

Registered number
06127260

United Spirits (Great Britain) Limited

Report and Accounts

31 March 2015

API Partnership Limited t/a Chandler & Georges
Chartered Accountants and Registered Auditors

75, Westow Hill
London
United Kingdom
SE19 1TX
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United Spirits (Great Britain) Limited
Report and accounts
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**United Spirits (Great Britain) Limited
Company Information**

Directors

Dr Thiruvannamalai Venkatesan Lakshmi Kanthan (resigned on 20th May 2015)
Mr Pathai Ananthasubramanian Murali (resigned on 22nd April 2015)
Mr Nandakumar Hemanth Menon

Auditors

API Partnership Limited t/a Chandler & Georges
75, Westow Hill
London
United Kingdom
SE19 1TX

Bankers

Standard Chartered Bank
1 Aldermanbury Square
London
EC2V 7SB

Registered office

c/o McClure Naismith
4th Floor Equitable House, 47 King William Street
London
EC4R 2AF

Solicitors

Herbert Smith Freehills LLP
Exchange House
Primrose Street
London
EC2A 2EG

Registered number

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United Spirits (Great Britain) Limited
Registered number: 06127260
Directors' Report

The directors present their report and accounts for the year ended 31 March 2015.

Dividends

The directors recommended that no dividend be paid (2014 : NIL).

Directors

The following persons served as directors during the year:

Dr Thiruvannamalai Venkatesan Lakshmi Kanthan
Mr Pathai Ananthasubramanian Murali
Mr Nandakumar Hemanth Menon

Dr Thiruvannamalai Venkatesan Lakshmi Kanthan resigned as a Director on 20th May 2015.
Mr Pathai Ananthasubramanian Murali resigned as a Director on 22nd April 2015.

Disclosure of information to auditors

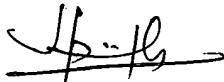
Each person who was a director at the time this report was approved confirms that:

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware; and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Strategic Report

The company has chosen in accordance with s.414C(11) Companies Act 2006 to set out in the company's strategic report information required by Schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 to be contained in the directors' report. It has done so in respect of future developments and principal risks and uncertainties.

This report was approved by the board on 22 May 2015 and signed on its behalf.



Mr Nandakumar Hemanth Menon
Director

United Spirits (Great Britain) Limited

Statement of Directors' Responsibilities

The directors are responsible for preparing the report and accounts in accordance with applicable law and regulations.

Company law requires the directors to prepare accounts for each financial year. Under that law the directors have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

United Spirits (Great Britain) Limited Strategic Report

Review of the business

The financial statements incorporating the results for the financial period to 31 March 2015 are set out on pages 6 to 14.

The loss on ordinary activities before taxation was £8,303,981 (2014 : loss of £196,754,362). The loss largely arose due to the disposal costs from the sale of company's immediate subsidiary, Whyte & Mackay Group Ltd.

On 9 May 2014 a deal was signed between United Spirits (Great Britain) Limited and Emperador UK Limited, for the purchase by the latter of 100% of Whyte & Mackay Group Limited.

The divestment process was completed on 31 October 2014

Principal risk and uncertainty


The company's financial instruments comprise of loans from Group undertakings, which are interest free and have no fixed date of repayment.

The management of the business and execution of Company's strategy is subject to no significant risks.

Future developments

In conjunction with wider Group reorganisation, the directors are considering seeking formal approval from the ultimate parent to write back the group loans.

This report was approved by the board on 22 May 2015 and signed on its behalf.



Mr Nandakumar Hemanth Menon
Director

United Spirits (Great Britain) Limited
Independent auditors' report
to the members of United Spirits (Great Britain) Limited

We have audited the accounts of United Spirits (Great Britain) Limited for the year ended 31 March 2015 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB) Ethical Standards for Auditors.

Scope of the audit of the accounts

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm

Opinion on the accounts

In our opinion the accounts:

- give a true and fair view of the state of the company's affairs as at 31 March 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of Matter

We draw attention to the following notes to the financial statements:

Note 3 'Exceptional items', in respect to the disposal costs suffered in connection with the divestment of Whyte & Mackay Group Ltd.

Note 17 Going concern basis of preparation of the financial statements.

Our opinion is not qualified in respect of these matters.

