DIAGEO
India

Growing with Purpose
for a Viksit Bharat



United Spirits Limited
Integrated Annual Report
2025-26

Diageo India (United Spirits Limited) is among India's leading beverage alcohol (alcobev) companies with a portfolio of premium brands. A subsidiary of Diageo plc., it is listed in India on both the National Stock Exchange (NSE) and the Bombay Stock Exchange (BSE) as United Spirits Limited (USL). Headquartered in Bengaluru, the Company manufactures, sells and distributes an outstanding collection of iconic Global and Indian brands, blending global expertise with local innovation to deliver world-class products and experiences to consumers.

As USL leads and shapes the future of the alcobev industry in India, we remain equally committed to building a more sustainable, progressive, and inclusive world. Environmental, Social and Governance (ESG) focus is at the heart of our business strategy, as outlined in our 'Spirit of Progress' agenda. This agenda is focused on pioneering grain-to-glass sustainability, championing inclusion and diversity, and promoting positive drinking all underpinned by doing business the right way.

Celebrating life,
every day,
everywhere!

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To download or view this report online, please visit:
diageoindia.com

NOTE: All Brand images are solely for showcasing brands, not for advertising them and are intended for those above Legal Drinking Age (LDA)

Growing with Purpose

for a Viksit Bharat



India is entering a decisive decade.

As the country moves towards its Viksit Bharat ambition, a shift is underway, driven **by a more confident and discerning consumer.** Expectations are rising. Consumers are choosing with greater intent, seeking quality, authenticity and experiences that reflect who they are becoming.

For Diageo India, this is where growth begins.

As one of the country's leading brand builders, our business is shaped by these choices.

What matters to Indian consumers, greater awareness, higher quality and more meaningful engagement with brands, defines how we build our portfolio and create long-term value.

Our role, however, extends further. Across our value chain, we support livelihoods, strengthen local supply chains, and invest in skills and capabilities.

Increasingly, we are building from India, driving innovation rooted in local insight, with relevance that extends beyond it.

In a category such as ours, responsibility is not an adjunct to growth. It is what sustains it.

And this is embedded across how we operate, from environmental stewardship and inclusive growth, to our continued focus on having consumers drink better, not more.

Looking ahead, India's rise will be defined not just by how fast it grows, but by how well.

For Diageo India, the ambition is clear: grow with India, by aligning with what India values.

About the Report

This is the second Integrated Annual Report of United Spirits Limited (USL), also referred to as Diageo India or the Company. This Report presents a balanced view of our financial and non-financial performance, while explaining how we conduct our business, create value and deliver outcomes for our stakeholders, not limited to statutory requirements. It also provides insights into our business model, material matters, risks and opportunities, strategic priorities, governance practices, performance and outlook. Through these integrated disclosures, we aim to provide providers of financial capital and other stakeholders with relevant information to support informed decision-making.

Reporting Period and Scope

All financial and non-financial information presented in this Report pertains to USL, unless otherwise stated, for the period from April 1, 2025 to March 31, 2026. Wherever relevant, we have included historical trends for key performance indicators, including ESG metrics, to help readers understand our value-creation journey more comprehensively.



Reporting Framework, Guidelines and Standards

The Report should be read together with the annual accounts for a complete understanding of our financial performance.

- The narrative section of the Report follows the principles of the International Integrated Reporting Council's Framework, overseen by the IFRS Foundation.
- The statutory sections of the Report comply with, report on or reference applicable requirements and frameworks. These sections include:
  - » Board's Report
  - » Management Discussion and Analysis
  - » Corporate Governance Report
  - » Business Responsibility and Sustainability Reporting
  - » Financial Statements
- The applicable requirements and frameworks include:
  - » Companies Act, 2013 and its associated rules
  - » Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
  - » Revised Secretarial Standards issued by The Institute of Company Secretaries of India
  - » Indian Accounting Standards
  - » National Guidelines on Responsible Business Conduct
  - » United Nations Sustainable Development Goals

Our Capitals

Financial Capital
Financial capital represents the funds we generate and raise, which are prudently deployed across the business to create long-term value and deliver sustainable stakeholder returns.

Human Capital
Human capital reflects the passion, talent and consumer-first mindset of our people. We invest in their development and foster an equitable, inclusive and safe workplace that encourages creativity, innovation and independent thinking.

Social and Relationship Capital
Social and relationship capital represents the trust and enduring relationships we have built with stakeholders. Continuous engagement, responsiveness and long-term partnerships support our reputation, business strategy and licence to operate.

Natural Capital
Natural capital represents the resources essential to our operations, including water, energy and agricultural inputs, along with the environmental impact of our activities. Through 'Grain to Glass Sustainability', we continue to advance responsible and sustainable operations.

Brand Capital
Brand capital reflects Diageo India's reputation, consumer trust and emotional connection in the market. Our innovative, premium portfolio and impactful brand-building initiatives continue to strengthen brand perception and market position.

Manufactured Capital
Manufactured capital represents our manufacturing facilities, equipment and logistics infrastructure. Continued investments, global best practices and advanced technologies enable us to produce and deliver high-quality spirits efficiently, safely and sustainably.

Intellectual Capital
Intellectual capital comprises our expertise in processes, technologies and the craft of spirit-making. It drives innovation, strengthens our manufacturing, logistics and sales capabilities, and supports our digital transformation into a future-ready organisation.

Materiality Determination

Our double materiality assessment helps us identify the sustainability topics that matter most to our business and stakeholders. It looks at how these topics affect people, the environment and society, as well as how they can influence our financial performance. The findings support better decisions, stronger risk management, meaningful stakeholder engagement and long-term value creation. They also help us keep our priorities relevant in a changing business environment.

Assurance

The financial statements presented in this Report have been audited by Price Waterhouse & Co Chartered Accountants LLP.

Reasonable assurance on the BRSR Core indicators has been provided by Price Waterhouse & Co Chartered Accountants LLP. The scope and basis of assurance are detailed in the assurance report issued by Price Waterhouse & Co Chartered Accountants LLP.

All other financial and non-financial performance information has been internally verified and assured by the Management of the Company.



Chairperson's Message

FY 2025-26 was a year in which the global operating environment became increasingly complex. Geopolitical tensions, evolving trade relationships, supply chain disruptions, currency volatility, and shifting patterns of global investment tested businesses across markets. Yet periods of uncertainty often reveal underlying strengths: of economies, institutions, and companies.

Dear Shareholders,

Against this backdrop, India continued to distinguish itself as one of the world's most resilient and attractive growth markets. Strong domestic demand, a young and aspirational consumer base, improving infrastructure, and growing strategic relevance in global trade have reinforced confidence in the country's long-term prospects.

It is within this context that United Spirits Limited (Diageo India) delivered another year of impressive performance and strategic progress. This was my first full year as Chairperson of the Company, and it has reinforced my conviction that we are exceptionally well positioned to benefit from the opportunities that lie ahead. FY 2025-26 was also the first full year under Praveen Someshwar's leadership as Managing Director and Chief Executive Officer. The continuity of strategic direction that he has brought, combined with fresh energy, a clear consumer-first mindset, and disciplined execution, gives the Board considerable confidence as we enter the next phase of growth.

Transformational Years in the Making

Before reflecting on FY 2025-26, it is worth considering the journey that has brought us here. The transformation of Diageo India over the past five years has been significant by any measure.

The Company has delivered consistent growth, particularly in the Prestige & Above segment, expanded margins, strengthened its balance sheet, became debt-free, and built a surplus cash position that enabled a return to dividend distribution. At the same time, the portfolio has been reshaped through the divestment of non-core brands, increased investment behind premium and luxury offerings, the creation of new categories, and strategic investments in new growth engines.

More important than the financial outcomes, however, is what they represent. Through a series of strategic decisions made consistently over time, the Company has evolved into a business defined by sharper focus, stronger execution capabilities, and a commitment to superior long-term value creation.

Performance and Capital Allocation

FY 2025-26 was led by continued momentum in the Prestige & Above segment. The Company delivered a healthy financial performance while continuing to invest behind its brands, capabilities, and growth agenda.

Reflecting the strength of this performance and the confidence in the Company's future prospects, the Board has recommended a final dividend of ₹ 11 per share, subject to shareholder approval. Together with the interim dividend the total for FY 2025-26 comes up to ₹ 17 per share, as compared to ₹ 12 per share in the previous year FY 2024-25.

The year also saw a landmark strategic decision: the sale of the Company's 100% stake in Royal Challengers Sports Private Limited for approx. ₹ 16,663 Crores, representing a very attractive valuation. Its sale reflects a strategic choice to sharpen focus on building a leading premium beverage alcohol business and creating new categories and segments. It also demonstrates a disciplined approach to capital allocation.

Long-term value creation requires not only building exceptional assets but also allocating capital where it can generate the greatest strategic and financial returns. The Board believes this decision serves the long-term interests of all stakeholders.

Navigating a Changing Environment

The Board remains clear-eyed about both the challenges and opportunities that lie ahead.

Tensions in West Asia have disrupted shipping routes and contributed to higher logistic and packaging material costs during the latter part of the year. Volatility in crude oil prices created additional pressure on packaging inputs, while shifting trade policies and currency movements introduced uncertainty across global markets.

While these factors represent near-term headwinds, they also reinforce the importance of resilience, agility, and disciplined execution. The Board is encouraged by the actions management is taking to mitigate these pressures through productivity initiatives, supply chain optimisation, and constructive engagement with state authorities.

At the same time, periods of global disruption often reinforce structural advantages. India's growing importance as both a manufacturing hub and consumption market, its expanding network of trade relationships, and the resilience of its domestic demand story have become increasingly evident in the current environment.

In this context, the signing of the India-UK Free Trade Agreement is a development the Board views with considerable optimism. For India, the world's largest whisky market, the agreement has the potential to be transformative. Reduced tariffs on Scotch whisky will improve accessibility for consumers, support premiumisation within the category, and generate meaningful long-term cost benefits through lower import duties on bulk Scotch.

Building a Future-Ready Organisation

Sustaining growth over the coming decade will require more than a strong portfolio. It will require an organisation that can adapt quickly, harness technology effectively, and attract and develop exceptional talent.

The Board is encouraged by the progress management has made in embedding AI and advanced analytics across the business. These capabilities are enhancing decision-making, improving agility, and creating meaningful operational advantages across commercial and supply chain functions.

Equally important is the Company's culture. Strong employee engagement scores and external recognition for inclusion and workplace excellence reflect an organisation that understands that long-term performance is built on people. The Board views talent, leadership, and culture as critical enablers of sustainable growth and enduring competitive advantage.

Investments in capability building are the pillars of the Company's next phase of growth. They will play an important role in ensuring that Diageo India remains well positioned to succeed in an increasingly dynamic marketplace.

Governance and Long term Stewardship

The Board's responsibility extends beyond overseeing performance. It is to ensure that the Company is positioned to create value over the long term, while maintaining the trust of consumers, employees, communities, regulators, and shareholders. Throughout the year, the Board remained focused on effective governance, responsible marketing and consumption, robust risk management, and the development of a culture that reflects our values. We believe that companies that earn trust consistently are ultimately better positioned to sustain growth, navigate change, and create lasting value.

Looking Ahead

What I find most encouraging, as I reflect on the year, is the extent to which the Company's relationship with India continues to deepen – through the communities it serves, the talent it nurtures, the brands it builds, and the long-term investments it makes. This connection is not simply a consequence of our strategy; it is central to it.

Our confidence in the future rests not only on the strength of our brands or the quality of our execution, but also on our conviction that India's growth story remains one of the most compelling in the world. The next chapter will reward businesses that combine ambition with discipline, growth with responsibility, and scale with trust.

United Spirits Limited is well positioned to be one of those businesses.

On behalf of the Board, I extend my sincere gratitude to Diageo plc, our employees, customers, partners, and to you, our shareholders, for your continued trust, commitment, and support.

Warm Regards

V K Viswanathan
Chairperson



Managing Director & CEO's Message

India is entering a new phase in its relationship with the world. Its growing economic influence, expanding trade relationships, and rising cultural confidence are reshaping global business priorities and how India sees itself.

Dear Shareholders,

For the alcobev industry, this shift carries particular significance. India is already the world's largest whisky market and is increasingly emerging as a source of innovation and premium brands recognised well beyond its borders. What excites us even more is the structural shift underway within it – consumers today are not simply drinking more premium brands – they are engaging with brands differently. They are seeking authenticity, provenance, elevated experiences, and brands that reflect personal identity and aspiration. We believe we are uniquely positioned to lead in this environment.

Our confidence is grounded not only in the strength of the market opportunity, but in the capabilities we have built over time – a portfolio spanning multiple consumer occasions, deep distribution reach, strong execution capabilities, and an increasingly premium and innovation-led brand mix.

We continued to strengthen our route-to-market capabilities, expand our premium portfolio, enhance supply chain resilience, and accelerate digital and data-led interventions across the business. At the heart of this progress is our talented team, whose passion, resilience, and commitment continue to define our culture and performance.

During the year, Diageo plc also entered an exciting new phase of leadership globally. Under the leadership of our Global CEO, Sir Dave Lewis, there is renewed focus on accelerating sustainable growth, strengthening consumer-centric innovation, and building future-ready brands and capabilities. This direction is strongly aligned with the opportunities we see in India.

Delivering with Discipline

FY 2025-26 was a year of disciplined execution and resilient growth, delivered against a backdrop of regulatory complexity and an uneven demand environment.

The Prestige and Above segment remained the cornerstone of our growth strategy, delivering healthy growth and contributing strongly to overall revenues. Gross margins expanded meaningfully through the year, driven by portfolio mix improvement, disciplined revenue growth management, and a largely benign commodity environment.

For the full fiscal year FY 2025-26, consolidated net sales reached ₹ 12,467 Crores, reflecting 7.7% growth, while standalone net sales grew 7.6% to ₹ 12,448 Crores. The Prestige and Above segment grew by 8.6%, contributing ₹ 11,152 Crores in net sales. Consolidated EBITDA grew by 11%, while standalone EBITDA rose 11.6% to ₹ 2,296 Crores. Consolidated PAT stood at ₹ 1,709 Crores and a net profit margin of 13.7%. Standalone PAT at ₹ 1,830 Crores with a margin of 14.7%, expanding by 123 bps year-on-year. The Board has recommended a final dividend of ₹ 11 per share, subject to shareholder approval.

A Strategic Milestone

In March 2026, we announced the sale of our 100% stake in Royal Challengers Sports Private Limited, which owns and operates the Royal Challengers Bengaluru IPL and WPL franchises, for a total consideration of ₹ 16,663 Crores. This is the highest valuation ever paid for a cricket franchise globally, a testament to the extraordinary asset built and stewarded over nearly two decades. Also noteworthy is that RCB departs as the reigning IPL and WPL champion. This transaction sharpens our focus squarely on our core beverage alcohol business and its considerable long-term potential, and the proceeds will support value creation for our shareholders.

India is a Portfolio of States

India is not a single market. It is a portfolio of markets, each with its own policy environment, consumer profile, and pace of development. Our job is to navigate that complexity with agility, stay focused on our circle of control, and ensure that the tailwinds we cultivate consistently outpace the challenges we face.

Maharashtra presented our most significant near-term challenge. Significant excise duty increases resulted in sharp consumer price spikes, and the introduction of Maharashtra Made Liquor created additional competitive complexity at the lower end of the portfolio. We responded with discipline, restructuring our value chain in close alignment with our channel partners and reinforcing execution at the ground level. What this period reaffirmed above all is the structural strength of our brands.

At the same time, India was delivering meaningful tailwinds. Andhra Pradesh continued to grow strongly. Uttar Pradesh effectively doubled its licensed retail outlets through progressive policy reform. Karnataka introduced one of the most significant excise policy frameworks in years. Jharkhand, Rajasthan, and Madhya Pradesh all continued to progress. The structural drivers shaping India's consumption story are intact, and the anticipated India-UK Free Trade Agreement, adds a further meaningful tailwind.

Strengthening Our Portfolio

India is not one consumer market. It is three. A vast aspirational base seeking affordable access to better quality. A growing middle class premiumising with confidence. And an affluent segment demanding luxury experiences and repertoire variety. Our portfolio is built to serve all three, across BII and BIO whisky, white spirits, and Indian single malts, with differentiated strategies for each.

For our India 1 consumer, Royal Challenge grew ahead of the category, with the 180ml pocket pack delivering double-digit growth and expanding nationally. After a year of comprehensive work, we have also launched the most significant renovation of McDowell's No. 1 in its history: a re-engineered liquid with 30% more Scotch for a smoother, richer taste, a completely new pack design, and a new aspirational 180ml PET format, all at the same price point. Tested across eight markets with over 10,000 consumers, this transformed bundle has launched in Uttar Pradesh and will roll out pan-India through FY 2026-27.

For our India 2 consumer, Signature crossed the ₹ 1,000 Crores NSV milestone, building strong equity through purpose-led storytelling. Black and White emerged as the largest Scotch brand in India by volume, making India the number one market for this brand within Diageo globally. Black Dog gained strong traction through its Savour the Pause renovation featuring a campaign with Emilia Clarke.

At the top of the pyramid, Johnnie Walker strengthened its luxury credentials through the Icon Meets Icon campaign featuring Virat Kohli, title sponsorship of AP Dhillon's national tour, and the scale-up of Black Label Whisky Experiments into third-space environments. India is now the third-largest Johnnie Walker market globally by volume. Godawan earned over 100 awards in under two years, the fastest any single malt has reached this milestone globally and grew at triple digits through the year. The launch of Godawan 173 at The Savoy London during London Fashion Week, inspired by the recovery of the critically endangered Great Indian Bustard, reinforced our ambition to build Indian luxury brands that combine craftsmanship, conservation, and global cultural relevance.

Beyond whisky, Don Julio crossed ₹ 100 Crores in NSV within nine months, our fastest brand to reach this milestone, capturing one-third of the Indian tequila market. Smirnoff crossed 1 million cases, propelling India into the top five Smirnoff markets globally, with a clear trajectory to ₹ 1,000 Crores in NSV over the next 18 months.

Building for What Comes Next

At the same time, we continued to invest behind future growth opportunities. The acquisition of NAO Spirits brought the pioneering craft brands Greater Than, Hapusa, and PIPA into the Diageo India portfolio, validating our belief in the long-term potential of locally rooted craft brands. Our increased stake in Sober (V9 Beverages) reflects our commitment to serving consumers across the full spectrum of how they choose to drink, including the growing trend toward moderation. The Good Craft Co. brings this ecosystem together, creating a platform where creators, consumers, and communities connect around innovation and craftsmanship in spirits.

Doing Business the right way

Equally important is our commitment to doing business responsibly. During the year, we continued to advance our sustainability agenda through water stewardship initiatives under The Godavari Initiative, renewable energy adoption, inclusion and diversity programmes, and skilling initiatives through Learning for Life. We remain clear that long-term growth must be both inclusive and sustainable as we continue to drive value for a Viksit Bharat. Our contribution has been significant. An independent Pahlé India Foundation study highlights that Diageo India contributed over ₹ 20,000 Crores in taxes and levies and created 6.5 Lakh Jobs for India's Economy (direct + indirect) in F24 alone, making it one of the largest contributors to state revenues within the consumer sector.

As I reflect on the year, what gives me the greatest confidence is the strength of the foundations we are building – stronger brands, sharper execution, disciplined capital allocation, and a talented organisation aligned behind a common ambition. This coupled with progressive policy developments across several states are also creating new opportunities for responsible and sustainable category growth.

India's next phase of growth will create enduring opportunities for businesses that combine scale with agility, ambition with discipline, and growth with responsibility. India has the potential to become one of the most important premium alcobev markets globally over the coming decade, and we intend to help shape that evolution.

I would like to thank my incredible team at Diageo India, customers, partners, shareholders, and Diageo plc for their continued trust and support.

Warm Regards

Praveen Someshwar
Managing Director & CEO

Business Model

The Resources We Use

Financial Capital
- ₹ 8,721 Crores net worth
- ₹ 831 Crores property, plant and equipment
- ₹ 3,216 Crores working capital

Refer page 54

Manufactured Capital
- 35 manufacturing facilities (including third-party)
- ₹ 165 Crores capital expenditure
- ₹ 1,233 Crores matured malt inventory

Refer page 62

Brand Capital
- 50+ brands
- ₹ 1,295 Crores invested in advertising and promotion

Refer page 74

Intellectual Capital
- ₹ 16.5 Crores R&D spend
- 42 highly skilled R&D professionals

Refer page 132

Human Capital
- 2,200+ employees
- 34,000+ manhours of training provided
- 15+ inclusion & diversity initiatives
- 95%+ workforce trained on health and safety

Refer page 138

Social and Relationship Capital
- ₹ 31 Crores CSR spend
- 5,466 suppliers and business partners

Refer page 156

Natural Capital
- 1 mn+ giga joules energy consumption
- 600K+ kilolitres of water consumed
- 354 kt of packaging materials procured
- 243 kt of agricultural raw materials procured

Refer page 182

Value Creation Proposition

Core Business Activity

01 Consumer Insights
Data-led understanding of consumer attitudes, motivations, trends and socialising occasions

02 Innovation
Insight-led innovation to create tailored consumer experiences and strengthen brand equity

03 Sourcing
Quality agricultural inputs and raw materials sourced from aggregators and suppliers

04 Production
Safe, sustainable and compliant production across owned and third-party facilities

05 Distribution
Partner-led distribution supported by data-driven execution and channel optimisation

06 Branding and Marketing
Responsible brand-building initiatives to deepen consumer connection and brand resonance

Enabled by Capital Allocation Philosophy

Organic Growth | *Inorganic Growth*

Return to Shareholders

Refer page 54

Underpinned by 'Spirit of Progress' ESG framework



Refer page 48

The Value We Create

Financial Capital
- ₹ 12,448 Crores NSV (↑ 7.6%)
- ₹ 2,296 Crores EBITDA (↑ 11.6%)
- ₹ 1,830 Crores PAT (↑ 17.5%)
- ₹ 1,236 Crores dividend declared (including proposed)
- ₹ 1,374 Crores free cash flows
- 28.4% ROCE

Manufactured Capital
- 61+ million cases produced
- ₹ 415 Crores enterprise productivity

Brand Capital
- 8 one-million-cases+ brands
- 4 brands with ₹ 1,000 Crores+ NSV
- 2 brands with ₹ 500-1,000 Crores NSV
- 89.6% NSV from P&A portfolio

Intellectual Capital
- 25 new SKU's introduced

Human Capital
- 90% employee engagement score
- 87% employee retention rate
- 30% women's representation
- Zero fatalities

Social and Relationship Capital
- 1mn+ CSR beneficiaries (>50% women)
- 750k+ consumers educated on positive drinking behaviour
- ₹ 21,614 Crores contribution to the exchequer

Natural Capital
- 99% energy consumption from renewable sources in direct operations
- 93% reduction in absolute GHG emissions (Scope 1 & 2) in direct operations (market/net based) from FY 2020
- 56% improvement in quantum of water used per litre of spirit distilled from FY 2020
- 99% material used in packaging is recyclable



Stakeholder Engagement

Engaging for Shared Purpose

Stakeholders are integral to our journey of building a resilient business, a sustainable planet and equitable societies. We actively engage with our internal and external stakeholders to align their perspectives with our strategic priorities. This ensures long-term value creation while balancing the diverse interests of all stakeholders.

Our Approach to Stakeholder Engagement

Our approach to stakeholder engagement is primarily guided by the Double Materiality Assessment process. This ensures focus on the issues that are most relevant and impactful. We maintain continuous dialogue and feedback with stakeholders to prioritise areas such as environmental stewardship, social equity, governance, product innovation and financial performance, aligning our strategy with evolving stakeholder expectations.

We believe in governance that safeguards the interests of the Company while creating value for both shareholders and stakeholders. A cross-functional Diageo India Leadership Team, comprising functional heads, channels stakeholder perspectives to the Executive Committee, led by the Managing Director and CEO. The Executive Committee, in consultation with the Board, takes the necessary decisions to address stakeholder interests.

Our Engagement Process

Identifying Stakeholders

Mapping internal and external stakeholders to understand our operating ecosystem

Assessing Influence and Impact

Evaluating their level of influence and the impact of our business on their interests

Monitoring Continuously

Regularly updating the stakeholder map to capture emerging stakeholders and reassess existing relationships in line with changes in the business environment, including mergers and acquisitions, policy shifts, market trends and environmental factors

Key Stakeholders

Consumers

Importance
Central to our business, shaping demand, guiding innovation, and strengthening brand loyalty
How we create value
Offering trusted brands, consistent quality, relevant innovation, and experiences that encourage responsible and informed choices

Material issues influencing the relationship
M2, M5, M7

Strategic priorities
S1, S2, S3

Capitals linked

Read more
'Social and Relationship Capital- Customers and Consumers' on page 174

Employees

Importance
Fundamental to our success, driving execution, innovation, and organisational culture
How we create value
Fostering a safe, inclusive, and growth-oriented workplace that supports capability building, well-being, and long-term career development

Material issues influencing the relationship
M6, M10, M11, M12

Strategic priorities
S2

Capitals linked

Read more
Human Capital on page 138

Communities

Importance
Important to our long-term growth, making responsible engagement and shared progress essential
How we create value
Contributing to social progress through responsible operations, community development initiatives, and programmes that address local needs and priorities

Material issues influencing the relationship
M1, M2, M5, M7

Strategic priorities
S3

Capitals linked

Read more
Social and Relationship Capital - Communities on page 156

Investors

Importance
Enables growth and place importance on consistent returns, sound governance, and long-term value creation
How we create value
Delivering resilient performance, maintaining strong governance, and pursuing disciplined growth that supports long-term returns

Material issues influencing the relationship
M3, M5, M8

Strategic priorities
S1, S2, S3

Capitals linked

Read more
Financial Capital on page 54
Corporate Governance on page 194

Supply Chain Partners

Importance
Support continuity, quality, and efficiency across our operations and market delivery
How we create value
Building collaborative relationships that improve quality, strengthen resilience, enhance efficiency, and support shared growth across the value chain

Material issues influencing the relationship
M4, M8

Strategic priorities
S1, S3

Capitals linked

Read more
Social and Relationship Capital- Responsible Supply Chain on page 164

Government / Regulators

Importance
Define the framework for responsible, compliant, and ethical business operations.
How we create value
Upholding high standards of compliance, transparency, and responsible business conduct, while contributing to broader economic and social priorities

Material issues influencing the relationship
M3, M5, M7, M8, M12

Strategic priorities
S3

Capitals linked

Read more
Corporate Governance on page 194
Natural Capital on page 182

Read more
how we engage with stakeholder groups on page 297 under Principle 4, Essential indicator 2 of BRSR report



Risk Management

Resilience Behind Growth

We operate in an increasingly dynamic environment, and our integrated risk management framework enables timely identification, assessment, and mitigation of risks across the organisation. The framework supports informed and agile decision-making and is seamlessly integrated across strategic and operational activities. The Board through its committees provides rigorous oversight, ensuring strong governance, disciplined management of key risk areas, and timely action on emerging issues. This disciplined approach reinforces organisational resilience and supports the creation of sustained long-term value.

Risk Management Process

A structured, enterprise-wide risk management framework enables consistent identification, assessment, mitigation, and monitoring of risks across the organisation.

Risk ownership rests with functional teams as the first line of defence, supported by oversight from the Executive Committee through quarterly reviews as the second line. The Board Risk Management Committee conducts periodic assessments of key risks and the effectiveness of mitigation measures.

Risks and mitigation actions are clearly defined, time-bound, and reviewed through established governance mechanisms, strengthening organisational resilience.

Three-fold Risk Management Committee

Board Risk Management Committee

Provides oversight of significant risk exposures and reviews the adequacy and effectiveness of measures implemented to monitor, manage, and mitigate these risks.

Executive Risk Management Committee

Drives the risk management process through structured discussions that integrate strategic direction (top-down) with operational insights (bottom-up).

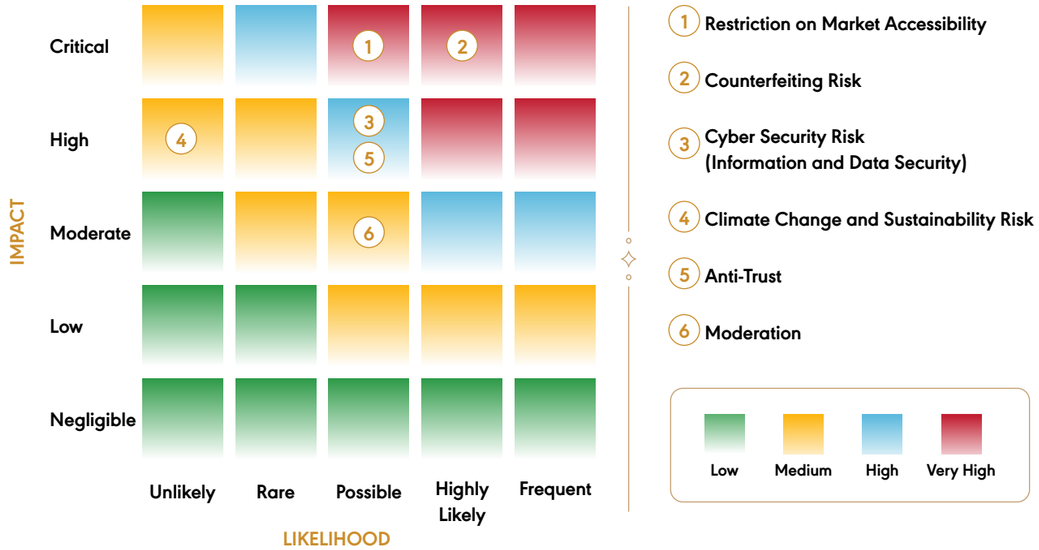
Functional Risk Management Committee

Facilitates the identification and evaluation of risks through a bottom-up approach, incorporating relevant internal and external factors to support comprehensive risk assessment.

Key Risk Exposures

The Risk Management Committee identifies key risks as those with the most significant potential impact on the entity, including risks material to performance or those that could affect the business model, solvency, or liquidity. Additional risks, whether currently assessed as less significant or not yet identified, may also adversely impact the business. The following risks represent areas of continued focus across the alcobev industry including the Company amidst a dynamic business environment. These do not represent all risks and are not presented in order of priority.

Risk Matrix



Key Risks and Mitigating Actions

Strategy

S1 Portfolio Reshape

S2 Organisation of the Future

S3 Diageo in Society

Risk Movement

↑ Increased

↔ Unchanged

Capitals

- **Financial Capital**
- **Brand Capital**
- **Intellectual Capital**
- **Natural Capital**
- **Manufactured Capital**
- **Social & Relationship Capital**
- **Human Capital**

Material Topics

- **M1** Water Access and Use
- **M2** Positive Drinking
- **M3** Climate Change
- **M4** Sustainable Sourcing
- **M5** Product Safety
- **M6** Employee Protection and Wages
- **M7** Responsible Marketing
- **M8** Business Ethics and Integrity
- **M9** Waste Management
- **M10** Inclusion and Diversity
- **M11** Health and Safety
- **M12** Human Rights

R1: *Restriction on Market Accessibility*

Risk Category: Market/Strategic
Risk Classification: Emerging

Capitals impacted

Strategies linked
S1, S2

Material topics
M7, M8

Risk description
Operating in a highly regulated industry may constrain market access and create pricing volatility driven by evolving government regulations, excise duties, and taxation changes.

Risk Movement: ↑
Risk Rating: Very High

Mitigation measures
- Engage continuously with key external stakeholders across regulatory levels.
- Collaborate with state excise departments to co-create balanced and sustainable excise frameworks.
- Participate actively in industry bodies and forums to support policy dialogue and business continuity.

R2: *Counterfeiting Risk*

Risk Category: Operational
Risk Classification: Legacy

Capitals impacted

Strategies linked
S1, S3

Material topics
M4, M5, M7, M8

Risk description
Risk of counterfeit products entering the market, potentially impacting consumer safety and brand integrity.

Risk Movement: ↔
Risk Rating: Very High

Mitigation measures
- Collaborate with industry bodies such as ISWAI to strengthen advocacy and collective action against counterfeiting.
- Deploy anti-counterfeiting technologies for high-risk and most-affected product categories.
- Enhance brand protection efforts in markets with elevated exposure to counterfeit activity.
- Leverage digital tools and technologies to improve product authentication and strengthen traceability across the supply chain.

R3: *Cyber Security Risk (Information and Data Security)*

Risk Category: Operational
Risk Classification: Emerging

Capitals impacted

Strategies linked
S2, S3

Material topics
M8

Risk description
Increasing digitalisation heightens exposure to cybersecurity threats, data breaches, and system disruptions. Such incidents may affect business continuity, customer trust, and regulatory compliance.

Risk Movement: ⟷
Risk Rating: High

Mitigation measures
- Implement enterprise-wide cyber risk management frameworks and control policies.
- Monitor AI, Bot and automation usage through structured assessments and control mechanisms.
- Maintain a centralised inventory of applications, infrastructure, and critical information assets.
- Deploy machine learning and threat intelligence for real-time threat detection and prevention.
- Ensure regular patching of servers and network devices in line with defined policies.
- Govern privileged and shared access through robust lifecycle and credential management.
- Conduct mandatory employee training and periodic phishing simulations to strengthen awareness.

R4: *Climate Change and Sustainability Risk*

Risk Category: Operational
Risk Classification: Emerging

Capitals impacted

Strategies linked
S3

Material topics
M1, M2, M3, M4, M8, M9, M10, M11, M12

Risk description
Exposure to raw material availability and pricing volatility, driven by climate-related and sustainability considerations, may affect production continuity and margin stability. Increasing compliance requirements and evolving regulations may further restrict the use of certain inputs in liquor production, thereby limiting sourcing flexibility and influencing overall cost structures.

Risk Movement: ⟷
Risk Rating: Medium

Mitigation measures
Water stewardship
- Conduct water risk and source vulnerability assessments at priority sites.
- Improve water-use efficiency through reduce, reuse, and recycle practices.
- Implement replenishment and collective action projects in high-stress basins.

Key raw materials
- Promote regenerative agriculture to strengthen supply chain resilience.
- Diversify sourcing and secure long-term contracts with key agri-suppliers.

Regulatory and compliance management
- Strengthen internal governance to address evolving climate and water regulations.
- Monitor regulatory developments and build agility into compliance processes.

R5: *Anti-Trust Risk*

Risk Category: Legal & Compliance Risks
Risk Classification: Legacy

Capitals impacted

Strategies linked
S1, S3

Material topics
M7, M8

Risk description
Evolving regulatory regimes and stricter enforcement across markets increase compliance requirements. Any lapse in business integrity practices or breach of internal policies, laws, or regulations could adversely affect operations and reputational standing.

Risk Movement: ⟷
Risk Rating: High

Mitigation measures
- Strengthen employee awareness through ongoing training on regulatory compliance and fair competition practices.
- Implement standard operating procedures to ensure compliant and ethical market data collection.
- Engage proactively with industry bodies and legal forums to monitor regulatory developments and address potential anti-competitive risks.

R6: *Moderation*

Risk Category: Strategic Risks
Risk Classification: Emerging

Capitals impacted

Strategies linked
S1, S3

Material topics
M2, M5, M7, M8

Risk description
Increasing consumer preference for moderation, driven by evolving consumer preferences, may influence consumption patterns and impact long-term category growth. This may be further influenced by evolving regulatory requirements, which could affect product positioning, brand communication, and consumer perception.

Risk Movement: ↑
Risk Rating: Medium

Mitigation measures
- Continued engagement with regulators, industry bodies, and other stakeholders on responsible drinking and industry-related matters
- Ongoing monitoring of regulatory developments that may impact product marketing, communication, and positioning
- Portfolio evolution and innovation to address changing consumer preferences and emerging consumption trends
- Promotion of responsible consumption through awareness campaigns and educational initiatives, including efforts to discourage underage drinking

Double Materiality Assessment

Engaging for Shared Purpose



Our material priorities reflect critical issues which shape our ability to grow responsibly in a regulated, resource-intensive industry. These priorities are aligned with our Spirit of Progress agenda. They guide how we manage risks, create value for our stakeholders, and ensure resilient, future-ready operations.

Approach to Double Materiality Assessment

United Spirits Limited's FY 2025–26 Double Materiality Assessment marks a significant step forward in strengthening the integration of sustainability, risk management and long-term value creation within the Company's strategic priorities. Building on the FY 2024–25 materiality framework, the assessment transitions from a primarily impact-led approach to a double materiality lens, considering both the Company's impacts on society and the environment, as well as the financial implications of sustainability-related risks and opportunities on the business.

The assessment is aligned with Diageo PLC's global ESG issues assessment and the Group's 'Spirit of Progress' framework, while being contextualised to reflect India's operating environment. This ensures continuity with Diageo's global materiality universe and governance processes, while enabling United Spirits Limited to incorporate India-specific stakeholder perspectives, regulatory dynamics, community expectations and business realities.

Through this approach, global ESG priorities have been translated into locally relevant material topics for Diageo India. The assessment places sharper emphasis on issues that are particularly salient in the Indian context, including water stewardship, sanitation and hygiene, prevention of harmful alcohol use, agri-food chain resilience, livelihoods and working conditions, waste reduction, inclusive growth, product safety and responsible corporate governance. These priorities reflect the Company's exposure to local water stress, dependence on climate-sensitive agricultural value chains, a highly regulated alcobev sector, and the evolving expectations of consumers, communities, employees, investors and regulators.

Overall, the FY 2025–26 Double Materiality Assessment reflects the maturation of United Spirits Limited's materiality approach. It reinforces alignment with Diageo PLC's global ESG priorities while providing a more nuanced understanding of the sustainability topics most relevant to India. By integrating impact and financial perspectives, the assessment supports more informed decision-making, strengthens accountability and enhances the Company's ability to create sustainable, responsible and resilient long-term value.

From Dialogue to Direction

01	*IDENTIFY*	Build a comprehensive long-list of impacts, risks and opportunities, anchored in Diageo plc's materiality universe and tailored to Diageo's Indian operating context.
02	*ENGAGE*	Map and prioritise, internal and external stakeholders across the value chain; design surveys and structured dialogues to capture their perspectives.
03	*SCORE*	Apply calibrated scoring scales for scale, scope, irremediability, likelihood, and financial significance – combining stakeholder voice with leadership judgement.
04	*PRIORITISE*	Consolidate scores, group related impacts into themes, and identify the topics that are material from both lenses to determine where we focus.
05	*VALIDATE*	Review and finalise material topics with senior leadership and the Board, ensuring alignment with strategy, ERM, and reporting cycles.

Objectives of Materiality Analysis

- Establish goals and targets
- Fulfil stakeholder expectations
- Formulate effective strategies
- Identify and manage risks and opportunities
- Enhance ESG performance and ratings

Materiality Matrix

Spirit of Progress ESG Action Plan	Own Operation	Value Chain
Doing business the right way from grain to glass	Health and Safety	
	Product Safety	
	Human Rights	
	Business ethics and integrity	
Promote positive drinking		Positive drinking
		Responsible marketing
Pioneer grain-to-glass sustainability	Climate Change	
	Sustainable Sourcing	
	Water access and use	
	Waste management	
Champion inclusion and diversity	Employee protection and wages	
	Inclusion and diversity	

Capitals

- **Financial Capital**
- **Brand Capital**
- **Intellectual Capital**
- **Natural Capital**
- **Manufactured Capital**
- **Social & Relationship Capital**
- **Human Capital**

1 WATER ACCESS AND USE

SDGs Impacted

6 CLEAN WATER AND SANITATION
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION
15 LIFE ON LAND

Capitals Impacted

Relevance to United Spirits Limited

Water is fundamental to the Company's operations and value chain – from grain cultivation to distillation, bottling, cleaning, and the final consumer experience. With many manufacturing sites located in water-stressed regions of India, water availability and quality present both operational risks and a responsibility toward local communities. Securing long-term access to quality water, minimising withdrawal intensity and replenishing water in stressed catchments are central to business continuity and the Company's 'Grain-to-Glass' sustainability commitment.

Management Approach

- Pursue 'Preserve Water for Life' as a strategic priority under the 'Grain-to-Glass Sustainability' agenda.
- Set measurable, time-bound targets for reducing water withdrawal intensity, improving recycling and increasing water replenishment.
- Implement site-level water reduction and recycling programmes to drive down water intensity per litre of spirit distilled and beverage packaged.
- Adhere to zero liquid discharge norms at all manufacturing sites, promoting water circularity.
- Prioritise water stewardship interventions for manufacturing sites located in water-stressed regions.
- Invest in community water-replenishment projects in water-stressed basins where the Company operates and extend water stewardship to key suppliers and agricultural value-chain partners, particularly for grain cultivation.
- Conduct regular water risk assessments and integrate findings into site-level capital plans and ERM
- Engage with local government and watershed bodies to promote responsible water stewardship.

Goals

- Reduce water-use in our operations, with a 40% improvement in water use efficiency in water-stressed areas and a 30% improvement across the Company.
- Replenish more water than we use in our direct operations in water-stressed areas.
- Engage in collective action in priority water basins, to improve water accessibility, availability, and quality, and contribute to net positive water impact.
- Invest in improving access to clean water, sanitation and hygiene (WASH) in communities near our sites

Value Created.

- 56% improvement in litres of water used per litre of spirit distilled from FY 2019-20.
- 40% improvement in litres of water used per litre of beverage packaged from FY 2019-20.
- Zero liquid discharge maintained across direct manufacturing operations except one site.
- 1.6 million cubic metres of water replenished across water-stressed sites since FY 2019-20.

BRSR Reference

- Principle 2 (Sustainable Goods & Services)
- Principle 6 (Environment)

Read more
'Natural Capital – Preserve Water for Life' on page 190
'Social and Relationship Capital – Communities' on page 156

2 POSITIVE DRINKING

SDGs Impacted

3 GOOD HEALTH AND WELL-BEING
10 REDUCED INEQUALITIES
17 PARTNERSHIPS FOR THE GOALS

Capitals Impacted

Relevance to United Spirits Limited

As one of India's leading alcobev companies, the Company has both a direct responsibility and an opportunity to shape responsible drinking behaviours at scale. The 'Positive Drinking' agenda is highly relevant to the Company's long-term business sustainability, as it directly supports moderation, underage drinking prevention, drink-driving awareness and informed consumer choice.

In a category subject to heightened social and regulatory scrutiny, proactive leadership on responsible consumption strengthens consumer trust, protects brand equity and reinforces USL's licence to operate. By embedding Positive Drinking across brands, partnerships and stakeholder engagement, USL demonstrates industry leadership while contributing meaningfully to safer, more responsible drinking norms in India.

Management Approach

- Implement the 'Act Smart India' programme to educate young people on the risks of underage drinking.
- Run the 'Wrong Side of the Road' drink-driving awareness programme across key markets.
- Leverage the DRINKiQ platform to enhance consumer knowledge about alcohol and responsible consumption.
- Embed 'Drink Better, Not More' across brand marketing, consumer engagement and commercial communications.
- Strengthen responsible marketing controls to ensure communications are directed only at legal drinking-age consumers.
- Partner with civil society organisations, government agencies and industry bodies to amplify responsible-consumption messaging.
- Promote responsible serving and selling practices across relevant customer, trade and hospitality touchpoints
- Track programme reach, engagement and outcome metrics against declared positive-drinking commitments.

Goals

- Contribute towards Diageo India's target of educating young people, parents, and teachers on the dangers of underage drinking, through our 'Act Smart India' programme.
- Contribute to Diageo India's global target of promoting changes in attitudes towards drink-driving through our 'Wrong Side of the Road' programme.

Value Created

- 2.5 Lakh+ young people educated through 'Act Smart India' in FY 2025-26.
- 7 Lakh+ consumers reached through 'Wrong Side of the Road' in FY 2025-26.
- DRINKiQ platform active and accessible to consumers across digital touchpoints.

BRSR Reference

- Principle 4 (Stakeholder Responsiveness)
- Principle 8 (Inclusive Growth)
- Principle 9 (Consumer Responsibility)

Read more

'Social and Relationship Capital - Communities on page 156

'Social and Relationship Capital - Customers and Consumers' on page 174



3 CLIMATE CHANGE

SDGs Impacted

7 AFFORDABLE AND CLEAN ENERGY
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION
15 LIFE ON LAND

Capitals Impacted

Relevance to United Spirits Limited

Climate change is material to USL's long-term resilience such as water stress, extreme weather and agricultural yield variability affecting input security, operations and cost structure. Transition risks, including carbon pricing, sustainable packaging requirements and shifting consumer preferences, further heighten the financial materiality of this topic.
USL's 'Accelerate to a Low-Carbon World' priority commits the Company to decarbonising operations, engaging its supply chain and strengthening business resilience in a low-carbon economy.

Management Approach

- Pursue 'Accelerate to a Low-Carbon World' as a core pillar of the 'Grain-to-Glass Sustainability' strategy.
- Establish and monitor science-based emissions reduction and Net Zero targets in alignment with Diageo plc's global commitments.
- Transition to renewable energy in direct operations through on-site solar, biofuels, green power procurement and i-RECs where required.
- Implement energy-efficiency and process-optimisation programmes across manufacturing, packaging and logistics operations.
- Engage suppliers, packaging partners and logistics providers to adopt renewable energy, low-carbon materials and emissions reduction practices.
- Integrate TCFD-aligned climate risk assessment into ERM, capital planning, business continuity and investor reporting.
- Undertake community-level afforestation, nature-based solutions and carbon removal projects where credible and measurable.
- Monitor and disclose Greenhouse Gas (GHG) emissions, energy consumption, renewable energy share, climate risks and progress against Net Zero commitments.

Goals

- Reducing our Scope 1 and 2 emissions by 50% by 2030, reaching net zero in our direct operations by 2040.
- Reducing our Scope 3 emissions by 26% by 2030 and achieving net zero across Scopes 1, 2 and 3 by 2050.
- Ensure 100% of our packaging is recyclable (or reusable/ compostable) .
- Increasing the percentage of recycled content in our packaging to 50% by 2030.
- Increase the average recycled content in our plastic bottles to 35% by 2025, then deliver sequential improvement by 2030 where the quality and availability meet our needs.

Value Created

- 18% reduction in absolute GHG emissions (Scope 1 & 2) in direct operations from FY 2021-22 market-based baseline.
- 99% renewable energy share in direct operations.
- 99% material used in packaging is recyclable.
- 60% material used in packaging has recycled input material.
- 1,617 tCO_2e of carbon emissions avoided across direct operations.

BRSR Reference

- Principle 2 (Sustainable Goods & Services)
- Principle 6 (Environment)

Read more

'Natural Capital' on page 182



4 SUSTAINABLE SOURCING

SDGs Impacted

2 ZERO HUNGER
8 DECENT WORK AND ECONOMIC GROWTH
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
15 LIFE ON LAND

Capitals Impacted

Relevance to United Spirits Limited

USL's manufacturing depends on climate-sensitive agricultural commodities – principally broken rice, grains and water – sourced predominantly from smallholder farmers in India. Supply chain disruptions caused by climate change, land degradation or unsustainable farming practices pose direct risks to raw material security and cost. Embedding regenerative agriculture and responsible sourcing into the supply base is therefore both a resilience imperative and a value-chain sustainability commitment.

Management Approach

- Implement the Responsible Sourcing Programme, to ensure key suppliers adhere to defined environmental, social and ethical sustainability standards.
- Embed sustainability criteria into supplier onboarding, evaluation, contracting and periodic performance reviews.
- Run regenerative agriculture pilots to improve soil health, reduce water use and lower carbon emissions in agricultural supply sheds.
- Conduct Life Cycle Assessments (LCAs) of key agricultural supply sheds to identify environmental hotspots.
- Build supplier capability on sustainable farming practices through training, toolkits, partnerships and joint improvement programmes.
- Strengthen traceability mechanisms to improve visibility of raw material provenance and supply chain risks.
- Prioritise suppliers with demonstrable commitments to responsible water use, low-carbon footprint and ethical labour practices.
- Engage suppliers to reduce Scope 3 emissions, improve resource efficiency and adopt climate-resilient agricultural practices.
- Monitor supplier compliance and progress through audits, self-assessments, corrective action plans and performance scorecards.
- Track and disclose progress on sustainable sourcing coverage, traceability, supplier capability-building and impact outcomes.

Goals

- Implement regenerative agriculture programmes by 2030.
- Provide agricultural skills and resources through regenerative agriculture and other programmes to strengthen the resilience and economic prosperity of smallholder farmers in our most important ingredient sourcing landscapes.

Value Created

- Regenerative practices implemented on 804 hectares (426 ha digitally measured and verified via satellite MRV).
- Adoption of Alternate Wetting and Drying (AWD) covered 91% of verified area, reducing emissions by 495 tCO_2e (21% reduction from baseline; 1.16 tCO_2e/ha).
- Achieved 6,00,300 litres water saved, a 5% reduction in irrigation water use.

BRSR Reference

- Principle 2 (Sustainable Goods & Services)
- Principle 6 (Environment)
- Principle 8 (Inclusive Growth)

Read more

'Natural Capital'on page 182

'Manufacturing Capital' on page 62

'Social and Relationship Capital' - Responsible Supply Chain' on page 164

'Social and Relationship Capital – Communities (Regenerative Agriculture)' on page 163

5 PRODUCT SAFETY

SDGs Impacted

3 GOOD HEALTH AND WELL-BEING
12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Capitals Impacted

Relevance to United Spirits Limited

Product safety is the most fundamental obligation USL has to its consumers. In the Indian alcobev market characterised by complex excise structures, multi-state distribution and counterfeit risk – ensuring the consistent safety, quality and traceability of every product is a non-negotiable pillar of consumer trust and regulatory compliance. The Executive Committee elevated Product Safety to a standalone material topic in FY 2025-26, recognising its direct bearing on brand equity, consumer confidence and long-term enterprise value.

Management Approach

- Apply the Diageo Global Quality Policy as the overarching standard for product formulation, manufacturing and packaging.
- Implement multitier quality control and quality assurance processes at all manufacturing sites, including raw material testing, in-process checks and finished-product sampling.
- Ensure compliance with applicable food safety, excise, labelling, packaging and product information regulations across all operating markets.
- Maintain packaging integrity, batch coding and traceability systems to detect and prevent counterfeiting, adulteration and tamper.
- Strengthen supplier quality management through qualification, audits, material specifications and corrective action tracking.
- Engage with regulators on labelling compliance, ingredient transparency and product information standards.
- Conduct regular product recall simulations and maintain a credible recall management protocol with clear escalation, accountability and communication procedures.
- Monitor product quality incidents, consumer complaints and non-conformances, and implement corrective and preventive actions.
- Train manufacturing, quality, supply chain and customer-facing teams on product safety, quality standards and incident response procedures.
- Uphold data privacy standards in consumer data collected through brand interactions and loyalty programmes and complaint management channels

Goals

- Achieve zero significant product safety incidents or product recalls attributable to quality failures in direct operations.
- Ensure 100% traceability of finished goods across direct manufacturing and primary distribution.
- Maintain full compliance with all applicable food safety, labelling and product standards regulations.

Value Created

- Zero significant product safety incidents or product recalls attributable to quality failures in direct operations during the reporting year.
- 100% traceability of finished goods maintained across direct manufacturing and primary distribution.
- Full compliance maintained with all applicable food safety, labelling and product standards regulations during the reporting year.

BRSR Reference

- Principle 2 (Sustainable Goods & Services)
- Principle 9 (Consumer Responsibility)

Read more

'Social and Relationship Capital – Customers and Consumers' on page 174

'Manufactured Capital' on page 62

6 EMPLOYEE PROTECTION AND WAGES

SDGs Impacted

1 NO POVERTY
8 DECENT WORK AND ECONOMIC GROWTH
10 REDUCED INEQUALITIES

Capitals Impacted

Relevance to United Spirits Limited

USL's people are the foundation of its operational excellence, cultural resilience and long-term value creation. Ensuring fair compensation, safe working conditions, equitable employment practices, training and skill development and access to well-being support is both a moral imperative and a strategic necessity. In an environment of increasing regulatory scrutiny on labour practices and supply chain accountability, robust employee protection also mitigates legal, reputational and operational risk.

Management Approach

- Maintain compensation structures that are benchmarked to market and aligned with the principle of equal pay for equal work.
- Conduct periodic pay equity reviews to identify and address wage disparities across gender, role, location and employment category.
- Provide structured skills, training and development programmes to build employee capability, support career progression and strengthen workforce readiness for evolving business needs.
- Implement the Employee Assistance Programme (EAP) for hyper-personalised well-being support, covering emotional, practical and physical dimensions.
- Ensure compliance with applicable labour laws, the Company's Human Rights Policy and workplace protection standards across own operations.
- Extend human rights and labour standards requirements to the supply chain through the Responsible Sourcing Programme.
- Conduct regular employee engagement surveys and respond to feedback through structured action planning.
- Maintain accessible grievance mechanisms, including the 'Speak Up' helpline, to raise concerns confidentially and without fear of retaliation.
- Monitor and report key workforce indicators, including wage compliance, grievance trends, engagement outcomes, well-being support and corrective actions.

Goals

- Maintain 100% compliance with applicable labour laws and regulations.
- Achieve and sustain high employee engagement scores through continuous investment in culture and well-being.
- Ensure equitable compensation across gender and role levels.

Value Created

- 100% compliance maintained with applicable labour laws and regulations during the reporting year. No reported incidents of forced labour, child labour or significant labour rights violations.
- 90% employee engagement score during the reporting year.
- Equitable compensation maintained across gender and role levels, supported by periodic pay equity reviews.

BRSR Reference

- Principle 3 (Employee Well-being)
- Principle 5 (Human Rights)

Read more
'Human Capital' on page 138
'Social and Relationship Capital – Responsible Supply Chain' on page 164



7 RESPONSIBLE MARKETING

SDGs Impacted

3 GOOD HEALTH AND WELL-BEING
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Capitals Impacted

Relevance to United Spirits Limited

In a highly regulated and reputationally sensitive sector, responsible marketing is foundational to USL's social licence to operate, brand equity and consumer trust. The Company is committed to marketing only to adult audiences, promoting moderation, and ensuring all communications comply with the Diageo Marketing Code (DMC) and applicable Indian advertising and labelling regulations. Non-compliance carries significant reputational, regulatory and financial risk.

Management Approach

- Apply the Diageo Marketing Code (DMC) as the binding standard for all marketing, advertising, sponsorship and consumer engagement activities.
- Conduct robust cross-functional prelaunch review of all marketing communications to ensure compliance with DMC and applicable regulations.
- Target only audiences aged 21 and above through appropriate media selection, age-gating controls and platform-level safeguards.
- Adhere to the Diageo Consumer Information Standard to ensure transparent, accurate and responsible product labelling.
- Embed 'Drink Better, Not More' across brand communications, campaign planning and consumer engagement.
- Monitor marketing compliance incidents and report material breaches to leadership through defined governance and disclosure channels.

Goals

- Ensure full compliance with the Diageo Marketing Code and applicable data privacy regulations.
- Maintain zero significant marketing communication violations resulting in a regulatory fine or penalty.
- Normalise responsible consumption messaging across all brand communications.

Value Created

- Full compliance with the Diageo Marketing Code and applicable data privacy regulations ensured across marketing and consumer engagement activities during the reporting year.
- No significant incidents of marketing communication violations resulting in a fine or penalty during the reporting year.
- All marketing campaigns reviewed against DMC standards prior to launch. Responsible consumption messaging normalised across brand communications and consumer touchpoints during the reporting year.

BRSR Reference

- Principle 1 (Ethics, Transparency and Accountability)
- Principle 9 (Consumer Responsibility)

Read more
'Social and Relationship Capital – Customers and Consumers' on page 174



8 BUSINESS ETHICS AND INTEGRITY

SDGs Impacted

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

17 PARTNERSHIPS FOR THE GOALS

Capitals Impacted

Relevance to United Spirits Limited

Strong corporate governance and ethical conduct are prerequisites for maintaining stakeholder confidence, regulatory goodwill and long-term enterprise value. For USL, operating in a complex regulatory environment with multiple excise and licensing authorities, a zero-tolerance approach to corruption, bribery and anti-competitive conduct is both a legal necessity and a cultural commitment. The Company's 'Doing Business the Right Way' philosophy underpins every aspect of governance – from Board accountability to frontline compliance training.

Management Approach

- Maintain robust corporate governance led by the Board of Directors, supported by clearly defined accountability, oversight and escalation structures.
- Apply a comprehensive ethics and compliance policy framework, including the Code of Conduct, anti-bribery and corruption, conflict of interest, gifts and entertainment, competition law and data privacy requirements.
- Implement rigorous systems, processes and internal controls to strengthen compliance, accountability, transparency and timely remediation of issues.
- Ensure 100% employee coverage on Code of Conduct e-Learning and Annual Compliance Certification (ACC).
- Operate the 'Speak Up' helpline as a confidential channel for reporting ethics and compliance concerns with protection against retaliation.
- Integrate a centralised compliance management tool to strengthen internal controls and track compliance performance.
- Conduct regular internal and external audits to ensure adherence to all applicable laws, regulations, internal policies and governance standards.

Goals

- Uphold the highest corporate governance standards in all business conduct.
- Achieve 100% employee training coverage on key compliance topics: Anti-Bribery & Corruption, Anti-Money Laundering, Anti-Trust & Competition, Data Privacy, Human Rights, SpeakUp and Conflict of Interest.
- Ensure 100% Code of Conduct e-Learning and ACC completion each year.

Value Created

- 81% of cases reported for Code of Conduct breaches investigated and closed with appropriate action; enquiries ongoing for the remaining 19%.
- No reported incidents of human rights violations. Highest corporate governance standards up-held across business conduct, decision-making and stakeholder engagement during the reporting year.
- 100% employee training coverage achieved on key compliance topics, including Anti-Bribery & Corruption, Anti-Money Laundering, Anti-Trust & Competition, Data Privacy, Human Rights, SpeakUp and Conflict of Interest.
- 100% Code of Conduct e-learning and Annual Compliance Certification completion achieved during the year.

BRSR Reference

- Principle 1 (Ethics, Transparency and Accountability)
- Principle 7 (Policy Advocacy)

Read more
'Social & Relationship Capital'- Communities on page 156



9 WASTE MANAGEMENT

SDGs Impacted

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

14 LIFE BELOW WATER

Capitals Impacted

Relevance to United Spirits Limited

The production and packaging of alcoholic beverages generates solid waste, packaging materials and liquid effluent across the product lifecycle. Irresponsible waste management creates environmental risks – including greenhouse gas emissions, soil and water pollution, and biodiversity loss – and carries regulatory and reputational consequences. USL is committed to a circular economy approach, targeting zero waste to landfill and sustainable packaging solutions across its operations.

Management Approach

- Pursue goals for zero waste to landfill and sustainable packaging under the 'Accelerate to a Low-Carbon World' approach.
- Monitor packaging and waste management KPIs against the 'Spirit of Progress' ESG action plan targets.
- Implement waste reduction, segregation, reuse and recycling programmes across manufacturing sites.
- Invest in efficient production and recycling infrastructure to develop sustainable, circular packaging solutions.
- Collaborate with suppliers and packaging partners to reduce waste generation at source and increase recycled or recyclable material use.
- Partner with certified waste handlers to ensure responsible waste disposal through waste traceability assessments.
- Conduct waste traceability assessments to verify end-to-end handling and disposal of hazardous and non-hazardous waste.
- Implement Extended Producer Responsibility (EPR) programmes in compliance with Indian plastic waste regulations.
- Track and disclose key waste indicators, including total waste generated, waste recycled, waste diverted from landfill, hazardous waste and EPR compliance outcomes.

Goals

- Achieve zero waste created intended for landfill in our direct operations.
- Ensure 100% of our packaging is recyclable (or reusable/ compostable).
- Increasing the percentage of recycled content in our packaging to 50% by 2030.
- Increase the average recycled content in our plastic bottles to 35% by 2025, then deliver sequential improvement by 2030 where the quality and availability meet our needs.
- Ensure 100% collection and management of plastic waste under the EPR programme.

Value Created

- 100% of waste generated in direct operations diverted from landfills.
- 99% material used in packaging is recyclable.
- 60% material used in packaging has recycled input material.
- 33% food-grade recycled PET (r-PET) used across the PET bottle portfolio.
- 100% of plastic waste generated collected and managed under the EPR programme.

BRSR Reference

- Principle 2 (Sustainable Goods & Services)
- Principle 6 (Environment)

Read more
'Natural Capital'on page 189 and Responsible Supply Chain on page 165



10 INCLUSION AND DIVERSITY

SDGs Impacted

5 GENDER EQUALITY
8 DECENT WORK AND ECONOMIC GROWTH
10 REDUCED INEQUALITIES

Capitals Impacted

Relevance to United Spirits Limited

A diverse and inclusive workforce drives better decision-making, innovation and cultural resilience. The Company's commitment to inclusion and diversity – across gender, disability, age and background – reflects both its values and its business strategy. As a company that markets to a broad and diverse consumer base, internal diversity is also integral to authentic brand equity. The Company's representation across the workforce and is committed to creating an equitable environment where all individuals can thrive.

Management Approach

- Implement targeted gender diversity initiatives, including leadership development and career progression programmes for women.
- Strengthen diverse hiring, retention and succession planning practices across roles, functions and leadership levels.
- Run the 'Learning for Life' programme to equip women and individuals with business and hospitality skills, improving employability.
- Operate the skill-building programme for Persons with Disabilities (PwDs) to enhance employment prospects in the hospitality sector.
- Embed a listening culture through employee engagement channels and the Employee Assistance Programme to address personalised well-being needs.
- Ensure zero tolerance for discrimination, harassment and workplace misconduct, supported by the POSH policy, Speak Up mechanism and defined investigation protocols.
- Train employees on inclusive leadership, unconscious bias, dignity at work and anti-harassment standards.
- Track workforce diversity data by gender, PwD status and leadership level, and report externally.
- Review diversity outcomes periodically and use insights to strengthen hiring, advancement, engagement and inclusion interventions.

Goals

- Equip 13,000 people with business and hospitality skills to enhance their employability and livelihoods.
- Increase total women representation in the executive workforce to 33%, and in the leadership team to 50%, by 2030.
- Ensure 50% of the beneficiaries of our community programmes are women, with a focus on enhancing diversity and inclusion of underrepresented groups

Value Created.

- 1,968 individuals – including 1,004 women and 318 PwDs – trained under the 'Learning for Life' programme.
- 51% of skilling programme beneficiaries are women, exceeding the 50% target.
- 90% overall employee engagement score, reflecting an inclusive and enabling workplace culture.
- Zero tolerance policy on discrimination and harassment enforced across all locations.

BRSR Reference

- Principle 3 (Employee Well-being)
- Principle 5 (Human Rights)
- Principle 8 (Inclusive Growth)

Read more
'Human Capital'- Employees on page 138



11 HEALTH AND SAFETY

SDGs Impacted

3 GOOD HEALTH AND WELL-BEING
8 DECENT WORK AND ECONOMIC GROWTH

Capitals Impacted

Relevance to United Spirits Limited

The health and safety of employees, contract workers and visitors at the Company's manufacturing sites and offices is non-negotiable. Given the nature of distilling, blending and packaging operations, potential hazards are inherent, making a mature safety culture and robust process safety management essential. Lapses in occupational health and safety carry significant human, legal, reputational and operational costs.

Management Approach

- Embed a 'Zero Harm' safety culture across all manufacturing sites and business operations.
- Implement the Diageo Global Safety Standards, including process safety, contractor safety and emergency response protocols.
- Conduct regular safety audits, risk assessments and near-miss investigations to identify and remediate hazards.
- Deliver mandatory safety training for all employees, including frontline workers and contract staff.
- Maintain emergency preparedness and business continuity across manufacturing and distribution sites.
- Promote employee health and well-being through preventive health checks, awareness programmes and access to occupational health support.

Goals

- Achieve zero fatalities across direct operations and contractor workforce.
- Reduce LTIFR and TRIR year-on-year against baseline.
- Track and report key safety indicators, including LTIFR, TRIR, near misses, fatalities, high-potential incidents and corrective action closure rates.
- Review incidents and audit findings to drive corrective actions, continuous improvement and reduction of safety risks across operations.
- Ensure 100% of manufacturing sites are compliant with Diageo Global Safety Standards.

Value Created

- Zero fatalities achieved across direct operations and contractor workforce during the reporting year.
- LTIFR and TRIR reduced year-on-year against the defined baseline.
- Key safety indicators tracked and reported, including LTIFR, TRIR, near misses, fatalities, high-potential incidents and corrective action closure rates.
- Incidents and audit findings reviewed to implement corrective actions, drive continuous improvement and reduce safety risks across operations.
- 100% of manufacturing sites compliant with Diageo Global Safety Standards.

BRSR Reference

- Principle 3 (Employee Well-being) OHS sub-section.

Read more
'Manufactured Capital' on page 62



12 HUMAN RIGHTS

SDGs Impacted

8 DECENT WORK AND ECONOMIC GROWTH
10 REDUCED INEQUALITIES
16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Capitals Impacted

Relevance to United Spirits Limited

Respecting and upholding human rights – including the rights of employees, supply chain workers and community members – is central to the Company's value system and Diageo's global 'Doing Business the Right Way' philosophy. As a large employer and procurer of agricultural commodities from smallholder-dominated supply chains, the Company carries responsibility for human rights due diligence across its operations and value chain, in alignment with the UN Guiding Principles on Business and Human Rights.

Management Approach

- Implement a formal Human Rights Policy aligned with the UN Guiding Principles on Business and Human Rights.
- Conduct periodic human rights due diligence assessments in direct operations and high-risk supply chain categories.
- Embed human rights requirements in the Supplier Code of Conduct and the Responsible Sourcing Programme.
- Prohibit child labour, forced labour, discrimination, harassment and unsafe working conditions across own operations and value chain.
- Maintain the 'Speak Up' mechanism as a confidential grievance channel for all employees and value chain partners.
- Ensure timely investigation, remediation and closure of human rights grievances with protection against retaliation.
- Monitor supplier compliance through audits, self-assessments, corrective action plans and escalation mechanisms.
- Monitor and disclose human rights performance, including due diligence coverage, grievance data, investigation outcomes and corrective actions.

Goals

- Achieve zero reported incidents of human rights violations in direct operations.
- Ensure 100% of high-risk suppliers are covered by the Responsible Sourcing Programme.
- Embed human rights criteria in procurement and supplier assessment processes.

Value Created

- Zero reported incidents of human rights violations in direct operations during the reporting year.
- 100% of high-risk suppliers covered under the Responsible Sourcing Programme.
- Human rights criteria embedded into procurement decisions, supplier onboarding and supplier assessment processes.'Speak Up' helpline operational for all employees and value chain partners.

BRSR Reference

- Principle 5 (Human Rights)

Read more

Social & Relationship Capital'- Responsible Supply Chain on page 164

'Social & Relationship Capital'- Communities on page 156





Operating Context

Shaping Growth in a New India

The alcobev industry continues to grow as purchasing power, aspirations and normalisation of the category continue to evolve the category. With India at an inflexion point in its trajectory, being one of the fastest growing large economies of the world, driven by a consumption, anchored on a young population, the category remains vibrant and dynamic, with the narrative moving towards more nuanced play of aspiration, value, and responsibility.

India, the Consumer Market of the Decade

- **Fastest-growing large economy, with a median age of 28, a booming middle & high-income class,** and a **projected GDP of $7 trillion** by 2030, India is reshaping global consumption trends.
- A vibrant democracy with **a digital-first economy**, the future is being built here
- We're seeing a deeper, sharper **INDIA CONFIDENCE**, that's **driving how people spend, consumer and aspire**
- India now **contributes 39% of growth in global Total Beverage Alcohol (TBA)** and is the fastest growing large market in this space
- India is the **#1 whiskey market by volume, #2 by value, and the #3 spirits market** globally. With per **capita consumption at 2.6 litres,** and **spirits penetration significantly lower than average consumer goods categories,** the runway for growth is massive

However, India is not one but many, and segmenting the country into relevant segments is critical. And being able to speak with a diverse portfolio catering to these different segments and needs is critical. One size does not fit all.

The India story isn't just about scale, it's about quality of growth.

- Consumers here are trading up, **choosing to drink better, not more**. Premiumisation is accelerating.
- India will add **100 million** Legal Drinking Age (LDA) consumers in five years, a quarter of the world's total **Millennials and Gen Z** are rewriting the rules, demanding new formats, new rituals and **new experiences**.
- **Women's participation** in the category is rising, driving growth in scotch, cocktails, malts, and white spirits.
- A **culture of choice** is emerging, where consumers are building repertoires, switching drinks by occasion, mood, and company.
- Retail, on-trade, and 'third spaces' are **shaping discovery and demand** like never before.
- **Local pride** is fuelling the rise of Indian spirits, from craft gins and single malts to agave, rum, and non-alc.

Defining the Market Megatrends

Premiumisation is being the New Normal

Consumption is steadily moving up the value chain, driven by aspiration, exposure and a growing preference for authenticity. Products today are evaluated basis taste, and story, and experience. This is gradually repositioning growth from volume expansion to value creation.

A New Generation of Consumers is Reshaping Demand

Younger cohorts are entering the category with different expectations. Their choices reflect identity, experimentation and occasion which is also reflected in the rapidly expanding repertoire of brands that consumers engage with. Consumption is becoming more curated and intentional, where consumers choose different drinks for different occasions, deciding on preference of tastes, flavours, formats.

This is driving growth through consumption of new drinks and experiences, and contrary to popular belief, is driving 'drink better' and not a reduction in consumption. therefore, influencing the portfolio development and brand relevance.

"Experiences and Repertoires are Expanding"

New formats, flavour-led innovation and craft offerings are creating fresh occasions, while on-trade and curated spaces continue to shape perception and drive premium adoption. Convenience and experience are converging, opening new pathways for category expansion and increasingly consumers are increasing their repertoire, choosing different drinks for different occasions.



Regulation is Becoming more Dynamic and Strategic in its Impact

The operating environment continues to be shaped by state-level dynamics and evolving policy frameworks. At the same time, regulatory changes are enabling greater clarity in product definitions and encouraging innovation. Navigating this landscape requires foresight and a balanced approach to compliance and growth.

Digital and Data are Strengthening the Route to Market

Even within a regulated ecosystem, digital influence is growing across consumer discovery, engagement and demand planning. Data-led insights are improving decision-making across portfolios, channels and geographies, enabling sharper execution.

Sustainability is Deep Ingrained at the Core

Environmental and social considerations are increasingly influencing both consumer expectations and operational priorities. Responsible sourcing, resource efficiency and sustainable packaging are becoming integral to long-term competitiveness and stakeholder trust.

Read more

about the economy and industry in our MD&A report at page 238

How we are Reacting to these Megatrends

Our response is to move closer to where value is shifting. Our portfolio plays to the different segments in India, with an offering for each of the Indias for their different affordability/price points as well as their different occasions, by leveraging the trends of premiumisation, repertoire, experiences and LDA choices.

The portfolio now leans into premium and above, where choice is more considered. The growing presence of Bottled-in-Origin scotch and tequila, and the rise of brands like Don Julio, reflect this shift. At the same time, we are strengthening our India play through The Good Craft Co. and investments in craft brands that carry a sense of place. Innovation stays close to evolving preferences, seen in flavours such as Minty Jamun and Mango Mirchi of Smirnoff, and in formats like the 180 ml packs that open new occasions.

Definition of engagement and operations are also getting a revamp. Digital platforms and cultural associations, across music, sports, fashion and lifestyle, enabling us to stay connected with consumers. Sustainability is becoming part of everyday decisions, from conservation-led storytelling through Godawan to our Grain-to-Glass approach. The regulatory environment remains fluid, and our focus is to stay responsive, adjusting quickly while maintaining discipline. The direction is clear, stay relevant, stay agile, and grow with intent.

Read more

our Strategic Priorities at page 42



Strategic Priorities

Growth Anchored in Purpose

India's alcobev market is evolving, where growth is getting shaped by premiumisation, driven by evolving consumer aspirations. We have developed our strategy to lead in this environment. Our focus remains on strengthening a high-value portfolio, unlocking efficiencies across the value chain, and responding with agility to a complex and state-driven regulatory landscape. Parallelly, we are investing in capabilities that define a future-ready organisation, driven by talent, digital integration, and operational responsiveness.

Read more
Operating context on page 38 and MD&A at page 238

Our Strategy is designed to leverage this unique India moment, anchored on
Three Key Pillars

Sustained double-digit profitable growth
and long-term value for all our stakeholders





Our Ambition

We aspire to be the top performing consumer products company in India, with Sustained double-digit, profitable topline growth and long-term value for all our stakeholders.

Strategic Priority #1

Portfolio Reshape

India's income pyramid is expected to evolve significantly by 2030, led by the rise of a strong middle class and faster growth at the upper end of the income spectrum. Our portfolio strategy is aligned to this shift, serving the distinct needs of the three Indias as consumption moves toward premiumisation.

Serving the Three India

- **Lower and mid-middle India:** Addressed through our mass premium portfolio, led by brands such as McDowell's and Royal Challenge.
- **Upper-middle India:** Served through premium IMFL brands including Signature, American Pride and Antiquity, along with entry-premium offerings such as Black & White, Black Dog and Smirnoff.
- **Affluent India:** Catered to through our global portfolio, including Johnnie Walker, Singleton, Talisker, Lagavulin, Godawan, Tanqueray and Don Julio.

Read more
on our Brand capital at page 74 and Social and Relationship Capital Customers and consumers at page 174

Strategic Priority #2

Organisation of the future

- Talent and culture as growth drivers
- Learning Organisation

Read more
Human capital chapter at page 138

Strategic Priority #3

Diageo in society

Spirit of Progress ESG Action Plan is an enabler of our Growth Ambition and a commercial imperative for our business, underpinned by our commitment of doing business the right way:

- Promote Positive Drinking
- Champion Inclusion & Diversity
- Pioneer Grain to Glass sustainability

Contributing meaningfully with India for India (Viksit Bharat).

Read more
on our Human capital at page 138 and Social and relationship capital Customers and consumers on page 174, and Natural capital at page 182

Realising our Strategic Priorities

Material Topics

- **M1** Water Access and Use
- **M2** Positive Drinking
- **M3** Climate Change
- **M4** Sustainable Sourcing
- **M5** Product Safety
- **M6** Employee Protection and Wages
- **M7** Responsible Marketing
- **M8** Business Ethics and Integrity
- **M9** Waste Management
- **M10** Inclusion and Diversity
- **M11** Health and Safety
- **M12** Human Rights

Capitals

- **Financial Capital**
- **Manufactured Capital**
- **Brand Capital**
- **Social & Relationship Capital**
- **Intellectual Capital**
- **Human Capital**
- **Natural Capital**

Risks

- **R1** Restriction on market accessibility and risk of pricing environment
- **R2** Counterfeiting
- **R3** Cyber security risk (information & data security)
- **R4** Climate change and sustainability
- **R5** Anti-Trust
- **R6** Moderation

Strategic Priority #1

Portfolio Reshape

Material topics M2, M7

Risks R1, R2

Capitals

Stakeholders
- Consumers
- Investors
- Supply Chain Partners

Actions taken in FY 2025-26

Portfolio premiumisation and segment saliency

- Premiumisation has been the bedrock of our strategy, and we have delivered on that with Prestige & Above (P&A) contributing 89.6% of net sales.
- Our top end of the portfolio (Prestige Upper & above) has grown by 8.6%
- Strengthened Premium & Upper/Mid Prestige Whisky.

Brand momentum across categories

- **Scotch:** Black & White reached a new milestone, emerging as India's No. 1 Scotch brand; India is now the No.3.
- **Indian whisky:** Royal Challenge Whisky strengthened its position as a challenger brand, moving closer to the category leader despite disruption in Maharashtra. Signature sustained strong double-digit volume growth.
- **White spirits:** India is now in the Top 5 markets for Smirnoff globally. Smirnoff delivered disruptive growth and market share gains, led by flavoured variants. Don Julio emerged as the fastest 100 Crores brand and continued to drive category growth.
- **Indian single malts:** Godawan recorded high double-digit growth and crossed the milestone of 100 global awards.

Innovation For Future: Driving Recruitment & Premiumisation

- Format-led innovation: Expanded the Prestige portfolio through targeted format innovation, with 180 ml & 90 ml pocket packs supporting share gains for Royal Challenge and McDowell's brand in a challenging consumer environment.
- Johnnie Walker Blonde and Red also scaled up on accessible format of 200ml pocket pack across key geographies, to drive upgrades and recruit into the JW brand.
- Black & White was launched with a vibrant new bundle design in Aug'25 and Black Dog was renovated in Feb'26 and is getting launched across India.
- Royal Challenge Irish Trail launched in Telangana.
- Johnnie Walker Blue Diwali Edition was launched in collaboration with Indian designer, Rahul Mishra.
- Premium innovation with global appeal: Strengthened the India-for-India and India-for-the-world proposition through the launch of Godawan 173 Collector's Edition in London.
- Stepped our presence and brand building in the on-trade channels, leveraging cocktail culture on our premium brands, especially Johnnie Walker and Don Julio.

Portfolio expansion and inorganic growth

- Completed acquisition of NAO Spirits, strengthening craft portfolio with brands such as Greater Than, Hapusa, and PIPA.

Value chain agility and cost optimisation

- Re-engineered value chain in Maharashtra in response to tax changes, in collaboration with channel partners, to maintain competitiveness.
- Progressed sourcing efficiencies linked to the India-UK Free Trade Agreements (FTA), with expected annualised benefits.

Outlook

- Accelerated premiumisation
- Broader category representation (products across a broader pricing spectrum)
- Full category approach
- Innovation & brand building

Strategic Priority #2
Organisation of the Future

Material topics
M8, M10, M12

Risks
R1, R3

Capitals

Stakeholders
- Employees
- Investors

Actions taken in FY 2025-26

Our Employee Value Proposition
- The best place to grow through opportunities across functions, regions and iconic brands, enabling employees to build skills, shape careers and realise their potential.
- Shape the future with us through an environment that encourages innovation, pushes boundaries and enables meaningful contribution.
- Support and reward you through a culture of inclusion, flexibility and meaningful recognition.
- Purpose-led and employee-focused through Celebrating You, which connects our people promise to our purpose and builds pride, advocacy and belonging.

Talent ecosystem development
- Progressed development of the TGCC Flavour Market in Goa, with plans to establish 'The Academy' offering certified programmes and mentorship.
- Strengthened efforts to build a community of distillers, chefs and entrepreneurs.

Digital enablement
- Delivered high-impact digital-first brand campaigns, including Johnnie Walker's Can't Stand Still and McDowell's No. 1 First with Friends.
- Advanced seamless omni-channel execution through inthebar.com, the Diageo Bar Academy bartender network, and elevated on-trade and off-trade experiences.

Operational agility
- Demonstrated market responsiveness by resuming operations within 30 days of regulatory changes.
- Advanced supply agility programme, including optimisation of manufacturing footprint through closure and monetisation of older units.

Outlook
- Build a learning organisation with critical talent unlock, and advancing inclusion as a source of strength.
- Invest in building advantaged capabilities and differentiated competencies.
- End-to-end digital transformation for value creation.
- Commitment to sustaining impactful A&P investment.
- Driving Commercial excellence & Supply chain agility.

Strategic Priority #3
Diageo in Society

Material topics
M1, M2, M3, M4, M5, M6, M7, M9, M10, M11

Risks
R2, R3, R4, R5, R6

Capitals

Stakeholders
- Consumers
- Communities
- Investors
- Supply Chain Partners
- Government/Regulators

Actions taken in FY 2025-26

Embedding sustainability across operations
- Remained on track to achieve 99% renewable energy across own operations.
- Implemented 2.7 MW of solar power capacity across Goa, Nashik, Alwar, Baramati and Kumbalgodu, with plans to add another 1.5 MW.
- Advanced the GHG emissions agenda through initiatives such as shifting from coal to biomass across distilleries.

Promoting positive drinking
- Expanded responsible drinking awareness through DRINKiQ.com, strengthening consumer education. 10 Lakh+ consumers were reached through these initiatives.
- Reinforced the Drink Better, Not More agenda through the conscious consumption pillar of The Good Craft Co.
- Educated 7 Lakh + young individuals on the risks of underage drinking.

Pioneering grain-to-glass sustainability
- Strengthened sustainability practices across 36 manufacturing facilities, with continued focus on resource efficiency and responsible operations.
- Advanced water stewardship through the replenishment of 1.6 million cu. m of water and harvesting of 25,253 cu. m of rainwater.
- Progressed on the net zero carbon pathway through 99% renewable energy share, 18% reduction in Scope 1 and 2 emissions, 1,617 tonnes of direct emissions avoided.
- Improved packaging circularity through 100% waste diversion from landfill, 99% recyclable packaging, 60% recycled content and 49% use of food-grade r-PET.
- Progressed the Goa Flavour Market through spice walks and botanical trails that showcase local ingredients and provenance.
- Strengthened the Made in India portfolio through craft-led brands and the promotion of local craftsmanship.

Champion Inclusion & Diversity
- Transformed 8,504 lives through the Learning for Life programme by building business and hospitality skills.
- Women accounted for 50% of programme beneficiaries.

