significant influence/Fellow subsidiaries (effective July 29, 2021)	: Heineken UK Limited ('HUL'), holding company of SNIL Heineken International B.V. ('HIBV') (till June 22, 2021) Heineken Brouwerijen B.V. ('HBBV') Heineken Supply Chain B.V. ('HSCBV') Heineken Asia Pacific Pte. Ltd. ('HAPPL') Heineken Asia Pacific Export Pte. Ltd. ('HAPEP') Heineken Asia Pacific Beverages Pte. Ltd. ('HAPBPL') Amstel Brouwerijen B.V. ('Amstel') DB Breweries Limited ('DBL') DBG (Australia) Pty Limited ('DBG') Sirocco FZCO, United Arab Emirates ('SIRC') Asia Pacific Breweries (Singapore) Pte. Ltd. ('APBS')
Employee benefits trusts (included in 'Others' below)	: UBL Gratuity Fund Trust United Breweries Limited Provident Fund Trust ("UBL Provident Fund Trust")** United Breweries Superannuation Fund ("UBL Superannuation Fund")

**During the year ended March 31, 2022, the Company has surrendered the trust to the Employees Provident Fund Organisation, Government of India.

Additional related parties as per the Companies Act, 2013 with whom transactions have taken place

Directors	: Mr. A K Ravi Nedungadi (till July 29, 2021)
	Mr. Stephan Gerlich
	Mrs. Kiran Majumdar Shaw
	Mr. Madhav Bhatkuly
	Mr. Sunil Alagh
	Mr. Christiaan August J Van Steenbergen
	Mr. Jan Cornelis Van Der Linden (effective June 1, 2020)
	Mr. Rudolf Gijsbert Servaas Van Den Brink (till May 31, 2020)

The Securities and Exchange Board of India vide its order dated January 25, 2017 restrained Dr. Vijay Mallya from holding position as Director or Key Managerial Person of any listed company. Pursuant to the decision of the Board at its meeting held on July 4, 2017, the Company had communicated on July 6, 2017 to Dr. Mallya and his associate companies (promoters of the Company) to nominate a director on the Board in his place in terms of the Articles of Association of the Company. Further, pursuant to the decision of the Board at its meeting held on August 10, 2017, the Company carried out necessary filings with the Registrar of Companies, Karnataka (ROC) and Stock Exchanges notifying Dr. Mallya's cessation from holding the position of director in the Company. The applicable form relating to cessation of directorship has since been approved by the ROC. Effective July 29,2021, Mr.Vijay Mallya is not a related party.

Key management personnel (KMP):	: Mr. Govind Iyengar, Senior Vice-President Legal and Company Secretary
Body corporate/Private companies whose Board of directors is accustomed to act in accordance with advise, directions or instructions of directors/ members (included in 'Others' below)	: United Breweries (Holdings) Limited ('UBHL')^ (till March 31, 2021)
	H. Parson Private Limited ('HPPL') (till March 31, 2021)
	Kingfisher Beer Europe Limited ('KBE') (till March 31, 2021)

^The Karnataka High Court has ordered winding up of UBHL on February 7, 2017.

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B. Transactions with related parties during the year along with balances as at year end:

	Subsidiary		Associate		Enterprises having significant influence		Directors and KMP		Enterprises over which investing parties have significant influence/ Fellow subsidiaries		Others	
	March 31, 2022	*March 31, 2021*	**March 31, 2022**	*March 31, 2021*	**March 31, 2022**	*March 31, 2021*	**March 31, 2022**	*March 31, 2021*	**March 31, 2022**	*March 31, 2021*	**March 31, 2022**	*March 31, 2021*
Transactions during the year												
Sale of products (net)												
MML	–	*114*	–	–	–	–	–	–	–	–	–	–
SIRC	–	–	–	–	–	–	–	–	11,826	*5,401*	–	–
APBS	–	–	–	–	–	–	–	–	392	*331*	–	–
HPPL	–	–	–	–	–	–	–	–	–	–	–	*2,788*
	–	*114*	**–**	–	**–**	–	**–**	–	**12,218**	*5,732*	**–**	*2,788*
Royalty income												
APBS	–	–	–	–	–	–	–	–	1,760	*613*	–	–
DBL	–	–	–	–	–	–	–	–	542	*451*	–	–
DBG	–	–	–	–	–	–	–	–	101	*114*	–	–
KBE	–	–	–	–	–	–	–	–	–	–	–	*43*
	–	–	**–**	–	**–**	–	**–**	–	**2,403**	*1,178*	**–**	*43*
Purchase of materials												
MML	–	115	–	–	–	–	–	–	–	–	–	–
HAPBPL	–	–	–	–	–	–	–	–	1,201	*727*	–	–
HAPEP	–	–	–	–	–	–	–	–	–	*127*	–	–
HSCBV	–	–	–	–	–	–	–	–	5	*18*	–	–
	–	*115*	**–**	–	**–**	–	**–**	–	**1,206**	*872*	**–**	–
Processing charges paid												
MML	697	*656*	–	–	–	–	–	–	–	–	–	–
	697	*656*	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–
Sales promotion expenses												
HPPL	–	–	–	–	–	–	–	–	–	–	–	*5*
	–	–	**–**	–	**–**	–	**–**	–	**–**	–	**–**	*5*
Rent expense												
UBHL	–	–	–	–	–	–	–	–	–	–	–	*101*
	–	–	**–**	–	**–**	–	**–**	–	**–**	–	**–**	*101*
Technical service fees												
HIBV	–	–	–	–	600	–	–	–	–	*600*	–	–
	–	–	**–**	–	**600**	–	**–**	–	**–**	*600*	**–**	–

	Subsidiary		Associate		Enterprises having significant influence		Directors and KMP		Enterprises over which investing parties have significant influence/ Fellow subsidiaries		Others	
	March 31, 2022	*March 31, 2021*	**March 31, 2022**	*March 31, 2021*	**March 31, 2022**	*March 31, 2021*	**March 31, 2022**	*March 31, 2021*	**March 31, 2022**	*March 31, 2021*	**March 31, 2022**	*March 31, 2021*
Royalty paid												
HBBV	–	–	–	–	–	–	–	–	395	*278*	–	–
Amstel	–	–	–	–	–	–	–	–	217	*177*	–	–
	–	–	**–**	–	**–**	–	**–**	–	**612**	*455*	**–**	–
Consultancy fees paid												
HSCBV	–	–	–	–	–	–	–	–	131	*137*	–	–
HIBV	–	–	–	–	361	–	–	–	–	*25*	–	–
KBE	–	–	–	–	–	–	–	–	–	–	–	*25*
	–	–	**–**	–	**361**	–	**–**	–	**131**	*162*	**–**	*25*
Reimbursements received												
HAPPL	–	–	–	–	–	–	–	–	–	*60*	–	–
HAPEP	–	–	–	–	–	–	–	–	–	*16*	–	–
HIBV	–	–	–	–	99	–	–	–	–	–	–	–
	–	–	**–**	–	**99**	–	**–**	–	**–**	*76*	**–**	–
Reimbursements paid												
MML	–	1	–	–	–	–	–	–	–	–	–	–
HIBV	–	–	–	–	352	–	–	–	–	*319*	–	–
HAPBPL	–	–	–	–	–	–	–	–	–	*1*	–	–
HPPL	–	–	–	–	–	–	–	–	–	–	–	*55*
	–	*1*	**–**	–	**352**	–	**–**	–	**–**	*320*	**–**	*55*
Remuneration paid [Refer (b) below]												
Mr. Rishi Pardal	–	–	–	–	–	–	1,024	*478*	–	–	–	–
Mr. Berend Cornelis Roelof Odink	–	–	–	–	–	–	431	*451*	–	–	–	–
Mr. Shekhar Ramamurthy	–	–	–	–	–	–	214	*931*	–	–	–	–
Mr. Govind Iyengar	–	–	–	–	–	–	244	*258*	–	–	–	–
	–	–	**–**	–	**–**	–	**1,913**	*2,118*	**–**	–	**–**	–
Sitting fee paid												
Mr. A K Ravi Nedungadi	–	–	–	–	–	–	8	*16*	–	–	–	–
Mr. Stephan Gerlich	–	–	–	–	–	–	12	*13*	–	–	–	–
Mrs. Kiran Majumdar Shaw	–	–	–	–	–	–	12	*15*	–	–	–	–

	Subsidiary		Associate		Enterprises having significant influence		Directors and KMP		Enterprises over which investing parties have significant influence/ Fellow subsidiaries		Others	
	March 31, 2022	*March 31, 2021*	**March 31, 2022**	*March 31, 2021*	**March 31, 2022**	*March 31, 2021*	**March 31, 2022**	*March 31, 2021*	**March 31, 2022**	*March 31, 2021*	**March 31, 2022**	*March 31, 2021*
Sitting fee paid												
Mr. Madhav Bhatkuly	–	–	–	–	–	–	16	*23*	–	–	–	–
Mr. Sunil Alagh	–	–	–	–	–	–	18	*26*	–	–	–	–
Mr. Christiaan August J Van Steenbergen	–	–	–	–	–	–	14	*15*	–	–	–	–
Mr. Jan Cornelis Van Der Linden	–	–	–	–	–	–	11	*16*	–	–	–	–
	–	–	–	–	–	–	**91**	*124*	–	–	–	–
Director Commission accrued*												
Mr. A K Ravi Nedungadi	–	–	–	–	–	–	28	*57*	–	–	–	–
Mr. Stephan Gerlich	–	–	–	–	–	–	99	*57*	–	–	–	–
Mrs. Kiran Majumdar Shaw	–	–	–	–	–	–	99	*57*	–	–	–	–
Mr. Madhav Bhatkuly	–	–	–	–	–	–	99	*57*	–	–	–	–
Mr. Sunil Alagh	–	–	–	–	–	–	99	*57*	–	–	–	–
	–	–	–	–	–	–	**424**	*285*	–	–	–	–
Dividend accrued/paid on equity shares												
SNIL	–	–	–	–	450	*2,250*	–	–	–	–	–	–
HIBV	–	–	–	–	321	–	–	–	–	*613*	–	–
HUL	–	–	–	–	–	–	–	–	42	*212*	–	–
Dr. Vijay Mallya (including joint holdings) [Refer (c) below]	–	–	–	–	–	–	–	–	–	–	–	*534*
	–	–	–	–	**771**	*2,250*	–	–	**42**	*825*	–	*534*
Dividend received												
MML	23	*23*	–	–	–	–	–	–	–	–	–	–
	23	*23*	–	–	–	–	–	–	–	–	–	–
Purchase of investments												
UBL Provident Fund Trust	–	–	–	–	–	–	–	–	–	–	49	*300*
	–	–	–	–	–	–	–	–	–	–	**49**	*300*
Contributions made												
UBL Gratuity Fund Trust	–	–	–	–	–	–	–	–	–	–	1,000	–
UBL Provident Fund Trust**	–	–	–	–	–	–	–	–	–	–	1,812	*2,946*
UBL Superannuation Fund	–	–	–	–	–	–	–	–	–	–	586	*669*
	–	–	–	–	–	–	–	–	–	–	**3,398**	*3,615*

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	March 31, 2022	March 31, 2021
Compensation of key management personnel		
Short-term employee benefits	1,913	2,118
Post-employment gratuity (Paid by UBL Gratuity Fund Trust)	–	1,277
Termination benefits	–	–
Share-based payment transactions	–	–
Total compensation paid to key management personnel	**1,913**	3,395

*Excludes Goods and Services Tax (GST) paid by the Company under reverse charge mechanism.
**Includes both employer and employee contributions to the fund.

	Subsidiary		Associate		Enterprises having significant influence		Directors and KMP		Enterprises over which investing parties have significant influence/ Fellow subsidiaries		Others	
	March 31, 2022	March 31, 2021	**March 31, 2022**	March 31, 2021	**March 31, 2022**	March 31, 2021	**March 31, 2022**	March 31, 2021	**March 31, 2022**	March 31, 2021	**March 31, 2022**	March 31, 2021
Balances outstanding as at year end												
Investment in equity shares												
MML	4,500	4,500	–	–	–	–	–	–	–	–	–	–
KEBFTPL	–	–	1	1	–	–	–	–	–	–	–	–
	4,500	4,500	**1**	1	**–**	–	**–**	–	**–**	–	**–**	–
Provision for diminution in value of investments												
MML	3,735	3,735	–	–	–	–	–	–	–	–	–	–
	3,735	3,735	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–
Trade receivables												
SIRC	–	–	–	–	–	–	–	–	1,994	522	–	–
APBS	–	–	–	–	–	–	–	–	999	297	–	–
DBL	–	–	–	–	–	–	–	–	125	141	–	–
HIBV	–	–	–	–	99	–	–	–	–	–	–	–
DBG	–	–	–	–	–	–	–	–	30	49	–	–
KBE	–	–	–	–	–	–	–	–	–	–	–	6
HPPL (net of security deposit)	–	–	–	–	–	–	–	–	–	–	–	9
	–	–	**–**	–	**99**	–	**–**	–	**3,148**	1,009	**–**	15
Security deposits (asset)												
UBHL	–	–	–	–	–	–	–	–	–	–	–	65
	–	–	**–**	–	**–**	–	**–**	–	**–**	–	**–**	65
Advance to supplier												
MML	–	75	–	–	–	–	–	–	–	–	–	–
	–	75	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–

	Subsidiary		Associate		Enterprises having significant influence		Directors and KMP		Enterprises over which investing parties have significant influence/ Fellow subsidiaries		Others	
	March 31, 2022	*March 31, 2021*	**March 31, 2022**	*March 31, 2021*	**March 31, 2022**	*March 31, 2021*	**March 31, 2022**	*March 31, 2021*	**March 31, 2022**	*March 31, 2021*	**March 31, 2022**	*March 31, 2021*
Trade payables												
HIBV	–	–	–	–	888	–	–	–	–	*629*	–	–
HBBV	–	–	–	–	–	–	–	–	116	*124*	–	–
Amstel	–	–	–	–	–	–	–	–	58	*66*	–	–
HSCBV	–	–	–	–	–	–	–	–	33	*30*	–	–
HAPBPL	–	–	–	–	–	–	–	–	205	*13*	–	–
MML	39	–	–	–	–	–	–	–	–	–	–	–
UBHL	–	–	–	–	–	–	–	–	–	–	–	*209*
	39	–	**–**	–	**888**	–	**–**	–	**412**	*862*	**–**	*209*
Other Payables												
Mr. A K Ravi Nedungadi	–	–	–	–	–	–	26	*52*	–	–	–	–
Mr. Stephan Gerlich	–	–	–	–	–	–	65	*38*	–	–	–	–
Mrs. Kiran Majumdar Shaw	–	–	–	–	–	–	92	*52*	–	–	–	–
Mr. Madhav Bhatkuly	–	–	–	–	–	–	91	*52*	–	–	–	–
Mr. Sunil Alagh	–	–	–	–	–	–	91	*53*	–	–	–	–
Mr. Christiaan August J Van Steenbergen	–	–	–	–	–	–	1	*1*	–	–	–	–
Mr. Jan Cornelis Van Der Linden	–	–	–	–	–	–	–	*1*	–	–	–	–
	–	–	**–**	–	**–**	–	**366**	*249*	**–**	–	**–**	–

(a) Property, plant and equipment with gross block of Rs. 343 Lakhs (Previous year : Rs. 343 Lakhs) are lying with MML.

(b) The remuneration to key managerial personnel includes reimbursements and excludes the provisions made for gratuity and compensated absences, as they are determined on an actuarial basis for the Company as a whole. Also, for Mr. Rishi Pardal, the remuneration disclosed in March 31, 2021 is for the period he has been designated as Managing Director of the Company.

(c) 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. 2,099 Lakhs (net of taxes) relating to dividend on aforesaid shares. The Company would also withhold payment of proposed dividend for the year ended March 31, 2022 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; accordingly the Company has withheld payment of Rs. 45 Lakhs (net of TDS), relating to director commission and sitting fees payable to the aforesaid erstwhile director.

Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those prevailing in arm's length transaction. The outstanding receivables/payables balances are generally unsecured and interest free. There have been no guarantees provided to or received from any related party.

39. FINANCIAL INSTRUMENTS FAIR VALUE MEASUREMENT

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised within the fair value hierarchy, as below, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 : Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

The fair value measurement hierarchy of the Company's assets and liabilities is as below:

	Carrying amount	Fair values		
		Level 1	Level 2	Level 3
As at March 31, 2022				
Financial assets measured at fair value through profit or loss				
Investments in equity instruments	553	—	—	553
Financial assets measured at fair value through other comprehensive income				
Investments in debt instruments	278	212	66	—
Financial assets measured at cost less impairment				
Investments in subsidiary and associate	766	—	—	766
As at March 31, 2021				
Financial assets measured at fair value through profit or loss				
Investments in equity instruments	302	—	—	302
Financial assets measured at fair value through other comprehensive income				
Investments in debt instruments	300	—	300	—
Financial assets measured at cost less impairment				
Investments in subsidiary and associate	766	—	—	766

There has been no transfers between levels during the year.

Considering that the amounts involved for investment in equity instruments are not significant, fair value fluctuations are not expected to be material and hence no further disclosure has been made. The fair values of investment in quoted debt instruments are based on price quotations and available market information at the reporting date are classified as Level 1.

The fair value of investment in subsidiary for the purpose of impairment assessment is determined based on fair valuation of the underlying assets. The key assumptions used in the valuation includes marketability discount of 10% and cost to sell of 2%. The sensitivity of 5% increase/(decrease) in the marketability discount and cost of sell would have an immaterial impact on the valuation. Also refer Note 30(a).

The management assessed that the carrying values of trade and other receivables, cash and short-term deposits, other assets, borrowings, trade and other payables and balances with related parties, based on their notional amounts, reasonably approximate their fair values because these instruments have short-term maturities.

40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, trade and other receivables, cash and cash equivalents, bank balances and security deposits that are out of regular business operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a risk management committee that advises on financial risks and the appropriate financial risk governance framework for the Company.

Notes to standalone Financial Statements contd.

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

The risk management committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument that will fluctuate because of changes in market prices. Market risk comprises of three types of risk i.e. interest rate risk, currency risk and other price risk, such as commodity risk. Financial instruments affected by market risk include borrowings and trade payables.

i. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rate relates primarily to the Company's borrowings with floating interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	March 31, 2022		*March 31, 2021*	
	1% increase	**1% decrease**	*1% increase*	*1% decrease*
Impact on profit before tax	—	—	*(250)*	*250*

ii. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's foreign currency borrowings, trade payable and trade receivables.

The Company did not hedge any exposure as at March 31, 2022 and March 31, 2021. The unhedged foreign currency exposure (gross amounts in Indian rupees lakhs) as at the reporting date is as below:

	As at March 31, 2022	*As at March 31, 2021*
Trade receivables	3,326	*1,450*
Advances to suppliers	311	*165*
Balance in exchange earners foreign currency bank accounts	5,856	*4,692*
Capital advances	55	*72*
Trade payables	2,022	*2,384*
Liability for capital goods	724	*779*

The following table demonstrate the sensitivity to a reasonably possible change in foreign exchange rates, with all other variables held constant:

	March 31, 2022		*March 31, 2021*	
	1% increase	**1% decrease**	*1% increase*	*1% decrease*
Impact on profit before tax	68	(68)	*31*	*(31)*

iii. Commodity price risk

The Company is affected by the price volatility of certain commodities. Its operating activities require the ongoing purchase and manufacture of Beer and therefore require a continuous supply of Barley. The Company's Board of Directors has developed and enacted a risk management strategy regarding commodity price risk and its mitigation.

The following table shows the effect of price changes in Barley:

	March 31, 2022		*March 31, 2021*	
	1% increase	1% decrease	*1% increase*	*1% decrease*
Impact on profit before tax	(271)	271	*(193)*	*193*

(b) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments if a counterparty default on its obligations. The Company's exposure to credit risk arises majorly from trade/other receivables and investment in debt instruments. Other financial assets like security deposits and bank deposits are mostly with government authorities and nationalised banks and hence, the Company does not expect any significant credit risk with respect to these financial assets. With respect to trade receivables, significant portion (68% at March 31, 2022 and 70% as at March 31, 2021) includes dues from state government corporations, where probability of default is remote. The Company has constituted regional and corporate credit committees to review trade receivables on periodic basis and to take necessary mitigations, wherever required.

The Company creates provision for all unsecured trade receivables based on lifetime expected credit loss. The summary of changes in loss allowance for trade receivables is as below:

	March 31, 2022	*March 31, 2021*
Balance at the beginning of the year	5,792	*8,693*
Provision recognised/(reversed) during the year, net	1,503	*(2,901)*
Balance at the end of the year	**7,295**	*5,792*

The Company has considered the possible effects of the COVID-19 pandemic on the carrying amounts of trade and other receivables, by using available internal and external sources of information.

(c) Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank borrowings. The table below summarises the undiscounted maturity profile of the Company's financial liabilities:

	Maturities				Total
	Upto 1 year	1-2 years	2-3 years	>3 Years	
March 31, 2022					
Lease liabilities	432	236	120	367	1,155
Trade payables	63,769	—	—	—	63,769
Other financial liabilities	55,719	2,497	—	—	58,216
Total	**1,19,920**	**2,733**	**120**	**367**	**1,23,140**

Notes to standalone Financial Statements contd.
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	Maturities				Total
	Upto 1 year	1-2 years	2-3 years	>3 Years	
March 31, 2021					
Lease liabilities	484	288	170	481	1,423
Non-current borrowings	14,250	10,750	—	—	25,000
Current borrowings	17	—	—	—	17
Trade payables	62,904	—	—	—	62,904
Other financial liabilities	52,315	1,109	—	—	53,424
Total	**1,29,970**	**12,147**	**170**	**481**	**1,42,768**

The Company has utilised the existing borrowing limits based on requirements and has unutilised borrowing limits at the year end which is available for utilisation.

41. CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and capital ratios in order to support its business and maximise shareholder value.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital. The Company includes within net debt, all non-current and current borrowings reduced by cash and cash equivalents and other bank balances.

	Notes	As at March 31, 2022	*As at March 31, 2021*
Non-current borrowings	15	—	*10,750*
Current borrowings	18	—	*14,267*
Lease liabilities	33	974	*1,180*
Less: Cash and cash equivalents	11	86,238	*40,940*
Less: Other bank balances (excluding unpaid dividend and unspent CSR amounts)	12	665	*718*
Net debt		—	—
Equity share capital	13	2,644	*2,644*
Other equity	14	3,90,557	*3,55,318*
Total capital		**3,93,201**	*3,57,962*
Gearing ratio		—	—

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing borrowings that define capital structure requirements. The breaches in meeting the financial covenants would permit the bank to immediately call borrowings. There have been no breaches in the financial covenants of any interest-bearing borrowings in the current year or previous year.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2022 and March 31, 2021.

42. 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. The Company carried out an impairment assessment of its property, plant and equipment at Bihar and the recoverable amount of these property, plant and equipment was determined by an external valuer based on a fair value less cost of disposal calculation, considering uncertainity in the alcoholic beverages and the change in plan for use of these assets. An impairment loss of Rs. 4,446 Lakhs was recognized during the year ended March 31, 2021. As at March 31, 2022, the carrying value of property, plant and equipment at Bihar is Rs. 10,031 Lakhs (net of impairment) and no further impairment is considered necessary by the management based on annual impariment assessment.

43. RATIO'S AND IT'S ELEMENTS

Ratio	Numerator	Denominator	March 31, 2022	March 31, 2021	% Change	Reason for variance exceeding 25% as compared to preceeding period
Current ratio	Current Assets	Current Liabilities	1.77	1.55	10%	
Debt-Equity Ratio	Total Debt (Includes lease liabilities)	Shareholder's Equity	—	0.07	-100%	Reduction is due to repayment of debt during the year ended March 31, 2022
Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	2.21	1.61	37%	Increase in sales leading to increase in profits as compared to previous year which was impacted by the pandemic and repayment of debt in the current year.
Return on Equity ratio (%)	Net Profits after taxes - Preference Dividend	Average Shareholder's Equity	9.72	3.18	206%	Increase in sales leading to increase in profits as compared to previous year which was impacted by the pandemic.
Inventory Turnover ratio	Cost of goods sold	Average Inventory	9.87	7.16	38%	Increase in sales as compared to previous year which was impacted by the pandemic and reduction in inventory levels in certain categories considering the timing of purchases.
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	9.90	7.42	33%	Increase in sales as compared to previous year which was impacted by the pandemic and recoveries as per credit terms.
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	5.23	4.32	21%	
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	9.36	8.60	9%	
Net Profit ratio (%)	Net Profit	Net sales = Total sales - sales return	2.78	1.11	151%	Increase in sales leading to increase in profits as compared to previous year which was impacted by the pandemic.

Notes to standalone Financial Statements contd.
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

Ratio	Numerator	Denominator	March 31, 2022	March 31, 2021	% Change	Reason for variance exceeding 25% as compared to preceeding period
Return on Capital Employed (%)	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt - Deferred Tax Asset	13.06	5.22	150%	Increase in sales leading to increase in profits as compared to previous year which was impacted by the pandemic.
Return on Investment (%)	Interest Income + Dividend income	Average investment in Equity and debt securities and fixed deposits with banks	2.80	2.40	17%	

44. OTHER STATUTORY INFORMATION

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(ii) The Company did not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyod the statutory period, except for Rs. 50 Lakhs in relation to loan repaid in the past.

(iv) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

(v) The Company has not advanced or loaned or invested funds (either from borrowed funds or share premium or any other sources or kind of funds) to or in any other persons(s) or entity(ies), including foreign entities (Intermediaries) with the understanding whether recorded in writing or otherwise, that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwsie) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(vii) The Company did not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 such as, search or survey or any other relevant provisions of the Income tax Act, 1961.

45. 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.

46. The Company has assessed the impact of Coronavirus (COVID-19) pandemic on its business operations and has considered all relevant internal and external information available upto the date of approval of these standalone financial statements in determining the recoverability and carrying values of property, plant and equipment, right-of-use assets, intangible assets, investments, trade and other receivables, inventories and other financial information captions. The impact of COVID-19 pandemic on the overall economic environment being uncertain may affect the underlying assumptions/estimates used in preparation of these standalone financial statements, whereby actual outcome may differ from those assumptions / estimates considered at the date of approval of these standalone financial statements. The Company will continue to closely monitor the situation and any material changes to future economic conditions.

47. The comparative figures have been regrouped/reclassified, where necessary, to confine to this year's classification.

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Aditya Vikram Bhauwala
Partner
Membership Number: 208382

Place: Bengaluru
Date: April 26, 2022

For and on behalf of the Board of Directors of
United Breweries Limited

Rishi Pardal
Managing Director
DIN: 02470061

Berend Cornelis Roelof Odink
Director and Chief Financial Officer
DIN: 09138421

Madhav Bhatkuly
Director
DIN: 00796367

Govind Iyengar
Senior Vice-President Legal and
Company Secretary

Place: Bengaluru
Date: April 26, 2022

Independent Auditor's Report

To the Members of United Breweries Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of United Breweries Limited (hereinafter referred to as "the Holding Company"), its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") and its associate comprising of the Consolidated Balance Sheet as at March 31, 2022, the Consolidated Statement of Profit and Loss, including the Consolidated Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of other auditors on separate financial statements and on the other financial information of the subsidiary, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at March 31, 2022, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group and its associate in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

UNITED BREWERIES LIMITED

Emphasis of Matter

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

(a) Note 35(a) which more fully describes the matter pertaining to the levy of a penalty of Rs 75,183 Lakhs on the Holding Company, vide Order issued by the Competition Commission of India (CCI) for alleged contravention of the provisions of section 3 of the Competition Act, 2002. Based on advice of external legal experts, the Holding Company is of the view that it has strong case on merits, there exists uncertainty relating to the final outcome in this matter, which is dependent on judicial proceedings; and that it is not in a position to reliably estimate the final obligation relating to penalties, if any. Accordingly, no provision has been recorded in the books of account; and

(b) Note 43 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 opinion is not modified in respect of aforesaid matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
Revenue from sale of products (as described in Note 2.1(f), (x) and 21 of the consolidated financial statements)	
Revenue from sale of products is recognised when control of products has been transferred to the customer and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Revenue from sale of products is measured at the fair value of the consideration received or receivable, net of returns and allowances, discounts and incentives. At year end, amounts of discounts and incentives that have been incurred and not yet issued to customers are estimated and accrued. Significant judgement is required in estimating accruals relating to discounts and incentives recognised in relation to sales made during the year.	Our procedures included the following: • Assessed the Group's revenue recognition accounting policy for sale of products, including those relating to discounts and incentives. • Understood, evaluated and tested on sample basis the design and operating effectiveness of key internal controls over recognition and measurement of revenue, discounts, and incentives. • Performed test of details on a sample basis and inspected the underlying accounting documents relating to sales and accrual of discounts and incentives. • Tested on a sample basis, sales transactions near year end date as well as credit notes issued to customers after the year end date. • Obtained an understanding of and evaluated underlying data used in management assessment of estimates relating to discounts and incentives. • Performed analytical procedures on revenue, discounts and incentives. • Assessed the disclosures in the consolidated financial statements in respect of revenue, discounts and incentives for compliance with disclosure requirements.
Provision for trade receivables (as described in Note 2.1(x), 10 and 41(b) of the consolidated financial statements)	
Trade receivable balances represent significant portion of the total assets as at March 31, 2022. Trade receivables include dues from state government corporations, distributors, retailers and contract manufacturing units. The Group records expected credit loss for unsecured trade receivables based on management estimates. Timing of collection of dues from customers may differ from the contractual credit period. Significant judgment is involved in management estimates of the amounts unlikely to be ultimately collected.	Our procedures included the following: • Understood, evaluated and tested on sample basis the design and operating effectiveness of internal controls over trade receivables. • Performed audit procedures on existence of trade receivables, which included reading and comparing balance confirmations with books of account, testing subsequent receipts and testing sales transactions on a sample basis. • Evaluated the assumptions used by management to calculate the expected credit loss for trade receivables through audit procedures which included analysis of ageing, past trend of bad debts write-off. • Assessed the disclosures in the consolidated financial statements for compliance with disclosure requirements.

Key audit matters	How our audit addressed the key audit matter
Tax contingencies and provisions (as described in Note 2.1(x), 17 and 35(b) of the consolidated financial statements)	
The Group has received income tax demand orders and notices relating to transfer pricing, disallowance of certain expenses, etc. and has also received indirect tax demand orders and notices, which are under litigation. The Group is contesting these demands and has made provision where the outflow of resources embodying economic benefits is considered to be probable. Significant judgement and estimates are required to assess uncertain income tax/other indirect tax positions and impact of these litigations on the consolidated financial position, consolidated results of operations and consolidated cash flows.	Our procedures included the following: • Obtained an understanding of the Holding Company's process with respect to completeness and recognition of tax contingencies and provisions. • Read the confirmations, on sample basis, from the Holding Company's external legal counsel on tax litigations and evaluated the independence, objectivity and competency of the Holding Company's specialists involved. • Read relevant tax laws and discussed with the management, to understand the underlying matters in the demand orders / notices and basis for management judgement and estimates. • Included tax specialists in our team to perform an evaluation of assumptions used by the management and relevant judgements passed by the authorities, including the interpretation of the relevant tax laws. • Assessed the related disclosures in the consolidated financial statements for compliance with disclosure requirements.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the director's report and the corporate governance report but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associate and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and

completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the Group and of its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate are also responsible for overseeing the financial reporting process of the Group and of its associate.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial

statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

(a) We did not audit the financial statements and other financial information, in respect of a subsidiary, whose financial statements include total assets of Rs. 1,023 Lakhs as at March 31, 2022, and total revenues of Rs. 1,316 Lakhs and net cash outflows of Rs. 6 Lakhs for the year ended on that date. These financial statements and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's report have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of such other auditors.

(b) The accompanying consolidated financial statements does not include the Holding Company's share of net loss for the year ended March 31, 2022 in respect of Kingfisher East Bengal Football Team Private Limited, an associate, which is considered as not material to the Group.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary company incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiary, as noted in the 'Other Matter' paragraph we report, to the extent applicable, that:

   (a) We/the other auditors whose report we have relied upon, have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and report of the other auditors;

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Consolidated Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) The matter described in paragraph (a) of Emphasis of Matter paragraph above, in our opinion, may have an adverse effect on the functioning of the Group;

(f) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors who are appointed under section 139 of the Act, of its subsidiary company, none of the directors of the Group companies, incorporated in India, is disqualified as on March 31, 2022 from being appointed as a director in terms of section 164(2) of the Act;

(g) With respect to the adequacy and the operating effectiveness of the internal financial controls with reference to these consolidated financial statements of the Holding Company and its subsidiary company incorporated in India, refer to our separate report in "Annexure 2" to this report;

(h) In our opinion and based on the consideration of report of the statutory auditors of the subsidiary, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Holding Company and its subsidiary incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act; and

(i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements and also the other financial information of the subsidiary, as noted in the 'Other Matter' paragraph:

i. The Group has disclosed the impact of pending litigations on its consolidated financial position in its consolidated financial statements – Refer Note 17, 35 and 43 to the consolidated financial statements;

ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary incorporated in India during the year ended March 31, 2022;

iv. (a) The respective managements of the Holding Company and its subsidiary which is company incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary, respectively, that to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or subsidiary to or in any other person or entity, including foreign entity ("Intermediary"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or such subsidiary ("Ultimate Beneficiary") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiary;

(b) The respective managements of the Holding Company and its subsidiary which is company incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary, respectively, that to the best of its knowledge and belief, no funds have been received by the respective Holding Company or subsidiary from any person or entity, including foreign entity ("Funding Party"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or such subsidiary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiary") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiary; and

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiary which is company incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v. The final dividend paid by the Holding Company and its subsidiary company incorporated in India during the year pertaining to dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 14 to the consolidated financial statements, the respective Board of Directors of the Holding Company and its subsidiary company, incorporated in India have proposed final dividend for the year which is subject to the approval of the members of the respective companies at the respective ensuing Annual General Meeting. The amount of dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Aditya Vikram Bhauwala
Partner
Membership Number: 208382
Unique Document Identification Number (UDIN): 22208382AHUZZP4205

Bengaluru
April 26, 2022

UNITED BREWERIES LIMITED

ANNEXURE '1' REFERRED TO IN PARAGRAPH UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

Re: United Breweries Limited ("the Holding Company"), its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") and its associate

Based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary company incorporated in India, we state that:

(xxi) Qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements are:

S. No.	Name	CIN	Holding Company/ Subsidiary	Clause number of the CARO report which is qualified or is adverse
1.	United Breweries Limited	L36999KA1999PLC025195	Holding Company	i(c)
2.	United Breweries Limited	L36999KA1999PLC025195	Holding Company	ii(b)

The report of the following component included in the consolidated financial statements has not been issued by its auditor till the date of our auditor's report:

S. No.	Name	CIN	Subsidiary/ Associate
1.	Kingfisher East Bengal Football Team Private Limited	U91990WB1998PTC086852	Associate

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Aditya Vikram Bhauwala
Partner
Membership Number: 208382
Unique Document Identification Number (UDIN): 22208382AHUZZP4205

Bengaluru
April 26, 2022

ANNEXURE '2' REFERRED TO IN PARAGRAPH UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

Report on the Internal Financial Controls under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of United Breweries Limited (hereinafter referred to as "the Holding Company"), its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") and its associate as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary company, which is a company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary and associate, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal financial controls over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to these consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors in terms of their report referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to these consolidated financial statements.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial controls with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the

transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiary company, which are companies incorporated in India, have maintained in all material respects, adequate internal financial controls with reference to these consolidated financial statements and such internal financial controls with reference to these consolidated financial statements were operating effectively as at March 31, 2022, based on the internal controls over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matter

Our report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to these consolidated financial statements insofar as it relates to subsidiary company, which is a company incorporated in India, is based on the corresponding report of the auditors of such company incorporated in India.

The accompanying consolidated financial statements does not include the Holding Company's share of net loss for the year ended March 31, 2022 in respect of an associate, which is considered as not material to the Group.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Aditya Vikram Bhauwala
Partner
Membership Number: 208382
Unique Document Identification Number (UDIN): 22208382AHUZZP4205

Bengaluru
April 26, 2022

Consolidated Balance Sheet as at March 31, 2022

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	1,89,008	1,92,203
Capital work-in-progress	3(c)	10,989	12,879
Intangible assets	4(a)	1,638	2,098
Goodwill on consolidation	4(b)	645	645
Financial assets			
(i) Investments	5	835	606
(ii) Other financial assets	6	4,816	4,711
Income tax assets (net)	7	20,199	20,395
Deferred tax asset (net)	7	3,844	3,497
Other non-current assets	8	25,044	15,826
		2,57,018	2,52,860
Current assets			
Inventories	9	93,581	1,13,668
Financial assets			
(i) Trade receivables	10	1,25,486	1,39,499
(ii) Cash and cash equivalents	11	86,260	40,970
(iii) Bank balances other than (ii) above	12	4,708	5,958
(iv) Other financial assets	6	115	84
Other current assets	8	27,275	31,689
		3,37,425	3,31,868
Assets held for sale	3(d)	488	488
		3,37,913	3,32,356
Total assets		**5,94,931**	5,85,216
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	2,644	2,644
Other equity	14	3,90,868	3,55,584
Equity attributable to equity holders of parent company		**3,93,512**	3,58,228
Non-controlling interest	14	414	375
		3,93,926	3,58,603
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	15	—	10,750
(ia) Lease liabilities	33	606	774
(ii) Other financial liabilities	16	2,497	1,109
Provisions	17	441	160
		3,544	12,793
Current liabilities			
Financial liabilities			
(i) Borrowings	18	—	14,267
(ia) Lease liabilities	33	368	406
(ii) Trade payables	19		
- Total outstanding dues of micro and small enterprises		9,158	6,344
- Total outstanding dues of creditors other than micro and small enterprises		54,642	56,603
(iii) Other financial liabilities	16	55,810	52,382
Other current liabilities	20	67,261	74,710
Provisions	17	10,222	9,108
		1,97,461	2,13,820
Total equity and liabilities		**5,94,931**	5,85,216
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Aditya Vikram Bhauwala
Partner
Membership Number: 208382

Place: Bengaluru
Date: April 26, 2022

For and on behalf of the Board of Directors of
United Breweries Limited

Rishi Pardal
Managing Director
DIN: 02470061

Madhav Bhatkuly
Director
DIN: 00796367

Place: Bengaluru
Date: April 26, 2022

Berend Cornelis Roelof Odink
Director and Chief Financial Officer
DIN: 09138421

Govind Iyengar
Senior Vice-President Legal and
Company Secretary

Consolidated Statement of Profit and Loss for the year ended March 31, 2022

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	Notes	March 31, 2022	March 31, 2021
INCOME			
Revenue from contracts with customers (including excise duty)	21	13,12,392	10,18,576
Other income	22	2,979	5,025
Total Income		**13,15,371**	10,23,601
EXPENSES			
Cost of materials consumed	23	2,70,729	1,96,516
Purchase of stock-in-trade	24	19,582	7,371
Changes in inventories of finished goods, work-in-progress andstock-in-trade	25	2,301	(950)
Excise duty on sale of goods		7,28,548	5,94,267
Employee benefits expense	26	52,312	48,549
Finance costs	27	1,478	2,267
Depreciation and amortisation expense	28	21,719	23,201
Other expenses	29	1,69,258	1,34,717
Total		**12,65,927**	10,05,938
Profit before exceptional items and tax		**49,444**	17,663
Exceptional items	30	—	(722)
Profit before tax		**49,444**	16,941
Tax expense	31		
Current tax		13,203	6,779
Deferred tax (credit)		(367)	(1,221)
Total tax expense		**12,836**	5,558
Profit for the year		**36,608**	11,383
Other comprehensive income (OCI)			
Items that will not be reclassified to the consolidated statement of profit and loss in subsequent periods			
Re-measurement gains on defined benefit plans		80	1,991
Income tax effect on above		(20)	(501)
		60	1,490
Total comprehensive income for the year (net of tax)		**36,668**	12,873
Profit for the year attributable to:			
Equity shareholders of the Holding Company		36,546	11,322
Non-controlling interest		62	61
		36,608	11,383
Other comprehensive income (OCI) attributable to:			
Equity shareholders of the Holding Company		60	1,490
Non-controlling interest		—	—
		60	1,490
Total comprehensive income for the year attributable to:			
Equity shareholders of the Holding Company		36,606	12,812
Non-controlling interest		62	61
		36,668	12,873
Earnings per share in Rs. [nominal value per share Re.1 (Previous year: Re.1)]	32		
Basic		13.82	4.28
Diluted		13.82	4.28
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Aditya Vikram Bhauwala
Partner
Membership Number: 208382

Place: Bengaluru
Date: April 26, 2022

For and on behalf of the Board of Directors of
United Breweries Limited

Rishi Pardal
Managing Director
DIN: 02470061

Madhav Bhatkuly
Director
DIN: 00796367

Place: Bengaluru
Date: April 26, 2022

Berend Cornelis Roelof Odink
Director and Chief Financial Officer
DIN: 09138421

Govind Iyengar
Senior Vice-President Legal and
Company Secretary

Consolidated Cash Flow Statement for the year ended March 31, 2022

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	Notes	March 31, 2022	March 31, 2021
A Cash flow from operating activities			
Profit before tax		49,444	16,941
Adjustments for:			
Depreciation and amortisation expense		21,719	23,201
Bad debts/advances written off		301	28
Loss allowance for trade receivables		1,720	479
Provision for doubtful advances/deposits		620	966
Unrealised exchange differences (net)		48	(33)
Net (gain) on disposal of property, plant and equipment		(8)	(4)
Profit on sale of investments		(54)	—
Liabilities no longer required written back		(479)	(205)
Loss allowance for trade receivables, no longer required written back		(217)	(3,380)
Impairment loss on property, plant and equipment (included under exceptional items)		—	4,446
Impairment loss on goodwill (included under exceptional items)		—	1,776
(Gain) on sale of property, plant and equipment (included under exceptional items)		—	(5,500)
Interest expense		1,464	2,244
Interest income		(1,528)	(462)
Operating profits before working capital changes		**73,030**	40,497
Movement in working capital:			
(Increase)/decrease in Inventories		20,087	(4,275)
(Increase)/decrease in Trade receivables		12,169	(1,570)
(Increase)/decrease in Other financial assets		(76)	862
(Increase)/decrease in Other assets		(4,574)	9,198
Increase/(decrease) in Trade payables		1,676	7,546
Increase/(decrease) in Other financial liabilities		6,631	4,756
Increase/(decrease) in Other current liabilities and provisions		(5,974)	13,242
Cash generated from operations		**1,02,969**	70,256
Direct taxes paid (net of refund)		(13,007)	(8,228)
Net cash flow from operating activities (A)		**89,962**	62,028
B Cash flow from investing activities			
Purchase of property, plant and equipment including capital work-in-progress, intangible assets and capital advances		(17,355)	(20,066)
Proceeds from sale of property, plant and equipment		77	5,091
Investments in equity and debt securities		(300)	(579)
Proceeds from sale of equity and debt securities		125	—
Investments in bank deposits (having original maturity of more than three months)		(173)	(394)
Redemption/maturity of bank deposits (having original maturity of more than three months)		122	335
Interest received		1,497	458
Net cash (used in) investing activities (B)		**(16,007)**	(15,155)

Consolidated Cash Flow Statement contd.

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	Notes	March 31, 2022	*March 31, 2021*
C Cash flow from financing activities			
Proceeds from long-term borrowings		—	*25,000*
Repayment of long-term borrowings		(25,000)	*(7,543)*
Payment of principal portion of lease liabilities		(492)	*(853)*
(Repayment of)/Proceeds from short-term borrowings (net)		(17)	*(15,998)*
Interest paid		(1,812)	*(2,813)*
Dividend paid*		(1,344)	*(6,632)*
Net cash flow (used in) financing activities (C)		**(28,665)**	*(8,839)*
*Includes amount transferred to separate bank accounts earmarked for unpaid dividend and also includes dividend paid for non-controlling interest.			
Net increase in cash and cash equivalents (A+B+C)		**45,290**	*38,034*
Cash and cash equivalents at the beginning of the year		40,970	*2,936*
Cash and cash equivalents at the end of the year		**86,260**	*40,970*
Components of cash and cash equivalents	11		
Cash on hand		2	*9*
Bank balances on current accounts		14,758	*8,461*
Bank balances on deposit accounts with original maturity of three months or less		71,500	*32,500*
Total cash and cash equivalents		**86,260**	*40,970*
The summary of cash flow and non-cash flow changes in respect of financial liabilities is as below:			
Long-term borrowings (including current maturities)			
At beginning of the year		25,000	*7,543*
Proceeds from borrowings		—	*25,000*
Repayment of borrowings		(25,000)	*(7,543)*
At end of the year		—	*25,000*
Lease liabilities			
At beginning of the year		1,180	*1,659*
Cash outflows – Payment of principal portion		(492)	*(853)*
Non-cash changes – Addition of right-of-use assets		286	*374*
At end of the year		**974**	*1,180*
Short-term borrowings			
At beginning of the year		17	*16,015*
Cash outflows – Repayment		(17)	*(15,998)*
At end of the year		—	*17*
Summary of significant accounting policies	2.1		

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Aditya Vikram Bhauwala
Partner
Membership Number: 208382

Place: Bengaluru
Date: April 26, 2022

For and on behalf of the Board of Directors of
United Breweries Limited

Rishi Pardal
Managing Director
DIN: 02470061

Madhav Bhatkuly
Director
DIN: 00796367

Berend Cornelis Roelof Odink
Director and Chief Financial Officer
DIN: 09138421

Govind Iyengar
Senior Vice-President Legal and
Company Secretary

Place: Bengaluru
Date: April 26, 2022

Consolidated Statement of Changes in Equity for the year ended March 31, 2022

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

a) Equity share capital

Equity shares of Re. 1 each issued, subscribed and fully paid

	As at March 31, 2022		As at March 31, 2021	
	Numbers	Rs. in Lakhs	Numbers	Rs. in Lakhs
Balance at the beginning of the year	26,44,05,149	2,644	26,44,05,149	2,644
Changes during the year	—	—	—	—
Balance at the end of the year	**26,44,05,149**	**2,644**	26,44,05,149	2,644

b) Other equity

	Attributable to the equity shareholders of the Holding Company					
	Reserves and surplus				Total	Non-controlling interest
	Capital redemption reserve	Securities premium	General reserve	Retained earnings		
	Note 14	Note 14	Note 14	Note 14		Note 14
Balance as at April 1, 2020	24,690	62,938	41,543	2,20,211	3,49,382	334
Profit for the year	—	—	—	11,322	11,322	61
Other comprehensive income	—	—	—	1,490	1,490	—
Transfer from retained earnings	—	—	1,149	(1,149)	—	—
Cash dividends (Refer Note 14)	—	—	—	(6,610)	(6,610)	(20)
Balance as at March 31, 2021	**24,690**	**62,938**	**42,692**	**2,25,264**	**3,55,584**	**375**
Balance as at April 1, 2021	24,690	62,938	42,692	2,25,264	3,55,584	375
Profit for the year	—	—	—	36,546	36,546	62
Other comprehensive income	—	—	—	60	60	—
Transfer from retained earnings	—	—	40	(40)	—	—
Cash dividends (Refer Note 14)	—	—	—	(1,322)	(1,322)	(23)
Balance as at March 31, 2022	**24,690**	**62,938**	**42,732**	**2,60,508**	**3,90,868**	**414**

Capital redemption reserve - The said reserve was created by transfer from general reserve on redemption of preference shares. This reserve account can be applied in paying up unissued shares to be issued to members of the Holding Company as fully paid bonus shares etc., in accordance with the provisions of the Companies Act, 2013.

Securities premium - The reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares, etc. in accordance with the provisions of the Companies Act, 2013.

General reserve - Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act, 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. The Group has made voluntarily transfer of net income to general reserve. The amount transferred to the general reserve can be utilised only in accordance with the specific requirements of the Companies Act, 2013.

There are no changes in equity share capital and other equity due to accounting policy changes or prior period errors.

