

United Spirits Limited

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September 08, 2018

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

BSE Limited
(Regular Office & Corporate Relations Dept)
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai - 400 001

Sub: Disclosure under Regulation 30, read with Part A of Schedule III of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 of proceeding of 19th Annual General Meeting held on September 07, 2018

Pursuant to the requirements of Regulation 30 read with Part A of Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015, we forward herewith a copy of the Proceedings of the 19th Annual General Meeting (AGM) of the Company held on September 07, 2018. Please note that we have received the Scrutinizer's report and are filing the AGM proceedings as per afore-mentioned regulations.

Pursuant to Para 13 of SEBI circular (CIR/CFD/CMD/4/2015) dated September 09, 2015 we provide the details as follows

13.1 Date of the meeting: September 07, 2018

13.2 Brief details of items deliberated and results thereof: Please refer to the Proceedings of the AGM enclosed

13.3 Manner of approval proposed for certain items: e-voting and physical voting at the meeting venue

Voting results and scrutinizer's report have been uploaded on Stock exchange's websites separately. Kindly acknowledge the receipt and take note of the above on your record.

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


V Ramachandran
Company Secretary
Encl: a/a



UNITED SPIRITS LIMITED

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PROCEEDINGS OF THE NINETEENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF THE COMPANY HELD ON FRIDAY, SEPTEMBER 7, 2018 AT 3.30 P.M. AT THE VIVANTA BY TAJ, M G ROAD, BANGALORE - 560 001.

Present:	
MR. MAHENDRA KUMAR SHARMA	Chairman & Independent Director
MR. ANAND KRIPALU	Managing Director and Chief Executive Officer
MR. SANJEEV CHURIWALA	Executive director and chief Financial Officer
MR. V K VISWANATHAN	Independent Director and Audit Committee Chairman
DR.(MRS) INDU SHAHANI	Independent Director and Chairperson of Nomination and Remuneration Committee
MR. D SIVANANDHAN	Non-Executive independent Director and Chairman of Stakeholder Relationship and General Committee
AND	MEMBERS PRESENT IN PERSON – 234 AND
	MEMBERS THROUGH PROXY- 2

In terms of Article 132 of the Articles of Association of the Company, Mr. Mahendra Kumar Sharma, Chairman took the Chair and called the Meeting to Order after ascertaining the requisite quorum being met.

Chairman welcomed the Members and introduced the Directors/executives present *on the dais*.

He said that four of the Board members viz., Mr. John Thomas Kennedy, Mr. Randall Ingber, Mr. Vinod Rao and Mr. Rajeev Gupta had expressed their inability to attend this meeting due to their prior engagements.

Then the Chairman read his speech, which is reproduced below:

Quote

“Ladies and Gentlemen,

I extend a warm welcome to all of you at this nineteenth Annual General Meeting of your Company. Before we commence the official proceedings, I would like to speak to you on the events of the past year, the key financials of your Company, a brief update on the macro economic scenario, challenges before the



Company and the industry, some of the key highlights of the previous year and the general outlook.

On a transformational journey since the last few years, your Company is powered by the vision to become the best performing, most trusted and respected consumer goods Company in India. It has a strategic roadmap, founded on four strategic pillars, to steer its future growth trajectory. The four pillars underpinning the company's growth are:

- Drive Aggressive Market Share gain and category growth
- Unlock pricing by shaping industry evolution to celebrate responsibly
- Driving disruptive cost take outs to deliver profitable growth
- Creating a Winning organization

Your Company is the largest spirits manufacturing company in India and the second largest (by volume) globally, with a strong portfolio of trusted brands across categories. As the world's second most populous nation and fastest growing economy, the opportunity for growth in the Indian spirits market remains highly attractive. Your Company has a strong footprint with access to about 52 manufacturing facilities (including 33 TMUs) spread across majority of states and union territories in India, enabling faster turnaround of products and reduction in exposure to risks related to changes in state policy.

During the year ended March 31, 2018 while overall net sales declined by 4% mainly due to one off impact due to operating model changes as well as due to the adverse impact of highway ban, you will be glad to note that our company improved gross margin to 47.5% and profit after tax of Rs 562 crores grew 2.3 times primarily driven by initiatives to drive productivity, price increases on our products and due to operational efficiencies. The above performance coupled with stringent corporate governance, disclosure and compliance norms followed by the Company has helped in further upgradation of our long term credit rating to AA+, which will enable us to access more economical sources of debt. It is our continuous endeavour to de-leverage the Balance Sheet and reduce the overall size of the debt and to optimise finance costs through improved performance and disposal of non-core assets.

It may not be necessary for me to dwell upon the financials as we have laid them out in the financial statements included as part of the annual report.

As we look back at the last five years, I am proud to say that we have made these achievements despite multiple challenges faced by India's beverage alcohol industry. The Supreme Court's highway ban, GST implementation and the uncertainty caused by route to market changes in certain states this year, disrupted the industry. However, these big changes are now behind us, ushering in what we believe will be a more stable environment next year. The rigid limitations on pricing freedom of our products across most States continues to be a dampener on our performance even though we seek to mitigate the challenge by judicious cost control.