External ratings & Certifications
- Medium Risk" on Sustainalytics ESG Score
- NSE ESG Rating '73'
- Improved S&P Global CSA Score to '61'
- Alwar, advanced to AWS Platinum Certification

Outlook
- Continue to deliver on the commitments made under Spirit of Progress 2030.
- Commitment to India's economic progress as a dedicated partner to Viksit Bharat, driving innovation, fostering skill development, and supporting sustainable agriculture.

Progress, Poured with Purpose

Our ambition is to be the best performing, most trusted and respected consumer products company in India, and this ambition shapes how we operate and grow. We integrate ESG principles into our strategy and decision-making to ensure that business performance aligns with responsibility and long-term value creation. Our 'Spirit of Progress' framework serves as a core enabler of this approach, translating intent into focused action across the priorities that matter most to our stakeholders. Structured around the 'Spirit of Progress' framework, it guides our efforts on environmental stewardship, people empowerment, and community impact, embedding these priorities into our operations to strengthen resilience, drive disciplined execution, and deliver sustained long-term value for both society and our business.

Global ESG Rankings & Scores

73 **(Leader)**
NSE ESG Rating
[December 2025]

21.2 **(Medium Risk)**
Sustainalytics ESG risk score [May 2025]

61 | 64
S&P Global CSA | ESG Score [January 2026]

The 'Spirit of Progress' Framework

Promote positive drinking

Changing the way the world drinks for the better, by promoting responsible drinking and addressing the harmful use of alcohol

Champion inclusion and diversity

Nurturing an environment where everyone contributes to a better business, and creating a positive impact

Pioneer 'Grain-to-Glass' sustainability

Protecting the environment and natural resources, and creating sustainable value through two pillars:

- Preserve water for life
- Accelerate to a low carbon world

Our *'Spirit of Progress'* Goals

We manage our business for the long term and have always believed that doing business the right way, from grain to glass, builds trust and credibility with our stakeholders. Our 'Spirit of Progress' plan is the framework through which we bring this commitment to life. It enables us to identify and monitor the most material risks and opportunities across our value chain, using these insights to shape our strategy and drive meaningful, scalable impact. As our operating context evolves, so does the plan – ensuring we focus our resources on the issues most critical to our footprint and areas of influence.

Promote Positive Drinking

- Contribute towards Diageo India's target of educating young people, parents, and teachers on the dangers of underage drinking, through our 'Act Smart India' programme.
- Contribute to Diageo India's global target of promoting changes in attitudes towards drink-driving through our 'Wrong Side of the Road' programme.

Note: Diageo India's targets are calibrated annually, based on the performance of the previous FY.

Read more

'Social and Relationship Capital - Communities' on page 156

Champion Inclusion & Diversity

- Equip 13,000 people with business and hospitality skills to enhance their employability and livelihoods.
- Increase total women representation in the executive workforce to 33%, and in the leadership team to 50%, by 2030.
- Ensure 50% of the beneficiaries of our community programmes are women, with a focus on enhancing diversity and inclusion of underrepresented groups.

Read more

'Social and Relationship Capital – Communities' on page 156 and 'Human Capital' on page 138

Pioneer Grain-to-Glass Sustainability

Preserve Water for Life

- Reduce water-use in our operations, with a 40% improvement in water use efficiency in water-stressed areas and a 30% improvement across the Company.
- Replenish more water than we use in our direct operations in water-stressed areas.
- Engage in collective action in priority water basins, to improve water accessibility, availability, and quality, and contribute to net positive water impact.
- Invest in improving access to clean water, sanitation and hygiene (WASH) in communities near our sites.

Accelerate to a Low-carbon World

- Reducing our Scope 1 and 2 emissions by 50% by 2030, reaching net zero in our direct operations by 2040.
- Reducing our Scope 3 emissions by 26% by 2030 and achieving net zero across Scopes 1, 2 and 3 by 2050.
- Achieve zero waste created intended for landfill in our direct operations.
- Ensure 100% of our packaging is recyclable (or reusable/compostable).
- Increasing the percentage of recycled content in our packaging to 50% by 2030.
- Increase the average recycled content in our plastic bottles to 35% by 2025, then deliver sequential improvement by 2030 where the quality and availability meet our needs.
- Implement regenerative agriculture programmes by 2030.
- Provide agricultural skills and resources through regenerative agriculture and other programmes to strengthen the resilience and economic prosperity of smallholder farmers in our most important ingredient sourcing landscapes.

Read more

'Natural Capital' chapter on page 182



Robust ESG Governance Framework

We have put in place a robust governance mechanism comprising a structured framework, to drive the continuous advancement of our 'Spirit of Progress' charter.

01

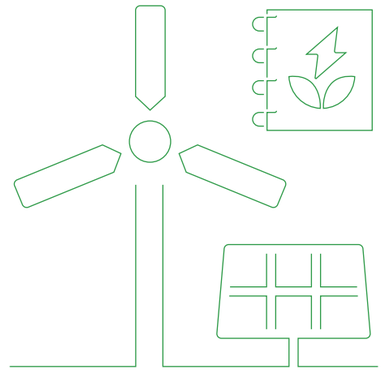
The Board, supported by its CSR and ESG Committee, provides oversight and strategic guidance on ESG performance

02

The Executive Committee, led by the Managing Director & CEO, drives the management and execution of ESG priorities

03

The cross-functional Diageo India Leadership Team embeds ESG into business processes and reports to the Executive Committee



Sustainable Development Goals

The United Nations Sustainable Development Goals continue to guide our journey forward. Our approach to these goals reflects a deep sense of compassion, shaping how we engage with and contribute to the wider society. Each effort is grounded in responsibility and directed towards progress that endures beyond the present.



Numbers that Tell a Bigger Story

We follow a disciplined and strategic approach to capital management, with a clear focus on delivering sustainable, long-term financial growth while preserving balance sheet strength. Our financial strategy balances topline momentum, margin expansion, and cash discipline ensuring continued investment in brands, innovation, and capabilities, while creating long-term shareholders value.

FY 2025-26 was characterised by resilient performance, across both topline profitability despite state-specific regulatory shifts and competitive intensity. While Maharashtra continued to present headwinds following policy changes and the introduction of Maharashtra Made Liquor (MML), strong momentum in the Prestige & Above portfolio & robust performance across the rest of India, supported profitable growth and reinforced the strength of our financial model.

11,152 Crores
Net sales value from P&A Portfolio (↑8.6%)

UN SDGs Linked

6 CLEAN WATER AND SANITATION
7 AFFORDABLE AND CLEAN ENERGY
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION

Material Issues
M1, M3, M4, M5, M6, M10

Strategies
S1, S2

Healthy Performance Across Financial Metrics

In FY 2025-26, we delivered a strong financial performance driven by premiumisation, revenue growth management (RGM), and disciplined cost control. Net Sales Value (NSV) grew by 7.6%, while Gross Profit increased by 11.7%, resulting in a healthy Gross Margin of 46.4%.

Continued focus on productivity and operational efficiencies supported 11.6% EBITDA growth and an EBITDA Margin of 18.4%. Strong cash generation led to Free Cash Flow of ₹ 1,374 Crores, while efficient capital allocation delivered a Return on Capital Employed (ROCE) of 28.4%. Together, these results reflect our commitment to sustainable and profitable growth as per previous year.

Initiatives Undertaken During FY 2025-26

Driving Profitable Growth in a Dynamic Environment

During the year, reported P&A growth remained resilient despite policy-led headwind in Maharashtra excluding the prior year pipeline fill impact in Andhra Pradesh, underlying performance reflects healthy structural momentum. Excluding Maharashtra, P&A volumes grew in mid-single digits, while NSV growth strengthened further, supported by continued premium mix expansion.

Price & mix improved significantly during the year, reflecting:

- Increased salience of the luxury and Bottled-in-Origin & Bottled in India portfolio.
- Sustained high single-digit to near to double-digit growth in Upper Prestige brands.
- Continued momentum in Indian single malt led by the CSD & the Indian Armed Forces Channel.
- Flavour-led innovation in Smirnoff including Minty Jamun, supported incremental growth and strengthened India's position amongst Diageo's key Smirnoff markets.
- Format innovation through Pocket Packs supported accessibility, penetration and mix improvement while reinforcing convenience-led consumption trends.

The Prestige and Above portfolio continued to anchor value creation, strengthening pricing power and operating leverage.

Premiumisation Powering Value Creation

We remain committed to navigating an evolving competitive and regulatory landscape by staying focused on portfolio and disciplined execution. The net sales salience of the Prestige & Above segment strengthened further, reflecting sustained consumer preference for high-quality & differentiated offerings.

Luxury brands expanded their cultural footprint and on-trade presence, supporting trial and long-term brand equity.

Indian single malt Godawan and tequila Don Julio continued to scale rapidly, reinforcing leadership positions in emerging high-value categories. Smirnoff's flavour innovation and Royal Challenge pocket packs expanded penetration and favourable mix development.

The structural shift towards premium offerings supports both topline growth and margin expansion. We remain committed to investing in the most effective levers of growth to create long-term value for all stakeholders.

Margin Expansion through Productivity and Pricing Discipline

Gross margin expanded during the year, supported by:

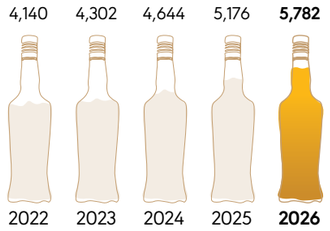
- Improved portfolio mix
- Calibrated pricing actions
- Strong cost productivity delivery
- Supply chain agility initiatives

On the cost side, the overall input basket remained manageable during the year. Bulk scotch continued to be structurally inflationary, underscoring the importance of mix-led growth, productivity and supply agility with potential medium-term relief expected upon implementation of the India-U.K. Free Trade Agreement. Our multi-year supply agility programme continued to optimise manufacturing footprint, logistics efficiency, and inventory management.

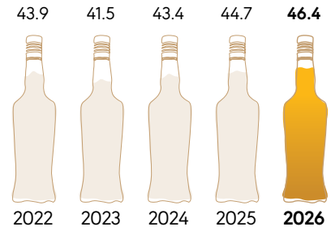
Marketing reinvestment remained disciplined and consistent with long-term brand building priorities. Advertising & Promotion (A&P) remained within the guided range, balancing growth investment with profitability discipline.

EBITDA growth outpaced revenue growth, reflecting operating leverage, favourable portfolio mix and cost optimisation.

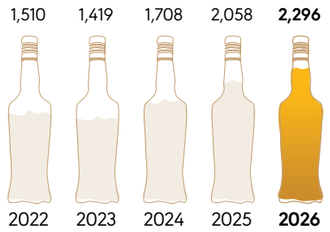
Gross Profit (₹ Crores)



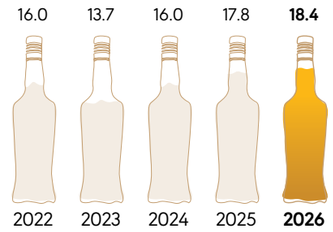
Gross Profit Margin (%)



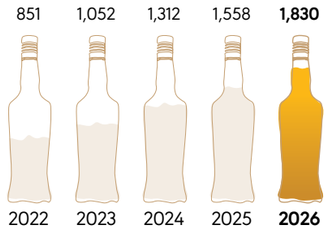
EBITDA (₹ Crores)



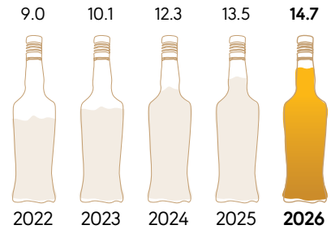
EBITDA Margin (%)



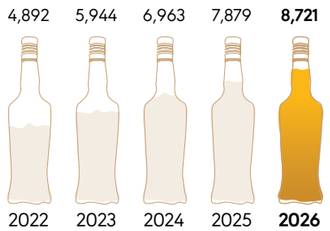
PAT (₹ Crores)



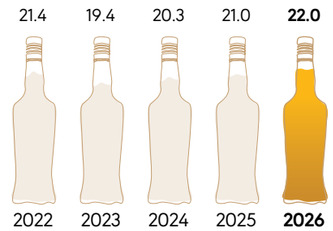
PAT Margin (%)



Net Worth (₹ Crores)



Return on Net Worth (RoNW) (%)



Resilience Amid Regulatory and Competitive Shifts

The introduction of Maharashtra Made Liquor (MML) created competitive disruption, particularly concentrated in the Popular and Lower Prestige segments. The Company responded through:

- Value chain restructuring in collaboration with channel partners
- Strengthened execution discipline
- Focused brand and format interventions
- Agility in pricing and portfolio management

Importantly, the adverse impact remained concentrated at the lower end of the portfolio while the premium end continued to deliver resilient growth, reinforcing structural premiumisation trends.

We remain cautiously optimistic, supported by improving consumer sentiment, progressive tax reforms, and favourable monsoons, while closely monitoring employment trends and geopolitical developments.

Strong Balance Sheet and Disciplined Capital Allocation

The Company remains debt-free during the year, reflecting sustained cash generation and prudent financial management. Our capital allocation framework continues to prioritise:

- Investment in brands and innovation
- Capability building and supply agility
- Strategic portfolio expansion
- Shareholder returns through dividend distribution

Working capital efficiency improved further through tighter inventory management and receivables optimisation.

As of March 31, 2026, we maintain a strong net worth position and healthy liquidity, providing headroom for continued growth investments.

Working Capital and Cash Flow Strength

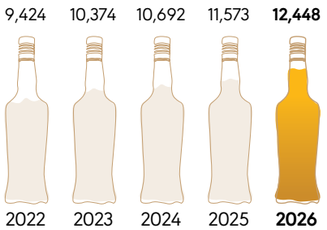
Net cash from operating activities remained robust, supporting:

- Dividend distribution
- Reinvestment into growth
- Continued debt-free status

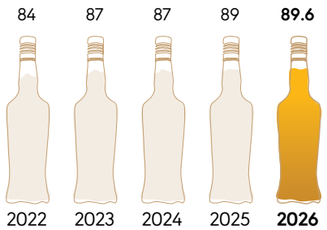
Disciplined cash conversion remains a core pillar of our financial model, ensuring resilience across market cycles.



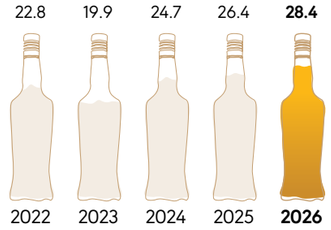
Net Sales Value (₹ Crores)



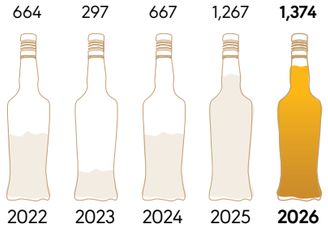
Prestige and Above Portfolio NSV (%)



Return on Capital Employed (%)

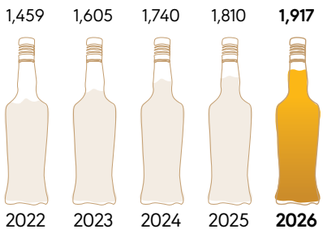


Free Cash Flows (FCF)* (₹ Crores)

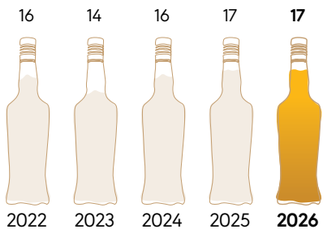


*FCF= Operating cash flow less capex and lease payments *including proposed dividend

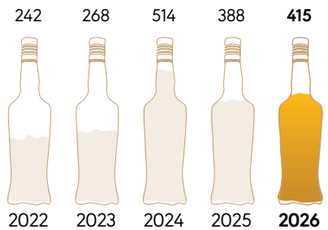
Net Sales Value Per Case (₹)



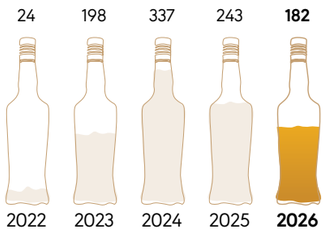
Working Capital to NSV Ratio (%)



Enterprise Productivity (₹ Crores)



Pricing and Revenue Growth Management (₹ Crores)





Value Added Statement

FY 2024-25 (₹ Crores)

27,206 Total Value Added

15,846* Contribution to the Exchequer (in Taxes)	**26** Contribution to society
728 Providers of equity capital	**994** Retained in the business
9,007 Contribution to suppliers	**605** Employee benefits

FY 2025-26 (₹ Crores)

28,357 Total Value Added

16,151* Contribution to the Exchequer (in Taxes)	**31** Contribution to society
1,145 Providers of equity capital	**805** Retained in the business
9,602 Contribution to suppliers	**623** Employee benefits

*Excise duty and income tax expenses

Shareholder Value Creation

Our financial strategy continues to focus on sustained earnings growth and return optimisation.

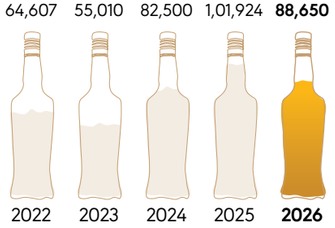
In FY 2025-26, the Board approved an interim dividend of ₹ 6 per share and recommended final dividend of ₹ 11 per share. Combined with market capitalisation appreciation, this reflects continued total shareholder value creation.

Dividend Per Share* (₹)



*Including proposed dividend

Market Capitalisation (₹ Crores)



Manufactured Capital

Excellence Across Every Facility

Great spirits demand uncompromising manufacture. We combine our masterful, well-preserved craftsmanship with sophisticated manufacturing, supply chain, and technology infrastructure to ensure every product meets exacting standards, reliably and at scale. They help win consumer mindshare and market share in one of the fastest-growing alcohol markets. Through ongoing investment in supply chain optimisation and smart manufacturing, we continue to strengthen our operational capabilities that will support the next phase of growth.

2,550+
Finished goods stock keeping units (SKUs)

61+ Million
Cases produced

~65 Million
Cases sold
(↑1.5% vs FY 2024-25)

UN SDGs Linked

7 AFFORDABLE AND CLEAN ENERGY
8 DECENT WORK AND ECONOMIC GROWTH
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION

Material Issues
M1, M3, M4, M5, M9, M11

Strategies
S1, S2

Certifications

ISO 9001:2015

Quality Management
8/9 Owned sites

ISO 14001:2015

Environmental Management
8/9 Owned Units

ISO 45001:2018

Occupational Health and Safety Management System
8/9 Owned sites

FSSC 22000

Food safety standard (GFSI-recognised)
33/36 sites are FSSC 22000 certified

Alliance for Water Stewardship (AWS) Platinum Certification to Alwar Distillery, first market globally within Diageo to attain AWS Platinum certification

Certifications cover 8 (out of 9) own manufacturing facilities and 20 (out of 25) third-party manufacturing facilities; remaining facilities in progress

Nationwide Manufacturing and Distribution Network

We have established an extensive manufacturing and distribution network. It enables reliable production, operational agility, and consistent shelf availability across 28 states and six union territories in India and 24 countries globally, where our products are sold

Manufacturing scale

9
Own manufacturing facilities

26
Third-party manufacturing facilities

6
Malt facilities / grape spirit distillery

4
High Bouquet Spirit (HBS) hubs

Inventory strength

21+
Packaging types (pack sizes)

300+
Raw materials

Supply network

300+
Trucks plying daily

10
Primary depots

2,000+
Primary distributors

32
Servicing markets (Number of states)

Global trade (in FY 2025-26)

Imports

2.1
million cases

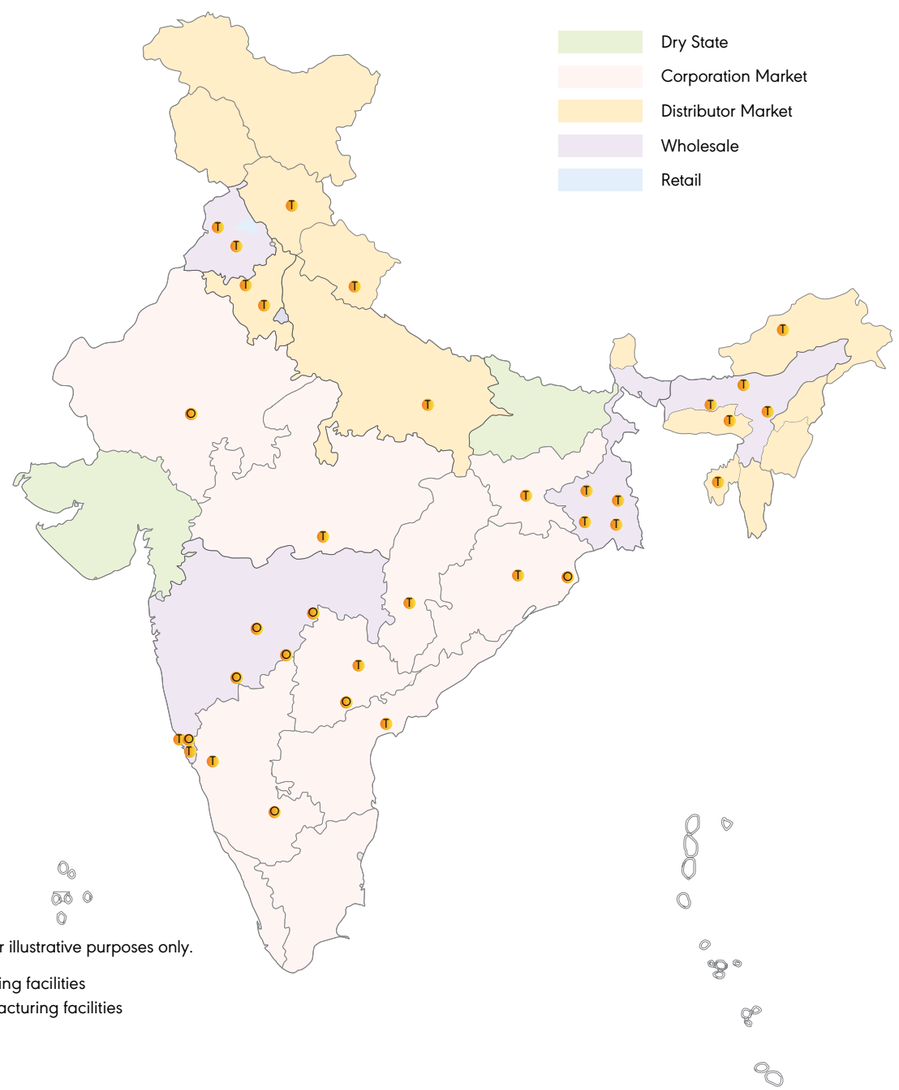
20.1
million AL of scotch

Exports

24
Countries

57
SKUs

0.9
million cases



Map not to scale. For illustrative purposes only.

O: Own manufacturing facilities
T: Third-Party manufacturing facilities

Environment Health and Safety

Our operations are underpinned by a Zero Harm philosophy, extending to the environment and every individual who works with us. Safety is embedded into how assets are designed, maintained, and operated, guided by a six-pillar strategy spanning Governance, Risk Mitigation & Management, Safety Culture, Digitisation & Analytics, Environment, and ERC (Engagement, Recognition & Certifications).

Governance & Risk

Global Risk Management System (GRMS) adhered to across all business units, with audits, safety walkabouts, and visible felt leadership.

Safety Culture

Programmes such as i-Drive Safe, SBO, PSM (Process Safety Management), and campaigns like National Safety Week and Road Safety Week build ownership at every level.

Digitisation

Digital LOTO, Permit to Work, MOC (Management of Change), and upcoming modules for BBS, CAPA, EHS Audit, HIRA & HAZOP strengthen intelligent safety management.

Quality Assurance & Food Safety

We maintain high standards of hygiene and quality across our owned and third-party manufacturing facilities to meet customer safety expectations and evolving consumer aspirations. Our operations comply with the regulations of the Food Safety and Standards Authority of India (FSSAI), State Excise authorities, and the Legal Metrology Rules (LMR), supported by robust internal controls, quality standards, and assurance practices.

Our quality management approach spans the entire value chain – from product design and raw material sourcing to finished product delivery – ensuring trust in every drop. All finished products undergo stringent quality checks supported by a positive release system. Under the Global Product Integrity Testing Programme 100% Compliance (GPIP), products are tested to ensure they are free from contaminants and safe for consumers. Our sensory panel members are qualified through rigorous training and validations including external agency validations such as Neutral Spirits Sensory Proficiency Scheme (NSSPS).

We maintain strong internal laboratory standards across all manufacturing units to ensure product quality and compliance. Our laboratories are regularly validated through external assessments, including the Diageo Alcohol Proficiency Scheme compliance (DAPS), reinforcing the reliability and integrity of our quality assurance systems.



Grain-to-glass Food Safety Quality Framework

We ensure stringent quality standards across every stage of the value chain through a comprehensive risk assessment framework. Our quality norms and inspection processes are continuously strengthened by integrating best-in-class practices, digital technologies, Global Risk Management Standards (GRMS), local regulatory requirements, and automation into our systems and processes.

Raw & Packaging Materials

We source exclusively from approved suppliers through a robust supplier management system, ensuring high-quality input materials.

Suppliers/Vendors

We follow a structured partner management approach, including stringent onboarding audits, periodic reviews, performance management, capability building, technical support, and collaborative issue resolution to ensure consistent product quality.

Manufacturing

Our FSSAI-certified units adhere to stringent quality controls across all processes, including material inspection, in-process quality monitoring, final product evaluation, and pre-dispatch checks. All manufacturing facilities are certified under globally recognised standards such as FSSC 22000 for food safety and ISO 9001 for quality management.

In line with our 'One Manufacturing' approach, we actively collaborate with third-party manufacturers to enhance technology adoption, build capabilities, and strengthen systems, processes, and infrastructure.

Distribution and On-Shelf Quality

We engage external partners to assess finished goods quality in line with Diageo's Global Distribution Quality Standards. This includes annual on-shelf quality reviews, competitor benchmarking, and quarterly market connect reviews with internal quality teams. Insights from these assessments are leveraged to drive continuous, consumer-focused quality improvements.

Customer/Consumer Quality

We have a robust consumer concerns management system with a fast turnaround time and a tiered governance mechanism extending to senior leadership, ensuring prompt resolution of consumer issues. Root Cause Problem Solving (RCPS) is implemented, with learnings deployed across manufacturing sites where applicable.

We have also introduced Consumer Satisfaction (CSAT) surveys to enhance consumer experience. Additionally, our automated smart flow management system ensures all consumer queries are effectively tracked and resolved in a timely manner.

A Culture of Food Safety and Quality Excellence

We have embedded a strong food safety and quality culture across all levels of the organisation to ensure consistent product integrity and enhance customer and consumer satisfaction. Our approach is anchored in three key pillars:

Rigorous Standards and Process Excellence

We mitigate quality risks and safeguard consumers through processes aligned with Global Risk Management Standards (GRMS) and FSSAI regulations, including a structured product recall mechanism. Oversight is provided by central and site-level steering committees, supported by a Crisis Management Team (CMT) chaired by the MD and CEO. Annual mock recalls are conducted to strengthen emergency preparedness.

All products undergo stringent quality checks, including hourly inspections across packaging lines supported by a positive release mechanism. We also monitor distribution quality at the first point of sale to assess product integrity during transit and drive improvements. Additionally, annual third-party on-shelf assessments are conducted based on Consumer Relevant Quality Standards (CRQS), along with competitor benchmarking. These insights and quality KPIs are continuously tracked to ensure consistent product delivery and reinforce consumer confidence.

Building Quality Capabilities Organisation-wide

We have a qualified and capable team of food safety and quality professionals overseeing quality control and assurance across the value chain. New joiners undergo comprehensive induction and refresher training, including sensory and on-the-job training modules.

Capability-building initiatives include weekly 'Gurukul' training sessions covering quality standards, global practices, and internal SOPs for manufacturing teams, as well as the 'RISE Together' programme for cross-functional learning at supplier locations. We also participate in external certifications, awards, and platforms such as CII, ICQC, and RBNQA to gain an external perspective and drive continuous improvement.

We have established Centres of Excellence in liquid and packaging quality, supported by specialised external training and certification programmes.

Cross-functional Collaboration

We conduct regular cross-functional review forums to enable early risk identification, facilitate knowledge sharing, and ensure alignment on quality goals across the organisation.



Scaling Manufacturing Competitiveness

Supply Chain and Distribution Excellence

We have a robust end-to-end supply chain network, comprising 2,400+ sourcing suppliers and a distribution network of 10 primary depots, and 2,000+ primary distributors. This network ensures ready raw material availability for seamless production while maintaining operational agility.

We undertake comprehensive efforts towards strengthening supply chain resilience. These include:

- Supplier selection based on their ability to deliver services, materials and meet timelines in a compliant manner.
- Incorporating standardised selection templates and sustainability questionnaires aligned with our ESG action plan in vendor contracts, along with securing contractual commitments from high-impact suppliers.
- Structured evaluations and monthly performance reviews by the Head of Supply covering service delivery, procurement performance, and sustainability metrics aligned with our ESG action plan.
- Recognising high-performing suppliers through the Supplier Grain to Glass Sustainability Award, while improvement plans and capability-building support are extended to others.
- Know Your Business Partner (KYBP) standard ensures all partners share our values on ethics, human rights, and compliance.

In FY 2025-26, we continued with our Supply Chain Agility Programme towards making our network leaner and more efficient. Key developments include:

Footprint optimisation

Under our supply chain agility programme, manufacturing facilities have been rationalised to 36 units using the FSD (Factory-SKU-Depot) linear programming model, targeting one scaled facility per state to minimise interstate movement and associated costs.

Co-locating

All bottling plants are co-located with Extra Neutral Alcohol (ENA) distillation units to streamline production and reduce transportation costs.

Read more
about our supply chain and responsible sourcing practices on page 164 of this report.

Excellence in Inventory Management

Advanced forecasting and demand planning tools ensure real-time inventory alignment with market demand, minimising stockouts and overstocking. Close supplier coordination and back-up plans for critical suppliers sustain timely input availability and operational continuity.



Compliance, Responsible Marketing and Labelling

The alcoholic beverages industry operates under the stringent regulatory framework governed by national authorities and state excise departments. We ensure compliance with such regulations across manufacturing, marketing and labelling, supported by regular audits, assessments and employee training.

Our Responsible Marketing and Labelling Practices

Governance

- Diageo Marketing Code
- Digital Code
- Responsible Research Global Standard
- Data Protection Global Policy

On-pack disclosure

Guided by the Diageo Consumer Information Standard, we capture the following in packaging:

- Alcohol content and ingredients list
- Responsible drinking messaging, recycling and sustainability information
- Reference to our global responsible drinking website – DRINKiQ.com

Advancing Smart and Efficient Manufacturing

We have reinforced manufacturing capabilities through integrating automation, digital systems and data-driven technologies across our operations. Control Tower Decision Intelligence further enhances real-time visibility and enables faster, data-driven decision-making across operations. Together, these technologies enable more agile, efficient, and reliable manufacturing and supply chain operations.

Sophisticated Technologies Deployed

Touchless planning intelligence	Integrated Business Planning (IBP) unifies demand forecasting, supply chain planning, and financial analysis on a single platform	Demand Sensing captures real-time data to predict short-term demand fluctuations	Together, these improve forecast accuracy, optimise inventory levels, and streamline production schedules
Manufacturing automation	New bottling lines are designed for high-speed, modular, and cost-effective automation	End-to-end bottle handling from depalletising and unscrambling to automated case packing	Precision net-weight/ volumetric filling with automated capping and torque control
	Vision-based inspection covering fill level, cap integrity, label placement, and coding	Robotic end-of-line palletisation for streamlined material flow	Collective impact: enhanced safety, superior quality assurance, reduced losses, higher productivity, and improved reliability

Sophisticated Technologies Deployed

Distillation, maturation & warehousing	In-house equipment upgrades unlock efficiency and volume gains	Installed yeast propagation system reduces process chemical consumption by 25%	Indigenous Cask Management System (CMS) optimises inventory ageing, age profile, and evaporation loss prediction	Commissioned climate-controlled maturation house improves maturation yield and quality
Asset traceability & logistics	Barcode-based Cask Management System enables efficient lifecycle tracking of casks	Transportation Management System automates route planning, carrier selection, and freight auditing	Combined impact: lower transportation costs and improved delivery reliability	

Building Future Readiness

The next phase of our manufacturing evolution focuses on deepening automation, digital integration, and smart factory solutions to unlock end-to-end value across the manufacturing ecosystem.

Optimised Blending & Process Efficiency

- Reduced blending cycle times through process automation and improved control systems.
- Inline monitoring and recipe management for consistency, with enhanced scheduling synchronised to bottling operations.

Automated Material Movement

- Intra-plant logistics automated via conveyors, AGVs/ AMRs.
- Seamless material flow from warehouse to line across all production stages.

End-to-end Finished Goods Automation

- Automated handling from line to warehouse with intelligent pallet movement, tracking, and dispatch readiness.
- Warehouse Management Systems (WMS) active at Kumbalgodu unit.

Warehouse Automation & Smart Storage

- Digital inventory management for real-time visibility.

Utilities & Sustainability Automation

- Real-time monitoring and automation-driven optimisation of energy, water, and compressed air consumption.
- Reduced wastage, emissions, and resource losses across operations.

Supply Chain Transformation 2024-2027

Plan

- No/low-touch planning for agility across the network.
- Integrated business planning across all nodes.
- Optimising own operations.
- AI/ML demand forecasting.

Source

- Manage strategic supplier relationships (glass, ENA).
- Category management for process improvement.
- Partner-led innovation to optimise cost and reduce lead time.

Make

- Flexible, cost-efficient and future-ready setups for faster go-to-market.
- Future-ready team with differentiated skills.
- Robust business continuity plan to minimise disruption.

Technical

- Refine innovation processes to minimise disruption during product and pack launches.
- AI-based product innovation insights.
- Use local craft capability to drive breakthrough growth.
- Agri-diversity using new ingredients (e.g. millets).

Deliver

- ~60% direct-to-customer distribution.
- Multi-port import strategy to cut lead time and inventory.
- Real-time order management with last-mile visibility.

Expected Outcomes

Cost-Efficient, agile, future-ready supply chain

Accelerated go-to-market capabilities

Connected, intelligent supply chain

Efficient, resilient, sustainable operations

Recognitions for Manufacturing Excellence

Nashik Unit

- Performance Excellence Trophy in the Manufacturing category at the IMC Ramkrishna Bajaj National Quality Award (RBNQA).
- Five Star Safety Award at the HSE Excellence & ESG Global Awards by OHSSAI.
- Gold Award by the Quality Circle Forum of India (QCFI) Pune Chapter for OEE improvement.
- Excellent Award at the National Convention on Quality Concepts (NCQC) for OEE improvement.
- Gold Award at the CII National Competition on Low Cost Automation for productivity improvement.
- Gold Award on Sustainability by IGMC.
- 1st Runner-Up recognition for Sustainable Factory of the Year at the Green Manufacturing Excellence Awards (GMEA).

Kumbalgodu Unit

- Performance Excellence Trophy in Manufacturing at the IMC Ramkrishna Bajaj National Quality Award (RBNQA).
- International Safety Award by the British Safety Council (2026).

Aurangabad Unit

- Five Star Safety Award at the HSE Excellence & ESG Global Awards by OHSSAI for safety culture improvements and initiatives
- Gold Award by the Quality Circle Forum of India (QCFI) for reducing blend loss and optimising filling efficiency.
- Silver Award by QCFI for improving OEE by reducing short stops at the Monoblock sealer.
- Bronze Award at the 7th CII FACE Food Safety & Quality Kaizen Competition for reducing blend loss and optimising filling efficiency
- Silver Award at the QCFI Women's Kaizen Competition for productivity improvement.

Nimapara Unit

- Gold 7.5 Safety Award at the HSE Excellence & ESG Global Awards by OHSSAI for safety culture improvements and initiatives. Gold Award by the Quality Circle Forum of India (QCFI) for productivity improvement in returnable glass bottles
- Gold Award by QCFI for reducing glass bottle consignment detention costs by 50%.

Alwar Unit

- Gold Award at the ICC Environment Excellence Awards.
- NSCI Safety Award 2025, Certificate of Merit.

Baramati Unit

- NSCI Safety Award 2025, Certificate of Merit.
- Certificate of Appreciation at the 7th CII FACE Food Safety & Quality Kaizen Competition for an in-house initiative on a low-fill/high-fill system.

Building Icons, Leading the Future

We have a dynamic portfolio of innovative and iconic brands, each shaped by rich heritage, time-tested techniques and consumer insights. Available across price points and designed for moments, every day and extraordinary, we have something for every wallet, every need, every taste and preference, shaping how India celebrates and socialises.

Through continued investments in brand-building, innovation, premiumisation, and consumer connection, we are strengthening our cultural relevance. These efforts reinforce our market-leading position and deepen resonance with evolving consumer aspirations, delivering long-term equity and value.

50+
Spirit brands in portfolio

8
One million-case+ brands

89.6%
NSV from Prestige and above segment

UN SDGs Linked

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
17 PARTNERSHIPS FOR THE GOALS

Material Issues
M2, M5, M7

Strategies
S1, S2, S3

A glance *at our portfolio*

Indian Whisky



McDowell's No. 1



Royal Challenge Blue



Signature



Antiquity Blue



Royal Challenge American Pride



Director Special Black

Scotch Whisky



Black Dog



Black & White



VAT69



Johnnie Walker Red Label



Johnnie Walker Blonde



Johnnie Walker Black Label



Johnnie Walker Double Black



Johnnie Walker Gold Label Reserve



Johnnie Walker Blue Label

Malts



Talisker



Godawan



The Singleton



Lagavulin

Tequila



Don Julio Blanco



Don Julio Reposado



Don Julio Anejo



Don Julio 1942

Gin



Greater Than



Hapusa



Tanqueray London Dry Gin



Tanqueray No. 10

Liqueur



Baileys

Brandy



McDowell's No. 1 Brandy

Rum



PIPA



McDowell's No.1 Celebration Rum



Captain Morgan

Vodka



Smirnoff



Smirnoff Minty Jamun



Smirnoff Mirchi Mango



Ciroc



Ketel One

What makes our portfolio *unique*

1 Crafted for India's Diversity

India is a mosaic of markets, with consumers across demographics, profiles, tastes, occasions, and cultural nuances. Our portfolio serves this beautifully diverse consumer base thoughtfully and comprehensively, creating a clear competitive edge.

Global Giants

Iconic brands built over centuries, with strong legacy, relevant, meaningful and loved in India over the years

Johnnie Walker, The Singleton, Don Julio, Tanqueray, Black & White, Baileys, Ciroc Vodka, Ketel One Vodka, Talisker, Smirnoff

Home-grown Leaders

The Indian stars, commanding strong equity across markets and deeply embedded in India's socialising fabric

McDowell's No.1, Royal Challenge, Royal Challenge American Pride, Signature, Imperial Blue, Black Dog, Antiquity Blue, Greater than London Dry Gin

Luxury

A multi-award-winning portfolio, born in India and loved worldwide for delivering distinctive experiences

Godawan, Hapusa Himalayan Dry Gin, Lagavulin, Oban Single Malt Scotch Whisky

How We Deliver

Deep understanding of evolving consumers | Full-fledged in-house innovation capability | Rich legacy and craftsmanship | Brand building and commercial excellence

2 Powered by Volume and Value Play

Value Play (in Crores)

Brands with ₹ 1,000 Crores+ Revenue

McDowell's No.1, Royal Challenge, Signature, Johnnie Walker

Brands with ₹ 500-1,000 Crores+ Revenue

Black Dog, Black & White

Volume Play (in cases)

Millionaire Brands

30 Mn+ — McDowell's No.1

10 Mn+ — Royal Challenge

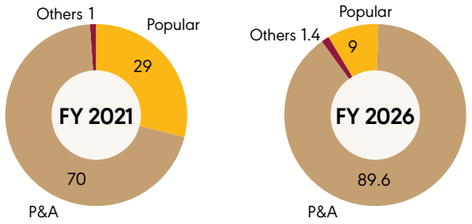
1 Mn+ — Johnnie Walker, Signature, Imperial Blue, Black & White, Black Dog, Smirnoff

3 Catering Consumers' Premiumisation Choice

India's aspirational consumers increasingly seek better experiences and elevated propositions, with desire to drink better not more. Our innovation thus focuses on driving premiumisation levers across segments, categories, and brands. This ensures alignment with consumer preferences while driving higher net sales value and strengthening brand equity.

Premiumisation in the category

NSV Salience* (%)



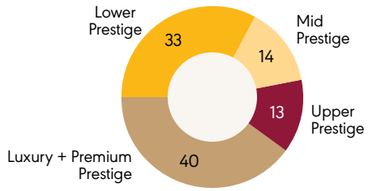
*Reported numbers (standalone)

Prestige & Above

Popular

Premiumisation within the Prestige & Above segment

NSV Salience (%)



Premium and Luxury

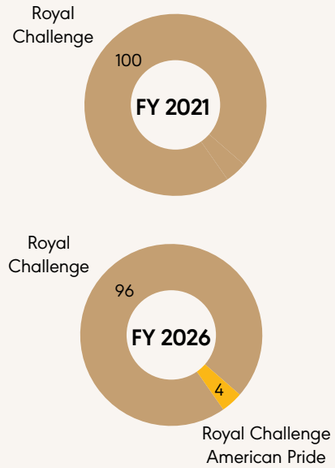
Upper Prestige

Mid Prestige

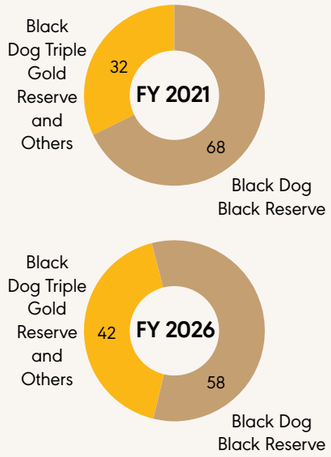
Lower Prestige

Premiumisation within Brands

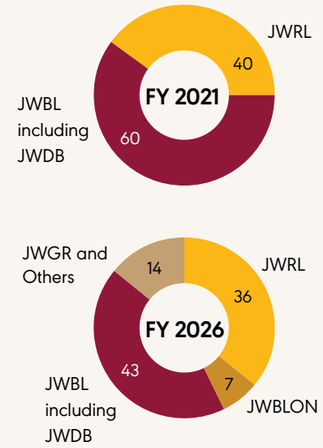
Royal Challenge NSV Salience (%)



Black Dog NSV Salience (%)



Johnnie Walker NSV Salience (%)





McDowell's No. 1

McDowell's No. 1

The Spirit of
True Friendship

Brand Heritage

McDowell's is one of India's most iconic and most loved whisky brand. Established in 1898 and having a legacy spanning over a century, the brand has evolved alongside the Indian consumer, building a strong nationwide presence across generations. Over the decades, McDowell's has successfully combined consistency in quality with sharp cultural relevance, enabling it to remain one of the most recognised and trusted names in the industry.

At the heart of McDowell's lies the enduring philosophy of "Yaari" (friendship), a celebration of the spirit of togetherness, camaraderie, and shared moments that define social connections in India. The brand continues to evolve this core idea through communication and activations to stay relevant to changing and LDA consumer mindsets, reinforcing its role in bringing people together and creating memorable experiences.

India's Most Valuable

McDowell's No.1 is rated the most valuable Indian alcobev Brand as per Kantar BrandZ; Ranked 36, it is the only Indian spirit brand in the rankings



World's Largest Selling

Whisky brand as per Drinks International Millionaire's Club 2024 based on 2023 volumes

Recognition and *Craft Excellence**

FOUR PRESTIGIOUS AWARDS
for the No. 1 Yaari Jam Fest, making 'Yaari' the 'New Cool Campaign' at IMA South Awards.

TWO SILVER AWARDS
for Brand Extension - Food and Beverages and Talent/Influencer Marketing - Food & Beverages.

TWO BRONZE AWARDS
for Best Use of Integrated Media – Food and Beverages and Innovative Use of Technology.

SILVER AWARD
for Relationship Building/Remarketing at the E4M MADDIES.

FOUR PRESTIGIOUS AWARDS
at the Indian Digital Marketing Awards 2023: Silver award for the Best Integrated Media Campaign and three Bronze awards for the No. 1 Yaari Jam Fest for the categories of Best Website/Microsite, Best Campaign - Online.

DIGITAL RECOGNITION
Advertising & Digital Direct Response, and
Best Integrated Media Campaign - Product/Services.

TWO BRONZE AWARDS
to McDowell's No.1 Soda IPL 2022 campaign at the Exchange4media India Marketing Awards (E4M IMA) for Best Use of PR and Best Use of Omni-Channel Marketing.

BRONZE AWARD
to McDowell's No.1 for Best Brand Evolution and Best Brand Experience categories at the Transform Awards.

*Unless specified, recognitions are pertaining to FY 2025-26



Royal Challenge

Celebrating the Bold Choices

Royal Challenge was boldly crafted in 1886 as an international-quality Indian whisky, matured in charred American Oak casks. The all-new RC, a blend of Indian grain spirit and 10 Scotch whiskies matured in charred American Oak casks, is smoother, richer, and bolder. A LDA appealing, aspirational brand, RC inspires new Middle India consumers to live boldly and play their own game.

The recent innovation growth engine from the brand, the Pocket Pack, is compact yet carries the same bold character. It is built for those who move with intent, because bold isn't about size – it's a mindset.





Premiumisation with Irish Blend

Royal Challenge launched Irish Trail, an Irish-inspired whisky experience to the Telangana market. Crafted from a blend of Irish Grain, Malt, and Pot Still whiskies harmonised with select Indian malt, it delivers a smooth, approachable profile for today's evolving whisky consumer. Designed for globally exposed, socially connected drinkers, Irish Trail brings a fresh, contemporary expression to the Royal Challenge portfolio.

Recognition and *Craft Excellence**

Multiple wins at the Maddies, including Gold for Marketing Strategy and Most Engaging Mobile Creative

Silver for Cross Media Integration at the Maddies

Bronze for Best Use of UGC at the Maddies

Gold at the ET Brand Equity Trendies for Integrated Campaign

*Unless specified, recognitions are pertaining to FY 2025-26

Royal Challenge American Pride

Celebrating the Spirit of America

The whisky disrupts traditional category codes, blending smooth American Bourbon with rare Indian grain and malt spirits, matured in charred American Oak casks. Built around the aspirational imagery of America, it is apt for modern, outdoors, socialising and sessionable drinking moments.

Recognition and *Craft Excellence**

Silver award for packaging design at Graphis Design Awards 2024.





#1 Brand Equity Leader

in its segment

Source : Kantar Remember Study 2026

Signature Whisky

Crafted with natural ingredients

A flagship brand in the Upper Prestige segment, Signature is anchored around the codes of modern aspiration and sustainable living. Blending nature's finest barley, fresh water, ten imported scotches, aged Indian malts and fine grain spirits, it's every sip a revelation and one truly 'Crafted with natural ingredients'.

Recognition and *Craft Excellence**

Gold Award 'Best Pivot Initiative - The Mangrove Regeneration Campaign', the Indian Marketing Awards, February 2026.

Gold Award at the E4M MADDIES (Best Multi Mobile Channel Campaign) and Silver Award at the ET Shark Awards 2024 (Sustainability category) for the Signature Green Vibes.

Gold Award (Brand Extension - Food and Beverages) and Silver Award (Sustainable Marketing) at E4M IMA South Awards for the Ziro Music Festival Driving Sustainability campaign.

Best IMFL Premium Whisky (Signature Premium Grain Whisky) at INDSPIRIT Awards 2023 by Ambrosia.

*Unless specified, recognitions are pertaining to FY 2025-26

All-new Antiquity Blue

An Icon Reimagined

Antiquity Blue blends scotch from Cameron Bridge Distillery with timeless grain whisky-making traditions. It is celebrated among whisky drinkers in India for its unique liquid and iconic identity.

The all-new Antiquity Blue comes in a distinct cobalt blue bottle inspired by its 1992 origins, while retaining the brand's superlative product quality and the spirit of creativity.

Recognition and *Craft Excellence**

Silver award for packaging design at the Graphis Design Annual 2023.

Best IMFL Super Premium Whisky at Ambrosia INDSPIRIT Awards 2024.

*Unless specified, recognitions are pertaining to FY 2025-26



Black Dog

Built to ‘Savour the Sip’

Founded in 1883 by Sir Walter Millard, Black Dog was built on a simple philosophy: true mastery comes from being fully present and letting time reveal its magic to create something truly extraordinary. Our masterfully blended whisky comes from select distilleries of Scotland, including Linkwood, where skilled distillers perfect every drop. From these Scottish origins, Black Dog has travelled far into the hearts of millions of discerning consumers in India.

Black Dog in all-new packaging

Black Dog Whisky unveiled a refined new packaging that reflects a deeper expression of the brand's character, inviting consumers to slow down and savour every sip – to experience Scotch as a deliberate, immersive ritual. Its subtle 'savour codes', premium detailing, and cleaner visual language resonate with a younger, evolving audience while remaining unmistakably Black Dog.

The refreshed portfolio was launched in key markets like Uttar Pradesh, Maharashtra and Punjab and will soon be rolled out to other states in India.



Black Dog *Range*



Black Dog Black Reserve

A rich, rounded Scotch whisky crafted from select Scottish malts, delivering malty depth with subtle oak and sherry sweetness for a balanced finish



Black Dog Triple Gold Reserve

A luxurious, triple cask-matured Scotch whisky aged in Scotland, offering smooth, layered notes of oak, toffee, and vanilla with a warm, lingering finish

Recognition and *Craft Excellence**

Silver award for Design Effectiveness at the Pentawards, and two Silver awards for Logo Design and Packaging Design by Graphis Design Annual.

World Star Award for packaging from the World Packaging Organisation.

Black Dog 14-year-old Blended Scotch Whisky won the INDSPIRIT awards by Ambrosia for the Best Blended Scotch Whisky (12 Years & above BII) and Best Packaging Award (Unit Pack).

E4M India Design Excellence Bronze Award for Black Dog Renovation under the rebranding category.

Silver for Best Brand Evolution and Bronze for Best Visual Identity from the Food & Beverage sector, and Best Use of Packaging categories at the Transform Awards.

afaq's! Marketers Excellence Award Silver for Packaging Design and for Best Brand Identity System.

*Unless specified, recognitions are pertaining to FY 2025-26



Black & White

Made for Sharing

Crafted in 1904, Black & White is a heritage, time-tested Blended Scotch Whisky that celebrates balance, approachability, and sociability. Smooth, versatile and rooted in inclusivity, the brand elevates everyday moments, bringing people together in open, welcoming spaces to celebrate diverse perspectives and experience the Made for Sharing.

This ethos makes the brand highly relevant to next-generation Legal Drinking Age (LDA) consumers, particularly for mixed-gender social occasions. Its easy-drinking profile and food pairing affinity make it a natural choice for contemporary gatherings, reinforcing its role as a catalyst for connection and shared experiences.

Black & White has become the largest-selling Scotch in India.

Source - International Wine & Spirits Research (IWSR) 2026

Scaling brand salience

This year, Black & White refreshed its visual identity refresh, dialling-up vibrance and salience through its iconic terriers.

The brand also extended its Black & White Non-Alcoholic Carbonated beverages, further broadening the brand's appeal and making it more relevant to younger consumers.



The largest scotch brand in India

Source - International Wine & Spirits Research (IWSR) 2026

Recognition and *Craft Excellence**

Gold award for Brand Extension (Food and Beverages category), and Silver award for the Best Use of Digital Marketing/Social Media (Social Impact category) for Black & White's Inclusivity and Diversity campaign at the E4M IMA South Awards.

Awarded at E4M MADDIES 2023:

Gold for Gender Equity.

Silver for Maximising Mobile Advertising /Programmatic and Machine Learning category.

Black & White X Bobble campaign awarded:

Bronze for Best Use of Social Media at E4M MADDIES 2023.

Silver in the Best Mobile Marketing Campaign category and Bronze in the Best Digital Campaign category at the Dragons of Asia Awards, 2023.

Gold for the Best Use of Technology and Silver for Best Use of Sports or E-Sports Marketing categories at the E4M IMA 2023.

Bronze at the ETBrandEquity Brand Strategy Awards for the Black & White Ginger Ale Magic of Sharing campaign in the Digital Media Plan - other platforms category.

*Unless specified, recognitions are pertaining to FY 2025-26



Johnnie Walker

The World's No.1 Scotch whisky

A cultural icon with a 200-year legacy, Johnnie Walker continues to inspire the next generation of whisky drinkers with its philosophy. The brand has a strong equity among all international whiskies, and it is enjoyed and embraced across 180+ countries.

The brand has an iconic and cultural presence in India, with beginnings in the British Raj era. Over the years, it has elevated its experience and presence in contemporary culture through partnering with global and local talents and introducing a variety of blends and curated experiences at leading bars and music festivals.

Source - International Wine & Spirits Research (IWSR) 2026





Brand Equity Leader Imported Whisky

*Source: Diageo India brand tracker

Johnnie Walker *Range*



Johnnie Walker Red Label

Crafted from up to 35 whiskies, offering a lively, bright and subtly spiced profile.



Johnnie Walker Blonde

A light, versatile and made-for-mixing whisky crafted for a new generation of drinkers.



Johnnie Walker Black Label

Iconic and popular Scotch crafted with 30+ single malts from across Scotland.



Johnnie Walker Blue Label

The ultimate luxury icon, with only 1 in 10,000 casks having the richness and character to craft this liquid.



Johnnie Walker Gold Label Reserve

A luxury Scotch for special occasions, with a versatile blend of finest whiskies.



Limited Edition Luxury Festive Pack

Johnnie Walker Blue Label launched its first-ever collaboration with renowned Indian designer Rahul Mishra to create a couture-led expression of luxury with a limited-edition festive pack. Anchored in the rising global influence and cultural capital of the affluent Indian diaspora, the initiative unlocks a powerful new avenue for luxury storytelling. Timed around key gifting occasions, it taps into a key cultural driver of luxury spirits consumption.

The collaboration was unveiled in London with global brand ambassador, Priyanka Chopra Jonas and in India, at the British High Commissioner's Residence, hosted by Emma Walker alongside Rahul Mishra, with 100+ UHNIs in attendance, featuring bespoke cocktails by Navjot Sidhu and a curated festive menu by Chef Prateek Sadhu. The launch delivered 100 Mn+ just in earned media reach, driving talkability and reinforcing Johnnie Walker Blue Label as a luxury gifting choice.

Godawan

Godawan 01 and 02

Sustainable, Mindful Indian Luxury

Godawan is an artisanal single-malt whisky crafted in Rajasthan using locally sourced six-row barley and matured in the state's warm, dry climate with temperatures reaching 100°F at The Godawan Distillery, Rajasthan. It is a tribute to the land's heritage and the majestic Great Indian Bustard (GIB), a native endangered species named Godawan.

The liquid was originally launched in two expressions, Godawan 01 Rich and Rounded, and Godawan 02 Fruit and Spice. The brand continues to introduce distinctive new expressions to scale Indian single malt on the global stage, while promoting awareness and conservation of GIB. A portion of the proceeds from the sale of every bottle goes into the Godawan bird conservation.





Godawan Triple Cask Travel Exclusive

Crafted for global travellers

This latest expression is crafted at the Alwar distillery in Rajasthan, inspired by the region's intricate jaali woodwork, a symbol of finesse and artistry.

The whisky introduces a new dimension of flavour and depth while staying rooted in the brand's mindful luxury and provenance. It is matured in ex-bourbon casks and finished in a rare combination of PX sherry, virgin oak, and cherry wood casks. It is a golden-brown liquid with 46% ABV, with floral and fruity aromas, a sweet, textured palate and a light, balanced wood finish.

It is exclusively created for global travel retail, with airport duty-free as the primary channel, given their growing significance as high-impact brand discovery zones for consumers, where gifting, collecting, and connection converge. The whisky is presently available in Dubai, Bengaluru, Mumbai, and Delhi Duty Free Stores.

Godawan 173: The Collector's Edition

A landmark in Indian Luxury

Godawan 173 brings together mindful luxury, rare artistry and innovative artisanal liqueur cask finishes. Limited to just 173 bespoke bottles, each priced ₹ 5,00,000, it is a tribute to the extraordinary recovery in GIB's population, from 100 last year to 173 today.

Crafted from Indian six-row barley and double-distilled in copper pot stills, it is matured for over nine years across three distinct casks:

- American white oak ex-bourbon casks for sweetness and vanilla depth.
- European Oloroso and PX Sherry casks for richness and spice.
- The Asha Liqueur Casks (a century-old craft of Thakur Karni Singh Ji of Mahansar), where Sal wood vats are seasoned with 42 ingredients, including fresh fruits, spices, dry fruits, botanicals, honey, and milk for an opulent, resinous finish.

This rare triple-cask journey results in a deep mahogany-hued expression, with layers of indulgence and warmth. It opens with aromas of roasted nuts, figs, raisins, and polished oak, followed by walnuts, dark chocolate, and Sherry undertones, and concludes with a complex finish.

Each bottle is inspired by Jaipur Blue Pottery, created in collaboration with Butterfly Cannon and PM's awardee Dr. Leela Bordia of Neerja International. It is forged from quartz, salts, and natural glaze, resulting in no two bottles being identical, symbolising the resilience and rarity of Rajasthan's spirits.

Godawan 173 launch

Bollywood star and global fashion icon Sonam Kapoor unveiled the first bottle of Godawan 173 at The Savoy London during London Fashion Week 2025. USD 50,000 was gifted at the event against the first bottle, towards the conservation of GIB. The star walked the red carpet in a custom Erdem gown, adorned with motifs of the bird in the same cobalt blue as Jaipur Blue Pottery.

Sustainable and Mindful Indian Luxury

Godawan embodies commitment to conserve The Great Indian Bustard and support local communities with water security

Most Awarded Indian Single Malt

Recipient of over 134 accolades till date, for excellence in liquid craftmanship, packaging and brand communication



Recognition and *Craft Excellence**

ONE GOLD AND SILVER AWARD each for Godawan 173 Collector's Edition at Spikes Asia.

TRIPLE CROWNED WORLD'S BEST SINGLE MALT in one year by US Spirits Awards 2025, Spirits Business UK 2025 and London Spirits Competition 2024.

TWO GOLD AWARDS at the prestigious Monde Selection Whisky Awards, four Golds at the London Spirits, and a Silver at the Denver International competition for liquid innovation.

ONE GOLD AWARD and two Silver awards at the FAB Awards and Graphis Design Annual for Packaging Design.

TWO BABY BLUE ELEPHANT AWARDS for Godawan Packaging Design and Godawan 100 Luxury Packaging Design by Kyoorius Design.

TWO GOLD AWARDS (Best Use of Visual Property and Best Use of Packaging Design) and a Bronze award (Best Strategic and Creative Development of a New Brand) by Transform Awards Asia.

SILVER AWARD for Dark Spirits Packaging Design and Bronze award for Godawan 100 Packaging Design at the Harpers Design Awards.

BRONZE AWARD for Brand Design & Packaging Design at the International Spirits Challenge.

TWO PEOPLE'S CHOICE AWARDS for Packaging Design and Brand Design, and a Bronze award for Packaging Design by Creativepool Annual.

TWO GOLD AWARDS for Packaging Design and Best Brand Identity at the afaqs! Marketers' Excellence Awards.

BEST PACKAGING AWARD (graphics) at Ambrosia INDSPIRIT Awards 2024.

*Unless specified, recognitions are pertaining to FY 2025-26





Recognition and *Craft Excellence**

Glen Ord 12-Year-Old

Two Stars at the Great Taste Awards 2023 and Gold winner at the Luxury Spirits Masters 2023

Glendullan 12-Year-Old

Double Gold winner at the San Francisco World Spirits Competition (SFWSC) 2024 and Silver winner at the International Spirits Challenge (ISC) 2024

Dufftown 12-Year-Old

Double Gold winner at the SFWSC 2024 and Gold winner at the ISC 2023

*Unless specified, recognitions are pertaining to FY 2025-26

The Singleton

Slow Batch Distilled

The Singleton is a Speyside single malt crafted with a focus on perfect balance, bringing together smoothness, rich fruitiness, and accessible complexity.

Built on the belief of making single malts more approachable, the brand democratises the category by removing intimidation while retaining depth and craft. In India, The Singleton of Dufftown brings its elegance to the discerning Scotch drinkers.

The Singleton *Range*



The Singleton 12-Year-Old

Core variant; smooth, balanced, fruity; key recruitment driver



The Singleton 15-Year-Old

Richer, more complex; drives trade-up and repertoire expansion



The Singleton 18-Year-Old

Premium expression; depth and indulgence for evolved consumers



Smirnoff

World's No. 1 Vodka Brand

Smirnoff is an iconic global vodka brand, with a legacy dating back to its founding in Russia in 1864. Known for its exceptional quality, triple distillation and charcoal filtration process, the brand has grown into a global favourite among drinkers and bartenders alike, since establishing itself in Europe and entering the United States in 1934.

In India, Smirnoff continues to evolve to stay relevant to next-generation legal-drinking-age consumers through innovation, flavour experimentation and a bold social ethos captured in its "Flavour is a Vibe" philosophy. The brand celebrates togetherness, cultural expression and high-energy social moments.

Innovations Accelerating Growth

With the launch of India-inspired flavours like Minty Jamun, Mango Mirchi and Zesty Lime, Smirnoff has tapped into the adventurous, culturally expressive spirit of young Indian consumers. Strong execution and positive consumer response have propelled India as the fifth-largest market globally for Smirnoff. Together, these flavours now account for over a third of the Smirnoff brand, driving overall brand growth of 51%.

Smirnoff *India Portfolio*

Smirnoff's portfolio in India combines its globally recognised vodka base with a growing range of flavoured expressions to cater to diverse taste preferences and social occasions.

Core Range



Smirnoff Vodka No.21



Smirnoff Green Apple Vodka



Smirnoff Orange Vodka

India Inspire Flavours (New Launch)



Smirnoff Minty Jamun Vodka



Smirnoff Mango Mirchi Vodka



Smirnoff Zesty Lime Vodka

Recognition and *Craft Excellence**

Smirnoff Indian flavours received the following global design recognitions:

Transform Asia Grand Prix

Gold Awards for 'Best Use of Packaging', 'Best Development of a New brand Within an Existing Brand Portfolio' and 'Best Localisation of an International Brand'

Silver Awards for 'Best use of Visual Property' & 'Best Visual Identity from the Food and Beverage sector'

Two Silver awards from the World Brand Design Society, and two wins at the INNIES Global Awards, celebrating the strength of its culturally rooted design and innovation.

*Unless specified, recognitions are pertaining to FY 2025-26

Don Julio

A Celebrated Luxury Tequila

Founded in 1942 in La Primavera distillery in the Jalisco highlands of Mexico, Don Julio represents supreme craftsmanship. It is today crafted using fully matured and ripened blue agave, hand-selected from the Los Altos region's rich clay soils, which are cooked in brick ovens and distilled in copper pots. It is the choice for the crème de la crème of the film, fashion, music and art fraternity globally.

The brand has found immense acceptance among India's rising new class of luxury explorers seeking exceptional quality. Today, Don Julio is considered one of the top-tier tequila brands globally. It remains a symbol of Mexican excellence in the world of spirits.



Don Julio

Variants in India



Don Julio Blanco

An unaged, clear tequila with crisp and pure agave flavour straight from distillation, making it a popular choice for cocktails like margaritas.



Don Julio Reposado

Aged over eight months in American white oak barrels, this golden amber tequila offers a mellow, elegant flavour, with an inviting aroma and a rich, smooth finish.



Don Julio Anejo

Barrel aged in smaller batches for eighteen months in American white-oak barrels, it is a testament to crafting superior tasting, aged tequila. Its rich, distinctive and complex flavour perfect balances agave, wood and hints of vanilla.



Don Julio 1942

Produced in small batches and aged for a minimum of two and a half years, it is handcrafted in tribute to the year that Don Julio González began his tequila-making journey. It is celebrated in exclusive cocktail bars, restaurants and nightclubs.

Recognition and *Craft Excellence**

MUSE and Hermes Platinum Winner to Don Julio 2024

Don Julio was awarded Gold for Best Brand in Bars – Most Popular Agave Brand in India

Gold for Best Campaign for Día de los Muertos at the 2025 Dragons of Asia Awards

Gold for most premium tequila in India at the Ambrosia Spirits Awards 2026

*Unless specified, recognitions are pertaining to FY 2025-26



Tanqueray

Iconic Brand and Bartender's Choice of Gin

Tanqueray is an iconic London Dry Gin with a heritage dating back to 1830, founded by Charles Tanqueray. Crafted with a timeless recipe of four botanicals, the brand stands for boldness, quality, and timeless sophistication.

Globally, Tanqueray is a benchmark for classic gin excellence, known for its crisp juniper-forward profile and versatility in cocktails.

In India, Tanqueray is at the forefront of premium gin culture, recruiting urban, style-forward consumers who seek elevated, social drinking experiences. It plays strongly in high-energy social occasions, from bars to house parties.

Tanqueray *Range*



Tanqueray No. TEN Distilled Gin



Tanqueray London Dry Gin



Tanqueray Malacca Distilled Gin



Tanqueray Rangpur Lime Distilled Gin

Recognition and *Craft Excellence**

Gold Medal at Bartender Spirits Awards 2023 and #1 most trending gin

Tanqueray no. TEN selected #1 bestselling gin and #1 bartenders' favourite gin at Drinks International Awards 2022

Tanqueray ranked best-selling and overall favourite spirit in 'The World's 50 Best Bars' poll as reported in Drinks International's The World's 50 Best Bars Annual Report 2016

Tanqueray London Dry won multiple international awards, including Double Gold, at the San Francisco World Spirits Competition

*Source: Drinks International

*Unless specified, recognitions are pertaining to FY 2025-26



NAO Spirits
A new pour for India

When the world was deep into its gin revival, India still had little it could call its own. NAO Spirits spotted that gap early. What began in a small Goan distillery soon became one of the clearest signals in Indian alcobev. Through brands such as Greater Than and Hapusa, NAO created craft spirits that felt rooted in Indian botanicals, local provenance and a fresh cultural point of view. Diageo India recognised in NAO an early mover that had shaped the category with originality and credibility. Diageo India completed the acquisition of NAO Spirits during FY 2025-26. Bringing the brands into its fold marks a strategic step towards scaling a homegrown craft story that is closely aligned with the evolving Indian palate.

Greater Than Gin
India's First London Dry Gin

Greater Than brought a new kind of craft story to the market. Distilled using 9 botanicals sourced from India and around the world, it combines strong quality credentials with broad cocktail versatility. Recognised by the Gin Guild, it remains the only London Dry Gin from South Asia to receive this distinction. Crisp in character and contemporary in design, it is built for everything from a classic Gin and Tonic (G&T) to a well-made cocktail, with minimalist packaging that stands out effortlessly on shelves across markets.

Recognition and *Craft Excellence**

No Sleep Gin won the Best Flavoured Gin award by the Gin Guide 2025

Gold Medal with an incredible 96 points by the International Wine & Spirits Competition (IWSC 2025).

*Unless specified, recognitions are pertaining to FY 2025-26

Greater Than Gin *Range*



Juniper Bomb



No Sleep



Broken Bat



Punk Gin



London Dry Gin

Hapusa

The World's First Himalayan Dry Gin

Hapusa is rooted entirely in India's botanical landscape. It is distilled with Himalayan juniper and layered with coriander seeds, turmeric, ginger, gondhoraj, cardamom, mango and almond sourced from across the country. The result is a gin with a sense of place, depth and distinction. Its award-winning quality, including a gold medal at the IWSC Spirits Awards 2021, has made Hapusa a standout label in the craft spirits' space.

Hapusa has quietly become a favourite with seasoned Gin drinkers and in 2025-26, it debuted with its very first Custom Martini Gift Pack in retail to take the brand further. Hapusa was also recognised as the Best Gin for making Negronis by the Gin Guide 2025.

Recognition and *Craft Excellence**

Hapusa was also recognised as the Best Gin for making Negronis by the Gin Guide 2025.

*Unless specified, recognitions are pertaining to FY 2025-26



PIPA

Goan Rum, Portuguese Spirit.

PIPA brings together locality, history and craft in a distinctive expression of spiced rum. Distilled in Goa from local jaggery, it is matured for two years in Port Wine casks imported from Portugal. A finishing touch of jaggery and three spices black pepper, cinnamon and clove add warmth, character and a subtle nod to the flavours that once drew Portuguese explorers to India's western coast. Rich in story and layered in taste, PIPA offers an Indian origin story with a spirit shaped by cultural exchange.

PIPA has been slowly making its presence felt across Goa, Italy and UK. It is now set for its second release across the country along with the parallel release of the un-spiced edition.



Sparking *connections* with captivating *campaigns*



Scan the code to see Kartik Aaryan in #YaaronWaliBaat

McDowell's Soda 'Firsts With Friends' Campaign

Celebrating the firsts that define friendship

"Firsts With Friends" is the biggest campaign of the year from the House of McDowell's, As the latest chapter in #YaaronWaaliBaat, this campaign featuring brand ambassador Kartik Aaryan celebrates the unforgettable firsts in life, moments made possible and memorable with close friends. Whether embarking on spontaneous adventures, discovering new experiences, or confronting fears, friendships have the power to transform daunting "never befores" into exhilarating "now togethers".

In FY 2025-26, we onboarded our newest Yaar, Vijay Deverakonda, to McDowell's. Alongside Kartik Aaryan, he will strengthen our brand's connection with younger audiences and expand its pan-India cultural appeal. His authenticity, strong resonance with LDA, and deep-rooted popularity, especially in South India, make him a natural fit for the brand.





#ChooseBold

Celebrating Bold Self-Expression

Royal Challenge has always celebrated bold choices, from taking the leap to bouncing back. This spirit finds its strongest expression in #ChooseBold, a campaign that redefines boldness. It is a celebration of the boldness of Naya Shers, including cricketer Smriti Mandhana, digital influencer Rannvijay Singha, and gaming star Naman "Mortal" Mathur. It highlights that this generation doesn't wait for validation or rely on legacy, but builds its own identity in its own way. Their boldness isn't loud rebellion; it's quiet confidence. Raw. Real. Unapologetic. And that belief distils into one simple, powerful line that represents the voice of the generation: "Main nahi toh kaun be?"



Johnnie Walker x Virat Kohli

Johnnie Walker Luxe Blended Water joined forces with cricketing icon Virat Kohli to power the next chapter of its iconic Keep Walking spirit. The campaign, launched late March, redefines progress for a young self-driven India that refuses to linger at milestones, and reflects a mindset that keeps building, exploring & moving. Timed ahead of the biggest cricketing season, this campaign is delivered through a high-voltage, high-impact media mix – including outdoor and print across key cities – to maximise cultural salience and visibility. It aims to rebuild relevance among young affluent consumers, ultimately strengthening the brand's role as both a cultural icon and a key growth driver.

Johnnie Walker x Dhruv Kapoor

Celebrating Individual Style

Youths today are experimental, embracing their own style and individuality in their own terms. Aligning with this spirit, Johnnie Walker Blonde Non-Alcoholic Lemonade launched a limited-edition merchandise line in collaboration with acclaimed designer Dhruv Kapoor. Capturing the bold spirit of fearless individuality and progress, the collection celebrated those who constantly evolve, push the boundaries of creativity and expression and keep walking on their own terms.

The collection featured androgynous silhouettes, handcrafted leather Mary Janes, and a modular backpack with symbolic collectable charms, taking the brand's 'Find You Mix' philosophy to the streets.

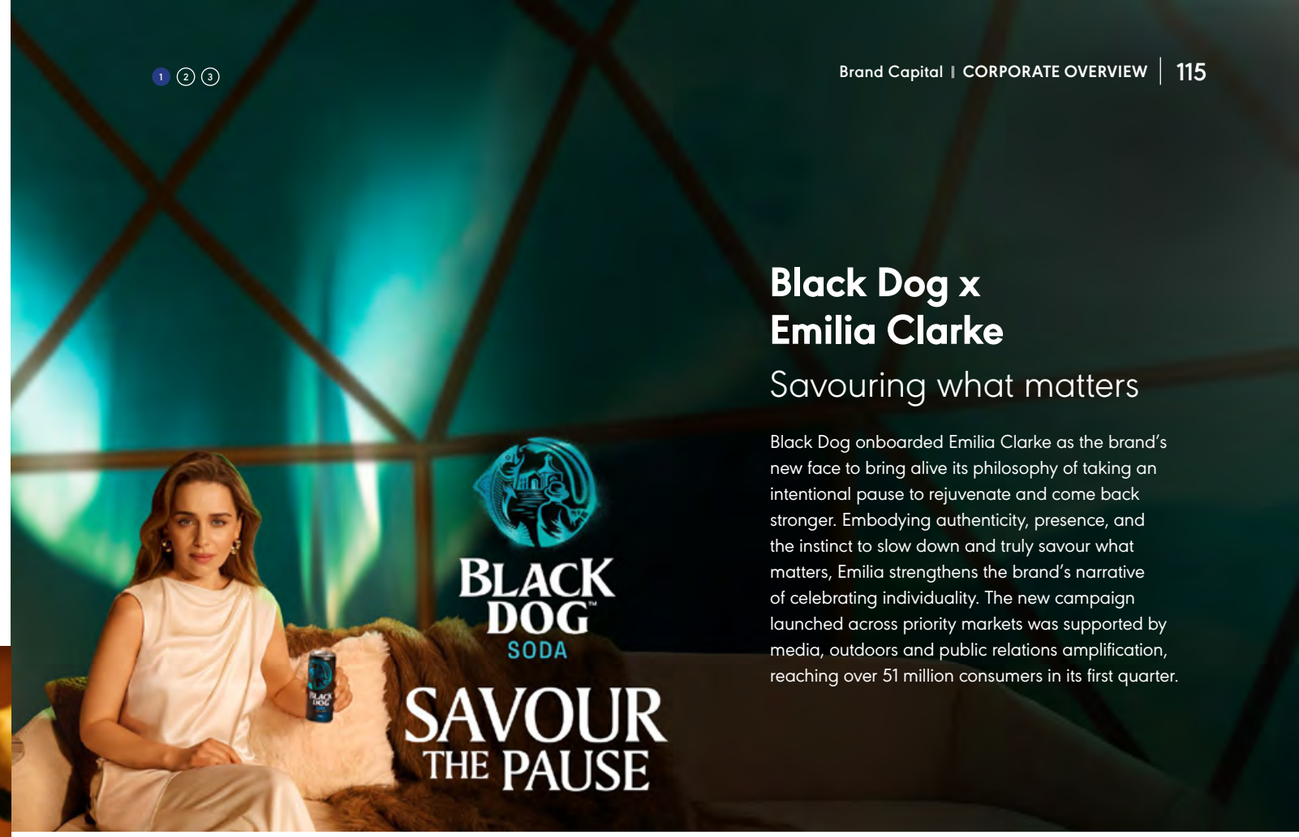




Johnnie Walker at Lollapalooza 2026

Innovation, craftsmanship and culture at its best

Johnnie Walker Blonde Non-Alcoholic Lemonade redefined experience at Lollapalooza India 2026, one of India's most anticipated cultural events, blending innovation, craftsmanship and culture. Offering electric atmosphere, it serves as the ultimate platform for Johnnie Walker's premium mixology and its progressive 'Keep Walking' spirit. This year, Johnnie Walker also came on board as the official partner for the Platinum Lounge, the festival's most exclusive space for music lovers who seek elevated experiences.



Black Dog x Emilia Clarke

Savouring what matters

Black Dog onboarded Emilia Clarke as the brand's new face to bring alive its philosophy of taking an intentional pause to rejuvenate and come back stronger. Embodying authenticity, presence, and the instinct to slow down and truly savour what matters, Emilia strengthens the brand's narrative of celebrating individuality. The new campaign launched across priority markets was supported by media, outdoors and public relations amplification, reaching over 51 million consumers in its first quarter.

The Singleton Social Analogue Jams

A one-of-a-kind jazz listening experience

Rooted in The Singleton's philosophy of Luxuriating in the Single Moment, The Singleton Social is the brand's experiential platform that brings together culture, conversation, and craft through curated gatherings.

Analogue Jams, a jazz-forward series, is one such platform that invites audiences to pause amid constant noise and digital distraction, and reconnect meaningfully through music. Set within intimate environments and shaped by the warmth of analogue sound, each session of soulful jazz performance enables audiences to experience music, feel deeply, and remain mindfully present. To date, more than 18 performances have been held, where audiences savoured both the music and the moment.







Restoring Mangroves

Inspiring Collective Action

Signature Packaged Drinking Water is actively promoting environmental stewardship through its Mangrove Regeneration Project in Odisha. Under this community-led initiative, 62 acres of degraded land are being revived by planting over 30,000 mangrove saplings and supporting five coastal villages in conservation practices.



The Mangroves Regeneration Pledge

Giving Nature a Voice

On the 10th year of World Mangrove Day, Signature Packaged Drinking Water launched a high-decibel, 360-degree campaign, featuring brand ambassador Ayushmann Khurrana.

The campaign is anchored by a powerful film titled The Mangroves Regeneration Pledge, told through immersive visuals and Ayushmann's resonant voice. The film emphasises the criticality of India's mangrove and coastal ecosystems and pays tribute to those working tirelessly at the grassroots to protect them. It further invited audiences to move beyond awareness and actively pledge their support.

Root for Mangroves

Every Beat, a Breath for Nature

Signature Packaged Drinking Water brought together music, culture and climate action through Root for Mangroves, a first-of-its-kind musical concert series that turned live entertainment into a force for environmental change.

Produced and promoted by TribeVibe Entertainment, three concerts held across Jaipur, Hyderabad and Gurugram saw electrifying performances by Armaan Malik and Vishal & Shekhar. The concert spotlighted the importance of mangroves in protecting India's ecosystem, while creating a platform for collective action, with every ticket contributing ₹ 50 towards the brand's generation efforts.



Don Julio Celebrates Day of the Dead

Dia De Los Muertos

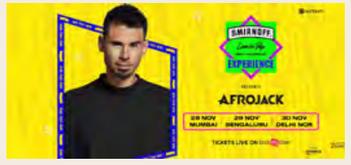
Don Julio's Non-Alcoholic Carbonated Beverages flagship cultural platform, Día de Los Muertos, popularly known as The Day of the Dead, once again took centre stage this year, achieving unparalleled scale across 200+ trend-leading outlets, sampling 1,50,000 consumers, and hosting the country's largest Day of the Dead celebration in Mumbai, for 500 of India's most influential consumers. The campaign generated 230 million in editorial and organic reach making Don Julio once again the most talked about luxury spirit this year.



Baileys x Starbucks India

Collaboration crafted for the holiday season

Baileys joined hands with Starbucks India to celebrate the flavours, rituals, and magical joys that define the holiday season. Blending Starbucks handcrafted beverage expertise and Baileys' Signature Irish Cream flavour, the collaboration introduced a festive line-up of five limited-edition non-alcoholic indulgent beverages. From Signature Irish range of Latte, Frappuccino, Cold brew, Matcha and Reserve® Shakerato, the line-up gave familiar favourites a creamy, dessert-led twist. The line-up showcases the depth and versatility of Baileys' signature flavour and commitment to crafting elevated, non-alcoholic indulgence for all occasions and consumers.



Smirnoff Experience X Afrojack

High-octane musical night

Smirnoff strengthened its cultural relevance in India through the 'We Do We' platform, celebrating collective energy, self-expression, and shared social moments among young legal drinking age consumers.

The Smirnoff Lemon Pop Experience featuring Afrojack, a large-scale music and culture event, brought this ethos to life. Converging music, flavour and social connection into a high-energy environment, it reinforced Smirnoff's role in contemporary nightlife and youth culture. The campaign integrated experiential engagement with strong on-ground visibility, bartender advocacy and flavour trials, turning the event into both a cultural moment and a product discovery platform.

Impact

12,000+

Attendees experienced the event live

10,000+

Serve trials of Smirnoff variants delivered on-ground

2+%

Increase in talkability, driven by strong organic social sharing and user-generated content





UN SDGs Linked

3 GOOD HEALTH AND WELL-BEING
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION

Material Issues
M3, M5, M9

Strategies
S1, S2

The Science Behind the Spirit

Innovation strengthens our portfolio and helps us respond to evolving consumer expectations. Our research and development (R&D) approach centres on creating distinctive spirits inspired by Indian ingredients, craft traditions, and contemporary flavour exploration. The Good Craft Co. platform anchors this effort by bringing experimentation, knowledge sharing, and collaboration into a unified innovation ecosystem.

We blend our craft expertise with consumer insight and entrepreneurial partnerships. Dedicated facilities and collaborative platforms enable rapid experimentation, allowing ideas to evolve into differentiated products and formats. The resulting innovation capability supports premiumisation, nurtures emerging craftsmanship, and strengthens our role in elevating the future of Indian spirits.

The Craft Intelligence Engine

We promote Indian craftsmanship on the global stage through research, experimentation, and industry engagement. This allows us to preserve and enhance indigenous artistry and craftsmanship, promoting cultural heritage.

The Dual Approach

Our approach to drive market expansion and strengthening the craft spirits ecosystem.