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Aditya Vikram Bhauwala
Partner
Membership Number: 208382

Place: Bengaluru
Date: April 26, 2022

For and on behalf of the Board of Directors of
United Breweries Limited

Rishi Pardal
Managing Director
DIN: 02470061

Madhav Bhatkuly
Director
DIN: 00796367

Berend Cornelis Roelof Odink
Director and Chief Financial Officer
DIN: 09138421

Govind Iyengar
Senior Vice-President Legal and
Company Secretary

Place: Bengaluru
Date: April 26, 2022

Notes to consolidated financial statements for the year ended March 31, 2022

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

1. Corporate information

The consolidated financial statements comprise financial statements of United Breweries Limited ("UBL" or "the Holding Company" or "the Parent Company"), its subsidiary (collectively, "the Group") and its associate. UBL is a public limited company domiciled in India and incorporated under the provisions of the Indian Companies Act. Its shares are listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The registered office of the Holding Company is located at UB Tower, UB City, 24, Vittal Mallya Road, Bengaluru 560001, Karnataka, India. The Group is primarily engaged in the manufacture, purchase and sale of beer and non-alcoholic beverages. The Group has manufacturing facilities in India. The consolidated financial statements were approved by the Board of Directors of the Holding Company on April 26, 2022.

2. Basis of preparation of consolidated financial statements

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable. The consolidated financial statements have been prepared on a historical cost basis, except for assets and liabilities which are required to be measured at fair value. The consolidated financial statements are presented in Indian Rupees ("INR") and all values are rounded to the nearest lakhs (INR 00,000), except when otherwise indicated.

The significant accounting policies adopted for preparation and presentation of the consolidated financial statements have been applied consistently.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Holding Company, its subsidiary and associate as below:

Name of the company	Relationship	Principal activities	Country of incorporation	% of Ownership Interest	
				As at March 31, 2022	As at March 31, 2021
Maltex Malsters Limited ("MML")	Subsidiary	Processing of Barley into Malt	India	51%	51%
Kingfisher East Bengal Football Team Private Limited ("KEBFTPL")*	Associate	Promotion of sports	India	49.99%	49.99%

*The Group's interest in KEBFTPL has not been included in the consolidated financial statements, as the same has been considered as not material to the Group, by the management of the Holding Company.

The control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. The Group re-assesses whether or not it controls an investee, if facts and circumstances indicate that there are changes to one or more of the

three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. The financial statements of the subsidiary used for the purpose of consolidation is drawn up to same reporting date as that of the parent/holding company, i.e., year ended on March 31st.

Consolidation procedure

(i) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiary.

(ii) Offset the carrying amount of the parent's investment in subsidiary and the parent's portion of equity of subsidiary.

(iii) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory and fixed assets, are eliminated in full).

The consolidated statement of profit and loss and each component of consolidated other comprehensive income ("OCI") are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognizes the assets (including goodwill) and liabilities of the subsidiary as on date when control is lost, the carrying amount of any non-controlling interests; recognizes the fair value of the consideration received, the fair value of any investment retained and any surplus or deficit in the consolidated statement of profit and loss; and reclassifies the parent's share of components previously recognized in OCI to the consolidated statement of profit and loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

2 .1 Summary of significant accounting policies

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(a) Business combinations and goodwill

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in the consolidated statement of profit and loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

(b) Investment in associate

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies. The considerations made in determining whether significant influence are similar to those necessary to determine control over the subsidiary.

The Group's interest in associate has been considered as not material to the Group and hence the investment in associate has been recognized at cost.

At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss in the consolidated statement of profit and loss.

(c) Current versus non-current classification

The Group presents assets and liabilities in the consolidated balance sheet based on current/non-current classification. An asset is treated as current when it is:

- expected to be realized or intended to be sold or consumed in normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realized within twelve months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- expected to be settled in normal operating cycle;
- held primarily for the purpose of trading;
- due to be settled within twelve months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

(d) Foreign currencies

The consolidated financial statements are presented in INR, which is also the Holding Company's functional currency. Transactions in foreign currencies are initially recorded by the Group at their respective functional currency spot rates at the date, the transaction first qualifies for recognition. However, for practical reasons, the Group uses monthly average rate, if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in the consolidated statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or the consolidated statement of profit and loss are also recognised in OCI or the consolidated statement of profit and loss, respectively).

In determining the spot exchange rate for initial recognition of the related asset, expense or income (or part of it) on derecognition of a non-monetary asset or non-monetary liability relating to advance consideration,

the date of the transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

(e) Fair value measurement

The Group measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations. External valuers are involved, wherever considered necessary.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above. This note summarizes accounting policy for fair value and the other fair value related disclosures are given in the relevant notes.

(f) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Group has concluded that it is the principal in all of its revenue arrangements, except in certain contract manufacturing arrangements as mentioned below, since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Based on the Educational Material on Ind AS 115 issued by the Institute of Chartered Accountants of India ("ICAI"), the recovery of excise duty flows to the Group on its own account and hence is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Group on its own account, revenue includes excise duty. However, sales tax/value added tax (VAT)/goods and services tax are not received by the Group on its own account and are taxes collected on value added to the commodity by the seller on behalf of the government. Accordingly, these are excluded from revenue.

The following specific recognition criteria must also be met before revenue is recognized:

Sale of products

Revenue from the sale of products is recognized at a point in time when control of the products is transferred to the customer and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Revenue from the sale of products is measured at the fair value of the consideration received or receivable, net of returns and allowances, discounts and incentives.

If the consideration in a contract includes a variable amount (discounts and incentives), the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer and such discounts and incentives are estimated at contract inception.

Generally, the Group receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

Sale of services

Royalty income is recognized, on an accrual basis, at agreed rate on sale of branded products by the licensee, in accordance with the terms of the agreement. The Group provides license to the parties to manufacture, sell and distribute its goods in exchange of royalty fee which is based on the sales made to the end customer.

The Group recognises revenue from sales-based royalty promised in exchange for a license of intellectual property only when (or as) the later of the events occurs - (a) the sale occurs; and (b) the performance obligation for sales has been satisfied (or partially satisfied).

Income from contract manufacturing units

The Group evaluates its revenue arrangements with Contract Manufacturing Units ("CMUs") to identify agency relationship.

The Group is regarded as a principal if it controls promised good or service before it transfers the good or service to customer. In case if the Group is a principal in a contract, it may satisfy a performance obligation by itself or may engage CMU to satisfy some or all of a performance obligation on its behalf. In this case, the Group recognises revenue at the gross amount of consideration to which it expects to be entitled in exchange for those goods or services transferred. Revenue is recognized on sale of products to customers and the related cost of sales is also recognized by the Group, as and when incurred.

The Group is regarded as an agent if its performance obligation is to arrange for the provision of goods or services by CMU. In this case CMU is primarily responsible for fulfilling the contract and the Group does not have discretion in establishing prices and is also not exposed to inventory and credit risks for the amount receivable from the customer. In this case, the Group recognises revenue at the net amount of consideration the Group is eligible under the contract. This net consideration is recognized as income, as per the terms of respective agreement and on the basis of information provided by respective CMU. Such income is included under the head "other operating revenues" in the consolidated statement of profit and loss.

Interest

Interest income is recognized using the effective interest rate method. The effective interest rate is the rate that discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. Interest income is included under the head "other income" in the consolidated statement of profit and loss.

Dividends

Dividend income is recognized when the Group's right to receive the payment is established, which is generally when the shareholders approve the dividend.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A trade receivable is recognised if an amount of consideration is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets.

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from the customer before the related goods or services are transferred. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

(g) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

(h) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside the consolidated statement of profit and loss is recognised outside the consolidated statement of profit and loss (either in OCI or in equity in correlation to the underlying transaction). Management periodically evaluates whether it is probable that the relevant taxation authority would accept an uncertain tax treatment that the Group has used or plan to use in its income tax

filings, including with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions, where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities and assets are recognized for all taxable temporary differences and deductible temporary differences, except:

- when the deferred tax liability or asset arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences and deductible temporary differences associated with investments in subsidiary and associate, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside the consolidated statement of profit and loss is recognised outside the consolidated statement of profit and loss (either in OCI or in equity in correlation to the underlying transaction).

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Sales/value added tax/goods and services tax paid on acquisition of assets or on incurring expenses

When the tax incurred on purchase of assets or services is not recoverable from the taxation authority, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable. Otherwise, expenses and assets are recognized net of the amount of sales/ value added tax/goods and services tax paid. The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the consolidated balance sheet.

(i) Non-current assets held for sale

The Group classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale and the sale expected within one year from the date of classification.

Notes to consolidated Financial Statements contd.
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

Property, plant and equipment and intangibles are not depreciated or amortised once classified as held for sale. Assets and liabilities classified as held for sale are presented separately from other items in the consolidated balance sheet.

(j) Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Capital work-in-progress is stated at cost. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects, if the recognition criteria is met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement, if the recognition criteria is satisfied. All other repair and maintenance costs are recognised in the consolidated statement of profit and loss as incurred.

Depreciation is calculated on a straight-line basis over the useful lives of the assets, estimated by the management, as follows:

	Useful life (years)
Factory buildings	30
Other buildings (RCC)	60
Other buildings (Non-RCC)	30
Roads (RCC)	10
Roads (Non-RCC), Fences, etc	5
Plant and equipment	15*
Electrical installations	10
Office equipments	5
Computers	3
Servers and networks	6
Furniture and fixtures	10
Laboratory equipments	10
Vehicles	8 and 10

*In respect of assets (excluding pipelines) used at any time during the year on double shift or triple shift basis, the depreciation for that period is increased by 50% or 100%, respectively.

For the purpose of depreciation calculation, residual value is determined as 5% of the original cost for all the assets, as estimated by the management basis independent assessment by an expert. The Group, based on technical assessment made by an expert and management estimate, depreciates following assets, not included above, over the estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives reflect fair approximation of the period over which the assets are likely to be used.

(i) Assets acquired on amalgamation, etc. (where original dates of acquisition are not readily available), are depreciated over the remaining useful life of the assets, as certified by an expert.

(ii) Beer dispensers and coolers (included under furniture and fixtures) and Kegs (included under plant and equipment) are depreciated on a straight-line basis over a period of 3 years being useful life, as estimated by the management considering nature of these assets.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising

on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit and loss, when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(k) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in the consolidated statement of profit and loss in the period in which the expenditure is incurred. The useful lives of intangible assets are assessed as finite.

Intangible assets are amortized over the useful economic life and assessed for impairment, whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets is recognized in the consolidated statement of profit and loss, unless such expenditure forms part of carrying value of another asset.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of the consolidated profit and loss when the asset is derecognised.

Licenses and rights are amortised on a straight-line basis over useful life of 10 years, as estimated by the management.

(l) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(m) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and

impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets (disclosed under property, plant and equipment) are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

	Useful life (years)
Leasehold land	90-99
Buildings	2-9
Plant and equipment	2
Furniture and fixtures	3
Vehicles	4 and 5

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policy on impairment of non-financial assets.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects exercising of the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. The Group has applied practical expedient by using a single discount rate to a portfolio of leases with similar characteristics. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The Group's lease liabilities are included under Interest-bearing borrowings.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

The Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income is accounted for on a straight-line basis over the lease term. Initial direct costs incurred in negotiating and arranging an operating lease are added to the

carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

(n) Inventories

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials, Packing materials and bottles, Stores and spares: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Finished goods and Work-in-progress: Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excludes borrowing costs. Excise duty, as applicable, is included in the valuation.

Stock-in-trade: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Cost is determined on a weighted average basis. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(o) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's ("CGU") fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country in which the entity operates, or for the market in which the asset is used. Impairment losses of continuing operations, including impairment on inventories, are recognised in the consolidated statement of profit and loss.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only

if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the consolidated statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(p) Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the consolidated statement of profit and loss, net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(q) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to a reduction in future payment or a cash refund.

In respect of certain employees, the Group had established a Provident Fund Trust, which was a defined benefit plan, to which contributions towards provident fund were made each month. The Provident Fund Trust guaranteed a specified rate of return on such contributions on a periodical basis as per the government notification. The Group would meet the shortfall in the return, if any, which was determined based on an actuarial valuation carried out, as per projected unit credit method, as at the date of balance sheet. The contributions to provident fund were charged to the consolidated statement of profit and loss on an accrual basis. During the year, the Group has surrendered the Provident Fund Trust to the Employee's Provident Fund Organisation, Government of India and transferred the funds from Provident Fund Trust to the funds maintained by the Regional Provident Fund Commissioner (RPFC). Effective January 1, 2022, the Provident Fund Benefit is a defined benefit contribution scheme and the Group recognises contribution payable to the fund as expenditure, when an employee renders the related service.

Retirement benefit in the form of superannuation fund is a defined contribution scheme. The Group has established a Superannuation Fund Trust to which contributions are made each month. The Group recognizes contribution payable to the superannuation fund scheme as expenditure, when an employee renders the related service. The Group has no other obligations beyond its monthly contributions.

The Group operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Re-measurements, comprising of actuarial gains and losses, the effect of

the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the consolidated balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to the consolidated statement of profit and loss in subsequent periods.

Past service costs are recognized in the consolidated statement of profit and loss on the earlier of the date of the plan amendment or curtailment, and the date that the Group recognizes related restructuring costs. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognizes the changes in the net defined benefit obligation which includes service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and net interest expense or income, as an expense in the consolidated statement of profit and loss.

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. The Group presents the leave as a current liability in the consolidated balance sheet, to the extent it does not have an unconditional right to defer its settlement for twelve months after the reporting date. Where the Group has the unconditional legal and contractual right to defer the settlement for a period beyond twelve months, the same is presented as non-current liability.

(r) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e. the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

A 'debt instrument' is measured at the amortised cost, if both the following conditions are met:

(i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and

(ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the consolidated statement of profit and loss. The losses arising from impairment are recognised in the consolidated statement of profit and loss. This category generally applies to trade and other receivables.

A 'debt instrument' is classified as FVTOCI, if both of the following criteria are met:

(i) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and

(ii) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in OCI. However, the Group recognizes interest income, impairment losses and foreign exchange gain or loss in the consolidated statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the consolidated statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the consolidated statement of profit and loss.

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as FVTPL. If the Group decides to classify an equity instrument as FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amount from OCI to the consolidated statement of profit and loss even on the sale of investments. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the consolidated statement of profit and loss.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the consolidated balance sheet) when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets and credit risk exposure. The Group follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables. The application of simplified

approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, twelve-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on twelve-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The twelve-month ECL is a portion of the lifetime ECL which results from default events that are possible within twelve months after the reporting date. ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e., all cash shortfalls), discounted at the original EIR. ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/ expense in the consolidated statement of profit and loss. This amount is reflected under the head 'other expenses' in the consolidated statement of profit and loss.

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include borrowings, trade and other payables, and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification. Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading, unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the consolidated statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to the consolidated statement of profit and loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the consolidated statement of profit and loss.

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the consolidated statement of profit and loss when the liabilities are derecognised as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the consolidated statement of profit and loss.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit and loss.

Reclassification of financial assets and liabilities

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no re-classification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a re-classification is made only if there is a change in the business model for managing those assets. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations.

If the Group reclassifies financial assets, it applies the re-classification prospectively from the re-classification date, which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the consolidated balance sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(s) Cash and cash equivalents

Cash and cash equivalents in the consolidated balance sheet and consolidated cash flow statement comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

(t) Dividend to equity holders

The Group recognises a liability to pay dividend to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

(u) Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability. The Group does not recognize a contingent liability but discloses its existence in the consolidated financial statements.

(v) Earnings per share

Basic earnings per share is calculated by dividing the net consolidated profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net consolidated profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(w) Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the Group), whose operating results are regularly reviewed by the Group's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. Operating segments of the Group are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

(x) Significant accounting judgements, estimates and assumptions

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The Group bases its assumptions and estimates on parameters available when the consolidated financial statements are prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur. The judgements, estimates and assumptions management has made which have the most significant effect on the amounts recognized in the consolidated financial statements are as below. Also refer Note 47 in respect of the assessment of impact of the Coronavirus (COVID-19) pandemic.

Revenue from contracts with customers

The Group determines and updates its assessment of expected discounts and incentives periodically and the accruals are adjusted accordingly. Estimates of expected discount and incentives are sensitive to changes in circumstances and the Group's past experience regarding these amounts may not be representative of actual amounts in the future.

Leases

The Group determines the lease term as non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group applies judgement and considers all relevant factors that create an economic incentive in evaluating whether it is reasonably certain to exercise the option to renew or terminate the lease. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or terminate.

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates), when available and makes entity-specific estimates, wherever required.

Property, plant and equipment

The depreciation of property, plant and equipment is derived on determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Group's assets are determined by the management at the time of acquisition of asset and is reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life.

Impairment of investment carried at cost and non-financial assets

Investment carried at cost and non-financial assets such as property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. Significant management judgement is required to determine recoverable amount and the impairment loss, if any. These calculations are sensitive to underlying assumptions.

Provision for expected credit loss on trade receivables

The measurement of expected credit loss reflects a probability-weighted outcome, the time value of money and the best available forward-looking information. The correlation between historical observed default rates, forecast economic conditions and expected credit loss is a significant estimate. The amount of expected credit loss is sensitive to changes in circumstances and forecasted economic conditions. The Group's historical credit loss experience and forecast of economic conditions may not be representative of the actual default in the future.

Tax contingencies and provisions

Significant management judgement is required to determine the amounts of tax contingencies and provisions, including amount expected to be paid/recovered for uncertain tax positions and the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Defined benefit plans

The cost of the defined benefit plan and the present value of the obligation are determined using actuarial valuation. An actuarial valuation involves various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, expected return, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation rates.

2.2 Changes in accounting policies and disclosures

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after April 1, 2021. The Group has not early adopted any other standard or amendment that has been issued but is not yet effective:

(a) Ind AS 116: COVID-19 related rent concessions

The Ministry of Corporate Affairs (MCA) issued an amendment to Ind AS 116 Covid-19-Related Rent Concessions beyond June 30, 2021 to update the condition for lessees to apply the relief to a reduction in lease payments originally due on or before June 30, 2022 from June 30, 2021. The amendment applies to

annual reporting periods beginning on or after April 1, 2021. These amendments had no material impact on the consolidated financial statements of the Group.

(b) Amendment to Ind AS 105, Ind AS 16 and Ind AS 28

The definition of "Recoverable amount" is amended such that the words "the higher of an asset's fair value less costs to sell and its value in use" are replaced with "higher of an asset's fair value less costs of disposal and its value in use". The consequential amendments are made in Ind AS 105, Ind AS 16 and Ind AS 28. These amendments had no impact on the consolidated financial statements of the Group.

2.3 Standards issued but not yet effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2022 dated March 23, 2022 to amend the following Ind AS which are effective from April 1, 2022.

(a) Onerous Contracts – Costs of Fulfilling a Contract – Amendments to Ind AS 37

The amendments to Ind AS 37 specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs, for example direct labour and materials and an allocation of other costs directly related to contract activities, for example an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling that contract. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract. The amendments are effective for annual reporting periods beginning on or after April 1, 2022. The Group is currently assessing the impact of the amendments to determine the impact they may have on the Group's accounting policy disclosures.

(b) Reference to the Conceptual Framework – Amendments to Ind AS 103

The amendments replaced the reference to the ICAI's "Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards" with the reference to the "Conceptual Framework for Financial Reporting under Indian Accounting Standard" without significantly changing its requirements. The amendments also added an exception to the recognition principle of Ind AS 103 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets or Appendix C, Levies, of Ind AS 37, if incurred separately. It has also been clarified that the existing guidance in Ind AS 103 for contingent assets would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards. The amendments are effective for annual reporting periods beginning on or after April 1, 2022. The amendments are not expected to have a material impact on the Group.

(c) Property, Plant and Equipment: Proceeds before Intended Use – Amendments to Ind AS 16

The amendments modified paragraph 17(e) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The amendments are effective for annual reporting periods beginning on or after April 1, 2022. The amendments are not expected to have a material impact on the Group.

(d) Ind AS 109 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. The amendments are effective for annual reporting periods beginning on or after April 1, 2022. The amendments are not expected to have a material impact on the Group.

Notes to consolidated Financial Statements contd.

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

3. PROPERTY, PLANT AND EQUIPMENT

	Cost				Depreciation/Amortisation					Net book value
	As at April 1, 2021	Additions	Deletions	**As at March 31, 2022**	*As at April 1, 2021*	For the year	Impairment	On Deletions	**As at March 31, 2022**	**As at March 31, 2022**
Freehold land (refer note a)	*19,718*	183	—	19,901	—	—	—	—	—	19,901
Buildings (refer note b)	*76,706*	4,497	—	81,203	*26,584*	2,578	—	—	29,162	52,041
Plant and equipment	*3,15,162*	11,647	854	3,25,955	*2,17,842*	14,736	—	826	2,31,752	94,203
Office equipments	*2,595*	297	7	2,885	*1,667*	267	—	7	1,927	958
Computer equipments	*1,937*	49	17	1,969	*1,335*	185	—	15	1,505	464
Furniture and fixtures	*24,681*	914	43	25,552	*20,124*	2,351	—	26	22,449	3,103
Laboratory equipments	*4,555*	164	92	4,627	*2,676*	322	—	88	2,910	1,717
Vehicles	*1,008*	28	379	657	*864*	33	—	361	536	121
	4,46,362	**17,779**	**1,392**	**4,62,749**	***2,71,092***	**20,472**	**—**	**1,323**	**2,90,241**	**1,72,508**
Right-of-use assets (refer Note 33)										
Leasehold land (refer note a)	*17,148*	—	—	17,148	*1,307*	200	—	—	1,507	15,641
Buildings	*1,727*	283	420	1,590	*724*	485	—	420	789	801
Plant and equipment	—	3	—	3	—	1	—	—	1	2
Furniture and fixtures	*36*	—	—	36	*22*	12	—	—	34	2
Vehicles	*93*	—	—	93	*18*	21	—	—	39	54
	19,004	**286**	**420**	**18,870**	***2,071***	**719**	**—**	**420**	**2,370**	**16,500**
Total	***4,65,366***	**18,065**	**1,812**	**4,81,619**	***2,73,163***	**21,191**	**—**	**1,743**	**2,92,611**	**1,89,008**

Previous year

	Cost				*Depreciation/Amortisation*					*Net book value*
	As at April 1, 2020	*Additions*	*Deletions*	*As at March 31, 2021*	*As at April 1, 2020*	*For the year*	*Impairment (refer note 43)*	*On Deletions*	*As at March 31, 2021*	*As at March 31, 2021*
Freehold land (refer note a)	*19,718*	—	—	*19,718*	—	—	—	—	—	*19,718*
Buildings (refer note b)	*68,790*	*8,205*	*289*	*76,706*	*22,255*	*2,464*	*2,153*	*288*	*26,584*	*50,122*
Plant and equipment	*2,97,815*	*20,879*	*3,532*	*3,15,162*	*2,03,376*	*15,846*	*2,112*	*3,492*	*2,17,842*	*97,320*
Office equipments	*2,220*	*464*	*89*	*2,595*	*1,519*	*227*	*8*	*87*	*1,667*	*928*
Computer equipments	*2,210*	*81*	*354*	*1,937*	*1,491*	*178*	*2*	*336*	*1,335*	*602*
Furniture and fixtures	*23,490*	*1,449*	*258*	*24,681*	*17,740*	*2,523*	*111*	*250*	*20,124*	*4,557*
Laboratory equipments	*4,482*	*199*	*126*	*4,555*	*2,418*	*324*	*60*	*126*	*2,676*	*1,879*
Vehicles	*1,096*	—	*88*	*1,008*	*857*	*45*	—	*38*	*864*	*144*
Total	*4,19,821*	*31,277*	*4,736*	*4,46,362*	*2,49,656*	*21,607*	*4,446*	*4,617*	*2,71,092*	*1,75,270*
Right-of-use assets (refer Note 33)										
Leasehold land (refer note a)	*17,148*	—	—	*17,148*	*1,107*	*200*	—	—	*1,307*	*15,841*
Buildings	*2,354*	*311*	*938*	*1,727*	*820*	*842*	—	*938*	*724*	*1,003*
Furniture and fixtures	*36*	—	—	*36*	*10*	*12*	—	—	*22*	*14*
Vehicles	*30*	*63*	—	*93*	*2*	*16*	—	—	*18*	*75*
	19,568	*374*	*938*	*19,004*	*1,939*	*1,070*	—	*938*	*2,071*	*16,933*
Total	*4,39,389*	*31,651*	*5,674*	*4,65,366*	*2,51,595*	*22,677*	*4,446*	*5,555*	*2,73,163*	*1,92,203*

UNITED BREWERIES LIMITED

(a) Detail of immovable properties (included under property, plant and equipment) whose title deeds are not held in the name of the Holding Company or subsidiaries or disputed

Description of Property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, directors or relative of promoter/director or employee of promoter/director	Property held since	Reason for not being held in the name of the Holding Company or its Subsidiaries
Freehold land (9.04 acres at Kuthumbakkam, Tamil Nadu)	80	Tamil Nadu State Marketing Corporation Ltd.	No	2010-11	Application for registration of title deed is pending with the state government for approval
Freehold land (63.07 acres at Kothlapur, Telangana)	654	UB Nizam Breweries Pvt Limited*	No	2010-11	Application for registration of name change is pending with the state government for approval
Freehold land (0.533 acres at Nanjangud, Karnataka)	22	United Breweries Limited	No	2009-10	Title deed is in dispute and pending resolution in court as at March 31, 2022.
Freehold land (0.006 acres at Nelamangala, Karnataka)	1	United Breweries Limited	No	2006-07	Title deed is in dispute and pending resolution in court as at March 31, 2022.
Freehold land (0.002 acres at Mallepally, Telangana)	_^	United Breweries Limited	No	2010-11	Title deed is in dispute and pending resolution in court as at March 31, 2022.
Leasehold land (25.71 acres at Aurangabad, Maharashtra)	1,189	Inertia Industries Limited*	No	2010-11	Application for adjudication of stamp duty for name change in the lease deed is pending with the concerned authorities
Leasehold land (18.02 acres at Aurangabad, Maharashtra)	66	Aurangabad Breweries Limited*	No	2011-12	Application for adjudication of stamp duty for name change in the lease deed is pending with the concerned authorities

^ Rounded off to nearest lakhs. * Erstwhile entity which merged with the Holding Company.

(b) Buildings include those constructed on leasehold land as follows:

	March 31, 2022	*March 31, 2021*
Gross block	33,110	*31,806*
Depreciation charge for the year*	1,067	*1,041*
Accumulated depreciation*	11,089	*10,022*
Net block	**22,021**	*21,784*

*Net of depreciation on deletions

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Notes to consolidated Financial Statements contd.
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

(c) Capital work-in-progress

Capital work-in-progress as at March 31, 2022 and March 31, 2021 comprises of capital expenditure relating to plant and equipment and buildings which are in the course of construction. The ageing of capital work-in-progress is as below:

	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1–2 years	2–3 years	More than 3 years	
As at March 31, 2022					
Projects in progress	8,148	1,154	757	24	10,083
Projects temporarily suspended	16	519	222	149	906
Total	**8,164**	**1,673**	**979**	**173**	**10,989**
As at March 31, 2021					
Projects in progress	8,374	3,637	131	25	12,167
Projects temporarily suspended	355	208	—	149	712
Total	**8,729**	**3,845**	**131**	**174**	**12,879**

The details of capital work in progress whose completion is overdue are as below:

March 31, 2022

	To be completed in				Total
	Less than 1 year	1–2 years	2–3 years	More than 3 years	
Projects in progress					
Effluent/water treatment	2,317	—	—	—	2,317
Infrastructure development*	2,174	—	—	—	2,174
Capacity expansion	775	—	—	—	775
Health, safety and environment	569	—	—	—	569
Quality improvement	434	—	—	—	434
Others	848	—	—	—	848
Total	**7,117**	**—**	**—**	**—**	**7,117**
Projects temporarily suspended					
Infrastructure development*	581	—	—	—	581
Capacity expansion	177	—	—	—	177
Effluent/water treatment	148	—	—	—	148
Total	**906**	**—**	**—**	**—**	**906**

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March 31, 2021

	To be completed in				Total
	Less than 1 year	1–2 years	2–3 years	More than 3 years	
Projects in progress					
Effluent/water treatment	1,537	972	—	—	2,509
Infrastructure development*	1,608	1,209	—	—	2,817
Capacity expansion	415	3,752	—	—	4,167
Health, safety and environment	65	67	—	—	132
Quality improvement	85	395	—	—	480
Others	727	1,040	—	—	1,767
Total	**4,437**	**7,435**	**—**	**—**	**11,872**
Projects temporarily suspended					
Infrastructure development*	—	564	—	—	564
Effluent/water treatment	—	148	—	—	148
Total	**—**	**712**	**—**	**—**	**712**

* Infrastructure development includes factory buildings, warehouses and roads.

There are no projects which exceeded cost compared to original plan as on March 31 2022 and March 31, 2021.

For the purpose of aforesaid disclosure, considering voluminous details, projects have been grouped under the relevant category.

(d) Assets held for sale:

	March 31, 2022	*March 31, 2021*
Balance at the beginning of the year	488	*714*
Transfer/sale [Refer Note 30(b)]	—	*(226)*
Balance at the end of the year	**488**	*488*

(e) Refer Note 15 for details of property, plant and equipment pledged as security against borrowings.

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Notes to consolidated Financial Statements contd.
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

4. INTANGIBLE ASSETS AND GOODWILL

(a) Intangible assets

	Cost				Amortisation					Net book value
	As at April 1, 2021	Additions	Deletions	**As at March 31, 2022**	*As at April 1, 2021*	For the year	Impairment	Deletions	**As at March 31, 2022**	**As at March 31, 2022**
Licenses and rights	*11,609*	68	—	11,677	*9,511*	528	—	—	10,039	1,638
Total	*11,609*	**68**	**—**	**11,677**	*9,511*	**528**	**—**	**—**	**10,039**	**1,638**

Previous year

	Cost				Amortisation					Net book value
	As at April 1, 2020	Additions	Deletions	*As at March 31, 2021*	*As at April 1, 2020*	For the year	Impairment	Deletions	*As at March 31, 2021*	*As at March, 2021*
Licenses and rights	*11,380*	229	—	*11,609*	*8,987*	524	—	—	*9,511*	*2,098*
Total	*11,380*	229	—	*11,609*	*8,987*	524	—	—	*9,511*	*2,098*

(b) Goodwill on consolidation

	As at March 31, 2022	*As at March 31, 2021*
Gross amount	4,380	*4,380*
Less: Provision for impairment	3,735	*3,735*
	645	*645*

Goodwill has arisen on consolidation of subsidiary. The fair values for the purpose of determination of impairment loss have been estimated by an independent expert. The impairment loss has arisen due to continued delay in obtaining necessary approvals to expand malting facility at the subsidiary, leading to high overhead costs incurred on operating at its current level of capacity.

The fair value of goodwill for the purpose of impairment assessment is determined based on fair valuation of the underlying assets. The key assumptions used in the valuation includes marketability discount of 10% and cost to sell of 2%. The sensitivity of 5% increase/(decrease) in the marketability discount and cost of sell would have an immaterial impact on the valuation. Also refer Note 30(a).

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	As at March 31, 2022		As at March 31, 2021	
5. FINANCIAL ASSETS - INVESTMENTS (NON-CURRENT)				
Trade investments				
Equity instruments at cost (fully paid-up) (Unquoted)				
Investment in associate				
Kingfisher East Bengal Football Team Private Limited [4,999 (March 31, 2021: 4,999) equity shares of Rs. 10 each]		1		*1*
Non-trade investments				
Equity instruments at fair value through profit or loss (fully paid-up) (Unquoted)				
The Zoroastrian Co-operative Bank Limited [2,000 (March 31, 2021: 2,000) equity shares of Rs. 25 each]		1		*1*
SABMiller India Limited (Formerly, Skol Breweries Limited) [300 (March 31, 2021: 300) equity shares of Rs. 10 each]*		—		—
Castle Breweries Ltd. (Formerly, Jupiter Breweries Industries Limited) [50 (March 31, 2021: 50) equity shares of Rs. 10 each]*		—		—
Mohan Meakin Limited [100 (March 31, 2021: 100) equity shares of Rs. 5 each]*		—		—
Blossom Industries Limited [100 (March 31, 2021: 100) equity shares of Rs. 3 each]*		—		—
Renew Wind Energy (Karnataka) Private Limited [10,400 (March 31, 2021: 10,400) equity shares of Rs. 100 each]		15		*15*
Mytrah Vayu (Manjira) Private Limited [1,44,000 (March 31, 2021: 1,44,000) equity shares of Rs. 10 each]		14		*14*
Capsol Sunray Private Limited [27,20,035 (March 31, 2021: 27,20,035) equity shares of Rs. 10 each]		272		*272*
FPEL Maha 2 Pvt Ltd [13,26,984 (March 31, 2021: Nil) equity shares of Rs. 10 each]		251		—
Debt instruments at fair value through other comprehensive income (fully paid-up) (Quoted)				
IL&FS Financial Services Limited [9.55%, 5,000 (March 31, 2021: 5,000) non-convertible debentures of Rs. 1,000 each]**		17		*17*
IL&FS Financial Services Limited [8.80%, 17,000 (March 31, 2021: Nil) non-convertible debentures of Rs. 1,000 each]**		49		—
Dewan Housing Finance Corporation Limited [9.15%, Nil (March 31, 2021: 4) non-convertible debentures of Rs. 10,00,000 each]**		—		*14*
Dewan Housing Finance Corporation Limited [9.30%, Nil (March 31, 2021: 20) non-convertible debentures of Rs. 10,00,000 each]**		—		*70*
Dewan Housing Finance Corporation Limited [9.25%, Nil (March 31, 2021: 53,500) non-convertible debentures of Rs. 1,000 each]**		—		*188*
Dewan Housing Finance Corporation Limited [9.30%, Nil (March 31, 2021: 3,100) non-convertible debentures of Rs. 1,000 each]**		—		*11*
Piramal Capital & Housing Finance Limited [6.75%, 21,217 (March 31, 2021: Nil) non- convertible debtentures of Rs. 1,000 each]		212		—
In government securities (Unquoted)				
National Savings Certificate	18		*18*	
Less: Provision for impairment in value of investments	15	3	*15*	*3*
Total		**835**		*606*

*Rounded off.
**Purchased from United Breweries Limited Provident Fund Trust (Refer Note 38).

Aggregate cost of quoted investments		278		*300*
Aggregate market value of quoted investments		278		*300*
Aggregate value of unquoted investments (gross)		572		*321*
Aggregate amount of impairment in value of investments		(15)		*(15)*

Notes to consolidated Financial Statements contd.
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	Non-current		Current	
	As at March 31, 2022	*As at March 31, 2021*	**As at March 31, 2022**	*As at March 31, 2021*
6. FINANCIAL ASSETS - OTHERS				
Unsecured, considered good				
Financial assets at amortised cost				
Security deposits	4,212	*4,137*	—	—
Bank deposits with remaining maturity of more than twelve months	502	*462*	—	—
Margin money deposits towards bank guarantees	102	*112*	—	—
Interest accrued on bank and other deposits	—	—	115	*84*
	4,816	*4,711*	**115**	*84*
Unsecured, credit impaired				
Security deposits	94	*93*	—	—
Less: Loss allowance	94	*93*	—	—
	—	—	—	—
Total	**4,816**	*4,711*	**115**	*84*

	As at March 31, 2022	*As at March 31, 2021*
7. TAX ASSET/(LIABILITY) (NET)		
(a) Income tax assets (net)		
Balance at the beginning of the year	20,395	*18,946*
Less: Provision for the year	13,203	*6,779*
Add: Tax paid (net of refund)	13,007	*8,228*
Closing balance	**20,199**	*20,395*

The above amounts include amounts paid under protest against various income tax demands under appeal, which are included under contingent liabilities.

	Consolidated Balance sheet		Consolidated Statement of profit and loss	
	As at March 31, 2022	*As at March 31, 2021*	**March 31, 2022**	*March 31, 2021*
(b) Deferred tax asset/(liability) (net)				
Deferred tax assets				
Provision/allowance for receivables and advances	2,376	*1,843*	(533)	*487*
Provision for employee benefits	1,879	*1,443*	(436)	*340*
Other provisions	1,708	*1,758*	50	*(432)*
	5,963	*5,044*	**(919)**	*395*
Deferred tax liabilities				
Property, plant and equipment: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	2,119	*1,547*	572	*(1,115)*
	2,119	*1,547*	**572**	*(1,115)*
Net deferred tax asset	**3,844**	*3,497*		
Deferred tax (credit)			**(347)**	*(720)*

	As at March 31, 2022	*As at March 31, 2021*
7. TAX ASSET/(LIABILITY) (NET) (continued)		
Reconciliation of movement in deferred tax asset		
Balance at the beginning of the year	3,497	*2,777*
Tax credit/(charge) during the year		
Recognised in consolidated statement of profit and loss	367	*1,221*
Recognised in consolidated OCI	(20)	*(501)*
	347	*720*
Balance at the end of the year	**3,844**	*3,497*

The Group has not recognised deferred tax asset on provision for impairment in value of goodwill arising from impairment in investment of subsidiary amounting to Rs. 3,735 Lakhs (March 31, 2021: Rs. 3,735 Lakhs), considering uncertainty that sufficient future taxable capital gains would be available against which such tax credits can be utilised.

Further, the subsidiary declares dividend only out of profits for respective year and the Holding Company has determined that the accumulated profits will not be distributed in the foreseeable future. Hence deferred tax liability on undistributed profits of the subsidiary has not been recognised as at year end.

	Non-current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
8. OTHER ASSETS				
Unsecured, considered good				
Capital advances	1,517	*663*	—	—
Advances other than capital advances				
Advance to suppliers*	3,793	*3,697*	1,745	*1,018*
Employees and other advances	71	*70*	362	*204*
Prepaid expenses	1,882	*2,855*	7,977	*7,852*
Balance with statutory/government authorities**	17,220	*7,902*	17,191	*22,615*
Government grant receivable***	561	*639*	—	—
	25,044	*15,826*	**27,275**	*31,689*
Unsecured, considered doubtful				
Capital advances	82	*82*	—	—
Advances other than capital advances				
Advance to suppliers	613	*532*	—	—
Balance with statutory/government authorities	1,363	*825*	—	—
Less: Provision for doubtful advances	2,058	*1,439*	—	—
	—	—	—	—
Total	**25,044**	*15,826*	**27,275**	*31,689*

*Non-current advance to suppliers includes an amount of Rs. 3,271 Lakhs (March 31, 2021: Rs. 3,197 Lakhs) paid under protest to Maharashtra Industrial Development Corporation ("MIDC") towards increased charges for water supplies. The Group has filed a special leave petition before the Supreme Court in respect of this matter and the management, basis a legal advice, believes that the Group's position will be upheld in the appellate process and accordingly, the same has been considered as a contingent liability as at year end.

**Non-current portion includes amounts paid under protest against various tax demands under appeal, which are included under contingent liabilities in Note 35.

Notes to consolidated Financial Statements contd.
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

***Relates to Industrial promotion subsidy. There are no unfulfilled conditions or other contingencies attached to these grants.

There are no advances to directors or other officers of the Group or any of them either severally or jointly with any other person or advances to firms or private companies, respectively, in which any director is a partner or a director or a member. Further, there are no loans or advances in the nature of loan to promoters, directors or key management personnel.

	As at March 31, 2022	*As at March 31, 2021*
9. INVENTORIES		
(valued at lower of cost and net realisable value)		
Raw materials [Includes in transit: Rs. 970 Lakhs (March 31, 2021: Rs. 719 Lakhs)]	15,894	*25,453*
Packing materials and bottles [Includes in transit: Rs. 1,432 Lakhs (March 31, 2021: Rs. 1,059 Lakhs)]	16,543	*16,252*
Work-in-progress	36,132	*39,616*
Finished goods [Includes in transit: Rs. 5,237 Lakhs (March 31, 2021: Rs. 6,103 Lakhs)]^	18,875	*26,344*
Stock-in-trade [Includes in transit: Rs. 151 Lakhs (March 31, 2021: Rs. 24 Lakhs)]	231	*457*
Stores and spares [Includes in transit: Rs. 5 Lakhs (March 31, 2021: Rs. 21 Lakhs)]	5,906	*5,546*
Total	**93,581**	*1,13,668*

^Net of provision for obsolete stock Rs. 1,702 Lakhs (March 31, 2021: Rs. 2,331 Lakhs).

During the year, an amount of Rs. 1,386 Lakhs (March 31, 2021: Rs. 1,771 Lakhs) was recognised as an expense for inventories carried at net realisable values.

10. TRADE RECEIVABLES		
(Financial asset at amortised cost)		
Considered good		
Secured	1,571	*2,226*
Unsecured	1,23,915	*1,37,273*
	1,25,486	*1,39,499*
Credit impaired		
Unsecured	7,295	*5,792*
Less: Loss allowance	7,295	*5,792*
	—	—
Total	**1,25,486**	*1,39,499*

(a) Trade receivables are non-interest bearing and are generally on terms of 0 to 90 days. Balances disclosed as secured are secured by security deposits received from customers or amounts payable to commission agents.

(b) No debts are due from directors or other officers of the Group or any of them either severally or jointly with any other person. Also, no debts are due from firms or private companies, respectively, in which any director is a partner or a director or a member.

(c) The above balances includes dues from related parties (Refer Note 38).

UNITED BREWERIES LIMITED

(d) Trade receivables ageing schedule

	Current but not due	Outstanding for the following periods from due date of payment					Total
		Less than 6 monhts	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2022							
Undisputed Trade Receivables- Considered good*	1,02,916	19,641	393	1,554	—	—	1,24,504
Undisputed Trade Receivables- Credit impaired	—	—	156	102	101	213	572
Disputed Trade Receivables- Credit impaired**	—	—	83	1,076	363	6,183	7,705
Total	**1,02,916**	**19,641**	**632**	**2,732**	**464**	**6,396**	**1,32,781**
As at March 31, 2021							
Undisputed Trade Receivables- Considered good*	1,10,334	23,329	3,138	1,716	—	—	—
Undisputed Trade Receivables- Credit impaired	—	—	27	269	26	187	509
Disputed Trade Receivables- Credit impaired**	—	—	—	—	4,099	2,166	6,265
Total	**1,10,334**	**23,329**	**3,165**	**1,985**	**4,125**	**2,353**	**1,45,291**

* Includes unbilled receivables not due of Rs. 10 Lakhs (March 31, 2021: Rs. 55 Lakhs)

**Includes Rs. 982 Lakhs (March 31, 2021: Rs. 982 Lakhs) relating to dispute with a customer which is fully provided for and for which provision is included under provision for litigations in Note 17.

	As at March 31, 2022	*As at March 31, 2021*
11. CASH AND CASH EQUIVALENTS		
Bank balances on current accounts^	14,758	*8,461*
Bank deposits with original maturity of three months or less	71,500	*32,500*
Cash on hand	2	*9*
Total	**86,260**	*40,970*

^Includes balances in exchange earners foreign currency accounts of Rs. 5,856 Lakhs (March 31, 2021: Rs. 4,692 Lakhs)

12. OTHER BANK BALANCES		
Bank balances on current accounts towards unpaid dividend	3,875	*5,147*
Bank balances on current account towards CSR expense	1	—
Bank deposits with original maturity of:		
Less than twelve months but more than three months	791	*706*
Greater than twelve months	41	*105*
Total	**4,708**	*5,958*

Bank balances towards unpaid dividend and CSR expense can be utilised only towards payment of dividend and CSR expense, respectively. Other bank balances excludes bank deposits with remaining maturity of more than twelve months and margin money deposits (Refer Note 6). Bank deposits include balances where fixed deposits receipts are pledged with statutory/government authorities.

Notes to consolidated Financial Statements contd.
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	As at March 31, 2022	*As at March 31, 2021*
13. EQUITY SHARE CAPITAL		
Authorised share capital		
4,12,98,00,000 (March 31, 2021: 4,12,98,00,000) equity shares of Re. 1 each	41,298	*41,298*
5,86,00,000 (March 31, 2021: 5,86,00,000) preference shares of Rs. 100 each	58,600	*58,600*
	99,898	*99,898*
Issued, subscribed and fully paid-up shares		
26,44,05,149 (March 31, 2021: 26,44,05,149) equity shares of Re. 1 each	2,644	*2,644*
	2,644	*2,644*

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	As at March 31, 2022		*As at March 31, 2021*	
	Nos.	Rs. in Lakhs	*Nos.*	*Rs.in Lakhs*
At the beginning of the year	26,44,05,149	2,644	*26,44,05,149*	*2,644*
Changes during the year	—	—	—	—
Outstanding at the end of the year	**26,44,05,149**	**2,644**	*26,44,05,149*	*2,644*

b) Terms/rights attached to equity shares

The Holding Company has only one class of equity shares having a par value of Re. 1 per share. Each holder of equity share is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive remaining assets of the Group, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Equity shares held by holding/ultimate holding company and/or their subsidiaries/associates

	As at March 31, 2022*	
	Nos.	Value
Scottish & Newcastle India Limited	8,99,94,960	900
Heineken International B.V.	6,41,69,921	642
Heineken UK Limited	84,89,270	85
Total	**16,26,54,151**	1,627

*Comparatives not applicable as these entities became holding/ultimate holding company with effect from July 29, 2021.

d) Details of shareholders holding more than 5% of the shares in the Holding Company

Name of the shareholder	As at March 31, 2022		*As at March 31, 2021*	
	Nos.	%	*Nos.*	*%*
Equity shares of Re.1 each fully paid				
Scottish & Newcastle India Limited	8,99,94,960	34.04%	*8,99,94,960*	*34.04%*
Deputy Director, Directorate of Enforcement	—	—	*4,27,04,758*	*16.15%*
Heineken International B.V.	6,41,69,921	24.27%	*2,45,25,575*	*9.28%*
Dr. Vijay Mallya (including joint holdings)	2,13,53,620	8.08%	*2,13,53,620*	*8.08%*

As per records of the Holding Company, the above shareholding represents legal ownership of shares.

e) There are no equity shares issued as bonus, shares issued for consideration other than cash or shares bought back during the period of five years immediately preceding the reporting date.

f) Details of equity shares (of Re.1 each fully paid up) held by promoters

March 31, 2022

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total shares	% change during the year
Scottish & Newcastle India Limited	8,99,94,960	—	8,99,94,960	34.04	—
Heineken International B.V.	2,45,25,575	3,96,44,346	6,41,69,921	24.27	14.99
Heineken UK Limited	84,89,270	—	84,89,270	3.21	—
Dr.Vijay Mallya	4,02,666	—	4,02,666	0.15	—
Dr.Vijay Mallya & Sidhartha Mallya, joint holding	1,04,86,666	—	1,04,86,666	3.97	—
Dr.Vijay Mallya & Ritu Mallya, joint holding	1,04,64,288	—	1,04,64,288	3.96	—
McDowell Holdings Ltd.	45,51,000	—	45,51,000	1.72	—
Kamsco Industries Pvt. Ltd.	32,74,000	—	32,74,000	1.24	—
UB Overseas Ltd.	4,27,740	—	4,27,740	0.16	—
Pharma Trading Company Pvt. Ltd.	620	—	620	0.00	—
Total	**15,26,16,785**	**3,96,44,346**	**19,22,61,131**	**72.72**	**14.99**

March 31, 2021

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total shares	% change during the year
Scottish & Newcastle India Limited	8,99,94,960	—	8,99,94,960	34.04	—
Heineken International B.V.	2,45,25,575	—	2,45,25,575	9.28	—
Heineken UK Limited	84,89,270	—	84,89,270	3.21	—
Dr.Vijay Mallya	4,02,666	—	4,02,666	0.15	—
Dr.Vijay Mallya & Sidhartha Mallya, joint holding	1,04,86,666	—	1,04,86,666	3.97	—
Dr.Vijay Mallya & Ritu Mallya, joint holding	1,04,64,288	—	1,04,64,288	3.96	—
McDowell Holdings Ltd.	45,51,000	—	45,51,000	1.72	—
Kamsco Industries Pvt. Ltd.	32,74,000	—	32,74,000	1.24	—
UB Overseas Ltd.	4,27,740	—	4,27,740	0.16	—
Pharma Trading Company Pvt. Ltd.	620	—	620	0.00	—
Total	**15,26,16,785**	**—**	**15,26,16,785**	**57.73**	**—**

Notes to consolidated Financial Statements contd.
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	As at March 31, 2022	*As at March 31, 2021*
14. OTHER EQUITY		
Capital redemption reserve		
Balance as per last consolidated financial statements	**24,690**	*24,690*
Securities premium		
Balance as per last consolidated financial statements	**62,938**	*62,938*
General reserve		
Balance as per last consolidated financial statements	42,692	*41,543*
Transfer from the consolidated statement of profit and loss*	40	*1,149*
Closing balance	**42,732**	*42,692*
Retained earnings		
Balance as per last consolidated financial statements	2,25,264	*2,20,211*
Consolidated profit for the year	36,546	*11,322*
Other comprehensive income	60	*1,490*
Appropriations		
Final equity dividend	(1,322)	*(6,610)*
Transfer to general reserve*	(40)	*(1,149)*
Closing balance	**2,60,508**	*2,25,264*
Total reserves and surplus	**3,90,868**	*3,55,584*

*Transfer to general reserve for the year ended March 31, 2022 pertains to the subsidiary.