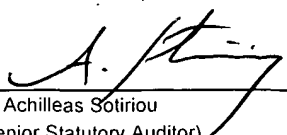
Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the accounts are prepared is consistent with the accounts.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.


Mr Achilleas Sotiriou
(Senior Statutory Auditor)
for and on behalf of
API Partnership Limited t/a Chandler & Georges
Accountants and Statutory Auditors
22 May 2015

75, Westow Hill
London
United Kingdom
SE19 1TX

United Spirits (Great Britain) Limited
Profit and Loss Account
for the year ended 31 March 2015

	Notes	2015 £	2014 £
Administrative expenses		(501,587)	(196,857,430)
Other operating income		134,733	105,413
Operating loss	2	(366,854)	(196,752,017)
Exceptional items:			
loss on the disposal of investments	3	(7,937,127)	-
		(8,303,981)	(196,752,017)
Interest payable and similar charges	5	-	(2,345)
Loss on ordinary activities before taxation		(8,303,981)	(196,754,362)
Tax on loss on ordinary activities	6	(58,737)	22,607
Loss for the financial year		(8,362,718)	(196,731,755)

Continuing operations

None of the company's activities were acquired or discontinued during the above two financial years.

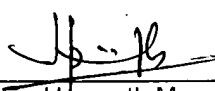
Statement of total recognised gains and losses

The company has no recognised gains or losses other than the loss for the above two financial years.

United Spirits (Great Britain) Limited
Balance Sheet
as at 31 March 2015

Registered number
06127260

	Notes	2015 £	2014 £
Fixed assets			
Tangible assets	7	1,536,728	1,673,326
Investments	8	-	311,823,381
		<u>1,536,728</u>	<u>313,496,707</u>
Current assets			
Debtors	9	5,035,515	84,158,358
Cash at bank and in hand		<u>5,258,563</u>	<u>9,831</u>
		10,294,078	84,168,189
Creditors: amounts falling due within one year	10	(273,477,643)	(650,949,015)
Net current liabilities		<u>(263,183,565)</u>	<u>(566,780,826)</u>
Net liabilities		<u>(261,646,837)</u>	<u>(253,284,119)</u>
Capital and reserves			
Called up share capital	13	1	1
Profit and loss account	14	(261,646,838)	(253,284,120)
Shareholders' funds	15	<u>(261,646,837)</u>	<u>(253,284,119)</u>


Mr Nandakumar Hemanth Menon
Director

Approved by the board on 22 May 2015

United Spirits (Great Britain) Limited
Notes to the Accounts
for the year ended 31 March 2015

1 Accounting policies

The financial statements have been prepared on a going concern basis under the historical cost convention, in accordance with Companies Act 2006 and applicable accounting standards in the United Kingdom. A summary of the more important accounting policies is set out below.

Basis of preparation

The company is exempt by virtue of Section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statement as the company is wholly owned subsidiary of United Spirits (UK) Limited, a UK registered company, which is itself a wholly owned subsidiary of United Spirits Limited, a company incorporated in India, whose consolidated financial statements include the result of these companies. The directors have satisfied themselves that the consolidated group accounts of United Spirits Limited are consistent with the requirements of the EC 7th Directive. As such these financial statements present the result of the company as an individual undertaking and not the group of which it heads. The accounting policies below have been applied consistently to all the financial years presented in the financial statements.

Tangible fixed assets

The Company holds tangible fixed assets at cost. The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition and installation. Tangible fixed assets are stated at historical purchase cost less accumulated depreciation.

The cost of plant and machinery is written off on a straight-line basis. No depreciation is charged in the quarter in which an asset is acquired.

The following annual depreciation rates, which reflect the useful life of the assets concerned, are applied:

Plant and machinery	5.55%
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Impairment

Investments held as fixed assets are stated at cost less any provisions for impairment. Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable. Impairments are calculated such that the carrying value of the fixed asset investment is the lower of its cost or recoverable amount. Recoverable amount is the higher of its net realisable value and its value-in-use.

Loans and borrowings

All borrowings are initiated at fair value of the consideration received after deduction of issue costs. Issue costs together with finance costs are charged to profit and loss account over the term of borrowings and represent a constant proportion of the balance of capital repayments outstanding.