Knowledge Creation ^ Craft Experimentation

=

Innovation Capability



Housing our R&D Capabilities

19,500 sq. ft.
Whitefield

12,000 sq. ft. Built-up area/ 25,000 sq.ft. plot
Kumbalgodu

State-of-the-art facilities driving the efforts into tangible outcomes

Facility Credentials

- Karnataka State Excise licensed.
- DSIR certified.
- Packaging testing & validation facilities equipped & benchmarked to category needs and industry & global standards.

Knowledge Exchange

- Auditorium with 60 people capacity at Kumbalgodu for technical forums, workshops & vendor interactions.

Core Competencies

- End-to-end R&D from grain to glass.
- Pilot distillation plant for experimentation.
- Analytical testing laboratories.
- Sensory evaluation labs and tasting panels.
- New product and flavour development.
- CNC based 2D sample maker + 2D/3D rapid prototyping capabilities.
- Advance transit simulation.
- Packaging material functional testing & high-definition container-closure integrity testing.
- Packaging component Library.
- Partial solar powered & water conservation programmes.
- Raw material analysis.
- Consumer panels for flavour insights.
- Rapid concept-to-market scale-up.

Highlighting our R&D Strength

Strong team dynamics and skill sets positioning us at the forefront of pioneering beverage research.

Liquid Commercialisation

Product Development

Product and Process Research

Sensory Science

Expertise that counts

Packaging Technology

- Simulation
- CNC based 3D/2D prototyping
- Best-in-class Packaging Structural designing

Regulatory Compliance

Competencies that Create

The R&D team consists of employees trained and certified in key alco-beverage skill areas. Team members hold certifications from the Institute of Brewing and Distilling (IBD) and the Indian Institute of Packaging (IIP), reflecting expertise in fermentation, distillation, maturation, and packaging and simulation sciences. Five employees have been trained at the Indian Institute of Packaging, while four have been trained or are currently undergoing training with the Institute of Brewing and Distilling.

42
Highly skilled professionals

149 years
Combined Diageo Experience powering innovation and growth



46%
Men



54%
Women



15%
PhD doctorates



70%
Postgraduates



15%
Graduates

Innovating for Evolving Needs and Sustainable Growth

Our innovation agenda integrates consumer insight, R&D capability, and design excellence. This encapsulates deep understanding of culturally relevant preferences and extends into product development, packaging transformation, and digital enablement, that creates differentiated, future-ready offerings. Consumers are shifting towards drinking better, even if slightly less, with moderation and premiumisation shaping growth. Convenience is rising through versatile formats, flavour-led choices, and on-the-go solutions. Further, sessionable occasions aligned with conscious consumption present a growing opportunity. Simultaneously, novelty in pack formats, functionality and flavours remains important, with Indian and global taste fusions driving contemporary relevance.



Consumer Insight + R&D Capability + Design Excellence = INNOVATION

UNDERSCORED BY

Deep understanding by culturally relevant preferences

LEADING TO

Product development | *Packaging transformation* | *Digital enablement*



Consumer behaviour reveals new opportunities

Younger LDA Consumers & Increasing Women Participation

Preference for lighter, smooth, flavourful liquids

White Spirits

- Fastest growing segment in Prestige & Above P&A Whites growth at 55.5%.
- Flavours are emerging as key growth drivers for Whites category.

Luxury and New Aspirations

- Growing access to high-end products driving aspirations.
- The rise of luxury and aspirational consumption.

Premiumisation Across Tiers

Consumers are upgrading across all categories have expanded

Rise of Craft, Authentic and Local Identity

'Made in India' craft spirits gaining traction (Godawan)

Sustainability Consciousness

Consumers prioritising eco-friendly products and brands

Capitalising on the opportunities through

Multiple Premiumisation Levers

Driving premiumisation within segments, brands, and categories

Prestige & Above Segment

- Driving the growth in NSV.
- This is led by Premium & Luxury growth (BII+BIO) at 9.4%.

Sustainability at the Core

Consumers are upgrading across all categories

- Efficient resource use and conservation practices.
- Technology innovations: Water from air, air cool condensers for distillation units, process optimisation to minimise water usage, and water reuse in production processes.

Packaging

- Growing consumer demand for sustainable and responsible consumption.
- The shift from Linear Supply chain to both towards Circular supply chain & End-of-Life materials which comply with local Plastic Waste Management (PWM) laws.
- Rising expectations for environmentally conscious brands.
- Future-ready & tool-box funnel that are ready to implement solutions & seamlessly integrate form and functionality to meet emerging consumer needs.

Consumer-led Flavour Innovation

Flavours continue to drive excitement, with Indian and global taste fusions offering strong potential for contemporary relevance. Portfolio innovation at Diageo India has played a key role in shaping disruptive flavoured vodka offerings. It draws on deep insights into culturally-relevant flavours that resonate with local consumers. We have created distinctive flavour profiles that deliver both authenticity and delight by leveraging consumer understanding with R&D expertise. This results the success of the Smirnoff flavoured vodka range, including Minty Jamun and Mango Mirchi.

Crafting Distinction through Product and Design

Craft innovation strengthens this narrative through a seamless integration of liquid excellence and design. Godawan reflects a commitment to building globally competitive brands with strong Indian roots, combining product quality with distinctive storytelling. The introduction of Godawan 173 further elevates this proposition, offering a premium, artisanal expression shaped by Rajasthan's heritage and locally-sourced ingredients.



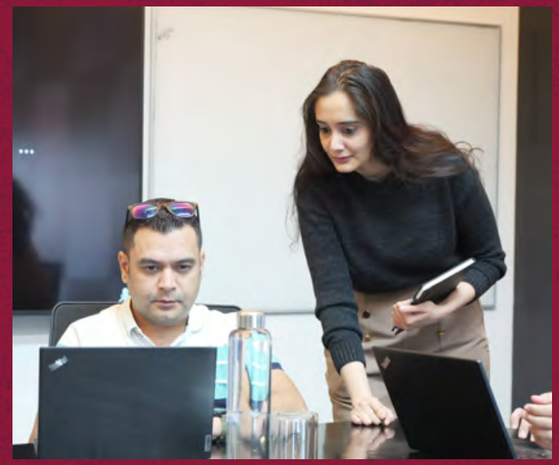
134

Global awards received by Godawan
70 - Liquid excellence
64 - Packaging and design

R&D Making the Difference

Our strong R&D and product development capability anchors the innovation advancements. The focus spans experimentation with indigenous ingredients and refinement of maturation techniques suited to India's climate, enabling the creation of distinctive, high-quality liquids. This capability underpins award-winning innovations and strengthens the premiumisation strategy. It helps shaping the globally competitive brands with a distinctly Indian identity.





Driving scientific thought leadership

We share insights that support technical progress and collaboration across the sector. Contributions are grouped as follows:

- Multiple patents and research publications.
- Insights shared through global forums such as the Institute of Brewing and Distilling (IBD).
- Research featured in leading FMCG and brewing journals.
- Participation in technical discussion panels and global industry forums.
- Experts serving as jury members for prestigious industry awards.

Advancing our Thought Leadership

Innovation

Pioneering new product development and advanced processes like:

- Fermentation techniques
- Flavour development
- Sensory science
- Maturation science
- Sustainable distillation solution
- Prototyping, simulation and rapid high- definition packaging validation techniques

Key contributions

Advanced a data-led innovation approach, using analytics to generate sharper, actionable consumer insights

Developed a machine learning-based predictive modelling tool that continuously learns from consumer data to anticipate shifts in preferences and liking

Integrated CLT quantitative data to dynamically update consumer segmentation and preference mapping, keeping insights current and relevant

Combined data models with e-nose and AI-powered tools to decode evolving trends and translate them into differentiated, on-trend offerings

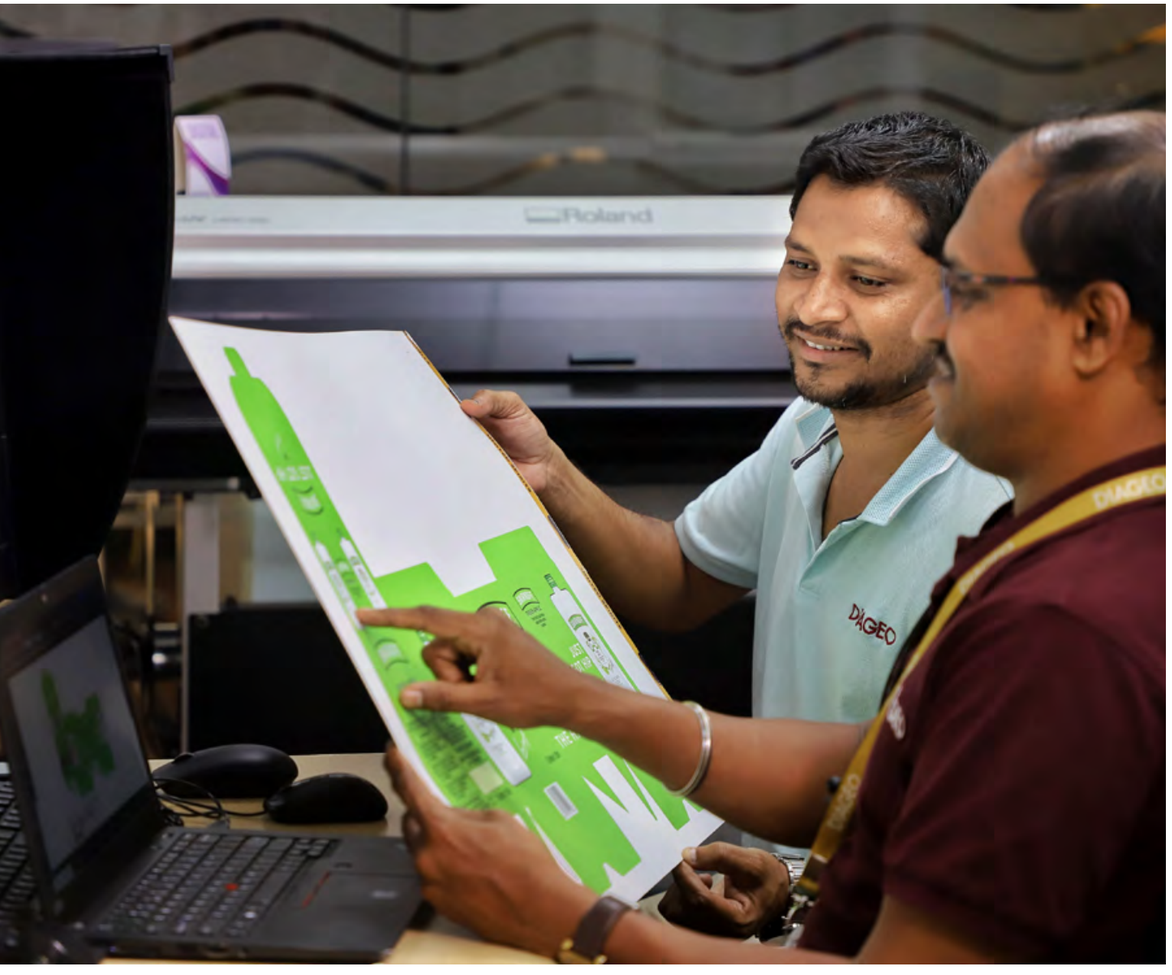
Achieved end-to-end distillery automation, enhancing process control in malt production and enabling consistent Fresh Malt Spirit quality despite varying raw material inputs

Packaging Innovation

We are advancing packaging innovation to deliver on our sustainability commitments. This ensures our formats to be recyclable, reusable, or compostable. Increasingly lighter glass bottles that can survive multiple washing and service cycles with higher cullet or recycled content have also been part of our key focus areas.

In parallel, we are upgrading our packaging to meet dynamic consumer expectations through blending functionality, aesthetics, and convenience. This includes creating premium designs and the material being lighter, efficient, and environmentally responsible.

Packaging innovation accelerates our sustainability agenda and strengthens brand equity. It also responds to the needs of a more conscious and discerning consumer. Aligned with our 'Spirit of Progress - Society 2030' ambition & India PWM legislation, we drive compliant initiatives such as shifts from glass to PET, lightweighting and improved circularity. These solutions reduce environmental impact, reduce cost efficiency, and enhance consumer experience.



Reimagining Packaging for Scale and Sustainability

We are transitioning from energy-intensive glass to low-carbon PET and rPET formats, while progressing lightweighting initiatives and digital traceability solutions. These efforts strengthen environmental performance, improve product integrity, and enable stronger consumer interface and trust.

100%

rPET container for Celebration Rum PET bottles; the category first in nature

49% rPET` bottle

Recycled rPET in our PET bottle portfolio

55% PCR

Cullet across glass bottle portfolio

Global consultants

Engaged to develop ultra-lightweight 750 ml glass bottle

Dynamic QR codes

On BII SKUs with MRP > ₹ 1,200; expansion underway with WB Excise Commissionerate

Tamper-evident NFC tags

Under introduction for select premium brands





Read more on our packaging material-related efforts in the Natural Capital section on page 182.

The Good Craft Co.

India's craft spirits carry a legacy of ingredients, craftsmanship, *and provenance that is only beginning to be discovered.*

The Good Craft Co. brings these stories to life, celebrating the makers, ingredients, and traditions defining Indian craftsmanship. From sourcing and provenance to indigenous distillation, maturation, and artisanal finishing, the platform highlights the depth and diversity of Indian craft traditions.

Established in 2022 at our Ponda distillery in Goa, The Good Craft Co. brings together craft makers, startups, enthusiasts, and industry experts to nurture innovation and strengthen the craft spirits ecosystem. Designed as a direct-to-consumer experiential initiative, it offers immersive experiences that introduce consumers to the processes, ingredients, and heritage that define Indian craft spirits.



Ethos and Philosophy

A platform built on six pillars of doing good to nurture exceptional Indian craft spirits and a thriving ecosystem of start-ups across the Indian spirits industry.

Doing Good
Craft is a responsibility that goes beyond sustainability

Transparency
Craft is being open and inclusive

Unique Series
Craft is small batch and special editions

Community
Craft is connecting with people

Raw Materials
Craft is being mindful of the ingredients and materials used

Process
Craft is making it your own way, with skill and creativity



Nurturing Alcobev Start-ups



We, along with our venture arms, are actively seeking partnerships with early and growth-stage companies that can disrupt the Indian beverage alcohol space with new products, formats, or capabilities. Our investments in emerging homegrown brands such as NAO Spirits, Pistola, Quaffine, and Sober, reflect a strategic focus on shaping future consumption trends in India. We are strengthening our presence in premium and craft spirits categories by backing NAO Spirits – the largest Indian gin brand and Pistola in the fast-growing agave segment (growing ~100% Y-o-Y).

Investments in Quaffine tap into the rising demand for mid proof drinks, with the category expected to grow 60-70% over the next five years, while Sober enables Diageo to participate in the large and evolving non-drinking population of ~830 million consumers.

These investments allow us to diversify the portfolio, capture high-growth white spaces, and stay ahead of shifting consumer preferences through locally relevant, innovative brands.

Advancing Our *Digital Capabilities*

Our digital capabilities are strengthening how we understand markets, engage consumers, and execute across the value chain. We continue to invest in data, analytics, automation, platforms, and emerging technologies to enable faster, insight-led decisions across the organisation. This is improving our responsiveness to shifting consumer preferences and evolving market dynamics, while enhancing execution quality and operational efficiency. During the year, we advanced digital capabilities across consumer engagement, commercial execution, supply chain, and enterprise operations. These efforts are building a more connected, resilient, and insight-led organisation, while moving us from process digitisation to intelligent operations driven by predictive insights, faster cycle times, and stronger outcomes.

500+

Employees upskilled in data analytics and AI

UN SDGs Linked

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Material Issues

M7

Strategies

S2



Data at the Core of Decision-making

Embedding data more deeply into day-to-day decision-making enables faster, better-informed, and more confident business actions. We integrate advanced analytics, cloud technologies, and real-time data capabilities across the organisation to generate insights and anticipate market dynamics. Robust data governance and cybersecurity frameworks ensure the integrity and responsible use of information. This data-driven ecosystem enhances supply chain efficiency, supports innovation, and enables more informed decision-making.

Key developments during the year

- Expanded our Azure Data Lake to improve scalability, speed, and data accessibility across functions.
- Integrated advanced analytics and AI models across commercial, supply chain, and finance use cases.
- Improved real-time data visibility through dashboards and unified reporting environments.
- Strengthened enterprise-wide data governance to enhance consistency, quality, and compliance.
- Reinforced our digital ecosystem with robust cybersecurity and privacy controls to support secure and responsible data usage.

Personalising Consumer Engagement

Consumer expectations are shifting towards more personalised and meaningful experiences, and we are using data, advanced analytics, and artificial intelligence to respond to this change with greater precision. Our digital capabilities help us understand evolving preferences, design more relevant engagements, and deliver targeted communication across digital and physical touchpoints. This is strengthening the impact, reach, and effectiveness of our marketing efforts while building deeper consumer connections. Our digital-first approach is further supported by immersive phygital activations on culturally-relevant platforms such as Lollapalooza and Ziro, along with a stronger presence across owned and partner platforms that is improving reach, interaction, and conversion.

Initiatives undertaken so far

- AI-led analytics and social listening for real-time consumer insights.
- Stronger Customer Relationship Management (CRM) and Consumer Data Platform (CDP) capabilities for a unified consumer view.
- Integrated digital and physical touchpoints for seamless omnichannel experiences.
- Marketing Mix Modelling to sharpen media spends and improve returns.

Impact of our efforts

~1 Mn

Cumulative followers across our top brands Instagram handles

2 Mn+

Visits on The Bar India platform

56 K+

Instagram followers

Sharpening Commercial Execution through Technology

We continue to strengthen our commercial technology ecosystem through scalable, integrated, and intelligence-led platforms that enhance sales effectiveness across trade channels. These capabilities are helping us improve frontline execution, strengthen control over commercial investments, and enable more precise and responsive decision-making in the market. Together, they are creating a more connected commercial model that supports stronger execution discipline and better returns on spend.

Key highlights

- Advanced our Salesforce-based field force application with real-time outlet and sales visibility, AI-led prompts, and simpler workflows.
- Digitised trade and marketing spend to strengthen governance and improve investment returns.
- Used image recognition to support outlet compliance and shelf execution.
- Applied outlet-level analytics to sharpen interventions and coverage planning.
- Built scalable platforms to support unified execution across On-Trade and Off-Trade channels.

Developing a Smarter Supply Chain

We are transforming our supply chain into a connected, intelligent, and increasingly autonomous ecosystem by embedding digital capabilities across innovation, operations, planning, and partner collaboration. These efforts are helping us respond faster to emerging demand signals, improve coordination across the value chain, and build stronger control, agility, and resilience into our supply chain.

Key highlights

- Built a unified data lake as a single source of truth, enabling advanced analytics, decision intelligence, and laying the foundation for a Control Tower and autonomous planning.
- Digitised core supply processes including import lifecycle, traceability, inventory, and compliance – enhancing visibility, accuracy, FIFO governance, and control.
- Strengthened risk, safety, and supplier governance through structured digital workflows, compliance monitoring, and enterprise-wide adoption.
- Advanced end-to-end supply capabilities by integrating planning, logistics, regulatory processes, and order management into an agile, AI-ready, low-touch ecosystem.



Operational Automation

Automation is strengthening the speed, accuracy, and control of key workflows across the organisation. We are moving beyond task automation towards more adaptive systems by integrating AI into selected processes, helping create operations that are more insight-led and increasingly autonomous. This transition is supporting greater scalability across functions, while also extending into manufacturing through connected technologies that support tighter process control and more efficient use of resources.

Key highlights

- Integrated AI into workflows to move towards adaptive and insight-led automation.
- Improved production visibility and performance monitoring through IoT-enabled systems.
- Strengthened quality control, resource utilisation, and waste reduction in manufacturing.

20+

Bots deployed across Finance, Supply Chain, and Commercial functions

~200

Of man-hours saved through automation



Future-Ready Workforce

Building digital capability across our workforce remains a key priority. We are equipping our people with the skills, tools, and learning platforms needed to work in more agile, digital, and insight-led ways. These efforts are strengthening everyday productivity, supporting wider adoption of new technologies, and fostering a culture of innovation and continuous improvement across the organisation.

Key highlights

- Deployed Copilot Chat across the enterprise and expanded access to Enterprise GPT for selected cohorts.
- Enabled the entire Leadership Team to use Copilot Enterprise to enhance personal and enterprise productivity.
- Expanded Gurukul and other digital learning platforms to offer accessible, flexible, and role-based learning pathways.

Way Forward

Advancing Analytics and AI

Analytics and AI will play a bigger role in how we plan, predict, and respond across the business. Our focus will be on scaling machine learning and expanding predictive and prescriptive capabilities to sharpen demand forecasting, strengthen supply planning, and support faster commercial decisions. This shift will help turn data into more timely actions and more consistent outcomes across functions.

Deepening Consumer Engagement

Consumer engagement will become more personalised, responsive, and connected across touchpoints. Richer consumer data platforms, real-time feedback loops, and stronger analytics will help us design more relevant interactions and sharper marketing interventions. These capabilities will support stronger brand recall, better engagement quality, and more meaningful consumer experiences across digital and physical environments.

Strengthening Commercial Technology

A more integrated commercial technology ecosystem will enable quicker decisions and sharper execution in the market. Bringing together sales, market, finance, and execution data will create deeper visibility across channels and support better segmentation, stronger planning, and more precise interventions. This will further improve execution discipline and help raise the effectiveness of commercial investments.

Building a Smarter Digital Core

The planned S/4HANA transformation will create a stronger digital backbone for the organisation. A more standardised and connected core will simplify processes, improve real-time visibility, and support end-to-end automation across functions. Alongside this, greater use of AI, robotics, and workflow orchestration will help build a more agile, efficient, and insight-led enterprise.

Driving Supply Excellence

The next phase of supply chain transformation will be shaped by greater use of AI, IoT, and advanced analytics. Demand sensing will become sharper through internal and external signals such as weather and economic indicators, while stronger digital procurement ecosystems, sensor-based monitoring, and distillery analytics will improve control, quality, and yield. Planned initiatives such as Transport Management System (TMS) 2.0 and digital order management platforms will further enhance logistics efficiency, traceability, and end-to-end visibility.

The Human Spirit *Behind the Success*

At Diageo India, our people strategy is integral to delivering our business strategy and long-term growth ambition. We recognise that sustained performance depends on the strength of our capabilities, the quality and continuity of our talent, and the culture in which our people operate. Our people priorities are therefore designed to support business execution today while building the organisation required for future growth.

2,200+
Total permanent employees (executive and permanent workmen)

87.3%
Executive workforce retention

30%
Women representation in executive workforce

49%
Positions filled through internal mobility

UN SDGs Linked

1 NO POVERTY · 5 GENDER EQUALITY · 8 DECENT WORK AND ECONOMIC GROWTH · 10 REDUCED INEQUALITIES

Material Issues
M6, M8, M10, M11, M12

Strategies
S2

Our People Strategy Pillars

Advantaged Capabilities

We focus on building competitive and distinctive organisational capabilities that enable growth and differentiation in the market. Our investments are directed towards strengthening leadership, commercial, supply, digital and functional capabilities that are critical to executing our strategy. By developing these capabilities at scale, we ensure the organisation remains effective, adaptable and future-ready.

Thriving Organisation

We continue to build a distinctive organisation anchored in purpose, enabling speed, agility and sustained performance. Our focus is on creating an environment where people are engaged, supported and empowered to deliver their best work. Leadership behaviours, ways of working and employee experience are deliberately shaped to support accountability, collaboration and performance across the organisation.



Talent Sustainability

We are committed to ensuring a strong and diverse talent pipeline, both now and in the future. Through disciplined talent reviews, early career programmes and proactive internal mobility, we strengthen leadership depth, succession pipelines and internal sufficiency for critical roles. This supports continuity, reduces reliance on external hiring and enables long-term capability building.

Inclusion & Diversity

Inclusion and diversity are embedded as core enablers of organisational effectiveness and decision-making. We treat inclusion not only as a representation goal, but as a mindset that strengthens talent outcomes, innovation and long-term performance. Our focus has evolved from increasing representation to embedding belonging and inclusive behaviours across leadership, culture and everyday practices.

Awards
& Recognitions

"Women Representation in Senior Management" by FICCI, Federation of Indian Chambers of Commerce & Industry, in 2025

Certified as a **"Great Place To Work"** organisation in 2025

Top 25 India's Best Workplaces in Manufacturing in 2026

Gold Employer for LGBT+ Inclusion by India Workplace Equality Index (IWEI), for the 3rd consecutive time in 2025

CII-CWL Gender Parity Business Award: **'Excellence Achievement Award in Manufacturing Sector'** by the Confederation of Indian Industry (CII) - Centre for Women Leadership (CWL); in 2026

Culture, Leadership *and Ways of Working*

Our culture is grounded in our purpose and values and reinforced through clear expectations of leadership and behaviour. Dial Up Behaviours and Leadership Ambition define how leaders show up, make decisions, and enable performance. By embedding these behaviours into everyday ways of working, we are strengthening execution discipline, accountability, and organisational agility.

THE WINNING CULTURE

Purpose
The why

Celebrating *life,* every day, *everywhere*

The What

Ambition	To create the best performing, most trusted and respected consumer products company in India
Values	Passionate about consumers and customers | Value each other | Be better | Proud of what we do

Leadership Ambition
The how

Externally Obsessed | Boldness to go beyond | Enterprise advantage | Sharp execution | Energy to celebrate life | Challenge to be better

Dial-up Behaviours
The how right now

Externally Obsessed | Collaborate efficiently | Experiment and learn | Act decisively



OurVoice Survey

Listening to our people is a critical input into building a thriving organisation. Through our 'OurVoice' survey and ongoing listening touchpoints across key moments that matter, we gather employee feedback and translate insights into actions that enhance engagement, experience, and retention.

Results of our 'OurVoice' Survey

90%
Engagement score
(Constant vs 2025)

+56
Employee Net Promoter Score
(+3 vs 2025)

88%
Inclusion and diversity index
(Constant vs 2025)



Our Employee Value Proposition (EVP)

Our employee value proposition, #CelebratingYou, supports attraction, engagement, and performance by enabling our people to grow, contribute and thrive across their careers. Through meaningful work, development opportunities, recognition, and wellbeing support, we aim to foster a workplace where individuals feel valued and motivated to deliver robust performance.

Our EVP brand advocacy initiatives enable employees to share authentic experiences of working at Diageo India, strengthening our employer brand, and supporting talent attraction in key capability areas.

Pillars of EVP

We are committed to your continuous growth

- We'll inspire you to reach your fullest potential – give a career opportunity to thrive.

We will help you make a difference beyond today

- The fresh perspective you bring alongside the purposeful and meaningful work you do, reimagines our future and makes an impact – use your curiosity and obsession for a better tomorrow.

We will celebrate, reward and invest in you

- We value everything you bring in many ways – provide support to manage your wellbeing and balance your priorities.

Our EVP facts FY 2025-26

Career page statistics

39K+
User visits
(↑ 78% y-o-y)

95K
Sessions conducted
(↑ 265% y-o-y)

486K
Followers
(↑ 20% y-o-y)

~1.6 Mn
Unique views



Talent Acquisition, Development and Succession

Our talent approach is business aligned and focused on roles and capabilities that matter most to our growth agenda. We build, buy, and borrow talent to strengthen pipelines for critical capabilities, supported by early career programmes, targeted lateral hiring and internal mobility.

Diageo Distilled Talks

We have launched "Diageo Distilled Talks", a campus engagement series where senior Diageo leaders visit top B schools to deliver lectures. Through real-world insights and stories from their leadership journeys, they inspire students, spark fresh thinking, and showcase Diageo's culture of learning and growth.

Approach to develop *the talent house*

Diageo Distilled Management Trainee Programme (MT)

Shaping the next generation of Diageo leaders by attracting exceptional young talent. Guided by senior business leaders, this programme accelerates their growth into impactful future leaders.

14MTs | 27 interns

Hired during FY 2025-26

Diageo Crafted-Manufacturing Trainee Programme (GET)

Building a future-ready talent pipeline by developing high-potential graduates for critical manufacturing roles. This programme shapes well-rounded technical professionals and future leaders who will elevate operational excellence across our plants.

Graduate Apprenticeship Trainee Programme (GAT)

Build a strong pipeline of specialised engineering talent for supply and manufacturing operations through structured on-the-job and off-the-job training across plant locations.

Lateral Hiring

Onboarding business-ready top talent to strengthen our Sales and Supply teams. Enabling to onboard high-calibre professionals who can drive impact and deliver accelerated performance.

Internal Talent Strength

Disciplined talent reviews underpin leadership continuity by assessing potential, readiness and development needs. This enables focused succession planning, proactive career movement and stronger internal pipelines for critical roles. Leaders are accountable for building and sustaining strong and diverse talent pipelines as part of their leadership responsibilities.

Where we stand

49%
Open positions filled through Internal mobility

40%+
Internal movements through promotions



Learning and Capability Building

Our learning strategy focuses on building future-ready capabilities aligned to business priorities. We emphasise capability outcomes rather than activity, ensuring learning investments translate into improved performance and organisational-readiness.

Development is supported through leadership programmes, functional capability building and digital learning platforms. Signature programmes across Commercial and Supply strengthen role critical skills, while global and local interventions enable continuous learning across the organisation.

34k+

Training hours delivered to the executive workforce

~23 | ~4

Average training hours dedicated to executive and permanent workforce respectively

Learning and *development pillars*

Leadership Management Excellence

Build strong leadership and team management capabilities among people leaders

Professional Competence

Equip employees to navigate complex situations, collaborate effectively, and deliver outcomes

Skills of the Future

Prepare employees to adapt to emerging technologies and evolving industry needs

Functional Mastery

Strengthen domain-specific expertise to support role-based growth and performance

Dial-up Behaviours and Leadership Ambition

Reinforce desired behaviours through targeted learning interventions

Leadership Development Ecosystem

Leadership Pipeline Development

Aspire and Executive Coaching ⟶ groom future leaders

Manager Capability Building

Diageo Impact and Leading in Practice ⟶ strengthen people management skills

Continuous Learning for all Employees

LinkedIn Learning, SPIRITS IQ, and My Learning Hub ⟶ provide on-demand, self-paced learning

Inclusion, Diversity and Employee Experience

Inclusion is a core leadership expectation at Diageo India and shapes how teams are built, decisions are made and environments are created. We focus on embedding inclusive behaviours and psychological safety into leadership and everyday ways of working, supporting stronger engagement and performance. Our inclusion efforts are reinforced through employee-led ERGs, leadership capability building and progressive policies that support employees across life stages, contributing to a consistent experience of belonging.

Priorities FY 2025-26

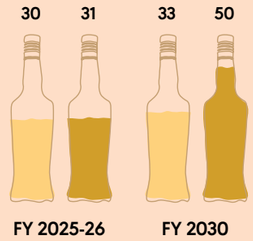
- **Championing inclusivity:** Continued to build representation across gender, LGBTQIA+ communities, and Persons with Disabilities (PwDs).
- **Advancing women in leadership roles:** Flagship programmes such as XL4W, mentoring programmes; focused on building capability, confidence, and career progression for high-potential women, strengthening our leadership pipeline.
- **Launched the Inclusive Culture Hub to anchor behavioural change at scale:** Initiatives such as The Belonging Binge, Say It Right, and Curious Conversations, along with monthly campaigns, enabled employees to translate the 8 Aspirational Behaviours of Psychological Safety into everyday actions.
- **Scaled leadership capability on inclusive leadership and building inclusive environments:** Managers were equipped to role-model inclusive behaviours and create psychologically safe teams – making inclusion a core leadership expectation.
- **Strengthened employee-led communities as drivers of culture:** The Spirited Women's Network (SWN) and Rainbow Network saw deeper engagement fostering dialogue, visibility, and psychological safety.
- **Strengthening the policy environment:** Reinforced our commitment through progressive, industry-leading policies, including Carers Leave and Fertility Leave, supporting employees across diverse life stages.



Advancing towards *'Spirit of Progress'* Goals



Women Representation (%)



37.5%

Women representation in the executive committee

#89

Persons with Disabilities (PwDs) work in our manufacturing units (vs #43 in FY 2024-25)

Inclusive policies, guidelines *and support programmes*

Policies

- Carers Leave
- Fertility Leave
- Gender-neutral family leave
- Wellness Policy, including fertility treatment and gender affirmation surgery
- Creche Policy
- Same-sex Partner
- Insurance Coverage

Guidelines

- Pregnancy loss
- Thriving through menopause
- Domestic abuse
- Disability inclusion
- Gender expression and identity
- Flex philosophy

Support Initiatives

- **Spirited Women's Network (SWN):** An Employee Resource Group and networking platform to engage, inspire and empower women employees.
- **Rainbow Network:** An Employee Resource Group to support and develop LGBTQIA+ employees and allies, leveraging a 4C framework – Get Conscious, Get Comfortable, Get Connected, and Get Candid.
- **Pride Month:** A month-long initiative focused on creating spaces for dialogue, learning, and everyday actions that make inclusion real for our LGBTQIA+ community.
- **Inclusion Week & International Women's Day:** Celebrate inclusivity and diversity & strengthen access to opportunities & equality for all.
- **Project Dawn:** Supports and develops Persons with Disabilities in our manufacturing units.
- **Inclusive Culture Hub and Psychological Safety Toolkit:** Nurtures our culture and supports our people with best-in-class tools and resources.
- **Parental Engagement Programme:** Newly launched programme to support new and expecting parents before, during and after parental leave.



Performance Management

P4G (Partner for Growth) Framework for Holistic Performance Management

01

Set individual goals aligned to business priorities at the start of the year

02

Enable continuous performance conversations, coaching & feedback, and development planning

03

Conduct year-end assessments with merit-based recognition and alignment to desired behaviours

Holistic Well-being Practices

Well-being is a strategic priority and an important component of our employee value proposition. Our integrated wellbeing ecosystem supports physical, emotional, financial and social needs, enabling employees to balance performance with personal priorities. Our reward and recognition practices reinforce pay equity, performance differentiation and behaviours aligned to our values and purpose. Through structured recognition platforms, we acknowledge contributions and milestones, strengthening connection and engagement across the organisation.

Our Employee Well-being Ecosystem

- **Blend, our Flexible health benefits:** Provide comprehensive health coverage, including core and optional benefits for employees and families; further allowing customisation to support self/family based on the various life stage. The insurance also covers benefits for surrogacy, IVF, fertility treatments, and specially-abled children; and voluntary family care, elder care, childcare, and critical illness.
- **Equal parenting:** Extend inclusive parental benefits across biological, adoptive, LGBTQIA+, and surrogate parents.
- **Carer's leave:** Up to five days of paid leave annually to support employees managing caregiving responsibilities for dependents, with flexible usage options to address evolving family needs.



- **Fertility leave:** Up to ten days of paid leave for employees undergoing fertility treatments and three days for supporting a partner/intended parents, with flexible utilisation to balance medical and work commitments.
- **Balance+:** A companion wellbeing app offering support and accessible information for employees going through pre-menopause and menopause.
- **Nudge:** An impartial, personalised financial education platform that empowers employees to better understand and plan their finances. It simplifies complex topics and helps address the common challenges that employees may have when it comes to finances.
- **Physical Wellbeing:** Diageo Fitness League is designed to build healthy habits and boost employee wellbeing through guided workouts and team-based activities. The programme saw enthusiastic participation, fostering a culture of energy, resilience, and collective motivation across the organisation.
- **MommyCare Program:** Holistic support initiative designed to guide female employees across pre-natal, ante-natal, and post-partum stages through tele-consults, counselling, and digital resources.
- **Creche policy:** Reimbursement and corporate tie-ups to support childcare and work-life balance.
- **Balancy:** Employee assistance programme: 24x7 confidential support for employees and families, covering emotional, practical, and physical well-being.
- **Flex philosophy:** Flexible work arrangements to enhance productivity and performance.
- **Hardship allowance:** Implement structured allowances to attract and retain talent in remote locations.
- **Celebrate:** The 'Celebrate' platform acknowledges employee contributions through non-monetary and monetary recognition, reinforcing desired behaviours and values. It also marks key personal milestones such as birthdays, family events, and educational achievements, fostering a culture where individuals feel valued and connected.

1,300+

Employees recognised with 'Keep Walking Awards' and 'Johnnie Walker Awards' in FY 2025-26

Employee Experience Made Better through My Hub

MyHub serves as a centralised self-service platform that streamlines employee interactions, providing easy access to policies, support services, and query resolution through integrated HR, IT, and chatbot functionalities.

Looking Ahead

As Diageo India continues to grow and evolve, our people agenda will remain focused on building advantaged capabilities, sustaining strong talent pipelines, fostering a thriving organisation and advancing inclusion as a source of strength. By staying tightly aligned to business priorities, we aim to create long-term value for our people, our consumers and our shareholders.

Advancing our Health and Safety Standards

Our approach to health and safety focuses on building a zero harm culture across the organisation. We prioritise the well-being of employees and workers through defined policies, strong standards, and disciplined execution. A structured governance framework supports continual improvement, ensuring risks are managed proactively and safe practices remain embedded in everyday operations.

Lost Time Injury Frequency Rate (LTIFR)

0.49

Employees

0

Workers

Workforce Trained on Health and Safety

100%

Executive workforce

97%

Permanent workforce

Our Safety *Framework*

Policy

Our Health, Safety and Wellbeing Policy defines our responsibility to protect people and embed a zero harm approach across operations.

Standards

Global Risk Management Standards (GRMS), supported by 55 safety standards & procedures, guide implementation across locations. Eleven Safety Standards, the Severe and Fatal Incident Prevention (SFIP) Programme, and defined Life Saving Rules establish non-negotiable controls to prevent critical incidents.

Certifications

Our Safety Management System aligns with ISO requirements. All own manufacturing units are certified to ISO 45001, ISO 14001, and ISO 9001.

Extending Safety Across the Value Chain

We engage with third-party manufacturers to strengthen their safety practices and drive adoption of recognised certifications. Eight partner units are certified to ISO 45001, with additional sites in the certification process.



Focus on Safety Culture and Visible Felt Leadership

Aligned with our Zero Harm aspiration, we continue to strengthen a safety-first culture across the workplace, on the road, and beyond the workplace. Our approach focuses on building consistent safe behaviours and deepening personal ownership, so that safety remains integral to everyday decision-making at every level of the organisation.

Line managers play a central role through visible felt leadership, supported by regular safety walkabouts and structured safe behaviour observations. These interventions help identify unsafe conditions, recognise safe practices, and enable timely correction and coaching. Our Behaviour-Based Safety approach further strengthens discipline by translating observations into actionable learnings that can be applied consistently across sites.

85%

Executives and above at manufacturing operations conducted safety observations on a regular basis.

Governance, Safety Assessments and Audits

EHS performance is strengthened through a multi-level governance and assurance framework that drives accountability and sustained focus on critical risks. All units follow a defined schedule of self assessments against Global Risk Management Standards, with findings translated into time-bound action plans tracked through closure.

Site Heads review performance monthly through Manufacturing Operations Reviews and Management Review Meetings, helping remove barriers, reinforce standards, and sustain momentum on corrective actions.

The governance framework is supported by internal and external audits across key themes, including SFIP audits, ISO audits, and risk-based assessments such as electrical audits, in plant traffic assessments, thermography, and fire risk surveys. During the year, focused EHS audits led jointly by Regional EHS Leads and EHS Managers further strengthened audit quality and enabled wider sharing of best practices across sites.

Hazard Identification, Risk Assessment, Training and Incident Investigation

Safety performance is monitored through a balanced focus on leading and lagging indicators, supported by structured reporting through Safety Improvement Report Cards accessible to all employees. Employees are encouraged to report hazards, unsafe conditions, and near misses, enabling potential incidents to be identified early and addressed proactively.

Formal hazard identification and risk assessment processes are carried out across activities, with gaps addressed through corrective actions and residual risks reviewed after controls are implemented. Regular training strengthens capabilities to identify risks, investigate incidents, and apply learnings consistently in day-to-day operations. Incident learnings are shared across the organisation to strengthen preventive measures and support broader deployment of effective controls.

Safety Communication, Engagement and Continual Improvement

Governance: EHS performance is sustained through disciplined governance, clear communication, and workforce engagement. Daily Tier 1 shopfloor reviews under the SQDCMS framework ensure safety remains a priority and enable immediate escalation of concerns. Performance is further reviewed at Department Head and Unit Management levels. Each unit operates a Central Safety Committee, with equal representation from workers and management and chaired by the Unit Head, to review KPIs, resolve issues, and track actions to closure.

Communication: Clear and consistent communication reinforces EHS priorities across the organisation. This includes monthly safety campaigns focused on SFIP standards, town halls, and targeted as well as organisation-wide training programmes.

Continual improvement: Continual improvement is driven through Kaizen, One Page Learning, Safety Action Meetings, and Focused Improvement projects using the DMAIC framework, alongside Yellow and Green Belt initiatives. Safety Improvement Report Cards further support structured identification, prioritisation, and closure of unsafe conditions.

Health and Safety Initiatives

During the year, the Company strengthened its safety agenda by focusing on high risk areas and advancing system-led improvements that embed prevention into daily operations. The overall effort centred on stronger process discipline, wider digital adoption, and sharper risk visibility across sites. This approach improved assurance, standardised critical workflows, and supported timely closure of actions while reinforcing safety as a consistent operating priority.

Digitisation

Digitisation of core safety processes strengthened compliance, traceability, and response effectiveness. This includes digitisation of the Work Permit System under Control of Work, the Safety Management System covering safety observations, automated CAPA and audit management, and Management of Change. The Company has already deployed Digitised Work Permit System, Management of Changed (MOC) and now have initiated deployment of an EHS Portal as a single system of record, with a phased eight module rollout planned over approximately 16 months covering Behaviour-Based Safety, EHS Audits, Hazard Identification and Risk Assessment (HIRA), Hazard and Operability Study (HAZOP), and Aspect–Impact management.

Road safety governance for business driving was strengthened through deployment of the Autobeacon mobile application, which uses smartphone-based indicators such as over speeding, harsh braking, rapid acceleration, and distracted driving to generate trip-level Safe Driving Scores and enable timely coaching and corrective actions.

Further progress during the year

Advanced Process Safety maturity through implementation of Process Safety Management (PSM)

Achieved ISO 45001 and ISO 14001 certifications across own manufacturing

Launched “Safe Day in Trade”, a focused safety campaign for commercial teams to extend safety discipline beyond manufacturing operations

Advancing Process Safety Management

During the year, process safety was strengthened through release of the PSM Policy under Chief Supply Officer sponsorship, enhanced leading and lagging indicators, and development of internal HAZOP capabilities. Process Safety Information, including P&IDs and supporting documentation, was upgraded to ensure decisions are based on current and reliable risk information.

Governance reviews supported by area-wise PSM scorecards strengthened oversight, accountability, and follow through on critical controls. All new projects and process modifications undergo MOC process and through studies – HAZOP and Quantitative Risk Assessment (QRA), with safeguards incorporated early in design to strengthen safe start-up and reduce risk prior to commissioning.

Strengthening Safety Management Systems

ISO 45001, ISO 14001, and ISO 9001 certifications were achieved across own manufacturing units, reinforcing a structured and auditable approach to occupational health, environmental management, and quality systems. These expectations are being extended across the value chain through engagement with third-party manufacturers. Eight partner units are certified to ISO 45001, and ISO 14001 certification processes have been initiated for identified partners.

Focused Safety Interventions

A phased upgrade of forklifts to defined Gold Standards was initiated across own manufacturing units to reduce material handling and vehicle interaction risks. The programme includes advanced safety devices, standardised operating practices, and stronger controls to improve operating discipline and reduce collision risk.

The “Safe Day in Trade” campaign was launched to address safety risks faced by commercial and sales teams during market visits, building awareness and promoting consistent safe practices in the field.

Leadership, Communication and Engagement

Visible felt leadership and proactive communication remain central to sustaining a zero harm culture. Safety is reinforced through leadership tone, safety as the first agenda item in key forums, executive safety walkabouts and Behaviour-Based Safety observations, monthly EHS campaigns aligned to key risks, structured training calendars, cross-functional improvement teams, and enterprise-wide observances such as National Safety Month, National Road Safety Month, International Safety Week, Environment Day, and Fire Safety Week.

Recognition *earned*

Alwar unit won the ICC Gold Award (2025) for excellence in environmental performance and sustainability

Aurangabad unit received the OHSSAI Silver Award (2025) for EHS excellence

Nashik and Nimapara units received the OHSSAI Gold Award (2025) for safety performance and EHS leadership

Kumbalgodu unit was recognised by British Safety Council International Awards

Baramati & Alwar unit were recognised by the National Safety Council for safety excellence



Social and Relationship Capital
– Communities

Purpose that *Reaches Further*

Pioneering grain-to-glass sustainability is an integral part of our business strategy. Our continued long-term success depends on the people and planet around us. We have a responsibility to ensure that our people, our suppliers, the communities around our operations, our customers and consumers, and society at large all thrive as a result of our business.

Our focus is to create long-term shared value through Spirit of Progress action plan within the communities we live in.

₹ 31 Crore
CSR Spend

10 Lakh+
People educated through our responsible drinking programmes

50%+
Women beneficiaries in community development programmes

17
States covered

UN SDGs Linked

2 ZERO HUNGER · 3 GOOD HEALTH AND WELL-BEING · 4 QUALITY EDUCATION · 5 GENDER EQUALITY · 6 CLEAN WATER AND SANITATION · 7 AFFORDABLE AND CLEAN ENERGY
8 DECENT WORK AND ECONOMIC GROWTH · 10 REDUCED INEQUALITIES · 12 RESPONSIBLE CONSUMPTION AND PRODUCTION · 13 CLIMATE ACTION · 15 LIFE ON LAND · 17 PARTNERSHIPS FOR THE GOALS

Material Issues
M10, M12

Strategies
S3

CSR Vision

The Company aspires to make a lasting difference in the lives of communities, with a view to be able to build their agency and to lead a life of dignity.

CSR Governance at Diageo

The Company's CSR governance framework is anchored in strong Board oversight. The CSR & ESG Committee reviews and recommends the annual CSR action plan to the Board, covering approved activities, execution approach, fund utilisation, monitoring and reporting mechanisms, and impact assessment outcomes. The Board then approves and adopts the plan and continues to monitor programme performance and impact.

Key CSR Focus Areas

Community development initiatives focused on the core pillars of our 'Spirit of Progress' framework:

- Promote Positive Drinking
- Champion Inclusion and Diversity
- Pioneer Grain-to-Glass Sustainability

Promote Positive Drinking

What we do

Engage, educate, and empower individuals to make informed choices about alcohol consumption, encouraging moderation and driving behavioural change

Focus area

- Curbing underage consumption
- Creating awareness on anti-drunk driving
- Promoting responsible consumption

Act Smart India

Curbing Underage Consumption

It is a pioneer programme created to educate young people on the dangers of underage drinking. Using live interactive film-based experiences, we create memorable and inspiring learning for youths aged 13-17 in various government and private schools in India.

Impact created

7 Lakh+

Youths educated since the programme's launch in FY 2020-21

2.5 Lakh+

Youth educated in FY 2025-26

Wrong Side of the Road (WSOTR)

Anti-Drink-Drive Awareness

WSOTR, implemented in partnership with UNITAR (United Nations Institute for Training and Research) Regional Transport Offices (RTOs), embeds road safety education directly into the licence acquisition process. Under the initiative, Interactive Tab Labs established at RTOs, educate individuals towards driving behavioural change on drink-driving, in alignment with the National Road Safety Campaign. In FY 2025-26, we strengthened our Tab Labs network with venturing in the states of Andhra Pradesh and Goa, aligned with our aim of reaching and influencing one million people by 2030.

Impact created

20 Lakh+

Individuals educated on the dangers of drink-driving since the programme's launch in FY 2021-22.

83

Interactive Tab Labs established in RTOs across 10 states as of March 31, 2026

DRINKiQ

Promoting Moderation and Responsible Consumption

DRINKiQ is our dedicated digital platform that advocates responsible drinking and provides credible information on the consequences of excessive drinking. Through educational content and self-assessment tools, it encourages people to adopt a balanced approach to alcohol consumption.

Impact created

Various social media campaigns were initiated to promote positive drinking through DRINKiQ.

Champion Inclusion and Diversity

What we do

Inclusivity is integral to how we operate, right from hiring diverse talent and sourcing from diverse suppliers to embedding it in our brands and community engagements. We promote inclusive growth, especially for women and marginalised groups, by expanding access to resources, skills and employment opportunities.

Focus area

- Enhancing employability and livelihoods
- Inclusive workforce participation



'Learning for Life'

A Business and Hospitality Skills Programme

The programme equips individuals facing barriers to education and employment with skills and resources to pursue careers in hospitality. It focuses on improving employability, livelihoods, and access to opportunity, with emphasis on women.

We have collaborated with the Skill Council for Persons with Disability (SCPwD) to run a specialised training programme to mainstream individuals with speech and hearing, impairment into the hospitality sector. This three-month course imparts skills training, resources, and placement support to participants.

In FY 2025-26, Diageo India signed a memorandum of understanding (MoU) with the Tourism and Hospitality Skill Council (THSC) to train 300 students. This classroom-based training is at THSC-affiliated centres in Bengaluru by certified trainers and assessors and is aligned with the National Skill Qualification Framework (NSQF). The programme equips underprivileged youth with skills required in the hospitality sector.

Impact created

8,504

Individuals trained since the programme's launch in FY 2020-21

1,004

Women beneficiaries across skilling programmes in FY 2025-26

318

Persons with Disabilities (PwDs) trained in FY 2025-26



Pioneer Grain-to-Glass Sustainability

What we do

Strengthen environmental stewardship across the value chain with efforts around water efficiency, carbon reduction, and active community engagement

Focus area

- Water stewardship and replenishment
- Climate action

Preserve Water for Life

Water stewardship has been a longstanding priority for us, and we are focused on preserving this critical resource, particularly in water-stressed areas. Water is the most important ingredient in our products, and it's been a longstanding priority for us. It is also a precious shared resource that is facing increasing pressure in many parts of the world caused by the impacts of climate change and the competing demands for freshwater resources.

Since our inception in India, we have made notable advancements in water efficiency and sustainability. Our initiatives include the adoption of innovative technologies within our facilities and active participation in community projects, such as reforestation, wetland restoration, pond desilting, water capture and water, sanitation, and hygiene (WASH) programmes.

Water Replenishment

We recognise the need for collaboration, and partner with multiple stakeholders to create solutions that improve water security. Since 2015, we have implemented several community water programmes. Our goal is to contribute to a net positive impact on catchment water resources, particularly in priority basins and water-stressed areas.

Our strategic actions for water in our communities include:

Replenish more water than we use at our sites in water-stressed areas

Since FY 2016-17, we have implemented various water replenishment projects around our owned operations to create water replenishment capacity of more than 1.6 million CuM through an inclusive, multistakeholder approach. Various projects including desilting of ponds, construction of rainwater harvesting structures, building check dams etc. have been implemented in states including Maharashtra, Uttar Pradesh, Rajasthan and Odisha.

Engage with communities in priority water basins to improve water accessibility, availability and quality and achieve a net positive water impact

The Godavari Initiative (TGI) has been envisioned as a multi-stakeholder collaborative for promoting equitable management & source sustainability of the Godavari River Basin in Maharashtra through benefit-sharing, stakeholder engagement, and practical learning. TGI aims to create a multi-stakeholder collaborative platform for corporates, government, and civil society to address critical challenges related to river basin health and climate resilience, through collective action. Being the founding member of TGI, we are working in partnership with various Govt. departments focusing on the Godavari River catchment-based solutions. In FY 2025-26, we have entered an Memorandum of Understanding (MoU) with the Nashik Municipal Corporation (NMC) to work on restoring the river health through multiple waste management initiatives. To begin with, 3 boom barriers have been installed across the Godavari and the Nandini river in Nashik, Maharashtra with an objective to manage solid waste in the river.

Invest in improving access to clean water, sanitation, and hygiene (WASH) in communities near our sites and sourcing areas

We continue to work on providing access to clean drinking water and sanitation facilities to our communities. In FY 2025-26, we expanded our work in the states of Telangana and Andhra Pradesh.

As a flagship initiative, Diageo India partnered with 'The Energy and Resource Institute (TERI)' to inaugurate an advanced water treatment plant in Goondpur, Alwar near its AWS (Alliance for water Stewardship) Platinum certified distillery. Using TERI's TADOX® (Advanced Oxidation Technology), this initiative aims to treat greywater for non-potable reuse to support local water needs.

This initiative is part of Diageo India's larger commitment to water sustainability, supporting its goals to reduce water consumption in operations and improve water accessibility in surrounding communities.

Accelerate to a Low-Carbon World

Afforestation and Plantation

We have undertaken massive afforestation initiatives to enhance carbon sequestration and water replenishment over the last few years in the Ruparail river catchment in Alwar, Rajasthan.

2 Lakh+

Trees were maintained

Regenerative Agriculture

Our regenerative agriculture programme in Telangana promotes practices such as alternate wetting and drying, cover cropping, crop residue management, bund cropping, soil health improvement, and agroforestry among smallholder farmers. It has contributed to a more resilient, sustainable model of farming. We have reduced GHG emissions and water use in the programme while reducing the cost of production of farmers. We plan to scale the programme to several hectares with private-private, private-philanthropic partnerships in near future.

1,000+

Farmers benefited across 2,000 hectares

~19%

Cost of production optimised for farmers



Responsible from Source to Serve

As a business operating within India's complex regulatory environment and rising ESG expectations, we proactively manage our most material supply chain risks, including contract labour practices, EHS performance in manufacturing, logistics safety, water-stress hotspots, and packaging circularity, through our commitment to doing business the right way, from grain-to-glass. Building resilience and responsibility across our supply chain remains fundamental to sustaining long-term growth and protecting brand integrity. Accordingly, we embed ethical governance, environmental and social stewardship, and operational discipline across every stage of our supply network. These practices enable us to continue delivering high quality products to consumers while effectively navigating emerging ESG challenges and supply chain uncertainties.

5,466
Unique Suppliers and business partners with 1,104 added during FY 2025-26

37
Number of High Risk Suppliers audited during FY 2025-26 under SMETA 4 pillar audit

87%
Input materials (by value) sourced from within India

26%
Direct sourcing from MSME/small producers

53%
Input materials (by value) sourced from suppliers governed under the Responsible Sourcing programme - SMETA 4 pillar audit

UN SDGs Linked

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
17 PARTNERSHIPS FOR THE GOALS

Material Issues
M3, M4, M8, M12

Strategies
S3

Responsible Sourcing Framework

A resilient and responsible supply chain is critical to ensuring continuity of supply, protecting product quality, and strengthening cost competitiveness, while reducing exposure to regulatory and operational risks. At Diageo India, our commitment to sustainability extends across every link in our value chain. Anchored in our Responsible Sourcing Framework, we adopt a structured 'Reach – Reflect – Rise' approach to embed responsible practices, build social capital, and drive long-term sustainability outcomes. The framework aligns our suppliers with our 'Spirit of Progress' ambitions and requires them to integrate ESG practices into their own supply chains and across all business interactions with Diageo. Oversight on suppliers' sustainability performance and progress is reviewed through a multi-tier governance under the CSR & ESG Committee and the Executive Committee.

Reach

Set the foundation by engaging 100% of value chain partners on Diageo responsible business principles

- Set clear expectations to drive transparency, awareness and alignment.
- Require partners to follow the Diageo Code of Conduct, Spirit of Progress and Partnering with Suppliers guidelines.
- Align partners with our Spirit of Progress ambitions.
- Embed responsible practices across operations and supply chains.

Reflect

Evaluate and monitor all input material suppliers through structured ESG assessments and audits to manage risks.

- Deepen oversight through systematic ESG self-assessments across suppliers.
- Assess high-risk partners through third-party SMETA audits.
- Cover key areas such as labour standards, health and safety, environment, and business ethics.
- SMETA 4-pillar audits enabled the identification of key risk areas across labour practices, safety compliance and working conditions, driving targeted corrective action plans and improved supplier oversight.
- Enable proactive risk mitigation and stronger resilience.

Rise

Partner and collaborate with key suppliers to drive long-term sustainability impact and collective progress

- Focus on collaboration for long-term impact.
- Partner with strategic suppliers to co-create solutions.
- Advance decarbonisation, water stewardship, circular economy and capacity building
- Support our Grain-to-Glass sustainability aspirations.

In FY 2025-26, as part of our 'Rise' agenda, we initiated focused engagement with high-impact suppliers across two priority areas:

Carbon Transparency

We launched Product Carbon Footprint (PCF) assessments across Glass, PET and Grain Neutral Spirit (GNS) categories, covering priority suppliers, to enhance visibility and support future decarbonisation pathways.

13

Priority suppliers are engaged

Water Stewardship

We partnered with priority suppliers in water-stressed regions to improve water efficiency, support replenishment efforts and enhance watershed outcomes.

12

Priority suppliers associated with



Approach to a Resilient and Sustainable Supply Chain

We are building a robust supply chain by focusing on the following areas:

Responsible and ethical sourcing

- Encourage suppliers to provide responsibly sourced materials, services, spare parts and capital items.
- Enforce our Partnering with Suppliers Standard.
- Conduct rigorous supplier selection, risk screening, and periodic audits for continuous improvement.
- Protect vulnerable and affected stakeholders across the supply chain.

Read more
Natural Capital on page 182 and 'Spirit of Progress' on page 48.

Champion inclusion and diversity

Accelerate inclusion and diversity in our value chain by:

- Increasing our spending with diverse-owned and disadvantaged businesses.
- Encouraging suppliers to build a workforce reflecting our consumer base and increasing procurement spending across their diverse supplier base.
- Collaborate to create new opportunities for diverse global businesses.

Promote positive drinking

Reinforce awareness of responsible drinking among their workforce and supply chains, leveraging our assets and best practices

Aligning Suppliers with our ESG Aspirations

Doing Business the Right Way

Ensure suppliers comply with our standards and guidelines for ethical and sustainable business practices, alongside integrating them in their supply chains

Pioneer grain-to-glass sustainability

Preserve water for life

- Reduce environmental impacts and optimise the use of natural resources.
- Judicious water usage as per local availability and quality.
- Key suppliers with water risk to improve performance, and reduce impact across value chains.

Accelerate to a low-carbon world

- Measure, manage and report:
  - Energy use and carbon emissions
  - Packaging inputs, with focus on increasing recycled content to 35% by 2025 and deliver sequentially improvement till 2030
- Participate in our sustainability programs and contribute innovative solutions to help achieve our goals.
- Achieve zero waste to landfill.

Sustainable Agricultural Partnerships

- Advance local and sustainable raw material sourcing to strengthen supply security and community development.
- Align with Diageo's Global Sustainable Agriculture Guidelines for responsible, resource-efficient agricultural practices.
- Leverage the remote sensing and in-person collected data for measuring impact on water use and carbon reduction in the supply shed farms.

Supply Chain Agility

- Drive cost competitiveness and resource efficiency by optimising energy consumption, water usage, and logistics through state-level sourcing strategies and co-located manufacturing.
- Enhance Return on Capital Employed (ROCE) by improving capacity utilisation and driving operational discipline across the network.

Read more
Manufactured Capital on Page 62.

Supplier Onboarding and Audits

We follow a structured process to onboard suppliers. This includes evaluating risk profile (based on country risks, supplier spends and key input materials), operational and strategic importance, and their alignment with our 'Spirit of Progress' and the Responsible Sourcing framework. The process encompasses standardised selection templates and sustainability questionnaires on parameters like labour standards, human rights (including child and forced labour), environmental performance and legal compliance. These elements are integrated into all contracts and bidding processes, with contractual obligations for all suppliers.

For all high-risk supplier partners enhanced due diligence is mandated. High Risk Suppliers are evaluated basis country risks, supplier spends and key input materials. They must register with SEDEX and complete its Self-Assessment Questionnaire (SAQ), aligned with our Responsible Sourcing programme. High-risk suppliers are also required to undergo independent audits as per the SMETA four-pillar audit protocol or its equivalent. This is monitored and reviewed monthly and necessary actions are taken on need basis.

We believe that early awareness of potential breaches enables us to respond swiftly and effectively. Every report is treated with the utmost seriousness, and we firmly uphold a zero-tolerance policy against any retaliation from a Diageo employee towards suppliers or agency partners who raise concerns in good faith or assist with investigations. We encourage our suppliers and agency partners to share any issues regarding our business practices, or possible violations of our Standard or Code of Business Conduct, directly with their Diageo contact. Alternatively, concerns may be submitted through our SpeakUp service – a confidential platform available to employees and third parties (including suppliers), operated independently by an external company. SpeakUp offers trained staff who can support callers in their local languages, and is accessible via telephone, email, or internet, 24 hours a day, 7 days a week.

Standards covered in our Code for Suppliers

- Environmental Regulations and Policy
- Compliance with Laws, Regulations and Trade Controls
- Human Rights
- Health and Safety
- Bribery and Corruption
- Tax Evasion
- Conflicts of Interest
- Gifts and Entertainment
- Competition and Anti-Trust
- Marketing and Innovation
- Business Records and Confidential Information
- Key elements of our 'Spirit of Progress: ESG Action Plan'

Our Approach to Supplier Audits

Step 1

Planning and scheduling audits

Ensure all high-risk supplier sites are covered by independent third-party SMETA four-pillar audits, covering:

- Labour standards
- Health and Safety
- Environment
- Business Ethics

Step 2

Conducting SMETA 4-pillar audits

- Supplier documentation review
- Employee interviews with supplier employees
- Site Audits by SMETA-accredited auditors
- Post-audit Publish report on SEDEX portal

Step 3

Follow-up and support

- Support suppliers in addressing non-compliances and implementing best practices
- Provide technical guidance and assist in developing corrective action plans with follow-up audits on their progress

SMETA – Sedex Members Ethical Trade Audit

Diversity, Inclusivity and Fair Treatment

We are committed to building an inclusive and equitable value chain. Our standards and guidelines help ensure fair treatment, equal opportunity, and rightful compensation in accordance with applicable labour laws for all individuals directly or indirectly engaged in our supply chain network.

We also emphasise diversity in our value chain. Businesses that are at least 51% owned and operated by any or various underrepresented communities*.

The business holds a certificate from a third-party advocacy organisation that qualifies the business as diverse and or Self Declarations or MSME Certificates issued by Government of India.

*Current scope in the Indian context is women, LQBTQIA+, disabled, MSME

Our Approach to Driving Supply Chain Diversity

- Goal of increasing spend with diverse-owned and disadvantaged businesses.
- Encourage suppliers to implement inclusion and diversity programmes within their leadership teams, workforce, and supply chains.

17.9%

Procurement managed spends with diverse suppliers FY 2025-26 (6.2% in FY 2024-25)

Empowering Local Suppliers

We have established a robust network of local suppliers that supports supply chain resilience, inclusive growth, and local economic development. In FY 2025-26, 87% of procurement spend was sourced from local Indian suppliers, of which 26% was directed to Micro, Small, and Medium Enterprises (MSMEs) and small-scale producers.

Value Chain Health and Safety

The health, safety and well-being of our supply chain partners is fundamental to our values of caring for people, while also strengthening operational resilience. We undertake several measures to improve value chain safety practices:

- Conducting SMETA four-pillar-based audits, with focus on health & safety and working conditions.
- I-Drive Safe campaign involving communication, engagement, and education on safe driving practices.
- Strengthen safety management systems across third-party manufacturers:
  - » Integrate partners into Diageo India's safety campaigns and initiatives (e.g., National Safety Week, Road Safety Week) to address identified gaps.
  - » Promote sharing and horizontal deployment of safety best practices.
  - » Pursue external certifications; as of March 31, 2026, 9 units are ISO 45001 certified, and another 4 are in progress.
- 'Strive for Zero' campaign covering five critical areas to enhance workplace safety.

Human Rights and Responsible Labour Practices

We want to make a positive contribution to human rights and society. We are committed to promoting and respecting human rights throughout our supply chain and expect the same from our suppliers and agency partners.

We are committed to acting in accordance with the UN Guiding Principles on Business and Human Rights and the international standards set out by the eight core International Labour Organisation (ILO) conventions and recommendations. We expect our suppliers and agency partners to act in accordance with these principles and commitments, and we have minimum standards in the following areas:

Prevention of Child Labour

We expect our suppliers and agency partners to adhere to applicable laws and regulations concerning minimum working age, and strictly to prohibit the employment of young persons below the age of 15 (subject to exceptions permitted by national law or the ILO); and to protect and promote the special interests of employees under 18 by allowing them access to education, limiting employment during typical resting hours, and ensuring no exposure to working conditions that are likely to jeopardise their health and safety or morals.

Children and young workers are key to the Sedex Members Ethical Trade Audit (SMETA) methodology and age verification takes place through the review of documents including policies and procedures in place to manage child labour. Another key method to prevent child labour through the audit is the focus put on ensuring hiring practices are including thorough checks on the ages of applicants and how this can be verified.

62%

Supply chain partners (basis spend, Country Risk and Key input materials) are audited on SMETA 4-Pillar and identified gaps are being addressed through structured engagement and corrective action plans.

Read more

Human Rights under Governance on page 197 and BRSR – Principle 5 on page 299 onwards.

Assessment coverage is reported basis spend

Supplier Performance Management

Supplier performance is actively managed through a structured governance model integrating **operational (quality, cost, service) and ESG parameters**, enabling prioritisation of strategic partners and targeted interventions for underperformance. High-performing suppliers are recognised, while persistent non-compliance triggers escalation, including potential disengagement.

Adequate support is provided to suppliers requiring improvement to strengthen operations, enhance ESG compliance and mitigate risks. This includes active engagements to build awareness and capability in managing environmental impacts, fulfilling legal compliance requirements and adopting industry best practices. We also support the implementation of corrective action plans, with regular follow-up assessments to ensure sustained compliance and continuous improvement. A zero-tolerance approach is followed to recurring non-compliances, including terminating the business relationship.

Supply Chain Training and Development

We support our supply chain partners in meeting our responsible sourcing commitment and strengthening supply chain resilience through regular training and awareness programs. Key measures include:

- Mandate to go through the Performance Work Statement (PWS) Standard and the Code of Business Conduct (CoBC), during onboarding and contract renewals.
- Ensure effective business partner management to prevent risks of bribery, corruption or unethical practices.
- Compliance training to high/medium risk business partners as part of our Know Your Business Partner (KYBP) Programme to align them with our ethical and regulatory standards; topics covered include anti-money laundering, tax evasion, bribery, conflicts of interest, and record-keeping.
- Focused awareness sessions to support ongoing alignment with our values.
- Training our procurement team members on human rights to strengthen oversight, accountability and advocacy.



Social and Relationship Capital
– Customers and Consumers

Purpose-led Engagements for Evolving Consumers

We place customers and consumers at the centre of every decision, shaping how we design, deliver, and scale our offerings. A sharp focus on evolving preferences guides our approach to product innovation, portfolio expansion, and responsible brand building. Our diversified portfolio spans categories, price points, and consumption occasions, enabling us to remain relevant across a wide and dynamic consumer base. We continuously track shifts in premiumisation, well-being, and sustainability, and translate these insights into offerings that strengthen engagement and trust. Strong standards and disciplined execution support this approach, ensuring consistent quality, transparency, and responsible promotion.

33
Manufacturing units are FSSC 22000 certified

Zero
Validated incidents related to health

UN SDGs Linked

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Material Issues
M2, M5, M7, M8

Strategies
S1, S3

Defining the Customer Cohorts

India is not a single consumer story, but a market defined by three distinct cohorts. As the three cohorts continue to expand; they reflect the broader rise of affluence and aspiration across the country. Our portfolio is structured around these cohorts, with a clear role in driving premiumisation across each.

Vertical Invaders

Primarily part of the service economy and include Uber drivers, entry level professionals, service providers, retail workers, sales/ops/ factory workers, gig economy and entry-level professionals

45-50%
Of the total population

Confident Aspirants

Proverbial middle class and the backbone of India's consumption economy spanning salaried mid-level professionals, government employees, the self-employed, legacy businessmen, and new entrepreneurs.

25-30%
Of the total population

Affluents

Traditionally wealthy and a rising set of young entrepreneurs with new wealth. This cohort comprises higher-income salaried professionals and owners of scaled businesses.

5-10%
Of total population



Drink Better, Not More! anchors how we shape consumption experiences across our portfolio. Focus remains on quality, craft, and occasions that encourage slower, more mindful enjoyment rather than volume-led consumption. This perspective informs how we engage with consumers, integrating responsible drinking into brand experiences and everyday interactions. Targeted initiatives on moderation, road safety, and awareness of harmful use strengthen informed choices, while reinforcing credibility and long-term consumer trust.

Read more
about our portfolio in the Brand Capital section page 74

Our Quality First Attitude

Our Food Safety & Quality Management approach spans the entire value chain – from product design, material sourcing to finished product delivery – ensuring trust in every drop. It forms the cornerstone of our commitment to customers and consumers. Each product is developed to meet rigorous standards of Food Safety, consistency, taste, and presentation, in alignment with evolving consumer expectations. Our quality policy establishes a comprehensive framework that links product excellence with a consumer-centric approach. Robust control mechanisms, supported by both internal and external assessments, ensure strict adherence to global & regulatory standards and effective governance. This commitment fosters trust in our brands and underpins sustainable long-term value creation.

We define quality through

Targeting Two Different but Interconnected Aspects

Product/Design Quality
- Excellent design
- Premium liquid
- High-quality components
- Functional

Supply Quality
- Defect-free
- Reliable
- Conformance to standards
- Safe product

Upholding Quality and Food Safety Standards

- Site internal & external assessment aligned with Diageo India standards & ISO.
- Independent market assurance.
- FSSC 22000 certified distillation and packaging operations.
- ISO 9001 Quality Management System Certification at our Manufacturing units.
- Positive release mechanism for finished products before moving to FG Warehouse.
- Our products undergo rigorous quality checks and assurance before reaching the consumers.

Comprehensive Oversight Structure

Management-Level Audit and Risk Committee
- Reviews risks related to consumer health and safety, counterfeiting, contamination, and food fraud.

Supply and Procurement team (Led by the President - Global Supply and Procurement)
- Monitors key quality KPIs, including pack defects, distribution defects, consumer concerns.

Market-level teams
- Track global market quality metrics, escalating concerns to the Market Head of Supply Chain.



Responsible Marketing and Labelling

The Diageo Marketing Code governs all our brand communication and undergoes periodic review to stay aligned with regulatory and market requirements. We direct campaigns only to legal purchase age consumers through defined controls across media planning, use of logged-in age-verified data, demographic and interest-based targeting, and third-party validation.

We follow a cross-functional review process where marketing, legal, regulatory, and brand teams assess packaging and communication before release, supported by stage-wise approvals and an online artwork system. Internal regulatory guidelines and project gate checks ensure compliance at each step, while data privacy requirements guide our use of consumer information across all marketing activities.

We stay updated with regulatory and compliance developments through

- Appointment of FBO Consultants and Technical Services.
- Memberships with Federation of Indian Chambers of Commerce and Industry (FICCI), Confederation of Indian Industry (CII) and International Spirits & Wines Association of India (ISWAI).
- Subscription to International Law Book Company (ILBCO).
- Membership with BIS Scientific Committee.

Policies guiding our marketing and labelling

- Global Quality Policy
- Diageo Marketing Code
- Digital Code
- Responsible Research Global Standard
- Data Protection Global Policy
- Diageo Consumer Information Standard

Information displayed on our packaging and labels

- Alcohol content and nutrition information per serve
- Alcohol content by volume (ABV)
- At least one, and up to three responsible drinking symbols or text
- Reference to our global responsible drinking website - DRINKiQ.com
- List of allergens
- Recycling and sustainability symbols

Nil

Marketing communication violations / non-compliance reported during FY 2025-26



Strengthening Consumer Connect and Partner Outcomes

We translate consumer insights into focused innovation, brand actions, and market execution to keep our portfolio relevant across occasions and segments. Continuous product renovation, targeted campaigns, and in-market activation strengthen visibility and consumer connect, ensuring our brands remain top of mind.

These efforts drive consistent demand across channels, improving throughput for our business partners. Strong merchandising and activation at the point-of-sale support conversion, while sustained consumer pull enables partners to scale with confidence and efficiency.

Read more
Brand capital section on page 112 for details of our consumer-centric initiatives

Engaging with the Customers Digitally

A stronger digital foundation supports agility in execution and enhances the effectiveness of our brand-building efforts. We continue to strengthen our digital capabilities to improve how we engage with consumers across channels. Investments during the year focused on building sharper consumer insights, strengthening omnichannel presence, and enabling data-led decision-making. This approach supports more targeted marketing and consistent brand experiences across digital and physical touchpoints.



Strengthening Demand and Supply Alignment

Consistent product availability remains central to our customer-focused approach. We align demand planning with inputs from commercial teams to ensure timely fulfilment across markets. A structured sales and operations planning process supports both near-term execution and forward visibility, enabling better coordination across functions.

Supply planning aligns demand forecasts with inventory norms to support efficient production and procurement. Lead times for imported products are factored into planning cycles, while daily distribution planning and close tracking of out-of-stock levels ensure continuity across the network. Performance is monitored through defined metrics such as Availability to Promise and the Availability Index, supported by periodic capacity reviews to align manufacturing and storage with demand.

Listening to Our Customers

Consumer trust is reinforced through swift and effective issue resolution. Ensuring the prompt resolution of consumer concerns is central to maintaining trust and enhancing the consumer experience. We maintain a structured grievance redressal mechanism that enables consumers to raise issues and seek resolution timely and with ease. Toll-free contact details and email information are displayed on product labels, ensuring accessible and direct communication channels for prompt response. We also ensure that feedback is looped into our existing products and processes.



How we address customer concerns

Consumers can register complaints via:

- Email: customercare@unitedspirits.in
- Toll-free number: 1800-425-2433

Acknowledgement of receipt is provided by the customer care team within 24 hours of initial contact

Consumer complaints are investigated by the Central Quality/Technical Center. The Packaging Technical Center (PTC) handles packaging-related concerns, while the Technical Center (TC) addresses liquid-related issues upon QA request, conducting root cause analysis and implementing corrective actions for critical cases.

Concerns are resolved promptly in accordance with the Diageo Consumer Complaint Management Standards. Learnings and actions are horizontally deployed across our organisation.

Read more
in Business Responsibility and Sustainability Report on page 272

Caring for the Earth that Crafts Us

Natural resources form the foundation of our business, making their preservation integral to long-term value creation. Our 'Grain-to-Glass Sustainability' strategy provides a structured framework to manage this responsibility, combining clear targets with focused actions to reduce environmental impact and strengthen natural capital. This includes accelerating progress on low carbon operations, sustainable value chain, circular packaging, water stewardship, regenerative agriculture and biodiversity conservation.

Grain-to-Glass Sustainability Pillars

Accelerate to a low-carbon world | Preserve water for life

93%
Reduction in absolute GHG emissions (Scope 1 & 2) in direct operations (market/net-based) from FY 2020

99%
Renewable energy share in direct operations

1.6 Mn Cubic Metres
Cumulative water replenishment capacity created as of March 2026 across our water-stressed areas

56%
Improvement in absolute water usage per litre of spirit distilled (56% improvement across water-stressed sites vs FY 2020 baseline)

40%
Improvement in absolute water usage per litre of beverage packed (39% improvement across water-stressed sites vs FY 2020 baseline)

99%
Material used in packaging is recyclable

60%
Material used in packaging has recycled input material

Zero
Waste to Landfill in our direct operations

UN SDGs Linked

6 CLEAN WATER AND SANITATION · 7 AFFORDABLE AND CLEAN ENERGY · 12 RESPONSIBLE CONSUMPTION AND PRODUCTION · 13 CLIMATE ACTION · 15 LIFE ON LAND

Material Issues
M1, M3, M4, M9

Strategies
S3

Accelerate to a Low-carbon *World*

Our Carbon Strategy

Our commitment to decarbonising operations and the value chain is anchored in a science-based, technology-led approach. Focus remains on activating key decarbonisation levers and strengthening collaboration to mitigate climate risks, build resilience and enable a sustained transition towards a low-carbon economy.

Mitigation
Reduce and stabilise levels of greenhouse gases in the atmosphere.

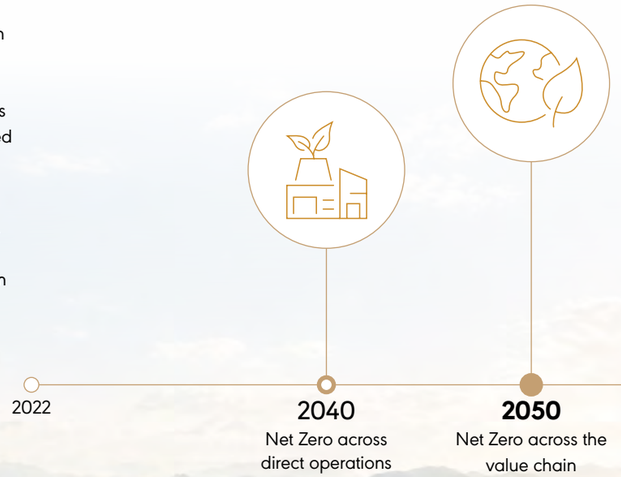
Resilience
Regenerate nature, protect watersheds and support communities.

Adaptation
Adjust to current and anticipated impacts of climate change.

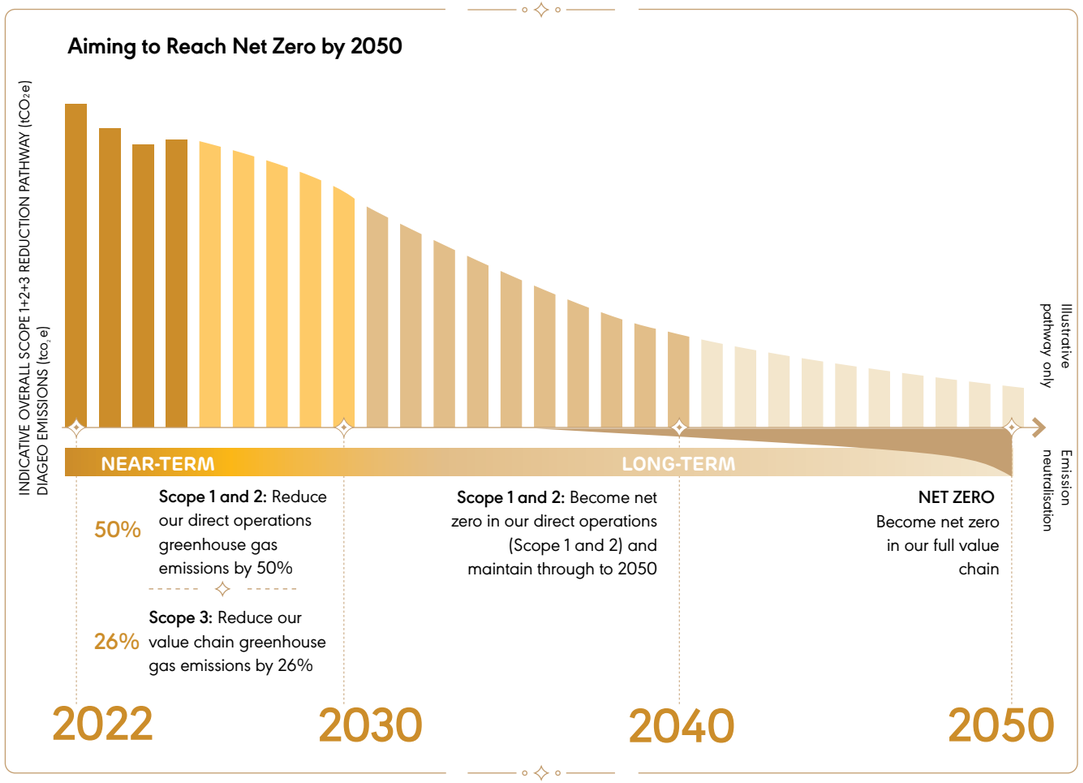
Net Zero Roadmap 2050

Our commitment to decarbonisation is aligned with global climate goals. We target Net Zero across direct operations by 2040 and across the value chain by 2050, in line with Diageo plc and the Paris Agreement. Progress is anchored in a science-based pathway, measured against a 2022 baseline* to ensure transparency and accountability.

This pathway continues to evolve with the business. In 2025, the Science Based Targets initiative approved updated targets, reflecting learnings from the initial phase of the 'Spirit of Progress' journey. Revised baselines and a clearer classification of emissions into Forest, Land, and Agriculture (FLAG) and non-FLAG categories strengthen the precision and relevance of our decarbonisation approach.







* Emissions baseline was initially set at FY 2020; revised to FY 2022 in 2025 to reflect normalised production levels following COVID-19-related disruptions impacting sales and operations

Understanding our Emissions Footprint

Recognising the sources of emissions is fundamental to driving targeted mitigation. This supports informed prioritisation and sharper decarbonisation planning based on the emissions profile.