Distribution made and proposed		
Cash dividends on equity shares declared and paid:		
Dividend for the year ended March 31, 2021: Rs. 0.50 per share (March 31, 2020: Rs. 2.50 per share)	1,322	*6,610*
	1,322	*6,610*
Proposed dividends on equity shares:		
Dividend for the year ended on March 31, 2022: Rs. 10.50 per share (March 31, 2021: Rs. 0.50 per share)	27,763	*1,322*
	27,763	*1,322*

Proposed dividend on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at year end.

Non-controlling interest		
Balance as per last consolidated Ind AS financial statements	375	*334*
Profit for the year	62	*61*
Cash dividends paid by the subsidiary company	(23)	*(20)*
Closing balance	**414**	*375*

	Non-current portion		Current portion	
	As at March 31, 2022	*As at March 31, 2021*	**As at March 31, 2022**	*As at March 31, 2021*
15. FINANCIAL LIABILITIES – BORROWINGS (NON-CURRENT)				
(at amortised cost)				
Secured				
Indian currency term loans from banks	—	*10,750*	—	*14,250*
Less: Amount disclosed under the head "Financial liabilities – Borrowings (Current)" (Refer Note 18)	—	—	—	*14,250*
Total	**—**	*10,750*	**—**	—

(a) Nature of security and terms are as below:

Nature of security	Repayment and other terms
Indian currency term loan Axis Bank: Rs. NIL (March 31, 2021: Rs. 25,000 Lakhs) secured by first pari-passu charge on all present and future movable property, plant and equipment of the Holding Company, excluding those which are exclusively under charge of other lenders and with negative lien on immovable fixed assets of the Holding Company.	Repayable in 5 equal quarterly instalments of Rs. 4,750 Lakhs each and one instalment of Rs. 1,250 Lakhs starting from September 2021. The loan carried floating interest rate, which was in the range of 5.4% to 7.5% per annum during the year and was payable on monthly basis. The loan was pre-paid by the Holding Company during the year ended March 31, 2022.

(b) The Group is in compliance with the applicable debt covenants prescribed in the terms of borrowings. Also there has been no default in repayment of borrowings and payment of interest during the year.

	Non-current portion		Current portion	
	As at March 31, 2022	*As at March 31, 2021*	**As at March 31, 2022**	*As at March 31, 2021*
16. OTHER FINANCIAL LIABILITIES				
(at amortised cost)				
Liability for capital goods	—	—	5,230	*5,774*
Security deposits	—	—	2,573	*3,694*
Unpaid dividends*	—	—	3,875	*5,147*
Salaries and bonus payable	2,497	*1,109*	6,011	*4,726*
Freight expenses payable	—	—	7,756	*7,046*
Other expenses payable	—	—	30,365	*25,995*
Total	**2,497**	*1,109*	**55,810**	*52,382*

*There are no amounts due for payment to the Investor Education and Protection Fund under the Companies Act, 2013 as at year end.

Notes to consolidated Financial Statements contd.
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	Non-current portion		Current portion	
	As at March 31, 2022	*As at March 31, 2021*	**As at March 31, 2022**	*As at March 31, 2021*
17. PROVISIONS				
Provision for employee benefits				
Gratuity	441	*160*	500	*1,000*
Provident fund	—	—	—	*265*
Compensated absences	—	—	4,034	*4,316*
	441	*160*	**4,534**	*5,581*
Other provisions				
Provision for litigations	—	—	5,688	*3,527*
	—	—	**5,688**	*3,527*
Total	**441**	*160*	**10,222**	*9,108*

	At the beginning of the year	Additions during the year	Utilised during the year	Unused amounts reversed	At the end of the year
Provision for litigations	3,527	2,161	—	—	5,688
	(3,552)	(8)	—	(33)	(3,527)

Figures in brackets are of previous year.

Provision for litigations relates to matters which are sub-judice and the Group continues to contest these cases.

	As at March 31, 2022	*As at March 31, 2021*
18. FINANCIAL LIABILITIES - BORROWINGS (CURRENT)		
(at amortised cost)		
Secured		
Current maturities of long-term borrowing (Refer Note 15)	—	*14,250*
Indian currency cash credit from banks	—	*17*
Total	**—**	*14,267*

(a) Indian currency cash credit and working capital demand loans are part of consortium facility and are secured by first pari-passu charge on all current assets of the Holding Company namely stock of raw materials, semi finished and finished goods, stores and spares and not relating to plant & machinery (consumables, stores & spares), bills receivable and book debt of the present and the future. These facilities are repayable within 360 days and carry interest in the range of 4% to 7% per annum.

(b) The quarterly returns/statements filed by the Holding Company with banks are in the agreement with the books of the Holding Company, except in instances as below:

Quarter ended	Value as per books of accounts	Value as per Quarterly returns/statements	Discrepancy^
June 30, 2021 - Inventories (Work in progress)	25,524	27,468	(1,944)
December 31, 2021 - Inventories (Finished goods)	25,070	24,388	682

^Updated for book closure entries recorded post submission of returns/statements to banks.

(c) The Group is in compliance with applicable financial debt covenants prescribed in the terms of borrowings. Also, there has been no default in repayment of borrowings and payment of interest during the year.

	As at March 31, 2022	*As at March 31, 2021*
19. FINANCIAL LIABILITIES - TRADE PAYABLES		
(at amortised cost)		
Total outstanding dues of micro and small enterprises (Refer Note 36 for details)	9,158	*6,344*
Total outstanding dues of creditors other than micro and small enterprises (including acceptances)	54,642	*56,603*
Total	**63,800**	*62,947*

(a) Trade payables are non-interest bearing and are normally settled on 30 to 130 days

(b) The above disclosure includes dues to related parties (Refer Note 38)

(c) Trade payables ageing schedule

	Outstanding for the following periods from due date of payment					
	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2022						
Total outstanding dues of micro and small enterprises	—	8,492	345	298	23	9,158
Total outstanding dues of creditors other than micro and small enterprises	6,911	46,938	108	58	575	54,590
Disputed dues of micro and small enterprises	—	—	—	—	—	—
Disputed dues of creditors other than micro and small enterprises	—	—	—	—	52	52
Total	**6,911**	**55,430**	**453**	**356**	**650**	**63,800**
As at March 31, 2021						
Total outstanding dues of micro and small enterprises	—	5,499	302	543	—	6,344
Total outstanding dues of creditors other than micro and small enterprises	2,035	53,141	381	98	736	56,391
Disputed dues of micro and small enterprises	—	—	—	—	—	—
Disputed dues of creditors other than micro and small enterprises	—	45	73	—	94	212
Total	**2,035**	**58,685**	**756**	**641**	**830**	**62,947**

	As at March 31, 2022	*As at March 31, 2021*
20. OTHER CURRENT LIABILITIES		
Statutory dues payable*	62,676	*71,846*
Contract liabilities - Advances from customers**	4,335	*2,614*
Advance from commission agents	250	*250*
Total	**67,261**	*74,710*

*Includes liability for excise duty on closing stock of work-in-progress and finished goods, value added tax, goods and services tax, etc.

**Revenue recognised from amounts included in contract liabilities at the beginning of the year is Rs. 2,209 Lakhs (March 31, 2021: Rs. 2,584 Lakhs)

Notes to consolidated Financial Statements contd.
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	March 31, 2022	March 31, 2021
21. REVENUE FROM CONTRACTS WITH CUSTOMERS (INCLUDING EXCISE DUTY)		
Revenue from operations		
Sale of products (including excise duty)	12,85,979	9,98,541
Sale of services	3,068	1,584
Other operating revenues	23,345	18,451
Total	**13,12,392**	10,18,576
(a) Disaggregated revenue information		
Sale of products (including excise duty)		
Beer	12,73,211	9,89,774
Non-alcoholic beverages	2,988	2,891
Others (Input materials)	9,780	5,876
	12,85,979	9,98,541
Sale of services		
Royalty income	2,775	1,426
Others	293	158
	3,068	1,584
Other operating revenues		
Income from contract manufacturing units	13,835	11,921
Scrap sales	9,100	6,403
Others	410	127
	23,345	18,451
(b) Timing of revenue recognition		
Products transferred at a point in time	12,95,489	10,05,071
Services rendered at a point in time	16,903	13,505
	13,12,392	10,18,576
(c) Reconciliation of amount of revenue recognised with contract price		
Revenue as per contracted price	13,59,687	10,56,140
Adjustments (Variable consideration, etc.)	(47,295)	(37,564)
Revenue from contracts with customers	**13,12,392**	10,18,576

(d) Performance obligations for sale of products is satisfied upon delivery of the goods and that for sale of services is satisfied upon rendering of respective services.

(e) Sale of products for the year ended March 31, 2022 is adjusted for reversals in variable consideration of Rs. 753 Lakhs (Previous year: Rs. 1,528 Lakhs).

(f) Also refer Note 10 for Trade receivables, Note 20 for Contract liabilities and Note 37 for Segment information.

UNITED BREWERIES LIMITED

	March 31, 2022	*March 31, 2021*
22. OTHER INCOME		
Interest income on bank and other deposits	1,528	*462*
Net gain on disposal of property, plant and equipment	8	*4*
Profit on sale of investments classified as fair value through profit or loss	54	*—*
Exchange differences (net)	352	*356*
Liabilities no longer required written back	479	*205*
Loss allowance for receivables, no longer required written back	217	*3,380*
Other non-operating income	341	*618*
Total	**2,979**	*5,025*
23. COST OF MATERIALS CONSUMED		
Raw materials		
Inventories at the beginning of the year	25,453	*23,294*
Add: Purchases	81,751	*69,642*
Less: Inventories at the end of the year	15,894	*25,453*
Consumption	**91,310**	*67,483*
Packing materials and bottles		
Inventories at the beginning of the year	16,252	*18,962*
Add: Purchases	1,79,710	*1,26,323*
Less: Inventories at the end of the year	16,543	*16,252*
Consumption	**1,79,419**	*1,29,033*
Total	**2,70,729**	*1,96,516*
24. PURCHASES OF STOCK-IN-TRADE		
Beer	18,501	*6,220*
Non-alcoholic beverages	1,081	*1,151*
	19,582	*7,371*
25. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Inventories at the beginning of the year		
Finished goods*	28,675	*26,718*
Work-in-progress	39,616	*37,219*
Stock-in-trade	457	*690*
	68,748	*64,627*
Less: Inventories at the end of the year		
Finished goods*	20,577	*28,675*
Work-in-progress	36,132	*39,616*
Stock-in-trade	231	*457*
	56,940	*68,748*
Decrease/(increase) in inventories	**11,808**	*(4,121)*
(Increase)/decrease in excise duty on inventories	**(9,507)**	*3,171*
Total	**2,301**	*(950)*

*Before provision for obsolete stock. Refer Note 9.

Notes to consolidated Financial Statements contd.
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

26. EMPLOYEE BENEFITS EXPENSE

	March 31, 2022	March 31, 2021
Salaries, wages and bonus*	46,657	42,444
Gratuity expense [refer note (i) below]	860	1,067
Contribution to provident and other funds [refer note (i) and (ii) below]	1,846	2,260
Staff welfare expenses	2,949	2,778
Total	**52,312**	48,549

*Includes severance pay of Rs. 1,748 Lakhs (Previous year: Nil) paid to certain employees of the Holding Company on separation.

(i) The Group operates two defined benefit plans i.e., gratuity and provident fund for its employees. Under the tiered gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure as per the Group policy subject to minimum of 15 days of last drawn salary for each completed year of service. The gratuity fund is managed by external agencies. Under the provident fund benefit plan till December 31, 2021, the Group contributed to the provident fund trust which guaranteed a specified rate of return on such contributions on a periodical basis as per the government notification. The shortfall in the return, if any, was borne by the Group. The aforesaid funds are set up as trusts and are governed by the Board of Trustees who is responsible for the administration of the plan assets and for deciding the investment strategy. Effective January 1, 2022, the provident fund trust has transferred the funds to the Regional Provident Fund (RPFC). Henceforth the provident fund and returns on the contribution would be managed by the RPFC and the Group's obligation is restricted to payment of the contribution made by employees and the employer's contribution on a monthly basis. As such, effective January 1, 2022, provident fund benefit is a defined contribution plan. The following table summarises the components of net benefit expenses and the funded status for respective plans:

	Gratuity		Provident fund	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
a) Changes in the present value of the defined benefit obligation				
Obligations at beginning of the year	10,401	11,569	19,060	17,100
Current service cost - employer contribution	851	961	673	863
Employee contribution	—	—	1,139	1,724
Interest cost	615	667	286	1,454
Benefits paid**	(1,572)	(1,953)	(21,158)	(2,201)
Actuarial (gain)/loss	(46)	(843)	—	120
Obligations at end of the year	**10,249**	10,401	—	19,060
b) Change in fair value of plan assets				
Plan assets at the beginning of the year	9,241	9,884	18,795	16,127
Return on plan assets	606	561	551	1,404
Contributions during the year*	1,000	—	1,812	2,946
Benefits paid**	(1,572)	(1,953)	(21,158)	(2,201)
Actuarial gain/(loss)	33	749	—	519
Plan assets at end of the year	**9,308**	9,241	—	18,795

*Provident fund includes contribution by the employer towards loss on sale of investments by the provident fund trust.

**Provident fund benefits paid during the year ended March 31, 2022 includes Rs. 17,002 Lakhs (March 31, 2021: Nil) transferred to the Employee's Provident Fund Organisation, Government of India on surrender of exempted Provident Fund Trust by the Holding company.

	Gratuity		Provident fund	
	March 31, 2022	*March 31, 2021*	**March 31, 2022**	*March 31, 2021*
c) Benefit asset/(liability)				
Fair value of plan assets	9,308	*9,241*	—	*18,795*
Less: Present value of the defined benefit obligations	10,249	*10,401*	—	*19,060*
Benefit asset/(liability)	**(941)**	*(1,160)*	**—**	*(265)*
d) Cost charged to the consolidated statement of profit and loss under employee cost				
Current service cost - employer contribution	851	*961*	673	*863*
Interest cost	615	*667*	286	*1,454*
Return on plan assets	(606)	*(561)*	(551)	*(1,404)*
Net employee benefit expense**	**860**	*1,067*	**408**	*913*

**In respect of provident fund trust, the amount recognised in the consolidated statement of profit and loss is the amount contributed to provident fund by the Group and the amount of shortfall in defined benefit obligations (excluding the re-measurement gain/loss which is recognised in other comprehensive income).

e) Re-measurement (gain)/loss recognised in other comprehensive income				
Actuarial (gain)/loss				
Change in financial assumption	(437)	*(289)*	—	*182*
Experience variance (actual vs assumption)	390	*(554)*	—	*(62)*
Return on plan assets (excluding amount recognised in net interest expense)	(33)	*(749)*	—	*(519)*
Net actuarial (gain)/loss	**(80)**	*(1,592)*	**—**	*(399)*
f) Major category of plan assets included in percentage of fair value of plan assets				
Government securities	—	—	—	*11,177*
Corporate bonds	—	—	—	*5,796*
Fund balance with insurance companies	9,308	*9,241*	—	—
Others	—	—	—	*1,822*
Total	**9,308**	*9,241*	**—**	*18,795*

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Notes to consolidated Financial Statements contd.

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

g) The principal assumptions used in determining gratuity and provident fund obligations for the Group plans are as shown below:

	Gratuity		Provident fund	
	March 31, 2022	*March 31, 2021*	**March 31, 2022**	*March 31, 2021*
Discount rate	6.70%	*6.40%*	—	*6.40%*
Salary increase rate	8.00%-10.50%	*8.00%-10.50%*	—	*8.00%-10.50%*
Employee turnover	5.00%-15.00%	*5.00%-15.00%*	—	*5.00%-15.00%*
Expected return on exempt fund	*Not applicable*		—	*7.65%*

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The overall rate of return on assets is determined based on the market price prevailing on that date, applicable to the period over which the obligation is to be settled.

h) A quantitative sensitivity analysis for significant assumptions is as below:

	March 31, 2022		*March 31, 2021*	
	1% increase	**1% decrease**	*1% increase*	*1% decrease*
Impact on defined benefit obligation (Gratuity) - Increase/(decrease) in liability				
Discount rate	(704)	799	*(735)*	*836*
Salary increase rate	787	(705)	*812*	*(730)*
Employee turnover	(148)	161	*(165)*	*183*
Impact on defined benefit obligation (Provident fund) - Increase/(decrease) in liability				
Expected return on exempt fund	—	—	*(564)*	*627*

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable change in key assumptions occurring at the end of the reporting period.

(i) The Group expects to contribute Rs. 500 Lakhs (March 31, 2021: Rs. 1,000 Lakhs) to gratuity fund during the next financial year. The maturity profile of the defined benefit payments under the defined benefit plans in future years is as below.

	Gratuity		Provident fund	
	March 31, 2022	*March 31, 2021*	**March 31, 2022**	*March 31, 2021*
Within next 12 months	691	*686*	—	*3,930*
Between 2 to 5 years	4,683	*4,356*	—	*6,425*
Between 5 to 10 years	7,431	*7,605*	—	*3,979*
Total	**12,805**	*12,647*	**—**	*14,334*

The average duration of the defined benefit plan obligations at the end of the reporting period is 7 years (Previous year: 7 years)

(ii) Contribution to provident and other funds include the following:

	March 31, 2022	*March 31, 2021*
Provident fund (includes defined benefit obligation)	1,236	*1,558*
Superannuation fund	586	*669*
Employees state insurance fund	24	*33*
Total	**1,846**	*2,260*

27. FINANCE COSTS

Interest expense (including on lease liabilities)	1,464	*2,244*
Other borrowing costs	14	*23*
Total	**1,478**	*2,267*

28. DEPRECIATION AND AMORTISATION EXPENSE

Depreciation of property, plant and equipment (including right-of-use assets)	21,191	*22,677*
Amortisation of intangible assets	528	*524*
Total	**21,719**	*23,201*

29. OTHER EXPENSES

Consumption of stores and spares		11,300		*7,980*
Power and fuel		14,779		*11,774*
Rent		3,948		*3,900*
Repairs and maintenance				
Plant and machinery		4,495		*2,689*
Buildings		240		*133*
Others		2,060		*1,348*
Insurance		2,328		*2,227*
Rates and taxes		30,855		*22,870*
Legal and professional charges		6,379		*3,933*
Auditor's remuneration*				
Statutory audit fee	151		*144*	
Limited review fee	30		*27*	
Tax audit fee	19		*19*	
Certifications	5		*15*	
Other audit related services	99		*15*	
Others	23	327	*8*	*228*
Sales promotion expenses [net of reversal of Rs. 213 Lakhs (Previous year: Rs. 186 Lakhs)]		27,606		*21,095*
Outward freight, halting and breakage expenses		30,246		*23,098*
Distribution expenses [net of reversal of Rs. 754 Lakhs (Previous year: Rs. 145 Lakhs)]		16,490		*16,451*
CSR expenditure (refer details below)		1,080		*1,383*
Bad debts/advances written off		301		*28*
Loss allowance for trade receivables		1,720		*479*
Provision for doubtful advances/deposits		620		*966*
Miscellaneous expenses		14,484		*14,135*
Total		**1,69,258**		*1,34,717*

*Includes goods and service tax and reimbursement of expenses

Notes to consolidated Financial Statements contd.
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	March 31, 2022	*March 31, 2021*
OTHER EXPENSES (contd.)		
Details of CSR expenditure		
(a) Gross amount required to be spent by the Holding Company during the year	1,080	*1,368*
(b) Amount approved by the Board to be spent during the year	1,080	*1,368*
(c) Amount spent during the year		
Construction/acquisition of any asset	—	—
Other than construction/acquisition of any asset	736	*1,383*
Total	**736**	*1,383*
(d) Details related to spent/unspent obligations		
Amount spent during the year	736	*1,383*
Unspent amount in relation to ongoing project	344	*47*
Unspent amount in relation to other than ongoing project	—	—
Total	**1,080**	*1,430*
(e) Details of ongoing projects		
Balance at the beginning of the year (with the Holding Company)**	47	*62*
Amount required to be spent during the year	1,080	*1,368*
Less: Amount spent during the year (from the Holding Company's bank account)	736	*1,383*
Less: Amount spent during the year (from unspent CSR account)	46	—
Balance at the end of the year (with the Holding Company)* **	**345**	*47*

**Balance at the beginning of the year (i.e.,as at April 1, 2021) was transferred to a separate unspent CSR account during the year.

***The Holding Company is in the process of transferring unspent amount to a separate unspent CSR account.

	March 31, 2022	*March 31, 2021*
30. EXCEPTIONAL ITEMS		
Impairment (loss) on property, plant and equipment (Refer Note 43)	—	*(4,446)*
Impairment (loss) on goodwill (see note (a) below)	—	*(1,776)*
Gain on transfer of rights and interest in a leasehold land (see note (b) below)	—	*5,500*
Total	**—**	*(722)*

(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 subsidiary company. The recoverable amount for the underlying assets of the subsidiary company is 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 year ended March 31, 2021. No futher impairment was noted during the year.

(b) The Holding Company executed a deed for assignment cum transfer of its rights and interest in a leasehold land property (disclosed as assets held for sale) and accordingly a profit of Rs. 5,500 Lakhs realised on such transfer was recognized during the year ended March 31, 2021.

	March 31, 2022	*March 31, 2021*
31. TAX EXPENSES		
Income tax related to items charged or credited to the consolidated statement of profit and loss during the year:		
Consolidated profit and loss section		
Current tax	13,203	*6,779*
Deferred tax (credit)	(367)	*(1,221)*
Total	**12,836**	*5,558*
Other comprehensive income		
Deferred tax charge		
Re-measurement of defined benefit plans	20	*501*
Total	**20**	*501*
Reconciliation of tax expense with accounting profit multiplied by statutory income tax rate:		
Accounting profit before income tax	**49,444**	*16,941*
Tax as per statutory income tax rate of 25.17% (Previous year: 25.17%)	12,445	4,264
Non-deductible expenses for tax purposes		
CSR expenditure	272	*348*
Impairment loss on goodwill	—	*447*
Others	**119**	*499*
Income tax expense reported in consolidated statement of profit and loss account	**12,836**	**5,558**

32. EARNINGS PER SHARE (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computation:		
Net profit attributable to equity shareholders of the parent	36,546	*11,322*
Weighted average number of equity shares considered for calculating basic/ diluted EPS	26,44,05,149	*26,44,05,149*
Earnings per share (Basic/Diluted) (Rs.)	**13.82**	*4.28*

33. LEASES

The Group has lease contracts for land, office premises, employee residential premises, computers, plant and equipment, furniture and vehicles. Leasehold land arrangements are for 90-99 years with various government authorities. Other leases are for a period of upto 9 years with options of renewal and premature termination with notice, except in certain leases with lock-in period of 6 to 36 months. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and sub-leasing the leased assets. There are certain lease contracts that include extension and termination options. The Group also has certain leases with lease terms of twelve months or less and leases with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases. There is no lease arrangements with variable lease payments.

Refer Note 3 for details of carrying amounts of right-of-use assets recognised and the movements during the year. Set out below are the carrying amounts of lease liabilities and the movements during the year:

Notes to consolidated Financial Statements contd.
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	March 31, 2022	*March 31, 2021*
At the beginning of the year	1,180	*1,659*
Additions	286	*374*
Accretion of interest	91	*113*
Payments	(583)	*(966)*
At the end of the year	**974**	*1,180*
Current	368	*406*
Non-current	606	*774*
Total	**974**	*1,180*

The Group has applied weighted average incremental borrowing rate of 8% per annum to lease liabilities recognised in the consolidated balance sheet. The maturity analysis of lease liabilities is disclosed in Note 41(c). The following are the amounts recognised in the consolidated statement of profit and loss:

Depreciation expense of right-of-use assets	719	*1,070*
Interest expense on lease liabilities	91	*113*
Expense relating to short-term leases (included in rent expense)	3,769	*3,654*
Expense relating to leases of low-value assets (included in rent expenses)	179	*246*
Total amount recognised in the consolidated statement of profit and loss	**4,758**	*5,083*

The Group had total cash outflows for leases of Rs. 4,531 Lakhs (Previous year: Rs. 4,866 Lakhs) for the year ended March 31, 2022. The Holding Company also had non-cash additions to right-of-use assets and lease liabilities of Rs. 286 Lakhs (Previous year: Rs. 374 Lakhs) during the year ended March 31, 2022. There are no leases that have been entered into but not yet commenced as at year end.

The undiscounted potential future rental payment relating to periods following the exercise date of extension option that are not included in the lease term is Rs. 151 Lakhs (Previous Year: Rs. 159 Lakhs). There are no termination options which are expected to be exercised but not included in lease term.

34. CAPITAL AND OTHER COMMITMENTS

(a) Estimated amount of contracts remaining to be executed (net of capital advances) on capital account and not provided for	6,507	*5,070*
(b) Commitment under contracts for malt conversion	1,404	*2,808*
(c) Commitments under power purchase agreements	6,706	*6,700*
(d) Other contractual commitments	1,949	*2,430*
Total	**16,566**	*17,008*

For commitments relating to lease arrangements, refer Note 33.

35. CONTINGENT LIABILITIES

(a) The Holding Company received an order dated September 24, 2021 under Section 27 of the Competition Act, 2002 from the Competition Commission of India ("CCI") ('the CCI Order'), wherein the CCI concluded that the Holding Company and certain executives (including former executives) of the Holding Company contravened the provisions of Section 3 of the Competition Act, 2002. The CCI levied a penalty of Rs.75,183 Lakhs on the Holding Company. On December 8, 2021, the Holding Company filed an appeal against the aforesaid CCI Order before the National Company Law Appellate Tribunal ('NCLAT'). The NCLAT vide its order dated December 22, 2021 granted a stay of the CCI Order during the pendency of the appeal, including recovery of the penalty imposed by the CCI, subject to deposit of 10% of the penalty amount by the Holding Company. The Holding Company has accordingly deposited Rs. 7,518 Lakhs with the Registrar, NCLAT.

Based on the advice of the external legal experts, the Holding Company is of the view that the Director General and the CCI has not considered all aspects of its submissions particularly considering the nature of the regulations governing the manufacture, distribution and sale of beer in India. As advised by the Holding Company's external legal experts, the Holding Company has a strong case on merits, there exists uncertainty relating to the final outcome in this matter, which is dependent on judicial proceedings; and that it is not in a position to reliably estimate the final obligation relating to penalties, if any. Accordingly, no provision has been recorded in the books of account and the same has been considered as a contingent liability in accordance with Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets.

(b) On January 5, 2022, a party has filed a claim of Rs. 2,877 Lakhs against the Holding Company before the Arbitral Tribunal, which includes claims towards loss of profit, certain reimbursement claims and damages towards breach of contract, etc. On February 12, 2022, the Holding Company filed a counter claim against the party before the Arbitral Tribunal, which includes claim towards loss of business and other recoverables. Management based on a legal opinion, believes that the claims made by the party are not sustainable and no liability would arise from the same. Accordingly, no liability/provision is recognised in this regard.

	March 31, 2022	*March 31, 2021*
(c) Others		
Claims against the Group not acknowledged as debts^		
Income tax	77,959	*45,166*
Excise duty	14,845	*14,713*
Sales tax	11,410	*9,820*
Service tax	2,599	*2,616*
Water charges	3,271	*3,197*
Employee state insurance/provident fund	104	*84*
Others	9,941	*9,614*
Other money for which the Company is contingently liable		
Bank guarantees	1,891	*3,809*
Letter of credit	—	*1,176*
Total	**1,22,020**	*90,195*

^The Group is contesting these demands / notices and the management, based on advice of its legal/tax consultants, believes that its position will likely be upheld in the appellate process. No expense has been accrued in the consolidated financial statements for these demands raised. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Group's financial position and results of operations. The Group does not expect any reimbursements in respect of these contingent liabilities. The amounts disclosed as contingent liabilities above are based on the demands stated in the orders /notices received from the tax authorities. These do not include amounts for similar matters for periods subsequent to periods covered by these demands / notices and interest or penalty which are not included in these demands / notices.

During the financial year 2006-07 relating to assessment year 2007-08, pursuant to acquisition of a subsidiary and its subsequent merger in the same financial year, the Holding Company recognized goodwill of Rs. 6,230 Lakhs and has claimed depreciation thereon under the Income Tax Act. The claim of depreciation on goodwill has been litigated by the tax authorities and the Holding Company's appeal in this regard is pending before the Honorable High Court of Karnataka. The Holding Company has relied on the Honorable Supreme Court's (SC) judgement on depreciation claim and other rulings of High Courts relying on the aforesaid SC order which supports claim for depreciation on goodwill. Based on advice of its tax consultants and senior counsel,

the Holding Company believes that it is probable that its position will be upheld in the appellate process and hence tax thereupon is considered as a contingent liability.

In addition, the Group is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The management reasonably does not expect that these legal actions, when ultimately concluded and determined, will have material effect on the Group's results of operations or financial condition.

	March 31, 2022	*March 31, 2021*
36. Details of dues of micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006		
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount due to micro and small enterprises	8,367	*5,205*
- Interest due on above	791	*1,139*
- Total	**9,158**	*6,344*
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	150	—
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	192	*268*
The amount of interest accrued and remaining unpaid at the end of each accounting year	791	*1,139*
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	791	*1,139*

The information given above is to the extent such parties have been identified by the Group on the basis of information disclosed by the suppliers.

37. SEGMENT REPORTING

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

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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.

	March 31, 2022	*March 31, 2021*
Segment revenue		
Beer	13,09,404	*10,15,685*
Non-alcoholic beverages	2,988	*2,891*
Total revenue	**13,12,392**	*10,18,576*
Segment results		
Beer	84,080	*50,254*
Non-alcoholic beverages	(6,510)	*(3,841)*
Total segment results	**77,570**	*46,413*
Other income	2,979	*5,025*
Finance costs	(1,478)	*(2,267)*
Other unallocable expenses	(29,627)	*(31,508)*
Profit before exceptional items and tax	**49,444**	*17,663*
Exceptional items (Refer Note 30)	—	*(722)*
Profit before tax	**49,444**	*16,941*
Information about geographical areas is as below:		
Revenue from external customers (including excise duty)		
India	12,96,692	*10,10,898*
Outside India	15,700	*7,678*
Total	**13,12,392**	*10,18,576*
The above information is based on the location of customers.		
Non-current operating assets		
India	2,01,635	*2,07,180*
Outside India	—	—
Total	**2,01,635**	*2,07,180*

Non-current assets for this purpose consists of property, plant and equipment, capital work-in-progress and intangible assets.

Revenue (including excise duty) from customers individually contributing more than 10% of the Group's revenue aggregates to Rs. 438,084 Lakhs (Previous year: Rs. 256,556 Lakhs) from 2 customers (Previous year: 1 customer).

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Notes to consolidated Financial Statements contd.
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

38. RELATED PARTY DISCLOSURES

A. Name of related parties and related party relationships

Related party where control or significant influence exists:

Ultimate holding company	: Heineken N.V. (effective July 29, 2021)
Associate	: Kingfisher East Bengal Football Team Private Limited ('KEBFTPL')

Related parties under Ind AS 24 with whom transactions have taken place:

Enterprises having significant influence	: Scottish & Newcastle India Limited, UK ('SNIL') Heineken International B.V. ('HIBV') (effective June 23, 2021)
Key management personnel (KMP)	: Mr. Rishi Pardal, Managing Director (effective August 1, 2020) Mr. Berend Cornelis Roelof Odink, Chief Financial Officer and Director (Director effective June 29, 2021*) Mr. Shekhar Ramamurthy, Managing Director (till July 31, 2020) Mr. B.M. Labroo, CEO and Director of Subsidiary company

*During the year ended March 31, 2022, the Holding Company appointed Mr. Berend Cornelis Roelof Odink, a Non-resident as whole-time director of the Holding Company. The Holding Company has filed an application with the Central Government seeking approval for appointment of Mr. Berend Cornelis Roelof Odink as a director, as per Rule 7 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the same is presently awaited. The Holding Company has obtained shareholders' approval in this regard, at the Annual General Meeting of the Holding Company held on July 29, 2021.

Enterprises over which investing parties have significant influence/Fellow subsidiaries (effective July 29, 2021)	: Heineken UK Limited ('HUL'), holding company of SNIL Heineken International B.V. ('HIBV') (till June 22, 2021) Heineken Brouwerijen B.V. ('HBBV') Heineken Supply Chain B.V. ('HSCBV') Heineken Asia Pacific Pte. Ltd. ('HAPPL') Heineken Asia Pacific Export Pte. Ltd. ('HAPEP') Heineken Asia Pacific Beverages Pte. Ltd. ('HAPBPL') Amstel Brouwerijen B.V. ('Amstel') DB Breweries Limited ('DBL') DBG (Australia) Pty Limited ('DBG') Sirocco FZCO, United Arab Emirates ('SIRC') Asia Pacific Breweries (Singapore) Pte. Ltd. ('APBS')
Employee benefits trusts (included in 'Others' below)	: UBL Gratuity Fund Trust United Breweries Limited Provident Fund Trust ("UBL Provident Fund Trust")** United Breweries Super Annuation Fund ("UBL Super Annuation Fund")

**During the year ended March 31, 2022, the Holding Company has surrendered the trust to the Employees Provident Fund Organisation, Government of India.

Additional related parties as per the Companies Act, 2013 with whom transactions have taken place

Directors	: Mr. A K Ravi Nedungadi (till July 29, 2021)
	Mr. Stephan Gerlich
	Mrs. Kiran Majumdar Shaw
	Mr. Madhav Bhatkuly
	Mr. Sunil Alagh
	Mr. Christiaan August J Van Steenbergen
	Mr. Jan Cornelis Van Der Linden (effective June 1, 2020)
	Mr. Rudolf Gijsbert Servaas Van Den Brink (till May 31, 2020)

The Securities and Exchange Board of India vide its order dated January 25, 2017 restrained Dr. Vijay Mallya from holding position as Director or Key Managerial Person of any listed company. Pursuant to the decision of the Board at its meeting held on July 4, 2017, the Holding Company had communicated on July 6, 2017 to Dr. Mallya and his associate companies (promoters of the Holding Company) to nominate a director on the Board in his place in terms of the Articles of Association of the Holding Company. Further, pursuant to the decision of the Board at its meeting held on August 10, 2017, the Holding Company carried out necessary filings with the Registrar of Companies, Karnataka (ROC) and Stock Exchanges notifying Dr. Mallya's cessation from holding the position of director in the Holding Company. The applicable form relating to cessation of directorship has since been approved by the ROC. Effective July 29, 2021, Dr. Vijay Mallya is not a related party.

Key management personnel (KMP):	: Mr. Govind Iyengar, Senior Vice-President Legal and Company Secretary
Body corporate/Private companies whose Board of directors is accustomed to act in accordance with advise, directions or instructions of directors/members (included in 'Others' below)	: United Breweries (Holdings) Limited ('UBHL')^ (till March 31, 2021)
	H. Parson Private Limited ('HPPL') (till March 31, 2021)
	Kingfisher Beer Europe Limited ('KBE') (till March 31, 2021)

^The Karnataka High Court has ordered winding up of UBHL on February 7, 2017.

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B. Transactions with related parties during the year along with balances as at year end:

	Associate		Enterprises having significant influence		Directors and KMP		Enterprises over which investing parties have significant influence/ Fellow Subsidiaries		Others	
	March 31, 2022	*March 31, 2021*	**March 31, 2022**	*March 31, 2021*	**March 31, 2022**	*March 31, 2021*	**March 31, 2022**	*March 31, 2021*	**March 31, 2022**	*March 31, 2021*
Transactions during the year										
Sale of products (net)										
SIRC	–	–	–	–	–	–	11,826	*5,401*	–	–
APBS	–	–	–	–	–	–	392	*331*	–	–
HPPL	–	–	–	–	–	–	–	–	–	*2,788*
	–	–	**–**	–	**–**	–	**12,218**	*5,732*	**–**	*2,788*
Royalty income										
APBS	–	–	–	–	–	–	1,760	613	–	–
DBL	–	–	–	–	–	–	542	451	–	–
DBG	–	–	–	–	–	–	101	114	–	–
KBE	–	–	–	–	–	–	–	–	–	*43*
	–	–	**–**	–	**–**	–	**2,403**	*1,178*	**–**	*43*
Purchase of materials										
HAPBPL	–	–	–	–	–	–	1,201	727	–	–
HAPEP	–	–	–	–	–	–	–	127	–	–
HSCBV	–	–	–	–	–	–	5	18	–	–
	–	–	**–**	–	**–**	–	**1,206**	*872*	**–**	–
Sales promotion expenses										
HPPL	–	–	–	–	–	–	–	–	–	*5*
	–	–	**–**	–	**–**	–	**–**	–	**–**	*5*
Rent expense										
UBHL	–	–	–	–	–	–	–	–	–	101
	–	–	**–**	–	**–**	–	**–**	–	**–**	*101*
Technical service fees										
HIBV	–	–	600	–	–	–	–	600	–	–
	–	–	**600**	–	**–**	–	**–**	*600*	**–**	–
Royalty paid										
HBBV	–	–	–	–	–	–	395	*278*	–	–
Amstel	–	–	–	–	–	–	217	*177*	–	–
	–	–	**–**	–	**–**	–	**612**	*455*	**–**	–

	Associate		Enterprises having significant influence		Directors and KMP		Enterprises over which investing parties have significant influence/ Fellow Subsidiaries		Others	
	March 31, 2022	*March 31, 2021*	**March 31, 2022**	*March 31, 2021*	**March 31, 2022**	*March 31, 2021*	**March 31, 2022**	*March 31, 2021*	**March 31, 2022**	*March 31, 2021*
Consultancy fees paid										
HSCBV	–	–	–	–	–	–	131	*137*	–	–
HIBV	–	–	361	–	–	–	–	*25*	–	–
KBE	–	–	–	–	–	–	–	–	–	*25*
	–	–	**361**	–	**–**	–	**131**	*162*	**–**	*25*
Reimbursements received										
HAPPL	–	–	–	–	–	–	–	60	–	–
HAPEP	–	–	–	–	–	–	–	16	–	–
HIBV	–	–	99	–	–	–	–	–	–	–
	–	–	**99**	–	**–**	–	**–**	*76*	**–**	–
Reimbursements paid										
HIBV	–	–	352	–	–	–	–	319	–	–
HAPBPL	–	–	–	–	–	–	–	1	–	–
HPPL	–	–	–	–	–	–	–	–	–	*55*
	–	–	**352**	–	**–**	–	**–**	*320*	**–**	*55*
Remuneration paid [Refer (a) below]										
Mr. Rishi Pardal	–	–	–	–	1,024	*478*	–	–	–	–
Mr. Berend Cornelis Roelof Odink	–	–	–	–	431	*451*	–	–	–	–
Mr. Shekhar Ramamurthy	–	–	–	–	214	*931*	–	–	–	–
Mr. Govind Iyengar	–	–	–	–	244	*258*	–	–	–	–
Mr. B.M.Labroo	–	–	–	–	26	*17*	–	–	–	–
	–	–	**–**	–	**1,939**	*2,135*	**–**	–	**–**	–
Sitting fee paid										
Mr. A K Ravi Nedungadi	–	–	–	–	8	*16*	–	–	–	–
Mr. Stephan Gerlich	–	–	–	–	12	*13*	–	–	–	–
Mrs. Kiran Majumdar Shaw	–	–	–	–	12	*15*	–	–	–	–
Mr. Madhav Bhatkuly	–	–	–	–	16	*23*	–	–	–	–
Mr. Sunil Alagh	–	–	–	–	18	*26*	–	–	–	–
Mr. Christiaan August J Van Steenbergen	–	–	–	–	14	*15*	–	–	–	–
Mr. Jan Cornelis Van Der Linden	–	–	–	–	11	*16*	–	–	–	–
	–	–	**–**	–	**91**	*124*	**–**	–	**–**	–

	Associate		Enterprises having significant influence		Directors and KMP		Enterprises over which investing parties have significant influence/ Fellow Subsidiaries		Others	
	March 31, 2022	*March 31, 2021*	**March 31, 2022**	*March 31, 2021*	**March 31, 2022**	*March 31, 2021*	**March 31, 2022**	*March 31, 2021*	**March 31, 2022**	*March 31, 2021*
Director Commission accrued*										
Mr. A K Ravi Nedungadi	–	–	–	–	28	*57*	–	–	–	–
Mr. Stephan Gerlich	–	–	–	–	99	*57*	–	–	–	–
Mrs. Kiran Majumdar Shaw	–	–	–	–	99	*57*	–	–	–	–
Mr. Madhav Bhatkuly	–	–	–	–	99	*57*	–	–	–	–
Mr. Sunil Alagh	–	–	–	–	99	*57*	–	–	–	–
	–	–	**–**	–	**424**	*285*	**–**	–	**–**	–
Dividend accrued/paid on equity shares										
SNIL	–	–	450	*2,250*	–	–	–	–	–	–
HIBV	–	–	321	–	–	–	–	*613*	–	–
HUL	–	–	–	–	–	–	42	*212*	–	–
Dr. Vijay Mallya (including joint holdings) (Refer (b) below)	–	–	–	–	–	–	–	–	–	*534*
	–	–	**771**	*2,250*	**–**	–	**42**	*825*	**–**	*534*
Purchase of Investments										
UBL Provident Fund Trust	–	–	–	–	–	–	–	–	49	*300*
	–	–	**–**	–	**–**	–	**–**	–	**49**	*300*
Contributions made										
UBL Gratuity Fund Trust	–	–	–	–	–	–	–	–	1,000	–
UBL Provident Fund Trust**	–	–	–	–	–	–	–	–	1,812	*2,946*
UBL Superannuation Fund	–	–	–	–	–	–	–	–	586	*669*
	–	–	**–**	–	**–**	–	**–**	–	**3,398**	*3,615*

	March 31, 2022	*March 31, 2021*
Compensation of key management personnel		
Short-term employee benefits	1,939	*2,135*
Post-employment gratuity (Paid by UBL Gratuity Fund Trust)	—	*1,277*
Termination benefits	—	—
Share-based payment transactions	—	—
Total compensation paid to key management personnel	**1,939**	*3,412*

*Excludes Goods and Services Tax (GST) paid by the Holding Company under reverse charge mechanism.

**Includes both employer and employee contributions to the fund.

	Associate		Enterprises having significant influence		Directors and KMP		Enterprises over which investing parties have significant influence/ Fellow Subsidiaries		Others	
	March 31, 2022	*March 31, 2021*	**March 31, 2022**	*March 31, 2021*	**March 31, 2022**	*March 31, 2021*	**March 31, 2022**	*March 31, 2021*	**March 31, 2022**	*March 31, 2021*
Balances outstanding as at year end										
Investment in equity shares										
KEBFTPL	1	*1*	–	–	–	–	–	–	–	–
	1	*1*	**–**	–	**–**	–	**–**	–	**–**	–
Trade receivables										
SIRC	–	–	–	–	–	–	1,994	*522*	–	–
APBS	–	–	–	–	–	–	999	*297*	–	–
DBL	–	–	–	–	–	–	125	*141*	–	–
HIBV	–	–	99	–	–	–	–	–	–	–
DBG	–	–	–	–	–	–	30	*49*	–	–
KBE	–	–	–	–	–	–	–	–	–	*6*
HPPL (net of security deposit)	–	–	–	–	–	–	–	–	–	*9*
	–	–	**99**	–	**–**	–	**3,148**	*1,009*	**–**	*15*
Security deposits (asset)										
UBHL	–	–	–	–	–	–	–	–	–	*65*
	–	–	–	–	–	–	–	–	**–**	*65*
Trade payables										
HIBV	–	–	888	–	–	–	–	*629*	–	–
HBBV	–	–	–	–	–	–	116	*124*	–	–
Amstel	–	–	–	–	–	–	58	*66*	–	–
HSCBV	–	–	–	–	–	–	33	*30*	–	–
HAPBPL	–	–	–	–	–	–	205	*13*	–	–
MML	–	–	–	–	–	–	–	–	–	–
UBHL	–	–	–	–	–	–	–	–	–	*209*
	–	–	**888**	–	**–**	–	**412**	*862*	**–**	*209*
Other Payables										
Mr. A K Ravi Nedungadi	–	–	–	–	26	*52*	–	–	–	–
Mr. Stephan Gerlich	–	–	–	–	65	*38*	–	–	–	–
Mrs. Kiran Majumdar Shaw	–	–	–	–	92	*52*	–	–	–	–
Mr. Madhav Bhatkuly	–	–	–	–	91	*52*	–	–	–	–
Mr. Sunil Alagh	–	–	–	–	91	*53*	–	–	–	–
Mr. Christiaan August J Van Steenbergen	–	–	–	–	1	*1*	–	–	–	–
Mr. Jan Cornelis Van Der Linden	–	–	–	–	–	*1*	–	–	–	–
	–	–	**–**	–	**366**	*249*	**–**	–	**–**	–

(a) The remuneration to key managerial personnel includes reimbursements and excludes the provisions made for gratuity and compensated absences, as they are determined on an actuarial basis. Also, for Mr. Rishi Pardal, the remuneration disclosed in March 31, 2021 is for the period he has been designated as Managing Director of the Holding Company.

(b) 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. 2,099 Lakhs (net of taxes) relating to dividend on aforesaid shares. The Holding Company would also withhold payment of proposed dividend for the year ended March 31, 2022 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; accordingly the Holding Company has withheld payment of Rs. 45 Lakhs (net of TDS), relating to director commission and sitting fees payable to the aforesaid erstwhile director.

Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those prevailing in arm's length transaction. The outstanding receivables/payables balances are generally unsecured and interest free. There have been no guarantees provided to or received from any related party.

UNITED BREWERIES LIMITED

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39. SUMMARY OF NET ASSETS, SHARE IN CONSOLIDATED PROFIT AND SHARE IN CONSOLIDATED OTHER COMPREHENSIVE INCOME/(LOSS)

	Net assets i.e. total assets minus total liabilities		Share in consolidated profit or loss		Share in consolidated other comprehensive income		Share in consolidated total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated net profit	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated total comprehensive income	Amount
March 31, 2022								
United Breweries Limited, Parent	99.80%	3,93,125	99.65%	36,481	100.00%	60	99.65%	36,541
Maltex Malsters Limited, Indian subsidiary	0.10%	387	0.18%	65	—	—	0.18%	65
Non-controlling interest in subsidiary	0.10%	414	0.17%	62	—	—	0.17%	62
Total	**100.00%**	**3,93,926**	**100.00%**	**36,608**	**100.00%**	**60**	**100.00%**	**36,668**
March 31, 2021								
United Breweries Limited, Parent	99.81%	3,57,913	98.91%	11,259	100.00%	1,490	99.04%	12,749
Maltex Malsters Limited, Indian subsidiary	0.09%	315	0.55%	63	—	—	0.49%	63
Non-controlling interest in subsidiary	0.10%	375	0.54%	61	—	—	0.47%	61
Total	**100.00%**	**3,58,603**	**100.00%**	**11,383**	**100.00%**	**1,490**	**100.00%**	**12,873**

The amounts included above are net of eliminations of inter-company balances and transactions.

40. FINANCIAL INSTRUMENTS FAIR VALUE MEASUREMENT

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, as below, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 : Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

The fair value measurement hierarchy of the Group's assets and liabilities is as below:

	Carrying amount	Fair values		
		Level 1	Level 2	Level 3
As at March 31, 2022				
Financial assets measured at fair value through profit or loss				
Investments in equity instruments	553	—	—	553
Financial assets measured at fair value through other comprehensive income				
Investments in debt instruments	278	212	66	—
As at March 31, 2021				
Financial assets measured at fair value through profit or loss				
Investments in equity instruments	302	—	—	302
Financial assets measured at fair value through other comprehensive income				
Investments in debt instruments	300	—	300	—

There has been no transfers between levels during the year.

Considering that the amounts involved for investment in equity instruments are not significant, fair value fluctuations are not expected to be material and hence no further disclosure has been made. The fair values of investment in quoted debt instruments are based on price quotations and available market information at the reporting date are classified as Level 1.