Fixed assets investments

Investments are included at the lower of cost or valuation less, where appropriate, amounts written off or provided. The value of investments is reviewed annually by the directors and provisions are made where it is considered that there has been a permanent diminution in value.

United Spirits (Great Britain) Limited
Notes to the Accounts
for the year ended 31 March 2015

Taxation

Current taxation is based on the loss for the financial period including all taxation liabilities accruing to the date of the financial statements.

The taxation liabilities of certain group companies may be reduced, wholly or in part, by the surrender of losses by/to fellow group companies. The decision to charge for group relief is made on a case by case basis.

In line with Financial Reporting Standard 19 'Deferred tax', deferred tax is provided fully on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in years different from those in which they are included in financial statements.

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the asset. Deferred tax assets are recognised to the extent that it is regarded more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

Operating lease income

Rentals receivable under operating leases are credited to the profit and loss account on straight line basis over the period of lease.

Related parties

Separate disclosures relating to transactions and balances with companies in the United Spirits Limited group in terms of Financial Reporting Standard 8 "Related party disclosures" are not made since the company has taken advantage of the exemption in paragraph 3 (c) of the standard. Transactions with other related parties are disclosed as required.

Cash flow statement

The company is wholly owned subsidiary of United Spirits Limited and the cash flows of the company are included in the consolidated group cash flow statement of United Spirits Limited. Consequently, the company is exempt under terms of Financial Reporting Standard 1 (revised 1996) 'Cash Flow Statements' from publishing a cash flow statement.

United Spirits (Great Britain) Limited
Notes to the Accounts
for the year ended 31 March 2015

2 Operating loss	2015	2014
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	136,598	136,598
Operating lease income - plant and machinery	(134,733)	(105,413)
Exceptional impairment loss (included in administrative expenses)	-	194,971,088
Auditors' remuneration for audit services:		
Current year	23,000	16,000
Prior year under provision	18,000	-
Auditors' remuneration for other services	3,000	-

3 Exceptional items	2015	2014
	£	£
Loss on disposal of investments	7,937,127	-

The loss is in respect to the disposal costs suffered in connection with the divestment of Whyte & Mackay Group Ltd.

4 Directors' emoluments	2015	2014
	£	£
Emoluments	-	19,800

The amounts paid to directors were in relation to management of the company and its subsidiaries. All payments were made and expensed by a subsidiary company. There were no retirement benefits accruing to any Directors as at 31 March 2015 (2014 : £NIL) under the defined benefit pension scheme.

Highest paid director:		
Emoluments	-	19,800

5 Interest payable and similar charges	2015	2014
	£	£
Bank loans and overdrafts	-	2,345

United Spirits (Great Britain) Limited
Notes to the Accounts
for the year ended 31 March 2015

6 Taxation	2015	2014
	£	£
Analysis of charge in period		
Deferred tax:		
Origination and reversal of timing differences	58,737	(27,320)
Effect of increased tax rate on opening liability	-	4,713
	<u>58,737</u>	<u>(22,607)</u>
 Tax on profit/(loss) on ordinary activities	 <u>58,737</u>	 <u>(22,607)</u>

The tax assessed for the financial year is lower than the effective rate of corporation tax in the UK of 21% (2014 : £23%). The differences are explained below:

Factors affecting tax charge for period

The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows:

	2015	2014
	£	£
Loss on ordinary activities before tax	<u>(8,303,981)</u>	<u>(196,754,362)</u>
Standard rate of corporation tax in the UK	21%	23%
	£	£
Loss on ordinary activities multiplied by the standard rate of corporation tax	(1,743,836)	(45,253,503)
Effects of:		
Expenses not deductible for tax purposes	1,673,466	45,221,842
Imputed interest	(6,222,934)	(11,719,948)
Accelerated capital allowances and other timing differences	28,686	31,417
Group relief not paid for	4,717,312	7,055,195
Unrelieved non trading deficits	1,547,306	4,664,997
 Current tax charge for period	 <u>-</u>	 <u>-</u>

United Spirits (Great Britain) Limited
Notes to the Accounts
for the year ended 31 March 2015

7 Tangible fixed assets

	Plant and machinery £
Cost	
At 1 April 2014	2,458,765
At 31 March 2015	<u>2,458,765</u>
Depreciation	
At 1 April 2014	785,439
Charge for the year	<u>136,598</u>
At 31 March 2015	<u>922,037</u>
Net book value	
At 31 March 2015	<u>1,536,728</u>
At 31 March 2014	<u>1,673,326</u>

8 Investments

	Investments in subsidiary undertakings £
Cost	
At 1 April 2014	311,823,381
Disposals	<u>(311,823,381)</u>
At 31 March 2015	<u>-</u>

On 9 May 2014 a deal was signed between United Spirits (Great Britain) Limited and Emperador UK Limited for the purchase by the latter of 100% of Whyte & Mackay Group Limited.