FY 2019-20

Scope 1 and 2 market-based (4%): 35.62 KT
[Coal (80%), Biomass (3%), Diesel (3%), Others (14%), Electricity imported from Grid offset by I-REC: International Renewable Energy Certificate (I-REC)]

Scope 3 (96%): 780.46 KT CO_2e
[Packaging material (51%), Raw material (35%), Logistics (5%), TPO (3%), Fuel and energy-related activities (1%), Capital goods (1%), End-of-treatment of sold products (1%) and Others (3%)]

FY 2025-26

Scope 1 and 2 (0.3%): 2.52 KT
[Biomass (71%), Diesel (25%), Others (4%), Electricity imported from Grid offset by I-REC]

Scope 3 (99.7%): 911.82 KT CO_2e
[Packaging material (45%), Raw material (36%), Logistics (9%), TPO (4%), Fuel and energy-related activities (3%), Capital goods (1%), End-of-treatment of sold products (1%) and Others (1%)]



Operational Decarbonisation

Areas of Action

Direct operations

- Enhance energy efficiency through innovative technologies and transition to renewable fuel and power.
- Offset residual emissions strategically, limiting offsets to no more than 10% of baseline emissions.

Community

- Engage local communities in climate action initiatives to drive awareness and participation.
- Restore and improve the natural environment by employing nature-based solutions in operational and sourcing areas.

Supply chain

- Identify and implement decarbonisation opportunities in sourced materials, products, and services.
- Forge partnerships and alliances with suppliers to advance sustainable practices.

Advocacy

- Lead industry efforts to promote collective action on climate solutions.
- Collaborate with government bodies, NGOs, and trade associations to accelerate impactful climate action.

1	**REDUCE AND RECOVER ENERGY**	Optimising operational efficiency and minimising energy demand across our sites.
2	**IMPLEMENT CLEAN ENERGY SOLUTIONS**	Advancing the transition to low-carbon renewable electricity sources, electrifying heat sources and implementing innovative, scalable solutions.
3	**SWITCH FUEL TO RENEWABLE ALTERNATIVES**	Supporting decarbonisation through the adoption of renewable, bioenergy sources.
4	**NEUTRALISE RESIDUAL EMISSIONS**	Addressing hard-to-abate residual emissions through high-quality carbon offsets.

Building a Sustainable Value Chain

Our integrated sustainability approach includes a refined decarbonisation roadmap to reduce greenhouse gas emissions, prioritising low-emission technologies for new suppliers. We have identified levers within our control and those requiring collaboration across the supply chain.

Our delivery strategy for Scope 3 emissions is structured around three focus areas:

Diageo-enabled projects

Initiatives where we have the greatest control and confidence in delivery

Selective engagement

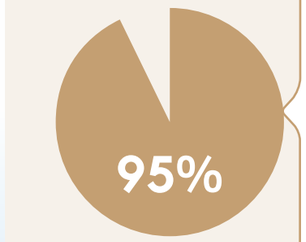
Projects designed to engage and influence external stakeholders

Strategic innovation

Projects that introduce disruptive new products and approaches

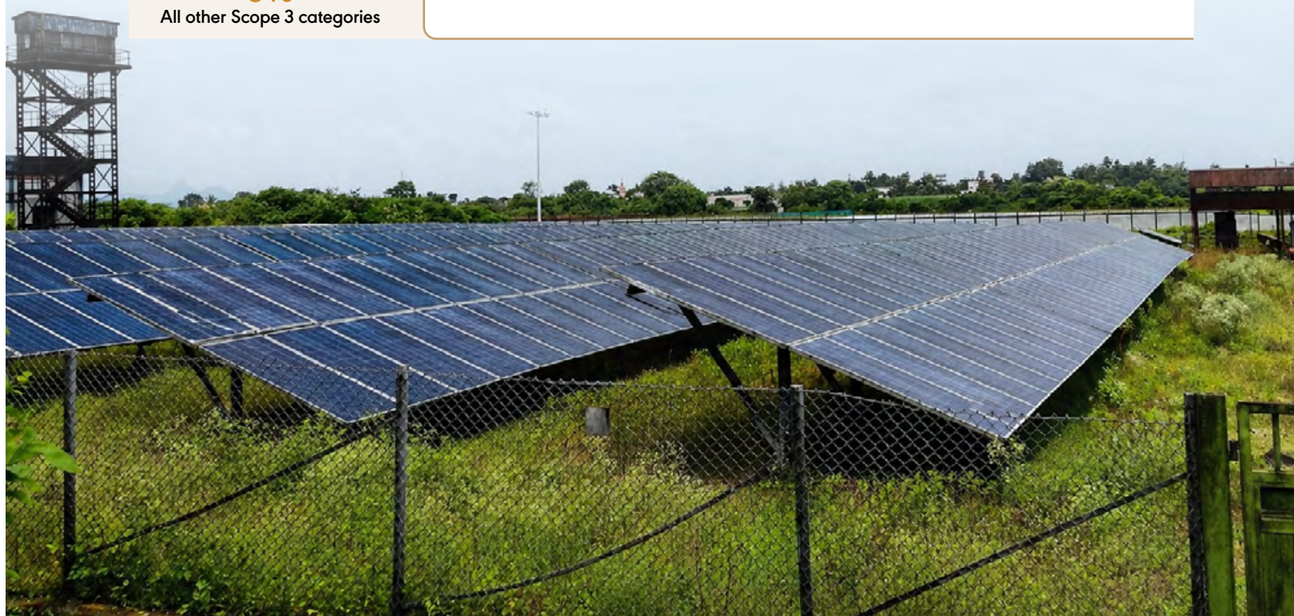
Prioritising Action on Scope 3 Emissions

Addressing Scope 3 emissions requires a value chain-wide approach built on collaboration, accountability, and targeted action. Accordingly, we are focusing on the four most significant contributors to our Scope 3 emissions profile.



Contributors to our Scope 3 Emissions

- **45%** Packaging material
- **36%** Raw material
- **10%** Logistics
- **4%** TPO



Packaging material

- Glass Bottle Lightweighting: 6% weight reduction – est. 866 tCO_2e avoided
- PET Lightweighting: 17% weight reduction – 1,610 tCO_2e avoided
- Glass-to-PET Transition: Popular brands, 86% weight reduction, est. 35,507 tCO_2e prevented
- Recycled Content: 49% recycled content PET – 3,843 MT CO_2e avoided | 55% recycled content Glass - 3,659 MT CO_2e emissions avoided

Raw material

- Initiated a Product Carbon Footprint (PCF) programme to ensure the accuracy and reliability of emission factors, integrated within the broader Supplier Engagement Programme.
- Transitioning from generic industry-average emission factors to supplier-specific data, improving Scope 3 reporting accuracy.
- Partnering with Tier 1, high-impact suppliers to improve carbon visibility and drive a transparent, low-carbon supply chain

Logistics

- Increased average truck load utilisation from 84% to 87%.

Third Party Operator (TPO)

- Encouraged suppliers to adopt solar projects and shift from coal to biomass to reduce emissions

Regenerative Agriculture

Scope & verification

Regenerative practices implemented on 804 hectares (426 ha digitally measured and verified via satellite MRV)

Climate impact

Adoption of Alternate Wetting and Drying (AWD) covered 91% of verified area, reducing emissions by 495 tCO_2e (21% reduction from baseline; 1.16 tCO_2e/ha)

Ecological benefits

Crop residue burning eliminated on 324 hectares; 50 farmers adopted bund/border cropping, boosting biodiversity and seasonal income

Water savings

Achieved 0.6 mn+ litres saved, a 5% reduction in irrigation water use

Economic benefits

Farmers saw 11.7% cost reduction in Rabi and 19.3% in Kharif; 439 farmers participated (77% smallholders)

Programme scale & future plans

Evidence-based impact supports scaling to ~2,000 hectares, with private-private and private-philanthropic partnerships; impact assessment and third-party verification have been completed for 400 hectares and are ongoing for 2,000 hectares

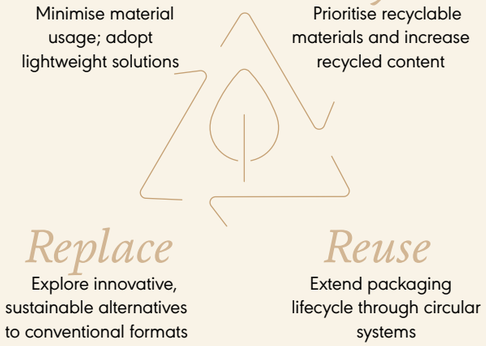
Note: The Regenerative Agriculture programme is independently third-party verified.

Advancing Circular Packaging and Waste Management

Advancing circular packaging and waste management is central to our sustainability agenda, focusing on reducing environmental impact and enhancing resource efficiency. Through innovative design and responsible practices, we are driving a more sustainable product lifecycle and supply chain.

Our packaging philosophy

The 4 R's



Our Packaging Philosophy

100%
Plastic waste collected, recycled, or safely disposed of in compliance with the Plastic Extended Producer Responsibility (EPR) mandate

99%
Packaging material is recyclable (or reusable/ compostable)

95%
Mono cartons eliminated in the packaging portfolio

60%
Overall recycled content

55%
Recycled cullet in our glass bottle portfolio

49%
Recycled rPET in our PET bottle portfolio

12%
Reusable market-returnable bottles in glass packaging

Zero Waste to Landfill (ZWL) certification at 3 sites

Underscores our commitment to eliminating landfill waste and advancing circular economy practices

Preserve Water for Life

Water is the foundation of our business. From grain cultivation to the final pour, it flows through every stage of what we make. In a country where water stress is a growing reality, where 7 of our 9 manufacturing sites sit in water-stressed regions, responsible water management is both a business imperative and a moral obligation.

3 sites
Zero Liquid Discharge (ZLD) certified

50,520 m³
Expanded rainwater harvesting capacity

53%
Reduction in water withdrawal through efficiency initiatives in direct operations compared to FY 2019-20 baseline



Read more *about*
community water stewardship initiatives under 'Social and Relationship Capital - Communities' on page 156



Areas of Action

Direct Operations

Reduce water withdrawal, increase water recycling, conduct water risk assessments, pursue AWS certification for priority water basin sites

- Improved packaging efficiency by 40% and distillation efficiency by 56% from baseline
- Recycled 3,69,800 m³ of water
- Conducted WRI assessment for all the operational sites
- Achieved Alliance for Water Stewardship Platinum Certification at Alwar

Supply Chain

Map agricultural water usage, work with suppliers in water-stressed regions to build resilience

- Water use across third-party manufacturers and ENA suppliers remains a key focus, with efforts on efficiency, stewardship and replenishment
- Priority on suppliers in water-stressed regions, with support for risk assessment and improved transparency in water-use reporting
- Collaborative initiatives and targeted actions strengthen supply chain resilience and sustainable resource management

Communities

Invest in WASH initiatives; engage communities in catchment-level water stewardship

- Invest in improving access to clean water, sanitation and hygiene (WASH) across communities near sites and sourcing areas
- Expanded initiatives across Telangana and Andhra Pradesh in FY 2025-26
- Partnered with The Energy and Resources Institute to commission an advanced water treatment plant in Goondpur, Alwar
- Deployed TADOX technology to treat greywater for non-potable reuse
- Supported local water needs while advancing broader water sustainability goals

Advocacy

Collaborate with regulators and stakeholders to integrate water security into public policy and industry action

- Advanced multistakeholder collaboration to support sustainable management and climate resilience of the Godavari River Basin
- Participated as a founding member, driving catchment-based solutions to restore river health
- Installed three boom barriers for solid waste management in partnership with government and local stakeholders

Fostering Biodiversity

We recognise that biodiversity loss is a systemic risk and a responsibility we cannot ignore. Our brands take a proactive role in habitat restoration and species conservation.

Protecting the Godawan

In Rajasthan, we support Project W (GIB) with implementation partner Gramodaya Samajik Sansthan (GSS), focused on the in-situ conservation of the Great Indian Bustard (Godawan), one of the country's most critically endangered species. Key initiatives include restoring water bodies, developing nesting habitats, and building community awareness in the arid grasslands of Rajasthan.

Read more
under Principle 6 of our FY 2025-26 BRSR

Afforestation and Ecosystem Restoration

We continued to expand our green footprint through sustained afforestation efforts, building on plantations established in previous years while adding new sites during FY 2025-26. Focus remained on improving survival rates, enhancing biodiversity value, and strengthening carbon sequestration potential. Coastal ecosystem restoration also progressed through ongoing mangrove plantations in Odisha, reinforcing natural climate solutions with high carbon absorption capacity and ecological benefits.

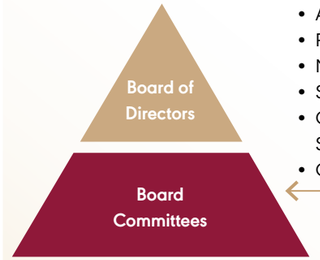
Corporate Governance

Leading with Integrity

A continuously evolving regulatory landscape demands proactive response to sustain responsible growth and protect stakeholder interests. We maintain robust governance practices to ensure accountability, ethical conduct, and compliance across a complex and highly regulated operating environment. Adopted prudent oversight structures, disciplined risk management, and a culture of integrity in all aspects of our business. ESG considerations are integrated into our governance processes, aligning decision-making with long-term sustainability priorities. Continuous strengthening of policies, controls, and stakeholder engagement mechanisms supports transparency and builds trust.



Diageo India Governance Structure



- Audit Committee
- Risk Management Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship and General Committee
- Corporate Social Responsibility & Environmental, Social and Governance Committee
- Committee of Directors

- Led by Managing Director & CEO
- Responsible for overseeing overall organisational governance, including ESG management

The Board's Corporate Social Responsibility (CSR) & Environmental, Social and Governance (ESG) Committee, chaired by an Independent Director, oversees the overall ESG management at Diageo India.

Read more
about ESG governance on page 207

Board Composition*

Diageo India is led by a well-balanced and diverse Board, having an optimal mix of Executive, Non-Executive, and Independent Directors. The Board has a total of ten members, including three women directors.

(i) Non-Independent Directors	
– Managing Director	01
– Executive Director	01
– Non-Executive Directors	03 (Diageo plc nominees including 02 women directors)
(ii) Independent Directors	05 (including 1 woman director)
Total Directors	**10**

Diversity of Experience*



- >30 years **(6 directors)**
- 20 to 30 years **(4 directors)**

* As on March 31, 2026.

Board Snapshot*



05 Independent Director



05 Non-Independent Director



03 Women Directors

59 Years
Average age of Directors

32 Years
Average experience of Directors

97%
Average attendance at Board meetings

Ensuring Responsible Business Conduct

Code of Conduct

At Diageo India, the Code of Business Conduct guides employees in upholding ethical behaviour, integrity, and organisational values. It aligns with the global policies of the principal shareholder, Diageo plc, and sets out standards and guidelines across key areas of work. All employees complete a mandatory annual e-learning module as part of the Company's compliance certification programme. New joiners are required to complete this training within 30 days of joining.

Anti-Corruption and Anti-Bribery

Diageo India maintains a zero-tolerance approach to corruption and bribery. The Company follows a comprehensive global anti-corruption policy established by its principal shareholder, Diageo plc, which addresses all forms of bribery and corruption. The core elements of this policy are embedded within the Code of Business Conduct and apply across all operations, including subsidiaries and value chain partners.

Whistle-blower Mechanism

Employees and value chain partners are encouraged to report any actual or suspected breaches of the Code of Conduct or Company policies through the confidential 'Speak Up' channel, managed by an independent external party. This channel is accessible via telephone, email, website, and QR code. Employees may also raise concerns through internal channels, including Business Integrity members, and the Human Resources and Legal departments, with assurance of protection from retaliation.



Human Rights

Respect for human rights remains integral to how we operate. Our approach is guided by Diageo plc's Global Human Rights Policy, aligned with internationally recognised human rights charters. This policy reinforces our commitment to protecting and promoting the rights of all stakeholders, including employees, supply chain workers and partners, consumers, and communities where we operate. Our Dignity at Work policy, aligned with local laws and cultural norms, defines clear standards for personal integrity and conduct. These expectations extend to our suppliers through the Partnering with Suppliers Standard.

An annual legal compliance risk assessment is conducted under the supervision of the Risk Management Committee, covering areas such as human rights, bribery, and corruption. Human rights remain a key focus within the SEDEX Members Ethical Trade Audit (SMETA) four-pillar audits for high-risk suppliers, in line with Supplier Ethical Data Exchange (Sedex) protocols, as part of our responsible sourcing programme. Our Human Rights Impact Assessments (HRIAs) identify salient risks and vulnerable stakeholders across both our operations and supply chain.

Institutionalising Integrity and Accountability

- A dedicated Business Integrity team integrates policy commitments into organisational strategies and procedures.
- Annual policy refresher training is conducted for all employees.
- Mandatory iBegin induction for all new joiners covers key aspects of Code of Conduct, namely Anti-corruption and Anti-bribery, Human rights and other critical policies.
- Anti-corruption and Anti-bribery training is delivered to the employees.
- Know Your Business Partner (KYBP) programme conducts robust due diligence on third-party partners to assess ethical business practices.
- An internal assurance framework strengthens compliance and oversight.

Instances reported on breach of code and human rights violations

84 cases

Were reported during the year

81%

Breach incidents investigated and closed with appropriate actions. 68 cases have been investigated and resolved during the year

19%

Cases are under investigation. 16 cases are under investigation as on March 31, 2026 (Out of 16, 12 cases were reported in February and March 2026)

Note: For FY 2025-26, total cases reported were 95 cases, of which Breach of Code were 84, and remaining 11 cases pertained to Other HR policy & processes/working time.

Data Privacy

Our global data privacy programme, established by our principal shareholder Diageo plc and led by senior leadership, is designed to safeguard the personal data of employees, consumers, customers, and other stakeholders. Data handling standards, aligned with our values and applicable privacy regulations, are embedded through the Code of Business Conduct and the Data Privacy Policy. The Chief Information Security Officer (CISO) co-chairs the Digital and Technology Risk Management Committee and oversees compliance mechanisms. The legal team ensures ongoing adherence through regular reviews, audits, and control processes.

Read more
about our governance practices in BRSR on page 272 onwards

Compliance Mechanisms

- *Due diligence on data storage and processing*
- *Privacy Controls*
- *Regular privacy assessments*
- *Consent mechanisms*

Meet the Board



Mr. V. K. Viswanathan
Chairperson & Independent Director

1 2 6



Mr. Praveen Someshwar
Managing Director and CEO

4 5 6



Mr. Pradeep Jain
Executive Director & Chief Financial Officer

3 5



Mr. Mark Sandys
Non-Executive Director

4



Mr. Narayan K. Seshadri
Independent Director

1 4 5 6



Dr. Indu Bhushan
Independent Director

2 4 5



Ms. Preeti Arora
Non-Executive Director

1 6



Ms. Julie Bramham
Non-Executive Director



Mr. Mukesh Butani
Independent Director

1 3 5



Ms. Amrita Gangotra
Independent Director

2 3 6

View the Directors' profiles at https://www.diageoindia.com/en/investors/board-of-directors

Legends

1. Audit Committee (AC)
2. Nomination and Remuneration Committee (NRC)
3. Stakeholders Relationship and General Committee (SRGC)
4. Corporate Social Responsibility & Environmental, Social and Governance Committee (CSR & ESG)
5. Risk Management Committee (RMC)
6. Committee of Directors (CoD)

● Chairperson
○ Member

Executive Committee*



Mr. Praveen Someshwar
Managing Director and CEO



Ms. Ruchira Jaitly
Chief Marketing Officer



Mr. Jagbir Singh Sidhu
Chief Commercial Officer



Mr. Chinmay Sharma
Chief HR Officer



Mr. Jitendra Mahajan
Chief Supply & Sustainability Officer



Ms. Shobhana Nikam
General Counsel



Mr. Pradeep Jain
Executive Director & Chief Financial Officer



Mr. Devashish Dasgupta
Corporate Relations Director

*Effective April 1, 2026



The RCB Story

The Rise of the Royal Challengers

Flair, resilience and perseverance, that's how the fans resonate with the team RCB.

From its early years at the M. Chinnaswamy Stadium to its evolution into a global sporting brand, RCB has carried the pulse of Bengaluru with intensity and pride. The franchise has seen iconic players, unforgettable performances and seasons of heartbreak, yet its connection with fans has only deepened. This belief became the heart to the RCB identity. The launch of the "Play Bold" philosophy gave that spirit a powerful expression, reflecting a team and a fan base that choose courage over caution, passion over indifference and loyalty over convenience. Over time, RCB has moved beyond the boundaries of cricket to become a lifestyle-led, emotionally charged and culturally-relevant brand.



A Win that has been Dreamt over Decade

The wait finally bid adieu on June 03, 2025. Royal Challengers Bengaluru's men's team lifted its maiden IPL trophy, turning years of belief into one of the league's most emotional triumphs. The final game had every element of an RCB story: pressure, drama, belief and a finish that tested every nerve. RCB sealed a title that carried the weight of 18 seasons of hope. The victory was bigger than a result. It rewarded a fan base that had stood by the franchise through near misses, unforgettable highs and difficult seasons. It also completed the arc of a team that had always played with star power, passion and expectation, yet needed one defining night to convert legacy into silverware. In 2025, RCB did more than win the IPL. It gave the moment to its fans which they had turned into a movement.

Moment that set the Stage, Perfectly

Before the men's breakthrough, the RCB women had already changed the franchise's trophy story. In 2024, Royal Challengers Bengaluru won the Women's Premier League title by defeating Delhi Capitals by eight wickets in the final. The win became RCB's first major title and gave the red-and-gold universe a new centre of pride. It was a performance built on composure, balance and belief, led by a team that carried the "Play Bold" identity with clarity and conviction. The victory also expanded the meaning of RCB. It showed that the franchise's ambition was deeper than one team, one tournament or one generation. The women's title gave the brand a powerful new dimension, strengthening its connection with fans and placing women's cricket firmly within RCB's sporting legacy. Together, the women's 2024 WPL triumph and the men's 2025 IPL win marked a historic shift: RCB was no longer chasing its moment. RCB had become the moment.



Board's Report

Dear Members,

The directors are pleased to present the 27th Board's Report of the Company and the audited financial statements for the year ended 31st March 2026.

Performance of the Company for the year is as under:

(Amount in ₹ crore)

Particulars	Standalone		Consolidated	
	2025-26	2024-25	2025-26	2024-25
Revenue from operations	27,781	26,780	27,816	26,780
Other income	576	426	478	325
Total income	**28,357**	**27,206**	**28,294**	**27,105**
Total expenses	**25,926**	**25,085**	**25,977**	**25,083**
Share of net loss of joint ventures	-	-	(7)	(7)
Profit before exceptional items and tax from continued operations	**2,431**	**2,121**	**2,310**	**2,015**
Exceptional items, net	(91)	(65)	(91)	(65)
Profit before tax from continued operation	**2,340**	**2,056**	**2,219**	**1,950**
Total tax expense	510	498	510	505
Profit for the year from continued operations	**1,830**	**1,558**	**1,709**	**1,445**
Discontinued operations:				
Profit before tax from discontinued operations	-	-	175	185
Less: Tax expense of discontinued operations	-	-	46	48
Profit after tax from discontinued operations	**-**	**-**	**129**	**137**
Profit for the year	**-**	**-**	**1,838**	**1,582**
Other comprehensive income for the year, net of tax	(1)	(2)	9	-
Total comprehensive income for the year	**1,829**	**1,556**	**1,847**	**1,582**
EPS - basic & diluted (₹)	25.16	21.42	25.89	22.28
From continued operations	-	-	24.07	20.35
From discontinued operations	-	-	1.82	1.93

The challenges which United Spirits Limited ('USL'/'Company') faced during the year and the environment in which the Company operates have been detailed in the Management Discussion and Analysis Report which is forming part of this Integrated Annual Report ('Report').

In conformity with the requirements of Ind AS 105, "Non-Current Assets Held for Sale and Discontinued Operations",

- The investment in RCSPL has been presented as "Assets held for sale" in the standalone statement of assets and liabilities.
- The net assets and liabilities of RCSPL have been disclosed as "Assets held for sale" and "Liabilities associated with assets held for sale", respectively in the consolidated statement of assets and liabilities. Further, financial performance and cash flows of RCSPL for the year ended 31st March, 2026, have been presented as relating to "Discontinued operations", and the prior year comparatives have been represented to conform to the presentation made in the current year in the consolidated statement of financial results and the consolidated statement of cash flows, respectively.

Strong Board Independence

- The Board is chaired by an Independent Director.
- Independent Directors constitute 50% of the Board, significantly exceeding the minimum requirement of one-third prescribed under SEBI Listing Regulations and the Companies Act, 2013.

High Board Effectiveness and Engagement

- The Board held 11 meetings during FY 2025-26.
- Independent Directors demonstrated full participation throughout the year.

Board's Report (Continued)

1. Performance of the Company

During the year under review, your Company's sales volume was 65 million cases resulting in an increase of 1.5% compared to previous year.

Net sales/income from operations (net of excise duties and taxes) of the Company increased by 7.6% in the financial year ended 31st March 2026 which stood at ₹ 12,448 crore (previous year ₹ 11,573 crore). With continuous focus on premiumization, overall the Prestige & Above (P&A) segment contributed 89.6% of the Company's net sales value, reflecting an increase of 1.1% compared to the same period in the previous year. The Prestige and Above segment's net sales grew by 8.6% during this period. Meanwhile, the Popular segment accounted for 9.0% of the underlying net sales during the financial year ended March 2026, down 0.7 ppt compared to the same period last year. The Popular segment net sales declined 0.3% during the same period.

The Company continued to execute its portfolio-led growth strategy, anchored in premiumisation, innovation and consumer-centricity. Strategic investments in Nao Spirits & Beverages Private Limited and V9 Beverages Private Limited strengthened participation in high-growth adjacencies, while the proposed divestment of non-core investments reflects disciplined capital allocation and portfolio optimisation.

The industry continues to operate in a dynamic regulatory and competitive environment. The Board, through its Risk Management Committee, oversees a robust framework to identify, assess and mitigate key business risks.

India remains a compelling long-term growth market, supported by favourable demographics, rising affluence and evolving consumer preferences. Backed by a strong portfolio and disciplined execution, the Company is well positioned to capture the opportunities arising from premiumisation and category expansion.

2. Material changes and commitments/events subsequent to the date of the financial statements

There have been no material changes and commitments, affecting the financial position of the Company that have occurred between the close of the financial year 2025-26 ('FY 2025-26') to which the Financial Statements relate and the date of this report.

3. Change in nature of business, if any

The Company did not undergo any change in the nature of its business during the financial year. The details of the nature of business are provided in the Management Discussion and Analysis Report and report on Risk Management forming part of this Report.

4. Dividend

Guided by the Company's Dividend Distribution Policy and capital allocation framework, we are committed to returning surplus cash to our shareholders. Company re-started distributing dividends from FY 2023-24 (after eliminating accumulated losses) and has been since consistent with dividend payout.

The Board of Directors has recommended a final dividend of ₹ 11 per equity share (face value ₹ 2) for FY 2025-26. The record date is set for 8th July 2026. Following shareholder approval at the upcoming Annual General Meeting (AGM), this final dividend will be paid on or after 13th August 2026. Combined with the interim dividend of ₹ 6 per share paid on 16th February 2026, the total dividend for the year stands at ₹ 17 per equity share—reflecting a 68% payout ratio which is in line with the updated dividend distribution policy approved by the Board which is made available on website of the Company at https://www.diageoindia.com/policies/dividendpolicy.

Please note that under the Income-Tax Act, 2025, dividends are taxable for shareholders. The Company will deduct Tax Deducted at Source ("TDS") at the applicable rates before making the payment.

5. Transfer to reserves

During the year under review, no amount was transferred to the general reserve of the Company.

6. Capital

There was no change in the capital during the FY 2025-26.

7. Details of subsidiaries, associates and joint venture companies and their financial position

The performance of subsidiaries and joint venture companies and their contribution to the overall performance of the Company is covered as part of the consolidated financial statements. The salient features of the financial statements of the subsidiary, and joint venture company(s) is appended in form AOC-1 to this

Board Refreshment and Succession

- The Board was strengthened through the induction of new Directors.
- The CEO transition was successfully completed, ensuring leadership continuity.

Skills-Based Board Composition

- The Board maintains a structured competency matrix.
- Aligns Directors' skills and expertise with the Company's strategic priorities.

Board's Report (Continued)

report as Annexure–1. Out of eleven subsidiary companies, nine subsidiary companies were non-operative.

I. **Royal Challengers Sports Private Limited (RCSPL)**, a wholly owned subsidiary of your Company, reported a revenue from operations of ₹ 545 crore during the financial year which has increased by 8%, as compared to previous year primarily due to Royal Challengers Bengaluru (RCB) winning championship in IPL 2025. During the financial year, RCSPL reported a profit of ₹ 130 crore against ₹ 140 crore in the previous financial year owing to increase in overall expenses. During the year, RCSPL declared and paid an interim dividend of ₹ 150 crore.

The Board at their meeting held on 24th March, 2026, has inter alia approved the sale of 14,690 equity shares of RCSPL, for an aggregate consideration of ₹ 16,663 crore, subject to adjustments and other conditions set out in the Share Purchase Agreement ('SPA') dated 24th March 2026 executed by and amongst USL, RCSPL, and Bolt IPL Holdings LLC; Aelius Investments Pte Ltd; Asia Investment Topco II Pte. Ltd.; Times Internet Limited; and Metropolitan Media Company Limited (the "Proposed Transaction" and such parties, the "Parties"). The execution of the SPA and related transaction documents has also been approved in the same Board meeting dated 24th March, 2026.

Pursuant to the receipt and acceptance of a purchaser change notice dated 4th May 2026 ("Purchaser Change Notice"), and in accordance with the terms of the SPA, an amended and restated share purchase agreement ("A&R SPA") dated 11th May 2026 has been entered into between USL, RCSPL, Bolt IPL Holdings LLC, Big Banyan Holdings Pte. Ltd ("Big Banyan"), Asia Investment Topco II Pte. Ltd, Times Internet Limited, Times Cricket LLP ("Times LLP") and ICQ Opportunities R C Holdco, Ltd ("ICONIQ") to record and give effect to, amongst others, the change in the purchasers.

II. On 26th June 2025, the Company purchased 34,291 equity shares of Nao Spirits & Beverages Private Limited ('NAO') from existing shareholders, through a step acquisition. The transaction was executed for a consideration of ₹49 crores. The Company has further infused ₹56 crores through a combination of equity and Compulsorily Convertible Preference Shares ('CCPS') to support future growth initiatives of NAO. Subsequent to the acquisition and capital infusion, the Company holds 97.07% of the paid-up share capital in NAO and has an obligation to buy the remaining equity interest. As per the SPA, the remaining shares held by third party will be purchased by the Company upon receipt of certain regulatory approvals. The management has completed the Purchase Price Allocation (PPA) as required by Ind AS 103, Business Combinations.

NAO, a wholly owned subsidiary of your Company (from June 26, 2025 onwards), reported a revenue from operations of ₹ 39 crores during the financial year 2026.

III. The Board of Directors at their meeting held on 4th April 2024, approved the investment in Inspired Hospitality Private Limited ("Pistola") by subscribing to 3,494 Compulsory Convertible Preference Shares ("CCPS") and 10 equity shares of Pistola equivalent to 15% of its issued and paid-up share capital on a fully diluted basis for an aggregate consideration of ₹ 5.65 crore. The aforesaid transaction was completed on 9th May 2024. During the year ended, 31st March 2026, due to further infusion by the majority shareholders after conversion of their loan into equity shares, the company's holding is reduced to 13.24%. The Management has considered Pistola to be a joint venture.

IV. The Board of Directors at their meeting held on 23rd July 2024, approved the investment in V9 Beverages Private Limited ("Sober") by subscribing to 1,972 CCPS and 10 equity shares of Sober equivalent to 15% of its issued and paid-up share capital on a fully diluted basis for an aggregate consideration of ₹ 2.29 crore. The aforesaid transaction was completed on 26th September 2024. The Management has considered Sober to be a joint venture.

The Board at their meeting held on 20th January, 2026 has inter-alia approved further investment in Sober by subscribing to 1,762 CCPS of Sober for an aggregate consideration of ₹ 3.2 crore, which resulted in the Company's shareholding in Sober increasing from 15% to 25% of the equity share capital on a fully diluted basis.

The Company has obtained a certificate from the Statutory Auditor (M/s. Price Waterhouse & Co. Chartered Accountants LLP) certifying that the Company is in compliance with the Foreign Exchange Management Act, 1999 and the Rules & Regulations framed thereunder with respect to its downstream investments.

The Company's policy for determining material subsidiaries is available at the Company's website at https://www.diageoindia.com/policies/policyfordeterminingmaterialsubsidiaries.

In accordance with the third proviso to section 136(1) of the Companies Act, 2013 ('the Act'), the Report and financial statements of each of the subsidiary companies have also been placed on the website of the Company at https://www.diageoindia.com/en/investors/subsidiaries-financial.

External Board Evaluation

- The Board evaluation was conducted by an independent external evaluator.
- The evaluation covered the Board, its Committees, and individual Directors.

Strong Committee Governance

- The Board operates through six Committees.
- The Audit Committee has a strong independent composition, while the Nomination and Remuneration Committee comprises entirely of Independent Directors.

8. Prospects/Outlook

The details about prospects/outlook of your Company are provided under the Management Discussion and Analysis Report, forming part of the Report.

9. Board meetings, Board of Directors, Key Managerial Personnel & Board Committees:

A. Resignations

None of the Directors of the Company have resigned during the FY 2025-26.

B. Appointment of Directors

Executive Director

On the basis of recommendation of Nomination and Remuneration Committee ('NRC'), the Board considered and approved the appointment of Mr. Praveen Someshwar (DIN: 01802656) as (i) Additional Director (ii) Managing Director (iii) Chief Executive Officer and (iv) Key Managerial Personnel of the Company with effect from 1st April 2025. The approval of the shareholders was received by means of postal ballot on 20th June 2025. Mr. Someshwar is a dynamic business leader with over three decades of experience in driving transformation, strategy, and execution within the media and FMCG industries. He is recognized as a passionate leader committed to driving change and has a proven track record in business transformation and development across multiple markets.

Independent Director

Based on the recommendation of NRC, the Board considered and approved the appointment of Mr. Narayan K. Seshadri (DIN: 00053563) as an Independent Director of the Company for a term of three years with effect from 9th October 2025. The approval of the shareholders was received by means of postal ballot on 20th December 2025. Mr. Narayan K. Seshadri is a qualified Chartered Accountant, with more than 42 years of distinguished corporate career. He started his career with Arthur Andersen and subsequently joined KPMG, where he rose to the position of Managing Partner of its business advisory practice in India. He was the member of Andersen's Global CEO Advisory Council, the only Indian partner to hold such a position. He had also worked with some large Fortune 500/FTSE 100 companies to small start-ups in various international jurisdictions.

Non-Executive Director

Based on the recommendation of NRC, the Board considered and approved the appointment of Ms. Julie Bramham (DIN: 08415737) as a Non-Executive and Non-Independent Director of the Company with effect from 21st January 2026. The approval of the shareholders was received by means of postal ballot on 11th March 2026. Ms. Julie Bramham is a global luxury and consumer leader with over 25 years of experience shaping some of the world's most iconic brands and driving commercial growth across international markets. She brings deep expertise in driving brand and commercial transformation, global go-to-market strategy, innovation, digital and AI-enabled marketing, and large-scale organisational change.

Brief profiles of Directors are available on the Company's website at https://www.diageoindia.com/en/investors/board-of-directors

C. Re-appointment of Director

As per the provisions of the Act, Mr. Pradeep Jain (DIN:02110401), Executive Director and Chief Financial Officer who holds office for the longest period since his

Enhanced Risk Governance

The Enterprise Risk Management (ERM) framework provides dedicated oversight across

- strategic,
- financial,
- operational, and
- regulatory risk categories,

supporting effective risk governance, informed decision making, and Board oversight.

ESG Governance Embedded at Board Level

- The Company has a dedicated CSR and ESG Committee.
- Reflecting the integration of sustainability priorities within its governance framework.
- The committee provides Board oversight of company sustainability strategy, risks, performance and disclosures.

Board's Report (Continued)

last appointment retires by rotation at the ensuing AGM and being eligible, has offered himself for re-appointment. Based on the recommendation of the NRC, the Board recommends his reappointment. Members may please note that Mr. Pradeep Jain, was appointed as an Executive Director effective 1st February 2023. He is not debarred from holding the directorship under any statutory regulations. A resolution in this regard is being placed before the shareholders for approval at 27th AGM.

D. Change in Company Secretary

Mr. Mital Sanghvi relinquished his position as Company Secretary of the Company with effect from end of day 31st August 2025 upon taking up a full time finance role within the Company. Accordingly, he has ceased to be Key Managerial Personnel from the aforesaid date. The Board wishes to place on record sincere appreciation to Mr. Mital Sanghvi for his valuable contribution in strengthening corporate governance standards and commitment to bringing out best practices.

Consequent to the above and based on recommendation of the NRC, the Board has appointed Ms. Pragya Kaul as Company Secretary (Key Managerial Personnel) effective 1st September 2025.

E. Directors

The Board comprises optimum composition of executive and non executive directors. The Chairperson of the Board is an Independent Director. As on 31st March 2026, the Board comprised of 10 directors with 50% Independent Directors against statutory requirement of one third. The Board from time to time, basis the required skills evaluates the composition for selection/appointment or re-appointment of Directors. The core skills required for Directors include Operating leadership experience/ Entrepreneurship, FMCG/Regulated Industry expertise, Corporate governance and Risk Management, Financial Management, ESG, Digital and Technology and Public affairs and policy. Matrix setting out the core Skills / Expertise/Competence of the Board of Directors forms part of Corporate Governance Report. In the opinion of the Board, the Directors possess requisite integrity, expertise, experience and proficiency, the details of which are provided in the Corporate Governance Report which forms of the Report.

F. Details of remuneration to Directors

As required under section 197 of the Act, information relating to remuneration paid to Directors during the FY 2025-26 is provided in the Corporate Governance Report.

As stated in the Corporate Governance Report, sitting fees is paid to the Independent Directors for attending Board/Committee meetings. They are also entitled to reimbursement of actual travel expenses, boarding and lodging, conveyance and incidental expenses incurred for attending such meetings. In addition, the Independent Directors are also eligible for commission every year as may be recommended by the NRC and approved by the Board within the overall limit of ₹ 4 crore or 1% of the net profits of the Company calculated in accordance with section 198 of the Act, whichever is lower. The approval of the members was sought at the 25th Annual General Meeting held on 31st July 2024.

The said approval is valid for three financial years ending on FY2027-28. The Board consisting of other than Independent Directors approved payment of fixed amount of commission of ₹ 53.50 lakhs per Independent Director and an additional commission of ₹ 15 lakhs to be paid to Board Chair and ₹ 7.5 lacs to be paid to Audit Committee Chair in view of higher responsibilities and time commitment.

After applying the criteria stated above for the FY 2025-26, the Board has approved payment of commission of ₹ 2.64 crore to five Independent Directors (including pro-rata commission to an Independent Director who was appointed during the year). The details of remuneration to directors forms part of Corporate Governance Report of the Report.

The criteria for payment of remuneration to executive directors is determined by the NRC based on various parameters. The Company's policy on Directors' appointment and remuneration is available on the Company's website at https://www.diageoindia.com/policies/nominationandremunerationpolicy

G. Board evaluation

Pursuant to the provisions of the Act and Regulation 34(3) read with Schedule V(C) (4)(d) of the Listing Regulations, the NRC has prescribed performance evaluation criteria for Independent Directors as well as for the Non-Independent Directors, the Committees, and the entire Board of Directors. Based on the above requirement, a formal and rigorous Board review is undertaken on an annual basis with a focus on improving the effectiveness of the Board, its Committees and each individual director. As part of the above exercise, the Board had engaged Egon Zehnder, a leadership advisory firm on Board matters, to conduct the Board evaluation for FY2025-26.

The Board evaluation exercise reaffirmed the Board's strong governance framework, effective oversight, and constructive engagement across the Board and its Committees. The evaluation also highlighted the Board's successful navigation of leadership and governance transitions in recent years, ensuring continuity and stability. As the Company enters its next phase of growth, the evaluation identified opportunities to further enhance the Board's effectiveness and future readiness. Key areas of focus include strengthening succession planning, deepening oversight of digital transformation and AI-related developments, fostering more robust risk discussions, maintaining a proactive regulatory watch, and advancing ESG integration into strategic decision-making. These initiatives will support a sharper strategic focus and continued enhancement of Board and Committee effectiveness.

The details of the evaluation process are set out in the Corporate Governance Report which forms part of this Integrated Annual Report.

H. Declaration by Independent Directors

The Company has received requisite declarations from all Independent Directors of the Company confirming that they meet the criteria of independence prescribed under section 149(6) of the Act read with Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Schedule IV and Regulation 16(1)(b) of the Listing Regulations. In the opinion of the Board, the Independent Directors possess the requisite integrity, experience, expertise, skills, and proficiency required under all applicable laws and the policies of the Company.

I. Number of meetings of the Board

Details of the Board Meetings and other Committee Meetings held during the FY 2025-26 are stated in the Corporate Governance Report which is forming part of the Report.

J. Board Committees

The Board has constituted the following Committees :

- Audit Committee ('AC')
- Nomination and Remuneration Committee ('NRC')
- Corporate Social Responsibility and Environmental, Social and Governance Committee ('CSR & ESG')
- Risk Management Committee ('RMC')
- Stakeholders Relationship and General Committee ('SRGC')
- Committee of Directors ('CoD')

The composition of each of the above Committees, their respective roles and responsibilities are provided in the Corporate Governance Report which forms part of the Report.

K. Recommendations of the Audit Committee and other committees

All the recommendations of the Audit Committee and of the other committees were deliberated and accepted by the Board.

L. Meeting amongst Independent Directors

Schedule IV of the Act, Listing Regulations and Secretarial Standard-1 on Meetings of the Board of Directors mandates that the Independent Directors of the Company hold at least one meeting in a financial year, without attendance of

Independent Director Oversight

- Independent Directors met six times during the year.
- These sessions reflect a strong framework for independent oversight and enable effective deliberation among Independent Directors.

Whistleblower and Ethics Framework

- Operates a SpeakUp mechanism, administered through an independent external agency.
- Access to the Chairperson of the Audit Committee is provided.

BRSR Core assurance

- Completed the Business Responsibility and Sustainability Reporting (BRSR) Core assurance.
- Validating our non-financial disclosures with high reliability.

Audit Quality and Financial Controls

- The Company received a clean audit opinion from its Statutory Auditors.
- Internal financial controls were assessed as adequate and effective.
- The Company is transitioning its statutory audit from Price Waterhouse & Co. Chartered Accountants LLP to Walker Chandiok & Co. LLP.

Board's Report (Continued)

Non-Independent Directors and members from management. The Independent Directors met six (6) times amongst themselves without the presence of any other persons on 3rd May 2025 & 19th May 2025, 6th August 2025, 8th October & 29th October 2025 and 19th January 2026.

At these meetings, the Independent Directors broadly assessed the quality, quantity and timeliness of the flow of information between the Company's Management and the Board necessary for the Board and Committees to perform its duties effectively and efficiently, the possibility of expanding scope of certain Board committees, succession planning, candidature for selecting directors, strengthening Board evaluation process and annual strategy meeting amongst others. In addition, the Independent Directors also have access to Statutory Auditors, Secretarial Auditors, Cost Auditors, Internal Auditor and the Management of the Company for discussions and clarifications, if any.

M. Policies

The Company has adopted all policies as required under the provisions of the Act, and the Listing Regulations. The same are uploaded on the website of the Company at https://www.diageoindia.com/en/investors/shareholder-centre/policies

During the year, Nomination and Remuneration Policy was modified to incorporate revision in sitting fees to Independent Directors. The Board approved policy is made available on website of the Company at https://www.diageoindia.com/policies/nominationandremunerationpolicy.

The salient features of the NRC policy inter alia includes:

- Role and responsibilities of NRC
- Appointment criteria
- Board diversity
- Independence of Directors
- Succession planning
- Performance evaluation
- Remuneration philosophy and other matters

10. Vigil Mechanism

The Company has established whistle-blower mechanism known as 'SpeakUp', which is being independently operated by an independent agency. We encourage our employees or representatives acting on behalf of the Company, to raise the concerns through this mechanism, apart from other internal reporting channels viz. Line Manager, HR Business Partner, Legal Business Partner and Business Integrity partner.

The SpeakUp channel is available on the Company's website at https://www.diageoindia.com/en/about-us/corporate-governance/speak-up with services available in English and 5 other regional languages, and compliance concerns can be raised by any aggrieved person through web page or toll-free number.

The quality of investigation reports and remedial actions are reviewed and monitored by the Global Business Integrity team and the Company's Business Integrity team. The decision on sanctions on the reported breaches are determined and monitored by a Compliance Committee for significant breaches and the Grievance Committee for other breaches and people issues, ensuring there is a collective, transparent and unbiased decision-making process and that consistent action is undertaken in a timely manner to resolve the identified breaches.

A structured Breach Management Standard is in place which is in line with the Global Standard, for timely and conclusive resolution of compliance concerns raised through the whistle blower mechanism.

This vigil mechanism has been established to provide adequate safeguards against the victimization of employees, who avail this mechanism for reporting complaints and grievances in good faith and without fear of being punished for doing so. Access to the Chairperson of the Audit Committee is provided as required under the Act and the Listing Regulations.

11. Related party transactions

The Company has adopted the Policy on dealing with Related Party Transactions (RPTs) in compliance with the requirements of the Act and Listing Regulations, as amended from time to time, which is available on the website of the Company at https://www.diageoindia.com/policies/policyonrelatedpartytransactions. During the year under review, the said policy was amended to align with the amendments in Listing Regulations.

The Policy aims to ensure that effective procedures for reporting, approval, and other disclosures are established to govern transactions between the Company and Related Parties. The Policy focusses on the review and approval of Material RPTs, while addressing the potential or actual conflicts of interest that may arise out of these transactions.

All RPTs are placed before the Audit Committee and Board for review, recommendation and approval, as applicable. For RPTs of a repetitive nature or those undertaken in the ordinary course of business and at arm's length, prior omnibus approval from the Audit Committee is obtained. Further, the Audit Committee on quarterly basis, reviews the details of the RPTs entered into by the Company pursuant to such omnibus approval. The Policy ensures compliance with regulatory guidelines and promotes accountability while adhering to the corporate governance principles. The Company continued to strengthen the RPT governance with the support of independent assessments by external professionals to ensure RPTs are in line with evolving regulations and governance practices.

Confirmations for FY 2025-26:

- all RPTs were entered in ordinary course of business and on arm's length basis.
- there are no materially significant related party transactions that may have potential conflict with interest of the Company at large.
- Pursuant to Regulation 23(9) of the SEBI Listing Regulations, your Company has filed the reports on RPTs with the Stock Exchanges within statutory timelines.

The disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Act in Form AOC-2 pursuant to section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is set out in the Annexure-2 to this report.

12. Auditors and Audit Reports

i) Financial audit

M/s. Price Waterhouse & Co. Chartered Accountants LLP (FRN 304026E/E-300009) Statutory Auditors of your Company, were re-appointed for a second term of five years as Auditors of your Company from the conclusion of the 22nd AGM held on 26th August 2021 till the conclusion of the 27th AGM of the Company required under section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014.

The Statutory Auditors have given an unqualified opinion on the financial statements for the financial year ended 31st March 2026.

Consequent to completion of the second term of M/s. Price Waterhouse & Co. Chartered Accountants LLP, based on recommendation of the Audit Committee, the Board has recommended to the members of the Company, appointment of M/s. Walker Chandiok & Co. LLP (ICAI Firm's Registration No.: 001076N/N500013) as the Statutory Auditors of the Company, to hold office for a term of 5 (five) years from the conclusion of the 27th Annual General Meeting (AGM) to be held in the year 2026 until the conclusion of the 32nd AGM to be held in the year 2031.

M/s. Walker Chandiok & Co. LLP have confirmed that they satisfy the criteria provided under section 141 of the Act and the appointment, if made, shall be in accordance with the applicable provisions of the Act and rules framed thereunder.

ii) Secretarial Audit

Pursuant to section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Secretarial Audit has been carried out by M/s. Makarand M. Joshi & Co, ('MMJC') Practicing Company Secretary (Firm Registration No. P2009MH007000; Peer Review Certificate No. 6290/2024) and their report is annexed as Annexure-3.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark or disclaimer.

(iii) Cost audit

The Cost Audit Report for FY 2024-25 was filed with the Central Government within the statutory timelines. The report confirmed that the Company had maintained proper cost records in accordance with the provisions of section 148(1) of the Act and did not contain any qualification, reservation, adverse remark, or observation.

Based on the recommendation of the Audit Committee, the Board at its meeting held on 14th May 2026 have approved the appointment of M/s. Rao, Murthy & Associates, Cost Accountants (Firm membership number: 000065), as the Cost Auditor to conduct the cost audit for FY 2026-27. The remuneration of ₹2,25,000 (Rupees Two lakh twenty five thousand only) exclusive of applicable taxes and out-of pocket expenses incurred in connection with the aforesaid audit, is proposed to be paid to the Cost Auditors, subject to approval by the Members of the Company at the ensuing AGM.

In accordance with the provisions of section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, since the remuneration to the Cost Auditor for auditing the Cost records for FY 2026-27 is required to be confirmed by the members, the Board of Directors recommends the same for approval at the ensuing 27th AGM. M/s. Rao, Murthy & Associates, Cost Accountants confirmed their eligibility and independence and had accepted the appointment upon approval.

13. Reporting of fraud by Auditors

During the year under review, neither the statutory auditor nor the secretarial auditor have reported any instances of fraud committed against the Company by its officers or employees to the Audit Committee or the Board under section 143(12) of the Act.

14. Corporate Governance Report

Corporate Governance Report for the year under review is annexed separately which forms part of Integrated Annual Report. Board confirms compliance with the mandatory Secretarial Standards issued by the Institute of Company Secretaries of India.

15. Management Discussion and Analysis Report

The Management Discussion and Analysis Report for the year under review is annexed separately which forms part of the Report.

16. Fixed deposits

During the year, the Company has not accepted any fixed deposits, including from public and no amount of principal or interest is outstanding and due to be transferred to Investor Education and Protection Fund (IEPF).

17. Annual return

In accordance with section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014, a draft annual return in e-form MGT-7 for FY 2025-26 has been uploaded on the Company's website at https://www.diageoindia.com/en/investors/financials/results-reports-and-presentations

Members may note that the final annual return will be uploaded after filing with the Ministry of Corporate Affairs ('MCA').

Board's Report (Continued)

18. Transfer to Investor Education and Protection Fund (IEPF)

Pursuant to section 124 of the Act, no unclaimed dividend and shares were required to be transferred to IEPF during the FY 2025-26.

19. Human resources

Employee relations remained cordial at all the locations of the Company. Particulars of employees drawing an aggregate remuneration of ₹ 1,02,00,000/- or above per annum or ₹ 8,50,000/- or above per month, as well as additional information on employee remuneration as required under the provisions of rule 5(1), 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as part of this report in Annexure-4 hereto.

20. Employees stock option scheme

The Company has not offered any stock options to its employees during the FY 2025-26 within the meaning of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

21. Particulars of loans, guarantees, securities and investments

Particulars of loans, guarantees, securities and investments covered under section 186 of the Act are detailed in Notes to the financial statements under note 45 of the Standalone Financial Statements for the year ended 31st March 2026.

22. Risk management

Details on Risk Management are annexed as Annexure-5 to this report.

23. Internal financial controls

The Company has established internal financial controls over financial reporting that are commensurate with the size, scale, and complexity of its operations. These controls are designed to ensure orderly and efficient conduct of business, safeguarding of assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records, and the timely preparation of reliable financial information.

Management is responsible for designing, implementing, maintaining, and periodically assessing the effectiveness of the Company's internal financial controls. During the year management carried out an evaluation of the adequacy and operating effectiveness of such controls and undertook necessary remediation actions, where applicable, to strengthen the control environment. The Board, through the Audit Committee, oversees the Company's internal financial control framework and reviews the outcomes of management's assessments, internal audit findings, and remediation initiatives on a periodic basis. Based on these reviews, the Board is of the view that the Company's internal financial controls over financial reporting were adequate and operating effectively during the financial year. The statutory auditor's opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting forms part of the Auditor's Report. A confirmation regarding the adequacy of internal financial controls is also included in the Directors' Responsibility Statement.

24. Corporate social responsibility

Information on the composition of the Corporate Social Responsibility and Environmental, Social and Governance Committee (CSR & ESG) is provided in the Corporate Governance Report that forms part of this Integrated Annual Report. Furthermore, as required by section 135 of the Act and the rules made thereunder, additional information on the policy and implementation of CSR activities by your Company during the year are provided in Annexure-6 to this report.

25. Conservation of energy, technology absorption, foreign exchange earnings and outgo

The particulars prescribed under section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, are set out in Annexure-7 to this report.

26. Details of significant and material orders passed by the regulators or courts impacting the going concern status and Company's operations in future pursuant to Rule 8(5)(vii) of Companies (Accounts) Rules, 2014

The Company has not received any significant or material order passed by regulators or courts or tribunals impacting the Company's going concern status or the Company's operations in the future.

27. Disclosure as required under section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

As per requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (SHWWA), the Company has designed and implemented a comprehensive policy and framework to promote a safe and secure work environment, where every person at the workplace is treated with dignity and respect. Moreover, the Company's policy is inclusive and gender neutral. Further, the complaint redressal mechanism detailed in the policy ensures complete anonymity and confidentiality to the parties.

Internal Committees (IC) have been constituted and each Internal Committee has appointed members who are employees of the Company and an independent external member, having extensive experience in the field. The Internal Committees meet on a half yearly basis to discuss matters on policy awareness, best practices, judicial trends, etc. During the year, Internal Committees have also been trained on nuances of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Internal Committees' role is to consider and resolve the complaints reported on sexual harassment at workplace. Investigation is conducted and decisions are made by the Internal Committees at the respective location, and a senior woman employee is the presiding officer on every case.

i) Number of complaints received during the financial year: 2 (Two)

ii) Number of complaints disposed off during the financial year: 2 (Two)

iii) Number of complaints pending as on end of the financial year: (Nil)

(iv) Number of complaints pending for more than ninety days: (Nil)

To build awareness in this area, the Company has been publishing newsletters, emailers, posters, conducting online training modules and monthly induction training for newly joined employees. Besides the refresher, virtual training programs are conducted in the organization on a continuous basis for employees (including blue collared employees), consultants, contractual employees and permanent/contractual workers in regional languages. The Internal Committee has also conducted informal sessions to check the pulse at the grassroot levels.

28. Business Responsibility and Sustainability Report ('BRSR')

BRSR for the year under review has been prepared in compliance with the Listing Regulations and is included in this report on page 272, along with a reasonable assurance report on the BRSR Core KPIs issued by M/s. Price Waterhouse & Co. Chartered Accountants LLP.

29. Other Disclosures

a. The Company has not issued equity shares with differential rights as to dividend, voting or otherwise.

b. The Company has not issued any sweat equity shares to its directors or employees.

c. No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable.

d. The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

e. There are no deposits accepted by the Company which are not in compliance with the requirements of Chapter V of the Companies Act, 2013.

f. The Company has complied with the provisions of the Maternity Benefits Act, 1961.

30. Directors' responsibility report

Pursuant to section 134 (5) of the Act in relation to financial statements (together with the notes to such financial statements) for the FY 2025-26, the Board of Directors report that:

(i) in the preparation of the annual accounts for the FY 2025-26, the applicable accounting standards have been followed and there is no material departure;

(ii) 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 as at 31st March 2026 and of the profit of the Company for year ended on that date;

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

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

(v) the Directors have laid down internal financial controls to be followed by the Company commensurate with the size and nature of its business and the complexity of its operations and that such internal financial controls are adequate and are operating effectively.

(vi) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws by implementing an automated process having comprehensive systems and securing reports of statutory compliances periodically from the functional units and that such systems are adequate and are operating effectively.

The Board of Directors place on record sincere gratitude and appreciation to all the employees at all levels for their hard work, solidarity, cooperation and dedication during the year.

The Board conveys its appreciation for its customers, shareholders, suppliers as well as vendors, bankers, business associates, regulatory and government authorities for their continued support.

By Order of the Board

V K Viswanathan
Chairperson
DIN: 01782934

Place: Bengaluru
Date: 14th May 2026

Annexure-1

Details of Subsidiaries, Associates and Joint Ventures

Form AOC - 1

(Pursuant to the provisions of section 129(3) of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014 Statement containing as on 31st March 2026 salient features of the financial statement of subsidiaries/associate companies/joint ventures)

Part A: Subsidiaries

Sl. No.	Name of the Subsidiary	CIN/File/Registered Number	Date since when subsidiary was acquired	Currency	Closing exchange rate	Average exchange rate	Share capital	Reserves & surplus	Total assets	Total liabilities	Investments	Turnover	Profit/ (loss) before taxation	Provision for taxation	Profit/ (loss) after taxation	Total comprehensive income	Proposed dividend	% of share holding	Country
1	Asian Opportunities & Investments Limited (AOIL)	22752/5112	26 Dec 2002	USD	94.39	88.33	47	(154)	0	(108)	-	-	(4)	-	(4)	(4)	-	100	Mauritius
2	Palmer Investment Group Limited (PIG)	447034 (BVI)	26 Mar 2009	USD	94.39	88.33	142	(72)	69	(0)	-	-	4	-	4	4	-	100	British Virgin Islands
3	Shaw Wallace Overseas Limited (SWOL)	00283393	28 Sept 2015	GBP	124.64	118.31	4	(3)	2	(0)	-	-	(0)	0	(0)	(0)	-	100	U.K.
4	USL Holdings Limited (UHL)	1385373 (BVI)	7 Feb 2007	USD	94.39	88.33	7,236	(8,028)	4	(795)	0	-	0	-	0	0	-	100	British Virgin Islands
5	USL Holdings (UK) Limited (UHUKL)	6127302	26 Feb 2007	GBP	124.64	118.31	0	(8,043)	0	(8,043)	0	-	154	0	154	154	-	100	U.K.
6	United Spirits (UK) Limited (USUKL)	6127303	26 Feb 2007	GBP	124.64	118.31	0	(3,280)	0	(3,280)	0	-	(0)	0	(0)	(0)	-	100	U.K.
7	United Spirits (Great Britain) Limited (USGBL)	6127260	26 Feb 2007	GBP	124.64	118.31	0	(3,276)	0	(3,276)	-	-	(0)	0	(0)	(0)	-	100	U.K.
8	McDowell & Co. (Scotland) Limited (MSL)	SC145242	5 Oct 2006	GBP	124.64	118.31	20	(3)	17	(1)	-	-	0	(0)	0	0	-	100	Scotland, U.K.
9	Royal Challengers Sports Private Limited (RCSPL)	U92400KA2008PTC045565	11 Mar 2008	₹	1	1	0	349	678	(329)	-	545	175	46	130	130	150	100	India
10	Nao Spirits & Beverages Provate Limited	U15100DL2010PTC197532	26 Jun 2025	₹	1	1	0	27	51	(24)	-	39	-10	-	(10)	(10)	-	97.07	India
11	Hapusa UK Private Limited	11481278	26 Jun 2025	GBP	124.64	118.31	0	(0)	0	(0)	-	-	(0)	-	0	(0)	-	97.07	U.K.

Notes:

1 *Closing exchange rate is applied for share capital, reserves and surplus, total assets, total liabilities and investments. Average exchange rate is applied for turnover, profit/(loss) before taxation, profit/(loss) after taxation, total comprehensive income, and proposed dividend. All amounts are in ₹ crore except % of shareholding and exchange rate.*

2 *All the subsidiaries have 31st March 2026 as their financial year end.*

3 *Names of subsidiaries which are yet to commence operations: Nil.*

4 *These are subsidiaries under section 2(87)(ii) of the Companies Act, 2013.*

**The profit is on account of forex gain on Inter-Company loan which gets eliminated at group level.*

Annexure-1 (Continued)

Part B: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sl No.	Name of ~~Associates or~~ Joint Ventures	Inspired Hospitality Private Limited	V9 Beverages Private Limited	Indie Brews and Spirits Private Limited
1	Latest audited Balance Sheet Date	31/03/2025	31/03/2025	31/03/2025
2	Date on which the Associate or Joint Venture was associated or acquired	04/04/2024	26/09/2024	27/09/2024
3	Shares of Associate or Joint Ventures held by the company on the year end			
	Number of Equity shares	10	10	10
	Number of Compulsory Convertible Preference Shares	3,494	3,734	4,016
	Amount of Investment in Joint Venture (₹ in crore)	6	5	5
	Extent of Holding (in percentage) *	13.24%	25%	25%
4	Description of how there is significant influence	Joint control over operating and financing activities	Joint control over operating and financing activities	Joint control over operating and financing activities
5	Reason why the associate/Joint venture is not consolidated.	Not Applicable	Not Applicable	Not Applicable
6	Net worth attributable to shareholding as per latest audited Balance Sheet (₹ in crore)	8	1	4
7	Profit or Loss for the year			
	i. Considered in Consolidation ** (₹ in crore)	(0)	(0)	(1)
	ii. Not Considered in Consolidation (₹ in crore)	(3)	(1)	(2)

Notes:

**On a fully diluted basis*

***Represents Group's share of loss*

1 Names of associates or joint ventures which are yet to commence operations - Nil

2 Names of associates or joint ventures which have been liquidated or sold during the year - Nil

V K Viswanathan
Chairperson
DIN: 01782934

Narayan K Seshadri
Independent Director
DIN: 00053563

Praveen Someshwar
Managing Director & Chief Executive Officer
DIN: 01802656

Pradeep Jain
Executive Director & Chief Financial Officer
DIN : 02110401

Pragya Kaul
Company Secretary

Place: Bengaluru
Date: 14th May 2026

Annexure-2

Related Party Transactions

FORM AOC - 2

(Pursuant to section 134(3)(h) of the Companies Act, 2013 and rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered by the Company with related parties referred to in section 188(1) of the Companies Act, 2013 including certain arm's length transactions under the fourth proviso thereto.

a) Details of Contracts or transactions not at arm's length basis: There are no contracts or arrangements or transactions that were not at arm's length basis for the year ended 31st March 2026.

b) Details of Material Contracts or transactions at arm's length basis: There are no material contracts or arrangements or transactions at arm's length basis and in the ordinary course of business for the year ended 31st March 2026.

By Order of the Board

V K Viswanathan
Chairperson
DIN: 01782934

Date: 14th May 2026
Place: Bengaluru

Annexure-3

Form No. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year Ended March 31, 2026
[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 SPIRITS LIMITED
'UB Tower' # 24, Vittal Mallya Road,
Bangalore-560001 Karnataka, India

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **United Sprits Limited** (hereinafter referred as 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Auditor's Responsibility:

Our responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. We have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards requires that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Based on our verification of the Company's books, papers, 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, we hereby report that in our opinion, the Company has, during the audit period covering from April 01, 2025 to March 31, 2026 (hereinafter referred as the 'Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent and in the manner reporting made hereinafter:

We have examined books, papers, minutes books, forms and returns filed and other records maintained by the Company for financial year ended on March 31, 2026 according to the provisions of:

(i) The Companies Act, 2013 ('the Act') and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment and Foreign Direct Investment **(External Commercial Borrowings is not applicable to the Company during the Audit Period)**;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable to the Company during the Audit Period)**

d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not Applicable to the Company during the Audit Period)**

e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not Applicable to the Company during the Audit Period)**

f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 erstwhile Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not Applicable to the Company during the Audit Period)**

h. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018. ('Buy-back Regulations') **(Not Applicable to the Company during the Audit Period)** and

i. The Securities and Exchange Board of India (Depositories and Participants) Regulation 2018.

Annexure-3 (Continued)

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereunder. ('Listing Regulations')

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards etc. made there under.

Further, with respect to the directorship of one of the directors in another company, the Company has been provided with an independent third-party legal opinion regarding the non-applicability of Section 164 in connection with the company in which the said director holds office, which we have relied upon.

We further report that, having regard to the compliance system prevailing in the Company and on the examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has generally complied with the following law applicable specifically to the Company:

a. Various State Excise Laws relating to alcohol and related industry;

b. Food Safety and Standards Act, 2006 and Rules and Regulations made thereunder;

We 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 audit period were carried out in compliance with the provisions of the Act and Listing Regulations.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except for the meetings which were held at shorter notice, 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 at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

We further report that during the Audit Period:

a) The Company has completed acquisition of Equity and Compulsory Convertible Preference Shares in NAO Spirits & Beverages Private Limited ("NAO") pursuant to share purchase agreement as approved by Board of Director in Board Meeting held on June 19, 2025 resulting in NAO becoming subsidiary of the Company.

b) The Company in its Board Meeting held on March 24, 2026 approved the proposal for sale of entire shareholding in Royal Challengers Sports Private Limited, a wholly owned subsidiary of the Company ("RCSPL") constituting 14,690 Equity shares of RCSPL (held by itself and through its nominees) for an aggregate consideration of ₹ 1,66,63,29,74,170/- (subject to such adjustments and other conditions as set out in the Share Purchase Agreement.

For Makarand M. Joshi & Co.
Company Secretaries
ICSI UIN: P2009MH007000
Peer Review Cert. No.: 6832/2025

Kumudini Bhalerao
Partner
FCS: 6667
CP: 6690
UDIN: (F006667H000364233)

Place: Mumbai
Date: 14th May 2026

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

Annexure-3 (Continued)

'Annexure A'

To,
The Members,
UNITED SPIRITS LIMITED
'UB Tower' # 24, Vittal Mallya Road,
Bangalore-560001 Karnataka, India

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.

For Makarand M. Joshi & Co.
Company Secretaries
ICSI UIN: P2009MH007000
Peer Review Cert. No.: 6832/2025

Kumudini Bhalerao
Partner
FCS: 6667
CP: 6690
UDIN: (F006667H000364233)

Place: Mumbai
Date: 14th May 2026

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

Annexure-3A

Secretarial Compliance Report of United Spirits Limited
for the year ended March 31, 2026

We, M/s. Makarand M. Joshi & Co., Practicing Company Secretaries, have examined:

(a) all the documents and records made available to us and explanation provided by United Spirits Limited ('the listed entity'),

(b) the filings/submissions made by the listed entity to the Stock Exchanges,

(c) website of the listed entity,

(d) any other document/filing, as may be relevant, which has been relied upon to make this certification, for the financial year ended on March 31, 2026 ('Review Period') in respect of compliance with the provisions of:

(a) the Securities and Exchange Board of India Act, 1992 ('SEBI Act') and the Regulations, circulars, guidelines issued thereunder; and

(b) the Securities Contracts (Regulation) Act, 1956 ('SCRA'), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ('SEBI');

The specific Regulations, whose provisions and the circulars/guidelines issued thereunder, have been examined, include:

a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as 'Listing Regulations');

b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not Applicable to the Company during the Review Period)

c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not Applicable to the listed entity during the Review Period);

e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not Applicable to the Company during the Review Period)

f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not Applicable to the Company during the Review Period)

g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

h) The Securities and Exchange Board of India (Depositories and Participants) Regulation 2018.

and circulars/guidelines issued thereunder.

Further in terms of SEBI Circular no SEBI/HO/CFD/CFD-PoD-2/CIR/P/2024/185 dated December 31, 2024 in respect to the requirement of disclosure of Employee Benefit Scheme Documents in terms of regulation 46(2)(za) of Listing Regulations- Not Applicable.

Annexure-3A (Continued)

and based on the above examination, we hereby report that, during the review period:

I. (a) The listed entity has complied with the provisions of the above Regulations and circulars/guidelines issued thereunder;

Sr. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
Not Applicable										

(b) The listed entity has taken following actions to comply with the observations made in previous reports:

Sr. No.	Observations/ Remarks of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended ...	Compliance Requirement (Regulations/ circulars/guidelines including specific clause)	Details of violation/ deviations and actions taken / penalty imposed, if any, on the listed entity	Remedial actions, if any, taken by the listed entity	Comments of the PCS on the actions taken by the listed entity
Not Applicable						

(c) We hereby report that, during the Review Period the compliance status of the listed entity is appended as below:

Sr. No.	Particulars	Compliance Status (Yes/ No/NA)	Observations / Remarks by PCS*
1.	**Secretarial Standards:** The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (ICSI).	Yes	-
2.	**Adoption and timely updation of the Policies:**		
	• All applicable policies under SEBI Regulations are adopted with the approval of Board of Directors of the listed entities.	Yes	-
	• All the policies are in conformity with SEBI Regulations and have been reviewed & timely updated as per the regulations/circulars/guidelines issued by SEBI.	Yes	-
3.	**Maintenance and disclosures on Website:**		
	• The Listed entity is maintaining a functional website.	Yes	-
	• Timely dissemination of the documents/ information under a separate section on the website.	Yes	-
	• Web-links provided in annual corporate governance reports under Regulation 27 (2) of Listing Regulations are accurate and specific which redirects to the relevant document(s)/section of the website.	Yes	-
4.	**Disqualification of Director:** None of the Directors of the listed entity are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.	Yes	-
5.	**Details related to Subsidiaries of listed entity have been examined w.r.t.:**		
	(a) Identification of material subsidiary companies	(a) NA	The Company does not have any Material Subsidiary.
	(b) Requirements with respect to disclosure of material as well as other subsidiaries	(b) NA	
6.	**Preservation of Documents:** The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under the Listing Regulations.	Yes	-

Annexure-3A (Continued)

Sr. No.	Particulars	Compliance Status (Yes/ No/NA)	Observations / Remarks by PCS*
7.	**Performance Evaluation:**		
	The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations.	Yes	-
8.	**Related Party Transactions (RPT):**		
	(a) The listed entity has obtained prior approval of Audit Committee for all Related party transactions.	(a) Yes	(a) -
	(b) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit committee.	(b) NA	(b) Please refer point no. 8(a)
9.	**Disclosure of events or information:**		
	The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of Listing Regulations within the time limits prescribed thereunder.	Yes	-
10.	**Prohibition of Insider Trading:**		
	The listed entity is in compliance with Regulation 3(5) & 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	-
11.	**Actions taken by SEBI or Stock Exchange(s), if any:**		
	No actions taken against the listed entity/its promoters/directors/subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/guidelines issued thereunder (or)	Yes	-
	The actions taken against the listed entity/its promoters/directors/subsidiaries either by SEBI or by Stock Exchanges are specified in the last column.	NA	No such event
12.	**Resignation of statutory auditors from the listed entity or its material subsidiaries**		
	In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity and/or its material subsidiary(ies) has/have complied with paragraph 6.1 and 6.2 of section V-D of chapter V of the Master Circular on compliance with the provisions of the Listing Regulations by listed entities.	NA	No such event
13.	**Additional non-compliances, if any:**		
	No additional non-compliance observed for any SEBI regulation/circular/guidance note, etc. except as reported above.	NA	No such non compliance

**Observations/Remarks by PCS are mandatory if the Compliance status is provided as 'No' or 'NA'*

Assumptions & Limitations of Scope and Review:

1. Compliance with the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to certify based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the Listing Regulations and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

For Makarand M. Joshi & Co.
Company Secretaries
ICSI UIN: P2009MH007000
Peer Review Cert. No.: 6832/2025

Kumudini Bhalerao
Partner
FCS: 6667
CP: 6690
UDIN: F006667H000364277

Place: Mumbai
Date: 14th May 2026

Annexure-4

Employee Details

Details of Ratio of Remuneration of Directors and Key Managerial Personnel (KMP)
[Section 197(12) of the Companies Act, 2013 r/w Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

Sr. No.	The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year;	Name of the Directors/KMP	Designation	Ratio to the Median	Percentage Increase
i)	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	Mr. Praveen Someshwar*	Managing Director & Chief Executive Officer	169:1	Not Comparable
		Mr. Pradeep Jain	Executive Director & Chief Financial Officer	45:1	3%
		Mr. Mital Sanghvi*	Company Secretary	-	Not Comparable
		Ms. Pragya Kaul*	Company Secretary	-	Not Comparable
		Mr. V K Viswanathan	Independent Director	7:1	57% $
		Mr. Narayan K Seshadri#	Independent Director	NA	NA
		Mr. Mukesh Hari Butani	Independent Director	5:1	42% $
		Dr. Indu Bhushan	Independent Director	5:1	36% $
		Ms. Amrita Gangotra	Independent Director	5:1	NA@
ii)	The percentage increase in the median remuneration of employees in the financial year	The average increase in median remuneration of employees in the Financial Year 2025-26 compared to the median remuneration of employees in the previous year is 21.58%.			
iii)	The number of permanent employees on the rolls of Company;	The Company had a permanent headcount of 2,224 on the rolls as of 31st March 2026.			
iv)	Average percentile increase already made in the salaries of employees other than the key managerial personnel in financial year and its comparison with the percentile increase in the key managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	The change in the average remuneration of employees, other than Key Managerial Personnel (KMPs), increased by 15.20% during the current financial year compared to the previous financial year. In respect of KMPs, as their remuneration pertains only to a part of the current and/or previous financial year, the year-on-year change in average remuneration is not comparable.			
V)	Affirmation that the remuneration paid is as per the Nomination and Remuneration Policy of the Company	The remuneration paid is as per the Nomination and Remuneration Policy of the Company.			

**Percentage increase/decrease in remuneration is not reported as they were appointed during the financial year 2025-26/ held office for part of the financial year 2025-26.*

$For Non-executive Directors, change in percentage denotes change in remuneration (excluding sitting fees) and for the period of their Directorship during the year.

#Mr. Narayan K Seshadri was appointed during the year. Accordingly, the percentage increase /decrease in remuneration and ratio of remuneration to median remuneration is not applicable.

@Ms. Amrita Gangotra was appointed during previous year, hence percentage increase/decrease in remuneration is not applicable.

By Order of the Board

V K Viswanathan
Chairperson
DIN: 01782934

Place: Bengaluru
Date : 14th May 2026

Annexure-4 (Continued)

Information as required under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Board's Report for the financial year 2025-26.

A. Employee for full year

Sr. No.	Employee Name	Age (as on 31st March 2026)	No of shares held	Remuneration	Designation & nature of duties	Qualification	Experience	Date of employment	Particulars of previous employment
1	Amitabh Pande	49	-	2,48,51,388	EVP - Strategy, Consumer Planning & Digital Transformation	B.A / PGDM	25	09-08-2021	Head, Marketing - IKEA India
2	Anchal Kaushal	47	-	1,68,90,286	Vice President - Customer Marketing	B.com, MBA	23	04-04-2019	Associate Director, Marketing - Jagajit Industries limited
3	Arnab Bhowmick	50	360	1,58,75,564	Vice President - Sales	Marketing Management, PGDM	27	23-03-1999	Sales Representative - Stallion Products Pvt Ltd
4	Arvind Bangalore Sainath	46	-	1,42,31,285	Senior General Manager - Consumer Planning & Insights	B.E, PGD in Software Enterprise	24	07-12-2017	Head, Marketing Analytics - AVA Ecnometric Services
5	Ashish Parikh	49	-	3,24,45,848	Executive Vice President and Chief Operating Officer - North and West	MBA from SVKM's Narsee Monjee Institute of Management Studies (NMIMS)	25	12-07-2022	Global Omnichannel and Category Development Director - Reckitt Benckise
6	Ashok Arora	48	50	1,58,48,465	Vice President - Supply Finance	Chartered Accountant	25	02-11-2004	Finance manager - Greenfield online PVT LTD
7	Ashwath Narayana Bysani	52	-	1,22,81,002	Senior General Manager - Sales	Masters in Marketing	31	08-09-2021	Regional Sales Manager - Pernod Ricard
8	Chitra Gupta	45	-	1,77,44,361	Vice President - Human Resources	B.Com, MA	22	12-02-2024	Head of HR, Supply Chain - Coca Cola
9	Devashish Dasgupta	60	-	2,37,79,740	Corporate Relations Director	B.Sc, CA	36	05-12-2024	FICCI National executive committee
10	Dhivya Kumar Bansal	42	-	2,38,82,342	Vice President and Chief Digital & Technology Officer	B.Tech, PGBM	18	06-11-2024	Unilever - IT Director
11	Himanshu Maloo	47	50	1,83,75,839	Vice President - Supply Chain Planning & Move	PGD Industrial Engineering	24	23-11-2023	Chief Supply Chain Officer - DFM Foods
12	Hiren Dedhia	41	-	1,18,70,872	Senior General Manager - Head Design	Graphic Design, BFA Applied Arts	19	02-01-2020	Landor - Design Director
13	Jagbir Singh Sidhu	55	-	4,37,02,500	Chief Commercial Officer	MBA, Punjab University	30	05-07-2017	Pernod Ricard
14	Jitendra Mahajan	56	-	4,67,75,370	Chief Supply and Sustainability Officer	B.E. Mechanical / MBA	31	22-04-2022	COO (Chief operating officer) Supply Chain - Marico Limited
15	Jyoti Bhat	49	-	1,21,27,325	Vice President - Technical Direction (R&D)	MSC, PGD in Public health	13	11-09-2020	Director, Product Innovation & Education - Herbalife Nutrition
16	Kalyan Harishchandra Pawar	43	5	1,04,07,883	Senior General Manager - Engineering and Maintenance	Master of Technology - SE	20	06-11-2023	Heineken International - Global Head of Engineering
17	Karan Garg	43	-	1,50,79,015	Vice President - Sales Effectiveness	MBA	22	31-05-2017	Godrej Consumer Products Limited
18	Kashinath Jha	57	-	1,97,90,410	Vice President - Manufacturing	BE	33	06-09-2016	Reckitt Benckiser
19	Kaushik Kanjilal	50	-	1,17,87,163	Senior General Manager - Sales	Diploma in Marketing and Sales (NIS) & Diploma in Mechanical	29	05-09-2006	Mason & Summers - Marketing Manager
20	Kuldeep Agrawal	50	-	1,73,11,772	Senior General Manager - Research and Development	P.hd in Food Technology	22	16-08-2012	Centre In Charge - Centre of Food Technology
21	Mahaveer Chand Jain	46	-	1,47,83,693	Vice President - USL Head and Africa Audit	CA	22	22-08-2022	Head of Governance, Global Finance Risk management and Controls, GSK
22	Manish Seth	52	-	2,63,69,559	Executive Vice President and Chief Operating Officer - South, West, Central and CSD	MBA	29	01-09-2023	Zonal Head North - Pernod India
23	Mital Sanghvi	47	-	1,90,86,134	Vice President - Financial Controller	B.Com, ACS, FCCA & ACA	24	09-12-2019	Provenance Land Private Limited
24	Monish Bhasin	51	-	1,76,99,033	Vice President- Sales	MBA / B.E	29	25-09-2006	Senior Brand Manager - Mahindra and Mahindra
25	Navdeep Singh Mehram	49	-	1,21,47,562	Vice President - CSR & Sustainability	MBA	27	14-06-2021	ThinkThrough Consulting Pvt Ltd - Chief Value Catalyst
26	Nimish Shah	51	-	3,18,19,474	Executive Vice President and Financial Controller	Chartered Accountant	28	09-09-2021	APAC Regional Controller - The Walt Disney Company
27	Nipun Mohanka	42	-	2,02,62,222	Vice President - Taxation	B.Com, CA	21	05-03-2024	Loreal india Pvt Ltd - Head Taxation
28	Pankaj Jain	52	-	1,30,16,525	Senior General Manager - Sales	MBA	24	22-02-2018	Branch Manager - Pernod Ricard
29	Pankaj Satyanarayan Panchariya	51	-	1,49,78,740	Vice President - Sales	B.Com, PGDM	29	21-11-2021	Region Head (AGM) - Pernod Ricard
30	Pankaj Umesh Kapoor	47	-	1,18,69,995	Vice president – Quality & Transformation	MMS	22	04-09-2023	Vice President, Digital - TCPL
31	Pradeep K	48	58	1,90,61,711	Vice President - Human Resources	BA LLB, PGDM & IR, MSW	23	01-12-2023	HRBP Director - Madura Coats
32	Pradeep Jain	57	-	4,81,69,894	Executive Director & Chief Financial Officer	B.Com, CA	32	04-04-2017	CFO - Pidilite Industries
33	Praveen Someshwar	59	-	18,33,39,510	Chief Executive Officer	CA/ICWA	38	01-03-2025	HT Media Ltd - MD & CEO
34	Ravinder Saini	50	-	1,02,28,154	Senior General Manager - Sales	Bsc, PGDMS	29	15-07-2024	Pernod Ricard - General Manager
35	Ruchira Jaitly	53	-	3,53,08,953	Chief Marketing Officer	PGDM, Marketing from Indian Institute of Management Ahmedabad	26	01-10-2021	CMO India - HMD Global Pvt Ltd
36	Sandeep Sharma	42	31	1,38,55,933	Vice President - Sales	MBA	19	01-04-2015	Cargill India
37	Sanjay Ghoshal	55	-	1,58,34,205	Senior General Manager - Packaging Renovation & Productivity	Post-Graduate	26	12-01-2021	BIZONGO Director -Packaging
38	Sanjeev Vijh	56	-	2,07,90,930	Vice President - Corporate Affairs	B.com	28	25-04-2019	Head, External Affairs - Pernod Ricard
39	Saurabh Kumar	46	-	1,96,88,581	Vice President - Sales	B.Tech	23	18-07-2019	COO (Chief operating officer) - Innovative foods Ltd -
40	Seema Sukumar	45	-	1,22,51,091	Vice President - Senior Counsel Legal	BSL, LLB	27	09-04-2020	BTG - Legal Partner
41	Shefali Sapra	56	-	1,09,51,049	Vice President – Corporate Communications	BA Hons, English Literature	27	26-09-2022	Danone India - Director Public Affairs and Communications
42	Shilpa Vaid	49	-	3,84,16,837	Chief HR Officer, Diageo India	B.A.(H), MBA HR IMI	26	14-11-2022	BU People Lead, India - Mondelez International

Annexure-4 (Continued)

Sr. No.	Employee Name	Age (as on 31st March 2026)	No of shares held	Remuneration	Designation & nature of duties	Qualification	Experience	Date of employment	Particulars of previous employment
43	Shobhana Nikam	54	-	2,82,41,775	Executive Vice President and General Counsel	ML, International and Constitutional Law	29	31-10-2022	Senior Vice President & Head Legal - Wells Fargo International Solutions Private Limited
44	Shruti Zota	42	-	1,60,87,717	Vice President - Senior Counsel Legal	BLS LLB	19	10-10-2022	General Counsel - GlaxoSmithKline Pharmaceuticals Ltd
45	Subroto Ghosh	44	50	1,27,48,334	Senior General Manager – Procurement (Raw Materials & Commodities)	Bsc, PGDM	18	27-09-2021	Bajaj Consumer Care Ltd - Head Procurement and Planning
46	Sunny Singh Kataria	42	-	1,83,71,188	Vice President - Key Accounts	Master of Business Administration (MBA)	16	29-11-2021	Head of Commercial excellence - OLX Group
47	Varun Koorichh	43	-	1,73,44,048	Vice President - Category Head	MBA	17	31-07-2023	Marketing Director, Global Customers - Pepsico
48	Vikram Damodaran	50	51	3,70,47,544	Chief Innovation Officer	B.E., (Mech)	27	14-10-2019	Chief Product Officer - GE Healthcare
49	Vikram Jain	51	-	1,13,43,724	VP Sales – CSD & Franchise Business	MBA / B.com	28	19-01-2009	Senior Manager, Marketing - Pernod Ricard

B. Employees for Part Period

Sr. No.	Employee Name	Age (as on 31 March 2026)	No of shares held	Remuneration	Designation & nature of duties	Qualification	Experience	Date of employment	Particulars of previous employment	Last working day with Company
1	Rajrajeshwari Shukla	45	-	82,30,960	Vice President - Senior Counsel Legal	BSL/ LLB	20	07-07-2025	General Counsel & Director Legal - Raymond Ltd	NA*
2	Anirudh Kunjal	39	-	74,93,856	Senior General Manager - Data & Analytics Head	PGDM (MBA) - BE	15	10-07-2025	Head of Digital & IT - Hero MotoCorp	NA*
3	Aanandita Datta	44	-	1,14,32,876	Vice President - Category Head	MBA - Marketing	16	27-08-2025	Global Brand Director - Unilever	NA*
4	Prashant Kumar	47	-	53,44,507	Senior General Manager - Cluster Head	Masters in Management Studies (MMS) - Marketing	20	04-11-2025	Pernod Ricard - Regional Sales Manager	NA*
5	Pragya Kaul	48	-	78,26,796	Vice President - Company Secretary	CS/LLB	20	01-09-2025	Eureka Forbes- Company Secretary & Compliance Officer	NA*
6	Chinmay Sharma	46	-	33,87,971	Chief HR Officer	MBA	22	05-03-2025	GlaxoSmithKline - HR Business Leader	NA*
7	Sunil Dwivedi	53	-	96,92,687	Vice President - Manufacturing	B.E Chemical Engineering, IIT Bombay	22	10-01-2022	Head, Operations - AvanStrate Inc	06-May-25
8	Bhanu Gupta	45	-	1,34,69,040	Vice President - Luxury and Super Premium	B.E, MBA	20	01-04-2024	Reliance Infocomm Limited - SVP & Business Head	31-Aug-25
9	Bimal Kumar Mishra	49	-	64,50,610	Senior General Manager - Manufacturing	MBA, M.Tech, B.E	25	27-08-2020	Carlsberg India Pvt. Ltd - Senior General Manager - Operations (Brewery Head)	04-Oct-25

Annexure-4 (Continued)

Sr. No.	Employee Name	Age (as on 31 March 2026)	No of shares held	Remuneration	Designation & nature of duties	Qualification	Experience	Date of employment	Particulars of previous employment	Last working day with Company
10	Diwaker Vij	43	-	1,86,05,148	Vice President - Commercial Finance	CA	18	16-04-2019	Division Finance Controller, Thermo Fisher Scientific	31-Dec-25
11	Gowri Advani	46	-	21,31,021	Vice President - Senior Counsel Legal	LLB, B.S.L	13	08-05-2017	Legal Consultant - Diageo India Pvt Ltd	19-May-25

**Employees have joined the Company during FY 2025-26 and are continuing in employment hence last working day is not applicable.*

Notes :

1. The aforementioned employees have / had permanent employment contracts with the Company.
2. Employees mentioned above are neither relatives of any directors of the Company, nor hold 2% or more of the paid-up equity share capital of the Company as per Clause (iii) of sub-rule (2) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

By Order of the Board

V K Viswanathan
Chairperson
DIN: 01782934

Place: Bengaluru
Date : 14th May 2026

Annexure-5

Risk Management

We define risk as "an uncertainty that could help or hinder achieving our business objectives". We believe that effective risk management starts with the right conversations to drive better business decisions. Our primary focus is to identify and embed mitigating actions for material risks that could impact our current or future performance, and/or our reputation. Our approach is structured to ensure that we take all reasonable steps to mitigate, but not necessarily eliminate, all risks in this context.