The management assessed that the carrying values of trade and other receivables, cash and short term deposits, other assets, borrowings, trade and other payables and balances with related parties, based on their notional amounts, reasonably approximate their fair values because these instruments have short-term maturities.

41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include investments, trade and other receivables, cash and cash equivalents, bank balances and security deposits that are out of regular business operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management is supported by a risk management committee that advises on financial risks and the appropriate financial risk governance framework for the Group.

The risk management committee provides assurance to the Group's senior management that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument that will fluctuate because of changes in market prices. Market risk comprises of three types of risk i.e. interest rate risk, currency risk and other price risk, such as commodity risk. Financial instruments affected by market risk include borrowings and trade payables.

UNITED BREWERIES LIMITED

i. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rate relates primarily to the Group's borrowings with floating interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

	March 31, 2022		March 31, 2021	
	1% increase	1% decrease	*1% increase*	*1% decrease*
Impact on consolidated profit before tax	—	—	*(250)*	*250*

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ii. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's foreign currency borrowings, trade payables and trade receivables.

The Group did not hedge any exposure as at March 31, 2022 and March 31, 2021. The unhedged foreign currency exposure (gross amounts in Indian rupees lakhs) as at the reporting date is as below:

	As at March 31, 2022	*As at March 31, 2021*
Trade receivables	3,326	*1,450*
Advances to suppliers	311	*165*
Balance in exchange earners foreign currency bank accounts	5,856	*4,692*
Capital advances	55	*72*
Trade payables	2,022	*2,384*
Liability for capital goods	724	*779*

The following tables demonstrate the sensitivity to a reasonably possible change in foreign exchange rates, with all other variables held constant and after the impact of hedge accounting:

	March 31, 2022		*March 31, 2021*	
	1% increase	**1% decrease**	*1% increase*	*1% decrease*
Impact on consolidated profit before tax	68	(68)	*31*	*(31)*

iii. Commodity price risk

The Group is affected by the price volatility of certain commodities. Its operating activities require the ongoing purchase and manufacture of Beer and therefore require a continuous supply of Barley. The Group's Board of Directors has developed and enacted a risk management strategy regarding commodity price risk and its mitigation.

The following table shows the effect of price changes in Barley:

	March 31, 2022		*March 31, 2021*	
	1% increase	**1% decrease**	*1% increase*	*1% decrease*
Impact on consolidated profit before tax	(271)	271	*(193)*	*193*

(b) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments if a counterparty default on its obligations. The Group's exposure to credit risk arises majorly from trade/other receivables and investments in debt instruments. Other financial assets like security deposits and bank deposits are mostly with government authorities and nationalised banks and hence, the Group does not expect any significant credit risk with respect to these financial assets. With respect to trade receivables, significant portion (68% at March 31, 2022 and 70% as at March 31, 2021) includes dues from state government corporations, where probability of default is remote. The Group has constituted regional and corporate credit committees to review trade receivables on periodic basis and to take necessary mitigations, wherever required.

The Group creates provision for all unsecured trade receivables based on lifetime expected credit loss. The summary of changes in provision for impairment of trade receivables is as below:

Notes to consolidated Financial Statements contd.
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	March 31, 2022	*March 31, 2021*
Balance at the beginning of the year	5,792	*8,693*
Provision recognised/(reversed) during the year, net	1,503	*(2,901)*
Balance at the end of the year	**7,295**	*5,792*

The Group has considered the possible effect of the COVID-19 pandemic on the carrying amounts of trade and other receivables by using available internal and external sources of information.

(c) Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank borrowings. The table below summarises the undiscounted maturity profile of the Group's financial liabilities:

	Maturities				Total
	Upto 1 year	1-2 years	2-3 years	>3 years	
March 31, 2022					
Lease liabilities	432	236	120	367	1,155
Trade payables	63,800	—	—	—	63,800
Other financial liabilities	55,810	2,497	—	—	58,307
Total	**1,20,042**	**2,733**	**120**	**367**	**1,23,262**
March 31, 2021					
Lease liabilities	484	288	170	481	1,423
Non-current borrowings	14,250	10,750	—	—	25,000
Current borrowings	17	—	—	—	17
Trade payables	62,947	—	—	—	62,947
Other financial liabilities	52,382	1,109	—	—	53,491
Total	**1,30,080**	**12,147**	**170**	**481**	**1,42,878**

The Group has utilised the existing borrowing limits based on requirements and has unutilised borrowing limits available at the year end which is available for utilisation.

42. CAPITAL MANAGEMENT

For the purpose of the Group's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders. The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and capital ratios in order to support its business and maximise shareholder value.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital. The Group includes within net debt, all non-current and current borrowings reduced by cash and cash equivalents and other bank balances.

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	Notes	As at March 31, 2022	*As at March 31, 2021*
Non-current borrowings	15	—	*10,750*
Current borrowings	18	—	*14,267*
Lease liabilities	33	974	*1,180*
Less: Cash and cash equivalents	11	86,260	*40,970*
Less: Other bank balances (excluding unpaid divided and unspent CSR amounts)	12	832	*811*
Net debt		—	—
Equity share capital	13	2,644	*2,644*
Other equity	14	3,90,868	*3,55,584*
Non-controlling interest		414	*375*
Total capital		**3,93,926**	*3,58,603*
Gearing ratio		—	—

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing borrowings that define capital structure requirements. The breaches in meeting the financial covenants would permit the bank to immediately call borrowings. There have been no breaches in the financial covenants of any interest-bearing borrowings in the current year or previous year.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2022 and March 31, 2021.

43. 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. The Holding Company carried out an impairment assessment of its property, plant and equipment at Bihar and the recoverable amount of these property, plant and equipment was determined by an external valuer based on a fair value less cost of disposal calculation, considering uncertainity in the alcoholic beverages and the change in plan for use of these assets. Accordingly, an impairment loss of Rs. 4,446 Lakhs was recognized during the year ended March 31, 2021. As at March 31, 2022, the carrying value of property, plant and equipment at Bihar is Rs. 10,031 Lakhs (net of impairment) and no further impairment is considered necessary by the management based on annual impariment assessment.

44. Ratios and its elements

The ratios have not been disclosed in the consolidated financial statements pursuant to the guidance under the Revised Guidance Note on Division II - Ind AS Schedule III to the Companies Act, 2013 issued by the Institute of Chartered Accountants of India ("ICAI")

45. Other Statutory Information

(i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(ii) The Group did not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

(iii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyod the statutory period, except for Rs. 50 Lakhs in relation to loan repaid in the past.

(iv) The Group has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

(v) The Group has not advanced or loaned or invested funds (either from borrowed funds or share premium or any other sources or kind of funds) to or in any other persons(s) or entity(ies), including foreign entities (Intermediaries) with the understanding whether recorded in writing or otherwise that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwsie) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(vii) The Group did not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 such as, search or survey or any other relevant provisions of the Income tax Act, 1961.

46. 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.

47. The Group has assessed the impact of Coronavirus (Covid-19) pandemic on its business operations and has considered all relevant internal and external information available upto the date of approval of these consolidated financial statements in determining the recoverability and carrying values of property, plant and equipment, right-of-use assets, goodwill, intangible assets, investments, trade and other receivables, inventories and other financial information captions. The impact of COVID-19 pandemic on the overall economic environment being uncertain may affect the underlying assumptions/estimates used in preparation of these consolidated financial statements, whereby actual outcome may differ from those assumptions / estimates considered at the date of approval of these consolidated financial statements. The Group will continue to closely monitor the situation and any material changes to future economic conditions.

48. The comparative figures have been regrouped/reclassified, where necessary, to confine to this year's classification.

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Aditya Vikram Bhauwala
Partner
Membership Number: 208382

Place: Bengaluru
Date: April 26, 2022

For and on behalf of the Board of Directors of
United Breweries Limited

Rishi Pardal
Managing Director
DIN: 02470061

Berend Cornelis Roelof Odink
Director and Chief Financial Officer
DIN: 09138421

Madhav Bhatkuly
Director
DIN: 00796367

Govind Iyengar
Senior Vice-President Legal and
Company Secretary

Place: Bengaluru
Date: April 26, 2022

Annexures

ANNEXURE - A: BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

[Pursuant to Regulation 34 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015]

SECTION A: GENERAL DISCLOSURES

I.	Details of the listed entity		
	1.	Corporate Identity Number (CIN) of Listed Entity	L36999KA1999PLC025195
	2.	Name of the Listed Entity	UNITED BREWERIES LIMITED
	3.	Year of Incorporation	May 13, 1999
	4.	Registered office address	UB Tower, UB City, #24 Vittal Mallya Road, Bengaluru - 560 001, Karnataka, INDIA
	5.	Corporate Address	Same As above
	6.	E-mail	ublinvestor@ubmail.com
	7.	Telephone	+91 80 45655000
	8.	Website	www.unitedbreweries.com
	9.	Financial year (FY) for which reporting is being done	April 01, 2021 to March 31, 2022
	10.	Name of the Stock Exchange(s) where shares are listed	(i) BSE Limited (ii) National Stock Exchange of India Limited
	11.	Paid-up Share Capital	264,405,149 Equity Shares
	12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR	Mr. Bharani Kumar J – Head Projects & Engineering Telephone: +91 80 45655053 Email: bharanikumar@ubmail.com
	13.	Reporting boundary – Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together)	On standalone basis

II. Products/Services

14. Details of business activities (accounting for 90% of the Turnover):

Description of Main Activity	Description of Business Activity	% of Turnover of the entity
Manufacture and Supply	Beer	99.77
	Non-alcoholic beverages	0.23

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Product/~~Services~~	NIC Code	% of total Turnover contributed
Beer	11031	99.77
Non-alcoholic beverages	11049	0.23

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	20 (Twenty)*	48	68
International	05 (Licensing units)	Nil	05

*Non-Alcoholic beverage unit near Patna is proposed to be closed effective May 2022. Alternate production arrangement through contract to derive economies in scale has been made.

17. Market served by the entity:

a. Number of locations

Location	Number
National (No. of States)	28 States & 8 Union Territories
International (No. of Countries)	50 International Countries

b. What is the contribution of exports as a percentage of the total turnover of the entity?
– 1.11%

c. A brief on types of customers
- State Government/ State owned Corporation in Government market.
- Distributors in open market

IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Sl. No.	Particulars	Total	Male		Female	
		(A)	No. (B)	% (B/A)	No. (C)	% (C/A)
	EMPLOYEES					
1.	Permanent (D)	1225	1120	91%	105	9%
2.	Other than Permanent (E)	Nil	Nil	Nil	Nil	Nil
3.	**Total Employees (D+E)**	1225	1120	91%	105	9%
	WORKERS					
1.	Permanent (F)	1612	1569	97%	43	3%
2.	Other than Permanent (G)	163	159	98%	4	2.45%
3.	**Total Employees (F+G)**	1775	1728	97%	47	3%

b. Differently abled Employees and workers:

Sl. No.	Particulars	Total	Male		Female	
		(A)	No. (B)	% (B/A)	No. (C)	% (C/A)
	DIFFERENTLY ABLED EMPLOYEES					
1.	Permanent (D)	1	1	100%	Nil	Nil
2.	Other than Permanent (E)	2	1	50%	1	50%
3.	**Total differently abled employees (D+E)**	3	2	67%	1	33%
	DIFFERENTLY ABLED WORKERS					
1.	Permanent (F)	19	18	95%	1	5%
2.	Other than Permanent (G)	2	1	50%	1	50%
3.	**Total differently abled workers (F+G)**	21	19	90%	2	10%

19. Participation/Inclusion/Representation of women:

Particulars	Total	No. and percentage of Females	
	(A)	No. (B)	% (B/A)
Board of Directors	8	1	12.5
Key Management Personnel (including Directors)	3	Nil	Nil

20. Turnover rate for permanent employees and workers:

Particulars	FY2021-2022 (Turnover rate in current FY)			FY2020-2021 (Turnover rate in previous FY)			FY2019-2020 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	19%	3%	22%	9%	1%	10%	14%	2%	16%
Permanent Workers	3.6%	0.1%	3.7%	6%	0.2%	6.2%	9.8%	0.1%	9.9%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding/subsidiary/associate companies/joint ventures

Sl. No.	Name of the Holding/ Subsidiary/ Associate Companies/ Joint Ventures (A)	Indicate whether Holding/Subsidiary/ Associate/ Joint Venture	% of Shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity
1.	Maltex Malsters Limited	Subsidiary	51%	No
2.	Kingfisher East Bengal Football Team Private Limited	Associate	49.99%	No

VI. CSR Details

22. (i) Whether CSR is applicable as per Section 135 of Companies Act, 2013 : (Yes/No)

(ii) Turnover (in Rs.) : 58,319 Million

(iii) Net worth (in Rs.) : 39,156 Million

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VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) *(If Yes, then provide web-link for grievance redress policy)*	FY 2021-2022 (Current Financial Year)			FY 2020-2021 (Previous Financial Year)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	NA	Nil	Nil	NA	Nil	Nil	NA
Investor (other than shareholders)*	Yes	Nil	Nil	NA	Nil	Nil	NA
Shareholders	Yes	5	Nil	Resolved	13	Nil	Resolved
Employees and workers*	Yes	4	4	Resolved	2	2	Resolved
Customers/Consumers	Yes	903	Nil	Resolved	1653	Nil	Resolved
Value Chain Partners*	Yes	Nil	Nil	NA	Nil	Nil	NA
Others (Health & Safety)*	Yes	2	1	In process to resolve	3	3	NA

*Grievance redressal mechanism is covered under 'Speak up Policy' available on Company's Intranet portal, and; for business associates, the company has framed a policy 'Guidance Note to Business Associates', which can be viewed on Company's website: www.unitedbreweries.com/investors.

24. Overview of the entity's material responsible business conduct issues:

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
Fresh Water (i.e., Raw Material for manufacture of Beer)	Risk	Water availability and Conservation	(i) Reduce consumption of fresh water; (ii) Reuse-recycle of treated wastewater, and (iii) Tap & recharge Rainwater	Negative implications

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SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the National Guidelines on Responsible Business Conduct (NGRBC) Principles and Core Elements.

Sl. No.	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes										
1.	a. Whether your entity's policy / policies cover each principle and its core elements of the NGRBCs. (Yes / No)	The Company has framed Policies to meet statutory requirements. In a few areas internal guidelines have been framed which cover certain aspects of NGRBC.								
	b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	c. Web Link of the Policies, if available	Policies covering certain Stakeholders can be viewed on Company's website: www.unitedbreweries.com / investors. Internal policies are restricted and can be viewed by employees only on Company's Intranet portal.								
2.	Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Do the enlisted policies extend to your value chain partners? (Yes/No)	Formalized Policies have been communicated to key internal Stakeholders of the Company. The company has an inhouse structure for implementation. As we progress in this area, the same will be strengthened suitably.								
4.	Name of the national and international codes/certifications/labels/standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Certain breweries of the Company are in conformance of international standards and have been accredited with various certifications like ISO 9001:2015 (Quality Management System); ISO 14001:2004 (Environmental Management System); ISO 22000:2005 (Food Safety Management System); OHSAS 18001:2007 (Occupational Health Safety Assessment System).								
5.	Specific commitments, goals, and targets set by the entity with defined timelines, if any.	To adhere to the policies covering each principle and its core elements of the NGRBC.								
6.	Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.	Overall, the Company's performance is in line with its commitments.								
Governance, leadership, and oversight										
7.	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements *(listed entity has flexibility regarding the placement of this disclosure).* – We constantly strive to ensure maximum compliance in terms of governance, environment, and economic strategies. We always strive to enhance our strategies and commitments towards being a responsible business while we continue to transparently share our sustainability performance and goals moving forward. In our efforts we maintain an honest accountability towards our communities, stakeholders, and shareholders.									
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility Policy(ies).	Mr. Rishi Pardal, Managing Director & Chief Executive Officer								
9.	Does the entity have a specified Committee of the Board / Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	The Corporate Social Responsibility and Environment, Social and Governance Committees are responsible for decision making. The Board has framed various Committees whose role includes formulation and implementation of Policies within their terms of reference though a specified Committee to oversee the implementation of Policies is not constituted.								

10. Details of Review of NGRBC by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board / Any other Committee									Frequency (Annually / Half yearly / Quarterly / Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	Responsible Business conduct is reviewed through Code of Business Conduct, Environment, Social and Governance and Corporate Social Responsibility engagements by the respective Committees at periodical intervals i.e., half-yearly/Annual basis. The Board of Directors assess CSR initiatives, Sustainability, Risk and Strategic initiatives. The CSR Head and the CXO/MD meet frequently to oversee implementation of CSR projects/programmes/activities to be undertaken by the Company. The CSR Committee of the Board meets annually to oversee the functioning of CSR activities and implementation of projects.																	
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	We comply with statutory requirements relevant to the principles in relation to Govt. Statutory requirements and in case of non-compliance steps to rectify the same are taken immediately.																	

11.

Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	While these Policies are reviewed from time to time by the Management, Auditors and consultants in respective areas, a separate evaluation exercise by an independent agency is yet to be carried out.								

12. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	All Principles are covered by required policy/policies								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1 - Business should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent, and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	Nil	NA	NA
Key Managerial Personnel	03	(i) Code of Business Conduct (ii) Information Technology (iii) Prevention of Sexual Harassment	100%
Employees other than Board of Directors and KMPs	04	(i) Code of Business Conduct (ii) Information Technology (iii) Prevention of Sexual Harassment (iv) Human Rights	100%
Workers	02	(i) Skill Development and (ii) Human Rights	100%

2. Details of fines/penalties/punishment/award/compounding fees/ settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
Particulars	**NGRBC Principle**	**Name of the regulatory/ enforcement agencies/judicial institutions**	**Amount (INR)**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Penalty	P1	Competition Commission of India	Rs.751,83,00,000/-	Alleged anti-competitive conduct in the Beer Market in India	Yes
Penalty	P1	Stock Exchanges	Rs.1,85,000/-	Composition of Independent Directors	Paid under protest
Settlement	NA	Nil	Nil	Nil	NA
Compounding Fee	P1	Inspector of Legal Metrology, Agra	Rs.50,000/-	Compounding of case relating to labelling of product	No
	P1	Foods Safety and Standards Inspector, Shimla	Rs.50,000/-		No
Non-Monetary					
Imprisonment	NA	NA	NA	Nil	Nil
Punishment	NA	NA	NA	Nil	Nil

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases were monetary on non-monetary action has been appealed.

Case Details	Name of the regulatory / enforcement agencies / judicial institutions
Alleged anti-competitive conduct, engaged in price co-ordination and indulging cartelization	Competition Commission of India
Compliance relating to composition of Independent Directors.	The Stock Exchanges (i.e., BSE Ltd., and National Stock Exchange of India Limited)

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy

   – Yes. Policy implemented and covered as part of Business Conduct program. Also available on Company's Website www.unitedbreweries.com and on Company's Intranet Portal.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the changes of bribery/corruption:

Particulars	FY 2021-2022 (Current Financial Year)	FY 2020-2021 (Previous Financial Year)
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest:

Particulars	FY 2021-2022 (Current Financial Year)		FY 2020-2021 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil	Nil	Nil

7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflict of interest.

   – Not Applicable

Essential Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	% of value chain partners covered (by value of business done with such partners) under the awareness programmes
Nil	NA	Nil

2. Does the entity have processes in place to avoid / manage conflict of interest involving members of the Board? (Yes/No) If Yes, provide details of the same.

   – Yes, Directors are covered under the Code of Business conduct.

PRINCIPLE 2 - Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Particulars	FY 2021-2022 (Current Financial Year)	FY 2020-2021 (Previous Financial Year)	Details of improvements in environmental and social impacts
Research & Development (R&D)	Rs.260 million	Rs.3.66 million	Developed two rows malting variety of Barley (i.e., Raw material) and achieved 'Zero Liquid Discharge' of water through innovative New Water project.
Capex	Rs.336.6 million	Rs.330.85 million	Recycle and reuse of treated wastewater for conservation of fresh water.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)
   – We initiated, data collection for Environment, Social and Governance (ESG). Sustainable sourcing is one of the goals identified as part of ESG program.

   b. If yes, what percentage of inputs were sourced sustainably?
   – 65% of inputs were sourced sustainably.

3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.
   a) Plastics (Including packaging) – Under Extended Producer Responsibility program, collect the plastic material for recycling.
   b) E-Waste – Computer and Printer (leased out on 'Buy-back Policy' of the Company with the OEMs.
   c) Acid Batteries – Disposed under buy-back policy with OEMs.
   d) Hazardous waste – Segregated at brewery and send to state pollution control board authorized TSDF (Treatment Storage Disposal Facility) site for disposal.
   e) Other Nonhazardous waste – Scrap & By-products sold to Vendors.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken no address the same.
   – The EPR is applicable for our operational management. Waste collection plan is in line with the Extended Producer Responsibility plan as submitted to the Pollution Control Board.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective/Assessment (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?
   – Life Cycle Perspective/Assessment is not applicable to Alcohol & Beverage Industries.

NIC code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link
Not Applicable					

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective/Assessment (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name or Product/Service	Description of the risk/concern	Action Taken
Not Applicable		

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2021-2022 (Current Financial Year)	FY 2020-2021 (Previous Financial Year)
Used Glass Bottles containing our registered Trademarks.	63.2%	65%

4. Of the products and packaging reclaimed at end of lift of products, amount [in Metric Tonnes (MT)] reused, recycled, and safely disposed, as per the following format:

	FY 2021-2022 (Current Financial Year)			FY 2020-2021 (Previous Financial Year)		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	Nil	1318	Nil	Nil	1447	Nil
E-waste	Nil	Nil	4	Nil	Nil	6
Hazardous waste	109	12.1	5,718	391	1.3	4,639
Other waste	131	24,141	3,812	104	20,179	3,093

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Beer Glass bottles	>95% recycled (Out of 95%, 60% reclaimed by the company and balance 35% recycled in the market as cullet's (precursor for making glass)
Beer Cans	>95% recycled

UNITED BREWERIES LIMITED

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PRINCIPLE 3 - Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Health Insurance		Accident Insurance		Maternity benefits		Paternity benefits		Day Care facilities*	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	1120	1120	100	1120	100	NA	NA	Nil	NA	Nil	NA
Female	105	105	100	105	100	5	4.76	Nil	NA	Nil	NA
Total	1225	1225	100	1225	100	5	0.41	Nil	NA	Nil	NA
Other than Permanent employees											
Male	NIL										
Female											
Total											

*Out of 105 female members, no members have availed day care facility.

b. Details of measures for the well-being of workers:

Category	Total (A)	% of employees covered by									
		Health Insurance		Accident Insurance		Maternity benefits		Paternity benefits		Day Care facilities*	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	1569	1569	100%	758	48%	NOT APPLICABLE					
Female	43	43	100%	40	93%						
Total	1612	1612	100%	798	49%						
Other than Permanent employees											
Male	NIL										
Female											
Total											

*Not Applicable

2. Details of retirement benefits, for Current FY and Previous Financial Year

Benefits	FY2021-2022 (Current Financial Year)			FY2020-2021 (Previous Financial Year)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI	Nil	22%	Yes	Nil	23%	Yes
Others	NIL					

3. **Accessibility of workplaces**
   Are the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

   – Yes

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

   – No

5. Return to work & Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	Nil	Nil	Nil	Nil
Female	5	75%	Nil	Nil
Total	5	75%	Nil	Nil

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Particulars	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes – Grievance Redressal Mechanism forum is available for reporting, by way of direct approach to immediate Head/Supervisor/Manager
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	FY 2021-2022 (Current Financial Year)			FY 2020-2021 (Previous Financial Year)		
	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/ workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (C/D)
Total Permanent Employees						
Male	Nil	Nil	NA	Nil	Nil	NA
Female	Nil	Nil	NA	Nil	Nil	NA
Total Permanent Workers						
Male	1225	1150	94%	1247	1157	93%
Female	32	32	100%	33	33	100%

8. Details of training given to employees and workers:

Category	FY 2021-2022 (Current Financial Year)					FY 2020-2021 (Previous Financial Year)				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	%(B/A)	No. (C)	%(C/A)		No. (E)	%(E/D)	No. (F)	%(F/D)
Employees										
Male	1120	1120	100%	1120	100%	1402	1402	100%	1402	100%
Female	105	105	100%	105	100%	102	102	100%	102	100%
Total	1225	1225	100%	1225	100%	1504	1504	100%	1504	100%
Workers										
Male	1728	1728	100%	1094	63.32%	1247	1247	100%	985	79%
Female	47	47	100%	47	100%	33	33	100%	33	100%
Total	1775	1775	100%	1141	64.28%	1280	1280	100%	1018	80%

9. Details of performance and career development reviews of employees and worker:

Category	FY 2021-2022 (Current Financial Year)			FY 2020-2021 (Previous Financial Year)		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	1324	1212	91.54%	1402	1293	92%
Female	97	85	88%	102	96	94%
Total	1421	1297	91%	1504	1389	92%
Workers						
Male	Performance and Career developments reviewed, as per the terms and conditions of Long-Term Wage Settlement/Agreement entered between the company and Permanent Workers					
Female						
Total						

10. Health and safety management system:
    a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No)**.** If yes, the coverage such system?
        - Tailor-made Safety Management System covers the length & breath of our operation.
        - Environment, Health and Safety (EHS) policy is existence to focus both physical & mental well-being of the employees and to protect the environment.
        - Periodical training is imparted to develop a good safety work environment culture.
        - Environment and Safety Risk Assessment is carried out periodically to evaluate the potentials risk and continuously work for risk reduction.

    b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?
        - Specialized tool used for assessing the risks associated with our nature of work.
        - Hazard Identification and Risk Assessment (HIRA) is carried out for all risk activity and risk control are placed for Human Safety.
        - Process Hazard Analysis is carried out through HAZOP, HAZID and LOPA techniques to identify and control the risk related process, equipment and people engaged in the activities.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/No)
– Yes

d. Do the employees/worker of the entity have access to non-occupational medical and healthcare services? (Yes/No)
– Yes

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2021-2022 (Current Financial Year)	FY2020-2021 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.25	0.07
	Workers	NA	NA
Total recordable work-related injuries	Employees	4	1
	Workers	0	4
No. of fatalities	Employees	1	0
	Workers	Nil	Nil
High consequences work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	Nil	Nil

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

Step 1: High level risk assessment is conducted based on the past historic events and the potential hazards and risk are identified.

Step 2: HIRA (Hazard Identification & Risk assessment) and PHA (Process Hazard Analysis) studies are conducted for evaluating the risk level.

Step 3: Control of risk

a. Elimination/substitution - Assessment to eliminate the activity/hazard which has potential to harm or injury the team.
b. Engineering controls - Suitable engineering solution like placing guards, interlocks to reduce the risk level are provided.
c. Administrative controls - Follow Safety Management System viz., issue permit to work, and provided work (Job) safety training.
d. PPE - Provided personal protective equipment to all employees exposed to the residual risks while performing the activity.

13. Number of Complaints on the following made by employees and workers:

Particulars	FY 2021-2022 (Current Financial Year)			FY 2020-2021 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	01	Nil	Resolved	Nil	Nil	NA
Health & Safety	Nil	Nil	NA	Nil	Nil	NA

14. Assessments for the year:

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	i) About 90% of breweries and its offices were assessed by third party; and ii) Fire Compliance Assessment of 48 offices of the Company and 8 contract breweries, were assessed by the entity's EHS team.
Working conditions	

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.
    - Adherence to Permit to work with Risk Assessment for all non-routine activities in line with Company's safety guidelines.
    - Ensured that all work/job shall be performed after complete understanding of all the risks associated/PTW condition before carrying out the job.
    - Major engineering control taken this tear based on past histories
      – Layers of Protection in the brew house.
      – Fall protection system like roof lifeline and fragile protection in the roof.
      – Upgradation of LOTO system to machine specific procedures.
    - Reviewed and updated the Systematic Operating Procedure on maintenance work.
    - Conducted Process Hazard Analysis (PHA) studies to identify risks in the process and severity mitigation and probability reduction action plan in progress.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Yes/No) (B) Workers (Yes/No)
   – Yes
2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.
   – Regular Audit conducted by the Internal auditor and yearly audit by Statutory Auditors of the Company.
3. Provide the number of employees/workers having suffered high consequence work-related injury/ill-health/fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment).

Particulars	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2021-2022 (Current Financial Year)	FY 2020-2021 (Previous Financial Year)	FY 2021-2022 (Current Financial Year)	FY 2020-2021 (Previous Financial Year)
Employees	Not Applicable			
Workers				

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)
   – Yes

5. Details of assessment of value chain partners:

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Health and Safety Practices	Nil
Working Conditions	Nil

6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.

– Proposed to be implemented after end of Financial Year 2024-2025.

PRINCIPLE 4 - Business should respect the interest of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

Stakeholders play a vital role in the outcome of projects. Stakeholders' identification, analysis, and selection can be tricky areas to navigate. If at the end of the day, the appropriate stakeholders aren't selected for a project, requirements and deliverables may not be successfully met, and the end goals can erroneously be sidestepped. There are many different stakeholders (like Direct/Indirect internal stakeholders and External Stakeholders) throughout the life of a project

As a process, we first (i) identify stakeholders', do research individuals and third-party organization that may be relevant to your project. (ii) Categorize the stakeholders in terms of their influence, interest, and levels of participation in project, (iii) Study potentiality of the Stakeholders, (iv) Communicate with identified stakeholders about management process and communication plan.

2. List stakeholder groups identified as key for your entity and the frequency or engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice, Board Website), Other	Frequency of engagement (Annually/Half yearly/ Quarterly/ others-please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	Emails and Website	As and when required	Purpose and scope of engagement is communication for attending queries / grievance / notice / complaints / Suggestion concerns and providing response, solutions, and assurance
Employees	No	Email, Notice, and Intranet Portal	Quarterly/Half-yearly and Annually	
Government Bodies	No	Newspapers, Community Meetings, Notice and Website	Regular	
Investors and Stakeholders	No	Emails, Newspapers, Notice and Website	Quarterly/Half-yearly and Annually	
Local communities	Yes	Newspapers, Meetings, and others.	Regular	
Suppliers and vendors	No	Emails	Regular	

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

– Periodical Reports on economic, environmental, and social topics shall be provided to stakeholders including Govt. Bodies. No consultation between stakeholders & the Board.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No), If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities or the entity.

– Yes. Internal guidance/Systematic Operation of Process have been formulated after consultation and keeping in view the interest of stakeholders only.

3. Provide details of instances of engagement with and action taken to, address the concerns of vulnerable/marginalized stakeholder groups.
   – Not Applicable

PRINCIPLE 5 - Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issued and policy(ies) of the entity, in the following format:

Category	FY 2021-2022 (Current Financial Year)			FY 2020-2021 (Previous Financial Year)		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees /workers covered (D)	% (D/C)
Employees						
Permanent	2837	1600	56.40%	2934	1514	51.60%
Other than permanent	Nil	Nil	Nil	Nil	Nil	Nil
Total Employees	2837	1600	56.40%	2934	1514	51.60%
Workers						
Permanent	1612	1600	99.25%	1280	1280	100%
Other than permanent	163	Nil	Nil	4692	3000	63.93%
Total Workers	1775	1600	99.25%	5972	4280	71.67%

2. Details of Minimum wages paid to employees and workers, in the following format:

Category	FY 2021-2022 (Current Financial Year)					FY 2020-2021 (Previous Financial Year)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	No. (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	Not Applicable									
Male										
Female										
Other than Permanent										
Male										
Female										
Workers										
Permanent										
Male	1720	67	4%	1653	96%	1753	76	4%	1677	96%
Female	47	Nil	Nil	47	100%	47	Nil	Nil	47	100%
Other than Permanent										
Male	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

3. Details of remuneration/salary/wages, in the following format:

Particulars	Male		Female	
	Number	Median remuneration /salary/wages of respective category	Number	Median remuneration /salary/wages of respective category
Board of Directors (BOD)	5	73,55,932	*1	1,10,37,006
Key Managerial Personnel	3	4,30,93,846	Nil	NA
Employees other than BOD and KMP	1,116	8,03,629	105	6,34,357
Workers	1,816	5,18,544	51	3,19,540

* Sitting fees and Commission paid to one female director.

4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)
– Yes

5. Describe the internal mechanism in place to redress grievances related to human rights issues.
– We have not received any complaints on human rights violations during the reporting period.

6. Number of Complaints on the following made by employees and workers:

Particulars	FY 2021-2022 (Current Financial Year)			FY 2020-2021 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	3	Nil	Resolved	Nil	Nil	NA
Discrimination at workplace	Nil	Nil	NA	Nil	Nil	NA
Child Labor	Nil	Nil	NA	Nil	Nil	NA
Forced Labor/Involuntary Labor	Nil	Nil	NA	Nil	Nil	NA
Wages	Nil	Nil	NA	Nil	Nil	NA
Other human rights related issued	Nil	Nil	NA	Nil	Nil	NA

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.
– Grievance mechanism with respect to Code of Business Conduct is in place.

8. Do human rights requirements form part of your business agreements and contacts? (Yes/No)
– Yes

9. Assessment for the year:

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labor	Nil
Forced/Involuntary labor	Nil
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others	Nil

10. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above.

    – Corrective actions taken as per the Systematic Operation of Process/Internal Guidelines framed and Policies formulated and implemented which are approved by the Board as per the guidelines of the Govt. Bodies.

Leadership Indicators

1. Details of a business process being modified/introduced as a result of addressing human rights grievances/ complaints.

   – Not Applicable

2. Details of the scope and coverage of any Human rights due diligence conducted.

   – Not Applicable

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

   – Yes

4. Details on assessment of value chain partners:

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	NIL
Discrimination at workplace	
Child Labor	
Forced Labor/Involuntary Labor	
Wages	
Others-please specify	

5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above.

   – Not Applicable

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PRINCIPLE 6 - Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2021-2022 (Current Financial Year)	FY 2020-2021 (Previous Financial Year)
Total electricity consumption (A)	381	320
Total fuel consumption (B)	1264	1094
Energy consumption through other sources (C)	Nil	Nil
Total energy consumption (A+B+C)	1645	1414
Energy intensity per rupee of turnover (Total energy consumption/turnover in Rupees)	0.016	0.015
Energy intensity (optional) – the relevant metric may be selected by the entity	158.1	162.8

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency.
– No

2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Yes/No) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.
– Not Applicable

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2021-2022 (Current Financial Year)	FY 2020-2021 (Previous Financial Year)
Water withdrawal by source (in kiloliters)		
(i) Surface water	16,92,034	11,64,929
(ii) Ground water	13,86,062	10,04,750
(iii) Third party water	2,04,959	6,22,868
(iv) Sea water/desalinated water	Nil	Nil
(v) Others	Nil	Nil
Total volume of water withdrawal (in kiloliters) (i+ii+iii+iv+v)	32,83,056	27,92,553
Total volume of water consumption (in kiloliters)	32,83,056	27,92,553
Water intensity per rupee of turnover (Water consumed/turnover)	25.03	27.42
Water intensity (optional) – the relevant metric may be selected by the entity	3.44	3.61

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency
– No

4. Has the entity implemented a mechanism for Zero Liquid Discharge (ZLD)? If yes, provide details of its coverage and implementation.
Yes – Out of 19 operating breweries, 2 breweries located at Tamil Nadu (UB Chennai) and Rajasthan (Chopanki) have implemented the mechanism of ZLD.

UNITED BREWERIES LIMITED

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Unit	FY2021-2022 (Current Financial Year	FY2020-2021 (Previous Financial Year)
NOx	Ton/Year	220.5	93
Sox	Ton/Year	121.10	351
Particulate matter (PM)	Ton/Year	140.80	57
Persistent organic pollutants (POP)	Not Applicable	Nil	Nil
Volatile organic compounds (VOC)	Not Applicable	Nil	Nil
Hazardous air pollutants (HAP)	Not Applicable	Nil	Nil
Others – please specify	Not Applicable	Nil	Nil

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency

– No

6. Provide details of greenhouse gas emission (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY2021-2022 (Current Financial Year	FY2020-2021 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO2, CH2, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	1,20,661	1,03,852
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)		56,605	49,142
Total Scope 1 and Scope 2 emissions per rupee of turnover		1.35 Tons	1.5 Tons
Total Scope 1 and Scope 2 emission intensity (optional) - the relevant metric may be selected by the entity		0.019 Tons	0.020 Tons

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by external agency? (Yes/No) If yes, name of the external agency.

– No

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Yes – Developed Environment, Social and Governance (ESG) roadmap and identified potentials projects for achieving targeting Net Carbon foots in both Electricity & Thermal Energy.

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8. Provide details related to waste management by the entity, in the following format:

Parameter	FY2021-2022 (Current Financial Year)	FY2020-2021 (Previous Financial Year)
Total Waste generated (in metric tons)		
Plastic waste **(A)**	1,318	1,477
E-waste **(B)**	4	6
Bio-medical waste **(C)**	0.27	0.27
Construction and demolition waste **(D)**	Not quantified	Not quantified
Battery waste **(E)**	Buy back System	Buy back System
Radioactive waste **(F)**	Not generated	Not generated
Other Hazardous waste. Please specify, if any. **(G)**	5,842	5,032
Other Non-hazardous waste generated **(H)**. Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	28,094	23,376
Total (A+B+C+D+E+F+G+H)	35,248	29,893
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	25,471	21,658
(ii) Re-used	241	496
(iii) Other recovery operations	NIL	NIL
Total	25,711	22,154
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	2.0	1.1
(ii) Landfilling	9,531	7,733
(iii) Other disposal operations	Nil	Nil
Total	9,533	7,734

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency.

– No

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

– The Company has standardized the methodology to identify, segregate and quantify the waste generated. Implemented 3Rs (Reduce-Reuse-Recycle) concept for the waste before disposing at landfill site.

UNITED BREWERIES LIMITED

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:

– No

Sl. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval/clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not Applicable			

11. Details of environmental impact assessment of projects undertaken by the entity bases on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
Not Applicable					

12. Is the entity compliant with the applicable environmental law/regulations/guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Yes/No). If not, provide details of all such non-compliance, in the following format:

– Yes

Sl. No.	Specify the law/regulation/ guidelines which was not complied with	Provide details of the non-compliance	Any fines/penalties/action taken by regulatory agencies such as pollution control board or by courts	Correction action taken if any
Not Applicable				

Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) form renewable and non-renewable sources, in the following format:

Parameter	FY 2021-2022 (Current Financial Year)	FY2020-2021 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A)	123	96
Total fuel consumption (B)	1110	938
Energy consumption through other sources (C)	Nil	Nil
Total energy consumed from renewable sources (A+B+C)	1233	1034
From non-renewable sources		
Total electricity consumption (D)	258	224
Total fuel consumption (E)	154	156
Energy consumption through other sources (F)	Nil	Nil
Total energy consumed from non-renewable sources (D+E+F)	412	380

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency.

– No

2. Provide the following details related to water discharged:

Parameter	FY 2021-2022 (Current Financial Year)	FY2020-2021 (Previous Financial Year)
Water discharge by destination and level of treatment (in kiloliters)		
(i) To Surface water		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Not Applicable	Not Applicable
(ii) To Groundwater		
- No treatment	Nil	Nil
- With treatments – please specify level of treatment	13,52,572	12,94,434
(iii) To Seawater		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Not Applicable	Not Applicable
(iv) Sent to third parties		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	3,73,430	2,66,332
(v) Others		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Not Applicable	Not Applicable
Total water discharged (in kilolitres)	17,26,002	15,60,766

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency.
– No

3. Water withdrawal, consumption, and discharge in areas of water stress (in kilolitres):
For each facility/plant located in areas of water stress, provide the following information:
(i) Name of the area - Ludhiana, Chennai, Nelamangala, Chopanki, Aravalli, Dharuhera, Palakkad & Srikakulam.
(ii) Nature of operations – Manufacturing of Beer
(iii) Water withdrawal, consumption, and discharge in the following format:

Parameter	FY 2021-2022 (Current Financial Year)	FY2020-2021 (Previous Financial Year)
Water withdrawal by source (in kiloliters)		
(i) Surface water	1,17,523	1,15,137
(ii) Groundwater	8,20,448	7,07,544
(iii) Third party water	3,10,650	2,65,109
(iv) Seawater/desalinated water	Nil	Nil
(v) Others	Nil	Nil
Total volume of water withdrawal (in kilolitres)	12,48,621	10,87,790
Total volume of water consumption (in kilolitres)	12,48,621	10,87,790
Water intensity per rupee of turnover (Water consumed/turnover)	12.26	8.29
Water intensity (optional) – the relevant metric may be selected by the entity	3.6	3.4

UNITED BREWERIES LIMITED

Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
- No treatment	Nil	Nil
- With treatment-please specify level of treatment	Not Applicable	Not Applicable
(ii) Into Groundwater		
- No treatment	Nil	Nil
- With treatment-please specify level of treatment	4,07,503	5,41,101
(iii) Into Seawater		
- No treatment	Nil	Nil
- With treatment-please specify level of treatment	Not Applicable	Not Applicable
(iv) Sent to third parties		
- No treatment	Nil	Nil
- With treatment-please specify level of treatment	Not Applicable	Not Applicable
(v) Others		
- No treatment	Nil	Nil
- With treatment-please specify level of treatment	Not Applicable	Not Applicable
Total water discharges (in kilolitres)	4,07,503	5,41,101

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency.

– No

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit (Metric tonnes of CO2 equivalent)	FY 2021-2022 (Current Financial Year)	FY 2020-2021 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	As per the manufacturing plan, Scope Assessment Plan will be implemented in Financial Year 2023-2024.		
Total Scope 3 emissions per rupee of turnover			
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency.

– No

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

– Not Applicable

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/effluent discharge/waste generated, please provide details of the same as well as outcome of such initiative, as per the following format:

Sl. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
Not Applicable			

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/web link.

   – Yes, the Company have Disaster management plan across the Breweries/Units.

   Each of our brewery has an On-site emergency plan for Disaster management. This plan provides guidelines to employees, contractors, transporters, etc., on actions to be carried out in the event of an Emergency. It not only defines responsibilities but also informs about prompt rescue operations, evacuations, rehabilitation, coordination, and communication.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?
   – No adverse impact to the environment.

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.
   – Nil

PRINCIPLE 7 - Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/associations – Four (4)

   b. List the top 10 trade and industry chambers/association (determined based on the total members of such body) the entity is a member of/affiliated to.

Sl. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/National)
1.	All India Brewers' Association (AIBA)	National
2.	Federation of Indian Chambers of Commerce and Industry (FICCI)	National
3.	Confederation of Indian Industry (CII)	National
4.	Federation of Karnataka Chambers of Commerce and Industry (FKCCI)	State

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conducted by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
Competition Commission of India	Pricing discussions	Stay obtained. Regular training and compliance program in place.

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Leadership Indicators

1. Details of public policy positions advocated by the entity:

Sl. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually / Half yearly / Quarterly / Others – please specify)	Web Link, if available
1.	Need for the policy on third shift Brewery operations in **Odisha** to meet peak season demand.	Created a Business case for the State on benefits of allowing 3rd shift which included buoyancy in revenue and Volumes for the State, as well as higher local employment and in-state resource utilization. Submitted through meetings at Excise Department as well as Principle Secretary level.	No	Part of overall business plan	Not Available
2.	Need for rationalization of COVID cess as well as approving the policy on price revision (EBP increase) in **Telangana** on account of increased cost pressures on manufacturing.	Built a case for price revision owing to inflation in dry and wet goods, increased working capital, steep increase in logistics and packaging material cost. Shown socio-economic benefits of the request, and how the same would drive industry sustainability. Submitted through meetings at Excise Department, Principle Secretary as well as Ministerial level.			
3.	Multiple Policy Inputs to encourage responsible consumption in the State of **Karnataka**	Submitted a Business Proposal on rationalized taxation on milder drinks and adequate retail presence in the State in order to encourage responsible consumption among customers. Illustrated the socio-economic benefits to the State citing examples of best practices in other States. Submitted through meetings at Excise Department and Principal Secretary level.			
4.	Immediate need for price revision on account of huge cost burden on manufacturing and supply in **Rajasthan.** Also, rationalization of Excise Duties and tax structure to avoid tax on tax.	Built a case for price revision owing to inflation in dry and wet goods, increased working capital, steep increase in logistics and packaging material cost. Also submitted a business case for rationalization of Beer taxes and to revive the industry badly hit by COVID. Showcased the benefits to the investments made in the State and thus the need for a comprehensive policy on pricing and taxation to drive sustainability of the investments. Submitted through meetings at Excise Department, Principal Secretary as well as Ministerial level.			
5.	Tax rationalization and Ease of Doing Business in **West Bengal**	Submitted a plea on the immediate need for tax rationalization to revive demand in the State. Also emphasized on the need for Ease of Doing Business on certain processes to enable an efficient supply chain for the industry. Submitted through meetings at Excise Department and Principal Secretary level.			

PRINCIPLE 8 - Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessment (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
Not Applicable					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Sl. No.	Name of the Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not Applicable						

3. Describe the mechanism to receive and redress grievances of the community.
   – At the brewery level, grievances if any, are taken up and addressed.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Particulars	FY 2021-2022 (Current Financial Year)	FY 2020-2021 (Previous Financial Year)
Directly sourced from MSMEs/Small producers	19.32%	18.85%
Sourced directly from within the district and neighboring districts *	About 19%	About 19%

* Given the multi locational scale of operations across India, numbers are provided in a range.

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impacts identified	Corrective action taken
Nil	Not Applicable

2. Provide the following information on Corporate Social Responsibility (CSR) projects undertaken by your entity in designated aspirational districts as identified by government bodies:

State	Aspirational District	Amount spent (In INR)
West Bengal	Nadia	2,38,273/-

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/vulnerable groups? (Yes/No)
   – No

   (b) From which marginalized/vulnerable groups do you procure?
   – Not Applicable

   (c) What percentage of total procurement (by value) does it constitute?
   – Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Sl. No.	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
1.	Patents	Owned	No	Not Applicable
2.	Trademark	Owned	No	Not Applicable
3.	Copyrights	Owned	No	Not Applicable

5. Details of corrective actions taken on underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
Nil	Not Applicable	

6. Details of beneficiaries of CSR Projects:

Sl. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1.	Water Conservation, Haryana	76,265	64.71
2.	Water Conservation, Rajasthan	4,800	17
3.	Integrated Water Resource Management, Tamil Nadu	49,753	93.75
4.	Water Conservation, Punjab	38,444	41
5.	Water Conservation, Telangana and Karnataka	17,000	66
6.	Sustainable livelihood through climate resilient practices, Kerala	41,696	13
7.	Covid Relief-Happiness Kit distribution, Karnataka	16,680	47
8.	Project Oxygen Hub, Maharashtra	64,500	62
9.	Tarang Agroforestry	17,820	73
10.	Project Oxygen Zone, Maharashtra	63,250	60
11.	Pragati Scholarship Programme, Pan India	97	84
12.	Project H.E.A.L., Pan India	1,280	Not Captured
13.	Local covid response and community activities, Pan India	Not Definable	Not Definable

PRINCIPLE 9 - Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanism in place to receive and respond to consumer complaints and feedback.
– There is a customer service number available on the label of every beer bottle. Consumers contact directly to the number available and grievances resolved, if any. In case grievances are directed to sales team, the regional sales team shall contact the customer/consumer and resolve the issues, and the feedback is provided to the customer care.

2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:

Particulars	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not Applicable
Safe and responsible usage	Not Applicable
Recycling and/or safe disposal	Not Applicable

3. Number of consumer complaints in respect of the following

Particulars	FY2021-2022 (Current Financial Year			FY2020-2021 (Previous Financial Year)		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	Nil	NA	NA	Nil	NA	NA
Advertising	Nil	NA	NA	4	Nil	NA
Cyber-security (Fake Interviews)	1	Nil	NA	1	Nil	NA
Delivery of essential services	Nil	NA	NA	Nil	NA	NA
Restrictive Trade Practices	Nil	NA	NA	Nil	NA	NA
Unfair Trade Practices	Nil	NA	NA	Nil	NA	NA
Others (Consumer cases)*	01	36	NA	04	31	NA

* Out of 36 consumer cases only 18 cases are active in Consumer forum.

4. Details of instances or product recalls on account of safety issues:

Particulars	Number	Reasons for recall
Voluntary recalls	Nil	Not Applicable
Forced recalls	Nil	Not Applicable

5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.
– Yes. Company has implemented data privacy policy on cyber security and risk related to data privacy under the Business Conduct Program and available on Company's Intranet Portal.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essentials services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.
– No such instances/issues have been faced so far.