The divestment process was completed on 31 October 2014.

9 Debtors

	2015 £	2014 £
Amounts owed by group undertakings and undertakings in which the company has a participating interest	-	84,099,621
Deferred tax asset (see note 12)	-	58,737
Other debtors	<u>5,035,515</u>	<u>-</u>
	<u>5,035,515</u>	<u>84,158,358</u>

Amounts owed by group undertakings and undertakings in which the company has a participating interest are unsecured, interest free and have no fixed date of repayment.

Other debtors include £5million being funds held in an escrow bank account which were deposited by the purchaser of Whyte & Mackay Group Ltd.

United Spirits (Great Britain) Limited
Notes to the Accounts
for the year ended 31 March 2015

10 Creditors: amounts falling due within one year	2015	2014
	£	£
Amounts owed to group undertakings and undertakings in which the company has a participating interest	273,126,678	649,334,470
Other creditors	350,965	1,614,545
	<u>273,477,643</u>	<u>650,949,015</u>

Amounts owed to group undertakings and undertakings in which the company has a participating interest are unsecured, interest free and have no fixed date of repayment.

11 Bank and other borrowings	2015	2014
	£	£
1.76% secured term loan		
Balance brought forward	-	1,620,000
Paid during the year	-	(1,620,000)
Balance carried forward	<u>-</u>	<u>-</u>

Maturity of net borrowings:

12 Deferred taxation	2015	2014
	£	£
Accelerated capital allowances	-	(58,737)
Undiscounted provision for deferred tax	-	(58,737)

	2015	2014
	£	£
At 1 April	(58,737)	(36,130)
Deferred tax charge in profit and loss account	58,737	(22,607)
At 31 March	<u>-</u>	<u>(58,737)</u>

13 Share capital	Nominal value	2015 Number	2015	2014
			£	£
Allotted, called up and fully paid:				
Ordinary shares	£.01 each	100	<u>1</u>	<u>1</u>

14 Profit and loss account	2015
	£
At 1 April 2014	(253,284,120)
Loss for the financial year	(8,362,718)
At 31 March 2015	<u>(261,646,838)</u>

United Spirits (Great Britain) Limited
Notes to the Accounts
for the year ended 31 March 2015

15 Reconciliation of movement in shareholders' funds	2015	2014
	£	£
At 1 April	(253,284,119)	(56,552,364)
Loss for the financial year	(8,362,718)	(196,731,755)
At 31 March	<u>(261,646,837)</u>	<u>(253,284,119)</u>

16 Contingent liabilities

Included in Other debtors (Note 9) is an amount of £5million comprising of funds deposited into an escrow account by the purchaser of Whyte & MacKay Group Limited.

In accordance with the terms of the escrow agreement dated 30th October 2014, the funds will be released to United Spirits (Great Britain) Limited subject to various conditions being met.

There are no indications to suggest that the conditions will not be met and it is therefore anticipated that the full amount will be released in June 2015.

Consequently no provisions are made for bad or doubtful debts in this respect.

17 Going concern

The financial statements have been prepared on the going concern basis, the validity of which depends upon the continued support of the company's ultimate parent, United Spirits Limited.

18 Ultimate parent company and controlling party

At 31 March 2015, the ultimate controlling party was United Spirits Limited a company incorporated in India.

At 31 March 2015, the immediate holding company is United Spirits (UK) Limited a company incorporated in the United Kingdom.

United Spirits Limited is the only parent undertaking for which consolidated financial statements are prepared, which includes the results of United Spirits (Great Britain) Limited. A copy of the consolidated financial statements may be obtained from the registered office UB Tower, 24 Vittal Mallya Road, Bangalore, 560 001, India.