Risk Governance Framework

We have established a robust governance model designed to embed a riskaware culture throughout the organization. Each function holds ownership for identifying and reporting risks to the appropriate leadership tier, while the Governance function provides independent oversight and ensures alignment at the enterprise level.

Key pillars of our Risk Management Framework include:

- **Three-Tier Risk Management Committee (RMC):**
  A structured, multi-level committee system operating at the Functional, Executive, and Board levels to ensure comprehensive risk oversight and accountability.

- **Well-Defined Risk Management Policy:**
  A formal policy framework defining risk governance, roles, responsibilities, and the end-to-end risk management process.

- **Periodic Risk Review Meetings:**
  Periodic RMC meetings to assess the risk landscape, monitor mitigation progress, and evaluate emerging risks.

- **Structured Risk Documentation:**
  All critical risks are formally documented, with identified root causes, impact assessments, ownership accountability, and detailed, timebound mitigation plans with measurable indicators.

- **Ongoing Monitoring & Dynamic Updates:**
  Risks are continuously tracked, with timely updates to risk profiles and mitigation actions to reflect changing business contexts.

- **End-to-End Risk Coverage:**
  The framework encompasses a wide range of strategic, financial, operational, compliance, and emerging risks, both internal and external, ensuring holistic risk oversight.

Refer to the Risk Management section for further details.

Annexure-6

Corporate Social Responsibility (CSR)

THE ANNUAL REPORT ON CSR ACTIVITIES FOR THE YEAR ENDED MARCH 31, 2026

[Pursuant to Section 135 of Companies Act, 2013 read with Rule 8 of Companies (CSR Policy) Rules, 2014]

1. Brief outline of the CSR Policy of the Company

Company aspires to make a lasting difference in the lives of our communities, with a view to be able to build their agency and to lead a life of dignity. The Company also intends to contribute towards the Sustainable Development Goals set out by the United Nations, with the CSR activities being one of the avenues to help achieve the Goals.

Spirit of progress is the CSR & ESG strategy of the Company that supports the ambition to become the best performing, most trusted, and respected consumer products company in India. Our mission is to empower the communities in their own development through a collaborative, and sustainable approach, underscored by responsible utilization of resource in partnership with community-based institutions, civil society organizations, value chain partners and industry peers and to undertake sustainable initiatives under agreed focus areas, leading to measurable progress, especially in areas of education, women empowerment, economic well-being, and environment.

2. Composition of Corporate Social Responsibility and Environmental, Social and Governance (CSR and ESG) Committee:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR and ESG Committee held during the year	Number of meetings of CSR and ESG Committee attended during the year
1.	Dr. Indu Bhushan	Non-Executive Independent Director (Chairperson of the Committee)	4	4
2.	Mr. Praveen Someshwar	Managing Director and Chief Executive Officer	4	4
3.	Mr. Mark Sandys	Non-Executive Director	4	3
4.	Mr. Narayan K Seshadri*	Independent Director	2	2

**Mr. Narayan K Seshadri appointed as member with effect from 9th October 2025*

3. Web link where the Composition of the CSR and ESG Committee, CSR Policy, and CSR projects approved by the Board is disclosed on the website of the Company:

https://www.diageoindia.com/en/investors/corporate-social-responsibility

Annexure-6 (Continued)

4. Executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.

Projects Covered	8 projects having budget of more than 1 crore each during the financial year 2023-24 were taken up for impact assessment.
Projects Duration	FY 23-24
Impact Assessment Agency	Pahle India Foundation
Period of Study	FY 2025-26
Projects	**Impact recorded**
Afforestation, Alwar, Rajasthan	The project was initiated in partnership with the district forest Department, Alwar, Rajasthan where USL had planted 200K+ saplings under the project TOFI (Tree Outside forest in Rajasthan) at 19 different locations. The plantation was maintained by USL for next 2 years. **Assessment Framework:** The assessment follows EIA frameworks adapted for tropical and semi-arid afforestation, incorporating IPCC LULUCF carbon accounting guidelines, species-specific allometric equations (AGB = a × GBH□ × Height□, 47% C fraction), and GRI Standards 304 (Biodiversity) and 413 (Local Communities). Objective: To increase Green Cover and biodiversity to establish a thriving, self-sustaining ecological system. Output: 2,03,655 Saplings Planted and maintained with 26 species across 199.28 hectares. **Impact:** • A weighted average survival rate of ~78% – significantly above the national dryland afforestation benchmark of 60–70% – confirms strong ecological establishment. • Ten of 19 sites recorded survival rates of 80% or above. • Natural regeneration of Khejri (Prosopis cineraria), the Rajasthan State Tree, was documented at Salpur, signaling positive ecological succession. • Direct employment was generated at 9 of 19 sites. • The plantation is building a durable carbon sink projected to sequester 15,000–30,000 tones CO_2 equivalent per annum at maturity.
Wrong Side of the Road (WSOTR): Creating awareness on Impacts of drink driving:	Diageo India is implementing its programme on educating consumers on the impacts of drink driving. It is being implemented across various Regional Transport Offices in India through a WSOTR Tab Lab model where new driving license seeker must attend this programme as a part of the driving licence issuing process. **Analytical Approach** The study employs a Difference-in-Differences (DiD) methodology to assess the impact of the WSOTR program on the behaviour of license applicants with respect to drinking and driving. This approach involves capturing behavioral responses of applicants before viewing the documentary and reassessing the same individuals after exposure. The observed change in behavior is attributed to the influence of the documentary. Objective: To influence participants' behavior (drivers, motorists and other road users) and promote responsible driving. Output: The programme has been implemented across 87 RTOs in 12 states and UTs with 3,50,000+ beneficiaries. **Impact:** Sample Size: 5 RTOs across different states were covered. The following impact was observed: • An Attitude Index capturing the perceived acceptability of drinking and driving under various circumstances was created for each license applicated both before and after viewing the documentary. - The mean attitude index across the sample declined from 17.24 prior to viewing the documentary to 16.72 post-viewing. - The decrease in the index suggests that license applicants became less accepting of drinking and driving behavior after watching the documentary. - The programme clearly led to a positive attitude shift. • **Stronger Impact on Non-Drinkers:** The shift in attitudes was significantly higher among never drinkers compared to occasional and frequent drinkers. • Higher Engagement Among Youth: Younger applicants demonstrated greater • engagement and participation, actively reflecting on the documentary's message. • Effectiveness of Emotional Messaging: RTO officers highlighted that story-driven, emotional content is more effective than enforcement alone, as it creates lasting behavioural impact.
Learning for Life: A Business & Hospitality skills programme	Learning for Life is Diageo's business and hospitality skills programme for those seeking employment in the hospitality industry, but who may have faced barriers to education and employment in their lives. The programme offers training in two trades. • ood and Beverage Steward • Front Office **Methodology** The study employs a primary data-driven impact assessment framework to systematically evaluate the outcomes and overall effectiveness of the LFL programme. By combining quantitative indicators with qualitative insights, the assessment seeks to generate a holistic understanding of the programmes influence on participants. **Objectives of the programme**: • Improve employability through vocational training • Enhance sustainable livelihood opportunities **Output:** 1800 individuals were provided relevant skills in Business & hospitality sector through Learning for Life Programme. Sample Size: 145 participants including employers, project team, Trainers etc. Following impact was observed: **Economic & Income Impact:** Income Mobility: Prior to enrolment,85.2% of beneficiaries earned below ₹10,000/month (including 33% with zero income). Post-training, 72.3% now earn above ₹10,000/month and none remain without income. **Skill Development & Workplace Readiness:** Employer Validation: Employers consistently recognize LFL graduates for strong work ethic, professionalism, and adaptability. These hallmarks were identified in employer assessments. **Empowerment & Social Impact:** Confidence & Independence: A dominant majority of beneficiaries report significant improvements in confidence and independence. Gender Inclusion: More than 50% of beneficiaries are women, demonstrating meaningful progress toward female workforce participation in the formal hospitality sector

Annexure-6 (Continued)

Annexure-6 (Continued)

WASH, Nanded, Maharashtra	USL implemented a comprehensive Water, Sanitation and Hygiene (WASH) initiative across the Dharmabad Block, Nanded District, Maharashtra during FY 2023–24. The initiative targeted 17 Zila Parishad schools and select Gram Panchayats to improve access to safe drinking water, school sanitation, and hygiene infrastructure. **Methodology** The assessment was conducted using a mixed methods approach encompassing primary field visits to 11 sites (8 schools, 2 Gram Panchayats, and 1 health facility), student surveys via the KoboToolbox, stakeholder interviews, asset verification, and analysis of HMIS data from Dharmabad Rural Hospital. **Objective:** • To increase access and availability of clean drinking water and sanitation facilities. Output: Installation of 15 RO filtration systems (15–2000 LPH capacity), Construction and renovation of toilet blocks (boys & girls) with soak pits across 17 ZP schools and 2 Gram Panchayats. **The key impacts observed were:** RO Systems Deliver Water Quality Improvement: 15 RO systems operational; TDS reduced from 1,000–1,500 → 70– 75 mg/L. • 86% Reduction in Waterborne Disease – Corroborated by HMIS • Kidney stone complaints at Naigaon reduced; fluorosis risk lowered. Confirmed by Medical Officer. • Functional Separate Toilets Improve Dignity & Girls' Attendance • Soak pits (~2 per school) and compost units reduce monsoon waterlogging and manage organic waste. ZP Chikana channels RO reject water to irrigate campus plantations – a zero-cost, replicable model.
WASH, Hardoi, Uttar Pradesh	USL implemented a comprehensive Water, Sanitation and Hygiene (WASH) initiative in schools and communities in 8 Villages in Hardoi, Uttar Pradesh **Methodology** The impact assessment adopted a field-based research approach combining qualitative and quantitative data sources. The research design relied on primary data collection through site visits to selected schools and community installations. The field assessment covered four government schools located across four villages in the Bawan Block of Hardoi district. **Objective:** To increase access and availability of clean drinking water and sanitation facilities. **Output:** Constructed Toilet clocks, Handwashing stations and installed RO systems in 8 Villages. **The key impacts observed were:** • The interventions successfully addressed basic sanitation and drinking water needs in the surveyed schools. Separate toilets for boys and girls were available in most institutions, and RO-based drinking water systems provided improved access to purified water. Students reported regular use of sanitation facilities and drinking water stations, and hygiene practices such as handwashing after using the toilet or before meals were widely reported. • Attendance records suggested stable school participation, with no reported cases of waterborne diseases during the assessment period.
WASH, Baramati, Maharashtra	USL implemented a comprehensive Water, Sanitation and Hygiene (WASH) initiative in 4 schools in Baramati, Maharashtra. **Methodology** The impact assessment adopted a field-based research approach combining qualitative and quantitative data sources. The research design relied on primary data collection through site visits to selected schools. The field assessment in the Baramati region covered three schools located in the rural areas of Baramati, Pune district, Maharashtra. included Zila Parishad Primary School in Dorlewadi, New English School in Dorlewadi, and Shri Bhairavnath Vidyalaya in Baburdi village. **Objective:** To increase access and availability of clean drinking water and sanitation facilities. **Output:** Constructed Toilet clocks, Handwashing stations and installed RO systems in 4 Schools. **The key impacts observed were:** • In Baramati, the interventions produced particularly visible improvements in sanitation infrastructure. In several schools, deteriorated or absent toilet facilities were replaced with newly constructed sanitation blocks in accordance with Swachh Vidyalaya guidelines. • The installation of RO-based water purification systems, drinking water stations, and handwashing facilities significantly improved students' access to safe water and sanitation. Attendance levels in the surveyed schools remained consistently high, and no waterborne illnesses were reported during the assessment period. Teachers and school authorities reported improved hygiene conditions and reduced complaints of stomach-related illnesses among students.
WASH, Nashik, Maharashtra	USL implemented a comprehensive Water, Sanitation and Hygiene (WASH) initiative in 3 schools **Methodology** The impact assessment adopted a field-based research approach combining qualitative and quantitative data sources. The research design relied on primary data collection through site visits to selected schools. The field assessment in Nashik covered three schools located in the villages of Ambevani, Awankhed, and Parmori in Nashik district. **Objective:** To increase access and availability of clean drinking water and sanitation facilities. **Output:** Constructed Toilet clocks, Handwashing stations and installed RO systems in 3 Schools. The key impacts observed were: • RO-based purification systems significantly improved water quality by reducing previously high levels of dissolved solids in drinking water sources. Students reported regular access to purified drinking water and sanitation facilities, and hygiene awareness was reinforced through school-based awareness programmes and external initiatives led by health authorities. • In addition to school-based infrastructure improvements, community drinking water facilities were installed in certain locations, expanding access to safe drinking water for local residents. Supporting civil works, such as the construction of boundary walls at some schools, also helped improve school safety.

Annexure-6 (Continued)

WASH, Alwar, Rajasthan	USL implemented a comprehensive water replenishment and WASH projects in Alwar Rajasthan including repair and maintenance of check dams constructed, construction of sanitation facilities and drinking water systems. **Methodology** This assessment uses a mixed-methods design to evaluate the outcomes and value generated by USL/ Diageo's Water Replenishment and WASH interventions in Alwar (2021–2024). The quantitative component is based on a cross-sectional household survey conducted during the reporting period, complemented by recall-based questions that capture respondents' reported changes from pre-intervention conditions to the present. The qualitative component includes Key Informant Interviews (KIIs), Focus Group Discussions (FGDs), and structured site observations designed to explain patterns in the quantitative data, validate findings, and identify implementation constraints and equity risks. **Objective:** To increase access and availability of clean drinking water , sanitation facilities and implementing water replenishment projects to recharge ground water **Output:** Constructed Toilet clocks, Handwashing stations and repair & maintenance of check dams constructed in Alwar Rajasthan. **The key impacts observed were:** • Households with access to a toilet (own or shared), up substantially under the programme. Own-toilet ownership stands at 82.0%; open defecation reduced to 3.3%. Limited to Mahua Khurd. • 96.6% Households on piped tap water Up from ~50% on tubewells/borewells • 1.23 hrs Daily time saved per household 85% of collectors are women. • As per WASH Committee, Poonkhar GP "Groundwater levels increased by 150–200 ft after check-dam construction. Before, water was at 800 ft; now at 600 ft."

For detailed report please refer: - https://www.diageoindia.com/en/investors/corporate-social-responsibility

5.

Sl. No.	Particulars	Amount (₹ in crore)
(a)	Average net profit of the Company as per Section 135(5) of the Companies Act, 2013	1,547 crores
(b)	Two percent of average net profit of the Company as per Section 135(5) of the Companies Act, 2013:	30.94 crores
(c)	Surplus arising out of CSR projects or programmes or projects or activities of the previous financial years:	Nil
(d)	Amount required to be set-off for the financial year, if any:	0.48 crores
(e)	Total CSR obligation for the financial year pursuant to Rule 7(3) of Companies (Corporate Social Responsibility Policy) Rules, 2014 [(b)+(c)-(d)]	30.46 crores

6.

Sl. No.	Particulars	Amount (₹ in crore)
(a)	Amount spent on CSR projects (both Ongoing projects and other than Ongoing Project:	30.19 crores
(b)	Amount spent in Administrative Overheads:	1.51 crores
(c)	Amount spent on Impact Assessment, if applicable:	0.42 crores
(d)	Total amount spent for the financial year [(a)+(b)+(c)]):	32.12 crores

(e) CSR amount spent or unspent for the financial year:

Total amount spent for the financial year (₹ in Cr.)	Amount unspent (₹ in crore)				
	Total amount transferred to unspent CSR account as per Section 135(6) of the Companies Act, 2013		Amount transferred to any Fund specified under Schedule VII as per the second proviso to Section 135(5) of the Companies Act, 2013		
	Amount (₹ in Cr)	Date of Transfer	Name of the Fund	(₹ in Cr)	Date of Transfer
32.12	N.A.	N.A.	N.A.	N.A	N.A.

Annexure-6 (Continued)

(f) Excess amount for set off, if any:

Sl. No.	Particulars	Amount (₹ in Cr.)
(i)	Two percent of the average net profit of the Company as per Section 135(5) of the Companies Act, 2013	30.94
(ii)	Excess amount spent during previous years available for set off in the current financial year	0.48
(iii)	Excess amount spent during previous years utilized for set off in the current financial year	0.48
(iv)	Total CSR obligation for the financial year pursuant to Rule 7(3) of Companies (Corporate Social Responsibility Policy) Rules, 2014 [(i)-(iii)]	30.46
(v)	Total amount spent for the financial year	32.12
(vi)	Excess amount spent for the financial year [(v)-(iv)]	1.66
(vii)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	N.A.
(viii)	Amount available for set off in succeeding financial years [(vi)-(vii)]	1.66

7. Details of unspent Corporate Social Responsibility amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (₹ in crore.)	Amount spent in the reporting Financial Year (₹ in crore.).	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. (₹ in crore.)
				Name of the Fund	Amount (₹ in crore).	Date of transfer.	
1.	N.A.	N.A.	Nil	Nil	N.A.	N.A.	N.A.
	Total						

8. Whether any capital asset have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

NO

If yes, enter the number of Capital assets created/acquired:

Furnish the details relating to the asset so created or acquired through Corporate Social Responsibility amount spent in the financial year:

Sl No.	Short particulars of the property of asset(s) (including complete address and location of the property)	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/authority/beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration number, if applicable	Name	Registered address

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per Section 135(5) of the Companies Act, 2013:

N.A.

Praveen Someshwar
Managing Director and Chief Executive Officer
DIN:01802656
Place: Bengaluru
Date: 14th May 2026

Indu Bhushan
Chairperson CSR & ESG Committee
DIN:09302960
Place: Bengaluru
Date: 14th May 2026

Annexure-7

Energy Conservation, Technology Absorption & Foreign Exchange

Details of Conservation of Energy, Technology Absorption, Foreign Exchange Earning and Outflow (Section 134 (3) (m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014)

A) (i) Conservation of Energy

United Spirits Limited (USL) is committed to energy conservation and decarbonisation across its operations. The Company has eliminated the use of coal across all distilleries, with 100% of thermal energy requirements met through biomass based renewable fuels, maintaining zero coal operations for the past six years.

Aligned with its Spirit of Progress ambition, USL is progressing towards 100% renewable electricity, supported through onsite renewable energy generation, including solar installations and steam turbines, along with procurement of International Renewable Electricity Certificates (I RECs).

Solar power systems are operational at six owned manufacturing facilities – Alwar, Goa, Kumbalgodu, Nasik, Baramati and Nimapara. Installations currently under implementation at the Nanded unit.

In parallel with increasing renewable energy usage, energy efficiency initiatives such as installation of boiler condensate recovery, automation, and use of energy efficient equipment have resulted in annual energy savings of approximately 1803 MWh.

Through an integrated approach encompassing fuel transition, renewable energy sourcing, and energy efficiency initiatives, USL continues to demonstrate leadership in energy conservation while advancing its long term decarbonization and sustainability objectives.

(ii) Renewable Energy (Own units):

USL continues to make consistent and measurable progress in its energy transition journey, with focused efforts across the following key areas:

- Commitment to energy conservation and continuous improvement in energy efficiency across operations.
- Commitment to achieve 100% renewable energy and renewable electricity usage.
- Exclusive use of renewable biofuels in all distillery boilers to meet thermal energy needs.
- In-house generation of renewable electricity through steam turbines and solar power installations.
- Strategic procurement of International Renewable Energy Certificates (I-RECs) to offset electricity sourced from the grid.

B) Technology Absorption

i. The efforts made towards technology absorption.

SL continues to integrate cutting-edge technologies into its operations, with several pioneering initiatives undertaken to drive efficiency, sustainability, and safety. Key highlights include:

a) Introduced first of its kind net weight fillers for high volume brands across multiple sites, resulting in improved filling accuracy, reduced blend losses, and enhanced line productivity.

b) Implemented cobotic empty bottle handling systems on newly installed PET lines at multiple locations, delivering significant improvements in operational speed, handling accuracy, and quality consistency.

c) Commissioned ionised air rinsing technology for PET bottles at multiple sites, substantially reducing water consumption, improving environmental footprint, and increasing line throughput.

d) Deployed high efficiency wrap around case packers as end of line solutions, enhancing packing speed and quality while significantly optimising carton material consumption.

e) Introduced automated end of line shrink wrapping and bundle picking solutions, enabling higher productivity, reduced handling losses, and improved safety and quality standards.

f) Deployed an automated Cask Management System to ensure accurate tracking and automated disgorging of casks, improving operational control and reliability.

g) Commissioned an automated cooperage system enabling in house rejuvenation and reuse of used casks, ensuring high levels of safety, quality assurance, and operational speed.

Annexure-7 (Continued)

h) Installed roof insulation across maturation warehouses, reducing temperature fluctuations and minimising spirit losses. This initiative contributes to lowering carbon emissions and water footprint associated with new make spirit production.

i) Commissioned fully integrated PET packaging lines at multiple sites, equipped with advanced automation, inline quality inspection systems, and enhanced safety and reliability features.

j) Developed and deployed AI powered visual inspection systems for empty, filled, and labelled bottles, significantly reducing quality defects and strengthening customer satisfaction.

ii. The benefits derived like product improvement, cost reduction, product development or import substitution.

The adoption of new technologies across infrastructure and bottling has delivered tangible benefits across productivity, safety, cost optimization, and import substitution:

a) Automation and frugal innovation initiatives significantly enhanced production output while reducing dependency on manual labour and lowering operating costs. These interventions have also delivered substantial improvements in workplace safety and quality assurance across operations.

b) Upgrades in warehouse design, monitoring systems, and packaging automation have strengthened workplace safety standards and contributed positively to employee wellbeing and ergonomics.

c) Successfully implemented an AI powered vision inspection system for empty, filled, and labelled bottles in collaboration with Indian startups. This initiative effectively replaced high cost imported systems while delivering robust quality assurance.

d) Designed and deployed indigenous PET bottle unscramblers, providing a reliable and cost effective alternative to imported Spanish equipment, thereby reducing capital expenditure and improving supply resilience.

e) Developed affordable, in house automation solutions such as carton erectors, online check weighers, and case/bundle packers. These systems have significantly improved product quality, operational safety, and ergonomics, while achieving meaningful capital cost savings.

iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-

a) The details of technology imported: New weight filling systems & Magnetic cappers, Bottle Inspection Systems, Corking & Capsuling Machines

b) The year of import: 2023, 2024 and 2025.

c) Whether the technology been fully absorbed: Yes. Inspection Systems are completely Installed and operating at Nimapara, Alwar and Kumbalgodu. Net weight fillers & Screw cappers are operational at Nasik & Baramati.

d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: Not applicable.

iv. The expenditure incurred on Research and Development:

Around 16.53 Cr capital has been spent on Research and Development which includes renovation and Innovation.

C) Foreign Exchange Earnings and Outgo

Particulars	(₹ in crore)
Foreign Exchange earned in terms of actual inflows	185
Foreign Exchange outgo in terms of actual outflows	1375

By Order of the Board

V K Viswanathan
Chairperson
DIN: 01782934

Date: 14th May 2026
Place: Bengaluru

Management Discussion and Analysis

Economy Overview

Indian Economy

India continued to demonstrate strong macroeconomic momentum during FY 2025-26, supported by resilient domestic consumption, sustained public expenditure, and a gradual recovery in private sector investments. India's GDP grew by 7.7% in FY 2025–26, compared to 7.1% in the previous year, as per the Ministry of Statistics and Programme Implementation (MoSPI), reinforcing India's position as one of the fastest growing major economies globally.

On the external front, India advanced its trade engagement through agreements with key partners including the United Kingdom, the United States and the European Union, aimed at enhancing market access and strengthening trade linkages. These agreements are at various stages of engagement.

In particular, India-UK FTA was a landmark one, aimed at reducing tariffs, expanding market access and deepening economic cooperation.

While global uncertainties and tariff-related pressures moderated export momentum during the year, domestic demand remained the primary driver of growth. Policy focus remained on improving the ease of doing business through GST rationalisation and simplification of compliance frameworks, supporting a more efficient operating environment. Monetary policy also remained supportive, with the Reserve Bank of India reducing the repo rate by 100 basis points in FY 2025-26 to 5.25%, supporting growth and easing liquidity conditions.

Looking ahead, India's growth trajectory remains structurally strong, led by domestic consumption and supported by ongoing reforms. This provides a favourable backdrop for discretionary consumption categories, including premium and prestige segments within the alcoholic beverages industry.

Source:
https://rbidocs.rbi.org.in/rdocs/PressRelease/PDFs/PR20530D3EAF28B417497981BA800A7B3C0DCC.PDF
https://www.mospi.gov.in/sites/default/files/press_release/PRESS-NOTE-ON-SAE-2024-25-Q3-2024-25-FRE-2023-24-and-FE-2022-23-M1.pdf

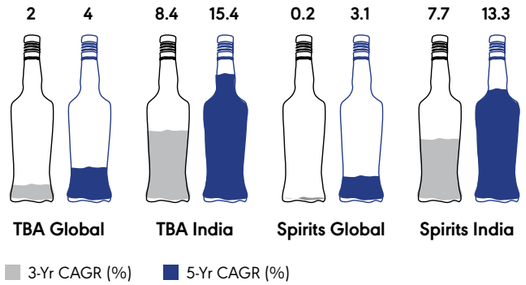
Industry Overview

Indian Alcoholic Beverage Market

Over the past decade, India's alcoholic beverages industry has experienced steady expansion, supported by rising disposable incomes, rapid urbanisation and shifting consumer lifestyles. Greater alignment with global consumption trends, rising participation of women consumers and a growing LDA population have further supported the gradual evolution of the market.

India TBA and spirits market continues to significantly outperform global growth trends. India remains fundamentally a spirits market, with spirits accounting for ~71% of TBA value, making it substantially larger than beer. While whisky continues to be the largest category and the primary driver of value, emerging categories such as whites are growing at a much faster pace, reflecting an expanding consumer repertoire and increasing experimentation among consumers. India's outperformance relative to TBA is expected to continue.

Value Growth (%)



(Basis (000 USD) at fixed currency exchange rate; Source - IWSR)

Single malts, premium malts and craft spirits are witnessing rising demand, particularly among urban and affluent consumers seeking higher quality and distinctive drinking experiences. Spirits – especially Indian Made Foreign Liquor (IMFL) whisky, rum, vodka, gin and brandy – continue to account for a substantial share of alcohol consumption in the country due to established consumer preferences and strong distribution networks.

The category is witnessing strong momentum driven by expanding consumer repertoires and continuous innovation across segments. Consumers are increasingly exploring new tastes, flavours, categories and experiences, driving demand for greater variety and premium offerings. This has led to a proliferation of new brands, flavour innovations, formats and pack sizes across the market. While global brands are introducing diverse propositions tailored to evolving consumer preferences, Indian brands are also driving innovation through differentiated local offerings.

Distribution channels also play an important role in the structure of the Indian alcohol market. Retail outlets, including government-licensed liquor stores, supermarkets and other organised retail formats, account for a significant portion of total alcohol sales. The growth of modern retail infrastructure has improved product visibility and accessibility for consumers. At the same time, on-premise consumption through bars, restaurants, hotels and entertainment venues continues to contribute significantly to overall demand, particularly in metropolitan cities and tourist destinations.

Looking ahead, the Indian alcoholic beverages market is expected to maintain steady long-term growth through 2035, supported by favourable demographic and socio-economic trends, rising consumption capacity driven by younger population, rising incomes, normalisation of alcohol, premiumisation, and fast-growing repertoire, and the desire for experimentation, supported by continued innovation across product categories. However, the market continues to operate within a complex regulatory environment characterised by state-level variations in taxation, licensing and retail policies, which will also remain a key factor influencing industry structure and future growth.

Source: https://www.theiwsr.com/insight/how-to-win-in-indias-beverage-alcohol-market/

https://www.marketresearchfuture.com/reports/indian-alcohol-market-25149

Management Discussion and Analysis (Continued)

Regulatory Scenario in the Indian Market

India's alcoholic beverage industry operates within a highly decentralised regulatory framework, in which state governments have authority over licensing, taxation, the legal drinking age and retail distribution. This system creates a fragmented environment, as compliance requirements, fees and procedures differ across regions, posing operational challenges for companies that operate nationwide.

In August 2025, the state of Maharashtra announced a revised liquor policy introducing a new low-tax category for grain-based spirits manufactured within the state under the Maharashtra Made Liquor (MML) framework. Eligibility for the category is linked to local manufacturing and ownership criteria, limiting participation by several national and foreign-invested spirits manufacturers operating outside Maharashtra, despite competing in similar consumer segments across the country.

The newly created category operates at highly attractive consumer price points, creating a significant market distortion for national players. The policy has disrupted competitive parity, narrowed consumer choice, and added complexity to production and supply-chain planning for manufacturers with interstate operating models. Over time, such structural asymmetries could also discourage broader industry investment and undermine the principle of a level playing field within the Indian alcobev sector.

In April 2026, the southern state of Karnataka introduced a landmark excise policy reform. As part of the overhaul, the state transitioned to an Alcohol-in-Beverage (AIB) based taxation structure, levying duties on actual alcohol content rather than total volume. The policy further removed state-administered retail price controls, enabling producers to determine pricing based on market considerations. The state also reduced excise slabs from 16 to 8 for alcobev products, thereby providing greater pricing flexibility to manufacturers. Notably, taxes at the higher end of the spectrum were rationalised, making premium products more accessible to consumers and creating a meaningful segway for premiumisation in one of India's largest alcobev markets. This structural simplification of the excise framework has the potential to expedite premiumisation trends in the state, auguring well for the industry's long-term growth trajectory.

Taxation remains a major component of the sector's regulatory landscape, with excise duties, value-added tax and additional surcharges contributing to relatively high retail prices. Further restrictions on accessibility, advertising and consumption, including dry days and state-specific prohibitions, create additional variation in market access. In addition, every year several states revise the regulatory framework for alcoholic beverages.

The India–UK Free Trade Agreement, expected to come into force soon, presents a significant opportunity for premiumisation within the Indian alcoholic beverages industry. The agreement reduces import duties on Scotch whisky and gin from 150% to 75%, with a phased reduction to 40% over the next decade. Given India's position as one of the world's largest whisky markets, the trade pact is expected to improve accessibility of Scotch for Indian consumers, accelerate premiumisation trends and support growth across the alcobev and hospitality sectors.

Source: https://www.foodnavigator-asia.com/Article/2026/02/03/clearer-and-more-flexible-indias-2026-alcohol-regulations/#:~:text=Replacing%20the%20%E2%80%9Clow%2Dalcohol%E2%80%9D,20%20public%20notification%20last%20year.

https://retail.economictimes.indiatimes.com/blog/regulation-and-revival-the-story-of-indias-alco-beverage-industry/120337405

Opportunities & Threats

Opportunities

1. **Favourable Demographics**

   India's alcoholic beverages market is expected to exhibit robust growth as the rising number of young adults enter the legal drinking age. The addition of this large group of young adult consumers, coupled with increasing disposable incomes and evolving lifestyle preferences, is likely to boost demand across product categories. As more young adults of legal drinking age enter the market, their preferences are expected to influence consumption patterns, particularly in premium and aspirational segments.

2. **Premiumisation**

   Rising affluence and aspiration are accelerating the shift towards premium and super-premium alcoholic beverages, thereby creating opportunities for capturing the consumer opportunity through high-value product portfolio accretive to margins.

3. **Emergence of Craft and Niche Segments**

   The rise of craft distilleries and small-batch producers is transforming the industry landscape. Innovative beverage formats, including flavoured spirits, artisanal cocktails and experimental blends, are gaining popularity among urban consumers. Emerging categories, including craft spirits, flavoured products and RTDs, are expanding consumption occasions and attracting new consumers.

4. **Sustainability and Eco-friendly Packaging**

   Growing consumer and business environmental awareness is driving the adoption of sustainable practices across the alcoholic beverages industry. Manufacturers are increasingly focusing on eco-friendly packaging solutions, such as recyclable glass bottles, lightweight materials and environmentally responsible production processes, to reduce their environmental footprint.

5. **Modern Retail and Digital Growth**

   The growth of organised retail and modern trade channels has improved the accessibility of products and market reach for alcoholic beverage brands. Premium retail outlets and specialised liquor stores are playing an increasingly important role in distribution. In addition, digital engagement and direct-to-consumer communication platforms are helping companies strengthen customer relationships and enhance brand visibility.

6. **Hospitality and Tourism-driven Consumption**

The growth of the hospitality and tourism sectors is expected to further support demand for alcoholic beverages. Premium bars, restaurants, hotels and nightlife venues are increasingly offering curated beverage experiences, encouraging consumers to explore premium and innovative alcoholic products. Tourism-driven destinations are also contributing to the nationwide growth of on-premise consumption.

7. **Evolving Social Norms driving Cultural Shift**

The gradual decline in social stigma surrounding alcohol consumption, especially among younger adults and women, offers a substantial opportunity for brands to broaden their target audience. This shift in cultural attitudes allows companies to develop and introduce products that align with changing social norms and evolving lifestyle preferences, catering to a more diverse and inclusive consumer base.

Constraints & Threats

1. **Fragmented and Complex Regulatory Environment:**

The highly decentralised regulatory framework – where each state governs its own excise, licensing and retail policies – remains a major challenge. This fragmentation increases compliance costs, complicates pan-India distribution strategies and raises barriers for scaling. Adverse policy movements are an ongoing risk for any alcobev business in India.

2. **High Taxation and Pricing Pressure:**

Multiple layers of excise duties, VAT and state surcharges significantly inflate retail prices, which can constrain consumption growth, especially in price-sensitive segments. High taxation also makes premium and imported products less affordable for broad consumer groups.

3. **Advertising Restrictions:**

Strict regulations on direct advertising – through mainstream media channels – limit brands' ability to build awareness and engage consumers. This necessitates alternative marketing approaches, which are less effective and often resource-intensive.

4. **Illicit Alcohol**

Unregulated alcohol continues to impact legitimate industry growth and consumer safety.

Company Overview

Diageo India, also known as United Spirits Ltd. (hereafter referred to as 'USL' or 'the Company'), is one of India's leading beverage alcohol manufacturers, recognised for its premium and diversified product portfolio. The Company operates as a subsidiary of Diageo plc, with majority Relay B.V. holding a majority ownership stake of approximately 55.88% of the equity shareholding. USL, headquartered in Bengaluru, has established one of the largest manufacturing networks in the Indian alcoholic beverages industry, operating 34 production facilities across the country. The Company also maintains a robust distribution ecosystem covering more than 75,000 outlets, supporting wide product availability and efficient market penetration.

USL places sustainability, responsible consumption and community development at the core of its operating philosophy. The Company integrates these principles into its business practices to ensure long-term environmental stewardship, promote safe and responsible drinking and contribute positively to the communities in which it operates. The Company continues to prioritise continuous innovation, portfolio premiumisation and enhanced consumer engagement as central elements of its strategy to drive long-term growth.

USL completed the acquisition of NAO Spirits on 26th June 2025, acquiring a controlling 97.07% stake. NAO Spirits, recognised for its award-winning gin brands Greater Than and Hapusa, will now operate as a subsidiary of USL. During FY 2025-26, USL increased its stake in V9 Beverages Private Limited ('Sober'), a producer of non-alcoholic spirit alternatives, raising its holding from 15% to 25% on a fully diluted basis.

Product Portfolio

The Company's product portfolio is organised into three primary segments: Prestige & Above (P&A), Popular and Other. USL's product portfolio comprises more than 50 brands across categories such as Scotch whisky, Indian-made foreign liquor (IMFL) whisky, malt, tequila, brandy, rum, vodka and gin. Key brands in the portfolio include Godawan, McDowell's No. 1, Royal Challenge, Signature, Antiquity, Black Dog, Director's Special Black, McDowell's Rum, McDowell's Brandy and McDowell's X-Series. USL also distributes several international brands in India under licensing arrangements, including Don Julio, Singleton, Tanqueray, Captain Morgan, Johnnie Walker, J&B, Baileys, Lagavulin, Talisker, VAT 69, Black & White, Smirnoff and Ciroc. During FY 2025–26, the Company achieved sales volumes of approximately 65 million cases, representing a 1.5% increase over the previous year.

Operational and Financial Highlights

In FY 2025-26, USL commenced a strategic review of its investment in Royal Challengers Sports Pvt Ltd (RCSPL), the company that owns the Indian Premier League (IPL) and Women's Premier League teams, including the Royal Challengers Bengaluru franchise. Pursuant to the announcement dated March 24, 2026, RCSPL has been classified as discontinued operations. The transaction remains subject to approval from the Board of Control for Cricket in India, the Competition Commission of India (CCI) and other applicable regulatory authorities. Consequently, consolidated numbers do not include RCSPL, and prior year numbers have also been restated accordingly.

Prestige & Above: During FY 2025-26, the Prestige & Above (P&A) segment contributed 89.6% of the Company's net sales value, reflecting an increase of 1.1% compared to the same period in the previous year. Net sales in the P&A segment grew by 8.6% during this period.

Popular: Meanwhile, the Popular segment accounted for 9.0% of net sales in FY 2025-26, a slight 0.7% decline from the prior year. Net sales in the Popular segment declined by 0.3% over the same period.

Financial Performance (key highlights)

(₹ in Crores)

Particulars	FY 2025-26	FY 2024-25	Y-o-Y (%) Change
Net sales value	12,448	11,573	7.6%
Earnings before interest, tax, depreciation and amortisation (EBITDA)	2,296	2,058	11.6%
Profit Before Tax (PBT)*	2,431	2,121	14.6%
Profit After Tax (PAT)	1,830	1,558	17.5%

**PBT is before exceptional items.*

Key Change in Significant Financial Ratios

Particulars	Unit	FY 2025-26	FY 2024-25
Liquidity ratios			
Current Ratio	Times	2.0	2.0
Inventory Turnover Ratio	Days	41	37
Trade Receivables Turnover Ratio	Days	50	46
Trade Payables Turnover Ratio	Days	87	81
Profitability ratios			
EBITDA Margin	%	18.4	17.8
Operating Profit Margin	%	20.8	19.1
Net Profit Margin	%	14.7	13.5
Return on Equity Ratio/ Net Worth (ROE)	%	22.0	21.0
Return on Capital Employed (ROCE)	%	28.4	26.4

Business Outlook

USL remains focused on navigating the evolving competitive and regulatory environment through its portfolio-led strategy, enabling agility in responding to changing market dynamics, regulatory developments and evolving consumer preferences while driving sustainable growth. The Company continues to strengthen commercial performance through sharper execution, targeted investments and a proactive competitive approach aimed at driving market share recovery. Consumer insights remain at the centre of planning and decision-making, enabling more focused portfolio, innovation and growth interventions.

USL continues to invest in high-potential growth areas through premiumisation, core brand renovation, enhanced consumer-led marketing execution and strengthening its on-premise presence. The Company is also sharpening focus on the core USL portfolio, while accelerating the luxury portfolio through elevated brand experiences. In parallel, USL is increasing its focus on the white spirits segment as consumer repertoires continue to expand and evolve.

Category participation and category creation through portfolio white spaces remain key focus areas, enabling USL to drive consumer recruitment, expand consumption occasions and shape evolving consumption trends across segments. The Company's franchising approach in select segments is supporting improved capital efficiency, working capital optimisation and margin enhancement, while its strong productivity focus continues to enable healthy reinvestment behind brands, innovation and long-term growth opportunities. Backed by a strong brand portfolio and disciplined execution, USL remains well positioned to capture long-term growth opportunities in India's evolving alcoholic beverages market.

Risk & Mitigation Strategies

The Company follows a proactive and comprehensive risk management approach, embedding internal controls, governance, and business integrity into day-to-day operations. A structured enterprise-wide framework enables identification, assessment, prioritisation, and mitigation of risks across strategic, financial, operational (including ESG), compliance, cybersecurity, and emerging areas. Oversight is provided by the Risk Management Committee of the Board, which defines risk assessment, reviews key exposures, and monitors the effectiveness of mitigation strategies. Regular risk assessments and key risk indicators support timely identification and response to evolving risks. Risks are evaluated across short, medium, and long term horizons and categorised based on severity to enable prioritised and agile response. The Company maintains a zero-tolerance approach towards risks impacting safety, product quality, and regulatory compliance, while continuously strengthening controls to enhance resilience and sustain long-term performance.

Read more on page 16

Management Discussion and Analysis (Continued)

Human Resources

USL places strong emphasis on building a people-centric organisation by investing in talent development, employee engagement and sustainable workforce practices. The Company's human capital strategy is designed to support long-term business success by strengthening organisational capabilities and creating a high-performance culture aligned with future business requirements. USL employed more than 2,000 permanent employees, including executive staff and permanent workmen.

The Company recognises its employees as key contributors to long-term value creation and remains committed to nurturing internal talent pipelines. USL achieved an internal talent sufficiency level of 49% during FY 2025-26, reflecting its focus on promoting career growth and developing in-house leadership capabilities. Learning and development, succession planning and internal mobility strengthen capability building, while inclusion efforts focus on representation, psychological safety and progressive workplace policies. Performance is managed through a structured framework, supported by holistic wellbeing programmes that cover physical, emotional, financial and social needs. USL's overall voluntary attrition rate stood at 12.7% in FY 2025-26 making us one of the leading organisations in employee retention in the CPG industry. The Company's Equal Opportunity policy promotes diversity in gender, ethnicity, age, sexual orientation and disability representation within the workforce. Women represented 30% of USL's executive workforce and 31% of leadership roles, reflecting steady progress toward gender balance across the organisation. The Company will continue to strengthen its human capital framework by investing in employee capability development, improving engagement initiatives and building an inclusive organisational culture that supports sustainable business growth and operational excellence.

Read more on page 138

Internal Controls Systems

The Company has established a robust internal financial control framework commensurate with the size, scale, and complexity of its operations, aimed at ensuring reliability of financial reporting and compliance with applicable laws and regulations. The control environment is supported by a structured programme of internal and external audits, along with periodic management reviews. Oversight is exercised by the Board and its Committees to monitor the adequacy and implementation of controls.

The framework is designed to promote orderly and efficient conduct of business, safeguarding of assets, prevention and detection of frauds and errors, and accuracy and completeness of accounting records. Continuous monitoring of the control environment and timely remediation of identified gaps support improved operational efficiency and strengthened governance. The Company continues to strengthen its internal financial control framework through ongoing monitoring, periodic reviews, and timely remediation of identified gaps. This disciplined approach supports robust governance, enhances risk management, and enables the organisation to operate efficiently while responding effectively to evolving business and regulatory requirements.

Read more on page 243

Cautionary Statement

This document contains 'forward-looking' statements. These statements can be identified by the fact that they do not relate only to historical or current facts. In particular, forward-looking statements include all statements that express forecasts, expectations, plans, outlook and projections with respect to future matters, including trends in results of operations, margins, growth rates, overall market trends, the impact of changes in interest or exchange rates, the availability or cost of financing to USL, anticipated cost savings or synergies, expected investments, the completion of USL's strategic transactions and restructuring programmes, anticipated tax rates, expected cash payments, outcomes of litigation, anticipated deficit reductions in relation to pension schemes and general economic conditions. By their nature, forward-looking statements involve risks and uncertainties related to future events and contingent circumstances. Several factors could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements, including factors that are outside USL's control. USL neither intends to, nor assumes any obligation to update or revise these forward-looking statements in the light of any developments which may differ from those anticipated.

Corporate Governance Report

1. Company's philosophy on Corporate Governance

We believe in governance that supports not only the Company but also the value of Company's shareholders and stakeholders. The path we have set out is holistic and based on practices which helps achieve the Company's goals in an ethical, compliant, and professional manner.

2. Board of Directors

2.1 The Board composition is in conformity with the applicable provisions of the Companies Act, 2013 (the 'Act') and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations').

The Chairperson of the Board, Mr. V K Viswanathan, is a Non-Executive Independent Director. While the Listing Regulations require at least one-third of the Board to comprise of Independent Directors, Independent Directors currently constitute 50% of the Board, reflecting the Company's strong commitment to effective governance, independence and oversight.

2.2 As on the date of this report, composition of the Board of Directors of the Company is as follows:

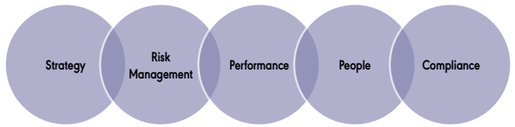
	Category	Number of Directors
i)	**Non-Independent Directors**	
	Managing Director	1
	Executive Director	1
	Non-Executive Directors	3
ii)	**Independent Directors** (including the Chairperson and a woman director)	5
Total Strength (i + ii)		**10**

2.3 In the opinion of the Board, the Independent Directors fulfilled the conditions specified in the Listing Regulations and are independent of the management. None of the Directors are inter-se related to each other. During the year under review, there were no resignation by Independent Directors.

2.4 None of the Directors hold directorships in more than 10 public companies or serve as director or independent director in more than seven listed companies. Further, none of them is a member of more than 10 committees or Chairperson of more than five committees across all public companies in which they are a director as provided in Regulation 26(1) of the Listing Regulations.

2.5 The Company has a balanced mix of Executive and Non-Executive including Independent Directors from diverse backgrounds, which enables the Board to discharge its duties and responsibilities in an effective manner.

The Board has set the following yardsticks in the context of its business and for its effective functioning:



Strategy: Directors help develop proposals on strategy;

Risk Management: Ensuring that integrity of financial information is maintained and that the financial controls and systems of risk management are robust;

Performance: Directors review and monitor the performance of management in terms of agreed goals and objectives;

People: Directors play a prime role in determining appropriate levels of remuneration, appointing/retaining of Executive Directors, Key Managerial Personnel and senior management and in succession planning;

Compliance: Maintain checks over governance and compliance with applicable legislation and regulations and the conformity of the Company's practices to accepted governance norms.

Directors contribute to the achievement of these objectives through their diverse experience and expertise in their respective areas such as Fast Moving Consumer Goods ('FMCG') sector, legal, finance, administration, technical knowledge and global exposure.

Corporate Governance Report (Continued)

2.6 Attendance of each Director at the Board Meetings and at the last Annual General Meeting ('AGM') and details of the number of outside directorships and committee positions held by each of the Directors as on 31st March 2026 are given below:

Name of the Director and designation	Director Identification Number (DIN)	No. of Board Meetings attended during the financial year	Attendance at last AGM held on 29th August 2025	No. of directorships in other unlisted public and listed companies as on 31st March 2026*	No. of committees (other than the Company)		Directorships in other listed companies and category of directorship
					Chairperson	Member	
Mr. V K Viswanathan (Chairperson and Non-Executive Independent Director)	01782934	11/11	Yes	3	1	2	a) PI Industries Limited (ID^)
Mr. Praveen Someshwar (Managing Director and Chief Executive Officer)	01802656	11/11	Yes	NIL	NIL	NIL	NIL
Mr. Narayan K Seshadri[1] (Non-Executive Independent Director)	00053563	5/5	NA	9	4	7	a) SBI Life Insurance Company Limited (ID) b) Kalpataru Limited (ID) c) TVS Supply Chain Solutions Limited (ID) d) PI Industries Limited (PD@) e) Max Healthcare Institute Limited (PD)
Dr. Indu Bhushan (Non-Executive Independent Director)	09302960	11/11	Yes	7	3	5	a) Godrej Properties Limited (ID) b) Balrampur Chini Mills Limited (ID) c) Colgate-Palmolive (India) Limited (ID) d) ITC Hotels Limited (ID)
Ms. Amrita Gangotra (Non-Executive Independent Director)	08333492	11/11	Yes	6	2	8	a) Triveni Turbine Limited (ID) b) Max Healthcare Institute Limited (ID) c) Sterlite Technologies Limited (ID) d) ABB India Limited (ID) e) Pine Labs Limited (ID)
Mr. Mukesh Hari Butani (Non-Executive Independent Director)	01452839	11/11	Yes	5	5	6	a) Dabur India Limited (ID) b) Hitachi Energy India Limited (ID) c) Latent View Analytics Limited (ID) d) Bata India Limited (ID) e) Leela Palaces Hotels & Resorts Limited (formerly known as Schloss Bangalore Limited) (ID)
Mr. Pradeep Jain (Executive Director and Chief Financial Officer)	02110401	11/11	Yes	NIL	NIL	NIL	NIL
Mr. Mark Sandys (Non-Executive Director)	09543864	8/11	No	NIL	NIL	NIL	NIL
Ms. Preeti Arora (Non-Executive Director)	10768374	11/11	No	NIL	NIL	NIL	NIL
Ms. Julie Bramham[2] (Non-Executive Director)	08415737	2/2	NA	NIL	NIL	NIL	NIL

** Excluding Private Limited Companies, Foreign Companies, Section 8 Companies and Alternate Directorships.*

NA – Not Applicable

^ ID – Independent Director

@ PD – Professional Director

Notes:

1. Appointed as Non-Executive Independent Director effective 9th October 2025.

2. Appointed as Non-Executive Director effective 21st January 2026.

3. Directorships mentioned above exclude their directorship in United Spirits Limited.

4. In the committee details provided, every chairpersonship is also considered as a membership.

5. The above details are in respect of their directorships only in Indian companies and committee memberships and chairpersonships in Audit Committee and Stakeholders Relationship Committee in terms of Regulation 26(1) of the Listing Regulations. The last column consists of listed Indian companies only in terms of Regulation 17A of the Listing Regulations.

Corporate Governance Report (Continued)

2.7 During the financial year under review, eleven (11) Board Meetings were held and the gap between any two Board Meetings did not exceed 120 days. Details of the meeting attendance are provided below:

Name of the Director and designation	1 20 May 2025	2 19 Jun 2025	3 28 Jul 2025	4 13 Aug 2025	5 9 Sep 2025	6 8 Oct 2025	7 30 Oct 2025	8 21 Nov 2025	9 20 Jan 2026	10 5 Mar 2026	11 24 Mar 2026	% of meetings attended during the year
Mr. V K Viswanathan (Chairperson and Non-Executive Independent Director)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	100%
Mr. Praveen Someshwar (Managing Director and Chief Executive Officer)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	100%
Mr. Narayan K Seshadri[1] (Non-Executive Independent Director)	NA	NA	NA	NA	NA	NA	✓	✓	✓	✓	✓	100%
Dr. Indu Bhushan (Non-Executive Independent Director)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	100%
Ms. Amrita Gangotra (Non-Executive Independent Director)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	100%
Mr. Mukesh Hari Butani (Non-Executive Independent Director)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	100%
Mr. Pradeep Jain (Executive Director and Chief Financial Officer)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	100%
Mr. Mark Sandys (Non-Executive Director)	LOA	LOA	LOA	✓	✓	✓	✓	✓	✓	✓	✓	72.73%
Ms. Preeti Arora (Non-Executive Director)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	100%
Ms. Julie Bramham[2] (Non-Executive Director)	NA	NA	NA	NA	NA	NA	NA	NA	NA	✓	✓	100%

NA – Not Applicable

LOA – Leave of Absence

Notes:

1. Appointed as Non-Executive Independent Director effective 9th October 2025.

2. Appointed as Non-Executive Director effective 21st January 2026.

2.8 **Familiarization programs imparted to Independent Directors**

All Independent Directors inducted on the Board were imparted various orientation/familiarization programs. Details of familiarization programs imparted so, are disclosed on the Company's website at https://www.diageoindia.com/investors/disclosuresunderregulationdirectorsfamiliarizationprogrammes

Corporate Governance Report (Continued)

2.9 **Matrix setting out the core skills/expertise/competence of the Board of Directors**

A chart/matrix setting out the core skills/expertise/competencies identified by the Nomination and Remuneration Committee and the Board in the context of the Company's business and sectors as required for it to function effectively and those available with the Board along with the name of Directors who have such skills/expertise/competence are given below:

Sl. No.	Name of the Director/ Skill	Operating leadership experience/ Entrepreneurship	FMCG/ Regulated Industry expertise	Corporate Governance and Risk Management	Financial Management	ESG	Digital and Technology	Public affairs and policy
1	Mr. V K Viswanathan	✓	✓	✓	✓	✓	✓	✓
2	Mr. Praveen Someshwar	✓	✓	✓	✓	✓	✓	✓
3	Mr. Narayan K Seshadri	✓	✓	✓	✓	✓	✓	-
4	Dr. Indu Bhushan	✓	-	✓	✓	✓	✓	✓
5	Ms. Amrita Gangotra	✓	✓	✓	✓	✓	✓	✓
6	Mr. Mukesh Hari Butani	✓	✓	✓	✓	-	-	✓
7	Mr. Pradeep Jain	✓	✓	✓	✓	✓	-	-
8	Mr. Mark Sandys	✓	✓	✓	✓	✓	✓	✓
9	Ms. Preeti Arora	✓	✓	✓	✓	✓	✓	✓
10	Ms. Julie Bramham	✓	✓	✓	✓	✓	✓	-

2.10 **Disclosures regarding appointment and re-appointment of directors**

The details of appointment/re-appointment of directors are mentioned in **point 9** of the Board's Report pursuant to Regulation 36(3) of the Listing Regulations. Brief profile of the directors who are being appointed/re-appointed is mentioned as part of the **27th AGM Notice**.

3. Audit Committee

3.1 During the year under review, nine (9) meetings of the Audit Committee were held and the gap between any two Audit Committee Meetings did not exceed 120 days. Details of composition and attendance of members of the Audit Committee are provided below:

Name of the Director	Designation	1 19 & 20 May 2025	2 19 June 2025	3 28 July 2025	4 13 Aug 2025	5 9 Sept 2025	6 30 Oct 2025	7 20 Jan 2026	8 5 Mar 2026	9 24 Mar 2026	% of meetings attended during the year
Mr. Narayan K Seshadri[1] (Chairperson)	Non-Executive Independent Director	NA	NA	NA	NA	NA	✓	✓	✓	✓	100%
Mr. V K Viswanathan[2]	Non-Executive Independent Director	✓	✓	✓	✓	✓	✓	✓	✓	✓	100%
Mr. Mukesh Hari Butani	Non-Executive Independent Director	✓	✓	✓	✓	✓	✓	✓	✓	✓	100%
Ms. Preeti Arora	Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	✓	✓	100%

NA – Not Applicable

Notes:

1. Appointed as Chairperson and member effective 9th October 2025.

2. Served as the Chairperson until 8th October 2025 and continued as a member.

The Company Secretary acts as the secretary to the Audit Committee.

3.2 Pursuant to Regulation 18(3) and Part C of Schedule II of the Listing Regulations, the detailed terms of reference of the Audit Committee is available on the website of Company at https://www.diageoindia.com/policies/auditcommitteecharter

Corporate Governance Report (Continued)

Key Terms of Reference of the committee are:

a) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient, and credible.

b) Recommending the appointment, remuneration and terms of appointment and removal of Statutory Auditors.

c) Review and monitor the auditor's independence, qualification, expertise, resources, objectivity, independence, performance and effectiveness of the auditors and the audit process.

d) Approval of payment to the Statutory Auditors for non-audit services rendered by them.

e) Examination of the financial statement and the auditors' report thereon.

f) Scrutiny of inter-corporate loans and investments and other loans and investments, if any.

g) Valuation of undertakings or assets of the Company.

h) Evaluation of internal financial controls and risk management.

i) Reviewing with the management, performance of statutory and internal auditors and the adequacy of internal control system, risk management system, control over financial reporting.

j) Discussion with Statutory Auditors and Internal Auditors before the audit commences about nature and scope of audit as well as have post-audit discussions to ascertain any area of concern.

k) To review the functioning of the Vigil/Whistle Blower mechanism and extend the applicability to directors and ensure adequate safeguard against victimization of Directors/Employees/any other person who avail the mechanism and provide for direct access to the Chairperson of the Audit Committee in appropriate/exceptional cases.

3.3 Process adopted by the Committee to fulfill its objectives

The Committee remained committed to safeguarding the integrity of the Company's financial reporting and governance framework and discharged its responsibilities in accordance with its Charter and Terms of Reference. The Committee exercised independent oversight over financial reporting, internal controls, risk management, audit quality and compliance matters, while maintaining regular engagement with management, internal auditors and statutory auditors, including focused reviews of auditor independence and related safeguards.

During the year, the Committee reviewed the quarterly and annual financial results, significant accounting judgments and estimates, internal financial controls, key audit observations, related party transactions, whistleblower matters, including the compliance reports under the Whistle Blower Policy, the report on compliance under the Code of Conduct for SEBI (Prohibition of Insider Trading) Regulations, 2015, and other significant risk and compliance issues.

In line with Directors' inputs and evolving stakeholder expectations, the Committee adopted a forward-looking oversight lens that combined assurance, risk insight and governance stewardship.

4. Nomination and Remuneration Committee ('NRC')

4.1 During the year under review, eight (8) meetings of NRC were held. Details of composition and attendance of members of NRC are provided below:

Name of the Director	Designation	1 19 May 2025	2 5 Aug 2025	3 9 Sept 2025	4 8 Oct 2025	5 29 Oct 2025	6 19 Jan 2026	7 13 Feb 2026	8 28 Mar 2026	% of meetings attended during the year
Ms. Amrita Gangotra (Chairperson)	Non-Executive Independent Director	✓	✓	✓	✓	✓	✓	✓	✓	100%
Mr. V K Viswanathan	Non-Executive Independent Director	✓	✓	✓	✓	✓	✓	✓	✓	100%
Dr. Indu Bhushan	Non-Executive Independent Director	✓	✓	✓	✓	✓	✓	✓	✓	100%

The Company Secretary acts as the secretary to the NRC.

4.2 Pursuant to Regulation 19(4) and Part D of Schedule II of the Listing Regulations, the terms of reference of the NRC is available on website of Company at http://www.diageoindia.com/policies/2025/nominationandremunerationcommitteecharter

Key Terms of Reference of the committee are:

i. Assist the Board of Directors of the Company to:

a) Determine, review and propose compensation principles and policy of the Company;

b) Assess and review compensation plans recommended by the management;

c) Recommend the compensation packages of the Company's Executive Directors.

ii. Identify persons who are qualified to become directors and who may be appointed to senior management in accordance with the criteria laid down, recommend to the Board of Directors their appointment and removal and shall carry out evaluation of every director's performance.

iii. Approve and recommend matters relating to compensation by way of salary, perquisites, benefits, etc., to the Managing/Whole Time/Executive Directors of the Company.

4.3 Process adopted by the Committee to fulfill its objectives

The Committee discharged its responsibilities in accordance with its Charter and Terms of Reference, providing oversight of Board composition, succession planning, director evaluation and remuneration practices. During the year, the Committee engaged closely with the Board and management on matters relating to leadership development, succession readiness, performance evaluation and alignment of remuneration outcomes with the Company's strategic objectives and long-term value creation.

Consistent with evolving governance expectations, the Committee continued to adopt a forward-looking perspective by considering talent priorities, leadership continuity and relevant market benchmarks in its deliberations.

4.4 Performance Evaluation

Pursuant to the provisions of the Act and Regulation 34(3) read with Schedule V(C) (4)(d) of the Listing Regulations, the NRC has prescribed performance evaluation criteria for Independent Directors as well as for the Non-Independent Directors, the Committees, and the entire Board of Directors. Based on the above requirement, a formal and rigorous Board review is undertaken on an annual basis with a focus on improving the effectiveness of the Board, its Committees and each individual Director.

As part of the above exercise, the Board had engaged Egon Zehnder, a leadership advisory firm on Board matters, to conduct the Board evaluation for FY2025-26, which evaluated parameters including guidance/support to Management outside Board/Committee meetings, degree of fulfillment of key responsibilities, effectiveness of meetings amongst others. The performance evaluation of Independent Directors was carried out by the entire Board, excluding the Director being evaluated and the performance evaluation of the Chairperson and the Non-Independent Directors was carried out by the Independent Directors. The evaluation methodology included a detailed questionnaire covering various aspects of Board and Committee effectiveness, governance oversight, strategic guidance, composition, quality of discussions, time commitment, stakeholder engagement, succession planning and risk oversight. In addition, individual one-on-one discussions were conducted with each Director to obtain qualitative insights and candid feedback on the functioning of the Board and its Committees. All Directors participated in the evaluation process. The findings from the questionnaire and discussions were consolidated and presented to the Board, enabling meaningful deliberations on key strengths, areas for enhancement and priorities for continued improvement in Board effectiveness.

The Board evaluation exercise reaffirmed the Board's strong governance framework, effective oversight, and constructive engagement across the Board and its Committees. The evaluation also highlighted the Board's successful navigation of leadership and governance transitions in recent years, ensuring continuity and stability. As the Company enters its next phase of growth, the evaluation identified opportunities to further enhance the Board's effectiveness and future readiness. Key areas of focus include strengthening succession planning, deepening oversight of digital transformation and AI-related developments, fostering more robust risk discussions, maintaining a proactive regulatory watch, and advancing ESG integration into strategic decision-making. These initiatives will support a sharper strategic focus and continued enhancement of Board and Committee effectiveness.

The Board evaluation process was completed successfully during the financial year and recommendations from the said evaluation were discussed with the Board, including individual feedback being provided to respective directors. Based on the outcome of the evaluation, the Board and Committees have agreed on an action plan to further improve the effectiveness and functioning of the Board and Committees.

5. Stakeholders' Relationship and General Committee ('SRGC')

5.1 During the year under review, four (4) meetings of SRGC were held. Details of composition and attendance of members of SRGC are provided below:

Name of the Director	Designation	1 19 May 2025	2 5 Aug 2025	3 29 Oct 2025	4 19 Jan 2026	% of meetings attended during the year
Ms. Amrita Gangotra (Chairperson)	Non-Executive Independent Director	✓	✓	✓	✓	100%
Mr. Mukesh Hari Butani	Non-Executive Independent Director	✓	✓	✓	✓	100%
Mr. Pradeep Jain	Executive Director and Chief Financial Officer	✓	✓	✓	✓	100%

The Company Secretary acts as the secretary to the SRGC.

Corporate Governance Report (Continued)

5.2 Pursuant to Regulation 20 and Part D of Schedule II of the Listing Regulations, the terms of reference of the SRGC is available on website of Company at http://www.diageoindia.com/policies/2025/stakeholdersrelationshipandgeneralcommittecharter

Key Terms of Reference of the committee are:

a. Review the redressal of shareholders', debenture holders' and depositors' or any other security holders' grievances/ complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends, non-receipt of interest warrants, etc., and ensure cordial relation with the Stakeholders.

b. Review the adherence to service standards relating to the various services rendered by the Company and Company's Registrars & Transfer Agents.

c. Review the status of the litigation(s), complaints/suits filed by or against the Company relating to the shares/ fixed deposits, debentures or any other securities of the Company before any Courts/other appropriate authorities, and in particular where directors are implicated or could be made liable.

d. Review matters relating to transfer of unclaimed and unpaid dividend, matured deposits, interest accrued on the matured deposits, debentures etc., to the Investor Education and Protection Fund as specified under the Companies Act.

e. Review service standards and investor service initiatives undertaken by the Company.

f. Act on such further terms of reference as may be considered necessary and specified by the Board in writing from time to time.

5.3 Process adopted by the Committee to fulfill its objectives

The Committee discharged its responsibilities in accordance with its Charter and Terms of Reference, overseeing shareholder and investor grievance redressal, investor service standards and matters relating to shareholder rights and communications. During the year, the Committee reviewed stakeholder feedback, investor complaints, service levels of the Registrar and Transfer Agent, and compliance with regulatory requirements relating to investor protection and unclaimed investor entitlements.

The Committee remained focused on fostering transparent and responsive stakeholder engagement while strengthening oversight of investor service processes and governance mechanisms.

5.4 Ms. Pragya Kaul, Company Secretary, is the Compliance Officer of the Company.

5.5 The Company/Company's Registrar and Transfer Agents received 33 complaints during the financial year, out of which 32 were resolved to the satisfaction of shareholders/investors, by 31st March 2026.

Sl. No.	Complaints relating	No. of Complaints Received	No. of Complaints Resolved
1.	Non-receipt of refund order/allotment letter	Nil	Nil
2.	Non-receipt of Dividend/Interest on Shares/Debentures/Fixed Deposits/maturity amount on debentures	2	2
3.	Non-receipt of share certificates	1	1
4.	Non-receipt of Report/Rights forms/Bonus shares/Interest on delayed refund/ Dividend and Interest	2	2
5.	Others*	28	27
	Total	**33**	**32**

** Includes shareholders complaints relating to the IEPF, unclaimed shares and non-receipt of shares pursuant to mergers etc.*

As on 31st March 2026, one investor complaint pertaining to transmission of shareholding involving certain legal requirements was outstanding resolution. The RTA has provided requisite guidance to the complainant on the manner of resolution. As on the date of this report, the complaint stands resolved. In addition to the above, there are few ongoing shareholder litigations.

5.6 Dividend Distribution Policy

Pursuant to Regulation 43A of the Listing Regulations the Company has framed a Dividend Distribution Policy which lays out the parameters to be considered while declaring dividend, including dividend pay-out ratio. The said policy is available on the website of the Company at https://www.diageoindia.com/policies/dividendpolicy

Corporate Governance Report (Continued)

6. Risk Management Committee ('RMC')

6.1 During the year under review, three (3) meetings of RMC were held. Details of composition and attendance of members of RMC is provided below:

Name of the Director	Designation	1 30 Apr 2025	2 8 Oct 2025	3 26 Feb 2026	% of meetings attended during the year
Mr. Praveen Someshwar (Chairperson)	Managing Director and Chief Executive Officer	✓	LOA	✓	66.67%
Mr. Mukesh Hari Butani	Non-Executive Independent Director	✓	✓	✓	100%
Dr. Indu Bhushan	Non-Executive Independent Director	✓	✓	✓	100%
Mr. Pradeep Jain	Executive Director and Chief Financial Officer	✓	✓	✓	100%
Mr. Narayan K Seshadri[1]	Non-Executive Independent Director	NA	NA	✓	100%

The Company Secretary acts as the secretary to the RMC.

LOA - Leave of Absence
NA - Not Applicable
Note:
1. Appointed as member of the Committee effective 9th October 2025.

6.2 Pursuant to Regulation 21 and Part D of Schedule II of Listing Regulations, the terms of reference of the RMC is available on website of Company at https://www.diageoindia.com/policies/riskmanagementcommitteecharter

Key terms of reference of the committee are:

a. Assess risks periodically for the effective execution of business strategy and review the risks associated with business strategy.

b. Annually review and approve the Risk Management Framework of the Company including risk management processes and practices of the Company and ensure that the Company is taking the appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities.

c. Review all existing and emerging risks throughout the year and update risk assessments and mitigation plans as necessary so as to ensure the business continuity.

d. Set the procedures for identifying business risks (including financial risks) and controlling their financial impact on the Company.

e. Evaluate and ensure that appropriate processes and systems are in place to monitor and report cyber security risks.

6.3 Process adopted by the Committee to fulfill its objectives

The Committee discharged its responsibilities in accordance with its Charter and Terms of Reference, overseeing the Company's risk management framework and providing structured oversight of key business, strategic and operational risks.

During the year, the Committee reviewed existing and emerging risks across the enterprise, including regulatory and policy developments, geopolitical and macroeconomic factors, cyber security, business continuity and other risks that could impact the Company's strategy, operations and stakeholders.

Consistent with evolving risk management practices, the Committee adopted a forward-looking approach to risk oversight by periodically reviewing risk assessments, mitigation measures and preparedness plans.

7. Corporate Social Responsibility and Environment, Social and Governance Committee ('CSR & ESG')

7.1 During the year under review, four (4) meetings of CSR & ESG were held. Details of composition and attendance of members of CSR & ESG are provided below:

Name of the Director	Designation	1 19 May 2025	2 5 Aug 2025	3 29 Oct 2025	4 19 Jan 2026	% of meetings attended during the year
Dr. Indu Bhushan (Chairperson)	Non-Executive Independent Director	✓	✓	✓	✓	100%
Mr. Praveen Someshwar	Managing Director and Chief Executive Officer	✓	✓	✓	✓	100%
Mr. Mark Sandys	Non-Executive Director	✓	LOA	✓	✓	75%
Mr. Narayan K Seshadri[1]	Non-Executive Independent Director	NA	NA	✓	✓	100%

Corporate Governance Report (Continued)

The Company Secretary acts as the secretary to the CSR & ESG.

NA – Not Applicable

LOA - Leave of Absence

Note:
1. Appointed as member of the Committee effective 9th October 2025.

7.2 The CSR Report of the Company for the year ended 31st March 2026 has been approved by the Board and provided in **Annexure – 6 as part of the Board's Report**. The copy of the Company's CSR policy is available on the Company's website at https://www.diageoindia.com/policies/corporatesocialresponsibilitypolicy

The terms of reference of the CSR committee is available on the website of Company at https://www.diageoindia.com/policies/2025/csrandesgcharter

7.3 Process adopted by the Committee to fulfill its objectives

The Committee discharged its responsibilities in accordance with its Charter and Terms of Reference, providing oversight of the Company's CSR and ESG agenda, including sustainability, social impact and responsible business practices. During the year, the Committee reviewed the implementation and effectiveness of CSR programmes, utilization of CSR funds, impact assessment outcomes, ESG initiatives, sustainability priorities, BRSR disclosures and progress against key environmental and social commitments.

Recognizing the increasing importance of sustainability in long-term value creation, the Committee continued to strengthen its oversight of ESG opportunities, emerging sustainability risks and stakeholder expectations.

8. Committee of Directors

The Board has constituted Committee of Directors ('CoD') which was formed inter-alia to deal with non-core assets of the Company, to discuss and evaluate strategic investments, mergers, acquisitions and any other form of corporate restructuring and such other activities as may be directed by the Board from time to time.

8.1 During the year under review, five (5) meetings of CoD were held. Details of composition and attendance of members of CoD are provided below:

Name of the Director	Designation	1 9 Sep 2025	2 19 Jan 2026	3 17 Feb 2026	4 10 Mar 2026	5 23 Mar 2026	% of meetings attended during the year
Mr. V K Viswanathan (Chairperson)	Non-Executive Independent Director	✓	✓	✓	✓	✓	100%
Ms. Preeti Arora	Non-Executive Director	✓	✓	✓	✓	✓	100%
Mr. Praveen Someshwar[1]	Managing Director and Chief Executive Officer	NA	✓	✓	LOA	✓	75%
Mr. Narayan K Seshadri[1]	Non-Executive Independent Director	NA	✓	✓	✓	✓	100%
Ms. Amrita Gangotra[1]	Non-Executive Independent Director	NA	✓	✓	✓	✓	100%
Mr. Mukesh Hari Butani[2]	Non-Executive Independent Director	✓	NA	NA	NA	NA	100%

The Company Secretary acts as the secretary to the CoD.

NA – Not Applicable

LOA - Leave of Absence

Notes:

1. Appointed as member of the Committee effective 14th January 2026.

2. Appointed as member of the Committee effective 13th August 2025 and ceased to member of the Committee effective 13th January 2026.

Corporate Governance Report (Continued)

9. Remuneration of Directors

The details of remuneration paid to the directors during the financial year 1st April 2025 to 31st March 2026 are given below:

A. Executive Directors

Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Mr. Praveen Someshwar, Managing Director and Chief Executive Officer	Mr. Pradeep Jain, Chief Financial Officer and Executive Director
1	Gross Salary	17,49,79,467	4,33,58,786
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	-	-
2	(b) Value of perquisites u/s 17(2) of the Income Taxt Act, 1961	83,60,043	39,40,654
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-
3	Stock Options/other stock (Diageo PLC options) related compensation	-	8,70,454
4	Sweat Equity	-	-
5	Commission – as % of profit	-	-
	Others – Specify	-	-
6	Others	-	-
	Total	**18,33,39,510**	**4,81,69,894**

Notes:

i) The gross remuneration shown above does not include employer's contribution to various retirement funds and premium paid for life insurance and health insurance.

ii) Services of Mr. Praveen Someshwar may be terminated by him, giving six months' notice and can be terminated by the Company with twelve months' notice (or salary in lieu of such notice). Services of Mr. Pradeep Jain may be terminated by him, giving six months' notice, and can be terminated by the Company with six months' notice (or salary in lieu of such notice). There is no separate provision for payment of severance pay.

iii) Mr. Praveen Someshwar and Mr. Pradeep Jain were/are entitled to the Long-Term Incentives (LTI's) which include Stock appreciation Rights (SARs) as per the Company's plan and also other LTI's of Diageo PLC. The actual value of the SAR's and other LTI's will depend on the respective share price on the vesting date.

iv) The remuneration of Executive Directors is governed by the Company's Nomination and Remuneration Policy and approved by the Nomination and Remuneration Committee within the framework approved by shareholders. The remuneration structure comprises fixed and variable components, with variable pay comprising of financial measures and individual business objectives, aligning with both annual performance and sustained value creation.

Key performance metrics include financial parameters such as revenue, profitability and returns, as well as strategic priorities, and may also include identified non-financial metrics. The framework is designed to remain market competitive while reinforcing pay-for-performance alignment and responsible business outcomes. The Committee reviews remuneration outcomes annually based on Company performance, individual contribution and external benchmarks before recommending the same to the Board.

B. Independent Directors

i. Sitting Fees have been paid to Independent Directors for attending Board/Committee Meetings as specified in the table below for financial year 2025-26 (FY 2025-26). The sitting fees was revised to ₹ 1 Lakh per Board and Committee meeting effective 14th August 2025. Prior to the said date, ₹ 1 Lakh was paid for meetings of the Board, ₹ 50,000/- for meetings of Audit Committee and ₹ 25,000/- for meetings of other committees. They are also entitled to reimbursement of actual travel expenses, boarding and lodging, conveyance and incidental expenses incurred for attending such meetings in accordance with the Board approved policies for such reimbursements. Other than the sitting fees, reimbursement of expenses and as commission as explained below, no other remuneration was paid. No securities/convertible instruments were issued or allotted to any of the non-executive directors during the FY 2025-26.

ii. Independent Directors are also eligible for commission as approved by the Board of Directors every year subject to the aggregate remuneration not exceeding 1% of the net profits of the Company in any financial year (computed in the manner provided in section 198 of the Act) or in aggregate not exceeding ₹ 4,00,00,000 (Rupees Four Crore only), whichever is less. The said approval is valid for 3 financial years upto FY28. Such commission is determined based on the recommendation of the Nomination and Remuneration Committee and as approved by the Board of Directors. Details of commission are specified in the table below for FY 2025-26.

Corporate Governance Report (Continued)

iii. Presently, the Company is not paying any remuneration to Non-Executive Directors other than the Independent Directors. The criteria for making payments to Independent Directors is provided in **Point 9F** of the Board's Report.

iv. There are no pecuniary relationship or transactions of the non-executive directors vis-à-vis the listed entity during the financial year.

v. Details of sitting fees paid and commission to the Independent Directors approved by the Board of Directors for FY 2025-26 is given below:

(Amount in ₹)

Name of the Independent Director	Sitting Fees	Commission	Total Remuneration
Mr. V K Viswanathan	29,50,000	72,90,000	1,02,40,000
Mr. Narayan K Seshadri[1]	16,00,000	30,50,000	46,50,000
Mr. Mukesh Hari Butani	23,75,000	53,50,000	77,25,000
Dr. Indu Bhushan	22,25,000	53,50,000	75,75,000
Ms. Amrita Gangotra	24,00,000	53,50,000	77,50,000
Total	**1,15,50,000**	**2,63,90,000**	**3,79,40,000**

Note:
1. Appointed as Non-Executive Independent Director effective 9th October 2025.

C. Particulars of equity shares of the Company currently held by Directors

As on the date of this Report, no Director holds equity shares of the Company.