Leadership Indicators

1. Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available).
– Information on products and services can be accessed through Company's Weblink: https://www.unitedbreweries.com/our-brands.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.
– We educate on 'Responsible usage of Consumption of Alcohol' (i.e., Beer) and also display Statutory Warning on Labels of Bottles and Cans.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.
– Not Applicable

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

   Yes – Additional Information about the product is displayed on the labels. Our regional sales heads in the regions, meet customers on a regular basis, ascertain business concern areas which require attention and resolve their concerns in a time bound manner. UBL periodically assesses consumer trends, consumer choice and preference through need-based survey.

5. Provide the following information relating to data breaches:

   a. Number of instances of data breaches along-with impact
      – Nil

   b. Percentage of data breaches involving personally identifiable information of customers
      – Nil

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ANNEXURE - B: ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2021-22

[Pursuant to Section 135 of the Companies Act, 2013 read with Clause (1) of Rule 8 of Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 further to amend the Companies (Corporate Social Responsibility) Rules, 2014.]

1. A brief outline on CSR Policy of the Company.

   The Board of Directors at its meeting held on May 27, 2014 adopted the CSR Policy pursuant to the provisions of Section 135 of the Companies Act, 2013 read with Rule 5 of Companies (Corporate Social Responsibility Policy) Rules, 2014, (as amended). In line with the guidelines given under Schedule VII of the Companies Act, 2013, the CSR committee has identified activities primarily in four major areas viz., Primary Health, Primary Education, Water Conservation & Providing Safe Drinking Water and Responsible Consumption of Alcohol around which your Company focuses its CSR initiatives and channelizing the resources in a sustained manner.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Stephan Gerlich	Chairperson/Independent Director	1	1
2.	Mr. Rishi Pardal	Member/Managing Director	1	1
3.	Mr. Berend Odink	Member/Director & Chief Financial Officer	1	1
4.	Mr. Christiaan A J Van Steenbergen	Member/Non-Executive Director	1	1
5.	Ms. Kiran Mazumdar Shaw	Member/Independent Director	1	1

3. The weblink where composition of CSR committee, CSR Policy and CSR projects are placed at: https://www.unitedbreweries.com/csr under the head Corporate Social Responsibility.

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable.

   Impact Evaluation Report is available on:
   https://www.unitedbreweries.com/Pdf/CSR/Impact%20Evaluation%20Report%20April%202021.pdf

5. Details of the amount available for set-off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set-off for the financial year, if any:

(Amount in Rupees million)

Sl. No.	Financial Year	Amount available for set-off from preceding financial years	Amount required to be set-off for the financial year, if any
1.	2020-21	NIL	NIL
2.	2019-20	NIL	NIL
3.	2018-19	NIL	NIL
	TOTAL	NIL	NIL

6. Average net profit of the Company as per section 135(5): Rs. 5,400 Millions

7. Financial Details (Amount in Rupees million)

	Particulars	Amount
a.	Two percentage of average net profit of the company as per section 135(5)	108
b.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	NIL
c.	Amount required to be set-off for the financial year, if any	NIL
d.	Total CSR obligation for the financial year (7a+7b-7c)	108

8. (a) CSR amount spent or unspent for the financial year: (Amount in Rupees million)

Total Amount Spent for Financial Year	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
73.59	34.41	28.04.2022	N.A.	N.A.	N.A.

(b) Details of CSR amount spent against ongoing projects for the financial year (Amount in Rupees million)

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the Project		Project duration	Amount allocated for the project	Amount spent in the current financial year	Amount transferred to Unspent CSR Account for project as per Section 135(6)	Mode of Implementation – Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Registration Number
1.	Sustainable Livelihood through climate resilient practices	Ensuring environmental sustainability, conservation of natural resources and maintaining quality of soil, air and water	Yes	Kerala	Palakkad	25 Months	27.87	0.5	NIL	No	United Way of Bengaluru	CSR00000324
2.	Water Conservation in Telangana and Karnataka		Yes	Telangana and Karnataka	Sangareddy and Bangalore Rural	30 Months	40.20	2.47	NIL	No	Action for Food Production	CSR00000747
3.	Water Conservation		Yes	Punjab	Ludhiana	36 Months	39.15	2.0	NIL	No	Action for Food Production	CSR00000747
4.	Water Conservation		Yes	Rajasthan	Alwar	24 Months	9.82	2.55	NIL	No	SM Sehgal Foundation	CSR00000262
5.	Water Conservation		Yes	Rajasthan	Behror	24 Months	12.83	NIL	12.83	No	SM Sehgal Foundation	CSR00000262

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
6.	Water Conservation	Ensuring environmental sustainability, conservation of natural resources and maintaining quality of soil, air and water	Yes	Haryana	Rewari	24 Months	40.05	18.84	NIL	No	Akhil Bhartiya Gramin Uthan Samiti	CSR00002164
7.	Water Conservation		Yes	Tamil Nadu	Thiruvallur	24 Months	13.85	2.65	11.20	No	Dilasa Janvikas Pratishthan	CSR00000098
8.	Project Oxygen Hub – Tree plantation through Miyawaki Method	Ensuring environmental sustainability, ecological balance, and protection of flora and fauna	Yes	Maharashtra	Aurangabad	36 Months	5.02	0.25	NIL	No	Prayas Youth Foundation	CSR00001678
9.	Project Oxygen Zone – Tree plantation through Miyawaki Method		Yes	Maharashtra	Aurangabad	36 Months	11.43	2.28	8.64	No	Prayas Youth Foundation	CSR00001678
10.	Pragati Scholarship Program	Improving gender equality and reducing inequalities faced by socially and economically backward groups.	Yes	Punjab, Haryana, Rajasthan, West Bengal, Karnataka, Tamil Nadu, Andhra Pradesh, Telangana, Maharashtra, Odisha, Goa and Kerala	Ludhiana, Rewari, Bhiwadi, Alwar, Nadia, Bangalore Rural, Mysore, Mangalore, Thiruvallur, Srikakulam, Medak, Aurangabad, Raigad, Khurda, North Goa and Palakkad	5 Months	11.2	2.00	NIL	No	Shiksha Seva Foundation	CSR00002256
11.	Tarang Agroforestry Project	Improving gender equality and reducing inequalities faced by socially and economically backward groups.	Yes	Maharashtra	Aurangabad	12 Months	1.93	0.19	1.74	No	Prayas Youth Foundation	CSR00001678
	TOTAL						**213.35**	**33.73**	**34.41**			

(c) Details of CSR amount spent against other than ongoing projects for the financial year: (Amount in Rupees million)

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the Project		Amount spent for the project	Mode of Implementation – Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				State	District			Name	CSR Registration Number
1.	Monitoring & Evaluation	Project Monitoring	Yes	Across India	Across India	1.12	No	Soulace Consulting Pvt Ltd	N.A.
2.	Covid Relief	Promotion of healthcare including preventive healthcare and disaster management	Yes	Rajasthan, Maharashtra, Karnataka, Tamil Nadu, Kerala and Goa	Alwar, Aurangabad, Bengaluru Rural, Mysore, Mangalore, Chennai and Palakkad	22.97	Yes	N.A.	N.A.
3.	Covid Relief Happiness Kits	Promotion of healthcare including preventive healthcare and disaster management	Yes	Karnataka	Bengaluru Rural, Mysore and Mangalore	5	No	Akshaya Patra Foundation	CSR00000286
4.	Covid Relief Vaccination Program	Promotion of healthcare including preventive healthcare and disaster management	Yes	Across India	Across India	2.5	No	National Restaurant Association of India	CSR00008633
5.	Community Initiatives	Promoting education, including special education	Yes	Across India	Across India	1.93	Yes	N.A.	N.A.
6	Contribution to Armed Forces Flag Day Fund	Measures for the benefit of armed forces veterans, war widows and their dependents	N.A.	N.A.	N.A.	0.59	Yes	N.A.	N.A.
	TOTAL					**34.11**			

(d) Amount spent in Administrative Overheads : Rs. 5.4 million

(e) Amount spent on Impact Assessment, if applicable : Rs. 0.35 million

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) : Rs. 73.59 million

(g) Excess amount for set off if any; (Amount in Rupees million)

Sl. No.	Particulars	Amount
(i)	Two percent of average net profit of the company as per section 135(5)	108.00
(ii)	Total amount spent for the Financial Year	73.59
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

9. (a) Details of Unspent CSR amount for the preceding three financial years: (Amount in Rupees million)

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135(6)	Amount spent in the reporting Financial Year	Amount transferred to any fund specified under Schedule -VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years
				Name of the Fund	Amount	Date of transfer	
1.	2020-21	NIL	NIL	NIL	NIL	NIL	NIL
2.	2019-20	4.7	4.6	NIL	NIL	NIL	0.1
3.	2018-19	NIL	NIL	NIL	NIL	NIL	NIL
	TOTAL	**4.7**	**4.6**	**NIL**	**NIL**	**NIL**	**0.1**

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): (Amount in Rupees million)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project	Amount spent on the project	Cumulative amount spent at the end of reporting Financial Year	Status of the project – Completed / Ongoing
1.	NIL	Sustainable livelihood through climate resilient practices in Palakkad, Kerala	2019-20	33 Months	27.87	0.5	27.87	Completed
2.	NIL	Water Conservation in Telangana and Karnataka	2019-20	30 Months	40.20	2.47	30.78	Ongoing
3.	NIL	Water Conservation in Punjab	2019-20	36 Months	39.15	5.66	18.71	Ongoing
4.	NIL	Water Conservation in Rajasthan	2019-20	36 Months	9.82	2.55	2.95	Ongoing
5.	NIL	Water Conservation in Haryana	2019-20	24 Months	40.05	19.74	40.05	Completed
6.	NIL	Project Oxygen Hub – Tree plantation through Miyawaki Method	2019-20	36 Months	5.02	0.25	5.02	Completed
	TOTAL				**162.11**	**31.17**	**125.38**	

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (Asset-wise details):

(a)	Date of creation or acquisition of the capital asset(s)	Not Applicable
(b)	Amount of CSR spent for creation or acquisition of capital asset	Not Applicable
(c)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Not Applicable
(d)	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	Not Applicable

11. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(5) – Not Applicable.

By Authority of the Board

April 26, 2022
Bengaluru

Chairman of CSR Committee
DIN:00063222

Managing Director
DIN:02470061

Director & CFO
DIN:09138421

ANNEXURE - C: FORM AOC-I

[Pursuant to first Proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014]
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiary

(Amount in Rupees million)

1.	Name of the Subsidiary	Maltex Malsters Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	Not Applicable
4.	Share capital	4.50
5.	Reserves & Surplus	79.96
6.	Total Assets	102.26
7.	Total Liabilities	102.26
8.	Investments	NIL
9.	Turnover	131.61
10.	Profit before taxation	17.48
11.	Provision for taxation	4.78
12.	Profit after taxation	12.69
13.	Proposed Dividend	4.50
14.	% of Shareholding	51%

1. Names of subsidiary which are yet to commence operations : Not Applicable.
2. Name of subsidiary which have been liquidated or sold during the year : Not Applicable.

Part 'B": Associate

(Amount in Rupees million)

Name of Associate		Kingfisher East Bengal Football Team Private Limited
1.	Latest Audited Balance Sheet Date	March 31, 2022
2.	Shares of Associate held by Company on the year end	Associate
	Number	4,999 Equity Shares
	Amount of Investment in Associate	0.049
	Extend of Holding (%)	49.99%
3.	Description of how there is significant influence	By virtue of Investment in excess of 20% of voting rights.
4.	Reason why the Associate is not consolidated	The Company's interest in the Associate has not been included in the consolidated financial statements as the same has not been considered as material.
5.	Net-worth attributable to Shareholding as per latest audited Balance Sheet	4.65
6.	Share capital	0.1
7.	Reserves & Surplus	8.02
8.	Total Assets	20.38
9.	Total Liabilities	20.38
10.	Investments	NIL
11.	Turnover	0.005
12.	Profit before taxation	(0.19)
13.	Provision for taxation	0.01
14.	Profit after taxation	(0.18)
15.	Proposed Dividend	NIL

1. Names of Associates or Joint Ventures which are yet to commence operations : Not Applicable.
2. Name of Associates or Joint Ventures which have been liquidated or sold during the year : Not Applicable.

For and on behalf of the Board of Directors of
United Breweries Limited

	Govind Iyengar	**Berend Odink**	**Rishi Pardal**
April 26, 2022	Senior Vice President – Legal	Director & CFO	Managing Director
Bengaluru	& Company Secretary	DIN: 09138421	DIN: 02470061

ANNEXURE - D: STATEMENT UNDER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (ACCOUNTS) RULES, 2014

(A) Conservation of energy

Electrical Energy:

- Taloja (Bombay) Brewery: In bottle washer machine, improvement in the running cycle of pre-rinser pump, soak tank 1, soak tank 2 (2 nos) and soak tank 3 (2 nos.) from continuous running, when needed through Variable Frequency Drive (VFD) & Interlock installation resulting in saving of 400Kwh per day.
- Goa Brewery: Reduction in power consumption at boiler through air flow regulation through VFD control by maintaining the required draft resulted in 115 Kwh per day.
- Shahjahanpur (Aravalli) Brewery: Systematic Kaizen approach for power reduction at Air Compressor machine during production day and non-production day through leakage arresting, air regulator provision and arresting the losses through restoring basic condition in generation & distribution of compressed air has resulted in saving 0.3 Kwh/ Hl (130 Kwh per day)
- Odisha (Khurda) Brewery: Old Glycol supply pump 75 Kw replaced with high efficiency pump 55 Kw, resulted 250 Kwh savings per day. In KC-6 ammonia compressor, soft starter replaced with VFD, resulted 180 Kwh saving per day; Cooling tower fan automation completed with discharge pressure instead of water temp, resulted 40 Kwh saving per day.

Thermal Energy:

- Kerala (Palakkad) Brewery: Steam consumption reduction at pasteuriser machine through recovery of flash steam from Bottle washer & Vapour Absorption Machine (VAM) and using it in pasteuriser hot water tank resulting in saving of 1.7 Tons of steam per day.
- Karnataka (Chamundi) Brewery: Steam consumption reduction in wort kettle through improvement in Clean-in-Place (CIP) standards for tube cleaning and plate cleaning for vapour condenser and Preheating Plate Heat Exchanger (PHE) and preventive maintenance schedule implementation resulting in 3.0 Tons per day in process area.

Co_2 Reduction:

- Taloja (Bombay) Brewery: Reduction in waste heat through innovative approach at Co_2 vaporiser has resulted in saving of 360 Kwh of power per day and Co_2 consumption saving of 500 Kg per day. This improvement case study won Platinum Level award in CIIs 40th National level Kaizen Competition under innovative Kaizen Category.

Water Conservation:

- Shahjahanpur (Aravalli) Brewery: Reduction in water consumption in Water Treatment Plant (WTP) plant Reverse Osmosis (RO) reject area through efficiency improvement of Ultra Filtration and 2nd RO by implementing effective CIP schedules.
- Kerala (Palakkad) Brewery: Tertiary Reverse Osmosis (TRO) water consumption reduction in bottle washer through VFD & pressure transmitter closed loop installation at TRO water transfer pump has resulted in 50 Kl per day.
- Rajasthan (Chopanki) Brewery: New water project installation has been completed and validation is under progress. The accrued savings on account of energy conservation, reduction in water consumption and Co_2 reduction is Rs.22 Million.

(B) Technology absorption

Research & Development

- The Company has continued its Research & Development program in development of two row malting variety of Barley.
- The Company has engaged in Research & Development program on Water project for achieving Zero Liquid discharge.

Expenditure on Research & Development

- During FY22 UBL spent Rs.260 Million on Research & Development for innovative project "Water project".

(C) Foreign Exchange Earnings and Outgo

	(Amount in Rupees million)
Foreign Exchange earned	1,684
Foreign Exchange used	1,117

ANNEXURE - E: FORM NO. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
United Breweries Limited, Bangalore

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by UNITED BREWERIES LIMITED (CIN: L36999KA1999PLC025195) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms, and returns filed and other records maintained by United Breweries Limited ("the Company") for the financial year ended on March 31, 2022 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye-Laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI'):

   (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

   (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (No instances for compliance requirements during the year);

   (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (No instances for compliance requirements during the year);

   (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (No instances for compliance requirements during the year);

   (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

   (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, (No instances for compliance requirements during the year);

   (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (No instances for compliance requirements during the year); and

   (j) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018

vi. Various State Excise Laws to the extent applicable to brewing/alcohol industry;

vii. Legal Metrology Act, 2009 and Rules thereunder;

viii. Food Safety and Standards Act, 2006 and applicable Rules and Regulations made thereunder;

ix. All other Labour, Employee and Industrial or factory and environmental Laws to the extent of necessary permissions, licenses, compliance mechanisms, controls and any violations noted by the respective authorities as applicable to the Company;

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above wherever applicable.

As reported in the previous years with respect to the enquiry of Directorate-General, Competition Commission of India (CCI), the CCI had passed an Order on September 24, 2021 levying a penalty of Rs.75,183 Lakhs for the contravention of provisions of Section 3 of the Competition Act, 2002. The Company has filed an appeal against the aforesaid CCI Order before the National Company Law Appellate Tribunal ('NCLAT'). The NCLAT vide its order dated December 22, 2021 granted a stay of the CCI Order subject to payment of deposit of 10% of penalty amount during the pendency of the appeal and the Company has deposited the said amount by way of Fixed Deposit Receipt (FDR).

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with provisions of the Act.

Adequate notices were given to all Directors to schedule the Board meetings, agenda and detailed note on agenda were sent at least seven days in advance and with necessary compliance wherever sent at shorter period and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions are carried through majority and recorded in the minutes and there were no dissenting views.

I further report that there are adequate systems and processes in the company commensurate with size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

I further report that during the audit period there were no specific actions having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

SUDHIR VISHNUPANT HULYALKAR
Company Secretary in Practice
FCS No.: 6040 and C P No.: 6137
Peer Review Certificate No. 607/2019
UDIN: F006040D000210233

Place: Bangalore
Date: 26.04.2022

ANNEXURE TO SECRETARIAL AUDIT REPORT

To,
United Breweries Limited,
Bangalore

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

SUDHIR VISHNUPANT HULYALKAR
Company Secretary in Practice
FCS No.: 6040 and C P No.: 6137
Peer Review Certificate No. 607/2019
UDIN: F006040D000210233

Place: Bangalore
Date: 26.04.2022

ANNEXURE - F: ADDITIONAL INFORMATION ON CORPORATE GOVERNANCE REPORT

Own Manufacturing Network

ANDHRA PRADESH – SRIKAKULAM	TAMIL NADU – KUTHAMBAKKAM & ARANVOYAL
TELANGANA – MALLEPALLY & KOTHLAPUR	PUNJAB – LUDHIANA
GOA – PONDA	WEST BENGAL – KALYANI
KERALA - CHERTHALA* & PALAKKAD	RAJASTHAN – CHOPANKI & SHAHJAHANPUR
KARNATAKA – MANGALORE, NELMANGALA & MYSORE	MAHARASHTRA – TALOJA & AURANGABAD (2) UNITS
ODISHA – KHURDA	BIHAR – NAUBATPUR *
HARYANA – DHARUHERA	

* Not in Operation.

Contract Manufacturing Network

UTTAR PRADESH – ALIGARH	ASSAM – GUWAHATI
DAMAN AND DIU – DAMAN	SIKKIM – GANGTOK
MADHYA PRADESH – INDORE	MEGHALAYA – SHILLONG (BYRNIHAT)
JAMMU AND KASHMIR – SAMBA	JHARKHAND – RANCHI
ARUNACHAL PRADESH – NAMSAI	

REGISTERED OFFICE:
"UB TOWER", UB CITY, No. 24, VITTAL MALLYA ROAD, BENGALURU - 560 001.
Phone: (91-80) 45655000, Fax No. (91-80) 22211964, 22229488
Email: ublinvestor@ubmail.com, Website: www.unitedbreweries.com
CIN: L36999KA1999PLC025195, Cable: UBEEGEE

Discretionary Requirements

a) **The Board:**
The Chairman/Chairperson of the Board is entitled to maintain his/her office at the Company's expense and also allowed reimbursement of expenses incurred in performance of his/her duties. Currently there is no permanent Chairperson on the Board.

b) **Shareholder Rights:**
The Company's half yearly results are published in English and Kannada Newspapers having wide circulation and are also displayed on the Company's website. Press releases are also issued which are carried by a few newspapers and also displayed on the Company's website. Hence, same are not sent to the shareholders.

c) **Modified opinion in audit report:**
There is no modified opinion in the Auditor's Report.

d) **Separate posts of Chairperson and CEO:**
The position of Chairperson and Managing Director are held by separate individuals.

e) **Reporting of Internal Auditor:**
The Internal Auditor reports to the Audit Committee Chairman on matters arising out of audit and makes presentation to the Audit Committee on a quarterly basis

Compliance with Code of Business Conduct and Ethics

In accordance with Regulation 17(5)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, it is hereby confirmed that during the year 2021-2022, all the members of the Board of Directors and Senior Managerial personnel have affirmed their Compliance with the Company's Code of Business Conduct and Ethics.

Rishi Pardal
Managing Director
DIN: 02470061

Place: Bengaluru
Date: April 26, 2022

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,
Members of United Breweries Limited

We have examined the compliance of conditions of Corporate Governance by United Breweries Limited ("the Company"), for the purpose of certifying of the Corporate Governance under Regulation 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 from the period April 01, 2021, to March 31, 2022. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paragraphs C, D and E of Schedule V of the Listing Regulations, as applicable of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We draw attention of Members to the following:

The Competition Commission of India ("CCI") on September 24, 2021, had imposed a penalty of Rs.751.83 Crores for contravention of provisions of Section 3 of the Competition Act, 2002. The Company had filed an appeal before the National Company Law Appellate Tribunal ("NCLAT") and the NCLAT vide its order dated December 22, 2021, granted a stay, subject to a deposit of 10% of the penalty amount. On December 24, 2021, the Company deposited the said amount by way of Fixed Deposit Receipt (FDR) .

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For BMP & Co. LLP
Company Secretaries

Pramod SM
Partner
FCS: 7834 / CP No. 13784
UDIN: F007834D000211169
Peer Review Certificate Number: 736/2020

Date: April 26, 2022
Place: Bangalore

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Towards the greater good!

ESG Report
2020-22

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UNITED BREWERIES LIMITED

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1.0
Leadership speaks

Message from the managing director

Dear Reader,

Building resilience for our business, our people, and our community throughout the pandemic while ensuring that we rise above the storm has been my primary focus. My vision to stand strong and provide care and support to our employees, our suppliers, our customers, and our community, is aligned with UBL's mission to ensure holistic growth and development not just as a market leader but also as a preferred employer and a preferred partner for customers and suppliers.



Rishi Pardal
Managing Director

As a business and for the entire industry, 2020 has been an extremely challenging period across the globe, affecting our consumers and communities as well. UBL has sustained a steady business through the toughest times of the global pandemic, backed by our years of success and strong hold in the market.

Our heritage takes me back to 1915 when UBL began its journey of brewing with merely 5 breweries in South India. Arriving to the present, the company has showcased immense growth across all spheres comprising our business, our community development initiatives, employee wellness and development and our customer involvement and satisfaction. UBL has tasted success even during the toughest times, while ensuring that our support extends beyond the walls of our breweries and towards our employees, their families, and families across all states where we operate. Our very strength lies in the spirit of our team, our managers, our employees, and our suppliers, and all other stakeholder groups who have gone above and beyond their duties to ensure appropriate sensitivity, care, and sanitation throughout the pandemic.

We introduced multiple initiatives undertaken by Kingfisher to engage consumers to socialize responsibly and aligned our logo with the stay home, stay safe message. Our management team and UBL has always continued to prioritize health and safety of our people and our communities, while also managing our costs and cash flow. As one of the leading producers in the alcohol beverage industry, we are majorly committed to working towards environmental sustainability along with a generous economic growth for our business and extensive social outreach to ensure community development and growth. Recently we have identified and promoted responsible consumption of our products through various initiatives and campaigns.

At UBL, we are constantly striving to ensure that maximum compliance is followed in terms of our governance, environment, and economic strategies. Since our product is mainly based on raw materials

sourced from nature, we have undertaken significant and efficient measures towards stewardship of natural resource management. Our community involvement and impact projects are directed towards empowering our local communities to strive for a healthier and safer planet for all.

We have successfully designed our sustainability strategy with the help of our internal and external experts that have been guiding us since the beginning of our sustainability journey. Our strategy comprises of short term, mid-term and long-term goals and realistic targets that are aligned and ingrained into our business agenda to accomplish sustainable business growth while working towards creating a healthier planet for generations to come. We shall always strive to enhance our strategies and commitments towards being a responsible business while we continue to transparently share our sustainability performance and goals moving forward. It is of utmost importance for UBL to maintain an honest accountability towards our communities, stakeholders, and shareholders.

I take this opportunity to extend my gratitude towards the persistent hard work and dedication of all our employees and associates towards achieving sustainability as a responsible business. As we continue to grow in our business, we are also working towards enhancing and upskilling our employees while ensuring utmost health and safety across all our business operations, protecting our employees' rights, and uplifting their learning and talent curve. Our continual support from various associations and organizations in addition to our employees' efforts shall ensure our roaring success in creating a benchmark in the sustainability field. We persevere to overcome risks and challenges lying ahead of us, as we continue to work devotedly towards a more sustainable world for our business and our people.

Regards,

Rishi Pardal

GRI 102-14 Statement from senior decision- maker'

Message from the Chief Supply Chain Officer



Shalabh Seth
Chief Supply Chain Officer

Dear Reader,
In these unprecedented times of the pandemic, UBL has relied on our entire supply chain expertise and support to ensure that our business flourishes despite the prevailing tough times. As a team we have worked through the problems and tackled them with endurance and resilience to make sure we deliver consistent quality and a smooth experience to our consumers as we have for several decades.

Working in times of the pandemic has been the biggest adversity faced by UBL during our reporting period. Despite these circumstances, due to our cost saving initiatives and compliance to safety norms as well as our core business principles, at all our breweries, we have managed to maintain profitability while keeping the manufacturing expenses under control. Also, we have managed to continue growing with capacity expansion at some of our breweries, which has helped avert any gaps in supply and demands.

The transparency in our processes with regards to all our vendors, stakeholders, consumers, etc. has helped develop an ecosystem of trust and sustainability on which the growth of our brand and our associates has been consistent and impervious by uncertain circumstances, like the ongoing pandemic and lockdowns. We have initiated business operations that are in line with our vision of sustainability, to ensure that our supply chain is strengthened to commit to our sustainability agenda. Strengthening our supply chain to maintain quality across all functions and processes has been fruitful in maintaining and upholding our consistency in the market and in our product manufacturing.

Our supply chain acts as the backbone of our entire team, and we always look forward to innovating, experimenting, and stretching beyond our basic requirements as a business, to create a better brewing experience across our entire supply chain. This in turn ensures that our brand, our people, and our entire business are aligned toward our vision and goal to achieve a successful and healthy business that strives to create excellent brews for our valued consumers. We look forward to building our supply chain operations towards greater heights to incorporate sustainability across all facets in the years to come.

Regards,
Shalabh Seth

UNITED BREWERIES LIMITED


UB



2.0 Report Overview

United Breweries Limited (UBL)[1] has been brewing exceptional quality beer since 1915. We have been one of the largest beer brewing companies in India[2]. With our registered office and headquarters at UB Tower UB City 24 Vittal Mallya Road Bengaluru 560001, Karnataka India[3], the company operates through 20 owned manufacturing units and 10 contract manufacturing units. With this ESG report, we intend to explore sustainability as a business imperative for our onward journey and thereby growth, in the years to come. Being primarily dependent on natural resources for developing our product line, sustainability is ingrained in all our activities and decision-making, throughout our value chain.

The reporting years are FY2020-21 and FY2021-22 , while FY2020-21 will be considered as the baseline year for all our subsequent ESG reporting and disclosures; and the data in this report will serve as a reference point for the respective sustainability initiatives across the spectrum of environment, social and governance related parameters, in the upcoming years.

2.1 Report Boundary

In this ESG report, we have covered 20 of our operational facilities spread across various states of the Country. Our reporting boundaries are inclusive of our subsidiary, mainly Maltex Maltsters Limited. Subsidiaries of the group that do not possess the right to exercise management control are excluded from the reporting boundary.

2.2 Report Content

This report has been published as per:

1. GRI Standard 'in accordance – core' criteria[4], and
2. Alcoholic Beverages Sustainability Accounting Standard (2018) disclosures of Sustainability Accounting Standards Board (SASB),

thus, providing a comprehensive outlook on a diverse set of ESG based topics, to our stakeholders. The report has been prepared by applying the reporting principles of materiality, stakeholder inclusiveness, sustainability context and completeness while ensuring accuracy, clarity, comparability, reliability and due timeliness in our reporting and data presented during the reporting period[5].

The report throws light on significant topics for our business and the society we operate in. We have included our materiality assessment conducted during the year

1 GRI 102-1 Name of the organization, GRI 102-5 Ownership and legal form
2 GRI 102-2 Activities, brands, products, and services
3 GRI 102-3 Location of headquarters
4 GRI 102-54 Claims of reporting in accordance with the GRI Standards
5 GRI 102-46 Defining report content and topic boundaries

2021 and 2022 as part of our reporting endeavors, along with our **ESG Roadmap 2030**. Our various initiatives towards promoting and practicing sustainability have also been covered throughout the report. Our materiality matrix has helped us in identifying key ESG topics material to our business from the perspective of our management as well as the expectations of our key stakeholders. The materiality matrix has further guided us in prioritizing our intervention areas and formulating strategies, targets, and action plans to address our key material issues to bolster our Environmental, Social, and Governance (ESG) commitments and performances. Disclosure on our key material topics is in alignment with the recommendations of GRI standards, while the topics have been categorized as low, medium, high and very high. One can refer to the disclosure mapping table[6] for a complete listing of GRI and SASB disclosures included in this report.

2.3 Report Data

The report covers our sustainability-based initiatives for the period FY2020-21 and FY2021-22 respectivelyas the 'reporting period'[7]. Our most recent sustainability report was circulated internally in 2017-18, post which we also published a Corporate Responsibility Report for the year 2019-20[8]. We aspire to report on our sustainability initiatives annually[9], to ensure regular communication of our sustainability performance against the set objectives and targets, to all our relevant stakeholders. The materiality matrix has undergone a significant change since the last report, owing to the inclusion of new priority material topics deemed to exert a significant impact, on our operations and overall business[10].

Forward Looking Statement

The report includes forward-looking statements based on certain assumptions and management plans. In the report, these statements have been identified by words such as 'intend', 'anticipate', 'believe', 'expect', 'project', 'plan', etc., as far as possible. Should they materialize, the achievement of the projections is subject to risks and uncertainties.

2.4 Report Communication

We intend to communicate our sustainability performance periodically through our ESG Report. Your inputs, comments and suggestions would help us to improve our communication on sustainability.

For any query or suggestion, please contact[11] at feedback@ubmail.com or corporateaffairs@ubmail.com to send in your inputs to us.

2.5 Key exclusions

This report is prepared based on the requirements of '*GRI- In accordance - Core*' standards. Reporting is done basis the mandatory requirements only. All 'voluntary' reporting requirements has been kept out of the reporting scope.

6 GRI 102-55 GRI content index
7 GRI 102-50 Reporting period
8 GRI 102-51 Date of most recent report
9 GRI 102-52 Reporting cycle
10 GRI 102-49 Changes in reporting

2.6 Towards greater good !

As the largest brewing company in the country, we at UBL feel accountable and responsible towards our people and our planet. We aspire to create positive impacts across our supply chain and beyond by aligning our strategies to values of passion, courage, concern, and enjoyment. Our vision of excellence aims at streamlining our business aspirations with the ethos of sustainability. We intend to nurture a company-wide culture of adopting sustainability from the grassroots to the top, by delivering best in class quality of products, giving due consideration to consumer preferences, leading trends in consumption, encouraging innovation and promoting cultural and social inclusiveness.

We believe in leading by example to endorse our legacy of premium products while operating our breweries in an energy efficient and water responsible way. We seize the opportunities that competition in the market has to offer and we believe in continuous upgradation of our offerings and processes. We are further committed to promote diversity and inclusion across our operations by creating an equitable workplace for all. We wish to adopt a culture of togetherness in our value chain by driving communication and unity. We shall continue to prioritize the foundation of the business – our people, by enabling growth and development through capacity building for enhanced performance.

Smart utilization of our resources while ensuring holistic sustenance for all, has been our mantra during the reporting year. We aspire to expand our geographic presence, promote social aspects with focus on empowering our people and their capabilities across locations, and harnessing our resources from within, to build upon our sustainable ventures. Such actions will drive the *sustainable and comprehensive growth* of our business, our people, and the planet – *the greater good!*

3.0
Report In A Nutshell

Financial Year FY2020-21 and FY2021-22



Breweries

FY2020-21	FY2021-22
20	20



Manpower

(Permanent/ Contract) in Nos

FY2020-21	FY2021-22
2934/ 5972	2837/ 8339



Market Share

In %

FY2020-21	FY2021-22
50.5%	54.0%



CSR Budget

In Mio INR

FY2020-21	FY2021-22
138.3	108.6

UNITED BREWERIES LIMITED

	FY2020-21	FY2021-22
Fresh Water Consumption - hl/hl	3.61	3.44
Water Stress Areas Consumption - hl/hl	3.7	3.5
Total Renewable Energy In %	78.7	80.8
RE - Electrical In %	30	32.4
RE - Thermal In %	96	96
Accident Frequency Rate - Mio Manhours	0.045	0.143
Safety Training Mandays	5.78	6.34

4.0

Brewing good times[1]

The company bought by the late Mr. Vittal Mallya in 1947 – United Breweries Limited, is a market leader in India both in terms of market share and revenue. We have a leading market share of 54% in the Indian beer market, whereas beer contributes to 12% of the overall alcoholic beverage market. Our beers are available in two premium brand categories 'Kingfisher' strong and Lager having six variety of beers Our product line makes us a truly national company[2].

We have delivered to the consumers & our market share has moved up from 50.5% in FY20-21 to 54% in FY21-22. We have 28 beer brands in our portfolio ranging from light to strong beers to cater to a variety of tastes of our consumers. Our portfolio of beers is diversified with craft beers, quartz, pints, and kegs. We operate India's largest brewery at Sangareddy, Telangana, having a daily production rate of 360,000 liters of beers. UBL has its headquarters at UB City in Bengaluru, Karnataka, India, and has successfully spread its wave of good times across the country and beyond. Our local operations are spread across the country, in the states of Punjab, Haryana, Rajasthan, Bihar, West Bengal, Odisha, Andhra Pradesh, Telangana, Maharashtra, Goa, Karnataka, Tamil Nadu, and Kerala. Our global presence is felt through our UB Exports, with a manufacturing and supply license arrangement in UK (with supplies to the European market), Australia, New Zealand, Singapore and Nepal[3]. Total Fleet distance covered for transfer of Finished Goods from Breweries to Govt. Depots by our breweries in FY2020-2021 is 232 Lacs Kms while for FY 2021-2022 it was 259 lacs km[4]. We have a large consumer base across various sections of the society, and we strive to ensure that our products are sold with care and compliance.

We will also align our sustainability initiatives and targets in line with Heineken's EverGreen strategy to seize newer prospects and build resilience while achieving goals along our sustainability journey. With Heineken's long-standing legacy in providing experiential customer delight and UBL's strong foothold in India, we look forward to an energized future towards sustainable growth of our business and our people.

1 GRI 102-7 Scale of the organization
2 GRI 102-2 Activities, brands, products, and services
3 GRI 102-4 Location of operations, GRI 102-6 Markets served
4 SASB - FB-AB-000.C



Figure 1: Our presence across India

Our production is supported by 2837 permanent employees (out of which 148 are women) and 8339 temporary / contractual employees for FY2021-22[1]. UBL serves its consumers with quality alcoholic and non-alcoholic products out of its 20 own production plants operational in India[2]. This vast network of plants has helped us create a robust distribution network with agility to provide quick response to any dynamic market demand.

1 GRI 102-8 Information on employees and other workers
2 SASB FB-AB-000.B Number of production facilities

Scale of our organization[1]	UoM	FY2020-21	FY2021-22
Net Sales	Mio INR	42,407	58319
Equity	Mio INR	35,796	39339
Debt	Mio INR	2,500	0
Total brands	Nos.	28	28
Market Share	%	50.5[2]	54.0

1 GRI 102-7 Scale of the organization
2 SASB FB-AB-000.A – Total volume of product sold

4.1 Our Values and Mission[1]

UBL aspires to be a pioneer in the Indian beer market and deliver top-quality performance through excellence in product and brand portfolio, capabilities, and policies.

Our values:

- Passion for achievement, success and winning
- Freedom to operate and learn from our mistakes
- Treating people with respect and fairness
- Respecting the environment
- Integrity in all things and at all times

UNITED BREWERIES LIMITED

4.2 Jewels of our crown

We have stood as a market leader through our exceptional beer production practices, with several varieties of Kingfisher, brands and brews created to cater to the regional palate and premium export brands. With a wide range in the brews, we have managed to capture a larger audience at a global as well as a regional level for maximum market share coverage. We take pride in the fact that our largest selling beer brand - Kingfisher, has a market share of circa 50% in India, with every alternate bottle of beer sold in India being a Kingfisher brand. Our market presence is spread across the globe, with our success in maintaining and increasing market shares through effectual marketing strategies. We have 20 main brands and 4 imported brands under the alcoholic segmen, and 4 brands in non-alcoholic beverages. The brands manufactured and marketed by United Breweries Ltd. have been synonymous with impeccable quality on an international scale. Out of our vast product portfolio, certain brands like UB Bullet, Flying Horse Royal, Kalyani Black Super Strong, Kingfisher Extra Strong, Kingfisher Premium, Kingfisher Ultra, Maharaja Premium Indian Pilsner, Taj Mahal Premium, UB Export Premium and Kingfisher Blue constitute our products that are exported globally.

1 GRI 102-16 Values, principles, standards, and norms of behavior

Launched in 1978, Kingfisher Premium is one of the first brands launched in the mild beer category under the Kingfisher umbrella. A young, contemporary, and fun brand, Kingfisher constantly reinvents itself to engage with its consumers in exciting ways. The brand is associated with some of the best music, style, food and sporting events, and lives up to its promise of 'The King of Good Times'.

Some of the Brand details under the UBL canopy are as follows:

1 Kingfisher Premium:
The brand has been known as the king of good times since its launch in 1978. Kingfisher keeps reinventing itself to keep up with contemporary trends while engaging consumers. It has been associated with numerous food and music festivals, sports and fashion events across the globe. Available in bottles (650 ml), pints (330ml), and regular cans (500ml).

2 Kingfisher Strong:
This brand was launched in 1999 to tap into the demand for strong beer in the country. Sales have always skyrocketed since its launch and it still stands among top 3 strong beer brands across almost every state in the country. Available in bottles (650 ml), pints (330 ml), and regular cans (500ml)

3 Kingfisher Ultra:
The first-ever premium beer brand launched in 2009. Most loved for its unique taste and the 'Ultra experience', the brand has grown rapidly in its segment across the country. Available in bottles (650 ml), pints (330 ml), and regular cans (500ml).

4 Kingfisher Ultra Max:
Synonymous with 'Maximum Taste. Maximum Life' - stands for our current mantra of living life to the max. Launched in 2015 and crafted by using the finest Pilsen malt, the brand offers a soothing after taste along with a fragrant aroma. Available in bottles (650 ml), pints (330ml), and regular cans (500ml).

5 Heineken:
One of the most trusted international brands on a global scale since 1873. Blended to be the most iconic beer brand in the world, it offers a consistent taste with a rich, satisfying flavor and a hint of fruitiness.

The Heineken brands have successfully amplified our market presence through their striking brands with a global esteem. This has placed UBL as a top priority for consumers and customers as we have instilled confidence and trust in our product quality and safety.

Our non-alcoholic beverages

1 **Kingfisher Radler** is a 0% alcohol brewed beer mixed with real Lemon juice and natural ingredients to give you the ultimate refreshing experience. Make no mistake, carbonated drinks are delicious but most of them are loaded with chemicals. So we made a better one! Kingfisher Radler combines the goodness of barley malt and the freshness of real fruit juice to give you a mouth-watering refresher which will leave you craving for more. So, Stock, Pop and Hit Refresh! Kingfisher Radler 300 ml can is available in Lemon, Mint, Strawberry Cranberry and Black Currant Flavors Lemon.

2 **Heineken 0.0** is twice brewed and fermented with Heineken's unique A-yeast from natural ingredients with gentle alcohol removal and blending to achieve a fruity flavour and slight malty notes. It is available in 330 ml can and bottle.

We wish to foster a spirit of good times for all our patrons through our wide range of alcoholic and non-alcoholic brews to make sure there's a brew to cater to a variety of preferences. With beer emerging as a preferred alcoholic beverage among the youth of today, our decision to widen our geographic footprint with 'Kingfisher Radler brands, Kingfisher Ultra Non-Alcoholic, Amstel Malt Classic, Ultra Witbier, and Heineken 0.0 has set our business growth towards higher prospects. We are consistently exploring avenues to increase the Sale of non-alcoholic products in India, to further realize our aspiration of encouraging responsible consumption.

We ensure that our production practices are in line with adequate and only necessary utilization of our primary raw material - water. Employing the best in industry practices and leveraging state of the art technology together with our sincere passion to brew, has placed our brands among the most preferred and consumed, across the globe.

4.3 Leading by example

UBL has always believed in upholding steady relationships through collaborations with industry associations and bodies. Engagements through such industry organizations enables a comprehensive redressal of several issues faced by the sector. UBL has maintained an enduring connection with the Confederation of Indian Industry (CII) and the All-India Brewers' Association (AIBA), where leaders from UBL have been a part of governance bodies in these associations[1]. Through these time immemorial and fruitful connections, we have worked upon and promoted awareness highlighting issues faced by the alcohol beverage industry mainly on topics of responsible consumption and responsible product marketing[2]

1 GRI 102-12 External initiatives
2 GRI 102-13 Membership of associations

Awards & recognition

Brewery at Nanjangud, Mysore won "20th Annual Greentech Environment Award 2020" for Energy Efficiency.

Brewery at Palakkad received "Safety" award 2020 from Kerala State Department of Factories & Boilers, under Large Factories – Food and Food Product Category

CII EHS Excellence Awards

Brewery at Sangareddy, Telangana received "EHS 3-star rating" award for 2020 and received supplement award for Best Hygiene at Workplace Initiatives

Brewery at Palakkad recognized with EHS sectoral award under Manufacturing - Food Process Category and "EHS 5-star rating (top rating)" award from CII

Total Productive Management

Brewery at Ellora, Aurangabad was awarded at Kaizen Competition organized by Quality Circle forum of India

Brewery at Palakkad, Kerala was awarded with Gold award (Autonomous Management Category) at Challengers Trophy organized by CII Institute of Quality Feb21

Brewery at Shahjahanpur, Rajasthan was awarded with Gold Medal at 39th Kaizen Competition organized by CII Institute of Quality (Innovative Kaizen Category)

Brewery at Chopanki, Rajasthan was awarded with Gold award s (Innovative Kaizen Category) at Challengers Trophy organized by CII Institute of Quality Dec21

Brewery at Taloja, Mumbai was awarded with Platinum award (Innovative Kaizen Category) at 40th National level Kaizen competition by CII Institute of Quality in June21

Shahjahanpur Award Team



Mumbai Award Team with Cluster Head



5.0
Corporate governance at UBL

	Our Targets	Timeline
1	Strive towards achieving zero conflict with stakeholders.	Ongoing
2	Strive towards achieving 100% compliance to all applicable regulatory requirements.	Ongoing

5.1 Our philosophy of governance

As manifested in the Company's vision, UBL has always strived for excellence in Corporate Governance. Beyond mere compliance, we are committed towards taking all strategic initiatives to enhance Shareholders' wealth in the long term. In pursuit of corporate goals, the Company accords high importance to transparency, accountability, and integrity in its dealings. Our philosophy on Corporate Governance is driven towards welfare of all the Stakeholders and the Board of Directors remains committed towards this end.

The Board of Directors supports the broad principles of Corporate Governance and lays strong emphasis on its role to align and direct the actions of the Company in achieving its objectives.



5.2 Governance structure

We follow a three-tiered corporate governance structure, where our board of directors are at the top of the hierarchy.

Board of Directors

Board committees

- Audit Committee
- Stakeholders' Relationship Committee
- Nomination and Remuneration Committee
- Special Purpose Committee
- Share Transfer Committee
- Corporate Social Responsibility / Environmental Social Governance Committee
- Risk Management Committee
- Borrowing Committee

5.3 Board of directors[1]

We, as a company are committed to having a diversified board providing us the required long-term vision while improving our quality of corporate governance. Executive suitability and independent judgement in our board is ensured by a diversified representation of executive, non-executive, and independent non-executive directors coming from a mixed background of professionals, academicians, and business houses. The fiduciary responsibility towards each stakeholder of the company is exercised by the board while striving to increase stakeholders' value ethically following the highest standards of integrity and sustainability. The ultimate supervision and accountability in relation to the stewardship function is the responsibility of the board[2].

Sl. No	Name	Designation
1	Mr. Rishi Pardal (MD)	Managing Director*
2	Mr. Berend Odink	Director & Chief Financial Officer
3	Mr. Christiaan A J Van Steenbergen	Non- Executive Director
4	Mr. Jan Cornelis van der Linden	Non- Executive Director
5	Mr. Sunil Alagh	Independent Director
6	Ms. Kiran Mazumdar Shaw	Independent Director
7	Mr. Madhav Bhatkuly	Independent Director
8	Mr. Stephan Gerlich	Independent Director

* GRI 102-23 Chair of the highest governance body

Our board of directors comprises of 2 executive, 2 non-executive and 4 independent directors. As per SEBI mandate, we have 1 women director on the board. It should be noted that the following members are part of other significant positions and commitments as follows[3]:

a) Mr. Rishi Pardal is not a Director in any other Company.

b) Mr. Berend Odink is on the Board of 1 Company.

c) Mr. Christiaan A J Van Steenbergen is on the Board of 1 Overseas Company.

d) Mr. Jan Cornelis van der Linden is on the Board of 11 Overseas Companies.

e) Mr. Sunil Alagh is on the Board of 3 Companies. Out of which 1 is a Private Limited Company.

f) Ms. Kiran Mazumdar Shaw is on the Board of 14 Companies. Out of which 2 are Private Limited Companies and 4 are Section 8 Companies under the Companies Act, 2013. Ms. Mazumdar is also on the Board of 9 Overseas Companies.

g) Mr. Madhav Bhatkuly is on the Board of 1 Company. Mr. Bhatkuly is also on the Board of 1 Overseas Company.

h) Mr. Stephan Gerlich is not a Director in any other Company.

1 GRI 102-18 Governance structure
2 GRI 102-26 Role of highest governance body in setting purpose, values, and strategy
3 GRI 102-22 Composition of the highest governance body and its committees

Board committees[1]

The Board has constituted Committees of Directors as mandatorily required and to deal with matters which need urgent decisions and timely monitoring of the activities falling within their terms of reference, The Board Committees are as follows:

1 GRI 102-18 Governance structure

Our board level committees



In addition to the above-mentioned mandatory Committees required to be constituted as per Companies Act, 2013 and/or Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (Listing Regulations), a few other Non-mandatory Committees are also constituted by the Board viz., Share Transfer Committee, Borrowing Committee and Special Purpose Committee.

Audit committee:

Our Audit committee composition

Sl. No	Name	Designation
1	Mr. Madhav Bhatkuly	Chairman
2	Mr. Jan Cornelis van der Linden	Member
3	Mr. Sunil Alagh	Member

The audit composition consists of two Independent Director and one non-Executive Director.