The overall economy appears to be positive to your Company's growth trajectory in spite of the threat of prohibition in certain states. Going by the past trends the prohibition could not survive long as the prohibition has its own ill effects on the society such as increase in consumption of illicit liquor, increase in use of drugs etc., apart from putting strain on the revenues of the State Governments. As a responsible corporate citizen your Company is promoting responsible drinking in the Society and aiding some of the NGOs who are helping in educating the younger population on responsible drinking and in de-addiction.

The foundation for the next phase of Diageo India's performance trajectory is strong. However, we still need to resolve several legacy issues to achieve our true potential, reduce our financial leverage by repaying interest bearing debt by disposal of noncore/ surplus assets. We are determined to make India the crown jewel for Diageo.

Your Company has taken various other initiatives as part of its commitment to the welfare of the society at large, even though your Company was not bound to spend under the applicable laws, as part of its Corporate Social responsibility program. I feel proud to state herein some of the initiatives taken by your Company:

1. Partnering with NDTV and Institute of Road Traffic Education to create awareness about Road Safety, drunk driving and underage drinking.
2. Training of drivers and educating them on perils of driving under the influence of alcohol in various states including Karnataka through Institute of Road Traffic Education and Ministry of Road transport and Highways, Government of India.
3. Partnering with IIT Delhi and BITS Pilani Goa on Road safety awareness amongst young students.
4. Life skills program, digital classrooms and infrastructure for schools as part of our support to the education sector.
5. Promoting sport in Karnataka by supporting Basketball Federation of India.
6. Water replenishment projects in Alwar; water and soil conservation projects in Madhya Pradesh and installation of RO water systems in Rajasthan, Madhya Pradesh and Maharashtra and
7. Women empowerment through support for Security, Health and Empowerment (SHE) Projects and training in hospitality areas in various locations.

Your Company believes in integrating its corporate social responsibility into your Company's core business to create value for society and to all our stakeholders.

On the energy front your Company expanded its footprint on green energy by expanding solar power installation in a few manufacturing facilities and moving to Bio mass based boiler fuel. In addition, your Company has significantly upgraded its manufacturing units in the past one year by taking various measures such as safety, security, health and sanitation apart from improving amenities to workers.

Your Company has also taken steps to improve the shareholders services by constantly monitoring the investor's grievances and I am happy to inform you that



the ratings given by shareholders, during the year is at 3.1 on a scale of 4. We will continue to strive to improve on a continuous basis on this parameter.

On behalf of the Board of Directors and every one of you, I take this opportunity to thank all our stakeholders-Shareholders, employees, vendors, governments, regulators, banks and communities for their continued support and encouragement.

Thank You."

Unquote

After his speech he informed the shareholders that the Registers as per the Statutory Requirements have been laid open at the Meeting.

Chairman sought the permission of the members present at the meeting as to whether the Notice convening the Meeting can be taken as read? To this the members unanimously consented.

Further the Chairman informed that in compliance with the provisions of the Companies Act, 2013 read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company had provided e-voting facility to the Members of the Company. The e-voting had commenced at 9.00 am on September 4, 2018 and had ended at 5.00 pm on September 6, 2018.

Mr. Sudhir V Hulyalkar, Company Secretary in Practice (CP-6137), was appointed as the Scrutinizer for scrutinizing the e-voting process and that he would be submitting his report after considering the results of voting at this AGM.

Further the Chairman informed the members that to enable those shareholders who did not have access to e-voting facility or who had not exercised their vote through e-voting, opportunity was being given at the meeting for them to vote through on-line facility through 'insta-poll' or in case of any technical glitch also through polling paper which will be distributed upon request to the members pursuant to Section 107 to 109 of the Companies Act, 2013 and the rules framed thereunder.

He also informed the members that passing of resolution by show of hands is not permitted under the Companies Act.

He further informed that in case voting has been done through ballot paper, the Ballot boxes will be kept in the meeting hall, if necessary, and the members could drop the duly completed polling papers in the box.

After the above explanations, the Chairman moved the following items on the Agenda as per the Notice of the Meeting.

- **Adoption of the Audited Financial Statements (including Consolidated Financial Statements) for the financial year ended March 31, 2018, and the Reports of the Directors and Auditors thereon:**
- **Appointment of a Director in place of Mr John Kennedy, who retires by rotation and being eligible, offers himself for re-appointment:**



Then the Chairman invited the comments/queries from the shareholders on the above items.

Queries were received from the following shareholders:

1. Mr Sadananda Shastry
2. Mr Ashok Chakravarty

After answering their queries, Chairman stated that there are no other items to be transacted at this meeting and requested the members who had not cast their votes through e-voting earlier to cast their vote through Insta Poll for which ipads had been kept in the hall.

Later, he called upon Mr. Sudhir V Hulyalkar, Company Secretary in Practice who had been appointed as the Scrutinizer for conducting the poll process at the meeting to supervise the voting and declare the results separately.

He further stated that the combined results of the voting (both e-voting and voting at the meeting venue) on both the resolutions will be announced within two days at the Registered Office of the Company and the results along with the Scrutinizers Report shall be placed on the website of the Company / Central Depository Services Limited and will be intimated to the stock exchanges.

After the above deliberations, he declared the meeting as closed and invited the shareholders for high tea arranged outside the meeting hall.

The Meeting Started at 3.30 pm and ended at 4.45 pm


V. Ramachandran
Company Secretary