10. Particulars of Senior Management

10.1 As on 31st March 2026, following are employees who are identified as Senior Management Personnel (SMP) of the Company:

Sr No.	Name of SMP	Designation
1.	Ms. Archana Sasan[1]	Interim General Counsel
2.	Mr. Ashok Arora	Vice President – Supply Finance
3.	Mr. Chinmay Sharma[2]	Chief HR Officer
4.	Mr. Devashish Dasgupta	Corporate Relations Director
5.	Mr. Jagbir S Sidhu	Chief Commercial Officer
6.	Mr. Jitendra Mahajan	Chief Supply and Sustainability Officer
7.	Mr. Mahaveer Jain	Vice President – Head Internal Audit
8.	Ms. Mili Srivastava	Senior General Manager – Business Development Director, India
9.	Mr. Nimish Shah	EVP and Finance Controller
10.	Mr. Nipun Mohanka	Vice President – Taxation
11.	Mr. Pragya Kaul[3]	Vice President – Company Secretary
12.	Ms. Ruchira Jaitley	Chief Marketing Officer
13.	Ms. Shilpa Vaid[4]	Chief HR Officer
14.	Ms. Shobana Nikam	EVP and General Counsel
15.	Ms. Shweta Arora	Senior General Manager – Investor Relations

1. Appointed effective 23rd February 2026 in consulting capacity for a period of 6 months.
2. Appointed effective 5th March 2026.
3. Appointed effective 1st September 2025 as Company Secretary of the Company (Key Managerial Personnel).
4. Ceased to an SMP pursuant to a new role within Diageo Group effective end of 31st March 2026.

Note –
1. The list excludes CFO and CEO since they are already a part of the Board.

Corporate Governance Report (Continued)

10.2 Changes in the senior management during the financial year:

Sr No.	Name of SMP	Designation	Effective date of appointment/resignation
1.	Mr. Mital Sanghvi[1]	Vice President – Treasury & Company Secretary	Relinquished the role of Company Secretary and Compliance Officer w.e.f. end of day 31st August 2025.
2.	Ms. Pragya Kaul	Vice President - Company Secretary	Appointed effective 1st September 2025 as Company Secretary and Compliance Officer of the Company.
3.	Mr. Diwaker Vij	Vice President – Commercial Finance	Resigned effective 31st December 2025 to pursue an opportunity outside of the Company.
4.	Mr. Rajesh V Menon	Chief Operating Officer – RCB	Transferred effective 1st February 2026 to Royal Challengers Sports Private Limited (RCSPL), a wholly owned subsidiary of the Company.
5.	Ms. Archana Sasan	Interim General Counsel	Appointed effective 23rd February 2026 in consulting capacity for a period of 6 months.
6.	Mr. Chinmay Sharma	Chief HR Officer	Appointed effective 5th March 2026.
7.	Ms. Shilpa Vaid	Chief HR Officer	Ceased to an SMP pursuant to a new role within Diageo Group effective end of 31st March 2026.

Note:
1. Mr. Mital Sanghvi was also a Key Managerial Personnel of the Company.

11. General body meetings

11.1 Details of the last three AGMs held are provided below:

Financial year ended	Date	Time	Venue
31st March 2025	29th August 2025	3.30 pm IST	Through Video Conferencing/Other Audio Visual Means.
31st March 2024	31st July 2024	3.30 pm IST	Through Video Conferencing/Other Audio Visual Means.
31st March 2023	31st July 2023	3.30 pm IST	Through Video Conferencing/Other Audio Visual Means.

11.2 The Special Resolutions passed by the shareholders at the last three AGMs are summarized below:

AGM held on	Subject matter of the Special Resolution
29th August 2025	No Special Resolution passed.
31st July 2024	Appointment of Ms. Amrita Gangotra (DIN: 08333492) as an Independent Director of the Company.
31st July 2023	No Special Resolution passed.

All the special resolutions set out in the Notices of AGM in respect of the above subject matter were passed by the shareholders with requisite majority.

11.3 Postal Ballot & Extraordinary General Meeting ('EGM')

The Company has not passed any resolution at the above AGMs held where it was required to pass resolution through Postal Ballot as per the provisions of the Act and the rules framed thereunder. No EGM was conducted during the financial year. The Company had appointed Mr. Sudhir V Hulyalkar, Company Secretary in Practice (CP - 6137) ("Mr. Sudhir V Hulyalkar") to act as the Scrutinizer, for conducting the Postal Ballot process, in a fair and transparent manner.

The Company has passed the following resolutions through Postal Ballots during the financial year:

(i) Date of passing resolution: 20th June 2025.

Sr. No.	Type of Resolution	Subject Matter
1.	Ordinary	Appointment of Mr. Praveen Someshwar as a Director of the Company
2.	Ordinary	Appointment of Mr. Praveen Someshwar as a Managing Director and Chief Executive Officer of the Company and approval of remuneration payable to him for a period of five years

The cut-off date was 9th May 2025. The remote e-voting started on 22nd May 2025 at 9.00 a.m. (IST) and ended on 20th June 2025 at 5.00 p.m. (IST). Mr. Sudhir V Hulyalkar submitted scrutinizer report on 21st June 2025 and the results were declared on 21st June 2025. The resolutions were passed with requisite majority.

Corporate Governance Report (Continued)

(ii) Date of passing resolution: 20th December 2025.

Sr. No.	Type of Resolution	Subject Matter
1.	Special	Appointment of Mr. Narayan K. Seshadri (DIN: 00053563) as an Independent Director of the Company

The cut-off date was 7th November 2025. The remote e-voting started on 21st November 2025 at 9.00 a.m. (IST) and ended on 20th December 2025 at 5.00 p.m. (IST). Mr. Sudhir V Hulyalkar submitted scrutinizer report on 22nd December 2025 and the results were declared on 22nd December 2025. The resolution was passed with requisite majority. The voting details of special resolution passed is as follows:

Votes in favor			Votes against			Invalid votes
No. of Members	No of Shares	%	No. of Members	No. of Shares	%	No of Shares
1,267	59,25,41,754	97.89%	233	1,27,86,538	2.11%	5,000

(iii) Date of passing resolution: 11th March 2026.

Sr. No.	Type of Resolution	Subject Matter
1.	Ordinary	Appointment of Ms. Julie Bramham (DIN: 08415737) as a Director (Non-Executive Non-Independent Director) of the Company

The cut-off date was 30th January 2026. The remote e-voting started on 10th February 2026 at 9.00 a.m. (IST) and ended on 11th March 2026 at 5.00 p.m. (IST). Mr. Sudhir V Hulyalkar submitted scrutinizer report on 12th March 2026 and the results were declared on 12th March 2026. The resolution was passed with requisite majority.

Procedure for Postal Ballot: The Postal Ballot was carried out pursuant to section 108 and 110 of the Companies Act, 2013 (including any statutory modifications or re- enactment thereof for time being in force) ('the Act'), read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 as amended ('the Rules') and in accordance with the guidelines as prescribed by the Ministry of Corporate Affairs ('MCA') for holding of General Meetings/Postal Ballot process through e-voting vide the General Circular No. 03/2025 dated 22nd September 2025 and other applicable circulars issued by the Ministry of Corporate Affairs ('MCA Circulars'), and Regulation 44 of the Listing Regulations, Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ('SS-2') and other applicable provisions of the Act, Rules, Circulars and Notifications issued thereunder (including any statutory modifications or re-enactment thereof for the time being in force and as amended from time to time).

12. Means of Communication

a. The quarterly results are sent to all stock exchanges where the shares of the Company are listed. The results are normally published in "Business Standard" (English Daily) and "Prajavani" (Kannada Daily). The results, Press Releases and Presentations made to Analysts or investors are made available on the Company's website at https://www.diageoindia.com/en/investors/financials/results-reports-and-presentations.

b. The required disclosures as per applicable laws, including financial results were sent to the Stock Exchanges.

c. The Company has designated an exclusive email address, i.e., Investor.India@diageo.com to enable investors to post their grievances and monitor redressal.

13. General Shareholder Information

A)	Corporate Identification Number	L01551KA1999PLC024991
B)	AGM Date, Time and Venue	Tuesday, 4th August 2026, 3.30 pm IST through Video Conference.
C)	Financial year	1st April to 31st March
	Tentative Board Meeting calendar:	
	First Quarterly Results	End of July 2026 or first fortnight of August 2026.
	Second Quarterly Results	End of October 2026 or first fortnight of November 2026.
	Third Quarterly Results	End of January 2027 or first fortnight of February 2027.
	Audited yearly Financial Results	April/May 2027
		In addition, Board may also meet on other dates for transacting other urgent business or due to any specific requirements.

Corporate Governance Report (Continued)

D)	Cut-off date of E-Voting purpose	Tuesday, 28th July 2026
E)	Dividend payment date	On or after 13th August 2026
F)	Listing on Stock Exchanges	The shares of the Company are listed on the following Stock Exchanges: (i) BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001, Maharashtra, India. (Scrip Code: 532432) (ii) The National Stock Exchange of India Limited, Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, Maharashtra, India. (Scrip Code: UNITDSPR) The applicable listing fees has been paid to the Stock Exchanges before the due date.
G)	ISIN No.	INE854D01024
H)	Registrars and Transfer Agents (RTA)	Integrated Registry Management Services Private Limited #30, Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bengaluru – 560 003, Karnataka, India. Tel. Nos. +91 80 2346 0815 to 818, Fax No. (080) 23460819
I)	Share Transfer System	The power to approve transmission/transposition/consolidation/sub-division, etc., is delegated to Stakeholders' Relationship and General Committee of Directors of the Company. The requirements under the Listing Regulations, and other statutory regulations in this regard are being followed. Company's RTA also keeps records of such transfer/ transmission of shares. **Mandatory KYC updation by members holding physical securities** SEBI, mandates holders of physical securities to furnish PAN and other KYC, Contact, Bank Account details and specimen signature for their corresponding Folio numbers in order to avail any investor service. Further, effective 1st April 2024, Physical members whose folios are not updated with any of aforesaid KYC details, shall be eligible to get dividend in electronic mode, only after furnishing their KYC details. Therefore, subject to approval at the AGM, payment of final dividend to above-mentioned members, shall be withheld by the Company and shall be released on KYC updation. Accordingly, members are requested to complete their KYC by writing to the Company's RTA viz., Integrated Registry Management Services Private Limited, at bglsta@integratedindia.in. Forms for updation are available at https://www.diageoindia.com/en/investors/shareholder-centre/downloads
J)	Distribution of Shareholding	As per **Annexure A**
K)	Dematerialisation of shares (as on 31st March 2026)	**Particulars** / **No. of holders** / **Shares** / **% of shares** Physical / 5,138 / 27,29,135 / 0.38% NSDL / 1,08,433 / 67,58,88,184 / 92.92% CDSL / 1,86,370 / 4,87,33,534 / 6.70% **TOTAL** / **2,99,941** / **72,73,50,853** / **100%**
L)	Outstanding GDRs/ADRs/ Warrants or any other Convertible Instruments	NIL
M)	Commodity price risk or foreign exchange risk and hedging activities:	During the year under review, no hedging activities on any commodity were carried out by the Company. Therefore, there is no disclosure to offer in terms of SEBI circular no. SEBI/HO/CFD/PoD2/CIR/P/0155 dated 11th November 2024.

Corporate Governance Report (Continued)

N)	Plant locations – owned manufacturing units (operational)	1. Alwar, Rajasthan 2. Aurangabad, Maharashtra 3. Baramati, Maharashtra 4. Hyderabad II, Malkajgiri, Telangana 5. Kumbalgodu, Karnataka 6. Nanded, Maharashtra 7. Nashik, Maharashtra 8. Nimapara, Orissa 9. Ponda, Goa
O)	Address for correspondence	Shareholder correspondence should be addressed to the Company's Registrar and Transfer Agents: Integrated Registry Management Services Private Limited 30, Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bengaluru – 560 003, Karnataka, India. Tel. Nos. +91 80 2346 0815 to 818, Fax No. (080) 2346 0819, Email: bglsta@integratedindia.in Investors may also write to investor.india@diageo.com or contact the Company Secretarial team at the Registered Office of the Company at 'UB Tower', #24, Vittal Mallya Road, Bengaluru – 560 001, Karnataka, India. Tel. Nos. +91 80 2221 0705, Fax No. (080) 2224 5253
P)	Credit Ratings	During the year, CRISIL Ratings has re-affirmed the rating on the long-term bank facilities at "AAA/Stable" and re-assigned the short-term rating at "A1+".
Q)	Email for investor grievances	In compliance with the provisions of Regulation 46(2)(j) of the Listing Regulations, an exclusive email address viz., Investor.India@diageo.com has been designated for registering Investor complaints, which is also made available on the Company's website at https://www.diageoindia.com/en/investors/investor-queries

14. Disclosures

14.1 There are no material significant related party transactions entered into by the Company with promoters, directors, subsidiaries, key managerial personnel, relatives or other designated persons which may have a conflict of interest with the Company at large.

14.2 There have been no instances of rejection by the Board for any recommendations by the Board Committees during this financial year.

14.3 For the past three financial years viz., from 1st April 2023 to 31st March 2026, the Company has complied with the statutory requirements comprised in the Listing Regulations/Guidelines/Rules of the Stock Exchanges/SEBI/other statutory authorities and there have been no other instances of material non-compliance by the Company during the last three financial year nor have any penalties, strictures been imposed by Stock Exchanges or SEBI or any other statutory authority on any matter related to capital markets. Kindly refer to Secretarial Audit Report and Secretarial Compliance Report in **Annexure–3 and 3A**.

14.4 Code of conduct

The Code of Conduct reflects the Company's commitment to principles of integrity, transparency and fairness. The Code is a key guiding document governing the compliance and ethics framework of the Company. It is intended to embody the Company's purpose and values, which sets out the Company's collective as well as individual commitment to conduct business in accordance with those principles, and with all relevant laws, regulations and industry standards. We hold ourselves to the principles of Code of Business Conduct (our Code), Standards and Policies, which are embedded through a comprehensive trainings and education program for all employees. Our Code enables our employees to make the right choices and demonstrate the highest standards of integrity and ethical behavior. Our Code has also been extended to suppliers, contractors and its subsidiaries.

Know Your Business Partner (KYBP) process covers all Customers and Business partners as part of onboarding process.

In addition to our Code, the compliance programs are also anchored by policies and procedures, prescribed as per the global standards, covering areas such as Countering Corruption Policy (including guidelines on gifting & entertainment), Information Management & Security, Data Privacy & Personal Information, Health Safety & Personal Security, Prevention of Sexual Harassment at Workplace, Dignity at Workplace and Employee Alcohol policy as part of our commitment to responsible drinking. Regular updates are also provided to the senior leadership team on various aspects of the compliance programs, to set the tone from the top and exhibit the management's commitment towards continuous improvement in integrating compliance with the business.

Our Code is available at https://www.diageoindia.com/en/about-us/corporate-governance. Our standard code for suppliers "Partnering with Suppliers (PwS)" has been extended to suppliers and contractors of the Company which is available at http://www.diageoindia.com/policies/partneringwithsuppliersandagencypartners

All new joiners are required to undertake training on the requirements of our Code within 30 days of joining the employment. Further, all employees are required to complete mandatory e-Learning training module on our Code as part of the annual compliance certification program every year. In addition, during the year virtual trainings on our Code including prevention of sexual harassment at workplace, has also been imparted to all employees including off role employees and all workers (including contractual), in their local languages.

The Company has adopted a Whistle Blower mechanism known as SpeakUp. The compliance complaint can be raised by the employees and anyone acting on behalf of the Company. The Breach management standard is in place to address the compliance complaints, which are perceived to be in violation of our Code. Further, there is an oversight and review of the investigations by Global Business Integrity team, the Compliance Committee and the Grievance Committee. No personnel have been denied access to Audit Committee.

In compliance with Listing Regulations, the Company has adopted a Code of Business Conduct and Ethics (Code) for its Board members and Senior Management Personnel, a copy of which is available on the Company's website at https://www.diageoindia.com/en/about-us/corporate-governance/speak-up. All Board members and senior management personnel have affirmed compliance with the code for the year ended 31st March 2026 and a declaration to this effect signed by the MD & CEO forms part of this report.

14.5 Details of compliance with mandatory requirements and adoption of the non-mandatory requirements

The Company has complied with all mandatory requirements of the Listing Regulations relating to Corporate Governance.

14.6 Policy on material subsidiaries

The Company does not have any material subsidiaries. The Company's policy for determining material subsidiaries is available at the Company's website at https://www.diageoindia.com/policies/policyfordeterminingmaterialsubsidiaries

14.7 Policy on Related Party Transactions

In compliance with Regulation 23 of the Listing Regulations, the Company has framed policy on Related Party Transactions and the same is uploaded on our website at https://www.diageoindia.com/policies/policyonrelatedpartytransactions. The Policy aims to ensure that effective procedures for reporting, approval, and other disclosures are established to govern transactions between the Company and Related Parties.

The Policy focusses on review and approval of Material RPTs, while addressing potential or actual conflicts of interest that may arise out of these transactions. All RPTs are placed before the Audit Committee for review and approval. For RPTs of a repetitive nature or those undertaken in the ordinary course of business and at arm's length, prior omnibus approval from the Audit Committee is obtained on an annual basis. Further, the Audit Committee, on quarterly basis, reviews the details of the RPTs entered into by the Company pursuant to such omnibus approval. The Policy also ensures compliance with regulatory guidelines and promotes accountability while adhering to the corporate governance principles.

During FY 2025-26, all RPTs were entered in ordinary course of business and on arm's length basis and there were no materially significant related party transactions that may have potential conflict with interest of the Company at large.

14.8 Disclosure on utilization of proceeds of preferential issue and qualified institutional placement (QIP)

There were no funds raised through preferential allotment or qualified institutional placement as specified under Regulation 32 (7A) during the financial year.

14.9 Loans and advances

The Company has not given any loans and advances to firms/Companies in which directors are interested.

14.10 Disclosure of commodity price risks and commodity hedging activities

During the year under review, no hedging activities on any commodity were carried out by the Company.

14.11 Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in the past and hence, as on 31st March 2026, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

14.12 Declaration from the Directors

All the Directors have submitted a declaration that they are not disqualified under section 164 of the Companies Act, 2013. Makarand M. Joshi & Co., Company Secretaries, has submitted a certificate to the effect that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as a director by the SEBI/Ministry of Corporate Affairs. Copy of the Certificate and Declaration by the

Corporate Governance Report (Continued)

Chief Executive Officer pursuant to Listing Regulations, 2015 on compliance with the code of conduct by the Board of Directors and senior management is enclosed as part of corporate governance report.

14.13 Remuneration to Auditors

Remuneration paid to the Statutory Auditors and their network of firms/entities in India during the year by the Company and its subsidiaries on a consolidated basis, are as under:

Particulars	Amount in ₹ crore
Statutory Audit fees	3
Quarterly reviews fees	1
Certifications	0*
Other assurance related services	4
Total payment to Statutory Auditors*	**8^**

** Value less than ₹ 50 Lakh*

^ Excluding Goods & Service Tax (GST)

14.14 Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company is committed to providing and promoting a safe and healthy work environment for all its employees.

The disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is mentioned in **Point 27** of the Board's Report.

14.15 Other corporate governance requirements

Regulation 24 of the Listing Regulations with respect to Independent Directors on unlisted material subsidiaries is not applicable since the Company does not have any material subsidiaries.

Regulation 26 of the Listing Regulations with respect to Directors and Senior Management has been complied with.

Regulation 27 of the Listing Regulations with respect to Quarterly Compliance report has been complied with.

Regulation 46(2) of the Listing Regulations pertaining to disseminating information on website has been complied with.

Requirements stipulated under Regulation 17 to 27 read with Schedule V of the Listing Regulations has been complied with.

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Other requirements of Corporate Governance as per the Listing Regulations are disclosed on the Company's website at https://www.diageoindia.com/investors/and as applicable have been disclosed elsewhere in this report and Annexures.

15. Depository system

The trading in the equity shares of the Company is under compulsory dematerialization mode. As on 31st March 2026, equity shares representing 99.62% of the equity share capital are in dematerialized form. Shares held in the dematerialized mode have more liquidity than those held in the physical mode.

The transfer of shares of the Company by physical means has been barred from 1st April 2019 pursuant to SEBI's Notification dated 3rd December 2018. However, SEBI vide Circular No. HO/38/13/11(2)2026-MIRSD-POD/I/3750/2026 dated 30th January 2026 has mandated the Company to open a special window for transfer and dematerialization ('demat') of physical securities upto 4th February 2027. This facility is available to those investors who had purchased physical shares of the Company prior to 1st April 2019, and a) had not lodged the shares for transfer, or b) had lodged the shares for transfer, but the same was rejected, returned, not processed due to deficiencies in documentation.

Kindly note that only the request(s) which are accompanied with original share certificate(s) along with transfer deed(s) and other supporting documents will be considered under the special window. Investors wishing to avail this special window may contact the Company's Registrar and Share Transfer Agent ('RTA') at bglsta@integratedindia.in

Therefore, the Company urges shareholders who are holding shares in the physical form to convert their shareholding to the demat mode.

Shareholders who have not registered their email IDs are requested to do so for receiving communications from the Company. Shareholders who are holding shares in physical form can update their email ID by submitting ISR-1 form to the RTA. The form is available on the Company's website https://www.diageoindia.com/en/investors/shareholder-centre/downloads

Shareholders who are holding shares in demat form can update their email ID by contacting their Depository Participant only.

Pursuant to Part F of Schedule V of the Listing Regulations, the following unclaimed shares were transferred to the demat account titled United Spirits Limited Unclaimed Suspense Account after the Company's RTA sent three reminders to all the shareholders whose shares remained unclaimed.

During the year, the Company has released shares from the said suspense account upon receipt of requests from the shareholders and after checking veracity of such shareholder's claims. The details of such release of shares are given below:

Particulars	No. of Shareholders	No. of equity shares held
Aggregate number of shareholders and the outstanding shares in the Unclaimed Suspense Account lying as on 1st April 2025	2,886	15,60,981
Shares added to the Unclaimed Suspense account during this year (Stock split of Undelivered shares)	NIL	NIL
Total Shares	**2,886**	**15,60,981**
Number of shareholders who approached the Company for transfer of shares from Unclaimed Suspense Account during the year	44	31,389
Number of shareholders to whom shares were transferred from Unclaimed Suspense Account during the year	44	31,389
Number of Shareholders and shares transferred to IEPF during the year	NIL	NIL
Aggregate number of shareholders and the outstanding shares in the Unclaimed Suspense Account lying as on 31st March 2026	2,842	15,29,592

Voting rights on the above unclaimed shares shall remain frozen until the rightful owner claims the shares.

16. Discretionary Requirements

Pursuant to Regulation 27(1) and Part E of Schedule II of the Listing Regulations, the Company has complied with the following optional requirement:

Board

Non-Executive Chairperson is entitled to reimbursement of expenses incurred in performing his duties as Chairperson.

Separate posts of Chairperson and the Managing Director or the Chief Executive Officer

The Company has a separate chairperson and Managing Director, CEO ('MD'). The chairperson is a Non-Executive Independent Director and is not related to the MD.

Audit qualifications

The Statutory Auditor has issued an unmodified audit report for the year ended 31st March 2026.

Reporting of Internal Auditor

The Internal Auditor reports directly to the Audit Committee.

17. Disclosure of certain types of agreements binding listed entities disclosed under clause 5A of paragraph A of Part A of Schedule III of these regulations

There are no agreements existing during the end of the financial year as prescribed under clause 5A of paragraph A of Part A of Schedule III of Listing Regulations.

Corporate Governance Report (Continued)

ANNEXURE A: Distribution of Holdings value-wise (as on 31st March 2026) - Reference point 13J of this Report

Shareholding of nominal value	Shareholders		Share amount	
₹	Number	% to total	In ₹	% to total
Upto - 5,000	2,96,756	98.94	5,89,58,630	4.05
5,001 - 10,000	1,386	0.46	1,00,56,392	0.69
10,001 - 20,000	647	0.22	93,06,172	0.64
20,001 - 30,000	248	0.08	61,86,890	0.43
30,001 - 40,000	141	0.05	49,98,372	0.34
40,001 - 50,000	86	0.03	38,35,526	0.26
50,001 - 1,00,000	199	0.07	1,40,19,776	0.96
100,001 and above	478	0.16	1,34,73,39,948	92.62

Snapshot of shareholding as on 31st March 2026 Category-wise:

Category	No. of Shares	% of equity Capital
Promoter	41,22,21,410	56.67
Resident Body corporates (including Clearing Members)	1,39,85,661	1.92
Banks/FIS/FII/MF/PF/Trust*/Central/State Government & Insurance Companies	23,77,82,814	32.69
NRI/OCB/FCB/Foreign Nationals	50,11,288	0.69
Venture Capital	-	-
Resident Individuals	5,83,49,680	8.02
Total	**72,73,50,853**	**100.00**

**This include 1,72,95,450 shares (2.38% of equity share capital) held on behalf of USL Benefit Trust, the sole beneficiary of which is United Spirits Limited.*

By Order of the Board of Directors of United Spirits Limited

V K Viswanathan
DIN: 01782934

Place: Bengaluru
Date : 14th May 2026

Corporate Governance Report (Continued)

SHARE CAPITAL HISTORY (SINCE 1999)

31 Mar 1999	■ Company Incorporated ■ Shares on Incorporation - 60 Nos.	
09 Jul 2001	■ Merger with McDowell & Co. Limited ■ Ratio 1:1	■ Issued 5,17,19,968 Shares ■ Pre Issue - 60 Nos : Post Issue - 5,17,20,028 Nos.
29 Mar 2006	■ GDR Issue ■ Issued 87,51,381 Shares	■ Pre Issue - 5,17,20,028 Nos; Post Issue - 6,04,71,409 Nos
06 Nov 2006	■ BGIL* merged with McDowell and Company Limited (Ratio 20:31) ■ (*BGIL – Baramati Grape Industries Limited)	■ Issued 3,37,780 Shares ■ PrPre Issue - 6,04,71,409 Nos; Post Issue - 6,08,09,189 Nos
06 Nov 2006	■ SWDL* merged with McDowell and Company Limited (Ratio 20:7) (*SWDL – Shaw Wallace Distilleries Limited)	■ Issued 2,81,12,971 Shares ■ Pre Issue - 6,08,09,189 Nos; Post Issue - 8,89,22,160 Nos
06 Nov 2006	■ Herberson Limited merged with McDowell and Company Limited ■ Ratio 3:2	■ Issued 31,17,209 Shares ■ Pre Issue - 8,89,22,160 Nos; Post Issue - 9,20,39,369 Nos.
06 Nov 2006	■ TDVL* merged with McDowell and Company Limited (Ratio 4:83) ■ (*TDVL – Triumph Distilleries & Vintners Limited)	■ Issued 20,75,000 Shares ■ Pre Issue - 9,20,39,369 Nos; Post Issue - 9,41,14,369 Nos.
06 Nov 2006	■ UDIL* merged with McDowell and Company Limited (Ratio 100:3) ■ (*UDIL – United Distillers India Limited)	■ Issued 3,60,000 Shares ■ Pre Issue - 9,41,14,369 Nos; Post Issue - 9,44,74,369 Nos.
06 Nov 2006	■ Fractional Shares upon merger ■ Issued 7,561 Shares	■ Pre Issue - 9,44,74,369 Nos; Post Issue - 9,44,81,930 Nos
07 Jul to 08 May	■ FCCB Conversion and Allotment ■ Issued 56,81,326 Shares	■ Pre Issue - 9,44,81,930 Nos; Post Issue - 10,01,63,256 Nos.
24 Jul 2009	■ SWCL* merged with United Spirits Limited (Ratio 17:4) ■ (*SWCL - Shaw Wallace & Company Limited)	■ Issued 77,49,121 Shares ■ Pre Issue - 10,01,63,256 Nos; Post Issue - 10,79,12,377 Nos.
23 Oct 2009	■ QIP Placement ■ Issued 1,76,81,952 Shares	■ Pre Issue - 10,79,12,377 Nos; Post Issue - 12,55,94,329 Nos.
14 Jan 2011	■ BDL* merged with United Spirits Limited (Ratio 55:2) ■ (*BDL – Balaji Distilleries Limited)	■ Issued 55,00,639 Shares ■ Pre Issue - 12,55,94,329 Nos; Post Issue - 13,07,94,968 Nos.
27 May 2013	■ Preferential issue to Diageo Relay B.V. (wholly owned subsidiary of Diageo Plc) ■ Issued 1,45,32,775 Shares	■ Pre Issue - 13,07,94,968 Nos; Post Issue - 14,53,27,743 Nos.
03 Jul 2018	■ Shares Split ■ Ratio 1:5	■ Pre Issue - 14,53,27,743 Nos; Post Issue - 72,66,38,715 Nos.
13 Jan 2023	■ Pioneer Distilleries Ltd merged with United Spirits Ltd. ■ Ratio 47:10	■ Pre issue: 72,66,38,715Nos; Post issue: 72,73,50,853 Nos.

Corporate Governance Report (Continued)

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,
The Members,
United Spirits Limited,
'UB Tower' # 24, Vittal Mallya Road,
Bangalore-560001 Karnataka, India

We have examined the compliance of conditions of Corporate Governance by **United Spirits Limited** ("the Company") for the year ended on March 31, 2026, as stipulated in Regulations 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["Listing Regulations"].

In our opinion and to the best of our information and according to the explanations given to us, and representations made by the management, we certify that the Company, to the extent applicable, has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of Listing Regulations.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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 Makarand M. Joshi & Co.
Company Secretaries
ICSI UIN: P2009MH007000
Peer Review Cert. No.: 6832/2025

Kumudini Bhalerao
Partner
FCS: 6667
CP: 6690
UDIN: F006667H000364301

Date: 14th May 2026
Place: Mumbai

Corporate Governance Report (Continued)

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34 (3) and Schedule V Para C clause (10) (i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members
United Spirits Limited
'UB Tower' # 24, Vittal Mallya Road,
Bangalore-560001 Karnataka, India.

We have examined the relevant disclosures provided by the Directors (as enlisted in Table A) to United Spirits Limited having CIN: L01551KA1999PLC024991 and having registered office at 'UB Tower' # 24, Vittal Mallya Road, Bangalore-560001 Karnataka, India (hereinafter referred to as '**the Company**') for the purpose of issuing this Certificate, in accordance with Regulation 34 (3) read with Schedule V Para C clause 10 (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information, based on (i) Documents available on the website of the Ministry of Corporate Affairs (MCA) (ii) Verification of Directors Identification Number (DIN) status on the website of the MCA, and (iii) disclosures provided by the Directors to the Company, we hereby certify that none of the Directors on the Board of the Company (as enlisted in Table A) have been debarred or disqualified from being appointed or continuing as Directors of the Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other statutory authority as on March 31, 2026.

Table A

Sr. No.	Name of the Directors	DIN	Date of appointment in Company
1.	Mr. Vegulaparanan Kasi Viswanathan	01782934	17-10-2016
2.	Mr. Mark Dominic Sandys	09543864	01-04-2022
3.	Mr. Pradeep Jain	02110401	01-02-2023
4.	Ms. Indu Bhushan	09302960	01-03-2024
5.	Mr. Mukesh Hari Butani	01452839	01-03-2024
6.	Ms. Amrita Gangotra	08333492	01-09-2024
7.	Ms. Preeti Arora	10768374	01-10-2024
8.	Mr. Praveen Someshwar	01802656	01-04-2025
9.	Mr. Narayan Keelveedhi Seshadri	00053563	09-10-2025
10.	Ms. Julie Bramham	08415737	21-01-2026

With respect to the directorship of one of the directors in another company, the Company has been provided with an independent third-party legal opinion regarding the non-applicability of Section 164 in connection with the company in which the said director holds office, which we have relied upon.

General Disclaimer: Our Analysis for this certificate does not cover the verification of criteria pertaining to appointment as independent director under Section 149 and criteria pertaining to appointment as Managing Director under Section 196 and Schedule V of the Companies Act, 2013.

For Makarand M. Joshi & Co.
Company Secretaries
ICSI UIN: P2009MH007000
Peer Review Cert. No.: 6832/2025

Kumudini Bhalerao
Partner
FCS: 6667
CP: 6690
UDIN: F006667H000366081

Date: 14th May 2026
Place: Mumbai

Corporate Governance Report (Continued)

DECLARATION REGARDING AFFIRMATION OF CODE OF CONDUCT

In terms of the requirement of Regulation 26(3) read with Schedule V Para D of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, code of conduct of the Company has been displayed at the Company's website www.diageoindia.com. All the members of the Board and the senior management personnel had affirmed compliance with the code for the year ended 31st March 2026.

Place: Bengaluru
Date: 14th May 2026

Praveen Someshwar
Managing Director and Chief Executive Officer
DIN: 01802656

CEO/CFO CERTIFICATE

To,
The Board of Directors,
United Spirits Limited

A. We have reviewed the standalone and consolidated financial statements for the year ended 31st March 2026 and that to the best of our knowledge and belief

   1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   2. these statements, together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

We have indicated to the Auditors and the Audit Committee:

1. Significant changes in internal control over financial reporting during the year;

2. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

3. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Pradeep Jain
Executive Director and
Chief Financial Officer
DIN: 02110401

Praveen Someshwar
Managing Director and
Chief Executive Officer
DIN: 01802656

Place: Bengaluru
Date: 14th May 2026

Independent Practitioner's Reasonable Assurance Report on Identified Sustainability Information in United Spirits Limited's Business Responsibility and Sustainability Report pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of United Spirits Limited

We have undertaken to perform a reasonable assurance engagement for United Spirits Limited (the "Company") vide our Engagement Letter dated January 16, 2026, in respect of the agreed Sustainability Information referred in "Identified Sustainability Information" paragraph below (the "Identified Sustainability Information") in accordance with the Criteria stated in the "Criteria" paragraph below. The Identified Sustainability Information is included in the Business Responsibility and Sustainability Report ("BRSR") section in the Integrated Annual Report of the Company for the financial year ended March 31, 2026, pursuant to the requirement of Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (the "LODR Regulations").

This engagement was conducted by a team comprising assurance practitioners and environment expert.

Identified Sustainability Information

The Identified Sustainability Information for the financial year ended March 31, 2026, is summarised in Appendix 1 to this report.

Our reasonable assurance engagement was only with respect to the Identified Sustainability Information included in the BRSR of the Company for the financial year ended March 31, 2026.

Criteria

The criteria used by the Company to prepare the Identified Sustainability Information is the "BRSR Core", which is a subset of the BRSR, consisting of a set of Key Performance Indicators ("KPIs")/ metrics under nine Environmental, Social and Governance ("ESG") attributes, as per the format of BRSR Core specified in Annexure 17A read with the format of BRSR and the guidance note given in Annexure 16 and 17, respectively, of the Master Circular SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024, and the 'Industry Standards on Reporting of BRSR Core' issued by the Securities and Exchange Board of India ("SEBI") vide circular SEBI/HO/CFD-PoD-1/P/CIR/2024/177 dated December 20, 2024 (collectively referred to as the "SEBI Circulars").

Management's Responsibilities

The Company's Management is responsible for determining the Reporting Boundary of the BRSR, and for selecting or establishing suitable criteria for preparing the Identified Sustainability Information, taking into account applicable laws and regulations including the SEBI Circulars, related to reporting on the Identified Sustainability Information, identification of key aspects, engagement with stakeholders, and content, preparation and presentation of the Identified Sustainability Information in accordance with the Criteria. This responsibility includes design, implementation, and maintenance of internal control relevant to the preparation of the BRSR, and the measurement of Identified Sustainability Information, which is free from material misstatement, whether due to fraud or error. The Management and the Board of Directors of the Company are also responsible for overseeing the Company's compliance with the requirements of LODR Regulations and the SEBI Circulars in relation to the BRSR Core.

Inherent Limitations in preparing the Identified Sustainability Information

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities. In addition, Greenhouse Gas ("GHG") quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

Our Independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") and the International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code") issued by the International Ethics Standard Board for Accountants, which is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Price Waterhouse & Co Chartered Accountants LLP (the "Firm") applies Standard on Quality Control 1, "Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements", the International Standard on Quality Management ("ISQM") 1 "Quality Management for Firms that perform Audits or Reviews of Financials Statements, or Other Assurance or Related Services Engagements" and ISQM 2 "Engagement Quality reviews", and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Practitioner's Responsibilities

Our responsibility is to express a reasonable assurance opinion on the Identified Sustainability Information based on the procedures we have performed and the evidence we have obtained.

We conducted our engagement in accordance with the Standard on Sustainability Assurance Engagements ("SSAE") 3000, "Assurance Engagements on Sustainability Information" and the Standard on Assurance Engagements ("SAE") 3410, "Assurance Engagements on Greenhouse Gas Statements", both issued by the Sustainability Reporting Standards Board of the ICAI, and the International Standard on Assurance Engagement ("ISAE") 3000 (Revised), "Assurance Engagements other than Audits or Reviews of Historical Financial Information" and the ISAE 3410 "Assurance Engagements on Greenhouse Gas Statements", both issued by the International Auditing and Assurance Standards Board (collectively referred to as "the Standards").

These Standards require that we plan and perform our engagement to obtain reasonable assurance about whether the Identified Sustainability Information is prepared, in all material respects, in accordance with the Criteria. A reasonable assurance engagement involves assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances and evaluating the overall presentation of the Identified Sustainability Information.

The procedures we performed were based on our professional judgement, and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures referred above, we:

- Obtained an understanding of the Identified Sustainability Information and related disclosures.
- Obtained an understanding of the assessment criteria and their suitability for the evaluation and/ or measurements of the Identified Sustainability Information.
- Made enquiries of Company's management, including the various teams such as Sustainability team, Human Resource Team, etc., and those with responsibility for managing the Company's BRSR.
- Obtained an understanding and performed an evaluation of the design of the key systems, processes, and controls for managing, recording and reporting on the Identified Sustainability Information within the standalone Reporting Boundary (as mentioned in the BRSR). Further, for select Identified Sustainability Information, in addition to obtaining an understanding and performing evaluation of certain Information Technology General Controls (ITGC's), operating effectiveness of ITGC's was also tested.
- Checked the consolidation for various sites and corporate office within the standalone reporting boundary (as mentioned in the BRSR) for ensuring the completeness of data being reported.
- Based on above understanding and the risks that the Identified Sustainability Information may be materially misstated, determined the nature, timing and extent of further procedures.
- Performed substantive testing on a sample basis of the Identified Sustainability Information for various sites and corporate office within the standalone reporting boundary (as mentioned in the BRSR) to verify that data had been appropriately measured with underlying documents recorded, collated and reported. This includes assessing the records and performed testing including recalculation of sample data to establish an assurance trail.
- Assessed the level of adherence to the BRSR Core format issued by SEBI and followed by the Company in preparing the BRSR.
- Assessed the BRSR, for detecting, on a test basis, any major anomalies between the information reported in the BRSR on performance with respect to Identified Sustainability Information and relevant source data/information.
- Where applicable for the Identified Sustainability Information in the BRSR, we have relied on the information in the audited standalone financial statements of the Company for the year ended March 31, 2026 and the underlying books and records.
- Evaluated the reasonableness and appropriateness of significant estimates and judgements made by the Management in the preparation of the Identified Sustainable Information.
- Obtained written representations from the Company's Management.

Exclusions

Our reasonable assurance scope excludes the following and, therefore, we do not express an opinion on the same:

- Operations of the Company other than the Identified Sustainability Information listed in Appendix 1 to this report.
- Aspects of the BRSR and data/ information (qualitative or quantitative) included in the BRSR other than the Identified Sustainability Information.
- Data and information outside the defined reporting period, i.e., the financial year ended March 31, 2026.
- The statements that describe expression of opinion, belief, aspiration, expectation, aim or future intentions provided by the Company and testing or assessing any forward-looking assertions and/ or data.

Opinion

Based on the procedures performed and the evidence obtained, the Company's Identified Sustainability Information summarised in Appendix 1 to this report and included in the BRSR for the financial year ended March 31, 2026, are prepared, in all material respects, in accordance with the Criteria specified in the "Criteria" section of our report.

Emphasis of Matter

We draw attention to the Note in Section A (Question no. 13) of the BRSR, which describes the Reporting Boundary as the Company's Owned Manufacturing Sites, owned and leased Offices and Warehouses and does not include Third-Party Manufacturing Sites managed by the respective third parties for the reasons stated in the aforesaid Note. Our opinion is not modified in respect of this matter.

Restriction on Use

Our obligations in respect of this report are entirely separate from, and our responsibility and liability is in no way changed by, any other role we may have (or may have had) as auditors of the Company or otherwise. Nothing in this report, nor anything said or done in the course of or in connection with the services that are the subject of this report, will extend any duty of care we may have in our capacity as auditors of the Company.

This report has been issued at the request of the Board of Directors of the Company to whom it is addressed, solely to enable them to comply with the requirements of the Circulars and LODR Regulations, on reporting Company's sustainability performance and activities, and for publishing the same as part of the BRSR Report forming part of Company's Integrated Annual Report which will be published on the Company's website. Our report should not be used for any other purpose or by any person other than the addressees of our report. Price Waterhouse & Co Chartered Accountants LLP does not accept or assume any liability or any duty of care for any other purpose or to any person other than the Company.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/E300009

Heman Sabharwal
Partner
Membership Number: 093263
UDIN: 26093263YVACIQ7939

Place: Gurugram
Date: May 14, 2026

Appendix 1

Identified Sustainability Information (BRSR Core Indicators)

Sr. No.	Principle/ Indicator Reference*	Attribute	Parameters (KPIs) Assured
1.	Principle 6 – E7	Green-house gas (GHG) footprint#	1. Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) 2. Total Scope 2 emissions (Break-up of the GHG (CO2e) into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) 3. GHG Emission Intensity (Scope 1 +2) a) Total Scope 1 and Scope 2 emissions (MT) / Total Revenue from Operations adjusted for PPP b) Total Scope 1 and Scope 2 emissions (MT) / Total Output of Product or Services
2.	Principle 6 – E3 Principle 6 – E4	Water footprint#	1. Total water consumption 2. Water consumption intensity a) Water Intensity per rupee of turnover adjusted for PPP b) Water Intensity in terms of physical output 3. Water Discharge by destination and levels of treatment
3.	Principle 6 – E1	Energy Footprint#	1. Total Energy Consumed 2. % of energy consumed from renewable sources 3. Energy intensity a) Energy Intensity per rupee of turnover adjusted for PPP b) Energy Intensity in terms of physical output
4.	Principle 6 – E9	Embracing circularity-details related to waste management by the entity#	1. Plastic waste (A) 2. E-waste (B) 3. Bio-medical waste (C) 4. Construction and demolition waste (D) 5. Battery waste (E) 6. Radioactive waste (F) 7. Other Hazardous waste (G) 8. Other Non-hazardous waste generated (H) 9. Total waste generated (A+B + C + D + E + F + G + H) 10. Waste intensity a) Waste Intensity per rupee of turnover adjusted for PPP b) Waste Intensity in terms of physical output 11. For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations 12. For each category of waste generated, total waste disposed by nature of disposal method
5.	Principle 3 – E1 (c) Principle 3 – E11	Enhancing employee wellbeing and Safety	1. Spending on measures towards well-being of employees and workers- cost incurred as a % of total revenue of the company. 2. Details of safety related incidents for employees and workers (including contract-workforce) a) Number of Permanent Disabilities b) Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) c) No. of fatalities
6.	Principle 5 – E3 (b) Principle 5 – E7	Enabling Gender Diversity in Business	1. Gross wages paid to females as a % of wages paid 2. Complaints on POSH a) Total Complaints on Sexual Harassment (POSH) reported. b) Complaints on POSH as a % of female employees / workers c) Complaints on POSH upheld
7.	Principle 8 – E4 Principle 8 – E5	Enabling Inclusive Development	1. Input material sourced from following sources as % of total purchases –Directly sourced from MSMEs/ small producers and directly from within India. 2. Job creation in smaller towns- wages paid to people employed in smaller towns (permanent or non-permanent/on contract) as % of total wage cost
8.	Principle 9 – E7 Principle 1 – E8	Fairness in Engaging with Customers and Suppliers	1. Instances involving loss/ breach of data of customers as a percentage of total data breaches or cyber security events. 2. Number of days of accounts payable
9.	Principle 1 – E9	Open-ness of business	1. Concentration of purchases & sales done with trading houses, dealers, and related parties a) Purchases from trading houses as % of total purchases b) Number of trading houses where purchases are made from c) Purchases from top 10 trading houses as % of total purchases from trading houses d) Sales to dealers / distributors as % of total sales e) Number of dealers / distributors to whom sales are made f) Sales to top 10 dealers / distributors as % of total sales to dealers / distributors 2. Loans and advances & investments with related parties. Share of RPTs (as respective %age) in- - Purchases - Sales - Loans & advances - Investments

Notes:

**'E' denotes Essential Indicator*

#denotes data reported for USL owned manufacturing sites and owned and leased offices and warehouses

Business Responsibility Sustainability Report

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Principle 1	Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent and accountable	282
Principle 2	Businesses should provide goods and services in a manner that is sustainable and safe	285
Principle 3	Businesses should respect and promote the well-being of all employees, including those in their value chains	288
Principle 4	Businesses should respect the interests of and be responsive to all its stakeholders	296
Principle 5	Businesses should respect and promote human rights	299
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Principle 9	Businesses should engage with and provide value to their consumers in a responsible manner	321

Section A: General Information about the Company

I Details of the listed entity

S.No.	Particulars	Response
1.	Corporate Identity Number (CIN) of the Company	L01551KA1999PLC024991
2.	Name of the Listed Entity	United Spirits Limited
3.	Year of incorporation	1999
4.	Registered office address	UB TOWER', #24, Vittal Mallya Road, Bengaluru - 560 001
5.	Corporate address	UB TOWER', #24, Vittal Mallya Road, Bengaluru - 560 001
6.	E-mail	cosec.india@diageo.com / investor.india@diageo.com
7.	Telephone	080-22210705
8.	Website	www.diageoindia.com
9.	Financial year for which reporting is being done	April 01, 2025 to March 31, 2026
10.	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited & BSE Limited
11.	Paid-up Capital	₹ 145 Crores
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Jitendra Mahajan Chief Supply & Sustainability Officer Telephone: 080-22210705; Email: investor.india@diageo.com

Business Responsibility Sustainability Report

S.No.	Particulars	Response
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)	The financial information presented in the report is for standalone legal entity, United Spirits Limited (USL). The non-financial information (environment, social and governance) presented in the report is for standalone legal entity, unless otherwise specified below. USL operates through its Own Manufacturing sites, Third-Party Manufacturing sites (which includes Tie-up Manufacturing Units and Leased Manufacturing Units), Owned and Leased Offices and Warehouses. USL's operations are subject to excise regulations. Under these regulations, USL as a brand owner is required to register brands with the excise authorities and only such registered brands can be supplied by USL either through its Own Manufacturing sites or Third-Party Manufacturing sites. For the purposes of financial reporting, in accordance with the applicable accounting standards, the Company includes revenue, cost of goods sold and applicable duties and taxes relating to the Third Party Manufacturing sites into USL's Standalone Financial Statements. Further, the Company capitalizes Right of Use assets and the corresponding lease liabilities for the Third-Party Manufacturing sites in the Standalone Financial Statements. Please refer to Notes 3.2 and 20 under Notes to the Audited Standalone Financial Statements in the Integrated Annual Report page 349 and 370. The non-financial information has been reported for Owned Manufacturing sites, Owned and Leased Offices and Warehouses for indicators under the BRSR Core attributes of Green-house gas footprint, Water footprint, Energy footprint, Waste management and Total Output of Products considered for intensity across the same. The reporting boundary excludes the above mentioned non-financial information pertaining to Third-Party Manufacturing sites considering that the key sustainability activities of Third-Party Manufacturing sites are managed by respective parties themselves and the Company does not have operational control so far as it relates to such activities. Additional considerations for such exclusion include the complexities of USL's operating rights in relation to excise regulations as applicable to Third-Party Manufacturing sites and non-availability of specific guidance in the BRSR on reporting of non-financial information in relation to such Third-Party Manufacturing sites. The reporting boundary will be reviewed by the Company on an annual basis to align to any further guidance/clarity on the above matter.
14.	Name of assurance provider	Price Waterhouse & Co Chartered Accountants LLP
15.	Type of assurance obtained	Reasonable assurance on BRSR core indicators

II. Products/Services

16. Details of business activities (accounting for 90% of the turnover):

Description of main activity	Description of business activity	% of Turnover of the entity
Manufacturing (Main Activity Group Code - C1)	The company is involved in the manufacture, sale, and distribution of alcoholic beverages.	100%

17. Products/Services sold by the entity (accounting for 90% of the entity's turnover):

Product / service	NIC Code	% of Total Turnover contributed
Alcoholic Beverages, Indian Made Foreign Liquor, Extra Neutral Alcohol	11011	100%

Business Responsibility Sustainability Report

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Businesses and operations are spread across the country.

Location	No. of plants/Operations	No. of offices	No. of warehouses/depot	Total
National	9	20	11	40
International	Nil			

Note: There were 13 owned manufacturing sites, non-operational throughout the year and therefore not included above.

19. Markets served by the entity :

a. Number of locations

Location	Number
National	28 states and 6 union territories
International	24 countries

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Exports contribute to 0.67% of our total turnover.

c. A brief on types of customers:

USL is one of the leading alcohol beverage company in India and a subsidiary of the global leader Diageo Plc. With a portfolio of 250+ SKUs, we offer a diverse range of global and premium Indian brands including several iconic names across categories such as Scotch, IMFL whisky, brandy, rum, vodka, and gin, catering to varied consumer preferences and price segments. We sell over 65 million cases annually through a variety of business models, including corporation partnerships, distributors, wholesalers, retailers and modern trade channels. Our reach extends to more than 1,00,000+ retail outlets across 28 states and 6 union territories, supported by 1,500+ direct dispatch customer drop points, and we export to 24 countries globally. By blending global expertise with local innovation, we consistently deliver world-class products and exceptional consumer experiences, ensuring seamless accessibility across markets.

IV. Employees

20. Details as at the end of the financial year:

a. Employees and workers (including differently abled):

Particulars	Total (A)	Male		Female	
		No. (B)	% (B/A)	No. (C)	% (C/A)
Employees					
Permanent (D)	1,497	1,056	71%	441	29%
Other than Permanent (E)	29	17	59%	12	41%
Total Employees (D+E)	**1526**	**1073**	**70%**	**453**	**30%**
Workers					
Permanent (F)	727	668	92%	59	8%
Other than Permanent (G)	1,852	1,456	79%	396	21%
Total Workers (F+G)	**2579**	**2124**	**82%**	**455**	**18%**

Note: Trainees and apprentices not included in the workforce

b. Differently abled Employees and workers:

Particulars	Total (A)	Male		Female	
		No. (B)	% (B/A)	No. (C)	% (C/A)
Differently Abled Employees					
Permanent (D)	0	0	0%	0	0%
Other than permanent (E)	0	0	0%	0	0%
Total differently abled employees (D+E)	**0**	**0**	**0%**	**0**	**0%**
Differently Abled Workers					
Permanent (F)	18	18	100%	0	0%
Other than Permanent (G)	71	71	100%	0	0%
Total differently abled workers (F+G)	**89**	**89**	**100%**	**0**	**0%**

21. Participation/Inclusion/Representation of women - BOD/KMP

Particulars	Total (A)	No. and % of Females	
		No(B)	%(B/A)
Board of Directors*	10	3	30%
Key Management Personnels	3	1	33%

**Two of the Key Management Personnel are also part of Board of Directors.*

** Praveen Someshwar, CEO & MD has replaced Hina Nagarajan effective April 1, 2025.*

22. Turnover rate for permanent employees and workers - Past 3 years

Particulars	FY 2025-26			FY 2024-25			FY 2023-24		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	17%	21%	18%#	11%	19%	14%	12%	21%	14%
Permanent Workers*	27%	8%	25%	26%*	6%	25%	29%*	2%	27%

#The attrition rate for the year reflects the impact of a restructuring initiative undertaken by the Company, which included a voluntary separation programme.

**The turnover is a result of the Voluntary Separation Scheme due to closure of units under our ongoing 'Supply Agility Program', which aims to consolidate manufacturing operations across India. As part of settlement arrangement, permanent workers received closure compensation and opted for voluntary separation from the company.*

V. Holding, Subsidiary and Associate Companies

23. 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? (Yes/No)
1	Diageo plc	Ultimate Holding company	-	No
2	Tanqueray Gordon & Company Ltd., United Kingdom (Holding Company of Diageo Relay B V)	Holding Company of Diageo Relay B V	-	No
3	Diageo RELAY BV	Holding Company	56%	No
4	Asian Opportunities & Investments Limited (AOIL)	Subsidiary	100%	No
5	Palmer Investment Group Limited	Subsidiary	100%	No
6	Shaw Wallace Overseas Limited	Subsidiary	100%	No
7	USL Holdings Limited	Subsidiary	100%	No
8	USL Holdings (UK) Limited	Subsidiary	100%	No
9	United Spirits (UK) Limited	Subsidiary	100%	No
10	United Spirits (Great Britain) Limited	Subsidiary	100%	No

Business Responsibility Sustainability Report

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? (Yes/No)
11	McDowell & Co (Scotland) Limited	Subsidiary	100%	No
12	Royal Challengers Sports Private Limited	Subsidiary	100%	No
13	Nao Spirits & Beverages Private Limited	Subsidiary	97%	No
14	Hapusa Spirit UK Ltd	Subsidiary	97%	No
15	Inspired Hospitality Private Limited	Joint venture	13%	No
16	V9 Beverages Private Limited	Joint venture	25%	No
17	Indie Brews and Spirits Private Limited	Joint venture	25%	No

Note: The company holds an ownership interest in the aforementioned joint ventures on a fully diluted basis as of March 31, 2026.

VI. CSR Details

24	(i).	Whether CSR is applicable as per section 135 of Companies Act, 2013	Yes
	(ii).	Turnover	27,781 Cr
	(iii).	Networth	8,721 Cr

Note: The turnover of ₹ 27,781 Cr includes the total revenue from the operations as mentioned in Note 20 of Audited Standalone Financial Statements.

VII. Transparency & Disclosures Compliance

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder Group from Whom complained received	Grievance Redressal Mechanism in Place (Yes/ No) (If Yes, then provide web-link for grievance redress policy)	FY 2025 -26			FY 2024 -25		
		Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Communities	Yes	-	-	-	-	-	-
Investors (Other than Shareholders)	NA	-	-	-	-	-	-
Shareholders	Yes	33	1	-	22	0	-
Employees and workers	Yes	38	5	-	32	10	-
Customers/ Consumer	Yes	448	32	-	674	88	-
Value chain Partners	Yes	10	0	-	3	0	-
Others (Anonymous)	Yes	47	11	-	30	4	-

Note 1: Our grievance redressal policy is primarily implemented through its "SpeakUp" service- https://www.diageoindia.com/en/about-us/corporate-governance/speak-up

Note 2: The ten complaints filed by 'employees and workers', and four complaints filed by Others (Anonymous), pending as of 31st March 2025, have been resolved during the year with appropriate action.

Note 3: Customer/Consumer complaints include complaints pertaining to product quality. Out of 448 complaints, 416 were validated and resolved during the reporting period, while 32 remained under investigation as on 31st March 2026. The 88 complaints pending as of 31st March 2025, were successfully resolved within the year.

Business Responsibility Sustainability Report

26. 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)
Promoting moderation	Opportunity	By advocating for responsible drinking, we help reduce the risks associated with alcohol misuse, including health complications and social harm. This approach supports public well-being, safeguards the brand's reputation and ensures compliance with regulatory standards aimed at protecting public health	-	Embedding moderation into our strategic framework aligns with principles of sustainable growth and corporate social responsibility and drives long-term value creation. This approach strengthens investor confidence, reinforces brand loyalty, and supports long-term value creation delivering both financial returns and reputational gains that make moderation a prudent and forward-looking business strategy
Including and empowering women, minorities, and underrepresented groups	Opportunity	Empowering women, minorities, and underrepresented groups both in the workforce and in leadership helps build a more innovative, balanced, and effective organization. Fostering inclusivity in hiring, marketing, and decision-making enables broader perspectives and supports the development of products and services that resonate with diverse consumer segments	-	Championing inclusivity and diversity is a strategic imperative that enhances talent acquisition, elevates workforce quality, and reduces recruitment costs, ultimately driving product innovation, increasing revenue, and expanding market share. By fostering a strong focus on inclusion, we gain a deeper understanding of diverse customer needs, positioning ourselves as a progressive and responsible industry leader
Ensuring access to clean water, sanitation, and hygiene	Opportunity	Access to clean water, sanitation, and hygiene (WASH) is fundamental to public health, human dignity, and sustainable development. Communities lacking reliable WASH infrastructure face increased health risks, reduced productivity, and diminished quality of life. Addressing this issue presents a significant opportunity to enhance community well-being, build stakeholder trust, and contribute to long-term environmental sustainability	-	Investing in clean water, sanitation, and hygiene infrastructure creates long-term value by reducing health-related disruptions, enhancing workforce productivity, strengthening community goodwill, and mitigating future regulatory or compliance costs.

Business Responsibility Sustainability Report

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)
Ensuring responsible marketing/ retailing of alcohol	Opportunity	Promoting responsible marketing/retailing of alcohol enhances consumer trust, aligns with regulatory expectations, and supports public health objectives.	-	Responsible marketing and retailing practices leads to increased consumer trust, brand loyalty, and market share, while reducing the risk of regulatory fines or reputational damage
Preventing harmful use of alcohol	Opportunity	Preventing the harmful use of alcohol aligns with public health priorities and demonstrates corporate responsibility.	-	Promoting the responsible use of alcohol enhances brand reputation and consumer trust leading to stable market presence. It helps in gaining a competitive edge and differentiate brands in the marketplace, attracting ethically conscious consumers and ESG-focused investors.
Mitigating or adapting to climate change	Risk	Climate change poses significant risks, particularly concerning the availability of critical resources like water and key agricultural ingredients. Without proactive mitigation, these risks could disrupt supply chains, drive up costs due to resource scarcity, and accelerate shifts in consumer preference toward more sustainable and environmentally responsible brands	We have made strategic investments in energy-efficient technologies, significantly reduced water consumption, and transitioned to renewable energy across our production facilities. As part of our commitment to environmental stewardship, we have established ambitious carbon reduction targets and are actively advancing our sustainability agenda. These initiatives position us to navigate the challenges posed by climate change and reinforce our contribution to a more resilient and sustainable future.	Extreme weather events can disrupt supply chains, damage infrastructure, and raise operational costs, impacting profitability. Climate-related regulations, including carbon taxes and stricter environmental standards, may increase compliance costs and require investments in sustainable technologies. Additionally, shifting consumer preferences toward eco-friendly products could affect reputation and erode market share if not proactively addressed.
Protecting the natural ecosystems our business relies on	Risk	Healthy ecosystems provide critical resources such as clean water, raw materials, and a stable climate. By prioritizing environmental stewardship, we reduce operational risks related to resource scarcity and regulatory pressures and enhance our reputation as a responsible business.	Healthy ecosystems are vital for providing essential resources, including clean water, raw materials, and a stable climate. By prioritizing environmental stewardship, we mitigate risks associated with resource depletion and regulatory challenges, while simultaneously strengthening our reputation as a responsible and sustainable business.	Investing in the protection of natural ecosystems strengthens our brand value, attracts eco-conscious consumers and investors and positions us for sustained growth and profitability.

Business Responsibility Sustainability Report

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)
Corporate Governance	Opportunity	Good governance enhances stakeholder confidence, ensuring that the company runs efficiently and ethically, boosting long-term financial stability and enhancing reputation	-	Effective corporate governance promotes transparency, accountability, and sound decision-making, reducing risks such as fraud and legal disputes. It builds investor confidence, enhances reputation, and supports sustained growth and financial performance.
Strengthening security of agri-food chains	Risk	Disruption in supply chains can drive up costs through production delays, increased insurance premiums, and the need for more robust safety measures	We have robust and comprehensive procedures in place for sustainable sourcing, firmly rooted in our commitment to ethical, responsible, and environmentally sound business practices from grain to glass. Our approach is guided by the Partnering with Suppliers standard, which sets clear expectations on environmental compliance and ethical conduct. To enhance transparency and enable data-driven decision-making, we have implemented SEDEX, a global platform for responsible sourcing across our vendor base.	Supply chain disruptions can result in significant costs, including the need for expensive infrastructure and technology upgrades. Failure to effectively manage these risks exposes the company to reputational damage and potential revenue loss. However, by implementing proactive risk management strategies, we can mitigate these impacts, reduce long-term costs, protect profit margins, and maintain financial stability in the face of unforeseen challenges
Supporting good livelihoods and working conditions	Opportunity	Prioritizing fair wages, safe working environments, and equitable treatment, attracts and retains top talent, reduces turnover, and boosts productivity. Fostering positive working conditions supports a healthier, more engaged workforce, contributing to overall business success and resilience.	-	Fair wages, safe environments, and employee well-being leads to higher productivity and lower turnover, resulting in cost savings on recruitment and training. Improved working conditions also enhances operational efficiency and product quality.
Reducing or eliminating waste	Opportunity	Reducing or eliminating waste presents a valuable opportunity to enhance efficiency, lower costs, and support environmental sustainability. Minimizing waste helps reduce expenses related to materials, energy, and disposal, while improving resource efficiency.	-	Reducing or eliminating waste lowers costs associated with raw materials, energy consumption, and waste disposal, directly improving profit margins. Efficient use of resources also enhances operational productivity and leads to savings across the supply chain.

Note: The Company is currently undertaking a Double Materiality Assessment (DMA) exercise aligned with evolving ESG reporting practices to reassess its sustainability material issues from both impact and financial materiality perspectives. The revised material issues will be disclosed in subsequent reporting periods.

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SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Policy and management processes		P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	a. Whether your entity's policy / policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	c. Web Link of the Policies, if available	https://www.diageoindia.com/en/about-us/corporate-governance								
2.	Whether the entity has translated the policy into procedures. (Yes / No)	Yes, functions have procedures in place to implement the policies.								
3.	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes. USL's documentation (Agreements, Contracts, Purchase Orders) with our value chain partners (for both supply and services) contain compliance clauses along with an annexure on 'USL's Guidance Note to Business Associates'. Value chain partners are required to comply with our Code of Conduct and the guidance note prior to or on signing of the agreement, understand the policies contained therein and agree to act in accordance with the standards and principles.								
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.	P1	Our Code is guided by the International Labour Organisation's (ILO) Declaration on Fundamental Principles and Rights to Work, the Children's Rights and Business Principles, UN Global LGBTI Standards of Conduct for Business, UN Women's Empowerment Principles and the UN Global Compact,GRI Standard							
		P2	FSSC 22000, GRI Standard, ISO 9001							
		P3	Our policies are guided by ILO principles and UNGC, ISO 45001							
		P4	Grievance redressal mechanism,GRI Standard							
		P5	United Nations Guiding Principles on Business and Human Rights and ILO Principles, UN Global LGBTI Standards of Conduct for Business, UN Women's Empowerment Principles and the UN Global Compact to which we are signatories							
		P6	ISO 14001, ISO 14064-1:2018, Alliance for Water Stewardship (AWS), GRI Standard							
		P7	Policy advocacy are undertaken through trade and industry chambers and associations, and other similar collective platforms, UNGC							
		P8	CSR disclosures pursuant to Section 135 of the Companies Act, 2013							
		P9	ISF Standard of Good Practice, ASCI , FSSAI, Cert-In, GRI Standard							
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any.	Our aspiration is to be the top performing CPG company in India delivering sustained double digit, profitable topline growth & long term value to all our stakeholders. This ambition drives us to embed sustainability and Environmental, Social, and Governance (ESG) principles at the core of our decision-making and business strategies. Our commitment extends beyond financial success, aiming to create a meaningful and positive impact on the planet and its people. 'Spirit of Progress' is our ESG action plan to help create a more inclusive and sustainable world. Our strategic priorities are to promote positive drinking, champion inclusion and diversity and pioneer grain-to-glass sustainability, all underpinned by doing business the right way. Building on the legacy, we want to create a positive impact on our company, within our communities and for society. To lead our business through the next decade, we have set ourselves goals which align with the United Nations' Sustainable Development Goals. Read more under Spirit of Progress at page 48									

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6.	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	The USL's performance against the specific targets established for financial year 2025-26 is as follows:

Spirit of Progress (SoP) parameter	Goal	Unit of Measurement (UoM)	Target by 2030	Cumulative performance FY 20-26	Performance in FY 25-26	SDG mapping
Promote positive drinking (Act Smart India)	Scale up our ACT SMART partnership, and educate young people, parents, and teachers on the dangers of underage drinking	No of young people educated on the dangers of underage drinking	1.3 Mn	0.8 Mn	0.2 Mn	SDG 3 SDG 17
Positive drinking (Wrong Side of the Road)	Extend our UNITAR partnership and promote changes in attitudes to drink driving	No. of consumers educated on the dangers of drink driving	3 Mn	2 Mn	0.75 Mn	SDG 3 SDG 17
Champion inclusion and diversity (Learning for Life)	Business and hospitality skills to people, increasing employability and improving livelihoods through Learning for Life and other skills programmes.	No. of people trained in business & hospitality skills	13,000	8,504	1,968	SDG 4 SDG 8 SDG 10 SDG 17
Preserve water for life	Replenish more water than we use for our operations for all our sites in water-stressed areas	Cu. M.	0.8 Mn Cu.M.	1.6 Mn. CU.M.	Completed projects with ~251K Cu.M. water replenishment potential	SDG 6 SDG 15
Preserve water for life	Reduce water use in our operations with improvement in packaging water use efficiency	KL of water used/ KL of beverage packed	40%	40%	0.94 (6% improved from LY)	SDG 6 SDG 17
Preserve water for life	Reduce water use in our operations with improvement in distillation water use efficiency	KL water used/KL of spirit distilled	40%	56%	11.06 (6% improved from LY)	SDG 6 SDG 17
Accelerate to a low carbon world	Become net zero carbon in our direct operations (Scope 1 and 2)	T CO2e	100%	93%	2,522 (6% increased from LY)	SDG 7 SDG 12 SDG 13

Note 1: The performance reported for water use efficiency covers USL Owned Manufacturing sites and greenhouse gas (GHG) emissions covers USL Owned Manufacturing sites, owned and leased Offices and Warehouses.

Note 2: The percentage change in absolute greenhouse gas (GHG) emissions presented reflects direct (Scope 1) and indirect (Scope 2) emissions by weight, calculated on a market-based approach. Scope 2 emissions have been offset through the purchase of International Renewable Energy Certificates (I-RECs)

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements.

   Please refer to the Chairperson's message in the Integrated Annual Report at page 06

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).

   At the highest level, the Board of Directors (BoD), led by the Chairman and CEO & Managing Director are responsible for the implementation and oversight of the Business Responsibility policies

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.

   Yes, the Corporate Social Responsibility & Environmental, Social, and Governance (CSR & ESG) Committee of the Board is responsible for decision-making on sustainability-related matters. This Committee is tasked with reviewing, overseeing, and monitoring our CSR and ESG strategies and performance, ensuring that sustainability objectives are effectively integrated into our operations and aligned with evolving standards and best practices

Name	Designation	Role
Dr Indu Bhushan	Non Executive, Independent Director	Chairperson
Praveen Someshwar	Executive Director	Member
Mark Sandys	Non Executive Director	Member
Narayan K Seshadri	Non Executive, Independent Director	Member

** Praveen Someshwar, CEO & MD has replaced Hina Nagarajan effective April 1, 2025.*

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10. Details of review of NGRBCs 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)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	USL's Code of Business Conduct (COBC) covers all the principles laid down under NGRBC guidelines. The review of the CoBC is undertaken by our Board of Directors (BoD)									Annually								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Compliance with statutory requirements under the relevant principles is overseen by the BoD. In instances of non-compliance, immediate corrective actions are taken, which may include revising internal processes, enhancing training programs, or introducing new control measures.									Quarterly								

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.	P1	P2	P3	P4	P5	P6	P7	P8	P9
	No, a periodic review is performed by the respective policy owners and Control Assurance and Risk Excellence team (CARE - internal team).								

12. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)	Not Applicable								
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: **Businesses 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 by the awareness programmes
Board of Directors	4	We conduct a familiarization program for all Board members on key areas. The attendance / number of hours of training completed by the board is regularly updated and is available at - https://www.diageoindia.com/pdf-viewer.aspx?gid=307336661&src=%2F%7E%2Fmedia%2FFiles%2FD%2FDiageo-V2%2FDiageo-India%2Finvestors%2Fdisclosures-under-regulation-46-of-the-lodr%2Fdirectors-familiarization-programmes.pdf	100%
Key Managerial Personnel	1	We conduct annual policy awareness sessions to ensure employee familiarity with key organizational policies such as Anti-Bribery and Corruption, Data Privacy, POSH, Human Rights, Employee Health & Safety, Dignity at workplace, Information Management & Security and more. Attendance is mandatory, with recorded sessions available for reference, and understanding is assessed through a Policy Understanding Test (PUT)	100%

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Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% age of persons in respective category by the awareness programmes
Employees other than BOD and KMPs	1	We conduct annual policy awareness sessions to ensure employee familiarity with key organizational policies such as Anti-Bribery and Corruption, Data Privacy, POSH, Human Rights, Employee Health & Safety, Dignity at workplace, Information Management & Security and more. Attendance is mandatory, with recorded sessions available for reference, and understanding is assessed through a Policy Understanding Test (PUT)	100%
Workers	1	The Associate Ambassador Network is our initiative aimed at fostering policy awareness on Anti-Bribery, Health & Safety, Sexual Harassment Prevention, Employee Health & Safety, POSH and more at the grassroots level using training materials in five local languages (Hindi, Marathi, Telugu, Kannada and Bengali) to ensure clear understanding	88%

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					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In Rs.)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fines	The Company has received several directions and orders, pursuant to which necessary payments have been made, while appeals have been filed in certain matters across various jurisdictions. Relevant details have been submitted to the stock exchanges in accordance with Regulation 30 of the SEBI Listing Regulations and are also available on the Company's website under the Shareholder Centre – Notice Board section: https://www.diageoindia.com/en/investors/shareholder-centre/notice-board.				
Settlement					
Compounding fee					

Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In Rs.)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA

3. Of the instances disclosed in Question 2 above, details of the Appeal / Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory / enforcement agencies / judicial institutions
The Company has received several directions and orders, pursuant to which necessary payments have been made, while appeals have been filed in certain matters across various jurisdictions. Relevant details have been submitted to the stock exchanges in accordance with Regulation 30 of the SEBI Listing Regulations and are also available on the Company's website under the Shareholder Centre – Notice Board section: https://www.diageoindia.com/en/investors/shareholder-centre/notice-board.	

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.
We have zero tolerance for bribery or corruption in any form whether direct or indirect, by employees or business partners acting on our behalf and take pride in our reputation as a trusted and respected business. We do not offer, give, solicit, or accept bribes or any improper advantage for business gain. This prohibition applies to any form of bribe of any value and special care is taken to ensure that our actions cannot be interpreted as bribery, particularly in the areas of gifts, hospitality, entertainment, expenses, customer travel, trade incentives, political contributions, charitable donations, lobbying, and sponsorship. We also ensure that our relationships with our business partners and government officials do not create bribery or corruption risks. We encourage to do the right thing and if offered or asked for a bribe advise to report it promptly to USL internal lawyer or via SpeakUp. The policy is hosted at https://www.diageoindia.com/~/media/Files/D/Diageo-V2/Diageo-India/about-us/corporate-governance/f24-code-of-conduct.pdf

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5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery / corruption:

Particulars	FY 2025 -26	FY 2024 -25
Directors	-	-
KMPs	-	-
Employees / Workers	-	-

6. Details of Complaints with regard to conflict of interest:

Particulars	FY 2025 -26		FY 2024 -25	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	-	-	-	-
Number of complaints received in relation to issues of Conflict of Interest of the KMP's	-	-	-	-

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 conflicts of interest.

NA

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

Particulars	FY 2025 -26	FY 2024 -25
Number of days of accounts payable	87 Days	81 Days

Note 1: Accounts payable has been taken as the average of the accounts payable as on March 31, 2025 and March 31, 2026.

Note 2: For the purpose of calculating the Cost of goods/ services procured, all procurements including capital expenditures are considered. Rates & taxes, remuneration to non-executive directors, expenses towards Corporate Social Responsibility, allowance for trade receivable, other financial assets and other assets (net), are excluded.

Note 3: Reasonable Assurance has been undertaken by Price Waterhouse & Co Chartered Accountants LLP, on the indicator in the table above.

9. Openness of Business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances investments, with related parties, in the following format:

Parameter	Metrics		FY 2025 -26	FY 2024 -25
Concentration of Purchases	a.	Purchases from trading houses as % of total purchases	12%	14%
	b.	Number of trading houses where purchases are made from	387	455
	c.	Purchases from top 10 trading houses as % of total purchases from trading houses	59%	63%
Concentration of Sales	a.	Sales to dealers /distributors as % of total sales	100%	100%
	b.	Number of dealers / distributors to whom sales are made	2109	2088
	c.	Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	48%	49%
Share in RPT's	a.	Purchases (Purchases with related parties /Total Purchases)	16%	12%
	b.	Sales (Sales to related parties / Total Sales)	0%	0%
	c.	Loans & advances (Loans & advances given to related parties / Total loans & advances	0%	82%
	d.	Investments (Investments in related parties / Total Investments made)	23%	21%

Note 1: All sales have been made by USL to dealers and distributors. Sales considered above is as per the revenue from operations in the Note 20 of the Audited Standalone Financial Statements of USL for the year ended March 31, 2026.

Note 2: For the purpose of calculating the Cost of goods/ services procured, all procurements including capital expenditures are considered. Rates & taxes, remuneration to non-executive directors, expenses towards Corporate Social Responsibility, allowance for trade receivable, other financial assets and other assets (net), are excluded.

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Note 3: All the amounts pertaining to Related parties disclosed above are as per Note 36 of the Audited Standalone Financial Statements of USL for the year ended March 31, 2026.

Note 4: For Loans & advances and Investments (current and non-current), closing balances disclosed as per Note 5 and Note 4.1 and Note 4.2 respectively, in the Audited Standalone Financial Statements for the year ended March 31, 2026 have been considered.

Note 5: Reasonable Assurance has been undertaken by Price Waterhouse & Co Chartered Accountants LLP, on the indicators in the table above.

Leadership 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	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
Our 'Partnering with Suppliers' standard sets out the minimum social, ethical, and environmental compliance requirements that all suppliers are expected to meet as part of their contracts with us, along with aspirational goals for long-term partners. To reinforce these expectations, our Know Your Business Partner (KYBP) initiative ensures high- and medium-risk partners align with USL's ethical and regulatory standards through targeted compliance training on key topics such as anti-money laundering, tax evasion, bribery, conflicts of interest, and record-keeping. We also conduct focused awareness sessions across the value chain to support ongoing alignment with USL's values.		

2. Does the entity have processes in place to avoid / manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.

The Board of Directors are guided by a Code of Business Conduct (CoBC) that outlines clear procedures for identifying, disclosing, and managing actual or potential conflicts of interest. Board members are required to submit annual declarations detailing financial interests, directorships, or affiliations that may give rise to conflicts. When a conflict is identified, the concerned member is recused from related discussions and decisions. All necessary approvals under applicable laws are obtained before entering into transactions involving potential conflicts. The CoBC ensures transparency and accountability in the Board's decision-making process. The Policy is available on our website and can be accessed https://www.diageoindia.com/~/media/Files/D/Diageo-V2/Diageo-India/society-2030/doing-business-the-right-way/f24-code-of-conduct.pdf

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.

We have a state-of-the-art R&D and Innovation facility, dedicated to driving product and process innovation. This centre focuses on enhancing the performance of our brand portfolio through continuous development. The innovation hub is staffed by leading scientists who create products aligned with evolving consumer insights. Additionally, our Packaging Technology Centre (PTC) is committed to developing sustainable packaging solutions, fostering innovation in materials that support circularity and environmental responsibility.

Particulars	FY 2025 -26	FY 2024 -25	Details of Improvement
R&D	11%	7%	Driving innovation and product renovation to achieve manufacturing excellence, environmental performance, and uphold the highest safety standards.
Capex	27%	17%	Implementing safety enhancements, advancing energy and water efficiency, promoting rainwater harvesting initiatives, and adopting low-carbon technologies.

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2a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes, we have robust and comprehensive procedures in place for sustainable sourcing, firmly rooted in our commitment to ethical, responsible, and environmentally supportive business practices from grain to glass. Our approach is guided by the Partnering with Suppliers standard, which sets clear expectations on environmental compliance, ethical conduct, and human rights. Suppliers are expected to meet minimum standards aligned with our Code of Business Conduct (CoBC), covering key areas such as anti-bribery, tax compliance, fair competition, conflict of interest, and labour practices.

To enhance transparency and enable data-driven decision-making, we have implemented SEDEX- a global platform for responsible sourcing across our vendor base. This is supported by structured systems for sustainable sourcing, including standardized vendor selection templates with a focus on sustainability, contractual obligations for high impact vendors, and KPI-based supplier segmentation to monitor and reinforce compliance. Our Partnering with Suppliers code can be accessed at - https://www.diageo.com/pdf-viewer.aspx?gid=307336661&src=%2F%7E%2Fmedia%2FFiles%2FD%2FDiageo-V2%2FDiageo-Corp%2Four-business%2Fcorporate-governance%2Fcode-of-business-conduct%2Fpolicies-and-standards%2Fpws-2024-v3.pdf

2b. If yes, what percentage of inputs were sourced sustainably?

In FY 2025-26, 53% of the inputs by value comprising raw materials such as Extra Neutral Alcohol (ENA), molasses, malt, barley, food flavours, imported scotch, market bottles, and packaging materials were sourced from suppliers operating under our Responsible Sourcing Programme.

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):** We are committed to responsibly manage 100% of our plastic packaging through our Extended Producer Responsibility (EPR) program. We ensure engagement with authorized recyclers to ensure proper disposal and support closed-loop recycling systems. In FY2025-26, we collected and safely handled 20,144 tonnes of plastic waste, and the credits in the same quantity are under issuance from the recyclers and will be filed with the State and Central Pollution Control Board (CPCB) within the mandated timelines.

b) **E-waste:** We are committed to responsible E-waste disposal and recycling practices, in line with regulatory requirements. To ensure the safe and environmentally sound handling of electronic waste, we collaborate with state-authorized recycling partners who specialize in the dismantling and recycling of electronic products. These partners ensure recovery and reuse of valuable materials such as metals and plastics, minimizing environmental impact.

c) **Hazardous Waste:** Hazardous waste generation at our operations is minimal and is managed with utmost care. We follow all prescribed procedures for identification, segregation, storage, transportation, and disposal, in full compliance with CPCB guidelines to ensure safety of people and the environment.

d) **Other waste:** All other waste streams are properly segregated and disposed through authorized agencies in accordance with CPCB guidelines.

We have achieved zero waste to landfill through continuous waste reduction, recycling, and waste-to-energy initiatives. Additionally, three of our sites have been certified as zero waste to landfill, reinforcing our commitment to sustainable waste management.

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 to address the same.

Yes. Extended Producer Responsibility (EPR) requirement under Plastic waste rule, 2016 (amended to date) is applicable to us and we are complying with requirement under the rule.

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Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details.

The entity has initiated Life Cycle Assessments (LCA) for select key products to assess environmental impacts across the value chain. These are conducted in accordance with ISO 14040/44 standards, covering cradle-to-gate and cradle-to-grave boundaries. Details of the studies are provided in the table below.

NIC Code	Name of Product/Service	% of Total Turnover	Boundary for which LCA was conducted	Whether conducted by external agency	Results communicated in Public Domain
Raw Materials				Yes	No
11011	Neutral Spirits	NA	Cradle to Gate		
Finished goods					
11011	Vodka*	2%	Cradle to Grave		
11032	Indian Single Malt Whisky*				
Raw Materials					
11032	Malt Spirit*	NA	Cradle to Grave		
1124	Broken Rice*				

**These Life Cycle Assessment (LCA) studies were completed in the previous financial year FY 2024-25*

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 / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product/service	Description of risk/concern	Action Taken
NIL		

The LCA study results did not reveal any environmental or social concern arising from the products assessed. We have used the life cycle assessment results to identify opportunities to reduce product carbon footprint as part of our Scope 3 climate action plan.

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).

We continue to strengthen collaboration with our value chain partners to increase the use of recycled and reused materials across packaging. Our commitment to sustainable packaging spans a range of materials including glass (virgin and market-returned bottles), plastic, and cartons that currently incorporate recycled and reused content.

Indicate input material	Recycled or re-used input material to total material	
	FY 2025 -26	FY 2024 -25
Packaging material	60%	59%

Note 1: The recycled glass (cullet) percentage considered as per the percentage declared by the glass vendors.

Note 2: The outer cartons (corrugate) and market bottle use quantity packaging are considered to comprise 100% recycled content.

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tons) reused, recycled, and safely disposed.

Glass: We prioritize using cullet in glass production, collaborating with vendors who disclose their cullet percentage to ensure ongoing recycling. Our end-of-life bottle return system further supports sustainability by enabling us to buy, clean, and reuse empty glass bottles, reducing waste, conserving raw materials, and strengthening local vendor networks for a more circular packaging model.