The Committee oversees the financial reporting process, disclosure requirements and matters related to Internal Control System. The Committee also reviews periodically the financial accounts, adequacy of the internal audit function, compliance with accounting standards and other areas within its Terms of Reference, as under:

i) Oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

ii) Recommending to the Board, the appointment, remuneration and terms of appointment of auditors of the Company;

iii) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

iv) Reviewing, with the Management, the Annual Financial Statements and auditor's report before submission to the Board for approval, with particular reference to;

- Matters required to be included in the Directors Responsibility Statement to be included in the Board's report in terms of Clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
- Changes, if any, in accounting policies and practices and reasons for the same;
- Major accounting entries involving estimates based on the exercise of judgement by the Management;
- Significant adjustments made in the Financial Statements arising out of Audit findings;
- Compliance with listing and other legal requirements relating to Financial Statements;
- Disclosure of any related party transactions;
- Modified opinion(s) in the draft audit report;

v) Reviewing with the Management the quarterly Financial Statements before submission to the Board for approval;

vi) Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;

vii) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

viii) Approval or any subsequent modification of transactions of the Company with related parties;

ix) Scrutiny of inter-corporate loans and investments;

x) Valuation of undertakings or assets of the Company, wherever it is necessary;

xi) Evaluation of internal financial controls and risk management systems;

xii) Reviewing with the management the performance of statutory and internal auditors, adequacy of the internal control system;

xiii) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;

xiv) Discussion with internal auditors of any significant findings and follow-up thereon;

xv) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

xvi) Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

xvii) To look into the reasons for substantial defaults in the payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

xviii) To review the functioning of Whistle Blower mechanism;

xix) Approval of appointment of Chief Financial Officer (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

xx) To review utilization of loans and / or advances from investment by holding Company in the subsidiary exceeding Rs.100 Crore or 10% of the asset size of the subsidiary, including existing loans, advances and investments;

xxi) To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc;

xxii) Carrying out any other function as is mentioned in terms of reference of the Audit Committee.

The Audit Committee mandatorily reviews the following information:

1. Management discussion and analysis of financial conditions and results of operations;
2. Management letters/letters of internal control weaknesses issued by the Statutory Auditors;
3. Internal audit reports relating to internal control weaknesses;
4. The appointment, removal and terms of remuneration of the Chief Internal Auditor; and
5. Statement of deviations:
   (a) quarterly statement of deviation(s) including report of monitoring agency;
   (b) annual statement of funds utilized for purposes other than those stated in the offer documents / prospectus/notice.

Stakeholders' relationship committee:

Stakeholders relationship committee composition

Sl. No	Name	Designation
1	Mr. Madhav Bhatkuly	Chairman
2	Mr. Berend Odink	Member
3	Mr. Sunil Alagh	Member
4	Mr. Stephan Gerlich	Member

The Terms of Reference are as under:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general Meetings etc.;
- Review of measures taken for effective exercise of voting rights by Shareholders;
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent; and
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the Company.

Nomination and remuneration committee:

Nomination and remuneration committee composition

Sl. No	Name	Designation
1	Ms. Kiran Mazumdar Shaw	Chairperson
2	Mr. Christiaan A J Van Steenbergen	Member
3	Mr. Sunil Alagh	Member

The Terms of Reference are as under:

- Formulate criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to, the remuneration of the directors, Key Managerial Personnel and other employees;
- For appointment of an independent director, the Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. The Committee for the purpose of identifying suitable candidates may:
  a) use the services of an external agencies, if required;
  b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
  c) consider the time commitments of the candidates.

- Formulate criteria for evaluation of performance of Independent Directors and the Board of Directors;
- Devise a policy on diversity of Board of Directors;
- Identify persons who are qualified to become Directors and who may be appointed to the Board as well as senior management in accordance with the criteria that may be laid down, and recommend to the Board their appointment and removal;
- To extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;
- Recommend to the Board, all remuneration, in whatever form, payable to senior management; and
- Operate and cover areas as may be prescribed under the Companies Act, 2013 and other applicable Regulations from time to time including formulation of Employee Stock Option Scheme to Employees/Directors in compliance with guidelines prescribed.

Share transfer committee:

Share transfer committee composition

Sl. No	Name	Designation
1	Mr. Stephan Gerlich	Chairman
2	Mr. Rishi Pardal	Member
3	Mr. Berend Odink	Member
4	Mr. Christiaan A J Van Steenbergen	Member

The Terms of Reference are as under:

- To monitor Transfer, Transmission and Transposition of the Shares of the Company;
- Issue of Duplicate Share Certificates, in lieu of Certificates lost or misplaced;
- Issue of New Share Certificates In lieu of Certificates torn, mutilated, cages for transfer filled up etcetera;
- Consolidation and sub-division of Share Certificates;
- To oversee compliance of the norms laid down under the Depositories Act, 1996;
- To appoint / remove Registrar and Transfer Agent;
- To oversee compliance of the norms laid down under the Tripartite Agreement with National Securities Depository Limited / Central Depository Services (India) Limited, and
- Perform all such acts and deeds, matters and things as it may in its absolute discretion deem necessary, expedient, desirable, usual or proper and to settle any question, dispute, difficulty or doubt that may arise in regard to the matters arising out of the aforesaid acts.

Risk management committee:

Risk management committee composition

Sl. No	Name	Designation
1	Mr. Sunil Alagh	Chairman
2	Mr. Rishi Pardal	Member
3	Mr. Berend Odink	Member
4	Mr. Madhav Bhatkuly	Member
5	Ms. Kiran Mazumdar Shaw	Member
6	Mr. Stephan Gerlich	Member
7	Mr. Berend Odink	Member

The Terms of Reference are as under:

- To formulate a detailed risk management policy which shall include:
  a. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  b. Measures for risk mitigation including systems and processes for internal control of identified risks.
  c. Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems.
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken.
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

Special purpose committee:

Special purpose committee composition

Sl. No	Name	Designation
1	Mr. Madhav Bhatkuly	Chairman
2	Mr. Rishi Pardal	Member
3	Mr. Berend Odink	Member
4	Mr. Christiaan A J Van Steenbergen	Member

The Special Purpose Committee was formed inter alia to review the investigation/ matters with respect to Competition Commission of India.

Borrowing committee:

Borrowing committee composition

Sl. No	Name	Designation
1	Mr. Madhav Bhatkuly	Chairman
2	Mr. Sunil Alagh	Member
3	Ms. Kiran Mazumdar Shaw	Member
4	Mr. Stephan Gerlich	Member
5	Mr. Berend Odink	Member

Having regard to the size of operations, frequency of funds requirement and administration convenience, the Board has constituted a Borrowing Committee of Directors and has delegated powers to borrow moneys within approved limits from time to time.

Corporate social responsibility/ Environmental, Social and Governance committee:

Our Corporate Social Responsibility Committee is a five-member committee constituted to oversee our CSR activities and provide strategic directions. Our key CSR focus areas are primary health, primary education, water conservation & providing safe drinking water and responsible consumption of alcohol. For seamless integration of our business operations with marketplace, workplace, environmental and community concerns, we have formulated CSR policy. Our strategic CSR initiatives are integral business process for supporting our quest for sustainable and inclusive development. This helps us in constantly striving for good corporate citizenship.

Corporate social responsibility committee composition

Sl. No	Name	Designation
1	Mr. Stephan Gerlich	Chairman
2	Mr. Rishi Pardal	Member
3	Mr. Berend Odink	Member
4	Mr. Christiaan A J Van Steenbergen	Member
5	Ms. Kiran Mazumdar Shaw	Member

Note: Composition of above committees are modified after March 31, 2022.

Assessment of the board

Appointment

Our performance evaluation policy prescribes evaluation criteria for independent directors and the board of directors of the company. This policy further extends in laying down of criteria for appointment and remuneration of directors and key managerial personnel.

Our corporate governance has a three tired governance structure. The Board is the highest governing body of the Company. The members of the Board consist of personnel who have gained prominence in industrial and professional backgrounds in a wide range of diversified portfolios. Their effective contribution offers leadership in setting the strategic direction, establishing a sound control framework for the successful functioning of the Company.

The directors are expected to exercise their business judgement in the interest of the company and its stakeholders in all actions taken by the board. The directors participate in articulating goals, visions, strategies, and business targets. The questions by shareholders are answerable by the directors at General Body Meetings. They are expected to ensure an appropriate dialogue with the shareholders. All the Board level appointments follow a structured and formal process within the purview of the Nominations Committee[1].

Evaluation[2]

Performance evaluation of Non-Executive Directors including Independent Directors, the Board as a whole and Committees of the Board is being carried out in accordance with the statutory provisions as contained in the Act and Listing Regulations.

To ensure an effective evaluation process, the Nomination and Remuneration Committee has put in place a robust framework for conducting the exercise with key steps and practices defined clearly. Performance of the Board is evaluated on various parameters such as composition, strategy, tone at the top, risk and controls and diversity. Also, a questionnaire for Committees is framed on parameters such as adherence to the terms of reference and adequate reporting to the Board. Parameters for the Directors include intellectual independence of the Director, participation in formulation of business plans, constructive engagement with colleagues and understanding of the risk profile of the Company.

Keeping in view the sensitivity, confidentiality is ensured. As part of this process, customized questionnaires, are circulated to all Directors of the Company. Each Director is required to undertake a self-assessment. Additionally, the effectiveness of the Board and Committees is also evaluated by each Member of the Board and Committee through an electronic platform and kept confidential.

Summary of responses received from Directors is placed at a Board Meeting..

1 GRI 102-24 Nominating and selecting the highest governance body

2 GRI 102-28 Evaluating the highest governance body's performance

* Replaced by Mr. Berend Cornelis Roelof Odink as Director and CFO during the publishing of the report in 2021.

Risk management

Though already established efficiency programmes apply to all aspects of our business, there is a constant drive for further efficiencies and reducing cost. Backed by strong internal control systems, the current Risk Management Framework consists of key elements laying down the roles and responsibilities in relation to risk management covering a range of responsibilities, from strategic to operational. These role definitions, inter alia, provide the foundation for appropriate risk management procedures, their effective implementation across UBL and independent monitoring and reporting. The Risk Management Committee, constituted by the Board, monitors, and reviews the strategic risk management plans of UBL as a whole and provides necessary directions on the same.

The Corporate Risk Management Cell, through focused interactions with businesses, facilitates the identification and prioritisation of strategic and operational risks, development of appropriate mitigation strategies and conducts periodic reviews of the progress on the management of identified risks.

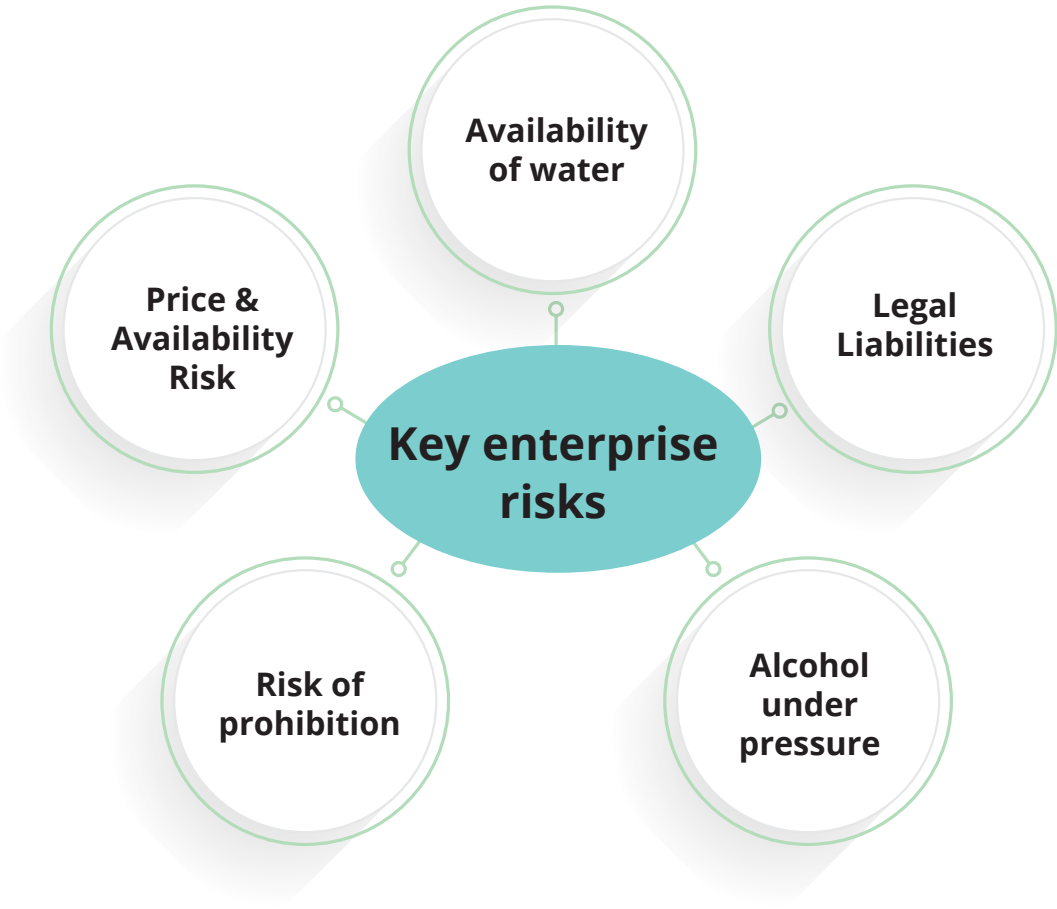
The competitive environment is expected to remain intense. UBL's strategy and focus remains consistent to robustly strengthen its leadership and thereby maintain its position as the clear leader in the Indian Beer Market. In line herewith, UBL endeavours to continually sharpen its Risk Management systems and processes in line with a rapidly changing business environment.

The COVID pandemic has triggered new risks in business operations. While the impact of the pandemic is still unfolding, UBL pro-actively put in place Crisis/Contingency Management Teams, both at the Breweries as well as at the Corporate office during the peak times of the pandemic. These cross-functional teams, represented by senior management, continually review strategic, operational, financial matters as well as measures relating to employee well-being health and safety.

Detailed advisories have been issued to employees on how to safeguard themselves, their colleagues and associates, and their families both at the workplace as well as at their homes. These guidelines also provide details on social distancing norms, how they should seek help on any aspect concerning their health from within the organizational support system. Heightened safety protocols were implemented at all units that resumed operations, with end-to-end solutions from transportation of workmen, screening, regular deep cleaning and sanitisation, innovations to ensure safe distancing and strict adherence to hygiene standards and use of personal protective equipment where required.

Through these actions, the Directors are confident that UBL would sustain its leadership position, grow ahead of the market, and realize improved profitability in the years to come.

Key risks



We perform risk assessment in which Strategic, Operative, Information Technology, Financial and other risks are analyzed. This is reviewed regularly by the Internal Audit team, Risk Management Committee, and the Board. Our Board and the top management are keen in improving the effectiveness of our risk management framework and thus incorporate all ESG related risks[3].

The Management Committee meets regularly to address various risks and mitigation thereof. Through the risk management framework, we periodically assess the internal and external environment, along with the potential cost of the risks and incorporate risk management plans in our strategy, business, and operational plans. To further augment our precautionary approach, a quarterly comprehensive report on current legal exposures, trends and risks provided by our compliance team to the Board highlighting the risks faced by the company in the geographies in which we operate. These aspects are also addressed by our risk management process and enables the Company to develop resilient mitigation plan at an early stage and tap into further business opportunities[4].

3 GRI102-30 Effectiveness of risk management processes, GRI 102-29 Identifying and managing economic, environmental, and social impacts

4 GRI102-11 Precautionary principle or approach

Our ethos

While we operate in a very competitive environment, we inspire growth and sustenance to build our legacy and take it forward. UBL believes that ethical business practices are critical for sustainable growth and to maintain our position as a market leader, we conduct our business in compliance with laws and adherence to moral values. Our heritage and legendary brands have been our greatest assets for decades. The management maintains an "open door" policy in addressing employee concerns including those pertaining to business conduct and shall endeavor to resolve any concern without retaliation. The Company has adopted vigil mechanism which is a channel for receiving and redressing of complaints about any misconduct, actual or suspected fraud, actual or potential violations of the Company's code of conduct and any other unethical, unlawful or improper practices, acts or activities within the Company

We have formulated various policies for doing business in ethical and legal manner which are commensurate with international standards. Our management attributes great importance to an ethically impeccable business environment. All stakeholders including Directors, employees, contractors, consultants, distributors, suppliers etc., are covered within the ambit of the Code of Business Conduct and Ethics and they pledge to adhere to these standards. To impart clear rules of conduct to our employees, and especially to avoid any conflicts of interest in everyday working situations, we focus on regular training courses and communication measures. All employees (including trainees, contract workmen etc.) and directors of the Company are expected to understand, implement, and uphold its standards. Any violation of Code of Business Conduct is dealt with utmost seriousness. Appropriate disciplinary actions are taken, where necessary. During the reporting period, we had no incidents of corruption[1]. During the reporting period, no cases had been filed for unfair trade practices, namely, anti-competitive behavior, anti-trust, and monopoly practices. Any and all violations of our code of conduct and ethics that comprises of all related regulations and principles shall be subject to an internal investigation and disciplinary actions. Based on the severity of the violation or non-conformance to the code all persons subject to discipline will be penalized accordingly[2].

In the reporting year, we have conducted trainings for all our permanent and contractual employees of our company, on our Code of conduct and business ethics[3]. We use multi-channel communication modes like mailers and floaters periodically to communicate and alert our stakeholders on ethics and integrity of our business.

5.4 Legal compliance monitoring system[4]

Ensuring effective and stringent compliance processes and controls facilitates us to maintain our reputation and brand integrity. It enables us to operate smoothly across all our business locations and breweries.

Our Board of Directors have ensured and devised appropriate systems to ensure compliance with respect to applicable laws. They have also ensured that such systems are all adequate and operating effectively. Each committee as mentioned in our board of committees is responsible for ensuring compliance according to

1 GRI 205-3 Confirmed incidents of corruption and actions taken
2 GRI 206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices
3 GRI 205-2 Communication and training about anti-corruption policies and procedures
4 GRI102-31 Review of economic, environmental, and social topics



the statutory requirements based on the business functions and operations in line with the guidelines and requirements. Our processes consist of annual risk assessments to identify non-compliance with our policies covering topics of anti-bribery and corruption, competition law, accounting, code of business conduct and ethics, guidance to business associates, code for fair disclosure, dividend distribution policy, remuneration policy, whistleblower policy and so on. All applicable and relevant policies are available on the company website and are subject to periodic reviews by the Management, auditors and consultants in the respective areas. The company also interacts with government, regulatory authorities, and relevant public bodies for development of policies and maintaining compliance commitments. We are committed to complying with the laws and regulations of the jurisdictions in which we operate and aim to exceed legal and regulatory requirements where those are less stringent than our own[5].

5.5 Data security and privacy

Protection of consumer data is of paramount importance for us. All sensitive personal data of our consumers is protected with adequate Information Technology Management System. We understand hat the threat of data theft and hacking has increased substantially in last few years. To mitigate such untoward risk, we have a dedicated policy on Information security management system. This is one of our high priority material topics. Our data collection is limited only to relevant data and focus on not collecting very sensitive private data. We have dedicated policy on preservation of documents which also deals with archived customer data as well. In FY2020-21 and FY2021-22, we have not received any complaints on data breaches[6] .

5 GRI 419-1 Non-compliance with laws and regulations in the social and economic area

6 GRI 418-1: Substantiated complaints concerning breaches of customer privacy and losses of customer data



6.0
ESG value realization

We, at United Breweries Ltd, mark 2021 as our new starting point of measuring, reporting and disclosing our sustainability initiatives under the comprehensive ESG framework. We have responded to the call to action for United Nations Sustainable Development Goals to eradicate poverty, protect our plant, and improve lives of people. We have prioritized our action areas and aligned them as per the goals laid out in UNSDGs.

We, at United Breweries Limited, mark 2021 as our starting point of measuring, reporting, and disclosing our sustainability initiatives.

We believe in continuous improvement in our sustainability strategy. Our business is driven by our quest to create maximum shared value for our stakeholders by maintaining ethical corporate governance. Taking social and environmental responsibility for all we do is an integral part of how we perceive ourselves as a company. As a significant partner to the communities where we operate, we lead the change towards creating a better environment, supporting local values and further aid in driving economic and social development. Many of our operations are in existence for decades now and maintaining a social license to operate them is critical, which has been made possible by our interventions.

Linkages with UN Sustainable Development Goals

We have aligned our initiatives and priority areas to the following UN Sustainable Development Goals (UN SDGs) to achieve the greatest impact

UNITED BREWERIES LIMITED



Figure 8: Our commitment to UNSDGs (United Nations Sustainable Development Group)



7.0
Stakeholder engagement[1]

Our stakeholders are the foundation of our success. Our stakeholder engagement bolsters our commitment and accountability towards them. We leverage this interaction to understand different perspectives of our business through key insights towards gaining competitive advantage and hedging possible risks. We engage with all our stakeholder focus groups to identify key concerns, prioritize, and incorporate them into our sustainability strategy. Through this proactive approach, we intend to build trust that augments our business resilience while propelling our business growth.

During the reporting period, we have conducted our stakeholder engagement as a part of our sustainability strategy. Our key stakeholder groups include but are not limited to employees, employee union, consumers, local community, industry associations, business partners, farmers, regulators, distributors, and suppliers[2]. This list was developed basis an extensive market analysis along with a systematic approach of identification and prioritization basis the impact the stakeholders have on the business operation and vice-versa[3].

The unique challenge posed by the pandemic compelled us to modify the strategies for our interaction with our stakeholders following the regulations imposed by the authorities and maintaining utmost health and safety parameters during our interactions. In the reporting year, a majority of our in-person meetings related to the stakeholder engagement were replaced with virtual meetings, resulting in all physical surveys being replaced by online surveys and all events being put on hold. We understand that penetration of digital literacy in our country especially in rural areas is a challenge, hence for this reporting year, we have interacted with them while following all Covid-19 safety protocols. Community interactions were replaced by individual interactions following social distancing and other safety measures.

Through our interactions, we understood the expectations of our key stakeholders from our business. The responses that we received from our sample key stakeholders to the questionnaire provided in the form of an online assessment, assisted us in addressing their concerns and expectations from our business. The responses were further normalized to obtain our materiality matrix, which is elaborated in the materiality assessment section of this report. The below table illustrates the mode and frequency of our interactions[4]:

1 GRI 102-21 Consulting stakeholders on economic, environmental and social topics
2 GRI 102-40 List of stakeholder groups
3 GRI 102-42 Identifying and selecting stakeholders
4 GRI 102-43 Approach to stakeholder engagement

Table 11: Stakeholder interaction process

Key Stakeholder Groups	Mode of Engagement	Frequency of Engagement	Key expectations[1]
External stakeholder groups			
CSR Partners	• Community events* • CSR activities	• Need basis, • Periodically	• Community development programs • Improvement of social infrastructure • Economic and social empowerment
Contract breweries	• Events • One to one meeting	• Monthly, • Quarterly, • Annually and • Need Basis	• Mutual beneficial relationship
Material Suppliers	• Suppliers meet • Mutual visits • Monthly meetings with leadership • Events	• Monthly, • Quarterly, • Annually and • Need basis	• Fair price • Supplier sustainability
Equipment Suppliers	• Suppliers meet • Mutual visits • Monthly meetings with leadership • Events	• Monthly, • Quarterly, • Annually and • Need basis	• Fair price • Supplier sustainability
Distributors	• Events • Annual Meetings • One to one meeting	• Periodically	• Business continuity • Support and collaboration • Business growth
Investors	• Annual meetings • One to one meeting	• Annually • Periodically	• Enhanced return on investment • Lowering capital risks
Analysts	• One to one meeting	• Periodically • Annually	• Enhanced return on investment • Lowering capital risks
• Internal stakeholder group			
Management	• Events • Surveys	• Monthly, • Quarterly, • Annually and • Need basis	• Enhanced business performance
Employees	• Monthly and quarterly meet • Personal review and visits • Surveys • Trainings • Annual day • Events	• Monthly, • Quarterly, • Annually and • Need Basis	• Personal development • Health and safety • Grievance resolution mechanism

*Physical events are suspended owing to Covid-19 restrictions and safety protocols
** Surveys are now conducted online to ensure safety and Covid-19 protocols

1 GRI 102-44 Key topics and concerns raised

8.0
Materiality assessment

We at UBL acknowledge the importance of materiality assessment as it provides details on the aspects that are most significant and relevant to our stakeholders and our business.

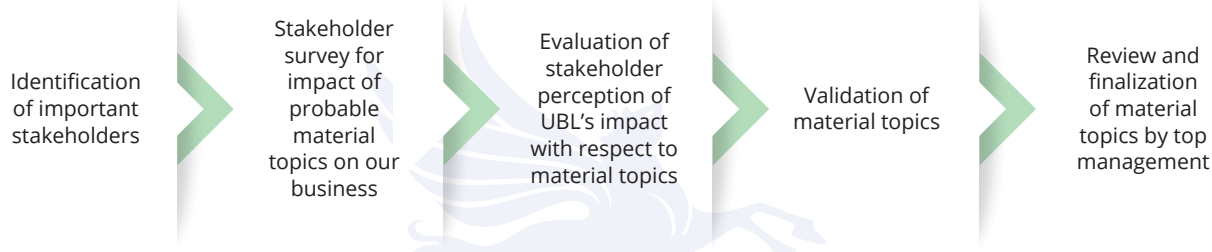


Figure 5: Materiality assessment process

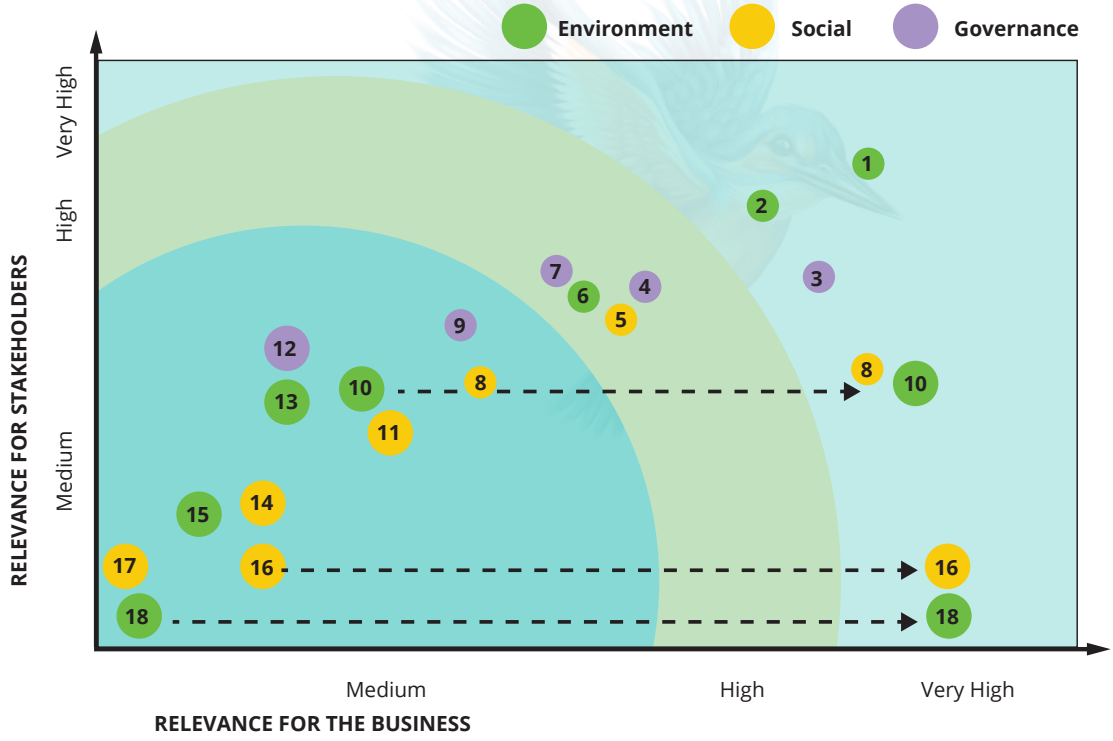
Client satisfaction surveys, employee feedback, feedback from investors, suppliers and discussions with other organizations serve as formal inputs in prioritizing the key issues to each of the stakeholder groups. We had also considered the following in reviewing the material issues:

- Stakeholder groups, their needs and expectations, impact of these expectations on business performance
- Significant risks that could impact on business and customer relationships
- Relevant regulation, legislation and our values, policies & commitments
- Previous year's financial performance

Further the responses obtained through the stakeholder engagement, that were normalized to minimize any bias, augmented the categorization into low, medium, high, and very high categories.

Governance	Social	Environment
a) Ethics and governance	a) Responsible sourcing	a) Water
b) Innovation	b) Human rights	b) Energy use and transition to renewable energy
c) Indirect economic impact	c) Responsible consumption	c) Greenhouse gas emission
d) Remuneration	d) Occupational Health & Safety	d) Sustainable packaging
e) Data security & privacy	e) Product quality and safety	e) Biodiversity
f) Taxation	f) Skill development and training	f) Climate resilient operations
	g) Diversity & inclusion	g) Waste management
	h) Community relationships	

Figure 6: Material topics



Key Material Topics

Increasing Priority

1. Water
2. Product quality and safety
3. Ethics and governance
4. Taxation
5. Occupational health and safety
6. Waste management
7. Data security & Privacy
8. Responsible consumption
9. Innovation
10. Sustainable packaging
11. Human rights
12. Remuneration
13. Energy use and transition to Renewable Energy
14. Community relationships
15. Green House Gas emission
16. Diversity & inclusion
17. Skill development and training
18. Climate resilient operations

Figure 7: Materiality matrix

Sl. No.	Material Topics[1]	Aspect Boundary[2]	Report Coverage
1	Water	Internal	Water management
2	Product quality and safety	Internal	Product quality and safety
3	Ethics and governance	Internal	Code of business conduct and ethics
4	Taxation	External	Economic performance
5	Occupational health and safety	Internal	Employee health and safety
6	Waste management	Internal	Waste management
7	Data security & Privacy	Internal	Data security and privacy
8	Responsible consumption	Internal and external	Responsible Consumption of Alcohol
9	Innovation	Internal	Product Innovation
10	Sustainable packaging	Internal and external	Waste management
11	Human rights	Internal and external	Protection of human rights
12	Remuneration	External	Board committees
13	Energy use and transition to Renewable Energy	Internal	Energy management
14	Community relationships	Internal and external	Relationship with communities
15	Green House Gas emission	Internal	Energy consumption
16	Diversity & inclusion	Internal	Diversity and Inclusion
17	Skill development and training	Internal	Employee training and development
18	Climate resilient operations	Internal and External	Climate resilient operations
19	Responsible sourcing	External	Supply chain sustainability
20	Indirect economic impact	External	Financial growth
21	Biodiversity	External	Biodiversity

1 GRI 102-47 List of material topics
2 GRI 102-46 Defining report content and topic Boundaries, 103-1 Explanation of the material topic and its Boundary

9.0
ESG strategic vision

Depleting natural resources due exploitation and other climatic changes pose a risk for all the companies. Due to the high level of dependence of the beverage industry on natural resources, proactive and strategic measures are necessary to ensure business continuity. We at UBL, have hence set the following ambitious vision for ensuring business sustainability:

Water	To become water positive across our own operations.	
Renewable energy	Transitioning towards clean energy sources for almost all of our energy requirements.	
Greenhouse Gas emission	Keeping our carbon footprint as minimal as possible, across our value chain.	
Circular economy	We wish to attain optimal waste management and be circular by design in all our operations.	
Responsible sourcing	To build a positive impact throughout our upstream and downstream operations, on the society at large.	

Human Rights	To uphold human rights and dignity throughout our value chain.	
Health and safety	To be recognized as a safety leader in the industry.	
Community relationships	To foster and nurture our commitments to the communities where we operate in.	

Diversity and inclusion	To create a safe and inclusive workspace for all diversities.	
Governance and ethics	Fostering a model of ethical governance and serve as a benchmark for the industry.	

Our 2030 Vision





10.0
Our commitment towards a healthier planet

Managing our environmental footprint

As a business dedicated towards promoting a culture of top-notch quality while enhancing our operations to ensure lowered environmental impact, we have aligned our business strategy encompassing sustainability across our supply chain and in reducing our environmental footprint. Our actions have always been aligned towards achieving greater heights, while building a net positive impact on our entire value chain. We have successfully implemented an organization wide system for recording of our integrated sustainability data across the three pillars of ESG.

10.1 Supply chain sustainability

	Our Targets	Timeline
1	Work with Key agricultural suppliers on performing Farm Sustainability Assessment	2023
2	Implementation of the Action plan based on the Farm Sustainability Assessment	2024 onwards
3	Deploy learnings from assessment and implement the actions	2025-2030

UNITED BREWERIES LIMITED

The quest for a sustainable business cannot be restricted within the periphery of our own operations and therefore, the forward and backward integration of processes becomes critically important to drive the overall sustainability objectives of the organization.

Exploring the facets of sustainability in our supply chain enables us to expand our horizons to venture into a comprehensive approach towards embarking on our sustainability journey. We are now in process of embedding aspects of sustainability in our supplier code of conduct, for aligning our organization's sustainability related goals. We currently assess our suppliers and distributors based on the compliance of our human rights policy and equal opportunity policy. All our suppliers need to adhere to our policy on health and safety, policy on human rights, policy on equal opportunity.

Our supply chain consists of mainly 4 subcategories that we have divided for our ease of understanding and analysis - suppliers of raw material, logistics, capital equipment and civil contractors[1].

Supply chain



In FY2020-21, our total spending on our raw materials procurement was 36370 Mio INR whereas, in FY2021-22, our total spending for raw materials procurement was 35930 Mio INR, while we experienced a disruption in our supply chain due to the pandemic, and increased restrictions on transportation, sourcing, and distribution. We further ensured primary focus on strict compliance of national and local COVID safety guidelines and procedures, across all breweries and throughout our supply chain.

Assessment of suppliers

Our supply chain is carefully curated and managed to ensure high standards of quality and compliance to be maintained by our suppliers. Addressing the environmental, health and safety impacts of our products across our supply chain through systematic assessment and understanding of ways to minimize the negative impacts creates enhanced sustenance across our entire value chain. We are engaged in activities to improve sustainability performance across the lifecycle of our product, from the farm to the glass and we are fervently working towards maximizing our sustainability potential across the supply chain.

1 102-9 Supply chain

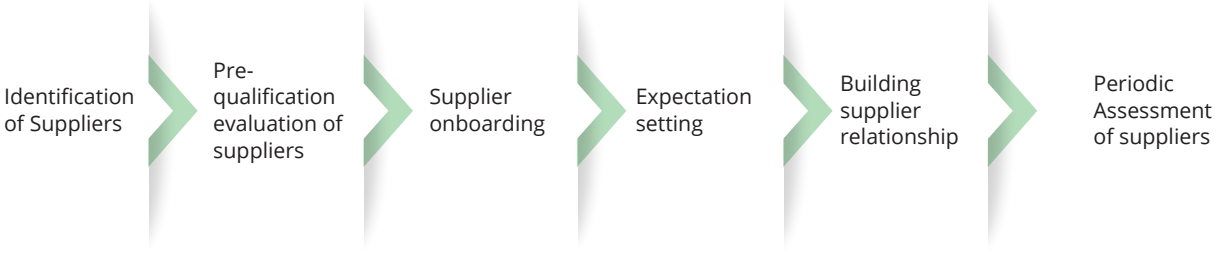


Figure 8: Supplier Assessment process

We ensure to deliver premium quality beer to our consumers, brewed from best quality ingredients. This has been made possible by our rigorous supplier evaluation process. Apart from many other parameters, our suppliers are evaluated based on their ability to fulfill orders, thus mitigating risks to business discontinuity. We have an intricate standard operating procedure for evaluation of existing and new vendors and to perform internal audits for quality compliance as per the specifications by UBL Central Technical Cell. Our intensive process also entails visits to supplier facilities for supplier due diligence processes and ensuring reliability before onboarding all suppliers. A precursor to all our supplier relations, we ensure clarity and responsibility to be undertaken by our suppliers once they are a part of the UBL network, through maintenance of efficient compliance systems and adequate records to back their claims of compliance. We have always encouraged our supply chain entities to rise above and beyond compliance to national laws, towards expanding the purview of business compliance with respect to globally recognized standards. This will ensure a greater advancement towards being a responsible business on the aspects of social, environmental, and business ethics.

Our supply chain affiliates are thoroughly screened and evaluated, to ensure quality of materials, complete compliance, and safety in business operations. This helps us and our suppliers achieve transparency and accountability in our supplier relations while maintaining top notch products and services for our consumers. The evaluation is designed differently for existing suppliers and new suppliers based on the relevance of the information required. Suppliers are scored during the audit on a scale of 1 to 10, with less than 5 denoting critical failure and 10 meeting complete requirements. The supplier assessment process covers all key suppliers of raw, additive and packaging material in the supply chain . We further plan to include key ESG parameters as a part of our comprehensive evaluation process.

Engaging our local suppliers

As we endeavor to reduce negative impacts in our supply chain and increase our sustainable initiatives, we have realized the important to prioritize our procurementand sourcing from local suppliers. During our reporting period of FY2020-21, we successfully engaged with 8837 suppliers, while 1032 new suppliers were onboarded. While in FY2021-22, we have engaged with 7203 suppliers and 761 new suppliers were onboarded.

Key distributors engaged

Location	Contact personnel
Pondicherry (R R Wines)	Mr. Ramamurthy
Radha Wines (Maharashtra)	Pratiek Kishnani
S V Distributors (Mumbai)	Neeraj Rawal
Swangai Distributors (Goa)	Praveen Kerkar
BRINDCO (Haryana)	Aman Dhall
BRINDCO (Delhi)	Brindal Pal Singh

Key material suppliers

Location	Materials	Distributor
Aurangabad	Cans	Canpack India Private Limited
Bangalore	Cans	Ball Beverage Packaging India Private Limited
New Delhi	Crowns	AMD Industries Ltd
Gurugram	Malt	Bamalt Malting (India) Private Limited
Bangalore	Label	Sai Packaging Company (Div Of Sai Security Printers Pvt Ltd)
Aurangabad	New Bottles	Canpack India Private Limited
New Delhi	Transportation	ATOZ Logistics Limited

Key equipment suppliers

Equipment supplier	Contact personnel
KHS	Rajagopal Shailes
Krones	Krimmer David
Praj	Sanjay Sapru
Alfa Laval	Pankaj Maheswari
Hypro	Ravi Varma

Key equipment suppliers

Suppliers engaged	UoM	FY2020-21	FY2021-22
New Suppliers	Nos	1032	761
Total Procurement budget	Mio INR	36370	35930
Procurement budget spent on local suppliers[1]	Mio INR	7250	6980
Percentage RM spending of procurement budget on local suppliers	%	20	19.4
Percentage of domestic suppliers	%	92.6	91.3

1 GRI 204-1 Proportion of spending on local suppliers

The organization defines its local suppliers based on their geographical proximity to the business activities across India.

Collaborative farming

Agricultural commodities form the bulk of our key raw materials, and it is hence essential to make our agricultural supply chain future ready and resilient.

We at United Breweries Limited, have developed the collaborative farming model with the help of farmers, our key stakeholders. This model encompasses around maintaining quality, assuring higher productivity, lower production cost, and sustainability. We collaborate with our farmers by providing them with seeds and training them on latest technologies to enhance productivity while maintaining quality. We provide fair price assurance to our farmers and procure at minimum support prices as set by Government or the current market price, whichever is higher. We predominantly procure our key agricultural raw materials barley through this model which is currently being implemented across Haryana, Punjab, and Rajasthan.

The model also includes a farm sustainability assessment framework which focuses on human rights protection, soil management and fertility, degraded land management, crop health and protection, biodiversity conservation, pollution control and by-product management, energy efficiency, and water management.

In FY2020-21, almost 40.1% by volume and 42% by value while in FY2021-22, 11% by Volume and 11% by value of our total agricultural raw material and ingredients are procured directly from our collaborative farming initiatives with our farmers across various states. The drop is volume was mainly due to rejection in the previous years due to Pandemic which is normalized and showing positive trend currently. There is drop in value which has driven us to aid groups of farmers for exploring and developing on research and technology in the agricultural sector. We strive to improvise on existing initiatives for our farmers to reduce wastage post-harvest, optimization in production costs and value creation.

Almost 25% of our barley requirement is met through collaborative farming while we procure the remaining from the local market. Implementation of this model enabled a more sustainable approach towards farming and sourcing of our raw materials since the model aims at:

The farming model

- **Hops and barley production parallel to the trends in sales, to reduce wastage post-harvest**
- **Maximizing yield of crops through effective use of seeds and fertilizers and well-timed- harvest of crops**
- **Prevention of soil depletion and improving quality of soil**

The benefits experienced by our farmer partners include:

- Fair pricing in line with market rates for sourcing of the raw materials
- Rate of production was increased due to best practices for agriculture andharvesting

Details of agricultural raw materials procured in the reporting year

Reporting year	Total volume procured (In MT)	Procurement by volume through collaborative farming (In MT)	Total value of procurement (In Mio INR)	Procurement by value through collaborative farming (In Mio INR)
FY2020-21	153,464	61543	2550	1070
FY2021-22	115328	12425	2440	270

Ensuring security in supply of barley

The quality of our products is dependent on the quality of accurate mix of six-row barley and two-row barley. We resort to importing barley, only on need basis. We intend to increase the two-row barley production from our current 20,000 MT to 1,25,000 MT by FY 23-24 thus reducing our dependence on six-row barley. This coupled with expansion of farm coverage in Rajasthan and continued development of high yielding barley through in-house research program, ensures barley supply security. The interaction with farmers through contract farming provides us the right quality and quantity of raw materials thus ensuring brand quality and customer loyalty.

We intend to contribute towards food safety and sustainable agricultural practices through our initiatives on a global and local scale. Our bottom-up approach is to ensure sustainability from the farms ensures overall development and growth of our business and business partners.

10.2 Responsible material consumption[1]

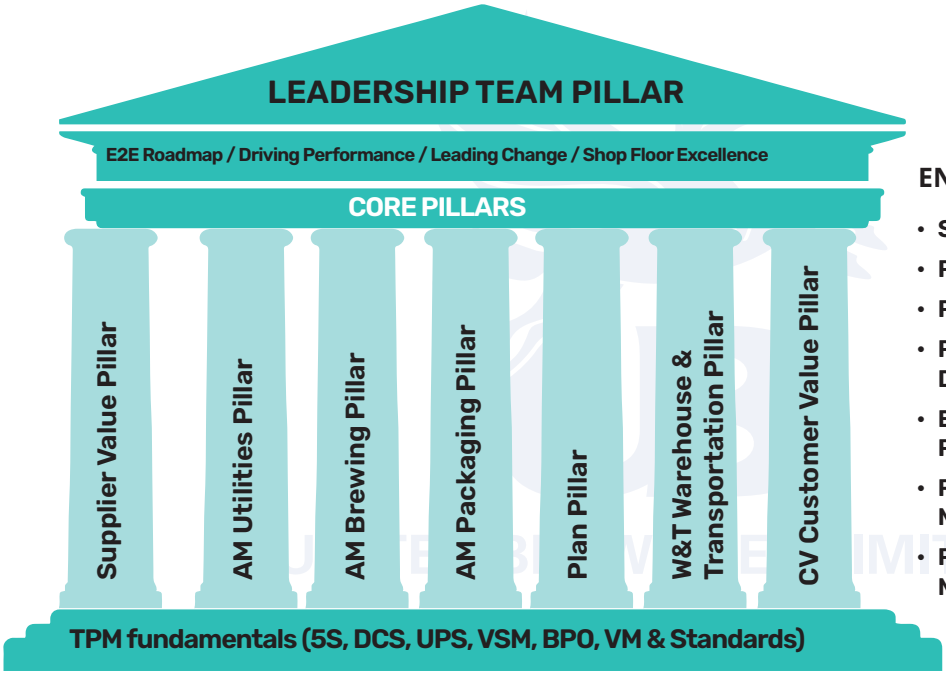
Being a leading brewery, necessitates us to be responsible for our consumption and utilization of resources, materials, ingredients, and items for packaging and distribution. Our widespread initiative, under Total Productive Management (TPM), enables us in achieving the excellence in our manufacturing process, while ensuring optimized consumption. The continual monitoring and analysis of our total supply

1 GRI 301-1 Materials used by weight or volume, SASB FB-AB-410a.1

and demand operations through our TPM program, across our breweries, with a standardized approach and process, augments our resource optimization. Our manufacturing division comprises of sourcing and procurement, new product development and testing, and our Centre of manufacturing excellence. Our TPM tools and techniques are standardized to achieve consistency and high-performance efficiency through a participatory approach for all our employees and workers across 19 self-owned Breweries.

The below table illustrates the raw materials procured from suppliers, while our fuel consumption in manufacturing process is mentioned in the energy and emission management section.

Our Total Productive Management



ENABLING PILLARS

- **SAF Safety Pillar**
- **PQ Quality Pillar**
- **PM Maintenance Pillar**
- **POD People & Organization Development Pillar**
- **ES Environmental Sustainability Pillar**
- **RPM Returnable Packaging Materials Pillar**
- **P&EEM Project & Early Equipment Management Pillar**

Core Pillar - Focus on Excellent Execution of Standard

Enabling Pillar - Focus on Creation of Standards and help core pillars for Implementation

Leadership Team Pillar - Drives Performance, Support Change Management & focus on Shopfloor Excellence

The risks associated with sourcing our most essential raw materials – barley, hops, rice, sugar, and yeast can be attributed to the disruptions caused in agricultural supplies, transportation difficulties and restrictions due to the geographical location and distances. Our agricultural raw materials contribute to a larger amount of risk associated with climate change vulnerabilities among others for the agricultural sector[1]. We ensure that our materials are sourced from our trusted partners and

1 SASB FB-AB-440a.2 – List of priority beverage ingredients and description of sourcing risks due to environmental and social considerations

tracked across their respective lifecycle at the brewery and management level through a robust tracking system. Frequent technical guidance is provided for all our suppliers to ensure quality supplies. This guarantees long-term sustainability of their business and reliability our product quality.

Raw material input

Materials used by weight or volume

Raw Materials	UoM	FY2020-21	FY2021-22
Malt	MT	90891	117435
Hops	MT	200	295
Rice	MT	47089	61586
Sugar	MT	12588	16281
Carbon Dioxide	MT	20753	24601
Total	**MT**	**171513**	**220197**

Dry yeast production and utilization

The dry yeast production was improved and made more efficient at Ellora and Empee. Yeast is required during the fermentation process to add character and flavor to the beer. Yeast that is utilized at the breweries is further grown and collected for sale as a source of chicken feed. The optimization initiative aims at improving the production of dry yeast in the yeast dryer and is driven by standardized procedures.

At Empee, activities such as – providing insulation in the dryer chamber leading to accelerated increase in temperature during the night shift, installation of a butterfly valve to remove residual yeast, adequate support structure provided for the yeast dryer and restriction of discharge of yeast to the effluent treatment plant (ETP); were undertaken to improve yeast productivity. These activities amounted to average production of 854 kg/day as observed in January 2020. At Empee the project resulted an increase in the output of the yeast drier (from 2 batches to 6 batches per day).

Semi manufactured goods

Semi Manufactured Goods	UoM	FY2020-21	FY2021-22
Additives	MT	553	680

We are also aware of the impacts of our packaging material during distribution and labelling, and we are striving to minimize our waste production even due to our secondary packaging materials. We seek to incorporate sustainable packaging materials and invest in recycling of such material. Through effective and efficient use of necessary material, we seek to enhance our cost competitiveness. We ensure 90% recycled contents in our tertiary packaging, while 98% of our primary packaging materials are reused in FY2020-21.

Packaging material used

Reclaimed products and their packaging material

Packaging Material	UoM	FY2020-21	FY2021-22
Glass bottles	MT	405764	515890
Aluminium cans	MT	2449	3517
Crowns	MT	2208	2807
Cardboards	MT	20018	25879
Adhesives	MT	790	944

Delivering high quality products in recyclable bottles, packed with to ensure safe delivery to every customer across the globe is of prime importance for us. Thus, we strive to increase recycled content in our packaging, ensure that packaging is not oversized, and explore the use of different materials. We have also successfully recycled cardboard boxes of 1230 MT in FY2020-21 and 1329.7MT in FY2021- 22. Out of our entire packaging material being utilized across the breweries, in FY2020-21 we have reused 65% of our packaging material Bottles while in FY2021- 22 we have reused 63.2% of our packaging materials. The data has been recorded within the organization and collected at the brewery level1. Through the adoption of NNPB technology, enables us to purchase new bottles with reduced weight, better distribution of glass, thus ensuring better stability, lower breakages and reduced wastage. Moreover, trademark and design registration of our bottles has optimized the cost of recycled bottles, among the major cost centers both in financial and environmental aspect.