Plastic: As part of our commitment to sustainability, we have implemented a comprehensive Extended Producer Responsibility (EPR) framework across all States and Union Territories in India, successfully collecting and responsibly managing 20,144 metric tonnes of plastic waste.

Particulars	FY 2025 -26			FY 2024 -25		
	Reused	Recycled	Safely disposed	Reused	Recycled	Safely disposed
Glass (Mt)	33,607	1,41,436	-	46,059	1,49,774	-
Plastic Waste (EOL) – (Mt)	-	11,704	8,440	-	16,757	5,866

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5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Particulars	% Reclaimed Packaging Material	
	FY 2025 -26	FY 2024 -25
Glass (Market bottles reclaimed as percentage of total glass used)	12%	14%
Plastic Waste under EPR (Covering Solid, Flexible and MLPs)	100%	100%

Principle 3: **Businesses should respect and promote the well-being of all employees, including those in their value chain.**

Essential Indicators

1a. Details of measures for the well-being of employees:

Category	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Benefits	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	1,056	1,056	100%	1,056	100%	-	0%	1,056	100%	1,056	100%
Female	441	441	100%	441	100%	441	100%	-	0%	441	100%
Total	**1,497**	**1,497**	**100%**	**1,497**	**100%**	**441**	**100%**	**1,056**	**100%**	**1,497**	**100%**
Other than Permanent Employees											
Male	17	17	100%	17	100%	-	0%	-	0%	-	0%
Female	12	12	100%	12	100%	12	100%	-	0%	12	100%
Total	**29**	**29**	**100%**	**29**	**100%**	**12**	**100%**	**-**	**0%**	**12**	**41%**

1b. Details of measures for the well-being of Workers:

Category	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Benefits	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	668	668	100%	668	100%	-	0%	-	0%	668	100%
Female	59	59	100%	59	100%	59	100%	-	0%	59	100%
Total	**727**	**727**	**100%**	**727**	**100%**	**59**	**100%**	**-**	**0%**	**727**	**100%**
Other than permanent											
Male	1,456	1,456	100%	1,456	100%	-	0%	-	0%	1,456	100%
Female	396	396	100%	396	100%	396	100%	-	0%	396	100%
Total	**1,852**	**1,852**	**100%**	**1852**	**100%**	**396**	**100%**	**-**	**0%**	**1852**	**100%**

**Other than permanent workers: Covered for Health and Accident insurance through ESIC (Employee State Insurance Corporation).*

1c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format

Particulars	FY 2025-26	FY 2024-25
Cost incurred on wellbeing measures as a % of total revenue of the company	0.06%	0.06%

Note 1: The wellbeing cost consists of cost incurred by USL towards:

1. Employee Insurance which is not recoverable from employees
2. Creche reimbursements
3. Employee Assistance Programme (employee mental & physical wellness programme)
4. Salary paid to the employees during parental leave.

Note 2: Reasonable Assurance has been undertaken by Price Waterhouse & Co Chartered Accountants LLP, on the indicator in the table above.

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2. Details of retirement benefits, for Current Financial Year and Previous Financial Year

Benefits	FY 2025-26			FY 2024-25		
	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%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	0%	1%	Y	0%	1%	Y
Others- please specify	NA	NA	NA	NA	NA	NA

3. 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, we are committed to ensuring that our premises are accessible and welcoming to all. In alignment with the 'Harmonised Guidelines & Standards for Universal Accessibility in India, 2021' framed under the Rights of Persons with Disabilities Act, 2016, we have undertaken comprehensive measures to ensure inclusive and accessible environments across our premises.

Mobility Support: Wheelchairs and designated space allowances are provided for users of crutches and white canes. Seamless access routes connect all major entrances and exits with key transport points, including taxi stands and parking areas.

Vertical Accessibility: Ramps are installed to facilitate movement across levels for wheelchair users. In recognition that many ambulant individuals with disabilities may prefer stairs, both ramps and steps are provided for safe and convenient access.

Barrier-Free Circulation: Internal corridors and pathways are designed to be free of obstacles, projections, or protrusions. Lighting throughout these spaces is even, diffused, and designed to minimize glare, reflections, or shadows. Flooring is stable, level, slip-resistant, and finished with a matte surface to prevent slips or trips.

Accessible Doors: Doors are operable with one hand and do not require tight grasping, pinching, or twisting motions. They do not open directly outward from rooms and are fitted with exposed, accessible hardware usable from both sides.

Handrails and Grab Bars: Installed throughout circulation areas, handrails and grab bars are designed for easy and secure gripping. They offer essential support for individuals with disabilities and elderly users to maintain balance and safety.

Signage and Wayfinding: Clear and visible signage is provided at key junctions, circulation routes, and destinations such as doorways, reception areas, drinking water stations, and toilets. Both audible and visual alarms are in place to assist users during emergencies, with lifts equipped with visual indicators for enhanced accessibility.

Accessible Restrooms: Unisex accessible toilets are available at several of our premises, providing privacy, space, and ease of use for persons with disabilities.

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.

We have an equal opportunity policy that covers all persons with disabilities as defined by the Rights of Persons with Disabilities Act, 2016 and rules thereunder. We do not discriminate, and prohibit any kind of discrimination to full time/part time employees, interns, trainees, apprentices, contractual staff, including temporary contractual staff. The policy applies to all aspects of employment, be it recruitment, training, working conditions, salaries, transfers, employee benefits and career development. As part of our commitment to value and respect each other, we strive to create a working environment where we create a safe, supportive and welcoming environment for employees, suppliers, business partners and visitors that recognizes inherent dignity and worth of a person.

We provide equal employment opportunities for all and treat all individuals fairly, with dignity and respect. We do not tolerate discrimination, harassment or bullying in any form including, without limitation, actions based on gender, gender identity, gender expression and any form of disability.

Business Responsibility Sustainability Report

5. Return to work and 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	100%	100%	-	-
Female	100%	97%	-	-
Total	**100%**	**98%**	**-**	**-**

Note: During the year FY25-26, no permanent worker availed parental leave.

6. Is there a mechanism available to receive and redress grievances for the following categories of employees? (If yes, then give details of the mechanism in brief)

Particulars	Details of the mechanism
Permanent Workers	Yes, we have introduced *'SpeakUp'*, a confidential service to raise concerns about non-compliance to law, code of conduct and policies. The service is available 24 hours a day, 365 days a year, to all employees, contractors or any other interested part. website -www.DiageoSpeakUp.com
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 2025-26			FY 2024-25		
	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)	% (D/C)
Total Permanent Employees	**1,497**	**-**	**-**	**1,486**	**-**	**-**
Male	1,056	-	-	1,065	-	-
Female	441	-	-	421	-	-
Total Permanent Workers	**727**	**717**	**99%**	**934**	**923**	**99%**
Male	668	658	99%	870	859	99%
Female	59	59	100%	64	64	100%

Note: Above details pertain to permanent employees and workers.

8. Details of training given to employees and workers

Category	FY 2025-26					FY 2024-25				
	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	1,056	1,056	100%	907	86%	1,065	1,056	99%	760	71%
Female	441	441	100%	356	81%	421	411	98%	299	71%
Total	**1,497**	**1,497**	**100%**	**1,263**	**84%**	**1,486**	**1,467**	**99%**	**1,059**	**71%**
Workers										
Male	668	668	100%	482	72%	870	722	83%	669	77%
Female	59	59	100%	59	100%	64	64	100%	64	100%
Total	**727**	**727**	**100%**	**541**	**74%**	**934**	**786**	**84%**	**733**	**78%**

Note: Above details pertain to permanent employees and workers.

Business Responsibility Sustainability Report

9. Details of performance and career development reviews of employees and worker

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	1,056	963	91%	1,065	984	92%
Female	441	384	87%	421	351	83%
Total	**1,497**	**1,347**	**90%**	**1,486**	**1,335**	**90%**
Workers						
Male	668	-	-	870	-	-
Female	59	-	-	64	-	-
Total	**727**	**-**	**-**	**934**	**-**	**-**

Note 1: Above details pertain to permanent employees and workers.

Note 2: The Company follows the P4G (Partner for Growth) process for employees, which operates on a July-June cycle. As per policy, all employees and workers are eligible for an annual performance and career development review. The percentage of employees not covered in the above table primarily comprises those were not eligible for current review cycle.

Note 3: Workers are governed by established agreements with the Workers' Union

10a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such a system?

We demonstrate our commitment to people by prioritizing health and safety across all operations in India, in full compliance with regulatory requirements. All own manufacturing units are certified to ISO 45001, ISO 14001, and ISO 9001. Our Global Risk Management System (GRMS) forms the foundation of our Occupational Health and Safety (OHS) approach, providing a structured, system-driven framework that embeds health and safety practices across all business operations. Central to this is the Severe & Fatal Incident Prevention (SFIP) framework, which comprises 11 Standards designed to proactively manage and reduce critical risks. Each location conducts self-assessments at defined intervals to evaluate compliance with these SFIP Standards, ensuring continuous improvement and accountability. The OHS programs are managed locally guided by a strong governance framework led by Line Management and the Head of Environment, Health, and Safety (EHS). Identified gaps are documented and addressed through corrective actions to ensure continuous improvement and alignment with safety requirements. It encompasses risk assessments, safety training, emergency procedures, regular safety audits, and the implementation of safety measures that align with both national and international standards. A robust four-tier assurance framework comprising internal audits, regional audits, certifying agency surveillance, and global independent assurance ensures consistency, oversight, and continuous strengthening of our safety systems.

10b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

We employ a structured and codified approach to routinely identify work-related hazards and assess associated risks across all sites and business units. This includes formal risk assessments, regular safety inspections, job safety analysis, HAZOP Studies, task observations, and walk-throughs conducted by trained personnel. These processes are applied to ensure that emerging or infrequent risks are proactively addressed. We maintain a formal hazard reporting mechanism through the Safety Information Report Card (SIRC) system, which is accessible to all employees, contractors, and visitors. This system supplements our proactive hazard identification efforts by enabling anyone to report unsafe conditions or behaviours in real time.

In addition to routine safety assessments, we have established *Permit to Work* procedures to to ensure that all non-routine hazardous activities are carried out in a controlled manner considering the risks involved in new projects, changes in processes, or during the implementation of new machinery or technology. This procedure applies to all non-routine activities including but not limited to: work at height, hot work, work inside the confined space, work on electrical installations, excavation, work on fragile roof, work on hazardous energy etc. Before implementing any major operational changes, we ensure MOC (Management of Change) process is followed where safety is reviewed right through all stages including Design,Project,Commissioning and steady state through robust review system which includes risk assessments, HAZOPs, QRA, Project Safety and PSSR (Pre-Start Up Review) which ensure Safety is taken care in all aspects through mitigating, controlling and managing risks through HOC (Hierarchy of Control) process.

This integrated approach enables us to proactively identify and address potential risks associated in operations, ensuring the safety of our workforce.

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10c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

We have established clear processes that empower employees and workers to report work-related hazards and withdraw from any task or area they perceive as unsafe, encouraging immediate action and reporting to ensure a safe working environment. Our primary reporting tool is the Safety Information Report Card (SIRC), which allows employees to document and submit hazard observations either in physical form or digitally via a QR code, ensuring ease of access and broad participation. In addition to individual reporting, safety concerns are actively addressed during T-1 shop floor reviews, where safety is always the first item on the agenda.

We run safety campaigns on periodic bases on various safety themes connected to workplace hazards with a intention of engaging and sensitizing the reporting of the hazards by the shop floor team. Campaigns like Slip Trip & Fall, Road Safety, Work at Height, etc. A dedicated action management system, is used to monitor all reported hazards, assign action owners, and establish clear deadlines for resolution. To further support ongoing oversight, each business unit operates a Central Safety Committee, composed of equal representation from workers and management. The committee meets regularly to review safety performance, address unresolved issues, and ensure timely follow-up, with all actions tracked to closure.

10d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

We are committed to supporting our employees' well-being through comprehensive medical, mental, and financial wellness initiatives. All employees receive medical insurance, with optional enhancements. Our healthcare offerings cover preventive care, specialist consultations, and mental health support. To promote wellness, we organize regular Health and Wellbeing Awareness sessions on topics like mindfulness, nutrition, and lifestyle management. Our **Employee Assistance Program (EAP)** offers confidential counselling for personal and workplace challenges. We also encourage healthy lifestyle choices through initiatives like the **DRINKiQ e-learning course** and enhance financial well-being with **Nudge**, a global financial education platform.

11. Details of safety related incidents

Safety Incident/Number	Category	FY 2025-26	FY 2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.49	0.44
	Workers	0.00	0.36
Total recordable work-related injuries	Employees	6	2
	Workers	2	7
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

Note 1: As per the Industry Standards Note on BRSR Core released by SEBI, number of permanent disabilities is disclosed under High Consequence Work related Injuries/ Ill health'.

Note 2: The reported LTIs include cases where the injured individual was unable to return to work within 24 hours. Additionally, in line with the Company's policy, any injury that results in an employee being unable to perform their routine job functions based on the recommendation of the employer or a healthcare professional, even if such employee/worker returns to work within 24 hours, is also classified as an LTI. One such case was reported in FY 2025–26 and has been included in the table above.

Note 3: Reasonable Assurance has been undertaken by Price Waterhouse & Co Chartered Accountants LLP on the indicators in the table above, other than on 'Total recordable work-related injuries'.

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

We are steadfast in our commitment to ensuring a safe and healthy workplace for all employees and workers. Guided by our vision of zero harm, we have developed a structured and strategic approach to safety, anchored by various initiatives as stated:

1. Visible Felt Leadership

Leadership engagement is central to our safety culture. Senior leaders actively participate in safety walkabouts , including work place and process safety across manufacturing sites, reinforcing safety as a core value. Proactive safety indicators are tracked and reviewed regularly to ensure ongoing focus and accountability across the organization.

2. Certification of our Management system (ISO 45001, 14001 and 9001)

All own manufacturing units are certified to ISO 45001, ISO 14001 and ISO 9001.

Business Responsibility Sustainability Report

3. Behavioural Safety Program

Our enterprise-wide Behaviour-Based Safety (BBS) program drives cultural transformation by equipping line managers with structured training and deploying trained observers to conduct Focus Safety Observations. All executives in units conduct Safety Observations on weekly basis which involves interaction with shopfloor employees on safe and unsafe behaviours. As a next step to mature our Behaviour safety Program we are deploying Digital Platform which will help provide better analytics and tracking maturity of this program

4. Severe and Fatal Incident Prevention (SFIP) Program

The SFIP program targets 11 critical safety areas, emphasizing the prevention of high-risk incidents and hazardous exposures. Eleven Life-Saving Rules have been implemented organization-wide, supported by regular self-checks and gap analyses. A centralized platform tracks compliance and performance through scorecards to drive continuous improvement.

5. Training and Engagement

We invest significantly in capability building through regular training on high-risk activities, including working at height, confined space entry, first aid, and risk assessment. Simultaneously, employee engagement is driven by safety campaigns such as National Safety Month and Road Safety Week, fostering awareness and participation at all levels.

6. Process Safety and Safe Driving Initiatives

Our commitment to safety extends beyond the workplace through initiatives such as Process Safety Management (PSM) and the i-Drive Safe programme, which promote defensive driving and responsible road behaviour. During the year, road safety governance for business travel was strengthened through the deployment of the *AutoBeacon* mobile application, enabling trip-level Safe Driving Scores and timely corrective action based on indicators such as overspeeding, harsh braking, rapid acceleration, and distracted driving.

Process safety was further strengthened through the rollout of the Process Safety Management (PSM) Policy, enhancement of process safety indicators, improved reporting of Process Safety Precursors and Incidents, and development of internal Hazard and Operability Study (HAZOP) capabilities. Governance oversight was reinforced through area-wise PSM scorecards, while all new projects and process modifications underwent the Management of Change (MOC) process, including HAZOP and Quantitative Risk Assessment (QRA) reviews to embed safeguards early and mitigate risks prior to commissioning.

7. Governance and Audit

A multi-level governance and assurance framework reinforces accountability and sustained focus on critical risks. All units follow a defined schedule of self-assessments against Global Risk Management Standards, with findings translated into time-bound action plans and tracked through to closure. Site Heads review performance monthly through Manufacturing Operations Reviews and Management Review Meetings, helping to remove barriers, reinforce standards, and sustain momentum on corrective actions. This framework is further supported by internal and external audits across key areas, including SFIP audits, ISO audits, and risk-based assessments such as electrical audits, in-plant traffic assessments, thermography, and fire risk surveys.

8. Adopting digitization for managing Safety Risk in our Operations

In FY26, we accelerated the digitization of critical safety processes to enhance risk visibility, control effectiveness, and governance, with a focused rollout across Control of Work (CoW), Permit to Work (PTW), and Management of Change (MoC).

- End to End Digitization of CoW and PTW:

  The implementation of the Digital software based Control of Work (CoW) module has fully digitized the Permit to Work (PTW) lifecycle from request, risk assessment, approval, execution, to closure.

  This ensures:
  - Standardized hazard identification and risk assessment prior to job execution
  - Multi-level digital authorization with defined accountability
  - Real-time visibility of all active permits across sites
  - Improved control over contractor and non-routine activities

  This transition from manual to digital workflows has significantly reduced execution risk, enhanced compliance, and strengthened auditability at the shopfloor.

- Digitized Management of Change (MoC):

  The rollout of digital MoC ensures that all capital projects, process modifications, and operational changes undergo structured and traceable safety reviews before implementation.

  Key outcomes include:
  - Integration of safety risk assessment at the design and planning stage
  - System-driven workflows ensuring no bypass of critical approvals
  - Complete digital traceability of changes for audit and governance

  This enables a shift-left approach to safety, proactively mitigating risks and reducing downstream incidents, rework, and compliance gaps.

- Driving Safety Digitization – App-enabled Monitoring:

  To mitigate road safety risks for the sales workforce, an app-based safe driving solution has been deployed.

  The platform enables:
  - Continuous monitoring of driving behavior (speeding, harsh braking, distraction)
  - Real-time feedback and behavior nudges to drivers
  - Data-driven insights for targeted safety interventions

  This has strengthened off-site risk management, contributing to improved driving discipline and reduction in high-risk driving instances.

9. Focused Interventions to Reduce High Risk Exposures

We prioritized targeted interventions in high risk areas to deliver structural risk reduction.

a. Forklift Safety – Transition to Gold Standard

In FY26, we initiated a phased upgrade of forklifts across manufacturing units to defined Gold Safety Standards, supported by focused capital investment.

Key enhancements include:
- AI enabled anti collision systems
- Speed control mechanisms
- Restricted access to certified operators
- Standardized operating protocols

These upgrades are designed to engineer out risk at source, strengthen operating discipline, and significantly reduce collision and material handling incidents.

b. Sales Safety – "Safe Day in Trade" Initiative

Recognizing the unique risks faced by frontline commercial teams, the "Safe Day in Trade" campaign was launched to drive awareness and embed consistent safety practices during market visits. The program focuses on behavioral reinforcement, risk awareness in field environments, and leadership engagement.

13 Number of Complaints on the following made by employees and workers

	FY 2025-26			FY 2024-25		
	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	8	-	-	5	1	-
Health & Safety	1	-	-	2	-	-

Note 1: The pending case as on 31st March 2025, have been closed and resolved with appropriate action.

Note 2: The above table excludes complaints raised anonymously (FY 2025-26: three complaints relating to Working conditions; FY 2024-25 two complaints on Health & Safety). The previous year data has been restated accordingly.

Business Responsibility Sustainability Report

14 Assessments for the year

All our business sites adhere to our Global Risk Management System (GRMS), including the Severe Fatality Incident Prevention (SFIP) program, which aligns with international standards such as ISO 45001. Additionally, as part of our assurance process, all sites undergo annual third-party health and safety compliance audits.

% of your plants and offices that were assessed (by entity or statutory authorities or third parties)	
Health and safety practices	100%
Working Conditions	100%

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.

Refer Principle 3 Essential indicators 10a, 10b and 12 for details on actions taken or underway to address safety-related incidents and significant risks /concerns arising from assessments of health & safety practices and working conditions.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes, the company covers all the employees and permanent workers under the 'Group Term Life Insurance' to cover the risk of any unfortunate events.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

To ensure that statutory dues are properly deducted and deposited, our Responsible Sourcing Program mandates that all high-risk value chain partners undergo audits under the SEDEX protocol, specifically the SMETA Four-Pillar Audit. This audit focuses on key compliance areas, including the accurate deduction and deposit of statutory dues, such as taxes and social security contributions. Identified issues, if any, are addressed promptly through corrective actions, ensuring legal compliance and fostering ethical practices across the value chain.

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 rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment.

	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 2025-26	FY 2024 -25	FY 2025-26	FY 2024 -25
Employees	-	-	-	-
Workers	-	-	-	-

4. Does the entity provide transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

Yes, we are committed to the ongoing development of our workforce, continuously investing in building contemporary skills and capabilities while offering diverse experiences to enhance employees' employability. We strive to ensure smooth transitions for employees, whether due to retirement or termination, by providing tailored support. On a case-by-case basis, we offer outplacement services through our trusted service partners to assist impacted employees in securing alternate opportunities.

5. Details on assessment of value chain partners

The Company adopts a risk-based approach to assess Health & Safety (H&S) practices and working conditions across its value chain partners through its Responsible Sourcing Programme. Under the programme, high-risk value chain partners are assessed in accordance with the SEDEX protocol through SMETA four-pillar audits, with a strong focus on health & safety and working conditions

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	**66%** of the value chain partners under our Responsible Sourcing Programme were assessed, covering raw materials such as Extra Neutral Alcohol (ENA), scotch, molasses, malt, barley, food flavours, imported scotch, market bottles, and packaging materials.
Working Conditions	

The remaining 34% of partners are classified as low-risk based on category, scale, and geographic exposure, and are being progressively onboarded into the assessment framework as part of a phased coverage strategy. In addition to formal assessments, the Company undertakes regular follow-ups and structured engagements with vendors and internal teams to monitor compliance, address identified gaps, and strengthen responsible sourcing practices.

Assessment outcomes indicate that overall compliance levels remain satisfactory, with improvement opportunities identified in areas such as consistency in safety supervision at partner sites, adherence to working hour norms, contractor workforce management, and awareness of safety standards. These insights are used to prioritise high-risk partners and drive focused interventions for continuous improvement across the value chain.

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.

The Company follows a structured and time-bound corrective action framework to address risks identified through value chain assessments, with defined accountability and periodic review mechanisms.

Key corrective measures implemented include:

- Structured engagement and awareness programmes on labour laws, statutory compliance, and safety standards;
- Development and monitoring of supplier-specific corrective action plans with defined timelines and closure tracking;
- Strengthening of contractor safety and onboarding protocols, including alignment with the Company's EHS requirements; and
- Periodic follow-up and verification audits to ensure sustained compliance.

Persistent or material non-compliances are escalated through defined governance mechanisms, including senior-level engagement and phased disengagement, where necessary. These interventions have contributed to improved compliance levels, enhanced supplier awareness, and a reduction in repeat observations, thereby strengthening the overall resilience of the value chain ecosystem.

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders.

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

Stakeholders are integral to our journey of building a resilient business, a sustainable planet and equitable societies. We actively communicate and interact with various stakeholders, including consumers, employees, communities, investors, supply chain partners, government/ regulators and others, to create long-term value while balancing the diverse interests of all parties involved. We take a structured approach to identifying all stakeholders who are affected by or have the ability to influence our business.

This process involves the following key steps:

Mapping Stakeholders: We conduct a robust stakeholder mapping process, which includes identifying both internal and external stakeholders. This process helps us understand the dynamics of our ecosystem, including how various groups are affected by our operations and how they may influence our business.

Assessing Influence and Impact: Once stakeholders are identified, we assess their level of influence and the potential impact of our business on their interests.

Continuous Monitoring: Stakeholder identification is an ongoing process. As the business environment evolves, we regularly revisit to capture new and emerging stakeholders and reassess the relationships with existing ones. This includes changes due to mergers, acquisitions, policy shifts, market trends, and environmental factors.

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The Stakeholders Relationship and General Committee (SGRC) is actively functioning within our Board of Directors, and its terms of reference are available on the company website: https://www.diageoindia.com/~/media/Files/D/Diageo-V2/Diageo-India/investors/shareholder-centre/policies/2025/stakeholders-relationship-and-general-committee-charter.pdf.

2. List stakeholder groups identified as key for your entity and the frequency of 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
Consumers	No	• Corporate website • Social Media • Consumer complaints on corporate Mail ID - 'contact us' & corporate communications • Advertisements and Advertorials • Annual report • Logo presence/banners/panels at industry events • Press Release and announcements	Throughout the year	Understand consumer needs and preferences, Improving products and services, Responsible consumption, Sustainability, Customer service responsiveness, Community projects,
Employees	No	• Email • Surveys • Internal Employee Portal • Employee townhalls & celebrations	Throughout the year	Growth and development opportunities, Recognition and rewards, Leadership communication, Diversity, equity, and inclusion, Health, safety, and mental well-being
Communities	No	• Community meetings • Annual CSR Booklet	Throughout the year	Positive Drinking programmes, Sustainable livelihood, Resource conservation etc.
Investors	No	• Annual general meetings • Annual Report • Shareholder meets • Postal Ballot • Email & Stock Exchange Updates • ESG reporting index • Statutory Filings & Result Announcements • Quarterly Management calls • Dedicated Investor Relation Section on website • Investor conferences • One-on-one and Group meetings • Dedicated investor contact- investor.india@diageo.com	Throughout the year	Financial results and profitability, Business strategy and long-term growth plans, Risk management and market outlook, ESG performance, Capital allocation and dividend policy, Corporate governance
Supply Chain Partners	No	• Supplier meetings • Supply Performance Management	Throughout the year	Supplier performance, Quality control, Sustainability, Ethical sourcing, Regulatory compliance, Technology integration and transformation

Business Responsibility Sustainability Report

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
Government/ regulators	No	• Industry Association meeting • Statutory Reports and Compliance Documents • Direct Engagement with Government Agencies	Throughout the year	Regulatory Compliance, Taxation policies, Labor laws, Industry-specific regulations, Economic and trade policies, Public policy related to sustainability,

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.**

   We prioritize transparent and effective consultation between stakeholders and the Board to address economic, environmental, and social issues. Our cross-functional team, the Diageo India Leadership Team (DILT), is responsible for embedding ESG into our business processes. We also establish feedback loops through public reports, website updates, and follow-up meetings to keep stakeholders informed. We are committed to ensuring that stakeholders see the tangible impact of their feedback, fostering trust and strengthening our ongoing relationship.

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 of the entity.**

   Yes, Stakeholder consultation is central to how we identify and manage environmental and social priorities. We engage regularly with a diverse set of stakeholders to gather insights that shape our policies, programs, and decision-making. Spirit of Progress is our ESG action plan to help create a more inclusive and sustainable world. Its priorities, reflect the most material issues affecting our Company, our people, our brands, our suppliers and our communities. Our strategic priorities are to promote positive drinking, champion inclusion and diversity and pioneer grain-to-glass sustainability. Doing business the right way underpins everything we do. This ESG strategy is an outcome of stakeholder consultation and a rigorous materiality assessment. This assessment looked at the external trends shaping our operating environment and how we can most effectively align our work with the UN Sustainable Development Goals. The team consulted many internal and external stakeholders and explored the findings in workshops with experts from our business functions. The stakeholder feedback was incorporated and as an outcome Spirit of Progress was developed and implemented.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

   Social responsibility is an integral part of the organization's corporate strategy, with CSR programmes focused on creating meaningful and lasting impact in the communities where we live, work, source, and operate. We follow a strategic and need-based approach, designing each initiative in close consultation with community stakeholders. A robust stakeholder engagement process informs programme design, ensuring that interventions are relevant, inclusive, and responsive to local needs.

   Women's empowerment remains a core priority across all our initiatives, with women constituting approximately 50% of our beneficiaries. Our programmes aim to enable dignified and sustainable livelihoods by improving access to essential resources and opportunities. Through our water conservation initiatives, including the 'Water for Life' programme, we work to enhance access to safe drinking water and WASH facilities, while promoting sustainable water management practices within communities.

   In parallel, our skilling initiative, "Learning for Life" - a hospitality skills programme focuses on enhancing employability for individuals aspiring to work in the hospitality sector, particularly those who face barriers to employment. The programme provides access to industry-relevant skills and resources, including residential training for persons with disabilities, empowering vulnerable groups with livelihood opportunities and supporting a more inclusive workforce.

   Further, as a responsible organization, we are committed to addressing alcohol-related harm and promoting responsible consumption. Our initiatives focus on key areas such as preventing underage drinking, raising awareness on the risks of drink driving, and encouraging moderation, with the broader objective of fostering positive behavioral change towards alcohol consumption.

Business Responsibility Sustainability Report

Principle 5: **Businesses should respect and promote human rights.**

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity in the following format:**

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. of employees/ workers covered (B)	% (B / A)	Total (C)	No. of employees/ workers covered (D)	% (D / C)
Employees						
Permanent	1,497	1,497	100%	1,486	1,486	100%
Other than permanent	29	23	79%	18	17	94%
Total Employees	**1,526**	**1,520**	**100%**	**1,504**	**1,503**	**100%**
Workers						
Permanent	727	711	98%	934	533	57%
Other than permanent	1,852	1,852	100%	3,253	1,722	53%
Total Workers	**2,579**	**2,563**	**99%**	**4,187**	**2,255**	**54%**

2. **Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2025-26					FY 2024-25				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (A)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (B)	% (B/A)	No. (C)	% (C/A)
Employees										
Permanent	**1,497**	**-**	**0%**	**1,497**	**100%**	**1,486**	**-**	**0%**	**1,486**	**100%**
Male	1,056	-	0%	1,056	100%	1,065	-	0%	1,065	100%
Female	441	-	0%	441	100%	421	-	0%	421	100%
Other than Permanent	**29**	**-**	**0%**	**29**	**100%**	**18**	**-**	**0%**	**18**	**100%**
Male	17	-	0%	17	100%	12	-	0%	12	100%
Female	12	-	0%	12	100%	6	-	0%	6	100%
Workers										
Permanent	**727**	**-**	**0%**	**727**	**100%**	**934**	**-**	**0%**	**934**	**100%**
Male	668	-	0%	668	100%	870	-	0%	870	100%
Female	59	-	0%	59	100%	64	-	0%	64	100%
Other than Permanent	**1,852**	**1,852**	**100%**	**-**	**0%**	**3,253**	**3,253**	**100%**	**-**	**0%**
Male	1,456	1,456	100%	-	0%	2,471	2,471	100%	-	0%
Female	396	396	100%	-	0%	782	782	100%	-	0%

3a. **Details of remuneration/salary/wages, in the following format:**

Category	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	7	62,96,233	3	53,50,000
Key Managerial Personnel	2	11,57,54,702	1	78,26,796#
Employees other than BoD and KMP	1,054	18,27,912	440	16,90,828
Permanent Workers	668	5,50,256	59	7,10,670

#Joined on 1st September 2025

Business Responsibility Sustainability Report

Note 1: The BoD remuneration comprises of remuneration paid to Key Managerial Personnel and Independent Directors and excludes Non-Executive Directors.

Note 2: The median salary for employees other than BoD and KMP is determined on remuneration paid during the year and includes payments on Stock Appreciation Rights (SAR) while excluding gratuity and leave encashment recognised based on actuarial valuation.

Note 3: The median remuneration for permanent workers is determined on gross wages paid during the year.

Note 4: Employee and workers who have exited during year are not considered for Median remuneration.

Note 5: The remuneration is calculated as per the latest guidelines published by SEBI.

Note 6: KMP considered are those in position as at the end of the financial year.

3b Gross wages paid to females as % of total wages paid by the entity, in the following format:

Particulars	FY 2025-26	FY 2024-25
Gross wages paid to females as % of total wages	22%	22%

Note 1: Gross wages paid to females and total wages include actual expenditure incurred in respect of permanent employees and permanent workers, which has been reconciled with salaries, wages, and bonus as disclosed in the Audited Standalone Financial Statements for the year ended 31 March 2026. The disclosure also includes gross wages paid to female and total wages for contractual employees and workers, reported based on actual expenditure incurred

Note 2: For owned and leased offices and warehouses, contractual employees and workers are engaged through fixed price service contracts. Actual data on female contractual workers is available for certain sites. For sites where gender wise payment data from contractors was not available, amounts have been estimated based on proportional data derived from sites where actual gender wise bifurcation was available.

Note 3: Reasonable Assurance has been undertaken by Price Waterhouse & Co Chartered Accountants LLP on the indicator in the table above.

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, human rights issues are managed by our Business Integrity ambassadors, who are responsible for identifying, monitoring, and addressing potential human rights risks within our operations and value chain. They also work to implement strategies that uphold our commitment to ethical business practices.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

SpeakUp is a confidential service to raise concerns about compliance to the law, our Code, any of our policies or standards or any other compliance and ethics matters. The service is available 24 hours a day, 365 days a year, to all employees, contractors or any other interested party such as suppliers or customers. It is managed by an independent, external company with staff trained to deal with reports. Translators are available for individuals whose first language is not English. All reports are forwarded to our Risk and Compliance team who decide upon next steps. Overall statistics and significant matters are reported quarterly in summary format to our Executive and Audit Committees.

To file a complaint, below modes can be used-

Website - www.DiageoSpeakUp.com

Call toll-free number - Dial 00 08000502023 to talk with an independent operator (available in English, Hindi, Kannada, Telugu, Bengali and Marathi)

Email – reach.compliance@diageo.com

Communication address - Business Integrity Team, United Spirits Limited (Diageo India), 9th Floor, Canberra, UB City, Vitthal Mallya Road, Bengaluru - 560001

The SpeakUp channel is accessible on the company's website at https://www.diageoindia.com/en/about-us/corporate-governance/speak-up .During the year, we have introduced QR code to facilitate the access to SpeakUp channel.

Business Responsibility Sustainability Report

6. Number of Complaints on the following made by employees and workers:

Category	FY 2025-26			FY 2024-25		
	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	2	-	-	2	1	-
Discrimination at workplace	3	-	-	0	0	-
Child Labour	0	-	-	1	1	-
Forced Labour/Involuntary Labour	0	-	-	0	0	-
Wages	0	-	-	0	0	-
Other human rights related issues	0	-	-	0	0	-

Note 1: All pending cases as of 31st March 2025 have been closed in line with internal protocols and legal requirements.

Note 2: The above table excludes complaints raised anonymously (FY2024-25: one complaint on Discrimation at workplace and two related to Wages ; FY2025-26: one complaint on Discrimination at Workplace). The previous year data has been restated accordingly.

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

Particulars	FY 2025-26	FY 2024-25
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	2	2
Complaints on POSH as a % of female employees/workers	0.41%	0.43%
Complaints on POSH upheld	2	1

Note 1: During FY 2025–26, two cases were reported and both were upheld and resolved with appropriate action.

Note 2: The one case pending as of March 31, 2025 was not upheld and has been closed with appropriate action.

Note 3: The percentage of POSH complaints has been calculated based on the average number of permanent female employees and workers.

Note 4: Reasonable Assurance has been undertaken by Price Waterhouse & Co Chartered Accountants LLP, on the indicators in the table above.

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

We recognize that raising concerns in good faith requires courage, and at times, the fear of retaliation may hold individuals back. Therefore, we have a zero-tolerance policy and take appropriate measures to prohibit any form of intimidation or retaliation against anyone who reports a concern or assists with an investigation in good faith. Anyone found to be involved in retaliating against an individual (includes Communities, Employees, Workers, Value chain partners & Others) who has raised a concern is subject to disciplinary action. We also offer the option to report concerns anonymously. All concerns raised through SpeakUp are assigned to trained investigators, who conduct investigations with the utmost confidentiality and integrity.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, we recognize our responsibility to uphold and promote international human rights standards in all aspects of our operations. As a testament to this commitment, we are a signatory of the UN Global Compact and operate in alignment with the UN Guiding Principles on Business and Human Rights. We have implemented a robust human rights policy, guided by the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, and embedded in our Code of Business Conduct (CoBC). The CoBC extends to all our value chain partners, ensuring compliance and setting clear expectations for ethical behaviour and adherence to legal and human rights standards.

Business Responsibility Sustainability Report

10. Assessments for the year % of your plants and offices that were assessed (by entity or statutory authorities or third parties)

Category	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Sexual Harassment	100% of our plants and offices are comprehensively assessed on human rights parameter, guided by our Code of Business Conduct (CoBC).
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

There were no significant risks / concerns arising from the Human rights assessments at our plant and offices.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.

No significant issues have been identified necessitating changes to our business processes for addressing human rights grievances or complaints. Our CoBC remains comprehensive and effective in this area.

2. Details of the scope and coverage of any Human rights due diligence conducted.

We are dedicated to conducting thorough human rights due diligence across our operations and the supply partners. Our approach is aligned with internationally recognized frameworks, including the UN Guiding Principles on Business and Human Rights and relevant ILO conventions. We regularly assess potential and actual human rights risks affecting our employees and other stakeholders. This includes evaluating working conditions, non-discrimination, freedom of association, health and safety, and access to grievance mechanisms. Our robust Human Rights policy, embedded in our Code of Business Conduct, sets clear expectations for ethical behaviour. All employees receive training, with additional role-specific training for higher-risk functions. We also offer the *SpeakUp* grievance mechanism for confidential reporting without fear of retaliation.

Beyond our own operations, we conduct human rights risk assessments across our value chain. Our Partnering with Suppliers standard, which is a contractual obligation, sets clear expectations for suppliers. We conduct regular supplier assessments, including Supplier Ethical Data Exchange (SEDEX) and SMETA (Sedex Members Ethical Trade Audit) audits, to monitor labour and human rights practices. Our performance in relation to human rights is transparently communicated through our Integrated Annual Report, which details both our internal actions and supply chain efforts.

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, we are committed to ensuring that our premises are accessible and welcoming to all. In alignment with the 'Harmonised Guidelines & Standards for Universal Accessibility in India, 2021' framed under the Rights of Persons with Disabilities Act, 2016, we have undertaken comprehensive measures to ensure inclusive and accessible environments across our premises-

Mobility Support: Wheelchairs and designated space allowances are provided for users of crutches and white canes. Seamless access routes connect all major entrances and exits with key transport points, including taxi stands and parking areas.

Vertical Accessibility: Ramps are installed to facilitate movement across levels for wheelchair users. In recognition that many ambulant individuals with disabilities may prefer stairs, both ramps and steps are provided for safe and convenient access.

Barrier-Free Circulation: Internal corridors and pathways are designed to be free of obstacles, projections, or protrusions. Lighting throughout these spaces is even, diffused, and designed to minimize glare, reflections, or shadows. Flooring is stable, level, slip-resistant, and finished with a matte surface to prevent slips or trips.

Accessible Doors: Doors are operable with one hand and do not require tight grasping, pinching, or twisting motions. They do not open directly outward from rooms and are fitted with exposed, accessible hardware usable from both sides.

Business Responsibility Sustainability Report

Handrails and Grab Bars: Installed throughout circulation areas, handrails and grab bars are designed for easy and secure gripping. They offer essential support for individuals with disabilities and elderly users to maintain balance and safety.

Signage and Wayfinding: Clear and visible signage is provided at key junctions, circulation routes, and destinations such as doorways, reception areas, drinking water stations, and toilets. Both audible and visual alarms are in place to assist users during emergencies, with lifts equipped with visual indicators for enhanced accessibility.

Accessible Restrooms: Unisex accessible toilets are available at several of our premises, providing privacy, space, and ease of use for persons with disabilities.

4. Details on assessment of value chain partners

The assessment of our value chain partners is conducted through the Supplier Ethical Data Exchange (SEDEX) and SMETA (Sedex Members Ethical Trade Audit) 4-Pillar audit framework, which covers key areas of labour, health and safety, the environment, and business ethics. This audit approach helps us ensure that our suppliers and partners adhere to ethical standards and human rights practices across all stages of the value chain. Compliance with regulations and ethical standards related to working conditions, employee rights, health and safety measures, and environmental impact are evaluated. If any issues are identified during the audit, corrective action plans are developed, and suppliers are required to implement them to mitigate any risks.

Category	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	66%* of the value chain partners under our *Responsible Sourcing Programme* were assessed, covering raw materials such as Extra Neutral Alcohol (ENA), scotch, molasses, malt, barley, food Flavors, imported scotch, market bottles, and packaging materials.
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Other please specify	

*Value chain partners that were assessed / Total suppliers under Responsible Sourcing Program.

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Following the Supplier Ethical Data Exchange (SEDEX) and SMETA (Sedex Members Ethical Trade Audit) 4-Pillar audit, corrective actions are being implemented to address significant risks identified within the value chain. These actions primarily focus on improving labour and human rights, enhancing workplace health and safety, ensuring environmental compliance, and upholding ethical business practices.

For the FY26 period, 21 suppliers have been identified with issues related to wages. We are actively engaging with these suppliers to raise awareness about labour laws, introduce worker welfare programs, and enforce zero-tolerance policies against child labour and discrimination. To mitigate risks and promote supply chain sustainability, efforts focus on strengthening relationships with suppliers, maintaining consistent reporting practices, and supporting the well-being of local communities.

Business Responsibility Sustainability Report

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.

Parameters	FY 2025-26	FY 2024-25
Energy Consumption in Giga Joules (GJ)		
From Renewable Sources		
Total electricity consumption (A)	8,197	9,212
Total fuel consumption (B)	10,06,523	8,70,012
Energy consumption through other sources (C)	0	0
Total renewable energy consumption (A+B+C)	10,14,720	8,79,224
From Non-Renewable Sources		
Total electricity consumption (D)	52,285	48,830
Total fuel consumption (E)	9,849	8,798
Energy consumption through other sources (F)	0	0
Total non-renewable energy consumption (D+E+F)	62,134	57,628
Total energy consumption (renewable and non-renewable)	10,76,854	9,36,852
Energy Intensity		
Energy intensity per rupee of turnover (Total energy consumption/ turnover in crores) (GJ/Cr)	38.76	34.98
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity -PPP) - (Total energy consumed / Revenue from operations adjusted for PPP)	788.42	722.75
Energy intensity by physical output (GJ/KL)	5.29	4.09
Optional Indicator		
Energy intensity for kilolitre of beverage packed (GJ/KL)	0.15	0.15
Energy intensity for kilolitre of Spirit distilled (GJ/KL)	28.54	22.93

Note 1: The energy consumption reported in the table above includes data pertaining to Owned Manufacturing sites, owned and leased Offices and Warehouses.

Note 2: For 'intensity per rupee of turnover', total revenue from operations has been considered as turnover as per Note 20 of Audited Standalone Financial Statements.

Note 3: Percentage of energy consumed through renewable sources with respect to the total energy consumed is 94.23% in FY 2025-26 as compared to 93.85% in FY 2024-25.

Note 4: The Purchasing Power Parity (PPP) factor considered is 20.34 as per IMF (FY 2024-25: 20.66 as per IMF).

Note 5: Total physical output has been considered as beverage packed at USL Owned Manufacturing sites and spirits produced and sold.

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?

Yes, Reasonable Assurance has been obtained from Price Waterhouse & Co Chartered Accountants LLP, on the indicators in the table above other than Optional indicators.

Optional Indicator and other Notes

Note 6: Renewable energy is 99.09 % of total energy consumption, after considering International Renewable Energy Certificates (i-RECs).

Note 7: The energy intensity is reported for the energy consumed in the packaging operations in 'GJ' to the volume of beverage packed in 'KL' across USL Owned Manufacturing sites (consistent with GRI Index).

Note 8: The energy intensity is reported for the energy consumed in the distillation operations in 'GJ' to the volume of spirit distilled 'KL' across USL Owned Manufacturing sites (consistent with GRI Index).

Business Responsibility Sustainability Report

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? (Y/N) 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, as the Company does not fall in the category (as Designated Consumer) of industries mandated under the Performance, Achieve and Trade (PAT) scheme.

3. Details of Disclosures related to water

Parameters	FY 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	3,91,566	4,64,972
(ii) Groundwater	1,23,142	1,05,434
(iii) Third party water	97,938	1,08,008
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**6,12,646**	**6,78,414**
Total volume of water consumption (in kilolitres)	**6,07,786**	**6,71,757**
Water intensity		
Water intensity per rupee of turnover (Water consumed / turnover) (KL/Cr)	21.88	25.08
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)	444.99	518.24
Water intensity by Physical output (KL/KL)	2.99	2.93
Optional Indicator		
Water intensity (per kiloliter of beverage packed) (KL/KL)	0.94	1.01
Water intensity (per kiloliter of spirit distilled) (KL/KL)	11.06	11.61

Note 1: The water withdrawal and consumption reported in the table above includes data pertaining to Owned Manufacturing sites, Owned and Leased Offices and Warehouses.

Note 2: Surface water reported in the table includes water withdrawn from river source, rainwater and stormwater.

Note 3: For 'intensity per rupee of turnover', total revenue from operations has been considered as turnover as per Note 20 of Audited Standalone Financial Statements.

Note 4: The Purchasing Power Parity (PPP) factor considered is 20.34 as per IMF (FY 2024-25: 20.66 as per IMF).

Note 5: Total physical output has been considered as beverage packed at USL Owned Manufacturing sites and spirits produced and sold.

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?

Yes, Reasonable Assurance has been obtained from Price Waterhouse & Co Chartered Accountants LLP, on Total volume of water consumption (in kilolitres) and Water intensity other than Optional indicators.

Optional Indicator Notes

Note 6: The water intensity is reported for the water consumed in the packaging operations in 'KL' to the volume of beverage packed in 'KL' across USL Owned Manufacturing sites (consistent with GRI Index).

Note 7: The water intensity is reported for the water consumed in the distillation operations in 'KL' to the volume of spirit distilled 'KL' across USL Owned Manufacturing sites (consistent with GRI Index).

Business Responsibility Sustainability Report

4. Provide the following details related to water discharged.

Parameters	FY 2025-26	FY 2024-25
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) To Groundwater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) To Seawater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third parties		
- No treatment	4,460	6,557
- With treatment – pH Neutralization	400	100
(v) Others	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	4,860	6,657

Note 1: The water discharge details reported in the table above includes data pertaining to Owned Manufacturing sites, owned and leased Offices and Warehouses.

Note 2: Figures of water sent to third parties in the table above are from one Owned Manufacturing unit, in compliance with the respective Consent to Operate (CTO) where as per the directions, the wastewater is sent to Common Effluent Treatment Plant (CETP) (third party) for treatment and owned and leased Offices and Warehouses, where water discharge is estimated to be 80% of the total water withdrawal, based on Central Pollution Control Board (CPCB) database report dated 4th September 2013. The remaining sites are Zero Liquid Discharge (ZLD) units, where all wastewater is treated and recycled internally within the facility, with no discharge of water outside the site.

Note 3: Water discharge reduced due to ramp-down of non-ZLD units and lower per-capita consumption from non-operational units.

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?

Yes, Reasonable Assurance has been undertaken by Price Waterhouse & Co Chartered Accountants LLP, on the indicators in the table above.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, we have implemented a Zero Liquid Discharge (ZLD) mechanism outside the plant boundary across Own Manufacturing Units, in line with applicable regulatory requirements and environmental management practices.

Water conservation is an integral part of our operational controls. Treated wastewater is systematically recycled and reused within plant premises, thereby minimizing freshwater withdrawal. Recycled water is utilized for cooling towers, bottle washing, toilet flushing, and landscaping, ensuring optimal resource efficiency.

8 out of 9 Own Manufacturing Units have on-site Effluent Treatment Plants (ETPs), where wastewater is treated and fully reused within the facility, ensuring zero discharge outside the plant boundary. The remaining one Own Manufacturing Unit sends wastewater to authorized Common Effluent Treatment Plants (CETPs) in compliance with SPCB directions. The CETPs are operated as per regulatory standards to ensure treated effluent does not result in liquid discharge impacting the environment.

The effectiveness and compliance of the ZLD mechanism, including wastewater routing to CETPs, are subject to internal monitoring and statutory reporting. During FY 2025–26, three Own Manufacturing Units obtained ZLD certification from an accredited third-party certification body. We plan to progressively extend such third-party ZLD certification to all Own Manufacturing Units in a phased manner, thereby strengthening independent validation of our water stewardship efforts.

Business Responsibility Sustainability Report

6. Please provide details of air emissions (other than GHG emissions) by the entity

Parameter	Please specify unit	FY 2025-26	FY 2024-25
NOx	Mt	26.69	38.13
Sox	Mt	24.44	12.64
Particulate matter (PM)	Mt	47.84	39.64
Persistent organic pollutants (POP)	Mt	NA	NA
Volatile organic compounds (VOC)	Mt	NA	NA
Hazardous air pollutants (HAP)	Mt	NA	NA
Others – please specify	Mt	NA	NA

Note 1: Air emission details in the table above include data pertaining to USL Owned Manufacturing sites.

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, external agency has not been involved in assessment /evaluation/ assurance.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity.

Parameter	FY 2025-26	FY 2024-25
GHG Emissions in Metric Tonnes (MT) of CO2e		
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	2,522	2,386
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	10,308	9,857
Emissions Intensity		
Total Scope 1 and Scope 2 emissions per rupee of turnover Total emissions / turnover in rupees) (MT CO2e/Cr)	0.46	0.46
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	9.39	9.45
Total Scope 1 and Scope 2 emission intensity in terms of physical output (MT CO2e/KL)	0.06	0.05
Optional Indicator		
Total Scope 1 and Scope 2 emission intensity per Litre of Beverage packed(MT CO2e /KL)	0.02	0.02
Total Scope 1 and Scope 2 emission intensity per Litre of Spirit distilled (MT CO2e/KL)	0.20	0.16

Note 1: The GHG emissions reported in the table above includes data pertaining to Owned Manufacturing sites, owned and leased Offices and Warehouses.

Note 2: Scope 1 emissions are reported using DEFRA 2025 (Version 1.0) emission factors for diesel, LPG, and petrol. Bioenergy emission factors are based on the UK National Atmospheric Emissions Inventory (NAEI) 2022 and have been converted from a net to gross energy basis using data from the Department for Energy Security and Net Zero (DESNZ) and The Digest of UK Energy Statistics (DUKES) 2023.

Note 3: For financial year 2025-26 the biogenic CO2 emissions from combustion of biomass (rice husk & briquettes) from our direct operations were 94,921 MT (FY 2024-25: 82,221 MT).

Note 4: Scope 2 Market Based Emission is Nil after considering International Renewable Energy Certificates (i-RECs).

Note 5: For 'intensity per rupee of turnover', total revenue from operations has been considered as turnover as per Note 20 of Audited Standalone Financial Statements.

Note 6: The Purchasing Power Parity (PPP) factor considered is 20.34 as per IMF (FY 2024-25: 20.66 as per IMF).

Note 7: Total physical output has been considered as beverage packed at USL Owned Manufacturing sites and spirits produced and sold.

Business Responsibility Sustainability Report

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?

Yes, Reasonable Assurance has been undertaken by Price Waterhouse & Co Chartered Accountants LLP, on the indicators in the table above, other than Optional indicators.

Optional Indicator Notes

Note 9: The emission intensity is reported for the emission generated in the packaging operations in 'MT Co2e' to the volume of beverage packed in 'KL' across USL Owned Manufacturing sites (consistent with GRI Index).

Note 10: The emission intensity is reported for the emission generated in the distillation operations in 'Mt Co2e' to the volume of spirit distilled 'KL' across USL Owned Manufacturing sites (consistent with GRI Index).

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

The Company has undertaken multiple initiatives to reduce greenhouse gas (GHG) emissions. During FY2025-26, energy consumption increased by 15% and GHG emissions by 5%, primarily driven by business growth, expansion of operations, and a shift towards more energy-intensive processes such as malt and grain-based distillation, along with higher auxiliary and utility loads. Despite this increase, emissions growth was moderated through focused decarbonization initiatives under the Company's ESG roadmap, which targets net zero emissions in direct operations by 2040. The Company continues to make steady progress on its decarbonization journey through the following key initiatives:

1. Achieved and sustained zero coal operations across all distilleries for the past five years through transition to biomass-based boilers, meeting 100% of thermal energy needs via renewable fuels.
2. Reached ~99.09% renewable energy share (thermal and electrical combined) across manufacturing operations, supported by onsite renewable generation and procurement of International Renewable Electricity Certificates (I-RECs).
3. Solar power systems have been commissioned at six owned manufacturing facilities—Alwar, Goa, Kumbalgodu, Nasik, Baramati, and Nimapara—with installations underway at the Nanded unit, taking the total capacity to 4.7 MW.
4. Implemented multiple energy efficiency and conservation initiatives, including boiler condensate recovery, conveyor synchronization, sensor-based automation, improved asset management, and energy-efficient equipment upgrades.
5. Maintained focus on process optimisation and operational efficiency to reduce energy and emissions intensity.
6. Achieved LEED Gold Certification for one office facility, reinforcing commitment to energy-efficient and low-carbon buildings.

9. Provide details related to waste management by the entity.

Parameters	FY 2025-26	FY 2024-25
Total Waste generated (in metric tonnes)		
Plastic waste (A)	544	655
E-waste (B)	1	1
Bio-medical waste (C)	0	0
Construction and demolition waste (D)	21	6,723
Battery waste (E)	4	1
Radioactive waste (F)	0	0
Other Hazardous waste. (Used oil, used chemical container, and used resins) (G)	17	26
Other Non-hazardous waste generated (H). (By products of process, spent grains, broken glasses, paper wastes, metal scrapes and fly ash)	68,194	57,371
Total (A+B + C + D + E + F + G + H)	**68,781**	**64,777**

Business Responsibility Sustainability Report

Parameters	FY 2025-26	FY 2024-25
Waste intensity		
Waste intensity per rupee of turnover (Total waste generated /Revenue from operations) (MT/Cr)	2.48	2.42
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated /Revenue from operations adjusted for PPP)	50.36	49.97
Waste intensity in terms of physical output (MT/KL)	0.34	0.28
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	68,564	64,749
(ii) Re-used	204	3
(iii) Other recovery operations	1	4
Total	**68,769**	**64,756**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	12	21
(ii) Landfilling	0	0
(iii) Other disposal operations	0	0
Total	**12**	**21**

Note 1: The waste details reported in the table above includes data pertaining to Owned Manufacturing sites, owned and leased Offices and Warehouses.

Note 2: The waste quantity reported in the table above is accounted for at the time of disposal and therefore waste disposed has been considered as waste generated.

Note 3: The waste 'recycled', 'reused' and 'other recovery options' has been determined based on the disposal certificates obtained from the waste aggregators.

Note 4: For 'intensity per rupee of turnover', total revenue from operations has been considered as turnover as per Note 20 of Audited Standalone Financial Statements.

Note 5: The Purchasing Power Parity (PPP) factor considered is 20.34 as per IMF (FY 2024-25: 20.66 as per IMF).

Note 6: Total physical output has been considered as beverage packed at Owned Manufacturing sites and spirits produced and sold.

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?

Yes, Reasonable Assurance has been undertaken by Price Waterhouse & Co Chartered Accountants LLP, on the indicators in the table above.

Business Responsibility Sustainability Report

10. 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.

We have established a robust and compliant waste management framework across all our establishments, with a strong focus on responsible handling, regulatory compliance, and efficient use of resources.

Waste Management Practices:

We segregate waste at source across all our sites based on waste type, source, and prescribed disposal method. All waste streams are systematically captured and tracked through a waste stream register, enabling effective monitoring and control. In line with our circular economy principles, we prioritize waste prevention, reduction, recycling, and recovery, with disposal considered only as a last resort.

As part of our "Spirit of Progress" targets, which support our overall ESG strategy, we are committed to achieving zero waste created inteded for landfill in our direct operations by 2030. This commitment is implemented through our structured Zero Waste to Landfill programme, aimed at minimizing environmental impact and optimizing resource utilization. We have achieved Zero Waste to Landfill across all our sites, ensuring that all waste generated is either recycled, reused, or recovered and that no waste is sent to landfill.

In FY2026, we further strengthened our waste management governance by obtaining third-party certification for waste diversion from landfill for three of our manufacturing units, achieving a "Platinum" rating, the highest rating under the certification framework.

To ensure effective implementation and governance, we have instituted formal waste handling controls, including:

1. Audits of certified waste handlers at least once every two years, with more frequent reviews for handlers transitioning away from landfill disposal.
2. Inclusion of "Zero Waste to Landfill" clauses in contracts with waste handlers, particularly for high-risk waste streams.
3. Annual training on "Waste Management and Waste Elimination" for key site personnel to strengthen awareness, accountability, and site-level execution.

Reduction and Management of Hazardous and Toxic Chemicals:

We follow a risk-based and preventive approach to reduce the use of hazardous and toxic chemicals in our products and processes. While the generation of hazardous waste across our sites is minimal, we maintain strict procedures for the identification, labeling, safe storage, handling, and disposal of hazardous materials in compliance with applicable regulations and directions issued by the State and Central Pollution Control Boards. Wherever technically and commercially feasible, we prioritize the use of non-toxic or less hazardous alternatives, supporting safer operations and more sustainable product outcomes. Hazardous waste generated is disposed of only through authorized recyclers, co-processing facilities, or approved treatment and disposal facilities, with appropriate documentation, statutory reporting, and traceability.

Additional Sustainability Measures:

Beyond waste management, we are actively advancing our sustainable packaging initiatives, focusing on reducing packaging weight, increasing recycled content, and improving recyclability. Through ongoing investment in packaging research and development and close collaboration with suppliers, we aim to reduce the environmental and carbon footprint of our packaging materials.

Our waste management practices, including hazardous waste handling, are subject to regular internal monitoring and audits ensuring transparency, accountability, and continual improvement.

11. 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.

S. 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
All our operations and offices are in designated industrial parks/areas. None of them are in or around ecologically sensitive areas. Environmental clearance is not required for any manufacturing facility or offices of USL.			

Business Responsibility Sustainability Report

12. Details of environmental impact assessments of projects undertaken by the entity based 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
USL has not undertaken any project which requires Environmental impact assessment in financial year 2025-26.					

13. 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 (Y/N). If not, provide details of all such non-compliances.

Yes, our operations/offices comply with applicable environmental regulations of the Country and operate as per CTO (Consent to Operate) conditions from the CPCB.

S. No	Specify the law/regulation/guidelines which was not complied with	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
NA			

Leadership Indicators

1. 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

Plant site (Operational)

a. Alwar (Rajasthan)

b. Kumbalgodu (Bangalore- East, Karnataka)

Offices

c. Bangalore HO (Karnataka)

d. Bangalore Technical Centre (Karnataka)

e. Gurgaon Office (Haryana)

(ii) Nature of operations

Packaging of Alco Beverage products and Distillation of Extra Neutral alcohol (from Molasses and Grains) and Fresh Malt Spirts.

(iii) Water withdrawal, consumption, and discharge in the following format:

Parameters	FY 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	2,462	2,707
(ii) Groundwater	54,661	39,928
(iii) Third party water	21,860	19,148
(iv) Seawater / desalinated water	0	0
(v) Other	0	0
Total volume of water withdrawal (in kilolitres)	**78,983**	**61,783**
Total volume of water consumption (in kilolitres)	**78,983**	**61,409**
Water Intensity:		
Water intensity per rupee of turnover (Water consumed / turnover) (KL/ Cr)	2.84	2.29
Water discharge by destination and level of treatment (in kilolitres)	0.00	0.00
(i) To Surface water		
- No treatment	-	-
- With treatment - please specify level of treatment	-	-

Business Responsibility Sustainability Report

Parameters		FY 2025-26	FY 2024-25
(ii)	**To Groundwater**	-	-
-	No treatment	-	-
-	With treatment - please specify level of treatment	-	-
(iii)	**To Seawater**	-	-
-	No treatment	-	-
-	With treatment - please specify level of treatment	-	-
(iv)	**Sent to third parties**	-	-
-	No treatment	-	-
-	With treatment - please specify level of treatment	-	-
(v)	**Others**	-	-
-	No treatment	-	-
-	With treatment - please specify level of treatment	-	-
Total water discharged (in kilolitres)		**-**	**-**

Note 1: Water stress sites classified above are based on the Central Ground Water Board, National Compilation of Dynamic Ground Water Resources of India, 2025.

Note 2: Water details considered in the table above include data pertaining to water stressed sites of Owned Manufacturing sites (operational) and Regional Offices.

Note 3: Surface water includes water withdrawn from river source, rainwater and stormwater.

Note 4: Regions classified as over-exploited and critical by the Central Ground Water Board are considered as water-stressed areas (Reference: https://cgwb.gov.in/cgwbpnm/public/uploads/documents/17014272111704550895file.pdf)

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 3 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	9,11,816	9,15,551
Total Scope 3 emissions per rupee of turnover	Tonnes of CO_2e/Cr	32.82	34.19
Optional- Total Scope 3 emission in terms of physical output	Tonnes of CO_2e/KL	1.20	1.22

Note 1: Categories covered are: Purchased Goods (Input materials) and Services (Third-Party Manufacturing sites), Capital Goods, Waste Generated in Operations, Fuel & Energy use, Upstream & Downstream logistics, Business Travel and Employee Commuting, End-of-life treatment of products sold and Franchise.

Note 2: FY2024–25 figures have been restated to reflect updates in data classification and reporting methodology.

Note 3: The latest industry standards and best practices were used for calculation and reporting, to establish the most complete, consistent, and accurate GHG emission footprint.

Note 4: We progressively engage & collaborate with all value chain partners to ensure Global Warming Potential (GWPs)/Emission factors applied are consistent to estimate Scope 3 Emission data.

3. With respect to the ecologically sensitive areas reported at Question 11 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 since we don't have operations located in Ecologically Sensitive area.

Business Responsibility Sustainability Report

4. 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 initiatives, as per the following format:

We have implemented a range of initiatives and deployed innovative technologies across our operations to enhance resource efficiency and reduce environmental impact.

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Water recycling, reuse and conservation systems	Reuse of treated effluent and process streams through internal recycling systems, including RO reject and backwash reuse; rainwater harvesting integration; process and hydraulic optimizations in operations and preventive maintenance of water treatment infrastructure.	Reduced packaging water use efficiency by 40% (FY 20 Base year) and 6% (FY 25 Last year)
2	Water-efficient technologies and process optimization	Installation of air rinsers for PET bottles and air-cooled condensers to eliminate water use in cooling towers	
3	Enhancement in condensate recovery	Improving steam traps to prevent leakage allows for efficient condensate water recovery and helps maintain a high temperature in the boiler feed water.	Reduced distillation water use efficiency by 56% (FY 20 Base year) and 5% (FY 25 Last year)

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes, we have a business continuity and disaster management plan which covers Business Impact Analysis (BIA), Security Risk Assessment (RA), Crisis Management Plan (CMP), Business Continuity Plan (BCP), IT Disaster Recovery Plan (DRP). The purpose of this plan is to outline the business continuity strategies that ensure the swift resumption of critical business processes during disruptions impacting our people, sites, systems, or key third-party providers. It features a planning checklist to guide proactive measures in preparing the business for potential disruptions. It identifies the IT procedures and strategies needed for the recovery and restoration of systems and applications that support the critical processes identified in the Business Impact Analysis (BIA). Additionally, it covers the restoration of data processing components, including infrastructure, systems, and applications. It also includes a comprehensive contact list of all service providers, suppliers, vendors, joint ventures, and business partners supporting critical processes addressing business continuity strategies for scenarios such as the unavailability of people, buildings, systems, laptops, and both internal and external dependencies. Furthermore, it includes an action plan detailing the necessary steps to take during an interruption and outlines procedures for returning the business to normal operations specifying the procedures for site shutdowns and reopening's.

6. 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 significant adverse environmental impacts from the value chain have been identified during the reporting period. Under the Responsible Sourcing Program, high-risk value chain partners are assessed through audits aligned with the Sedex SMETA Four Pillar Audit framework, which includes environment as a critical pillar.

Post audit, the Company engages closely with suppliers to address any non-compliances identified. This includes providing guidance and support to enable compliance with applicable laws and regulations, as well as the adoption of best practices to improve operational performance. Suppliers are supported in developing and implementing corrective action plans based on audit findings.

In addition, the Company undertakes regular follow-up audits and ongoing monitoring to ensure sustained compliance with internal standards and to track progress against corrective actions identified

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Environment - 66% of sites are compiled

The assessment of value chain partners is conducted through SMETA four-pillar audits, in line with the SEDEX protocol. These audits evaluate compliance across the four pillars of labour, environment, health and safety, and business ethics. Continuous follow-up and engagement with value chain partners form an integral part of the process to support performance improvement and sustained alignment with the Company's standards.

Business Responsibility Sustainability Report

Suppliers covered under this programme are selected based on a risk-based approach, considering factors such as the level of operational risk, geographic location, and criticality to the Company's supply chain.

Audit and Engagement Process

Step 1: Audit Planning and Scheduling

The Company supports identified suppliers in planning and scheduling SEDEX audits, which are conducted by independent third-party auditors.

Step 2: Conduct of SEDEX (SMETA) Audits

SMETA audits assess supplier compliance with applicable laws, regulations, and standards across the four pillars. The audit process includes documentation reviews, employee interviews, and on-site inspections. Upon completion, detailed audit reports outlining findings and recommendations are uploaded to the SEDEX platform, ensuring transparency and visibility.

Step 3: Follow-up and Corrective Action

Post-audit, the Company works closely with suppliers to address any non-compliances identified. This includes providing guidance, supporting the development of corrective action plans, and tracking progress. Periodic follow-up and re-assessments are conducted to ensure sustained compliance and continuous improvement

8. How many Green Credits have been generated or procured:

a. By the listed entity: Nil

b. By the top ten (in terms of value of purchases and sales, respectively) value chain partners: NA

Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

Essential Indicators

1a. Number of affiliations with trade and industry chambers/ associations:

10

1b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to

Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/ National)
Confederation of Indian Industry (CII)	National
Federation of Indian Chamber of Commerce & Industry (FICCI)	National
Indian Spirits & Wine Association of India (ISWAI)	National
Public Affairs Forum of India (PAFI)	National
Forum of Indian Food Importers (FIFI)	National
UK India Business Council (UKIBC)	National
PET Association for Clean Environment (PACE)	National
Confederation of Indian Food Trade Industry (CIFTI-FICCI)	National
Indian Malt Whisky Association (IMWA)	National
Karnataka Brewers & Distillers Association (KBDA)	Regional

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Corrective action taken	Brief of the case
	Not Applicable	

Business Responsibility Sustainability Report

Leadership Indicators

1. Details of public policy positions advocated by the entity:

We are represented by our Industry association on policy matters that are important for Alco - Beverage sector.

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
Andhra Pradesh – Pricing approvals; limit inter-state comparisons	Discussions & representation through various associations	No	Others	
Assam - Supplier price benchmarking and select category pricing with state excise	Meetings, discussions & presentations	No	Others	
Chandigarh - Removal of 'no EDP increase allowed' clause from the excise policy	Discussions & representation through various associations	Yes	Annually	Chandigarh excise policy 26-27Chandigarh/Excise Policy 2026-27.pdf
Delhi - Allow private retail licenses	Discussions & representation through various associations	Yes	Annually	https://excise.delhi.gov.in/
Goa - Discussions with State Excise on revision of existing allowable wastages, growth levers for premium categories and increasing direct distribution	Meetings, discussions & presentations	No	Others	
Goa - Cancel or postpone the Deposit Refund Scheme	Discussions & representation through various associations	Yes	Others	https://www.goadrs.com/
Kerala – Walk-in Stores, private participation and yearly tender pricing	Discussions & representation through various associations	No	Others	
Karnataka - Pricing structures and cost pass-through mechanisms; Enhancements to labelling norms ; Rationalisation of indirect tax structures across select categories	Discussions & representation through various associations	No	Others	
Maharashtra - Revision of existing allowable wastages under maturation loss policy; registration of irregular packs; duty reduction across Premium product categories; reduction of LR & Profile fees.	Meetings, discussions & presentations	No	Others	
Maharashtra - Price Reduction in select product categories & Roll back MML	Representation & Legal recourse	Yes	Others	

Business Responsibility Sustainability Report

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
Maharashtra - Representations made with Maharashtra Water Resource Department (WRD) on reduction of existing water tariffs, change of industry category for alchobev industry as Process Industry.	Discussions & representation through various associations	No	Others	
Meghalaya - Reconsideration of import pass fee, transportation cost and QR code requirements. Meghalaya Excise (Third Amendment) Rules, 2025 – reduced import/export pass fee on ENA and related spirits	Written representation	No	Others	
Madhya Pradesh - Rationalisation of retail group structures to promote balanced market participation, streamlining of product category frameworks, ease of doing business initiatives	Discussions & representation through various associations	Yes	Others	
Odisha - Stability in taxation frameworks, price fixation committee meeting for IMFL	Written representation	No	Others	
Punjab - Amending clause on brands with similar umbrella brands, allowing alternate packaging units	Discussions & representation through various associations '	Yes	Annually	Punjab/Policy year 26-27/Excise Policy for FY 2026-27.pdf
Rajasthan- Expansion of permitted product categories across select retail channels, extension of operating hours, facilitation of export processes including labeling requirements, approvals for alternative packaging formats, and review of wastage norms	Discussions & representation through various associations '	Yes	Annually	
Tripura - Ease of business for alcohol, including expansion of retail access points and on/off-premise density	Written representation	No	Others	
Tamil Nadu - Pursue Walk in Stores and discussions on pricing framework alignment and timely approvals	Discussions & representation through associations	No	Others	

Business Responsibility Sustainability Report

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
Uttar Pradesh - Revisions in pricing structures for select product categories, implementation of shelf-life norms for certain packaging formats, and expansion of retail channel permissions in specific markets.	Discussions & representation through various associations	Yes	Annually	https://excise.up.gov.in/
Uttarakhand - Revisions in the point of taxation, adjustments in indirect tax structures, and pricing updates across select product categories.	Discussions & representation through associations	No	Annually	
West Bengal - Matters related to licensing and change-in-control provisions, facilitation of inter-state movement of goods and associated payment mechanisms, revisions in taxation for select categories, and updates to ENA wastage norms	Written representation	No	Others	https://excise.wb.gov.in/Portal_New_Default.aspx
FEDERAL ADVOCACY				
Plastic Waste Management (Second Amendment) Rules, 2025, mandatory use of recycled plastics	Representation through Associations	Yes	Annually	https://egazette.gov.in
rPET (recycled polyethylene terephthalate) guidelines	Representation through Associations	Yes	Annually	https://fssai.gov.in/cms/standardpacking.php
Ready to Drink (RTD) as a new category in the FSSAI Alcoholic beverage regulation, 2018 as an amendment	Representation through Associations	Yes	Annually	www.fssai.gov.in
NOC validity period for select products from 300 days to 365 days in alignment with the bond extension period.	Representation through Associations	Yes	Annually	www.fssai.gov.in
MOFPI task force on Model Label for alcoholic beverage exports and model export policy for exports	Meetings, discussions & presentations	No	Annually	
FSSAI licenses for perpetuity 10.3.26	Representation through Associations	Yes	Annually	www.fssai.gov.in
FSSAI NOC revalidation not required for waived goods under FOSCOS	Representation through Associations	No	Annually	
E-bond and E-BG	Representation through Associations	Yes	Annually	

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
PMW – category wise recycling targets	Representation through Associations	Yes	Annually	http://moef.gov.in/
GST on ENA (Extra Neutral Alcohol)	Representation through Associations	Yes	Annually	https://gstcouncil.gov.in/gst-council-meetings
GST on Economic surplus received from TMU | GST on Valuation of reimbursement as received by TMU	Representation through Associations	No	Annually	
GST on Trade Schemes	Representation through Associations	No	Annually	

Principle 8: **Businesses should promote inclusive growth and equitable development**

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

The projects undertaken by us in financial year 2025-26 were determined to not require Social Impact Assessments (SIA).

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:

The projects undertaken by us in financial year 2025-26 were determined to not require Rehabilitation and Resettlement (R&R)

Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts for Paid to PAFs in the financial year (INR)
Not Applicable					

3. Describe the mechanisms to receive and redress grievances of the community.

We are dedicated to fostering transparency, accountability, and trust within the communities where we operate. As part of our CSR engagement with the communities, we have various forums through which community grievances can be received and addressed. Periodic and well-organized community level engagements are scheduled to reassess the evolving requirements of the community. The emerging priorities are incorporated into the development and improvement of current and future programmes.

At each of our locations, our local NGO partner acts as a medium of communication. During regular stakeholder consultations, the grievances and needs from communities are discussed and a formal written request is submitted to the NGO partner who in turn shares the same with the respective teams.

Business Responsibility Sustainability Report

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Particulars	FY 2025-26	FY 2024-25
Directly sourced from MSME/ small producers	26%	32%
Directly from within India	87%	90%

Note 1: As per the Industry Standards Note on BRSR Core released by SEBI, 'Input material' includes all types of procurement such as raw material, spares, services and capex procurement items.

Note 2: Reasonable Assurance has been undertaken by Price Waterhouse & Co Chartered Accountants LLP, on the indicators in the table above.

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non- permanent / on contract basis) in the following locations, as % of total wage cost

Location	FY 2025-26	FY 2024-25
Rural	9%	9%
Semi-urban	5%	6%
Urban	11%	11%
Metropolitan	75%	74%

Note 1: The locations have been categorised as per RBI Classification System - rural/semi-urban/urban/metropolitan.

Source: https://censusindia.gov.in/nada/index.php/catalog/42560/download/46186/2011-IndiaStateDistSbDistTwnWrd-0000.xlsx

Note 2: All Owned Manufacturing sites, Owned and Leased Offices and Warehouses are reported based on their respective actual address.

Note 3: As per the Industry Standards Note on BRSR Core released by SEBI, in addition to the permanent employees, gross wages paid to other than permanent employees/workers have also been considered.

Note 4: Total wages include actual expenditure incurred in respect of permanent employees and permanent workers, which has been reconciled with salaries, wages, and bonus as disclosed in the Audited Standalone Financial Statements for the year ended 31 March 2026. It also includes total wages for contractual employees and workers, reported based on actual expenditure incurred.

Note 5: Reasonable Assurance has been undertaken by Price Waterhouse & Co Chartered Accountants LLP, on the indicators in the table above.

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 impact identified	Corrective action taken
Not Applicable	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Aspirational District	Amount spent (INR)
Punjab, Ferozpur	36,50,000

3a. Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

We recognise that diverse suppliers can often deliver greater agility, as well as access to fresh ideas, experiences and better cost structures that can result in accelerated product and process innovations. This mindset is one that we actively encourage at Diageo – both with our own employees and the partners and suppliers with whom we work. Our ambition is to accelerate inclusion & diversity in our value chain, increasing our spend with diverse-owned and disadvantaged businesses, each year to 2030. We are also committed to supporting our supplier's embedding inclusion and diversity throughout their own value chains. We encourage our suppliers to activate inclusion and diversity programmes within their leadership teams and employees, as well as embedding their own supplier diversity programme within their supply chains.

Business Responsibility Sustainability Report

We are also committed to shaping broader societal change by promoting equality and an inclusive culture through our brands, in our industry, across our value chain, and in the communities where we live, work, source and sell. We view diversity in the broadest possible sense, including gender, ethnicity, ability, age, sexual orientation, social class, education, experience, ways of thinking and more. Diversity of thought and experience fuels growth and innovation and ensures we reflect the consumers who enjoy our brands. A diverse supplier is defined as a company that is at least 51% owned and operated by one or more individuals belonging to any traditionally underrepresented minority group: women, people with disabilities, LGTBQIA+, ethnic minorities or any other underrepresented group.

3b. Which marginalized /vulnerable groups do you procure?

We are committed to shaping broader societal change by promoting equality and an inclusive culture through our brands, in our industry, across our value chain, and in the communities where we live, work, source and sell. We understand the value of diverse perspectives and recognize the importance of gender, ethnicity, ability, age, sexual orientation, socioeconomic status, education, and varied life experiences. The traditionally underrepresented groups from which we procure include women, people with disabilities, the LGBTQIA+ community, ethnic minorities, micro and small enterprises and other marginalized populations.

3c. What percentage of total procurement (by value) does it constitute?

Particulars	FY 2025-26	FY 2024-25
% of Business given underrepresented minority group: women, people with disabilities, LGBTQIA+, ethnic minorities, micro and small enterprises or any other underrepresented group	18%	21%

Previous year figures have been revised to reflect the expanded scope of marginalized/vulnerable groups, which now includes micro and small enterprises.

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
Not Applicable. We do not use any traditional knowledge.				

5. Details of corrective actions taken or 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
Not Applicable. We do not use any traditional knowledge.		

6. Details of beneficiaries of CSR Projects:

CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
Promote Positive Drinking: "Act Smart India", a programme to educate stakeholders in the age group of 13-17 years on the dangers of Underage consumption	2,59,135	The beneficiaries include school student who are below the legal drinking age.
Promote Positive Drinking: "Wrong Side of the Road", a programme to create awareness on Anti drink drive amongst consumers	7,56,604	The beneficiaries include consumers who are above legal drinking age including men, women, and elderly.
Learning for Life: a business and hospitality skills programme	1,968	100%

Business Responsibility Sustainability Report

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

We are committed to providing a seamless and efficient handling of consumer complaints, ensuring that all concerns are addressed promptly and effectively. We have implemented a robust consumer complaint handling process to ensure timely and effective resolution of consumer concerns related to our products. Consumers can easily reach out to us by contacting our customer care executive, whose details are provided on our product packaging. Complaints can be registered through our toll-free helpline at 1800-425-2433 or by emailing customercare@unitedspirits.in. Our customer care centre is managed by a third-party service provider and operates on all working days (excluding public holidays). The centre is supported by live agents from 10 AM to 12 AM and an IVR system available from 12 AM to 10 AM, making it convenient for consumers to raise concerns at any time. A complaint once received is logged in our SAP-based real-time complaint portal for visibility and tracking. Our customer care team acknowledges the complaint within 24 hours as per our SLA, either via phone or email. The acknowledgment includes information on the next steps in addressing the concern. After the complaint is registered, our internal team takes prompt action to resolve the issue. This includes collecting a sample from the consumer, if necessary, for further investigation. The team then addresses the concern in line with our *Consumer policy*, and the results of the investigation are communicated back to the consumer.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

All products of USL contain relevant information as required under applicable laws.

Particulars	As a percentage of total turnover
Environmental and social parameters relevant to the beverage	100% of Our products will carry the information as "Consumption of alcohol is injurious to health" to provide warning message to consumer.
Safe and responsible usage	
Recycling and/or safe disposal	100% of our Plastic Container used for Packaging carries the embossed symbol of recyclability.

3. Number of consumer complaints in respect of the following:

Particulars	FY 2025-26			FY 2024-25		
	Received during year	Pending resolution at the year end	Remarks	Received during year	Pending resolution at the year end	Remarks
Data Privacy	0	0	-	0	0	-
Advertising	0	0	-	0	0	-
Cyber Security	0	0	-	0	0	-
Delivery of essential services	0	0	-	0	0	-
Restrictive Trade Practices	0	0	-	0	0	-
Unfair Trade Practices	0	0	-	0	0	-
Other*	**448**	**32**	**-**	**674**	**88**	**-**

**Customer/Consumer complaints include complaints pertaining to product quality. Out of 448 complaints, 416 were validated and resolved during the reporting period, while 32 remained under investigation as on 31st March 2026. The 88 complaints pending as of 31st March 2025, were successfully resolved within the year.*

4. Details of instances of product recalls on account of safety issues:

Particulars	Number	Reasons for Recall
Voluntary recalls	0	-
Forced recalls	0	-

Business Responsibility Sustainability Report

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, we have a comprehensive cyber security and data privacy risk management policy that applies to all employees, contractors, consultants, agency staff, business partners, and staff at subsidiaries and joint ventures, essentially anyone or any organization handling USL's information. This policy reflects our commitment to protect our brands, revenues, reputation, and operational effectiveness through effective information management and security practices.

The objectives of the policy include:

- Ensuring all personnel are aware of information-related risks.
- Promoting a consistent and reasonable approach to information security across the organization.
- Embedding security awareness into the organization's culture and business processes.
- Supporting compliance with legal, regulatory, and contractual requirements.

The policy covers all types of information assets, including IT and OT (operational technology) systems throughout their lifecycle. It also incorporates a three-tier information classification framework, which all staff are expected to apply correctly when creating or sharing information. The overarching goal is to safeguard the confidentiality, integrity, and availability of Diageo's information assets.

We recognise security and protect privacy as an essential under our Code of Business Principles, which is available on our website at - https://www.diageoindia.com/pdf-viewer.aspx?gid=307336661&src=%2F%7E%2Fmedia%2FFiles%2FD%2FDiageo-V2%2FDiageo-India%2Fabout-us%2Fcorporate-governance%2Ff24-code-of-conduct.pdf"

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential 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 issues / product recalls/ penalties/regulatory actions during the year.

7. Provide the following information relating to data breaches:

Particulars		
a.	Number of instances of data breaches	0
b.	Percentage of data breaches involving personally identifiable information of customers	0%
c.	Impact, if any, of the data breaches	NA

Note: Reasonable Assurance has been undertaken by Price Waterhouse & Co Chartered Accountants LLP, on the 'Percentage of data breaches involving personally identifiable information of customers' above.