Bottles reused

Number of Reused Bottles[2]	UoM	FY2020-21	FY2021-22
Bottles reused	Mio. Nos.	700	864
Bottles Reuse %	%age	65	63.2

10.3 Water stewardship

	Our Targets	Timeline
1	We will achieve fresh water at 2.6HL/HL in water stressed area.	2025
2	We will achieve Water at 3.08hL/hL in other than water stressed area	2025
3	We will achieve average Overall Fresh Water at 2.9HL/HL across all own Breweries.	2025
4	Water Efficiency – Will achieve 3.03 hl/hl against 3.4 hl/hl in 2021	2025
5	Overall Water Efficiency across all Own Breweries will be 2.9 hl/hl	2027

Our production is heavily reliant on water, a major externality, which we have hence identified among our priority material topics. As a responsible corporate we have ensured that we conserve and utilize water resources wisely and efficiently, to ensure sustenance in the coming years. Increasing adversity in the availability of water, especially in the rural regions where majority of our operations are based, makes water, a resource of utmost importance and focus for UBL[1].

1 GRI 303-1 Interactions with water as a shared resource

The following map illustrates the water status across our breweries:



A majority of our breweries are not located in water stressed areas. The decision of locating our breweries become strategic for business continuity along with reducing distance to key markets. We ensure that for breweries that are located in semi-critical, critical and exploited water stress levels, we implement maximum water efficient strategies to monitor water input and consumption and reuse, recycle and recharge water levels across such breweries. We are committing to achieve a water neutral status by 2025, through our various initiatives and activities towards water conservation, rejuvenation, restoration, and preservation of our water resources in and around our operational facilities.

We have engaged local communities in various activities of rainwater harvesting, watershed development, watershed restoration, pond restoration and providing clean water for drinking and domestic purposes[1]. UBL has active water conservation projects, operational in the states of Rajasthan, Punjab, Haryana, Maharashtra, Telangana, Karnataka, and Kerala. Our several water projects spread across the states have positively impacted the lives of lakhs of people till date. Our cumulative water consumption during the FY2020-21 was 27.93 Mio HL and 32.83 Mio HL in FY2021-22.

Sources of water withdrawal

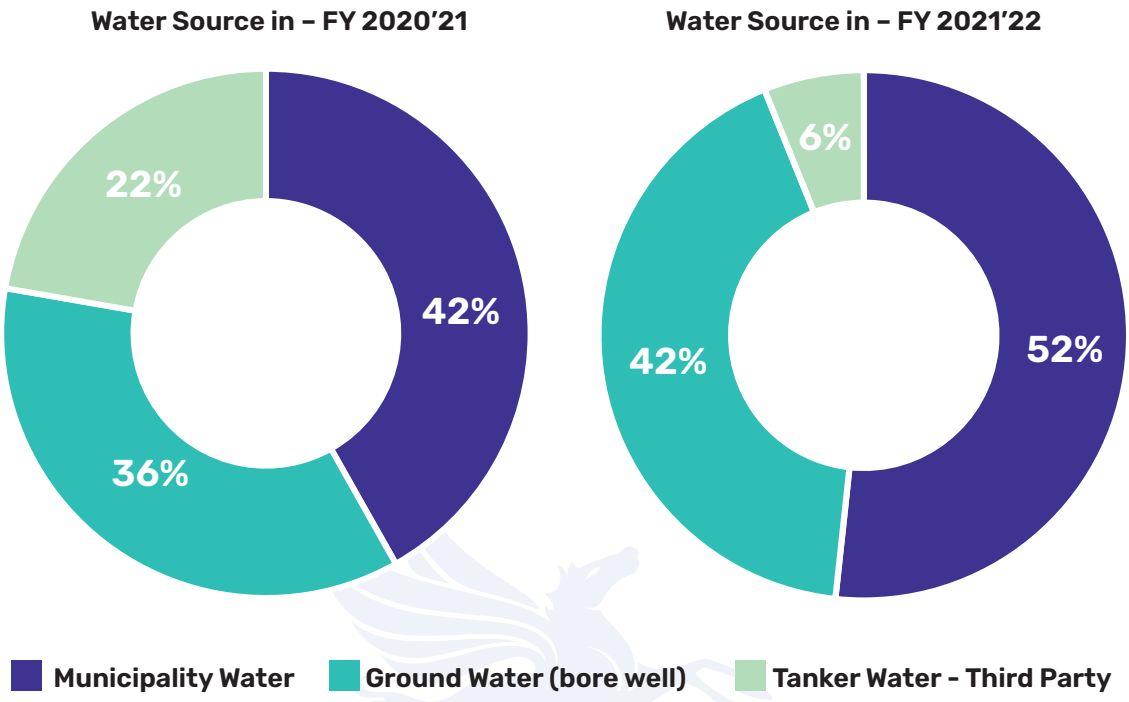
Water withdrawal sources4[1]	FY2020-21		FY2021-22	
	Mio HL	HL/HL	Mio HL	HL/HL
Municipality Water – A	11.6	1.51	16.92	1.78
Tanker Water – B	6.2	0.81	2.05	0.22
Ground Water (Borewell) – C	10.0	1.3	13.86	1.45
Surface Water (External Pond / River) – D	0.0	0.0	0.0	0.00
Total Water: (A + B + C + D)	27.9	3.61	32.83	3.44

Improvement is evident from 3.61 Hl in FY2020-21 to 3.44Hl/HL in FY2021-22

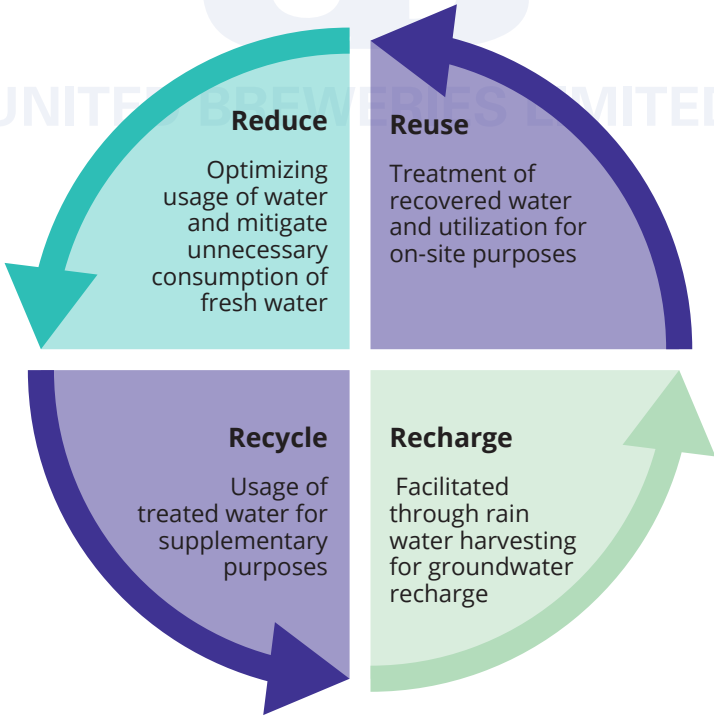
1 GRI 303-2 Initiative for water conservation

2 GRI 303-3 Water withdrawal, SASB FB-AB-140a.1 Total water withdrawn

Sources of freshwater input



Our 4R approach to water conservation



Our operational water treatment plants (WTP) and effluent treatment plants (ETP) contribute towards our targets to return water safely to the environment. We continually incorporate newer technologies in the WTP and ETP such as multiple effect evaporator and sludge less system, to ensure improvements in treatment processes.

Our key initiatives into water conservation include:

- Mapping of water usage patterns in the breweries
- Reusing of water in the bottle washing process – utilization of used water in prewashing zone to wash fresh empty bottles, while consuming fresh water only for the final rinse cycle, leading to reduction in freshwater consumption by 9600KL per annum.
- Increasing overall efficiency in the CIP process which contributes towards highest quantity of freshwater consumption in the breweries. The CIP process is a 6-step process for cleaning, rinsing and sanitizing of various systems and vessels in the manufacturing process.
- Ensuring usage of only recycled water in the pasteurizer during the sterilization stage, in the cooling tower, and in the filler vacuum pump in the packing hall to avoid wastage through draining of water
- Ensuring water recovery in the mashing process and in the boilers used on site
- Recharging of groundwater is promoted through the plantation of green belts inside the premises and construction of rainwater harvesting ponds. The rainwater harvesting ponds and structures are equipped with rooftop rainwater harvesting and surface water collection to recharge the bore wells and improving the ground water table. The rainwater harvesting initiative has contributed towards 51.64% of recharge while improving the quality of water in the borewells.

Wastewater management

We also work towards managing our wastewater in an efficient manner as it remains to be a primary area of reduction of freshwater consumption. We ensure appropriate treatment of wastewater before any kind of discharge can flow into the natural environment. All our breweries remain equipped with highest technologies for wastewater treatment with adequate capacities corresponding to the consumption on site. We ensure full compliance in matters of discharge to minimize and completely neutralize our impact on the environment through our wastewater discharge. We ensure that the wastewater discharged is completely within prescribed safety parameters and at times, exceptionally safe within the limits.

We are aware of the ill-effects of disposal of wastewater without treatment, and thus we adhere to strict compliance internally as well as externally to the pollution control board regulations. We ensure zero untreated discharges across our breweries. To ensure comprehensive compliance to regulatory norms and our commitments towards a healthier planet, we conduct periodic testing of our wastewater discharges as per applicable environmental standards. In FY2020- 21, 4.03 Mio HL and in FY 2021-22, 4.74 Mio HL of total water consumption in our processes are recycled and reused as compared to 32% in 2017-18. The ETP & STP are available at the Breweries and are complied in line with the central Pollution control Board requirements.

Wastewater

Wastewater parameters[1]	FY2020-21		FY2021-22	
	Mio HL	HL/HL	Mio HL	HL/HL
Total wastewater generated - Inlet for ETP	19.6	-	22.0	-
Total wastewater discharged - From ETP	15.6	-	17.3	-
Total water recycled and reused - Outlet RO	4.0	0.52	4.7	0.50

1 GRI 303-4 Water discharge, 306-1 Water discharge by quality and destination

Sources of water discharge

Water discharge	FY2020-21		FY2021-22	
	Mio HL	HL/HL	Mio HL	HL/HL
Total Water Discharge	15.6	2.02	17.3	1.81

Through our wastewater management process, we aim to bring out significant changes in our water usage and efficiency. Since all our breweries are equipped with appropriate wastewater treatment plants, we are significantly mitigating our impact on the environment by treating water before releasing it into the ecosystem. We have ensured that our wastewater is collectively utilized to the maximum extent on our operational facility itself for various purposes of gardening and horticulture. We have not experienced any incidents of spillage across our operational sites.

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Zero liquid discharge

In the reporting year, we have built Zero Liquid Discharge system in twoof our breweries inUBR Rajasthan and UBC Chennai, Tamil Nadu. We have built and operating Reject Management System (RMS) to handle the high dissolved solids concentrated RO (Reverse Osmosis) reject water. The RMS helps to avoid discharge of these high dissolved solid water into land in the following breweries at Aravalli (84 KLD), UB Chennai (60 KLD), Palakkad (25 KLD), Srikakulam (50 KLD) and Empee Chennai (25 KLD). In the upcoming year two more RMS will be setup at Ludhiana and Dharuhera.

10.4 Waste management

	Our Targets	Timeline
1	Zero Waste to Landfill: All UBL production sites will be at least 95% waste to Landfill free	2023
2	Zero Waste to Landfill: All UBL production sites will be at least 100% waste to Landfill free	2025

Waste management persists to be one of the largest problems that our nation is faced with. All eyes turn to us as a large corporate to ensure complete adherence to all relevant waste management rules, policies, and programs, to ensure minimization of waste generated along with maximizing opportunities for reusing and recycling of waste generated throughout our business activities. Across a majority of our breweries, we are currently using agro-waste fuel, which stands to be energy efficient in terms of consumption of purchased electricity.

Our manufacturing process generates a variety of wastes that are both hazardous and non-hazardous in nature. We ensure appropriate segregation at source for effective repurposing. For the waste that we cannot dispose as a business on our own, we ensure to transfer it to the respective authorities or management bodies at a local or regional level as per the mandates of the respective state pollution control boards.



Hazardous waste management process

	Process	Disposal Method	Unit	FY2020-21	FY2021-22
Used / Spent oil	1. Collection: in barrel at the source. 2. Storage: In barrel at secured Hazardous waste storage yard. 3. Transport: Special Vehicle along with TREM Card & Manifest.	1. Collection: in barrel at the source. 2. Storage: In barrel at secured Hazardous waste storage yard. 3. Transport: Special Vehicle along with TREM Card & Manifest.	MT	1.3	12.1
Filters contaminated with oil	1. Collection: Colour coded bins to segregate the waste at source. 2. Storage: In PE bags at secured Hazardous waste storage yard. 3. Transport: Special Vehicle along with TREM Card & Manifest.	Incineration/Landfill at TSDF (Treatment Storage Disposal Facility) site (SPCB* approved)	MT	1.1	1.8
Wastes / Residues containing Oil - Oil-Soaked Cotton Waste	1. Collection: Colour coded bins to segregate the waste at source. 2. Storage: In PE bags at secured Hazardous waste storage yard. 3. Transport: Special Vehicle along with TREM Card & Manifest.	Incineration/Landfill at TSDF (Treatment Storage Disposal Facility) site (SPCB* approved)			

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Non-hazardous waste management process

Non-Hazardous Waste	Process	Disposal Method	Unit	Amount generated	
				FY2020-21	FY2021-22
Corrugated Box / Cardboard	1. **Collection:** direct collection. 2. **Storage:** in bale/ bundle 3. **Transport:** normal vehicle.	1. **Mode:** Selling 2. **Treatment:** Recycled as carton/ cardboard 3. **Disposal:** Nil 4. By: UBL vendor	MT KG/HL	1230 0.16	1329.7 0.14
Metal Scrap (MS, GI, SS & Aluminium)	1. **Collection:** direct collection. 2. **Storage:** In waste storage yard. 3. **Transport:** Normal vehicle.	1. **Mode:** Selling 2. **Treatment:** Recycled as steel 3. **Disposal:** Nil 4. By: UBL vendor	MT KG/HL	761 0.1	388.4 0.04

Plastic Waste / HDPE bags	1. **Collection:** direct collection. 2. **Storage:** In waste storage yard. 3.**Transport:** Normal vehicle.	1. **Mode:** EPR 2. **Treatment:** Recycled 3. **Disposal:** Nil 4. By: UBL vendor (IPCA)	MT KG/HL	1477 0.19	1318 0.14
HDPE Containers	1. **Collection:** direct collection. 2. **Storage:** In waste storage yard. 3. **Transport:** Normal vehicle.	1. **Mode:** Selling 2. **Treatment:** Reused 3. **Disposal:** Nil 4. By: UBL vendor	MT KG/HL	391 0.05	109 0.01
Reject Bottles	1. **Collection:** Cullet trolley to segregate the waste at source. 2. **Storage:** In cullet storage yard. 3. **Transport:** Normal vehicle.	1. **Mode:** Selling 2. **Treatment:** Recycled 3. **Disposal:** Nil 4. By: UBL vendor	MT KG/HL	17718 2.29	22157 2.32
Paper & Stationery / Shredding Pape (Craft)	1. **Collection:** Colour coded bins to segregate the waste at source. 2. **Storage:** In waste storage yard. 3. **Transport:** Normal vehicle.	1. **Mode:** Selling 2. **Treatment:** Recycled 3. **Disposal:** Nil 4. By: UBL vendor	MT KG/HL	418 0.05	201 0.02
Reject Crowns	1. **Collection:** direct collection. 2. **Storage:** In waste storage yard. 3. **Transport:** Normal vehicle.	1. **Mode:** Selling 2. **Treatment:** Recycled 3. **Disposal:** Nil 4. By: UBL vendor	MT	23.2	33.8
Reject Cans	1. **Collection:** direct collection. 2. **Storage:** In waste storage yard. 3. **Transport:** Normal vehicle.	1. **Mode:** Selling 2. **Treatment:** Recycled 3. **Disposal:** Nil 4. By: UBL vendor	MT	28.6	31.7
Spent Grain	1. **Collection:** direct collection. 2. **Storage:** Unloaded in Vehicles Directly 3. **Transport:** Normal vehicle.	1. **Mode:** Selling as Cattle feed 2. **Treatment:** Recycled 3. **Disposal:** Nil 4. By: UBL vendor	MT	104.4	131.1
ETP Sludge	1. **Collection:** Direct collection. 2. **Storage:** Unloaded in Vehicles Directly 3. **Transport:** Normal vehicle.	1. **Mode:** Paying for Land fill disposal 2. **Treatment:** Disposal 3. **Disposal:** Landfill 4. By: PCB approved *TSDF site	MT	7733	9531

TSDF – Treatment storage disposal site.

During FY2020-21, we had generated 29893 MT of waste of which 22151 MT was diverted from disposal while 7733 MT was diverted to disposal. While in FY2021-22, we had generated 35248 MT of waste of which 25699 MT was diverted from disposal while 9531 MT was diverted to disposal.

Initiatives undertaken for waste management[1]

We have centered our focus and priority towards sustainable packaging initiatives. Our product is delivered to our consumers in glass bottles, aluminum cans, stainless steel, or aluminum kegs while we use carton boxes and crates for bulk transportation of our products, which constitutes the secondary packaging in the lifecycle of our products. [2]

Bottles have always been our largest capital investment. We are proud to state that 100% of our unit case volume is delivered in recyclable bottles, and this remains a key focus area for our business. With extensive market research, we have been able to minimize our expenditure on cost of bottles without compromising on stability and breakage threshold. We are tirelessly involved in research and development to understand various products that can replace our current product packaging materials, through a complete life cycle analysis of suitable alternatives to ensure minimal compromise on quality and strength while ensuring maximum reduction of environmental harm.

We have also been exploring innovations in the secondary packaging for our products as well; towards introducing more sustainable packaging alternatives during transportation and distribution.

1 GRI 306-2 Management of significant waste-related impacts; SASB FB-AB-410a.2 – Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle

2 GRI 306-3 Waste generated
GRI 306-4 Waste diverted from disposal
GRI 306-5 Waste diverted to disposal

10.5 Energy management

SASB FB-AB-130a.1 Energy management

	Our Targets	Timeline
1	**Transitioning to total renewable energy: 82% with:** I. 40% of total electric energy from renewable sources II. >98% of total thermal energy from renewable sources (Agro based fules)	2023
2	**Transitioning to Total Renewable Energy: 85% with** I. 60% of total electrical energy from Renewable Sources) II. >98% of Thermal Energy from Renewable Sources-Agribased Fuels)	2026
3	**Work towards RE100. (Subjected to States Policies, Rules and Regulations)**	2030

We understand that the future of our business prospects lies in incorporating clean, renewable energy as a primary source of electricity generation for our operations, to ensure a sustainable and economic growth. Access to energy is quintessential for our manufacturing processes and thus our business growth. Through our investments to increase the share of clean energy sources that propel our business growth, we contribute to the global combat to mitigate climate change.

Our total energy consumption during FY2020-21 was 1415 TJ and 1645 TJ in FY2021-22, Through various technological interventions and resulting increase in process efficiencies, we have reduced energy consumption. Overall, our emission intensity is 0.02 for FY2020-21 & 0.19 for FY2021-22

Our commitment to transition into a low carbon economy is evident from our adoption of clean energy such as wind and solar rooftop.

We have been working on various Improvement initiatives on Power and Thermal and some of the examples are depicted below. These initiatives not only improve the operational Efficiencies, but impact on emission reduction and supports in our journey towards Zero Emission.

Section	KPI	Improvement Description[1]	Benefits in GJ/ annum
			FY2020-21
Karnataka	Thermal	Thermal energy consumption reduction in wort kettle.	3457
Rajasthan	Thermal	Reduce variation in evaporation ratio in wort boiling	405
Maharashtra	Thermal	To reduce steam consumption in wort kettle from 4431 Kg/Brew to 3931 Kg/Brew	2774
Odisha	Thermal	Reduction of thermal energy consumption in bottle washer	932
Telangana	Thermal	Reduction of Power consumption in Lighting	307

1 GRI 302-1 Energy consumption within the organization

Section	KPI	Improvement Description[1]	Benefits in GJ/annum
			FY2021-22
Mumbai	Power	To reduce waste heat at Co2 Vaporizer (Utility)	204
Rajasthan	Power	To reduce energy consumption in Air Compressor.	641
Karnataka	Power	Power consumption reduction in boiler house	1096
Karnataka	Thermal	Reduction in thermal Consumption at Wort Kettle in Brewing Process	154
Kerala	Thermal	Steam consumption reduction @ pasteurizer	390

1 GRI 302-1 Energy consumption within the organization

Sources of energy

Emission	FY2020-21		FY2021-22	
	TJ	MJ/HL	TJ	MJ/HL
Coal	75	9.7	90	9.5
HSD	56	7.3	32	3.3
Furnace Oil	25	3.2	31	3.3
LPG	0.39	0.1	0.9	0.1
Electricity	224	29.0	258	27.1
Total	380	49.1	411	43.2

The Energy consumption absolute figures show the rise however wrt. volume there is visible improvement in the Energy Consumptions

Sources of renewable energy

Emission	FY2020-21		FY2021-22	
	TJ	MJ/Hl	TJ	MJ/Hl
Wind Without REC	56	7.3	49	5.1
Solar Without REC	40	5.2	74	7.8
Briquettes	262	33.88	308	32.31
Rice husk	676	87.41	802	84.14

The percentage of renewable thermal energy (including rice husk, saw dust and briquettes) that UBL was able to harness during the reporting period is 96.1% in FY2020-21 and FY2021-22 [1]. UBL's own units consumed 30.0% electricity generated from renewable sources in FY2020-21 and 32.42 in FY2021-22 as compared to 15.36% in 2017-18. The renewable energy usage is equivalent to carbon footprint of 25,304 tons of CO_2 in FY2020-21 and 32350tons of CO_2 in FY2021-22.

For this reporting year, we have included our Scope 1 & Scope 2 emissions only. We are planning to report on our Scope-3 emissions from the 2024 onwards.

1 SASB FB-AB-130a.1 Energy management

Reduction in power consumption

Manufacturing processes demand a large quantity of energy input to ensure efficient functionality of the machines and systems across operations. Significant power reduction initiatives in refrigeration (Ellora), RAC plant (Dharuhera) and air compressors (Aravalli) have contributed towards energy savings.

Reduction in steam consumption

Pasteurization is a process in beer manufacturing where the beer is subjected to heat treatment to mitigate the risk of unwanted growth of microorganisms and to prolong the shelf life of the product. During this process there is a certain amount of steam utilized in the bottle packaging. At Chamundi, reduction was achieved in the bottle pasteurizer, through installation of new line. The entire process efficiency enabled an annualized savings potential of INR 17.5 lakhs .

At our Chopanki brewery we have also carried out recovery of heat from wort vapor to generate hot water which is in turn used to increase the wort temperature before boiling, resulting in a reduction in the steam consumption in wort kettle; thus, improving the boiler efficiency. This has resulted in saving 367 MT of steam annually.

GHG Emissions

	Our Targets	Timeline
1	Production Emission Reduction (Scope 1 & 2) by 29% over 2018 base at Own Breweries	2022
2	Begin Reporting on our Scope 3 Emissions in our annual reports	2024

Our direct emissions are accounted from burning of fossil fuels and rice husk, fermentation, brewing and a few other processes in our operations; while the main source of our indirect emissions is the offsite generation of purchased electricity. We have worked efficiently towards adopting renewable energy while also incorporating energy conserving technologies across our breweries. We have installed Plate Heat Exchanger (PHE) technology in our manufacturing process as well to ensure that heat and steam produced during manufacturing is reused within the processes. Our average emission intensity[1] is 0.033 tCO_2eq/hl in FY2020-21 and 0.031 in FY2021-22.

1 GRI 305-4 GHG emissions intensity

Emission	FY2020-21		FY2021-22	
	tCO2 eq.	CO2e Kg/Hl	tCO2 eq.	CO2e Kg/Hl
Scope I	103852	13.43	120661	12.66
Fuel Consumption	103420	13.37	120305	12.62
ODS	432	0.06	356	0.04
Scope II	49142	6.35	56605	5.94

Air emissions

The stack emission[1] parameters: SOx, NOx, and SPM, are regularly monitored. We ensure that the values are monitored and maintained within the permissible limits of the central and state pollution control board.

Stack parameters recorded

Stack Parameters	UoM	FY2020-21	FY2021-22
NOx	MT	93	220.5
Sox	MT	351	121.10
SPM	MT	57	140.80

We also monitor our ODS[2] (ozone depleting substances) as a part of routine maintenance activity of air-conditioning systems. We have obsoleted the use of ODS substance in our Golconda brewery and are planning for phased implementation across all our breweries.

1 GRI 305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions
2 GRI 305-6 Emissions of ozone-depleting substances (ODS)

ODS monitoring recorded

ODS	Unit	FY2020-21	FY2021-22
R22	kg	0.245	0.202
	tCO_2 eq.	432.1	355.8

UNITED BREWERIES LIMITED

10.6 Biodiversity

Rising threat to our biodiversity due to increasing population, demand of land resources, environmental degradation, and exploitation due to overutilization, among other threats, has led to a need to preserve our existing biodiversity.

Out of our 20 operational facilities only at Khurda (UB Odisha)[1] has their operations significantly located close to a protected/reserved area. Our operations at UB Odisha are well within permissible limits of operation to prevent environmental damage or any hazards to the biodiversity, and our operations are not closely

1 GRI 304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas

linked or dependent on the biodiversity rich regions around our breweries[2]. To the best of our knowledge, we are confident that there are no IUCN Red List species and national conservation list species that are affected by any of our operations across all locations[3] .

As a part of our projects directed towards water conservation and rejuvenation, we have also conducted tree plantation drives across Chennai and Aurangabad. At Chennai we have undertaken a plantation drive of 2000 saplings along with removal of invasive shrub species - Prosopis juliflora, from 100 acres of shared land.

2 GRI 304-2 Significant impacts of activities, products, and services on biodiversity

3 GRI 304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations

Our Project Oxygen Hub at Waluj MIDC, Aurangabad in partnership with Canpack India Pvt. Ltd. and Prayas Foundation in Waluj Maharashtra, was undertaken on a large scale for tree plantation through adoption of Miyawaki technique of afforestation. We take pride in our achievement of creating Maharashtra's biggest man-made native forest to restore biodiversity functioning in the identified region. An overwhelming plantation of 75,000 trees consisting of more than 73 native species was successfully implemented on a stretch of about 5 hectares1. We are building our project on the hope that our saplings will soon build a dense forest to contribute towards an improved ecosystem and beneficial biodiversity.

1 304-3 Habitats protected or restored

10.7 Climate resilient operations

	Our Targets	Timeline
1	**Identifying key sustainability and climate risks and its potential impact on the organization.**	2023
2	**Formulating Risk management action plan to deal with the identified risks**	2025

Our array of climate resilient activities and operations have ensured that we maintain our growth and business while incorporating sustainable and efficient technologies across various operations.

Reduction in carbon-dioxide (CO2) consumption
The initiative to minimize CO2 consumption was carried out at the brewery level at Srikakulum, Nizam, Goa, Empee Chennai and UB Chennai. UBL has implemented several processes to maximize the usage of CO2, produced during the fermentation process, thus reducing the usage of bought in CO2. This CO2 is captured and recovered during the fermentation process through an elaborate recovery system. The recovery was facilitated through a unified problem-solving route to understand the process flow and address observed anomalies. Key areas of focus across the manufacturing processes in the CO2 reduction initiative were the filtration area, fillers, bottling and canning section, and functional changes in the operations of the CO2 generation and recovery plants. Replacing old parts, recovery pipelines and installation of adequate technology in the manufacturing systems improved the process efficiency of the CO2 recovery plant.

It is evident that one of the major disruptions caused due to climate change is an imbalance in the availability of water resources. Our water consumption activities have hence been aligned to ensuring recycling and reuse of water to its maximum extent possible, within our organizational boundaries. We have also undertaken several watershed development projects as a part of our community outreach programme, to increase and maintain water supply across communities in our operational locations. We further have rainwater harvesting facilities across all our operational locations.

Our barley sourcing strategy also contributes towards strengthening our business resilience. It has enabled our independence in terms of acquiring barley from contract farmers to reducing the dependence on the traditional six row system of agriculture. We are focused on increasing our two-row barley production from 20,000 MT in the FY2020-21 to 1,250,000 MT by the year FY 2023-24 . Encouraging our research and development along these lines and investing in creating newer, more climate resilient varieties is critical for us towards ensuring independence in sourcing of raw materials. We are further venturing towards attaining reduced sugar content in our brews. Originally, we source sugars from sugarcane which has been the most traditional choice. We plan on expanding our bounds and sourcing sugars from maize or rice crops and current studies are in the pipeline to explore the opportunities in doing so.

UBL has always promoted locally sourced produce, except for resources that we essentially need to import in the absence of a possible alternative. This reduces the carbon footprint of our business activities while promoting local produce and empowering our farmers.

We are ensuring that our water and carbon dioxide utilized in the manufacturing process across all our breweries is thoroughly reused to its safest possible extent. We are also reusing at least 10% of the energy that is created in our processes to maximize the energy consumption across our locations.

Attaining sustainability in our packaging is of utmost importance and stands out as a priority area. For our tertiary packaging material, we have successfully offset use of virgin materials by 90% in our cartons. We are currently recycling more than 98% of our glass bottles and aluminum crowns; and 90% of our cans . We aim to use bottles that require lesser energy consumption, have a lower carbon footprint, and justify our product while upholding consumer sentiments



11.0
People Engagement

We at UBL acknowledge that our human capital is among the key aspects of our business growth. Our Human Resources (HR) personnel are entrusted to recruit the best skilled and intellectual minds in the industry, to retain our existing skilled talent pool, and to offer adequate trainings to enhance the capabilities of our organization, at large. We take cognizance of our HR guidelines; which are compliant with all relevant regulations, and enable us to provide consistent, cost-effective, and time-bound HR services to all our employees; which encapsulates the essence of our organizational vision and core values. We continuously strive to develop a congenial environment for the inclusive and organic growth of all our diverse employees. We are an equal employment opportunity provider and require the same from our business partners. We seek to provide for a psychologically safe workspace, which promotes mutual respect thus fostering inclusivity[1].

We have policies and monitoring processes in-place that ensure us to effectively tackle all employee related concerns. During the reporting period, no incidence of substantiated discrimination or sexual harassment was reported. Employee safety is of prime importance for us at UBL, hence is among the tops 5 material topics for the reporting period. Our health and safety procedures are aimed at achieving the target of zero lost time incidents across all our breweries.

We acknowledge the efforts of all our employees, in effectively contributing to the organizational growth, despite the pandemic induced restrictions. Our employee benefit programme for permanent employees covers a retirement plan, gratuity plan, and absence compensation benefits based on leave accrual individually. We have also made a provision for day-care facilities for children at certain operational locations. We also provide annual health checkups for the employees and have covered our employees under our group Mediclaim policy applicable for the employees and their family[2]. Our prompt development and implementation of health and safety protocols, which were compliant with COVID protocols, is illustrative of our commitment to employee wellbeing and thus effective operations. Further various risk mitigation measures such as revamping of air conditioning and ventilation systems, organizing company-wide vaccination drives, conducting wellness/mental health programs etc. have been implemented across all the plants.

1 GRI 103-2 The management approach and its components, 103-3 Evaluation of the management approach
2 GRI 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees

11.1 Employee health and safety

Our Targets	Timeline
Create leadership capacity to drive zero fatality and zero serious accidents at work.	Ongoing

The physical and mental wellbeing of our employees is of utmost importance to us. We are committed to minimizing the risk of accidents, injury, and exposure to health risks. We consider health and safety as an important management commitment that requires a culture of continual improvement. Our corporate level HSE committee supports our brewery operations in integrating health and safety standards into the plant's operational planning, business decisions, and daily operation activities. Based on each brewery's health and safety performance, the plant specific health and safety committee design their own annual improvement plans, which include goals and measurables targets. The progress made towards the established targets is monitored periodically by the plant and corporate level health and safety committee. We constantly monitor and review our safety performances and incorporate innovative ideas for improving our safety record.

Health and safety are always our top priority. We have established our health and safety procedures in line with the international standards OHSAS 18001, and we are planning to develop and implement our health and safety management system aligned with ISO 45001 starting from the next financial year. We carry out safety inspections and various safety initiatives at all our breweries. Our corporate level health and safety guidelines apply to all the employees working at UBL, including the contractual employees. We have developed a Health and Safety strategic plan considering all the elements to ensure our goal of zero fatalities in the workplace. Our health and safety policy articulates our commitment towards achieving health and safety related targets[1].

We have appointed a health and safety officer at unit level who facilitates and monitors the process is for identifying the hazards and risks specific to their operation. For each incident, a formal report is prepared with incident type and root cause. This report is also included in the monthly report and presented in the safety committee meetings.

During this year, we worked upon key strategic initiatives to enhance and improve our health and safety practices. With a total of 14.47Mio man-hours worked in FY2020-21 and 15.7Mio man-hours worked in FY2021-22.

We have a robust emergency preparedness and response plan to ensure responsiveness in case of any emergencies. The plan also provides guidance on preventing or mitigating significant negative occupational health and safety impacts that are directly linked to our operations. We deploy appropriate control measures to effectively manage the health and safety risks in plants. Based on our emergency response plan, we conduct periodic mock drills. This helps us in identifying our preparedness against any hazards at the very grassroot level[2].

1 GRI 403-8 Workers covered by an occupational health and safety management system

2 GRI 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships

We have established a proactive safety culture, by defining health and safety objectives & goals while ensuring continual improvement. Our management leaders drive a cultural change and help us to achieve our health and safety goals. To encourage our employees and inculcate proactive safety culture, we have initiated various safety initiatives in the plants. We appreciate the employees for their outstanding performance, that significantly contributes to achieving operational excellence. The safety performance indicators are as under [3].

3 GRI 403-9 Work-related injuries, 403-10: Work-related ill health

Reported cases of OHS

OHS Reported Cases	UoM	FY2021	FY2022
Fatality - Contract personnel	Nos.	0	0
Fatality - Company Personnel	Nos.	0	1
Accident (Absolute value)			
Serious Accident - Contract personnel	Nos.	4	0
Serious Accident with Long term effect - Contract personnel	Nos.	0	0
Serious Accident - Company Personnel	Nos.	1	4
Serious Accident with Long term effect - Company Personnel	Nos.	0	0
Lost day Rate - Company Personnel (Breweries)	Days	23	98
Total Manpower	Nos.	8906	11176
Accident (Relative value)			
Accident Frequency Rate - Company Personnel	accident per million Manhours	0.045	0.143

UBL believes that training its employees in health, safety, and environment (HSE) is essential in providing a safer workplace while ensuring a positive impact on the environment from our operations. We have curated our training content to make it more relevant with changing times. Our approach is to empower our workforce with all the relevant knowledge and training to execute work safely. Our safety-first approach is a testimony to this. All our new recruits are trained mandatorily on HSE which conforms to the requirements of ISO 45001. Our annual refresher courses are a part of mandatory training which all our employees must undertake. All our employees must mandatorily undergo trainings[4] on basic safety awareness, electrical safety, material handling, behavior-based safety, LOTO, safety management system, MOC, PTW, risk assessment, emergency response plan, fire safety, machine guarding requirement, safety in confined space, work at height safety, chemical safety, accident prevention. Below tables provides the HSE related training details

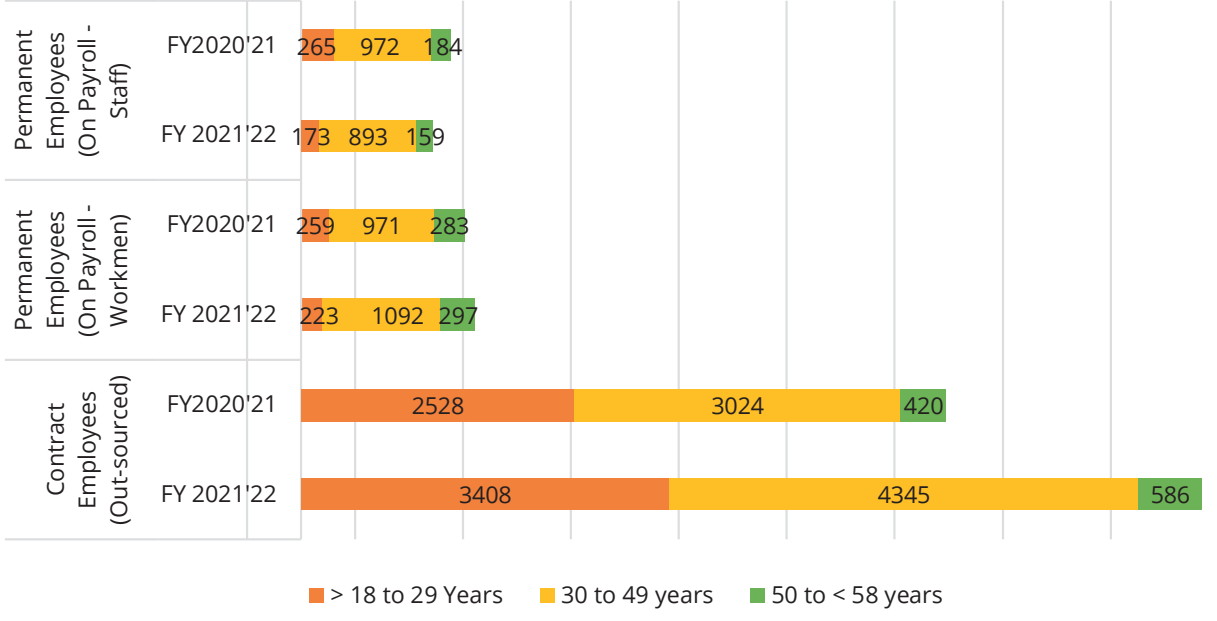
4 GRI 403-5 Worker training on occupational health and safety

Training	UoM	FY2021	FY2021'22
Total Training Man-days - Permanent Employees + Contract Employees	Man-days	5.78	6.34

11.2 Workforce management

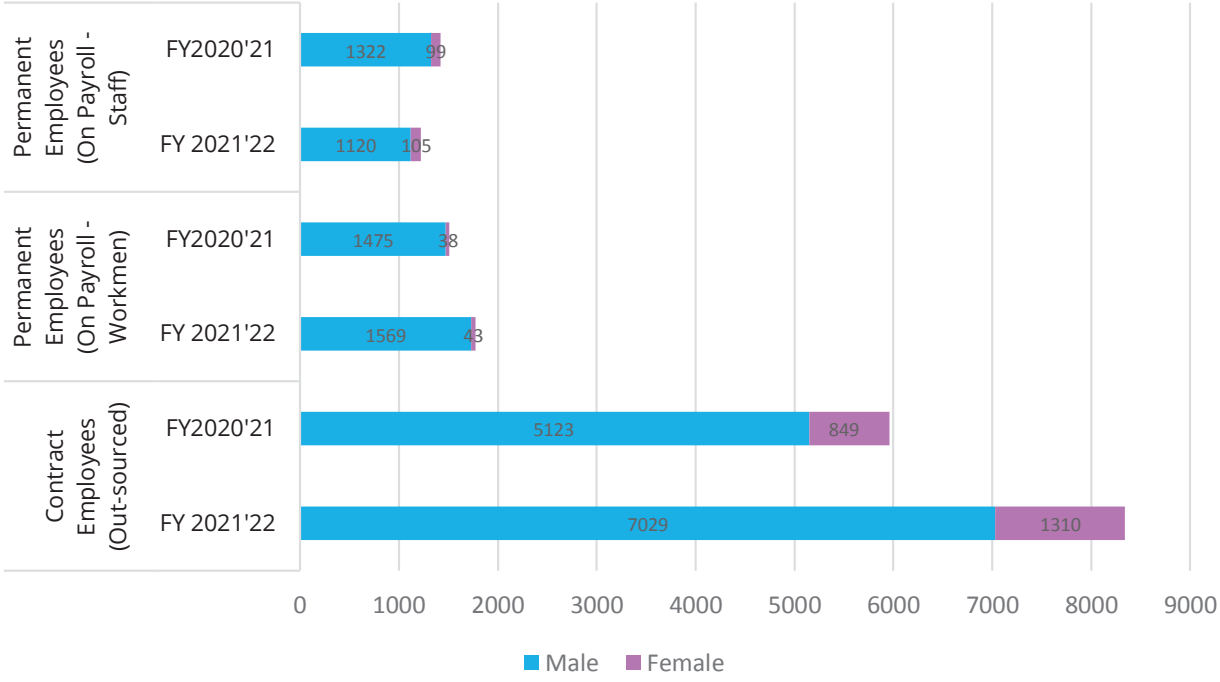
As per a recent market study, the alcohol industry in India is expected to grow at a CAGR of 6.8 per cent till 2023[1], wherein the lower middle and upper middle-income class customer sector would contribute to about 70 percentage growth over the next decade. To cater to this ever-increasing demand, we are on the continuous look-out for resources with key talents and skill sets while constant initiatives are implemented to retain veterans and existing workforce. Our initiatives promote employees' creativity, enhance their capabilities to support future opportunities and challenges for their benefits and long run for the business. We motivate our employees and ensure that we continue to attract and retain talented professionals. We ensure that all employees are treated with dignity and receive fair remuneration with no discrimination of any sort. Below table is illustrative of our workforce breakup for FY 2020-21 and 2021-22.

1 http://icrier.org/pdf/ppt-22-July-21.pdf



Breakup of workforce as per age category in FY2020-21 and FY2021-22[1]

1 GRI 102-8 Information on employees and other workers



Number of new Joinees in the reporting period

Reporting year	New Joiners[1]							
	Employee category	UoM	18 to 29 years	30-50 years	>50 to 58 years	Male	Female	FY2020-21
FY2020-21	Permanent Employees (On Payroll - Staff)	No.	44	21	0	57	8	65
FY2021-22	Permanent Employees (On Payroll - Staff)	No.	34	45	1	38	42	80

1 GRI 401-1 New employee hires and employee turnover

Number of new joinees in the reporting period

Employee category	UoM	Reporting year	Workforce Turnover (include cases of retirement, transfer, and death)					
			18 to 29 years	30-50 years	>50 to 58 years	Male	Female	Total
Permanent Employees (On Payroll - Staff)	No.	FY2020-21	41	83	23	134	13	147
		FY2021-22	68	164	54	248	38	286
Permanent Employees (On Payroll - Workmen)	No.	FY2020-21	12	15	34	57	4	61
		FY2021-22	30	20	27	76	1	77
Total in FY2020-21	No.	FY2020-21	53	98	57	191	17	208
		FY2021-22	98	184	81	324	39	363

We encourage our employees to avail of their parental leave as required to ensure their personal welfare as and when required. Four employees availed of parental leaves during the reporting period.[1].

1 GRI 401-3 Parental leave

Record of parental leave

Parameters	Female	
	2021	2022
Number of employees that were entitled to parental leave	93	105
Number of employees who took parental leave	4	5
Number of employees who returned after their parental leave ended	3	5
Number of employees who took parental leave in previous year	2	4
Total number of employees retained 12 months after returning to work following a period of parental leave	2	3
Return to work rate (%)	100	75

Conducive work environment is provided for ensuring efficient output, while relevant trainings help enhance skill sets resulting in optimal performance of workforce. Providing performance feedback and career development is a norm at UBL. We periodically provide performance feedback to our employees and provide career counselling to our employees. In the reporting year, we have provided performance feedback to all our regular employees.



11.3 Skill development at UBL

Our focus is to keep our employees inspired and engaged with meaningful work, challenging development opportunities, and rewarding careers. Our Learning & Development (L&D) strategy has been formulated to ensure employee growth goals are achieved along with our business goals. We support and encourage employees' continuous learning by offering job-specific, classroom training, online training, reimbursement towards higher education and training on skill development[1]. Plant head along with the human resource team share the responsibility for identifying training needs of employees. In FY2020-21, average number of hours of employees' training was 27,470 hours with 2522 and 2366 employees attended the various training programs listed below in FY2020-21 and FY2021-22

1 GRI 404-2 - Programs for upgrading employee skills and transition assistance programs
2 GRI 404-2 Programs for upgrading employee skills and transition assistance programs

Senior Management	COBC Ethics workshop and People Leadership Workshop
Middle Management	Analytics for Business Impact, Managing performance workshop, Managing Relationship workshop, Manufacturing competency Development Batch 2, Business orientation, Sales Analytics workshop
ICC Team Members	Internal Compliant CommitteeTeam Training
All Employees	Prevention of Sexual Harassment Training

Our policy on equal opportunity mandates us to maintain a diverse workforce, providing equal opportunities to all irrespective of gender, race, caste, religion, sexual orientation, nationality, and community. We regularly sensitize our employees on aspects of diversity and inclusivity. We ensure a safe workplace for all, free from harassment. We have a strong mechanism at both unit level and organizational level to deal with any untoward incidents of harassment.

We offer our employees market-driven and competitive remuneration and a clear career path that inspires them to achieve their goals. We have formal and informal channels of communication through which the employees can suggest how best to have a pleasant work environment for optimum productivity and employee satisfaction. To enable employees to maintain a stable work life balance, we regularly engage with them through surveys, emails, events, town-hall meetings, trainings, rewards and recognition programs and workplace activities. We maintain gender pay parity across all our roles[1]. We are proud to announce that there have been no incidents of discrimination and no requirement for any corrective actions to be taken during our reporting period[2].

We have one female board member as per the regulatory requirements. We have set an ambitious target to have at least 2 female board members by 2025 and achieve gender parity at board level by 2030. We are committed to promoting gender parity at our corporate office by 2030. Operating in a restrictive regulatory environment and a social taboo against female workforce participating in breweries proves to be challenging in achieving gender parity at our brewery level. We are working our way to navigate through these challenges and achieve our targets by 2030.

1 GRI 405-2 Ratio of basic salary and remuneration of women to men
2 GRI 406-1 Incidents of discrimination and corrective actions taken

11.4 Human rights

Our Targets	Timeline
Ensuring 100% continual compliance on human rights policy at both unit level and organizational level.	Ongoing

UBL is committed to protecting human rights in its entire organization. We have a policy on human rights and the policy applies to all employees, trainees, interns, consultants, contractors, including visitors to the company.

We train our employees on various aspects of human rights, all our employees are trained in FY2020-21 and FY2021-22 . Our human rights policy also covers wider aspects of diversity and inclusion, as well as equal opportunity. We have also recently developed guidelines for our engagement of women contract workers in our breweries to safeguard the safety of women working across our operational location. We have also extended a Flexi time policy for women to effectively manage their work-life balance if they complete a total of 8 hours at work.

UBL has a standard operating procedure (SOP) for its vendors and service providers which focuses on fair treatment, human rights, good labor practices, environmental conservation, health, and safety. We are in process of developing a detailed ESG compliant supplier code of conduct by the next financial year. We are presently in the process of evaluating various potential human rights risks across our supply chain. We have also ensured that we extend our training in human rights procedures and policies for our security personnel across locations. 100% of our security personnel across all operational locations have been trained during FY2020-21[1]. During the reporting period, none of our operations have been subjected to human rights impact assessments or reviews[2].

In the following years, we are planning to invest a significant amount dedicated for improving the condition of human rights throughout our supply chain and make it comparable to the world's best practices[3].

Prohibition of Child Labor and Forced Labor

UBL is committed towards ensuring good labor practices in all the plants. The risk of encountering conditions of child labor or forced/bonded labor mainly arises across our supply chain operations, especially in contract employees of the organization. We always ensure that no person below the age of eighteen years is employed at the plant premises. Forced or compulsory labor is strictly prohibited in all the plants and so is the association with vendors and suppliers who employ child and/or forced labor. We have recognized areas where there is a significant risk of child labor and ensured mitigation measures to refrain from recruiting child labor. We evaluate our suppliers, distributors, and other key members of our value chain on

1 GRI 410-1 Security personnel trained in human rights policies or procedures
2 GRI 412-1 Operations that have been subject to human rights reviews or impact assessments
3 GRI 412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening

our guidance note for suppliers which ensures zero presence of child labor, forced and/or bonded labor. We do not have any young labor engaged at all, especially in any sort of hazardous work at our breweries. We even engage with our larger stakeholder group to sensitizing against practices of child labor. We strongly discourage forced and compulsory labor. Within our direct operations we ensure all our workforce are associated with us at their will. Our human rights policy acts as a guidance for us. We also evaluate our suppliers based on their compliance to our supplier code of conduct where human rights are an integral part[4].

Freedom of Association and collective bargaining

UBL recognizes and respects the right of its employees to exercise their freedom of association and collective bargaining. We regularly interact with our employee unions for employee grievance redressal and various other employee welfare discussions.

4 GRI 408-1 Operations and suppliers at significant risk for incidents of child labor, GRI 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor

11.5 Diversity and Inclusion

	Our Targets	Timeline
1	**Maintain Fair Wages for all employees – deprioritized**	2025
2	**We will establish Gender Pay Parity**	2024
3	**We will have 30% of our New Joinees from 2023 to be gender diverse.**	2023
4	**25% Women in our Senior Managers (JG15 and above)**	2025
5	Two women Board members.	2027
6	We will have Overall 25% women representation across the company	2030

At UBL, we have always encouraged diversity and inclusion across all business operations. We believe that there is no specific job that needs to be assigned to any specific gender, race, caste, religion, sexual orientation, nationality, or community. As a business it is extremely essential for us to promote a diverse culture to bring in varied opinions and expertise into the organization. We aim to become a diverse workforce in the years to come, and our journey towards the same has already begun.

We must ensure that our inclusive culture begins from the roots of our organization to allow our people to express themselves and develop not only as an employee but as a person with our organization. We must ensure to nurture our people to develop their talent and provide an equal platform of growth for all. Our board currently has a diversity of 1 woman to 7 men and we intend on improving this representation in the coming years . We have a working plan in action to promote our vision of gender diversity at our board level.

To maintain and expand our culture in terms of inclusion, we are working towards sensitizing our employees regularly on aspects of the same. We also aim to incorporate diversity and inclusivity in our selection processes, remuneration scales and corporate representation in the coming years to achieve our ambitious targets in this sphere.

11.6 Prevention of sexual harassment at workplace

We have constituted Internal Complaints Committee (ICC) at our registered office and across all breweries and regional offices to address all reported sexual harassment complaints, as per the Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Complaints can be raised both by in person and anonymously through our 'Speak Up' portal. We protect the complainant from any type of retaliatory actions. Due investigations are conducted, and we ensure that all complaints pertaining to sexual harassment are adequately addressed. Our entire complaint handling procedure is in accordance with the guidelines set by Government of India and the state governments. In the reporting year we have received three complaint of sexual harassment which is presently under investigation.

12.0
Product responsibility

We are aware of the effect of over consumption and misuse of our products like several other products in the market, which may lead to negative impacts on our consumers. Our responsibility during brewing, manufacturing, and selling our product also lies in raising awareness and spreading information of the ill-effects of overconsumption of our product and alcohol abuse. Product responsibility as a business lies greatly in ensuring the safe, controlled, and smart consumption of our product, a culture which we have been introducing over the past few years to encourage and promote smart and responsible drinking[1]. For decades we have been the providers of memorable good times, and we strive to continue to do so by providing a safe and enjoyable experience for our consumers.

Compared to a global average per capita consumption of around 30 liters, India only accounts for 2 liters of beer consumption. However, with changing trends in culture, increasing growth in the beer market driven by preferences of the youth and a rise in the culture of social drinking at clubs and bars promises a growth in demand for our product. With this increasing growth in demand, we are geared to shoulder the responsibilities tied to it. As a market leader in the industry, we have ensured that we have taken necessary precautionary steps through various initiatives as a part of our marketing and product labelling strategy and campaigns to promote responsible drinking for safeguarding the health of our consumers. To ensure safe consumption of our brews across our large consumer base, we are prioritizing responsible consumption as one of our major focus, intertwined with our business strategy and sustainability goal. We have conducted educational and enforcement campaigns with our implementation partners – non-profit organizations and public authorities.

We endeavor to align our strategy and goals to the Global Smart Drinking Goals Initiative in the coming years as the next step forward to ensure a comprehensive approach towards a marketing intervention as a responsible corporate[2].

We are completely against the sale of our product towards minor individuals of our society, but there is a limited amount of control and regulation that we can exercise as manufacturers on the retail of our products. Keeping this in mind we are supportive of laws and regulations in line with ensuring that our products are not purchased illegally to the young adults. We maintain our stand on full compliance with all environmental laws and regulations to ensure that all our operations are environmentally safe and have minimal to zero negative impacts on the environment. In the year FY2020-21, we have not encountered any issues during period of reporting, however as and when the statutory agencies/bodies suggest for any improvements/ compliances the same is immediately addressed.

1 GRI 103-1 Explanation of the material topic and its Boundary
2 GRI 103-2 Management approach and its components

12.1 Product quality and safety

As manufacturers of beer, it is our primary responsibility to ensure that maintain and uphold our value proposition while delivering high-quality and safely brewed products to our consumers. Our high-quality brews require safeguarding in terms of high compliance in brewing processes and following to the recipe right down to every grain of raw material that goes into preparing our varieties. In doing so, we uphold the trust our consumers have in us, along with our promise to ensure highest quality beer that has been brewed with maximum safety. Maintain product quality and safety extends encompasses activities that are a part of our manufacturing process while ensuring high quality check and process management, while informing our consumers of the effect of consumption of our product to raise awareness on safety and health[3].

We endeavor to keep improving our product quality and safety check mechanisms which are currently in place to assess risks, monitor performance of our processes internally throughout our manufacturing units, and in maintaining and upkeep of our equipment to ensure best quality processes throughout our manufacturing line. We make sure that we follow stringent processes internally so that we minimize the loss in brewing and wastage of resources. We maintain records of our quality incidents and losses to minimize the impact in the future and to prepare for possible risks to our quality systems[4]. We have internal procedures of maintaining a check on our quality processes and systems with respect to our manufacturing processes, and labelling practices to keep a record of our process functioning and incidents, to strengthening our capacity to maintain highest product quality while managing our accidents and risks[5].

12.2 Product labelling

We address product labelling with utmost diligence and care, to ensure that our consumers are well informed of all the aspects related to our product. We provide all the essential information and means that would enable our consumers to make a safe and rational choice before consumption of all our products. For UBL, product labelling is the primary form of communication through which we can connect and spread adequate awareness and information related to our product to our consumers across the globe. Since our product is a consumable, our main concern lies in retrieving the bottles after consumption to minimize the environmental impact caused. We achieve this by using reusing bottles to minimize the creation of more waste in production of new bottles. Given our widespread consumer base, we strive to create informational yet brief labelling to cover all necessary information while safeguarding the interests of our business and our consumers, to minimize the negative impacts of our product on society, and to cultivate a culture of safe and responsible drinking. We communicate details of the ingredients, the side-effects, percentage of alcohol content, means for disposal and usage of the products for all brands[6].

3 GRI 103-1 Explanation of the material topic and its Boundary
4 GRI 103-2 The management approach and its components
5 GRI 103-3 Evaluation of the management approach
6 GRI 417-1 Requirements for product and service information and labeling




LIFTER UNIT
CAUTION

We are strictly governed by the Fair packaging and labeling act for labelling and consumer information, for which we have formulated our policy on commercial communications to ensure compliance with the requirements, applicable across all our operational locations. Advertising and marketing our product responsibly are of utmost importance to ensure that we do not encourage any kind of inappropriate behavior after consumption of our product, nor is it directed to the youth under the legal drinking age. We wish to spread a social message of good times, togetherness, and joy through our products, and we strongly advice against any unlawful and illegal sale and overconsumption or abuse of our products. This awareness extends across all our branding and communication practices such as promotions, advertising, sponsorship, website contents, relationship marketing, consumer public relations, packaging, and labelling claims. While we have ensured to keep up with our standards of responsible marketing and advertising to avoid any situations or indications towards illegal or unlawful consumption of our product, there has been an incident of where the Advertisement Standards Council of India had raised four objections towards brand advertisements on social media/ television. Objections raised were on the lines of not meeting certain criteria laid down the council, among others. We ensured that due responses were provided along with detailed explanations and reasonings even during personal hearings[7].

Labelling on all products strictly adheres to including responsible drinking advising against drinking and driving, legal drinking age, impacts of consumption and side effects of overconsumption, health aspects, ingredients, alcohol content, and license information. We observe the labelling requirements of Food Safety and Standards (Packaging and Labelling) Regulations, 2011. We have been extremely aware of our compliance in terms of our product labelling and communications herewith with absolutely zero occurrence of non-compliance concerning our product and labelling in FY2020-21. While in FY2021-22, we have 01 occurrence of non-compliance concerning our product and labelling[8]. Despite of our best efforts to abide by all the regulations regarding product labelling, in the reporting year we have received 4 complaints, which have been duly resolved.

12.3 Consumer Health and Safety

Consumer trends and surveys have indicated towards consumer's wanting complete transparency and honesty when it comes to consumables, especially products of alcoholic nature. For UBL, producing beer has been a passion and our heritage stands for pure quality and exceptional taste.

Our brands are formulated keeping in mind trends in consumption and preferences of consumers that we can capture through surveys and sales. Each of our brands has a distinctive taste and vigor, and all our brands are produced, tested, and manufactured in advanced laboratories, with usage of most apt technologies to suit the specific requirements of each recipe of our exquisite brews. We direct our focus towards our ingredients and materials, ensuring that we source the highest and safest quality of produce for our brews. Our compliance monitoring systems are set in a periodic evaluation system to comply with standards in manufacturing and distribution of our products. Periodic monitoring and analysis enable us to maintain our standard of quality and manufacturing in line with internal and customer expectations in the wide beverage market. We also conduct periodic assessments of the food safety risks starting at our procurement practices right till our packaging

7 GRI 417-3 Incidents of non-compliance concerning marketing communications

8 GRI 417-2 Incidents of non-compliance concerning product and service information and labeling, SASB FB-AB-270a.2

process. We ensure that all our active operations are compliant with Food Safety and Standards (Alcoholic Beverages Standards) Regulation, 2018. We also go above and beyond to mitigate the risks in maintaining food safety through various control and preventive measures. All our manufacturing facilities have been audited and certified to ISO 22000:2005 (Food Safety Management System) standard[9].

Our strong and efficient governance systems enable us to preserve and enhance our consistency in terms of safety and quality, with highest compliance to applicable guidelines and standards. We ensure that all our employees and staff follow and abide by our stringent policies in place to avoid mishaps, facilitated through our integrated quality management program. This measures operations and maintains uniformity across all locations against the global standards for manufacturing and distribution of our product.

We strive to work towards enhancing our brews, and in meeting and exceeding our customer expectations. Our quality policy assists us in staying at the top of the charts in our quality management systems and customer satisfaction. We are compliant with ISO 9001:2015 which establishes our ability to meet and exceed customer requirements to enhance their experience, while ensuring best practices in meeting our statutory and regulatory requirements. In FY 21,155 customer complaints were received which have been satisfactorily resolved. In FY 21 one consumer case was filed which is pending in consumer forum. Overall there are 36 consumer cases pending in various consumer courts. During the year FY21 and FY 22 we are not subject to any regulatory actions or voluntary codes with respect to health and safety of our products[10].

We also guarantee that during all consumer surveys and interactions that we organize, we maintain highest level of confidentiality to build and maintain our value of integrity with our consumers. Since in today's technologically driven age, consumer data protection and privacy are of utmost importance to all businesses, we also ensure that our consumers are engaged in an effective yet secure manner.

9 GRI 416-1 Assessment of the health and safety impacts of product and service categories
10 GRI 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services



13.0
Product Innovation

Innovation is our way of doing business. It helps us to navigate through the highly competitive market and regulatory challenges and retain our dominance as a market leader in beer segment. We also innovate in our digital capability as a part of enhancing our process efficiency as well as learning and development. Our constant innovation in processes and products has helped us achieving higher material efficiency thereby saving on input cost. This is not only enabling us to reduce our overall environmental footprint, but also helped us in retaining our profitability even though a significant inflation has been observed in the price of input materials. Our major focus areas through research and development are the development of two row malting variety of Barley.

We also innovated in enhancing efficiency of capturing carbon dioxide generated from the processes and using it in bottling processes. This system operates with more than 99% efficiency, thereby helping us to remove 99% of our carbon-dioxide from emitting into the environment.

Our focus lies on innovating our service and the products we serve to the consumers. As, a result of this, our latest product, Kingfisher Ultra Max is an instant market hit. We have added three innovative flavors, the Kingfisher Ultra Witbier, Kingfisher Ultra Draught and UB Export Cans to our existing product line in the reporting year.



14.0
Relationship with communities

	Our Targets	Timeline
1	We will engage annually or need basis with local communities.	Ongoing
2	We will continue implementing CSR projects based on the needs of the local communities and our strategic objectives	2025

14.1 UBL's Approach

UBL has worked towards community empowerment through various projects and activities across its area of operations. Community development initiatives are focused for communities residing around our breweries. Community development has been a long-standing commitment for UBL since inception, as we believe that our business will only thrive eternally if our community and people are flourishing[1].

14.2 UBL's Action and Future Plan

Our breweries are in regions where the local communities aren't as developed as urban localities. This gives us an opportunity to engage and involve people around our breweries by providing employment, extending our resources, and building capacities by providing necessities across villages and towns. We are on a mission to build a more inclusive society and community, and we are now committed to integrate our vision and planning into action! This decade and the coming years hold a promise that we intend on fulfilling to our best possible extent.

Water being an absolute necessity for our business and for our communities, remains a primary focus area to divert our intent and action. Judicious usage of water is the topmost priority at UBL, and while doing so we also understand our responsibility to invest towards water stewardship to reduce the stress on water resources in our areas of operation.

Education is the key to world of opportunities and experiences, and we wish to open those doors to as many children and youth as possible. For the same, we have partnered with various organizations to maximize our capacity building and education for children in rural regions where our breweries are located[2].

14.3 The importance of our local communities

Our aim is to become an efficient water positive business not limited to ourselves but extending towards the community. Our projects are initiated in a phased manner to understand the local needs through partnerships with international and national

1 GRI 103-1 Explanation of the material topic and its Boundary
2 GRI 103-2 The management approach and its components

NGOs to maximize efficient implementation of our water ambition.

Our belief lies in community involvement and engagement to understand their specific requirements across all our operational sites and locations. With the help of our partners, we have identified that water scarcity, education and responsible consumption of our products are high priority areas towards which we can extend our support to the local communities. Our initiatives have been structured according to the local requirements of the people across all locations and our projects are molded to accomplish our community-based needs.

As per our identified high priority areas, we have implemented several projects towards water stewardship, community development and responsible consumption of alcohol.

Water stewardship for us is identified with an aim to become a water neutral organization by 2030. At UBL we believe in implementing best practices across our locations towards sustainable management of water resources. Focused water conservation and increased accessibility to safe drinking water are other initiatives towards our water neutrality vision. UBL has always stood for thorough research and innovation and we aim to implement a similar approach towards our water stewardship to gain a holistic understanding of water-related risks at the ground level and the adversity our communities are faced with.

Our next generation will determine the future of our business and our planet, and we believe that facilitating primary education for them is of utmost necessity especially around our area of operations. Our community development programme focuses on this very aspect towards which we have initiated several projects for school construction, renovations and refurbishments, infrastructure development, mid-day meal programme, model safe schools and quality education programs along with access to educational aid and clean drinking water for children across our operational locations.

Our initiatives towards responsible consumption are mainly targeted to ensure that our patrons are aware of our product and its usage.

Our actions aligned to our values and beliefs:

We carry the weight of our global brand recognition on our shoulders, to uphold the integrity and excellence that we are renowned for. We stand responsible for the impact of our business on the society, and we can vouch for our efficient policies and strategies to commit towards raising the bar with our CSR initiatives and their implementation.

Our CSR policy has clearly mentioned our outlook and vision towards our initiatives towards building a better society. All our CSR activities are based on an annual assessment to address the needs of the local community. We have a structured CSR Committee to ensure timely and efficient delivery of our initiatives and to create a driving force across all our breweries and operations to work towards a better, healthier society. Members of our CSR Committee are:

Sl. No	Name	Designation
1	Mr. Stephan Gerlich	Chairman
2	Mr. Rishi Pardal	Member
3	Mr. Berend Odink	Member
4	Mr. Christiaan A J Van Steenbergen	Member
5	Ms. Kiran Mazumdar Shaw	Member



Our CSR programme and activities

Our CSR policy and action plans are grounded in the core belief of community driven programs. Increasing consumption has led to overexploitation, which in turn has led to a scarcity for communities which are unable to received access to necessities of water, shelter, and education. Our impact through our CSR programs must rise above and beyond to successfully implement a larger positive effect outweighing the negative effects caused by our business operations. Through our efficient partnerships with ASSIST, Akshaya Patra Foundation, Dilasa Janvikas Pratishthan, Sir Syed Trust, The Energy & Resources Institute (TERI), United Way of Bengaluru and Sambhav Foundation, we are enabled to design and structure a local needs-based plan across our operational locations to ensure measurable impacts with key performance indicators to provide the best support and technology to our communities. This also provides an efficient system of monitoring, tracking, and implementing projects for maximum positive impact and best in practice sustainable solutions to community issues.

14.4 CSR Policy and framework

UBL and our employees are all passionate towards our initiatives to uphold our responsibility towards our society. With ever-changing times and needs of the community, we have ensured that our CSR policy and initiatives are essentially adaptable and dynamic in nature. Our goal is to remain forward looking while we implement all our programs and to maintain high quality of social and environmental development and progress for sustenance of communities and thus our business. Our policy ensures that all our projects are implemented only based on a thorough in-depth assessment of the community requirements to cater to their specific needs.

14.5 CSR goal

With our business reaching new heights, our scope of expansion into larger projects and contributions to the community have increased considerably. Our goal through our CSR and Sustainability initiatives is to provide well-rounded growth for our community.

- We aim to do so by leveraging our own resources, expertise, services, and relationships for highest benefits to our communities and community partners.
- Ensuring that our decision making, and business strategy remains aligned with due consideration for the community interests in the short and long-term.
- Dynamically ensure availability and accessibility of safe drinking water and sanitation for our communities.
- Improving quality of education and accessibility to health services.
- Promote and act upon environmental sustainability with prime focus on water stewardship.
- Regularly monitor outcomes of our initiatives and publicly report on our progress in a transparent and effective manner.

14.6 CSR Focus areas and initiatives undertaken with UBL's Partners

Our implementation partners for various projects are carefully picked to accomplish our ambitious vision of empowering our local communities around our breweries and extending our support in regions apart from our operational locations as well based on the need. UBL and our partners have consistently focused upon the areas of water stewardship, education, health and sanitation and responsible consumption of alcohol.

'Integrated water resource management project with implementation partner United Way Bengaluru (UWB)

Our most extensive and dynamic project to assist the local communities across 5 villages in Nandi Gram Panchayat, Chikkaballapur District, Karnataka. Villagers across the gram panchayat have been completely dependent on the monsoon for their water requirement, thus experiencing acute shortage during low rainfall periods. The project was undertaken to combat these climate change risks through

focused intervention. A balanced and comprehensive water resource management is extremely essential to increase water independency for the local communities while restoring and preserving the existing supply of water. This ensure that our local communities had a reliable initiative with guaranteed supply of water related health and sanitation risks among the people. These included

- Installation of rooftop rainwater harvesting units to ensure supply of usable water and tackle decline in the groundwater table
- Rejuvenation of Nandi Lake through soil and water conservation activities
- Restoration of Gunduthopu – a community protected sacred grove

Our lake rejuvenation initiative along with the restoration of Gunduthopu in turn enriched the biodiversity and soil quality of the region, reviving the essence of the sacred grove to its previous glory. Rejuvenation of Nandi Lake through soil and water conservation activities helps to improve biodiversity and soil quality in the region

Our CSR Programme Snapshot[1]



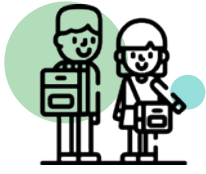
REJUVENATION OF PONDS ROOF TOP RAINWATER HARVESTING UNITS

Beneficiaries
186262



MID-DAY MEAL PROGRAMME SCHOOL REFURBISHMENTS AND RENOVATIONS

Beneficiaries
1666 Students
Across 23 Schools



MODEL SAFE SCHOOLS PRIMARY HEALTHCARE

Beneficiaries
7 Government Schools



RESPONSIBLE CONSUMPTION OF ALCOHOL" PROGRAMME FOR TRUCK DRIVERS

Beneficiaries
637 Drivers

1 GRI 413-1 Operations with local community engagement, impact assessments, and development programs, GRI 413-2 Operations with significant actual and potential negative impacts on local communities

Water Stewardship

Approximately 70% of UBL's annual CSR budget has been set aside for water rejuvenation and water conservation projects. This empowers us to diligently work towards our aspirations of becoming a water neutral organization by the year 2030. We have successfully implemented major projects for water rejuvenation across states of Tamil Nadu, Maharashtra, Karnataka, Punjab, Bihar, Odisha, Kerala and Haryana. Our well-defined goals, areas of focus and realistic targets with respective key performance indicators enable UBL to achieve successful implementation and efficiency of projects undertaken towards environmental sustainability and community support and development.

Water Conservation Project at Sangareddy district:

The project supported by United Way Bengaluru and implemented by AFPRO. We have initiated this project to ensure water security for local communities and farmers as well. The project has been started since November 2019 and will complete by October 2022. Check dams, percolation tanks and recharge shafts have been constructed to meet the requirements of the villagers.



1,39800 KL water stored/conserved



40 borewells benefited



Benefiting 6,612 families across 9 villages

Pond rejuvenation and deepening in Punjab and Rajasthan with implementation partner TERI:

The project was implemented with the help of TERI. Our CSR initiatives have successfully rejuvenated 8 ponds in the year 2019-20 in states of Punjab and Rajasthan. Community participation has been prime importance through our historical observations of successful projects with long-term benefits through community involvement. Formation of Village Development Committee (VDC) provides a platform for interactions and inputs of the local community.

Transformation of a 100-year-old pond in Ludhiana, from a waste dumping site into a healthy, functional storage structure was successfully carried out. The pond offers a groundwater recharge potential of approximately 19,51,475 KL, benefitting 13,614 people across 8 villages.

Similar restoration and rejuvenation were undertaken in Patiala district based on the discussions with panchayat members and local communities to address their need for rainwater harvesting and groundwater recharge. An estimated 171891 KL/year of recharge capacity has been created.

Haritha- Samruddhi Sustainable Livelihood in Karnataka:

The project was in partnership with United Way Bengaluru. Through climate resilient practices project, is aimed at empowering our farmers in Puduserry Gram Panchayath, Palakkad district, Kerala, in partnership with United Way Bengaluru. Our project entails the training of farmers to empower them through organic farming, to promote a means of sustainable livelihood for them.

Nutrition gardens were introduced as an innovative solution to combat food security and malnutrition. We provided families with saplings and adequate training to grow their own vegetables and sell the surplus in the market to achieve a source of nutrition for the family and added income through this project.

Education and community welfare

UBL envisions to provide quality education, food security, good health and wellbeing, and overall improvement in the quality of life for as many communities within our reach. Programs under this program are mainly directed towards upliftment of the quality of lives for the future generation of our nation. Key projects under this initiative are:



Mid-day meal programme

- Implementation partner: Akshaya Patra Foundation
- Providing nutritious, hygeinic and fresh food for
- 1666 students across 23 schools in Mangalore



School renovation & refurbishment

- Implementation partner: Dilasa Janvikas Pratishthan & United Way Bengaluru
- Renovation of multiple schools and reconstruction to provide safe environment for children
- Across Maharashtra, Karnatak and Bihar



Model safe school programme

- Implementation partner: Inchara Foundation
- Across 7 governement schools
- Providing personal safety education & training, first aid, menstrual hygience and fire safety workshops
- Provided 'Deskit' for students to faciliate infrastructural facility at school or home for writing



Primary healthcare

- Ensure adequate medical facilities across rural areas
- Raise awareness for healthcare and
- Set up primary healthcare centres and camps
- Provide medicines, & employment of full time nurses
- Provide consultation services for local communities

Responsible Consumption of Alcohol

SASB FB-AB-270a.4 Description of efforts to promote responsible consumption of alcohol

	Our Targets	Timeline
1	In addition to current portfolio Kingfisher 0.0 will be launched	2023
2	Clear and transparent information to consumers as per stringent regulatory norms for all our products	Ongoing
3	10% of media budget of Heineken brand will be spend on responsible consumption campaign.	2023

Project related to responsible consumption of alcohol

Projects	Location	Implementation Partner
Sensitization workshops on Responsible Drinking	Khurda, Odisha, Kalyani, West Bengal Dharuhera, Haryana	Sambhav Foundation

Our increasing knowledge of the market trends have empowered us to ensure that we work towards providing exceptional good times while keeping in mind the safety and well-being of our consumers. UBL is well-aware of the impact and consequence of overconsumption of our product, which has created a sense of responsibility that we extend towards our consumers and our supply chain as well. We are working extensively towards providing a safe experience to all our consumers to ensure market leadership while maintaining reputable relations with regulators. Reaching a considerably large population of our consumers personally is next to impossible, and thus we aim to achieve the same through our effective packaging and labelling, our smart marketing initiatives and our campaigns for our truck drivers who are the essential piece in our supply chain. We believe that sensitization and awareness need to be raised as a part of our social outreach, to ensure that cases of drinking and driving are minimized in our country. We undertake campaigns, responsible marketing, and cautious labelling to declare the downside of reckless consumption of our product.



Building awareness through our Responsible Drinking Campaign



Conducted across 4 breweries in Karnataka and Telangana



Participation and involvement of 637 truck drivers – to build awareness and sensitivity

Targeting festive seasons for promoting and marketing our responsible consumption initiatives fits the best in our strategy to reach a larger audience and capture our consumers' attention. To sustain and build an Alco-beverage industry without endorsing our responsible consumption agenda would hamper our market presence and the confidence of our regulators in our business strategy. We endeavor to incorporate global scale campaigns and drives to ensure that our message reaches far and wide.

14.7 Impact and need assessment of the activities1

Our resourceful and highly skilled partners and associates for our CSR activities ensure that all initiatives, projects, programs, and campaigns are structured based on a need assessment. UBL has also undertaken an essential activity in partnership with Sattva Consulting, to evaluate and maintain a record of all CSR initiatives and to explore higher efficiency in project planning and implementation.

We sanctioned an independent, technical assessment and study to evaluate all impact-based CSR activities by UBL and reported on the same through our Impact Evaluation Report of United Breweries Ltd. CSR Programs, available on our website under our CSR section.

1 GRI 103-3 Evaluation of the management approach

Total CSR investment made by UBL in FY2020-21 (against ongoing projects)

Sl. No	Name of the project	Item from list of activities in schedule VII to the Companies Act 2013	Location of project	Project duration (in months)	Amount allocated for project (in million)	Amount spent (in million) in current FY (FY2020-21)	Implementation Partner
1	Sustainable Livelihood through climate resilient practices	Ensuring environmental sustainability, conservation of natural resources maintaining quality of soil, air and water	Palakkad, Kerala	25	15.59	15.59	United Way of Bengaluru
2	Water Conservation In Telangana, Karnataka		Sangareddy, Bangalore Rural, Telangana, Karnataka	30	23.77	23.77	Action for Food Production
3	Water Conservation		Alwar, Rajasthan	24	4.00	4.00	SM Sehgal Foundation
4	Water Conservation		Rewari, Haryana	24	20.30	20.30	Akhil Bhartiya Gramin Utthan Samiti
5	Water Conservation		Ludhiana, Punjab	36	13.05	13.05	Action for Food Production
6	Project Oxygen Hub-Tree plantation through Miyawaki Method	Ensuring environmental sustainability, ecological balance, and protection of flora and fauna	Aurangabad, Maharashtra	30	1.76	1.76	Prayas Youth Foundation

7	Ganitha Kalika Andolan	Promotion of education	Mysore, Karnataka	10	4.77	4.77	Akshara Foundation
8	Rajasthan School adoption Project	Promotion of education	Alwar, Rajasthan	21	1.70	1.70	Sir Syed Trust
	Total				84.94	84.94	

Total CSR investment made by UBL in FY2020-21
(Other than ongoing projects)

Sl. No.	Name of the project	Item from list of activities in schedule VII to the Companies Act 2013	Location of project	Amount spent (in million) in current FY (FY2020-21)	Implementation Partner (if any)
1	Participatory water conservation through rejuvenation of water bodies	Ensuring environmental sustainability, conservation of natural resources and maintaining quality of soil, air and water	Tiruvallur, Tamil Nadu	4.38	Dilasa Janvikas
2	Rejuvenation work at Nandi Lake, Nandi Village and Restoration of Kalyani and Gunduthopu at Sultanpet		Chikkaballapur	4.69	United Way of Bengaluru
3	Integrated Water Resource Development Project		Aurangabad, Maharashtra	3.46	Dilasa Janvikas
4	Nutrition Programme	Eradicating hunger, poverty and malnutrition	Mangalore, Karnataka	2.01	Akshaya Patra Foundation
5	Amphan Disaster Relief	Disaster management, including relief, rehabilitation and reconstruction activities	South 24 Parganas, West Bengal	5	Inclusive India Foundation
6	Need Assessment	Need assessment of water projects	Nadia, West Bengal	0.53	Soulace Consulting Pvt Ltd
7	Monitoring & Evaluation	Project Monitoring	Across India	0.42	Nextgen Project Management Services Pvt Ltd
8	Monitoring & Evaluation	Project Monitoring	Across India	1.42	Soulace Consulting Pvt Ltd
9	Covid relief	Promotion of healthcare including preventive healthcare and disaster management	Punjab, Haryana, Rajasthan, West Bengal, Odisha, Maharashtra, Karnataka, Telangana, Tamil Nadu, Kerala.	11.49	
10	Education	Promotion of education	Punjab, Haryana, Rajasthan, West Bengal, Bihar, Karnataka, Tamil Nadu, Andhra Pradesh, Telangana, Maharashtra, Odisha, Goa	12.37	

11	Native Tree Plantation	Ensuring Environmental Sustainability, ecological balance, and protection of flora and fauna	Aurangabad, Maharashtra	0.3	
12	Water	Maintaining quality of water, preventive healthcare	Patna, Bihar; Palakkad, Kerala; Medak Telangana	1.67	
	Total			47.74	

15.0
Economic performance

The financial year of FY2020-21 has been gravely impacted due to the Covid-19 impacts on a global scale. The company was faced with institutional challenges such as unforeseen lockdowns, additional taxation being levied by various states related to the pandemic, untimely and prolonged closure across various trade channels and several restrictions on opening and operational hours. Due to a rise in the pandemic, retail activities were shut down from March 23, 2020 leading to a significant drop in sales of our product.

During FY2020-21, our sales volume declined by 38% due to the prevailing Covid induced depression in market conditions. Our net profit ratio decreased from 2.92% in 2019-20 to 1.11% in FY2020-21, mainly due to reduction observed in volumes. Return on Net worth decreased from 12% in 2019-20 to 3% in FY2020-21.

FFor FY2021-22 , our sales volume increased by 33%. Net profit ratio increased to 2.78%. Return on Net worth increased to 10%

Our profit before taxes had declined from INR 5674.2 Mio INR in FY2019-20 to INR 1679.6 Mio INR in FY2020-21 while profit before taxes for FY2021-22 increased to 4928.9 Mio INR. We have witnessed a decreasing operating profit in the reporting year due to slowing topline volume. Our net cashflow from operating activities stood at INR 6190 Mio INR in the FY2020-21 and 8990 Mio INR in FY2021-22.

We recognize that the pillar of our stellar growth journey is the hard work and perseverance of our employees. As a gratitude, we always strive to take care of the wellbeing of our employees. Retirement benefits in the form of provident fund is a structure contribution scheme, payable by the Company to the provident fund contribution, apart from which the Company holds no other obligation. Under the provident fund benefit plan, the Company contributes towards the provident fund trust which holds a guarantee of specified rate of return on the contributions as defined by the Government notification. Our gratuity fund is managed by external agencies. Superannuation fund trust has also been established by UBL to which contributions are made each month, based on the services provided by the employee. Our employee obligations during the reporting period stood at INR

1020 Mio INR[1]. Our contribution towards employee salary and various employee benefits has witnessed an increasing trend in the reporting year as compared to the previous reporting year.

1 GRI 201-3 Defined benefit plan obligations and other retirement plans

Employee benefit contribution

GRI 201-1 Direct economic value generated and distributed

	FY2020-21 Mio INR	FY2021-22 Mio INR
Salaries, wages and bonus	4213.5	4629.3
Gratuity expense	1067	86
Contribution to provident and other funds	2250	183.5
Staff welfare expenses	2777	294.8

Taxation, for us, is an effective way of wealth distribution to those communities whom we are unable to cater directly due to our operational challenges. As an enterprise practicing ethical governance, we believe and practice transparent taxation.

Our tax contribution

	FY2020-21	FY2021-22
Current tax	6779	1321
Deferred tax (credit)	-1221	-37
Total tax expense	5558	1284

(All amounts in Indian Rupees Lakhs, except as otherwise stated).

Climate change and the impacts are increasing globally at an alarming pace. The company is exposed to climate change risks and vulnerabilities as our raw material is directly obtained from nature. Water is highly vulnerable to the impacts of climate change with erratic monsoons and increasing scarcity of freshwater sources due to exploitation, poor infrastructure and governance. Increasing pressure on water has also caused a hike in the price of water due to high demand and unavailability thus posing a financial risk in terms of acquiring continuous supply of water. Agriculture is mainly dependent on the climate conditions of a region and is thus in the forefront of the impacts due to climate change. Loss of agriculture due to irregular rainfall, inadequate sources of water and increasing pressure on the farmer community has led to increasing financial risks for the farmers as well the business in terms of sourcing the raw material. This also provides an opportunity for us to explore and dive into research focused on smart agriculture and water conservation and restoration. Increasing pressure on our natural resources has driven us to innovate newer methods and technology to ensure a smooth, risk proof supply of our raw materials. We have incorporated several measures to mitigate the impacts of

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climate change across our breweries and communities and will continue to do so to combat climate change[1].

Government grants are accepted and recognized only in situations where there is a rational assurance that the grant shall be received along with compliance of all attached conditions. In relation to an asset availed through a grant, it is recognized as the income in equal amount over the expected lifespan of the related asset.

15.1 Financial Growth

The Company's contribution towards development projects i.e., water, disaster relief and other community initiatives during FY2020- 21 was Rs.138.3 Mio INR and FY2021-22 was 108.6Mio INR.

Our company has generated a significant indirect economic impact[2] through our system of bottle collection, which supports almost 3000 suppliers of bottles. All these suppliers are dependent on the bottle supply in the market, and we maintain an indirect impact on their growth through our consistent and never-ending need for bottles for our product.

15.2 Outlook for growth

We intend to enhance our product-line though innovation thus catering to lager audience, both India and abroad. We intend to leverage and contribute to the inhouse expertise of Heineken thus augmenting our mutual growth. All our initiatives are driven to encash the young demographics and increasing disposable income in India, taking cognizance of the statistics published by the United Nations, Department of Economic and Social Affairs, thus contributing to 'brewing good times'.

We intend to further increase and strengthen our CSR engagement to empower the lower echelon of the society. Our alignment with Heineken's APAC strategy is indicative of our commitment towards enhancing our environmental performance and governance system. We also intend to fine-tune our supply-chain, which is crucial in adequately catering to consumer demand. All our initiatives will be working towards ensuring accelerated and sustained growth.

1 GRI 201-2 Financial implications and other risks and opportunities due to climate change

2 GRI 203-2 Significant indirect economic impacts

16.0
Disclosure mapping table

GRI Index

General Standard Disclosures			
GRI Standard	**GRI Standard**	**Disclosure description**	**Name of chapter**
GRI 102 - General Disclosures 2016			
Organizational profile	102-1	Name of organization	2.0 Report overview
	102-2	Activities, brands, products, and services	2.0 Report overview
	102-3	Location of headquarters	2.0 Report overview
	102-4	Location of operations	2.0 Report overview
	102-5	Ownership and legal form	2.0 Report overview
	102-6	Markets served	4.0 Brewing good times
	102-7	Scale of the organization	4.0 Brewing good times
	102-8	Information on employees and other workers	4.0 Brewing good times
	102-9	Supply chain	10.1. Supply chain sustainability
	102-10	Significant changes to the organization and its supply chain	We have been acquired by Heineken Group during the reporting period
	102-11	Precautionary Principle/Approach	5.3.6 Risk management committee
	102-12	External initiatives	Leading by example
	102-13	Membership of associations	Leading by example
Strategy	102-14	Statement from senior decision-maker	1.0 Leadership speaks
	102-15	Key impacts, risks and opportunities	Not reported
Ethics and Integrity	102-16	Values, principles, standards, and norms of behavior	4.1 Values & Missions

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Governance Structure	102-18	Governance structure	5.3 Board of directors
	102-21	Consulting stakeholders on economic, environmental and social topics	7.0 Stakeholder engagement
	102-22	Composition of the highest governance body and its committees	5.2 Governance structure
	102-23	Chair of the highest governance body	5.2 Governance structure
	102-24	Nominating and selecting the highest governance body	5.3.10 Assessment of the board
	102-26	Role of highest governance body in setting purpose, values, and strategy	5.3 Board of directors
	102-28	Evaluating the highest governance body's performance	5.2 Governance structure
	102-29	Identifying and managing economic, environmental, and social impacts	5.3 Governance structure
	102-30	Effectiveness of risk management processes	5.3 Governance structure
	102-31	Review of economic, environmental, and social topics	5.4 Legal compliance monitoring system
	102-35	Remuneration policies	Not reported
	102-38	Annual total compensation ratio	5.3 Governance structure
Stakeholder Engagement	102-40	List of stakeholder groups	7.0 Stakeholder engagement
	102-41	Collective bargaining agreements	11.4.2 Freedom of Association and collective bargaining
	102-42	Identifying and selecting stakeholders	7.0 Stakeholder engagement
	102-43	Approach to stakeholder engagement	7.0 Stakeholder engagement
	102-44	Key topics and concerns raised	8.0 Materiality assessment
Reporting Practice	102-45	Entities included in the consolidated financial statements	Refer our annual report for the report periods
	102-46	Defining report content and topic Boundaries	8.0 Materiality assessment
	102-47	List of material topics	8.0 Materiality assessment
	102-48	Restatements of information	No restatements in the current report
	102-49	Changes in reporting	2.4 Report communication
	102-50	Reporting period	2.3 Report data
	102-51	Date of most recent report	2.3 Report data
	102-52	Reporting cycle	Report data
	102-53	Contact point for questions regarding the report	Report overview
	102-54	Claims of reporting in accordance with the GRI Standards	Report overview
	102-55	GRI content index	Disclosure mapping table

Topic Specific Standard Disclosures			
	GRI Standard	Disclosure description	Name of chapter
GRI 300 Environmental			
GRI 301: Materials	301-1	Materials used by weight or volume	10.2 Responsible material consumption
	301-2	Recycled input materials used	10.2 Responsible material consumption
	301-3	Reclaimed products and their packaging materials	10.2 Responsible material consumption
GRI 302: Energy	302-1	Energy consumption within the organization	10.5 Energy management
	302-3	Energy intensity	10.5 Energy management
	302-4	Reduction of energy consumption	10.5 Energy management
GRI 303: Water and Effluents	303-1	Interactions with water as a shared resource	10.4 Water management
	303-3	Water withdrawal	10.4 Water management
	303-4	Water discharge	10.4 Water management
GRI 304: Biodiversity	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	10.6 Biodiversity
	304-2	Significant impacts of activities, products, and services on biodiversity	10.6 Biodiversity
	304-3	Habitats protected or restored	10.6 Biodiversity
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	10.6 Biodiversity
GRI 305: Emissions	305-1	Direct (Scope 1) GHG emissions	10.5 GHG Emission
	305-2	Energy indirect (Scope 2) GHG emissions	10.5 GHG Emission
	305-4	GHG emissions intensity	10.5 GHG Emission
	305-5	Reduction of GHG emissions	10.5 GHG Emission
	305-6	Emissions of ozone-depleting substances (ODS)	10.5 GHG Emission
	305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	10.5 GHG Emission

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GRI 306: Waste	306-1	Water discharge by quality and destination/ Waste generation and significant waste related impact	10.4 Waste management
	306-2	Management of significant waste-related impacts	10.4 Waste management
	306-3	Waste generated	10.4 Waste management
	306-4	Waste diverted from disposal	10.4 Waste management
	306-5	Waste directed to disposal	10.4 Waste management
GRI 307: Environmental Compliance	307-1	Non-compliance with environmental laws and regulations	10.0 Our commitment towards a healthier planet

Topic Specific Standard Disclosures			
	GRI Standard	**Disclosure description**	**Name of chapter**
GRI Social Disclosures			
GRI 402: Labor/ Management Relations	402-1	Minimum notice periods regarding operational changes	11.2 Workforce management
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time emplyees	11.1 Employee health and safety
	401-3	Parental leave	11.2 Workforce management
GRI 402: Labor/ Management Relations	402-1	Minimum notice periods regarding operational changes	Not reported
	403-5	Worker training on occupational health and safety	11.1 Employee health and safety
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	11.1 Employee health and safety
	403-8	Workers covered by an occupational health and safety management system	11.1 Employee health and safety
	403-9	Work-related injuries	11.1 Employee health and safety
	403-10	Work-related ill health	11.1 Employee health and safety
GRI 404: Training and Education	404-1	Average hours of training per year per employee	Not reported
	404-2	Programs for upgrading employee skills and transition assistance programs	11.3 Skill development at UBL
	404-3	Percentage of employees receiving regular performance and career development reviews	11.2 Workforce management
GRI 405 Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	Not reported
	405-2	Ratio of basic salary and remuneration of women to men	11.3 Skill development at UBL
GRI 406: Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	11.3 Skill development at UBL
GRI 408: Child Labor	408-1	Operations and suppliers at significant risk for incidents of child labor	11.4 Human rights
GRI 409: Forced or Compulsory Labor	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	11.4 Human rights

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GRI 410: Security Practices	410-1	Security personnel trained in human rights policies or procedures	11.4 Human rights
GRI 412: Human Rights Assessment	412-1	Operations that have been subject to human rights reviews	11.4 Human rights
	412-2	Employee training on human rights policies or procedures	11.4 Human rights
	412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	11.4 Human rights
GRI 413: Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs	14.0 Relationship with communities
	413-2	Operations with significant actual and potential negative impacts on local communities	14.0 Relationship with communities
GRI 414: Supplier Social Assessment	414-1	New suppliers that were screened using social criteria	Not reported
GRI 416: Customer Health and Safety	416-1	Assessment of the health and safety impacts of product and service categories	12.3 Consumer health and safety
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	12.3 Consumer health and safety
GRI 417: Marketing and Labeling	417-1	Requirements for product and service information and labeling	12.2 Product labelling
	417-2	Incidents of non-compliance concerning product and service information and labeling	12.2 Product labelling
	417-3	Incidents of non-compliance concerning marketing communications	12.2 Product labelling
GRI 418: Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	5.4 Legal compliance monitoring system
GRI 419: Socioeconomic Compliance	419-1	Non-compliance with laws and regulations in the social and economic area	5.4 Legal compliance monitoring system

Topic Specific Standard Disclosures			
GRI Standard	**GRI Standard**	**Disclosure description**	**Name of chapter**
GRI Economic Disclosures			
GRI 201: Economic Performance	201-1	Direct economic value generated and distributed	15.0 Economic Performance
	201-2	Financial implications and other risks and opportunities due to climate change	15.0 Economic Performance
	201-3	Defined benefit plan obligations and other retirement plans	15.0 Economic Performance
GRI 204: Procurement Practices	204-1	Proportion of spending on local suppliers	10.1 Supply chain sustainability
GRI 205: Anti-Corruption	205-1	Operations assessed for risks related to corruption	15.1 Financial Growth
	205-2	Communication and training about anti-corruption policies and procedures	5.3.11 Our ethos
	205-3	Confirmed incidents of corruption and actions taken	5.3.11 Our ethos
GRI 206: Anti-Competitive Behaviour	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	5.4 Legal compliance monitoring system

SASB Index

Sustainability Disclosure topics and Accounting Metrics				
SASB Topic	**SASB Code**	**Accounting Metric**	**Category**	**Name of chapter**
Energy Management	FB-AB-130a.1	1) Total energy consumed	Quantitative	10.5 Energy management
		2) percentage grid electricity		10.5 Energy management
		3) percentage renewable		10.5 Energy management
Water Management	FB-AB-140a.1	1) Total water withdrawn	Quantitative	10.3 Water management
		2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress		10.3 Water management
	FB-AB-140a.2	Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion & Analysis	10.3 Water management

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Responsible Drinking & Marketing	FB-AB-270a.2	Number of incidents of non-compliance with industry or regulatory labeling and/or marketing codes	Quantitative	12.2 Product labelling
	FB-AB-270a.4	Description of efforts to promote responsible consumption of alcohol	Discussion & Analysis	14.6.4 Responsible consumption of alcohol
Packaging Lifecycle Management	FB-AB-410a.1	1) Total weight of packaging	Quantitative	10.2 Responsible material consumption
		2) percentage made from recycled and/or renewable materials		
		3) percentage that is recyclable, reusable, and/or compostable		
	FB-AB-410a.2	Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle	Discussion and Analysis	10.4 Waste management
Environmental & Social Impacts of Ingredient Supply Chain	FB-AB-430a.1	Suppliers' social and environmental responsibility audit 1) non-conformance rate and 2) associated corrective action rate for (a) major and (b) minor non-conformances	Quantitative	10.1 Supply chain sustainability
Ingredient Sourcing	FB-AB-440a.2	List of priority beverage ingredients and description of sourcing risks due to environmental and social considerations	Discussion and Analysis	10.2 Responsible material consumption

Activity Metrics			
Activity Metric	**SASB Code**	**Category**	**Blueprint chapter**
Volume of products sold	FB-AB-000.A	Quantitative	4.0 Brewing good times
Number of production facilities	FB-AB-000.B	Quantitative	4.0 Brewing good times
Total fleet road miles traveled	FB-AB-000.C	Quantitative	4.0 Brewing good times

17.0 Abbreviations

AIBA: All-India Brewers' Association
AM – Autonomous Management
BPO: Business Process Optimisation
CCI: Competition Commission of India
CII: Confederation of Indian Industry
CAGR: Compounded Annual Growth Rate
COSO: The Committee of Sponsoring Organizations
CSR: Corporate Social Responsibility
DCS: Daily Control System
E2E: End To End
EHS: Employee Health and Safety
ETP: Effluent Treatment Plant
GRI: Global Reporting Initiative
HSE: Health Safety and Environment
HSD: High Speed Diesel
ICC: Internal Complaints Committee
ITMS: Information Technology Management System
ISO: International Standards Organization
LOTO: Lock Out Tag Out
L&D: Learning and Development
MOC: Management of Change
NOx: Nitric oxides
ODS: Ozone Depleting Substances
OSHAS: Occupational Health and Safety Assessment Series
PHE: Plate Heat Exhanger
PTW: Permit to Work
RO: Reverse Osmosis
SASB: Sustainability Accounting Standards Board
SEBI: Securities and Exchange Board of India
SOP: Standard Operating Procedure
SOx: Sulphur oxides
SPM: Suspended Particulate Matters
STP: Sewage Treatment Plant
TPM: Total Productive Management
TREM: Transport Emergency Cards
UBL: United Breweries Limited
UNSDGS: United Nations Sustainable Development Goals
UPS: Unified Problem Solving
VDC: Village Development Committee
VM : Visual Management
VSM: Value Stream Mapping

UNITED BREWERIES LIMITED

Board of Directors

Mr. Rishi Pardal *(Managing Director)*

Mr. Berend Odink *(Director & Chief Financial Officer)*

Mr. Christiaan A J Van Steenbergen *(Non-Executive Director)*

Mr. Jan Cornelis van der Linden (*Non-Executive Director)*

Mr. Sunil Alagh *(Independent Director)**

Ms. Kiran Mazumdar Shaw *(Independent Director)*

Mr. Madhav Bhatkuly *(Independent Director)*

Mr. Stephan Gerlich *(Independent Director)**

Ms. Geetu Gidwani Verma *(Independent Director)**

Mr. Manu Anand *(Independent Director)**

* On. April 26, 2022 Ms. Geetu Gidwani Verma and Mr. Manu Anand were appointed as Independent Directors with effect from May 29, 2022 in place of Mr. Sunil Alagh and Mr. Stephan Gerlich who resigned voluntarily from their position as Board Members with effect from June 13, 2022.

Senior Leadership Team

Mr. Kiran Kumar *(Chief Sales Officer)*

Ms. Kavita Singh *(Chief Human Resource Officer)*

Mr. Shalabh Seth *(Chief Supply Chain Officer)*

Mr. Debabrata Mukherjee *(Chief Marketing Officer)*

Ms. Shelly Kohli (*Chief Legal & Compliance Officer)*

Company Secretary

Mr. Govind Iyengar *(Senior Vice President - Legal & Company Secretary)*

UNITED BREWERIES LIMITED

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