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (Provide web link, if available)

Information regarding all products is available in the Brand section of our website: https://www.diageoindia.com/en/brands

Pertaining to Product Quality concerns, Consumers / Customers can reach out to Diageo India through following modes

1. Toll-free number for Customer care: 18004252433
2. E-mail ID: customercare.india@diageo.com
3. Mailing address: UB Tower #24 Vittal Mallya Road Bengaluru - 560 001, Karnataka

Business Responsibility Sustainability Report

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Our commitment to promoting positive drinking is a core pillar of our 'Spirit of Progress' action plan. We want to change the way the world drinks for the better. That means promoting moderation and continuing to address the harmful use of alcohol by changing attitudes and expanding our programmes that tackle underage drinking, drink driving and binge drinking. As a CSR initiative, we are implementing the following programmes:

- **Act Smart India:** Act Smart India is dedicated to educating young people and empowering them to make informed decision on alcohol consumption, through early intervention. Implemented through our NGO partner across government and private schools, the programme reaches out to young people of the age group 13-17 years through a combination of live and online sessions on life skills. The programme measures success not merely by its reach but also through evaluation of the attitudinal shift in underage drinking. Blending storytelling with interactive methods, it highlights the causes and consequences of underage drinking.

- **Wrong Side of the Road:** Aligned with the National Road Safety Campaign, the programme is implemented in partnership with UNITAR (United Nations Institute for Training and Research). It is designed to promote behavioural change among the citizens with the aim of curbing drink driving. It works through an interactive learning process, aimed at reducing fatal accidents and transforming responsible driving into a consistent behaviour pattern. The programme is implemented in collaboration with the transport authorities and the Regional Transport Offices (RTOs) across India. An interactive Tab Labs have been set up in RTOs across various states to educate people who go through process of seeking driving license.

- **DrinkIQ:** Information sharing is vital for empowering consumers to make responsible choices. DRINKiQ is a dedicated online platform that advocates moderation, and addresses the consequences of harmful drinking for individuals and the society. We conduct various campaigns, both online and offline, to promote responsible drinking and moderation in consumption.

In addition, there is consumer awareness information available on the labels of every bottle as prescribed by the law.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

At USL, we do not deal with any essential services. However, in case of any disruption/discontinuation, we will notify through our website, various social media platforms, distribution networks and emails. In addition, consumer can also contact us on our toll-free number (1800-4252433) and email (customercare.india@diageo.com) printed on each product packaging.

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 regarding 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, in addition to mandatory disclosures, we provide supplementary product-specific information, which may include sensorial attributes, provenance details, ingredient sourcing, and sustainability-related insights.

We collaborate with consumers and commercial partners to conduct surveys to ensure best-in-class offer goes in the market and also to assess the impact of positive drinking, alcohol moderation and prevention of alcohol misuse initiatives. Using a combination of online and face-to-face interactions, we evaluate consumer sentiment, cultural understanding and consumption patterns All research is conducted in full compliance with our *Responsible Research policy and the Industry Research Guidelines.*

Business Responsibility Sustainability Report

Management analysis on key sustainability and emission indicators (Principle 6: related to environment)

Principle	Indicator No	BRSR Core KPI	FY 2025-26 (Reported)	FY 2024-25 (Reported)	Reference
Environment	P6.E.1	Energy intensity per rupee of turnover (GJ/Cr)	38.76	34.98	Note 1
Environment	P6.E.1	Energy intensity by physical output (GJ/KL)	5.29	4.09	Note 2
Environment	P6.E.3	Water intensity per rupee of turnover (KL/Cr)	21.88	25.08	Note 3
Environment	P6.E.3	Water intensity by physical output (KL/KL)	2.99	2.93	Note 4
Environment	P6.E.4	Water Discharge (KL)	4,860	6,657	Note 5
Environment	P6.E.7	Emission intensity per rupee of turnover (MT CO2e/Cr)	0.46	0.46	Note 1
Environment	P6.E.7	Emission intensity by physical output (MT CO2e/KL)	0.06	0.05	Note 2
Environment	P6.E.9	Waste intensity in terms of physical output (MT/KL)	0.34	0.28	Note 6

Note 1: In FY26, energy intensity (GJ/Cr) and emission intensity (MT CO_2e/Cr) has increased by 11% and 1% respectively, driven by volume mix change, higher malt production, and portfolio shift to Grain ENA. Further utility process changes, such as expanded CO_2 gas recovery operations and automation-led auxiliary load increase, also contributed to the overall performance increase.

Note 2: In FY26, energy intensity (GJ/KL) and emission intensity (MT CO_2e/KL) based on physical output has increased by 30% and 18% respectively driven by volume mix change and portfolio shift to Grain ENA.

Note 3: Water intensity per rupee of turnover (KL/Cr) improved by 13% in FY26 compared to FY25. These improvements were driven by process optimisation, higher condensate recovery enhanced rainwater utilisation.

Note 4: FY26 water intensity by physical output (KL/KL) increased by 2% compared to FY25 due to lower production volumes. However, packaging and distillation water intensity improved by 6% and 5%, respectively, driven by higher condensate recovery and increased rainwater utilisation.

Note 5: The reduction in water discharge by ~27% is due to the operational ramp-down of our non-zero liquid discharge units, which as per State PCB consent were required to sent the wastewater to external Common Effluent Treatment Plant (CETP).

Note 6: Waste intensity in terms of physical output has increased by 20%, primarily driven by higher spent grain generation aligned to malt production growth, increased fly ash from greater biomass usage and higher sludge generation from ETP/STP maintenance and optimization activities

Independent Auditor's Report

To the Members of United Spirits Limited
Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying Standalone financial statements of United Spirits Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2026, and the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information (hereinafter referred to as "standalone financial statements").

2. 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 ("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, 2026, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) 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 standalone 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 opinion.

Emphasis of matter

4. We draw attention to the following matters:

a) Note 40A(a) to the standalone financial statements which explains the uncertainties post completion of the Initial Inquiry, which identified references to certain Additional Parties and certain Additional matters, the then MD and CEO, pursuant to the direction of the Board of Directors, had carried out an Additional Inquiry that revealed transactions indicating actual and potential diversion of funds from the Company and its Indian and overseas subsidiaries to, in most cases, Indian and overseas entities that appear to be affiliated or associated with the Company's erstwhile non-executive Chairman and other potentially improper transactions. Post the completion of Additional Inquiry certain regulatory notices and communications were received from Securities Exchange Board of India, Directorate of Enforcement, Authorised Dealer banks ('AD') and other regulatory agencies to which the Company has responded. Subsequently, the Company commenced the rationalisation process for divestment/ liquidation/ merger of certain overseas subsidiaries including step down subsidiaries and completion of the above Rationalisation process is subject to regulatory approvals in India and overseas. The Company filed suits for recovery of certain amounts against relevant parties and individuals identified in the Additional Inquiry including excess managerial remuneration paid to the former Executive Director and CFO which have been fully provided for and recognised as an expense in prior years. The management is currently unable to estimate the financial impact on the Company, if any, arising out of potential non compliances with applicable laws as above.

b) Note 40A(d) to the standalone financial statements, which describes the uncertainty relating to the final outcome of litigations with a bank ("the bank") that continues to retain the pledge of certain assets of the Company and of the Company's shares held by USL Benefit Trust (of which the Company is the sole beneficiary) despite the Company prepaying the term loan to that bank along with the prepayment penalty and further depositing an additional sum of ₹ 46 crores demanded by the bank and as directed by the Hon'ble High Court of Karnataka (the "Court"). Based on management assessment supported by external legal opinions, the Company has disclosed the aforesaid amount of ₹ 46 crores under Other Non-current financial assets as recoverable from the bank pending the final outcome of the litigation. In a separate proceeding before the Debt Recovery Appellate Tribunal, the bank's appeal against the judgement awarded by Debt Recovery Tribunal in favour of the Company in respect of attachment of the aforesaid pledged shares for recovery of the loans advanced by the bank to Kingfisher Airlines Limited is pending disposal.

Our opinion is not modified in respect of the matters described under paragraph 4 above.

Key audit matters

5. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. 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.

Independent Auditors' Report (Continued)

Key audit matter	How our audit addressed the key audit matter
Assessment of the appropriateness of provisions recognised and contingent liabilities disclosed in respect of certain tax matters. (Refer Notes 8, 17 and 42(a) and 42(b) to the standalone financial statements) As at March 31, 2026, the Company has significant tax exposures and is subject to periodic assessments/ demands by tax authorities on transfer pricing, income tax and indirect tax matters. Consequent to such tax assessments and demands relating to past several years, the Company has paid certain amounts under protest at various dates. The Company has also filed appeals with various appellate authorities against such demands. Management judgement is involved in assessing the likelihood of ultimate outcome of the tax disputes to decide on the accounting/ disclosure requirements. For certain complex matters the probable amount of the cash outflow determined by the Management is supported by opinions obtained from external tax counsels or assessment performed by management tax experts. We considered this a key audit matter as: (a) The amounts involved are significant to the standalone financial statements; (b) Change in the management's judgements and estimates may significantly affect the provisions recognised or contingent liabilities disclosed; and (c) Matters of disputes are complex in some cases due to the nature of the industry in which the Company operates and are subject to interpretations under tax laws.	Our audit procedures included the following: • Understood, evaluated and tested the design and operating effectiveness of the Company's controls in respect of the identifying potential tax exposures and/ or the accounting and disclosures thereof. • Evaluated the related accounting policy for recognising provisioning for tax exposures and disclosure of contingent liabilities with the requirements of the relevant accounting standards. • Obtained management's assessment in respect of tax demands on whether cash outflow is either probable, possible or remote. • Evaluated management's assessment with the help of auditors' specialists, where necessary, as follows: - For the samples selected, read the correspondences received from the tax authorities/ orders from the appellate authorities. - Read and assessed the views provided by the management or external tax counsel appointed by the management, as applicable. - Assessed management's position on significant tax exposures in accordance with the tax laws and past precedents of tax judgements. - Assessed completeness of litigations by inquiring with the management, perusal of Board minutes and obtained confirmations from external tax counsel. - Evaluated the objectivity, independence, competence and capabilities of the external tax counsel appointed by the management. - Evaluated the adequacy of the disclosures made in the standalone financial statements.

Other information

6. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual 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 the other information is materially inconsistent with the standalone 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

7. 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, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. 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 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.

8. 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

9. Those 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

10. 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.

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

    a) 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.

    b) 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 standalone financial statements in place and the operating effectiveness of such controls.

    c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

    d) 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 standalone 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.

    e) 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.

12. 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.

13. 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.

14. 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 of the current period 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

15. 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 B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

Independent Auditors' Report (Continued)

(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, except for the matters stated in paragraph 16(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

(c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows 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 Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026, from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 16(b) above and paragraph 16(h)(vi) below.

(g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

(h) 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 Notes 8, 17, 40A(a), 40A(c), 40A(d), 42 and 48 to the standalone financial statements).

ii. The Company was not required to recognise a provision as at March 31, 2026, under the applicable law or Indian Accounting Standards, as it does not have any material foreseeable losses on long-term contracts. The Company did not have any derivative contracts as at March 31, 2026.

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

iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 49(vii)(A) to the standalone financial statements, 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(s) or entity(ies), including foreign entities ("Intermediaries"), 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 Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 49(vii)(B) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), 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 Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures that we 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 dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with Section 123 of the Act. Further, as stated in Note 32(b) to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software except that the audit trail is not maintained for any changes made through specific access and direct database changes. Other than for the instances mentioned above, based on our procedures performed, we did not notice any instance of the audit trail feature being tampered with. Further, the audit trail, to the extent maintained in the prior years, has been preserved by the Company as per the statutory requirements for record retention.

17. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/ E300009

Dibyendu Majumder
Partner
Membership Number: 057687
UDIN: 26057687SLPHZC2720

Place: Bengaluru
Date: May 14, 2026

Independent Auditors' Report (Continued)

Annexure A to Independent Auditor's Report

Referred to in paragraph 16(g) of the Independent Auditor's Report of even date to the members of United Spirits Limited on the standalone financial statements as of and for the year ended March 31, 2026

Report on the internal financial controls with reference to standalone financial statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to standalone financial statements of United Spirits Limited ("the Company") as of March 31, 2026 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

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control 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 ("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 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

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone 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 applicable to an audit of internal financial controls and 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 standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to 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 standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control 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 standalone financial statements, whether due to fraud or error.

5. 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 system with reference to standalone financial statements.

Meaning of internal financial controls with reference to financial statements

6. A company's internal financial controls with reference to 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 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 financial statements

7. Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/ E300009

Dibyendu Majumder
Partner
Membership Number: 057687
UDIN: 26057687SLPHZC2720

Place: Bengaluru
Date: May 14, 2026

Annexure B to Independent Auditor's Report

Referred to in paragraph 15 of the Independent Auditor's Report of even date to the members of United Spirits Limited on the standalone financial statements as of and for the year ended March 31, 2026

In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

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

(B) The Company is maintaining proper records showing full particulars of intangible assets.

(b) The property, plant and equipment of the Company are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the property, plant and equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Notes 3.1, 3.2 and 3.5 to the standalone financial statements, are held in the name of the Company, except as disclosed in Appendix II.

(d) The Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of property, plant and equipment (including right of use assets) or intangible assets does not arise.

(e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) [formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)] and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the standalone financial statements, does not arise.

ii. (a) The physical verification of inventory (including stocks with third parties) has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) During the year, the Company has not been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate from banks and financial institutions on the basis of security of current assets and, accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.

iii. (a) The Company has made investments in nineteen mutual fund schemes, and has provided unsecured loans to employees. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans are as per the table given below:

Particulars	Loans to employees (Amount in ₹ Crores)
Aggregate amount granted/ provided during the year	1
Balance outstanding as at March 31, 2026 in respect of the above cases	1

(Refer Note 5 to the standalone financial statements)

(b) In respect of the aforesaid investments and loans, the terms and conditions under which such loans were granted and investments were made are not prejudicial to the Company's interest.

(c) In respect of the loans, as disclosed in Note 5 to the standalone financial statements, the schedule of repayment of principal and payment of interest has been stipulated by the Company except for the following instances set out in

Annexure B to Independent Auditor's Report (Continued)

the table below. Therefore, in the absence of stipulation of repayment terms, we are unable to comment on the regularity of repayment of principal and payment of interest in respect of the loans set-out in the table below:

(Amount in ₹ crores)

Name of the entity	Gross outstanding as at March 31, 2026	Net outstanding as at March 31, 2026
Asian Opportunities & Investments Limited	72	-
USL Holdings UK Ltd	17	-

The repayment of principal and payment of interest is not regular with respect to the loans set out in the table below:

Name of the entity	Amount (₹ Crores)	Due Date	Extent of delay	Remarks
United Breweries Holding Limited and a related entity	1,238	One third of the loan was to be repaid on July 2 2019, July 2, 2020 and July 2, 2021	4 years and 9 months to 6 years and 9 months	Refer Notes 5 and 40A(c) to the standalone financial statements

(d) In respect of the following loans, the total amount overdue for more than ninety days as at March 31, 2026 is ₹ 1,238. In such instances, in our opinion, reasonable steps have been taken by the Company for the recovery of the principal amounts and interest thereon. Refer Notes 5 and 40A(c) to the standalone financial statements.

(Amount in ₹ crores)

No. of cases	Principal Amount Overdue	Interest Overdue	Total Overdue	Remarks (if any)
One	1,153	85	1,238	Refer Notes 5 and 40A(c) to the standalone financial statements

(e) There were no loans which have fallen due during the year and were renewed/extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans. (Also, refer note 5 to the standalone financial statements)

(f) The loans granted during the year, had stipulated the scheduled repayment of principal and the same were not repayable on demand. There were no loans granted during the year to the promoters including related parties.

iv. In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act, in respect of the loans given and investments made. The Company has not provided any security and guarantees to parties covered under Sections 185 and 186 of the Act.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under. Accordingly, the reporting under clause 3(v) of the Order is not applicable to the Company.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its certain products. We have broadly reviewed the books of account maintained by the Company pursuant to the said requirement, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) In our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund and profession tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including value added tax, employee's state insurance, income tax, goods and service tax, duty of customs, duty of excise and other material statutory dues. However, there are no arrears of statutory dues outstanding as at March 31, 2026, for a period of more than six months from the date they became payable.

(b) The particulars of dues of income tax, sales tax, value added tax, service tax, goods and services tax, duty of customs, duty of excise, entry tax, stamp duty, property tax and other taxes charged by local bodies at March 31, 2026 which have not been deposited on account of a dispute are disclosed in Appendix I to this report. There have been no dues of provident fund, employees' state insurance and profession tax which have not been deposited on account of dispute.

Annexure B to Independent Auditor's Report (Continued)

viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.

ix. (a) As the Company did not have any loans or other borrowings from any lender during the year, the reporting under clause 3(ix)(a) of the Order is not applicable to the Company.

(b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not obtained any term loans. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been utilised for long-term purposes by the Company.

(e) On an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or joint ventures. The Company has no associates.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures. The Company has no associates.

x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under 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 or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed by us, as statutory auditors, with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, the Company has received whistle-blower complaints during the year, which have been considered by us for any bearing on our audit and reporting under this clause. As explained by the management, there were certain complaints in respect of which investigations are ongoing as on the date of our report and our consideration of the complaints having any bearing on our audit is based on the information furnished to us by the management.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

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

(b) The reports of the Internal Auditor for the period under audit have been considered by us.

xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with the director(s). Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial or housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

Annexure B to Independent Auditor's Report (Continued)

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

(d) Based on the information and explanations provided by the management of the Company, the Group [as defined in the Reserve Bank of India (Core Investment Companies) Directions, 2025] does not have any CICs, which are part of the Group. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and, accordingly, the reporting under clause 3(xviii) of the Order is not applicable.

xix. On the basis of the financial ratios (also refer note 49(xiv) to the standalone financial statements), ageing and expected dates of realisation 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 the 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. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/ E300009

Dibyendu Majumder
Partner
Membership Number: 057687
UDIN: 26057687SLPHZC2720

Place: Bengaluru
Date: May 14, 2026

Annexure B to Independent Auditor's Report (Continued)

Referred to in paragraph vii(b) of Annexure B to the Independent Auditor's Report to the members of United Spirits Limited on the standalone financial statements as of and for the year ended March 31, 2026

Appendix I – Particulars of tax dues not deposited on account of a dispute

Name of Statute	Nature of Dues	Disputed Amount (₹ crores)	Amount Paid (₹ crores)	Unpaid Amount (₹ crores)	Financial Year to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	84	36	48	2005-06, 2009-10, 2014-15 2015-16, 2019-20 and 2021-22	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	3,544	623(*)	2,921	1988-89, 1989-90, 1991-92 to 1993-94, 1995-96, 2000-01, 2005-06 to 2008-09, 2014-15 to 2017-18, 2019-20 and 2020-21	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	1,038	184(*)	854	1985-86 to 2004-05 and 2011-12 to 2013-14	High Courts of various states
Customs Act, 1962	Custom Duty	0#	0#	0#	2017-20	Joint Commissioner of Customs
Customs Act, 1962	Custom Duty	0#	-	0#	1997-98	Commissioner of Customs
Service Tax - Finance Act, 1994	Service Tax	2	-	2	2004-2008, 2011-16	Commissioner of Service Tax
Service Tax - Finance Act, 1994	Service Tax	27	2	25	2004-08, 2014-15 to 2016-17	Customs Excise and Service Tax Appellate Tribunal
Service Tax - Finance Act, 1994	Service Tax	124	-	124	2000-01, 2007-08 to 2011-12	High Courts of various states
Central Excise Act, 1944	Central Excise Duty	39	1	38	1994- 95, 2012-13 to 2017-18	Commissioner of Central Excise
Central Excise Act, 1944	Central Excise Duty	0#	-	0#	1999-2000	Customs Excise and Service Tax Appellate Tribunal
Central and Various State Sales Tax Acts	Sales Tax/Value Added Tax	5	0#	4	1993-1996, 2002-03 to 2007-08, 2018-19, 2021-22	Commercial Tax Officer
Central and Various State Sales Tax Acts	Sales Tax/Value Added Tax	13	5	8	1995-96, 2005-06 to 2006-07, 2009-10 to 2013-14, 2015-16 to 2017-18	Assistant Commissioner of Commercial Taxes
Central and Various State Sales Tax Acts	Sales Tax/Value Added Tax	10	1	9	2004-05, 2007-08 to 2011-12, 2013-14, 2015-16 to 2020-21	Additional Commissioner of Commercial Taxes
Central and Various State Sales Tax Acts	Sales Tax/Value Added Tax	24	4	20	1985-1986, 2007-08 to 2008-09, 2010-11 to 2011-12, 2014-15 to 2017-18, 2019-20 to 2022-23	Deputy Commissioner of Commercial Taxes
Central and Various State Sales Tax Acts	Sales Tax/Value Added Tax	229	20	209	2000-01 to 2001-02, 2004-05 to 2005-06, 2010-2011, 2012-2013, 2015-16 to 2021-22	Joint Commissioner of Commercial Taxes

Annexure B to Independent Auditor's Report (Continued)

Appendix I – Particulars of tax dues not deposited on account of a dispute (Continued)

Name of Statute	Nature of Dues	Disputed Amount (₹ crores)	Amount Paid (₹ crores)	Unpaid Amount (₹ crores)	Financial Year to which the amount relates	Forum where the dispute is pending
Central and Various State Sales Tax Acts	Sales Tax/Value Added Tax	65	23	42	1990-1991, 1992-93 to 1993-94, 1995-96 to 2000-01, 2004-2005, 2011-12 to 2018-19	Commercial Taxes Appellate Tribunal
Central and Various State Sales Tax Acts	Sales Tax/Value Added Tax	4	-	4	1993-1994, 2003-2004, 2005-2006 and 2017-2018	Commercial Taxes Appellate Tribunal and Revisionary Board
Central and Various State Sales Tax Acts	Sales Tax/Value Added Tax	65	14	51	1978-79 to 1984-85, 1988-89 to 1989-90, 1992-93 to 1994-95, 1996-97 to 2001-02, 2007-08, 2009-10 to 2011-12, 2014-2015, 2017-18 to 2022-23	High Courts of various states
Various Entry Tax Acts, Local Body Tax and Octroi Duty	Entry Tax/Local Body Tax	0#	-	0#	1989-90 and 2017-18	Assessing Officer
Various Entry Tax Acts, Local Body Tax and Octroi Duty	Entry Tax/Local Body Tax	1	0#	1	2014-15 and 2015-16	Assistant Commissioner of Commercial Taxes
Various Entry Tax Acts, Local Body Tax and Octroi Duty	Entry Tax/Local Body Tax	2	1	1	2007-08 to 2009-10, 2011-12 to 2016-17	Joint Commissioner/ Additional Commissioner of Commercial Taxes
Various Entry Tax Acts, Local Body Tax and Octroi Duty	Entry Tax/Local Body Tax	2	1	1	1987-88, 2000-01, 2004-05, 2007-08 to 2010-11	Commercial Taxes Appellate Tribunal
Various Entry Tax Acts, Local Body Tax and Octroi Duty	Entry Tax/Local Body Tax/Octroi Duty	2	2	0	2007-08 to 2013-14	High Courts of various states
Various Entry Tax Acts, Local Body Tax and Octroi Duty	Entry Tax/Local Body Tax	4	3	1	2007-08, 2020-21 to 2021-22	Supreme Court
Bengal Excise Act, 1909 and Bengal Excise (Amendment) Act, 2012	State Excise	1	-	1	1993-94	Civil Court, West Bengal
Bengal Excise Act, 1909 and Bengal Excise (Amendment) Act, 2012	State Excise	0#	-	0#	1994-95 and 2014-15	Collector of State Excise, West Bengal
Various State Excise Acts	State Excise	3	-	3	2010-11 to 2017-18	Superintendent of State Excise
Various State Excise Acts	State Excise	2	-	2	2013-14 to 2014-15	Principal Secretary of Excise
Various State Excise Acts	State Excise	0#	-	0#	2012-13	Assistant Commissioner of State Excise
Various State Excise Acts	State Excise	33	8	25	1974-75 to 1980-81, 1984-85, 1993-94, 1995-96, 1997-98 to 2004-05, 2007-08 to 2012-13, 2015-16 to 2016-17, 2019-2020, 2020-2021, 2022-23	Commissioner of State Excise
Various State Excise Acts	State Excise	1	-	1	2001-02, 2003-04 to 2007-08, 2013-14 to 2014-15	State Taxation Tribunals
Various State Excise Acts	State Excise	34	15	19	1984-85 to 1986-87, 1990-91 to 1993-94, 1997-98, 2000-01 to 2003-04, 2005-06, 2009-10, 2011-12 to 2017-18, 2019-20 to 2021-22, 2024-25	High Courts of various states
Various State Excise Acts	State Excise	172	16	156	1975-76, 2001-02 to 2002-03, 2008-09, 2014-15, 2024-25	Supreme Court
Central/ States Goods & Services Tax Act, 2017	Goods & Services Tax	8	0#	8	2017-18 to 2023-24	Joint Commissioner of Commercial Taxes / Commissioner (Appeals)
Central/ States Goods & Services Tax Act, 2017	Goods & Services Tax	58	6	52	2017-18 to 2021-22	Goods and Services Tax Appellate Tribunal
Central/ States Goods & Services Tax Act, 2017	Goods & Services Tax	973	0#	973	2017-18 to 2021-22	High Courts of various states
Other Litigations	Stamp Duty	1	-	1	1999-2000	High Court
Other Litigations	Property Tax	0#	-	0#	2019-20	High Court

'0' indicates that the amounts involved are below ₹ fifty lakhs and the sign '-'indicates that the amounts are nil.

* Amount paid includes refunds due to the company which have been adjusted by the assessing officer (AO) towards demands pending for other financial years. The amount paid in the table above has been restricted to the extent of the disputed amount.

Annexure B to Independent Auditor's Report (Continued)

Appendix II – Title deeds not in the name of the Company

Referred to in paragraph i(c) of Annexure B to the Independent Auditor's Report to the members of United Spirits Limited on the standalone financial statements as of and for the year ended March 31, 2026

The title deeds of immovable properties not held in the name of the Company are as follows:

Description of property	Held in the name of	Gross carrying value (₹ Crores)	Whether promoter, director or their relative or employee	Period held-indicate range, where appropriate	Reason for not being held in name of Company
Building in the state of Karnataka	Refer Note 1	34	No	15 years	Refer Note 1 below
Building in the state of Maharashtra	Shaw Wallace and Company Limited	0#	No	18 years	Refer Note 2 below
Freehold land in Gujarat	Herbertsons Limited	0#	No	20 years	Refer Note 2 below
Freehold land in Maharashtra	Maharashtra Distilleries Limited	1	No	20 years	Refer Note 2 below
Freehold land in Rajasthan	Udaipur Distillery Co. Limited	2	No	25 years	Refer Note 8 below
Freehold land in Uttar Pradesh	Carew and Company limited	5	No	30 years	Refer Note 2 below
Freehold land in Uttar Pradesh	Ganges Soap Works Private Limited	0#	No	20 years	Refer Note 2 below
Freehold land in West Bengal	Bengal Distilleries Co Ltd	0#	No	17 years	Refer Note 2 below
Freehold land in West Bengal	Serampore Distillery and Chemical Company Limited	1	No	25 years	Refer Note 2 below
Freehold land in West Bengal	Shaw Wallace Distilleries Limited	1	No	20 years	Refer Note 2 below
Freehold land in West Bengal	Jointly Held	1	No	20 years	Refer Note 7 below
Leasehold land in Rajasthan	Udaipur Distillery Co. Limited	1	No	25 years	Refer Note 8 below
Freehold land in Karnakata	Pampasar Distillery Limited	9	No	20 years	Refer Note 2 and Note 3 below
Freehold land in Telangana	Shaw Wallace and Company Limited	63	No	18 years	Refer Note 2 and Note 3 below
Freehold land in Uttar Pradesh	Central Distillery and Chemical Works Ltd	5	No	20 years	Refer Note 2 and Note 3 below
Freehold land in West Bengal	Carew and Company Limited	3	No	25 years	Refer Note 2 and Note 3 below
Freehold land in West Bengal	McDowell and Company Limited	6	No	25 years	Refer Note 3 and Note 5 below
Freehold land in West Bengal	Refer Note 6	8	No	25 yeas	Refer Note 3 and Note 6 below
Freehold land in West Bengal	Shaw Wallace and Company Limited	22	No	18 years	Refer Note 2 and Note 4 below
Free hold land in Delhi	McDowell and Co Ltd	9	No	25 years	Refer Note 2 and Note 3 below
Freehold land in Tamil Nadu	Jointly Held	0#	No	25 years	Refer Note 7 below
Freehold land in Uttar Pradesh	McDowell and Company Limited	0#	No	25 years	Refer Note 5 below
Freehold land in West Bengal	McDowell and Company Limited	2	No	25 years	Refer Note 5 below
Freehold land in Andhra Pradesh	Hindustan Polymers Limited	0#	No	44 years	Refer Note 2 below

# indicates that the amounts involved are below ₹ fifty lakhs.

Notes:

1. The Company has entered into an agreement to sell with the erstwhile owner and is litigating for execution of the sale deed. Refer to Note 3.1(b) to the standalone financial statements.
2. Held in the name of erstwhile transferor companies which were amalgamated with the Company through approved Court Schemes. Refer to Notes 3.1(a), 3.1(c) and 3.5(a) to the standalone financial statements.
3. These properties are under hypothecation with a bank. Refer to Notes 33(b) and 40A(d) for the standalone financial statements.
4. Part of this property is under dispute with a regulator, and the matter is pending with the Kolkata High Court.
5. McDowell & Company Limited's name has been changed to United Spirits Limited w.e.f. October 17, 2006.
6. The Company is not in possession of the title deeds. Refer to Note 3.5(a) to the standalone financial statements.
7. The property is being jointly held by the Company and a third party. Refer to Note 3.5(a) to the standalone financial statements.
8. Held in the name of erstwhile transferor companies which were amalgamated with the Company through approved Court Schemes. Refer to Notes 13(c) to the Standalone financial statements.

Standalone Balance Sheet

(All amounts in ₹ crores unless otherwise stated)

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non-current assets			
Property, plant and equipment	3.1	831	850
Right-of-use assets	3.2	381	457
Capital work-in-progress	3.3	70	72
Intangible assets	3.4	11	24
Investment properties	3.5	58	75
Financial assets			
Investments in subsidiaries and joint ventures	4.1	301	234
Trade receivables	11	351	340
Loans	5	-	-
Other financial assets	6	308	384
Deferred tax assets (net)	7	284	155
Current tax assets (net)	8	1,191	1,095
Other non-current assets	9	274	215
Total non-current assets		**4,060**	**3,901**
Current assets			
Inventories	10	2,659	2,305
Financial assets			
Investments	4.2	1,153	873
Trade receivables	11	3,592	3,288
Cash and cash equivalents	12.1	855	1,150
Bank balances other than cash and cash equivalents	12.2	1,027	623
Loans	5	1	22
Other financial assets	6	59	259
Other current assets	9	391	297
Total Current assets excluding assets classified as held for sale		9,737	8,817
Assets classified as held for sale	13	67	-
Total current assets		**9,804**	**8,817**
Total assets		**13,864**	**12,718**
EQUITY AND LIABILITIES			
EQUITY			
Share capital	14	145	145
Other equity			
Reserves and surplus	15	8,576	7,734
Total equity		**8,721**	**7,879**

Standalone Balance Sheet (Continued)

(All amounts in ₹ crores unless otherwise stated)

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Lease liabilities	3.2	307	334
Provisions	17	39	16
Total non-current liabilities		**346**	**350**
Current liabilities			
Financial liabilities			
Lease liabilities	3.2	98	146
Trade payables	18		
(a) total outstanding dues of micro and small enterprises		140	74
(b) Total outstanding dues of creditors other than micro and small enterprises		2,237	2,078
Other financial liabilities	16	269	484
Provisions	17	500	373
Current tax liabilities (net)	8	571	358
Other current liabilities	19	982	976
Total current liabilities		**4,797**	**4,489**
Total liabilities		**5,143**	**4,839**
Total equity and liabilities		**13,864**	**12,718**

The above Balance Sheet should be read in conjunction with the accompanying notes.
As per our standalone report of even date

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm registration number: 304026E/E-300009

Dibyendu Majumder
Partner
Membership number: 057687

Place: Bengaluru
Date: May 14, 2026

For and on behalf of the Board of Directors

V.K. Viswanathan
Chairman
DIN:01782934
Place: Bengaluru

Narayan K. Seshadri
Director
DIN: 00053563
Place: Bengaluru

Date: May 14, 2026

Praveen Someshwar
Managing Director and Chief Executive Officer
DIN : 01802656
Place: Bengaluru

Pradeep Jain
Executive Director and Chief Financial Officer
DIN : 02110401
Place: Bengaluru

Pragya Kaul
Company Secretary
Place: Bengaluru

Standalone Statement of Profit and Loss

(All amounts in ₹ crores unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
INCOME			
Revenue from operations	20	27,781	26,780
Other income	21	576	426
Total income		**28,357**	**27,206**
EXPENSES			
Cost of materials consumed	22	5,998	5,443
Purchase of stock-in-trade		808	864
Change in inventories of finished goods, work-in-progress and stock-in-trade	23	(140)	90
Excise duty		15,333	15,207
Employee benefits expense	24	623	605
Depreciation and amortisation expense	25	283	274
Advertisement and sales promotion		1,295	1,128
Other expenses	26	1,568	1,385
Finance costs	27	158	89
Total expenses		**25,926**	**25,085**
Profit before exceptional items and tax		2,431	2,121
Less: Exceptional items, net	28	(91)	(65)
Profit before tax		**2,340**	**2,056**
Income tax expense:	29		
Current tax		637	497
Current tax relating to earlier years		2	(9)
Deferred tax charge / (credit)	7	(129)	10
Total tax expense		**510**	**498**
Profit for the year		**1,830**	**1,558**
Other comprehensive Income			
A. Items that will be reclassified to profit or loss		-	-
B. Items that will not be reclassified to profit or loss			
(i) Remeasurements of post-employment benefit plans	38(b)E	(1)	(3)
(ii) Income tax credit relating to these items	7	0	1
Other comprehensive income/ (loss) for the year, net of income tax		**(1)**	**(2)**
Total comprehensive income for the year		**1,829**	**1,556**
Basic and diluted earnings per share (in ₹)	30	25.16	21.42

The above Statement of Profit and Loss should be read in conjunction with the accompanying notes.

As per our standalone report of even date

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm registration number: 304026E/E-300009

Dibyendu Majumder
Partner
Membership number: 057687

Place: Bengaluru
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DIN : 01802656
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Pradeep Jain
Executive Director and Chief Financial Officer
DIN : 02110401
Place: Bengaluru

Pragya Kaul
Company Secretary
Place: Bengaluru

Standalone Statement of Changes in Equity

A. Equity share capital

(All amounts in ₹ crores unless otherwise stated)

Particulars	Note	Amount
Equity share capital as at April 1, 2024	14	145
Changes in equity share capital		-
Equity share capital as at March 31, 2025	14	145
Changes in equity share capital		-
Equity share capital as at March 31, 2026	14	145

B. Other equity

		Reserves and surplus								
Particulars	Note	Capital reserve	Capital redemption reserve	Securities premium account	Central subsidy	Share based incentive reserve	Contingency reserve	General reserve	Retained earnings	Total
Balance as at April 1, 2024	15	95	72	4,568	0	1	11	1,103	968	6,818
Profit for the year		-	-	-	-	-	-	-	1,558	1,558
Other Comprehensive income(OCI), net of tax		-	-	-	-	-	-	-	(2)	(2)
Total comprehensive income for the year									**1,556**	**1,556**
Share based payments		-	-	-	-	5	-	-	-	5
Cross charge by a Diageo group company during the year towards share based payments	36(b) (x)	-	-	-	-	(5)	-	-	-	(5)
Other movements (net)		-	-	-	-	-	-	-	(1)	(1)
Dividend payment	32(b)	-	-	-	-	-	-	-	(639)	(639)
Balance as at March 31, 2025	15	**95**	**72**	**4,568**	**0**	**1**	**11**	**1,103**	**1,884**	**7,734**
Profit for the year		-	-	-	-	-	-	-	1,830	1,830
Other Comprehensive income(OCI), net of tax		-	-	-	-	-	-	-	(1)	(1)
Total comprehensive income for the year									**1,829**	**1,829**
Share based payments		-	-	-	-	2	-	-	-	2
Cross charge by a Diageo group company during the year towards share based payments	36(b) (x)	-	-	-	-	(2)	-	-	-	(2)
Dividend payment (net)	32(b)	-	-	-	-	-	-	-	(987)	(987)
Balance as at March 31, 2026	15	**95**	**72**	**4,568**	**0**	**1**	**11**	**1,103**	**2,726**	**8,576**

The above Standalone Statement of Changes in Equity should be read in conjunction with the accompanying notes.

As per our standalone report of even date

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm registration number: 304026E/E-300009

Dibyendu Majumder
Partner
Membership number: 057687

Place: Bengaluru
Date: May 14, 2026

For and on behalf of the Board of Directors

V.K. Viswanathan
Chairman
DIN:01782934
Place: Bengaluru

Narayan K. Seshadri
Director
DIN: 00053563
Place: Bengaluru

Date: May 14, 2026

Praveen Someshwar
Managing Director and Chief Executive Officer
DIN : 01802656
Place: Bengaluru

Pradeep Jain
Executive Director and Chief Financial Officer
DIN : 02110401
Place: Bengaluru

Pragya Kaul
Company Secretary
Place: Bengaluru

Standalone Statement of Cash Flows

(All amounts in ₹ crores unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2026		For the year ended March 31, 2025	
A. CASH FLOW FROM OPERATING ACTIVITIES					
Profit before tax			2,340		2,056
Adjustments for					
Depreciation and amortisation expense	25	283		274	
Employee share-based payment expense	24	22		17	
Loss allowance on trade receivables, other assets and other financial assets (net)	26	35		(9)	
Profit on redemption of mutual funds units	21	(77)		(25)	
Increase in fair value of mutual funds units (net)	21	(31)		(16)	
Finance costs	27	158		89	
Dividend income from a subsisidiary	21	(101)		(120)	
Gain on disposal of property, plant and equipment and investment property (net)	21	(22)		(99)	
Interest income on term deposits with banks	21	(76)		(73)	
Interest income from loan to subsidiary and joint venture	21	(1)		(1)	
Interest income on direct and indirect tax refunds	21	(241)		(26)	
Exceptional items (net)	28 & 47	91		65	
Exchange (gain)/loss on translation of foreign currency monetary assets and liabilities		(0)		1	
			40		77
Operating profit before changes in working capital			2,380		2,133
(Increase) / decrease in trade receivables		(350)		(494)	
(Increase) / decrease in loans and other financials assets		36		(40)	
(Increase) / decrease in other assets		(139)		49	
(Increase) / decrease in inventories		(354)		(242)	
Increase / (decrease) in trade payables		225		290	
Increase / (decrease) in other financial liabilities		(1)		(76)	
Increase / (decrease) in other liabilities		6		174	
Increase / (decrease) in provisions		14	(563)	(15)	(354)
Cash generated from operations			1,817		1,779
Income taxes paid (net of refunds)			(334)		(173)
Net cash generated from operating activities (A)			1,483		1,606
B. CASH FLOW FROM INVESTING ACTIVITIES					
Purchase of property, plant and equipment and intangible assets		(181)		(162)	
Proceeds from sale of property, plant and equipment and investment property		253		1	
Purchase of current investments		(1,862)		(1,246)	
Redemption of current investments		1,688		1,011	
Investment in term deposits with banks		(1,113)		(1,083)	
Redemption of term deposits from banks		790		395	
Investment in subsidiary and joint ventures		(97)		(13)	
Loans given to joint venture	36(b)(xv)	-		(18)	
Repayment of loan by subsidiary and joint venture	36(b)(xvi), (xvii)	18		-	
Repayment of loans given to others		3		7	
Interest received		65		38	
Dividend received	21	101		120	
Net cash outflow from investing activities (B)			(335)		(950)

Standalone Statement of Cash Flows (Continued)

(All amounts in ₹ crores unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
C. CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of deferred sales tax liability	3.2	-	(0)
Dividends paid (net)	32(b)	(1,263)	(350)
Principal repayment of lease liabilities	3.2	(143)	(137)
Interest paid on lease liabilities	3.2	(37)	(40)
Net cash outflow from financing activities (C)		**(1,443)**	**(527)**
Net (decrease) / increase in cash and cash equivalents [D = A+B+C]		**(295)**	**129**
Cash and cash equivalents as at the beginning of the year (E)		1,150	1,021
Effects of exchange rate changes on cash and cash equivalents		0	0
Net (decrease) / increase in cash and cash equivalents		(295)	129
Cash and cash equivalents as at the end of the year [D+E]	12.1	**855**	**1,150**
Note:		-	-
Non-cash financing and investing activities			
Acquisition of right-of-use assets	3.2	71	394

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

As per our standalone report of even date

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm registration number: 304026E/E-300009

Dibyendu Majumder
Partner
Membership number: 057687

Place: Bengaluru
Date: May 14, 2026

For and on behalf of the Board of Directors

V.K. Viswanathan
Chairman
DIN:01782934
Place: Bengaluru

Narayan K. Seshadri
Director
DIN: 00053563
Place: Bengaluru

Date: May 14, 2026

Praveen Someshwar
Managing Director and Chief Executive Officer
DIN : 01802656
Place: Bengaluru

Pradeep Jain
Executive Director and Chief Financial Officer
DIN : 02110401
Place: Bengaluru

Pragya Kaul
Company Secretary
Place: Bengaluru

Notes forming part of the Standalone Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

Company overview

United Spirits Limited ("the Company" or "USL") is a public company domiciled and headquartered in Bengaluru, Karnataka, India. It is incorporated under the Companies Act, 1956 and its shares are listed on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited. The Company is engaged in the business of manufacture, purchase and sale of beverage alcohol and other allied spirits, including through tie-up manufacturing units and through strategic franchising of some of its brands.

These financial statements (also referred as standalone financial statements) are approved for issue by the Company's Board of Directors on May 14, 2026.

Note 1: Basis of preparation of standalone financial statements

(i) Compliance with Ind AS

These financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the 'Act') [Companies (Indian Accounting Standards) Rules, 2015, as amended] and other relevant provisions of the Act.

(ii) Historical cost convention

These financial statements have been prepared on a historical cost basis, except for the following:

- defined benefits plans – plan assets are measured at fair value;
- share-based payments are measured at fair value; and
- investment in mutual funds is measured at fair value.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III (Division II) to the Act. Based on the nature of products and the time between the acquisition of asset for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current / non- current classification of assets and liabilities.

(iii) New and amended standards adopted

The Ministry of Corporate Affairs vide notification dated 7 May 2025 and 13 August 2025 notified the Companies (Indian Accounting Standards) Amendment Rules, 2025 and Companies (Indian Accounting Standards) Second Amendment Rules, 2025, respectively, which amended certain accounting standards (see below), and are effective for annual reporting periods beginning on or after 1 April 2025:

- Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants – Amendments to Ind AS 1;
- Supplier Finance Arrangements – Amendments to Ind AS 7 and Ind AS 107;
- International Tax Reform – Pillar Two Model Rules – Amendments to Ind AS 12; and
- Lack of Currency Exchangeability – Amendments to Ind AS 21.

As a result of the adoption of the amendments to Ind AS 7 and Ind AS 107, the Company provided new disclosures for liabilities under supplier finance agreements in Note 18(iii) and note 31(B). The other amendments did not have a material impact on the Company's financial statements.

(iv) New standards or amendments not yet adopted

Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants – Amendments to Ind AS 1 - This amendment also includes specific provisions that will take effect for reporting periods beginning on or after 1 April 2026, as outlined below.

Under the existing Ind AS 1, where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

Notes forming part of the Standalone Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

However, the amended requirements stipulate that entities will no longer be permitted to consider lender waivers that are granted after the reporting date but before the financial statements are approved for the purpose of classification of loans. This amendment is required to be applied retrospectively in accordance with Ind AS 8. The above amendment is note expected to have an impact on the Company's financial statements."

The material accounting policy information related to preparation of the standalone financial statements have been disclosed in the respective notes.

Note 2: Critical estimates and judgements

The preparation of standalone financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual result. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the standalone financial statements.

The areas involving critical estimates and judgements are:

- Estimation of provisions recognized and contingent liabilities disclosed in respect of tax matters– Notes 8, 17, and 42;
- Impairment of trade receivables and other financial assets - Notes 6, 11 and 31A.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Notes forming part of the Standalone Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

3.1 Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation, and impairment loss, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the assets.

Depreciation method, estimated useful lives and residual value

Depreciation is calculated using the straight-line method as per the estimated useful lives of assets as below:

Asset category	Useful life (in years)
Building	
- Roads	5
- Buildings	5 - 60
Plant and equipment	
- Wooden casks	7 - 15
- Others	5 - 15
Furniture and fittings	10
Office equipment	
- Computers	3
- Servers	3
- Others	5
Vehicles	5

Useful lives of asset classes determined by management estimate, which are different than those prescribed under Schedule II of the Act are supported by internal technical assessment of the useful lives. Estimated useful lives based on technical evaluation considers the impact of additional depreciation for working extra shifts.

Refer note 50.1 for other accounting policies relevant to property, plant & equipment.

Particulars	Freehold land [refer note (a) and (c) below]	Buildings [refer note (b) below]	Plant and equipment	Furniture and fittings	Office equipment	Vehicles	Total
Year ended March 31, 2025							
Gross carrying amount							
Opening	142	369	1,258	44	55	1	1,869
Additions	-	21	97	6	2	-	126
Disposals	-	(4)	(21)	(15)	(1)	-	(41)
Transfer to investment properties (refer note 3.5)	(23)	(16)	-	-	-	-	(39)
Closing gross carrying amount	**119**	**370**	**1,334**	**35**	**56**	**1**	**1,915**

Particulars	Freehold land [refer note (a) and (c) below]	Buildings [refer note (b) below]	Plant and equipment	Furniture and fittings	Office equipment	Vehicles	Total
Accumulated depreciation and impairment							
Opening	54	145	742	39	44	1	1,025
Depreciation charge during the year	-	17	88	3	5	-	113
Disposals	-	(4)	(21)	(14)	(1)	-	(40)
Transfer to investment properties (refer note 3.5)	(17)	(16)	-	-	-	-	(33)
Closing accumulated depreciation and impairment	**37**	**142**	**809**	**28**	**48**	**1**	**1,065**
Net carrying value as at March 31, 2025	**82**	**228**	**525**	**7**	**8**	**-**	**850**

Notes forming part of the Standalone Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

Particulars	Freehold land [refer note (a) and (c) below]	Buildings [refer note (b) below]	Plant and equipment	Furniture and fittings	Office equipment	Vehicles	Total
Year ended March 31, 2026							
Gross carrying amount							
Opening	119	370	1,334	35	56	1	1,915
Additions	-	12	129	23	3	-	167
Disposals	-	(3)	(73)	(4)	(2)	-	(82)
Transfer to assets held for sale (refer note 13)	-	-	(63)	-	-	-	(63)
Closing gross carrying amount	**119**	**379**	**1,327**	**54**	**57**	**1**	**1,937**
Accumulated depreciation and impairment							
Opening	37	142	809	28	48	1	1,065
Depreciation charge during the year	-	11	108	3	4	-	126
Impairment during the year (refer note 28)	-	-	19	-	-	-	19
Disposals	-	(3)	(51)	(4)	(2)	-	(60)
Transfer to assets held for sale (refer note 13)	-	-	(44)	-	-	-	(44)
Closing accumulated depreciation and impairment	**37**	**150**	**841**	**27**	**50**	**1**	**1,106**
Net carrying value as at March 31, 2026	**82**	**229**	**486**	**27**	**7**	**-**	**831**

Notes:

(a) Land includes gross carrying amount of ₹ 64 crores (2025: ₹ 64 crores) in respect of which the title deeds are in the name of erstwhile merged entities;

(b) Buildings include gross carrying amount of ₹ 34 crores (2025: ₹ 34 crores) in respect of which the Company has initiated litigation for execution of sale deed in favour of the Company.

(c) The Company holds many properties, both freehold and leasehold. Many of the freehold properties have been acquired during the past two decades through mergers and amalgamations and as such their title deeds are in the name of the erstwhile transferor companies. The Company has title documents and other supporting evidences establishing ownership of these properties, makes payment of property taxes in relation to these properties, and is in peaceful possession.

Property, plant and equipment pledged as security

Refer Note 33 for information on property, plant and equipment pledged as security by the Company.

Contractual obligations

Refer Note 41 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

3.2 Right-of-use assets and lease liabilities

As a lessee

The Company recognises a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments, for example arrangements that require payments based on agreed minimum production volumes),
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Company under residual value guarantees

Notes forming part of the Standalone Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

- the exercise price of a purchase option if the Company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company:

- where possible, uses recent third-party financing as a starting point, adjusted to reflect changes in financing conditions since third party financing was received; and
- makes adjustments specific to the lease, e.g. term and security.

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the company use that rate as a starting point to determine the incremental borrowing rate.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in Standalone Statement of Profit & Loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise items of buildings, office equipment and furniture.

This note provides information for leases where the Company is a lessee. The Company has taken on lease land, offices, warehouses, plant and equipment and office equipment. Lease contracts are typically entered into for 30 years to 100 years for leasehold land and for periods of 11 months to 10 years for other categories, and may have extension options as described in note (c) below. Some of the leasing arrangements entered into by the Company include cancellable lease terms.

(i) Amounts recognised in Standalone Balance Sheet

Particulars	As at March 31, 2026	As at March 31, 2025
Right-of-use assets		
Leasehold land	5	5
Buildings	49	53
Plant and equipment	327	399
Office equipment	0	0
Total	**381**	**457**

Notes forming part of the Standalone Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

Movement of right-of-use assets during the year

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening	457	227
Additions during the year	71	394
Depreciation for the year	(144)	(147)
Termination of leases	(3)	(17)
Closing	**381**	**457**
Lease liabilities		
Current	98	146
Non-current	307	334
Total	**405**	**480**

(ii) Amounts recognised in the Standalone Statement of Profit and Loss

Particulars		Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
(a)	Depreciation charge of right-of-use assets	25		
	- Buildings		14	16
	- Plant and equipment		130	129
	- Office equipment		-	2
Total			**144**	**147**
(b)	Interest expenses (included in finance cost)	27	37	40
(c)	Lease related expenses included in rent expenses	26		
	Short term leases		7	8
	Leases of low value assets		11	9
	Variable lease payments (not included in lease liabilities)		244	228
Total			**262**	**245**

(iii) The total cash outflow for leases for the year ended March 31, 2026 was ₹ 442 crores (2025: ₹ 422 crores).

Notes:

(a) Additions / adjustments to the right-of-use assets for the year ended March 31, 2026 aggregate to ₹ 71 crores (2025: ₹ 394 crores).

(b) Variable lease payments

The Company has lease contracts for plant and equipment that contain variable payments. Variable lease payments that depend on production volumes are recognised in the Standalone Statement of Profit and Loss in the period in which the condition that triggers those payments occurs. Any changes in production under contracts which includes variable lease payments, would have a proportionate impact on the variable lease payments. Certain agreements contain clauses for minimum production volumes and hence portion of lease payments in these agreements are 'in-substance fixed'. "In-substance fixed" lease payments are included in the determination of the lease liabilities and consequently included in determining the value of right-of-use assets.

(c) Extension and termination options

Extension and termination options are included in a number of property and equipment leases. These are used to maximize operational flexibility in terms of managing the assets used in the Company's operations. Management considers contractual terms and conditions, leasehold improvements undertaken, costs relating to termination of lease, incentives receivable from the Government (if any) and significance of the underlying asset to the Company's operations in determining the lease term for the purpose of recognising/ measuring the lease liability.

(d) Leasehold land includes gross carrying amount of ₹ 8 crores (2025: ₹ 8 crores) in respect of which the Company is in possession of photocopies of the title deeds.

Notes forming part of the Standalone Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

e) Net debt reconciliation

(i) Net debt summary:

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
Lease liabilities	3.2	405	480
Total debt		**405**	**480**
Less: Cash and cash equivalents	12.1	855	1,150
Net debt/ (cash)		**(450)**	**(670)**

(ii) Movements in net debt:

Particulars	Lease liabilities	Sales tax deferment	Cash and cash equivalents	Net debt
Net debt/(cash) as on April 1, 2024	**240**	**0**	**(1,021)**	**(781)**
Acquisition- leases (net)	377	-	-	377
Interest expense (refer note 27)	40	-	-	40
Interest paid	(40)	-	-	(40)
Principal lease payments	(137)	-	-	(137)
Repayment of debt	-	(0)	-	(0)
Cash outflows / (inflows)	-	-	(129)	(129)
Net debt/(cash) as at March 31, 2025	**480**	**-**	**(1,150)**	**(670)**
Acquisition- leases (net)	68	-	-	68
Interest expense (refer note 27)	37	-	-	37
Interest paid	(37)	-	-	(37)
Principal lease payments	(143)	-	-	(143)
Cash outflows / (inflows)	-	-	295	295
Net debt/(cash) as at March 31, 2026	**405**	**-**	**(855)**	**(450)**

3.3 Capital work-in-progress

Movement of Capital Work-In-Progress (CWIP) set-out below:

Particulars	As at March 31, 2026	As at March 31, 2025
Opening	72	37
Additions	165	161
Assets capitalised during the year	(167)	(126)
Closing	**70**	**72**

The ageing schedule for CWIP is set-out below:

Particulars	As at March 31, 2026	As at March 31, 2025
Projects in progress		
Less than 1 year	65	64
1-2 years	4	-
2-3 years	-	7
More than 3 years	1	1
Total	**70**	**72**

Projects under suspension amounted to ₹ 1 crore (2025 : ₹ 1 crore).

Notes forming part of the Standalone Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

Expected completion timelines of CWIP projects whose completion is overdue or has exceeded its cost compared to its original plan is set-out below:

Particulars	As at March 31, 2026	As at March 31, 2025
Less than 1 year		
Health, Safety and Environment protection projects	2	-
Brand innovation projects	8	4
Support core growth projects	1	4
Productivity improvement projects	20	36
Others	6	6
Total	**37**	**50**
1-2 years		
Others	4	-

3.4 Intangible assets

Brand and licenses

Licenses acquired are carried at cost less accumulated amortisation and impairment losses, if any. Brands are regarded as having indefinite useful lives and are not amortised, but are assessed for impairment at every reporting date.

Computer software

Computer software acquired or developed are carried at cost less accumulated amortisation and impairment losses, if any. Costs associated with maintaining software programs are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of customised computer software applications are recognised as intangible assets under development or intangible assets when ready for intended use, when the following criteria are met:

a) it is technically feasible to complete the software so that it will be available for use,

b) there is an ability to use or sell the software,

c) it can be demonstrated that the software will generate probable future economic benefits,

d) adequate technical, financial and other resources to complete the development and to use the software are available, and

e) the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the customised software applications include employee costs and other directly attributable costs are amortised from the point at which the software asset is available for use.

Amortisation method and useful lives

The Company amortises intangible assets with finite useful life using the straight-line method over their estimated useful lives as follows:

Asset category	Useful life(years)
Licenses	Over the license period
Computer software	5

Refer note 50.2 for other accounting policy relevant to intangible assets.

Notes forming part of the Standalone Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

Particulars	Brands	License	Computer software	Total
Year ended March 31, 2025				
Gross carrying amount				
Opening	1	0	87	88
Additions during the year	-	-	2	2
Closing gross carrying amount	**1**	**0**	**89**	**90**
Accumulated amortisation and impairment				
Opening	1	0	52	53
Amortisation charge for the year	-	-	13	13
Closing accumulated amortisation and impairment	**1**	**0**	**65**	**66**
Net carrying value as at March 31, 2025	**-**	**-**	**24**	**24**
Year ended 31st March 2026				
Gross carrying amount				
Opening	1	0	89	90
Additions during the year	-	-	-	-
Closing gross carrying amount	**1**	**0**	**89**	**90**
Accumulated amortisation and impairment				
Opening	1	0	65	66
Amortisation charge for the year	-	-	13	13
Closing accumulated amortisation and impairment	**1**	**0**	**78**	**79**
Net carrying value as at March 31, 2026	**-**	**-**	**11**	**11**

3.5 Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Movement of investment properties is set-out below:

Particulars	As at March 31, 2026	As at March 31, 2025
Gross carrying amount		
Opening	199	243
Transfer from property, plant and equipment	-	39
Disposal	(30)	(83)
Transfer to assets held for sale	(37)	-
Closing gross carrying amount	**132**	**199**
Accumulated depreciation and impairment		
Opening	124	104
Transfer from property, plant and equipment	-	33
Depreciation charge for the year	-	1
Depreciation and impairment on disposal	(19)	(14)
Transfer to assets held for sale	(31)	-
Closing accumulated depreciation and impairment	**74**	**124**
Closing net carrying amount	**58**	**75**

Notes forming part of the Standalone Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

Estimation of fair value:

The Company obtains independent valuations for its investment properties. The best evidence of fair value is current prices in an active market for similar properties. When such information is not available, the Company considers information from a variety of sources including:

(a) current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences;

(b) discounted cash flow projections based on reliable estimates of future cash flows; and

(c) capitalised income projection based upon a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence.

The fair value of investment property has been determined by a valuation expert who holds relevant professional qualification and experience. The market value of the investment properties has been assessed on an open market basis with the benefit of vacant possession. In the course of valuation, a direct comparison method has been adopted by making a reference to the relevant market transaction in land and building where the investment property is located. The appropriate adjustments have been made in order to account for the differences between the subject property and comparable terms of time, floor level, view, condition, quality and facilities etc. All resulting fair value estimates for investment properties are included in level 3.

Notes:

(a) Investment properties include land of:

(i) gross carrying amount of ₹ 62 crores (2025: ₹ 72 crores) in respect of which the title deeds are in the name of erstwhile merged entities;

(ii) gross carrying amount of ₹ 2 crores (2025: ₹ 2 crore) in respect of which title deeds are jointly held in the name of the Company and third party;

(iii) gross carrying amount of ₹ 1 crore (2025: ₹ 1 crore) in respect of which the Company is in possession of photocopies of the title deeds; and

(iv) ross carrying amount of ₹ Nil crores (2025: ₹ 7 crores) in respect of which the Company is in possession of combination of original and photocopy of title deeds; and

(v) gross carrying amount of ₹ 8 crores (2025: ₹ 8 crores) in respect of which the Company is not in the possession of title deeds. This property was acquired by the Company through amalgamations effected in the prior year and the amalgamation order is in possession of the Company;

(b) Opening and closing cost of Investment properties includes payments below rounding off norms adopted by the Company towards fully paid shares held in a co-operative housing society for the purpose of acquiring the right of occupation in respect of which Company is in possession of photocopy of share certificate in co-operative society.

(c) The Company periodically reviews the fair value of investment properties. Fair value of investment properties is ₹ 403 crores (2025: ₹ 516 crores).

(d) The restrictions on realisability of investment properties are mentioned in note (a) above

(e) There is no contractual obligation to purchase, construct or develop investment properties or for repairs, maintenance or enhancements.

Notes forming part of the Standalone Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

4.1 Investments in subsidiaries and joint ventures

Particulars	Face value (Per share)	Number of shares	As at March 31, 2026	Number of shares	As at March 31, 2025
Non-current					
a) Investments in subsidiaries					
Investment in equity instruments carried at cost (fully paid-up)					
Unquoted					
McDowell & Co (Scotland) Limited	£ 1	15,75,000	13	15,75,000	13
Shaw Wallace Overseas Limited	£ 1	3,57,745	-	3,57,745	-
Asian Opportunities & Investments Limited	$ 1	49,98,706	-	49,98,706	-
Palmer Investment Group Limited	$ 1	1,50,00,000	-	1,50,00,000	-
USL Holdings Limited (refer note (iv) below)	$ 1	76,66,40,114	-	76,66,40,114	-
Royal Challengers Sports Private Limited (refer note 13)	₹ 10	-	-	14,690	42
Nao Spirits & Beverages Private Limited [refer note (ii) below]					
- Equity shares carried at cost	₹ 10	80,283	92	-	-
- Compulsorily convertible preference shares carried at cost	₹ 10	32,247	60	-	-
			152		
Total investments in subsidiaries			165		55
b) Investment in joint ventures					
Unquoted					
Nao Spirits & Beverages Private Limited [refer note (ii) below]					
- Equity shares carried at cost	₹ 10	-	-	4,670	12
- Compulsorily convertible preference shares carried at cost	₹ 10	-	-	14,172	34
			-		46
Inspired Hospitality Private Limited [refer note (iii) below]					
- Equity shares carried at cost	₹ 10	10	0	10	0
- Compulsorily convertible preference shares carried at cost	₹ 10	3,494	6	3,494	6
			6		6
V9 Beverages Private Limited [refer note (iii) below]					
- Equity shares carried at cost	₹ 10	10	0	10	0
- Compulsorily convertible preference shares carried at cost	₹ 10	3,734	5	1,972	2
			5		2
Indie Brews and Spirits Private Limited [refer note (iii) below]					
- Equity shares carried at cost	₹ 10	10	0	10	0
- Compulsorily convertible preference shares carried at cost	₹ 10	4,016	5	4,016	5
			5		5
Total investments in joint ventures			16		59
c) Investment in a trust controlled by the Company					
Investment as sole beneficiary in USL Benefit Trust measured at cost [refer note (i) below]			120		120
Total investments			301		234
Aggregate amount of unquoted investments			301		234

Notes:

(i) Investment as a sole beneficiary in USL Benefit Trust (the 'Trust') was recorded as per the terms of composite scheme of arrangement approved by the Honourable High Courts of Karnataka and Bombay, upon amalgamating various companies with United Spirits Limited. The Trust has been established for the exclusive benefit of the Company and holds 1,72,95,450 equity shares of ₹ 2/- face value (2025: 1,72,95,450 equity shares of ₹ 2/- face value) of the Company [refer note 13(h)]. As per the terms of the aforesaid scheme of arrangement, the Company has carried this investment at the aggregate of book value as per the books of the concerned transferor companies. Also refer note 33(b) for assets pledged and note 40(A)(d). The Company is the sole beneficiary of the Trust. Hence, dividend paid by the Company to the Trust on the treasury shares held by the Trust is remitted back to the Company. Accordingly, the Company in its Standalone Statement of Changes in Equity and Standalone Statement of Cash Flows has disclosed the dividend paid to the shareholders net of the amount received back from the trust.

(ii) During the year ended March 31, 2023, the Company acquired the interest in Nao Spirits & Beverages Private Limited ("Nao Spirits") by investing ₹ 32 crores by subscribing to 8,094 compulsory convertible preference shares and 4,670 equity shares. During the year ended March 31, 2024, the Company infused additional amount of ₹ 15 crores by subscribing to 6,078 compulsorily convertible preference shares.

On June 26, 2025, the Company purchased 34,291 equity shares of NAO from existing shareholders, through a step acquisition. The transaction was executed for a consideration of ₹ 49 crores. The Company has further infused ₹ 56 crores through a combination of equity and compulsorily convertible preference shares (CCPS) to support future growth initiatives of NAO. Subsequent to the acquisition and capital infusion, the Company holds 97% of the paid-up share capital in NAO and has an obligation to buy the remaining equity interest. As per the SPA, the remaining shares held by third party will be purchased by the company upon receipt of certain regulatory approvals.

As at March 31, 2026, the Company holds 97% (2025: 30%) ownership interest on a fully diluted basis (94% of equity ownership interest (2025: 11%)).

(iii) During the current and prior years, the Company has made the following investments in below joint ventures:

1. Inspired Hospitality Private Limited ("Pistola") - During the prior year, the Company invested ₹ 6 crores by subscribing to 3,494 compulsory convertible preference shares and 10 equity shares. The Company holds 13% (2025: 15%) ownership interest on a fully diluted basis as at March 31, 2026. Due to further infusion by the majority shareholders after conversion of their loan into equity shares, the company's holding is reduced to 13%.

2. V9 Beverages Private Limited ("Sober") - During the prior year, the Company invested ₹ 2 crores by subscribing to 1,972 compulsory convertible preference shares and 10 equity shares. During the current year, the Company has invested an additional amount of ₹ 3 crores by subscribing to 1,762 compulsorily convertible preference shares. The Company holds 25% (2025: 15%) ownership interest on a fully diluted basis as at March 31, 2026.

3. Indie Brews and Spirits Private Limited ("Quaffine") - During the prior year, the Company invested ₹ 5 crores by subscribing to 4,016 compulsory convertible preference shares and 10 equity shares. The Company holds 25% (2025: 25%) ownership interest on a fully diluted basis as at March 31, 2026.

Management has considered these investments as joint ventures since the Company has joint control over its operating and financing decisions. In accordance with the shareholder's agreement with the respective joint ventures, the Company has a right to purchase all or any of the shares held by promoters, existing investors and other shareholders upon occurrence of earlier of achieving the specified

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sales volume threshold or date specified thereon. The exercise price of the call option shall be determined in accordance with a formula specified in the shareholder's agreement. As at March 31, 2026, fair value of the said call option has been determined to be immaterial.

(iv) The outstanding loans (including interest accrued and reimbursement of expenses) to USL Holdings Limited aggregating to USD 76,61,40,114, in equivalent USD terms (₹ 5,627 crores) was converted to equity shares of USL Holdings Limited on September 21, 2020. Management has made the relevant filing with the Authorised Dealer (AD) Bank on December 19, 2020 for the above conversion.

Subsequently, the Authorised Dealer (AD) Bank has intimated the Company to file certain regulatory forms to regularise the conversion. Management is exploring appropriate remedial options including approaching the Reserve Bank of India (RBI) and complete the requisite filings with the Authorised Dealer (AD) bank. Management has determined that any potential outflow that is likely to occur in this respect is not likely to be material.

4.2 Investments - current

(i) Debt instruments:

On initial recognition, the debt instruments are measured at fair value. Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset.

- Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost.
- Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI.
- Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss.

(ii) Investment in mutual funds:

On initial recognition, these are measured at fair value, and subsequently, carried at fair value through profit and loss.

Particulars	As at March 31, 2026	As at March 31, 2025
Quoted		
Money market funds	1,153	773
Treasury bills at amortized cost	-	100
Total current investments	**1,153**	**873**
Aggregate amount of quoted investments	1,153	873
Aggregate market value of quoted investments	1,153	873

5 Loans

Particulars	As at March 31, 2026		As at March 31, 2025	
	Current	Non-current	Current	Non-current
Loan to UBHL and related entities (net of trademark fee payable of ₹ 206 crores) [refer note 40(A)(c)]	-	-	-	1,238
Loans to subsidiaries/ joint venture [refer note 36(c)(iv)]	-	89	18	76
Loans to employees	1	-	2	-
Loans to others	-	-	2	-
	1	**89**	**22**	**1,314**
Less: Loss allowance				
Loan to UBHL [refer note 40(A)(c)]	-	-	-	(1,238)
Loans to subsidiaries [refer note 36(c)(v)]	-	(89)	-	(76)
	-	**(89)**	**-**	**(1,314)**
Total loans	**1**	**-**	**22**	**-**

Notes forming part of the Standalone Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

Particulars	As at March 31, 2026	As at March 31, 2025
Details of securities/ categorisation of credit risk on loans		
Loans considered good- secured	-	20
Loans considered good- unsecured	1	2
Loans- credit impaired	89	1,314
Total	**90**	**1,336**
Less: Loss allowance	(89)	(1,314)
Total loans	**1**	**22**

6 Other financial assets

Particulars	As at March 31, 2026		As at March 31, 2025	
	Current	Non-current	Current	Non-current
Unsecured				
Balances with banks [refer note (a) and (b) below]	-	46	-	46
Term deposit with bank with remaining maturity period more than 12 months	-	206	-	273
Receivable from related parties [refer note 36(c)(i)]	5	-	5	-
Receivable from Tie-up manufacturing units	29	3	60	7
Government grants	9	66	8	72
Receivable towards sale of property, plant and equipment	-	-	-	-
Security deposits	15	17	15	17
Other receivables [refer note (c) below]	2	13	172	13
	60	**351**	**260**	**428**
Less: Loss allowance				
Receivable from Tie-up manufacturing units	-	(3)	-	(7)
Government grant	-	(17)	-	(15)
Security deposits	-	(10)	-	(9)
Other receivables	(1)	(13)	(1)	(13)
	(1)	**(43)**	**(1)**	**(44)**
Total other financial assets	**59**	**308**	**259**	**384**

Notes :

Balances with banks comprise of:

(a) Deposit of ₹ 46 crores (2025: ₹ 46 crores) with a bank in suspense account [refer Note 40(A)(d)].

(b) Represents bank deposits under lien in respect of bank guarantees provided to tax authorities ₹ 0 crores (2025: ₹ 0 crores).

(c) Cheques on hand includes Nil (2025: ₹ 170 crores).

Refer note 31 for information about financial risk management.

Notes forming part of the Standalone Financial Statements

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(All amounts in ₹ crores unless otherwise stated)

7 Deferred tax assets (net)

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax assets		
Allowance for doubtful receivable balances	71	65
Expenses allowed on payment basis	114	96
Lease liabilities	99	121
DTA on accumulated Capital losses	31	-
DTA on impairment of investment in a subsidiary	18	-
Others	46	24
	379	**306**
Deferred tax liabilities		
Difference between carrying amount and tax base of property, plant and equipment, investment property and intangible assets	3	37
Right-of-use assets	92	114
	95	**151**
Total Deferred tax assets (net)	**284**	**155**

Movement in deferred tax assets

Particulars	Doubtful receivable balances	Expenses allowed on payment basis	Difference between carrying amount and tax base of property, plant and equipment and intangible assets	Indexation benefit on land	Right-of-use assets	Lease liabilities	Accumulated Long term Capital losses	Impairment of investment in a subsidiary	Others	Total
As at April 1, 2024	**71**	**86**	**(19)**	**11**	**(56)**	**60**	**-**	**-**	**24**	**177**
(Charged) / credited:										
- to profit and loss	(6)	9	(18)	(11)	(58)	61	-	-	-	(23)
- to other comprehensive income	-	1	-	-	-	-	-	-	-	1
As at March 31, 2025	**65**	**96**	**(37)**	**-**	**(114)**	**121**	**-**	**-**	**24**	**155**
(Charged) / credited:										
- to profit and loss	6	18	34	-	22	(22)	31	18	20	126
- to other comprehensive income	-	0	-	-	-	-	-	-	-	0
As at March 31, 2026	**71**	**114**	**(3)**	**-**	**(92)**	**99**	**31**	**18**	**44**	**282**

Note: The Company has recognised deferred tax asset on brought forward capital loss which has been used to settle current tax on sale of a land which occurred during the prior year.

8 Income tax balances

Particulars	As at March 31, 2026	As at March 31, 2025
Current tax liabilities (net of tax assets of ₹ 585 crores (2025: ₹ 111 crores))	571	358
Non-current tax assets (net of provision for current tax of ₹ Nil crores (2025: ₹ 488 crores))	1,191	1,095

Note:

The above amounts include amounts paid under protest of ₹ 1,119 crores (2025: ₹ 1,191 crores) pertaining to various assessment years.

9 Other assets

Particulars	As at March 31, 2026		As at March 31, 2025	
	Current	Non-current	Current	Non-current
Capital advances				
Considered good (refer note (b) below)	-	19	-	8
Balances with government authorities (refer note (a) below)				
Considered good	163	255	89	186
Considered doubtful	12	15	16	14
Advances to suppliers				
Considered good	90	-	76	-
Considered doubtful	-	82	-	82
Net surplus in gratuity plan [refer note 38(b)C]	-	-	-	21
Pre-paid expenses	138	-	132	-
	403	**371**	**313**	**311**
Less: Loss allowance	(12)	(97)	(16)	(96)
Total other assets	**391**	**274**	**297**	**215**

Notes:

(a) Balance with government authorities includes:

(i) ₹ 124 crores (2025: ₹ 124 crores) paid under protest in respect of disputed indirect tax matters; and

(ii) ₹ 76 crores (2025: ₹ 10 crores) paid under protest in respect of water charges (refer note 17)

(b) Capital advances considered good includes an amount of ₹ 2 crores (2025: ₹ 2 crores) being advance paid towards purchase of land pursuant to an "agreement to sell" entered by the Company with the owners of the land. This matter is currently litigated at the High Court of Bombay.

10 Inventories

Raw materials and stores and spares, work in progress, stock in trade and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials and stock in trade comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.

Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Cost is computed on a weighted average basis. Excise duty, as applicable, is included in the valuation.

Notes forming part of the Standalone Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Particulars	As at March 31, 2026	As at March 31, 2025
Raw materials	844	647
[including materials in transit ₹ 135 crores (2025: ₹ 82 crores)]		
Work-in-progress [refer note (a) below]	539	534
Finished goods	761	694
[including goods in transit ₹ 96 crores (2025: ₹ 75 crores)]		
Stock-in-trade	341	252
[including goods in transit ₹ 202 crores (2025: ₹ 95 crores)]		
Packing materials	159	163
[including materials in transit ₹ 9 crores (2025: ₹ 0 crores)]		
Stores and spares	15	15
Total inventories	**2,659**	**2,305**

Notes:

(a) Inventories are net of provisions for inventories amounting to ₹ 89 crores (2025: ₹ 113 crores). Allowance for obsolete inventories (net) for the year amounting to ₹ (4) crores (2025: ₹ (2) crores) has been recognised as a credit during the year and is included in cost of materials consumed and change in inventories of finished goods, work-in-progress and stock-in-trade in the Standalone Statement of Profit and Loss.

(b) Inventories include inventory held by tie up manufacturing units amounting to ₹ 67 crores (2025: ₹ 74 crores).

11 Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflect the Company's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price, unless it contains a significant financing component in which case, it is recognised at fair value. The company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance. For trade receivables, the Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Particulars	As at March 31, 2026		As at March 31, 2025	
	Current	Non-current	Current	Non-current
From contracts with customers - related parties [refer note 36(c)(ii)]	-	-	0	-
From contracts with customers - others	3,804	351	3,469	340
	3,804	**351**	**3,469**	**340**
Less: Loss allowance	(212)	-	(181)	-
Total trade receivables	**3,592**	**351**	**3,288**	**340**
Details of securities/ categorisation of credit risk of trade receivables				
Trade receivables considered good- unsecured	3,804	351	3,469	340
Total	**3,804**	**351**	**3,469**	**340**
Less: Loss allowance	(212)	-	(181)	-
Total trade receivables	**3,592**	**351**	**3,288**	**340**

Notes:

(a) Refer note 31 for information about financial risk management.

Trade receivables ageing schedule is set-out below:

Particulars		As at March 31, 2026	As at March 31, 2025
a.	**Undisputed-considered good**		
	Unbilled dues	-	-
	Not due	2,921	2,535
	Less than 6 months	698	335
	6 months -1 year	34	451
	1-2 years	38	52
	2-3 years	4	10
	More than 3 years	35	28
	Sub-total	**3,730**	**3,411**

Particulars		As at March 31, 2026	As at March 31, 2025
b.	**Disputed - considered good**		
	Unbilled dues	-	-
	Not due	-	-
	Less than 6 months	11	-
	6 months -1 year	5	191
	1-2 years	189	174
	2-3 years	181	10
	More than 3 years	39	23
	Sub-total	**425**	**398**
	Total	**4,155**	**3,809**
	Less: Loss allowance	(212)	(181)
	Total trade receivables	**3,943**	**3,628**

12.1 Cash and cash equivalents

Cash and cash equivalents includes cash on hand and balances with banks and other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Highly liquid investments includes overnight and liquid mutual funds which the Company has intention to hold for very short period of time to manage day to day cashflow requirements.

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with banks		
In current accounts	122	68
Term deposits with original maturity of less than three months [refer note (a)]	312	200
Other cash equivalents		
Overnight and liquid mutual funds	402	587
Unpaid dividend accounts (earmarked)	19	295
	855	**1,150**

Note:

(a) Includes ₹ 42 crores (2025 : ₹ 40 crores) being term deposit with banks held under lien.

Notes forming part of the Standalone Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

12.2 Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
In unpaid public deposit accounts [refer note (a) below]	0	0
Bank deposits due to mature within 12 months from the reporting date [refer note (b) below]	1,029	627
	1,029	**627**
Less : Loss allowance	(2)	(4)
Total bank balances other than cash and cash equivalents	**1,027**	**623**

Notes:

a) Includes ₹ 0 crores (2025: ₹ 0 crores) transferred to a separate non-interest bearing escrow account pertaining to unclaimed public deposits which had matured in earlier years and for which duly discharged deposit receipts were not received from deposit holders.

b) Includes ₹ 5 crores (2025 : ₹ 5 crores) being term deposit with banks held under lien.

13 Assets held for sale

Particulars	As at March 31, 2026	As at March 31, 2025
Investments in subsidiaries [refer note (a) below]		
Royal Challengers Sports Private Limited (RCSPL) (14,690 shares of Face Value ₹ 10 each)	42	-
Property, plant and equipment [refer note (b) below]	19	-
Investment Property [refer note (b) and (c) below]	6	-
	67	**-**

Notes:

(a) The board of directors of the Company at its meeting held on March 24, 2026, approved the sale of 14,690 equity shares (representing 100% of the share capital) of RCSPL, a wholly owned subsidiary, for an aggregate consideration of ₹ 16,663 crores, subject to adjustments and other conditions set out in the Share Purchase Agreement (SPA) dated March 24, 2026. Further, pursuant to the receipt and acceptance of purchaser change notice, and in accordance with terms of SPA, an Amended and Restated Share Purchase Agreement ("A&R SPA") dated 11 May, 2026 has been entered into between USL, RCSPL, Bolt IPL Holdings LLC, Big Banyan Holdings Pte. Ltd ("Big Banyan"), Asia Investment Topco II Pte. Ltd, Times Internet Limited, Times Cricket LLP ("Times LLP") and ICQ Opportunities R C Holdco, Ltd ("ICONIQ") to record and give effect to, amongst others, the change in the purchasers. The transaction will be completed after the receipt of all requisite approvals, including from the Competition Commission of India and the Board of Control for Cricket in India. Further, under the A&R SPA, Company has assumed certain indemnification obligations and based on Management's current assessment, the same is not expected to result in material financial outflow. The transaction is expected to be completed within the next 12 months.

In conformity with the requirements of Ind AS 105, "Non-Current Assets Held for Sale and Discontinued Operations", the investment in RCSPL has been presented as "Assets held for sale" in the standalone balance sheet.

(b) As at March 31, 2026, the management is in the process of sale of assets related to two of its closed manufacturing facilities under the Supply Agility Programme. Accordingly, the Company has classified the assets as "Assets classified as held for sale", in line with the requirements of Ind AS 105.

(c) Investment properties held for sale include land of

(i) gross carrying amount of ₹ 3 crores (2025: ₹ Nil) in respect of which the title deeds are in the name of erstwhile merged entities

(ii) gross carrying amount of ₹ 7 (2025: ₹ Nil) in respect of which the Company is in possession of combination of original and photocopy of title deeds

14 Equity share capital

Particulars	As at March 31, 2026	As at March 31, 2025
Authorised		
2,82,75,00,000 equity shares of ₹ 2/- each (2025: 2,82,75,00,000 equity shares of ₹ 2/- each)	565	565
17,37,00,000 preference shares of ₹ 10/- each (2025: 17,37,00,000 preference shares of ₹ 10/- each)	174	174
	739	**739**
Issued, subscribed and paid-up		
72,73,50,853 equity shares of ₹ 2/- each (2025: 72,73,50,853 equity shares of ₹ 2/- each) fully paid up	145	145
	145	**145**

(a) Reconciliation of the number of shares outstanding

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	Amount	No. of shares	Amount
Balance at the beginning of the year	72,73,50,853	145	72,73,50,853	145
Add: equity shares issued during the year	-	-	-	-
Balance at the end of the year	**72,73,50,853**	**145**	**72,73,50,853**	**145**

(b) Rights, preferences and restrictions attached to equity shares

The Company has one class of equity shares having a face value of ₹ 2/- per share. Each holder of the equity shares is entitled to 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, except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, if any in proportion to their holdings.

(c) Shares held by holding / ultimate holding company

Out of the equity shares issued by the Company, shares held by the holding company are as below:

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	Amount	No. of shares	Amount
Diageo Relay B. V. (wholly owned subsidiary of Diageo Plc) [refer note below]	40,64,47,245	81	40,64,47,245	81
Total	**40,64,47,245**	**81**	**40,64,47,245**	**81**

(d) The Company has not issued any shares for consideration other than cash during the period of five years immediately preceding the reporting date except for 7,12,138 shares allotted to the non-controlling shareholders of Pioneer Distilleries Limited (PDL) as a result of amalgamation of PDL with the Company during the year ended March 31, 2023.

(e) Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	% of holding	No. of shares	% of holding
Diageo Relay B V (formerly known as Relay B. V.) [refer note below]	40,64,47,245	55.88%	40,64,47,245	55.88%

Notes forming part of the Standalone Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

(f) There are no shares reserved for issue under options and contracts / commitments for the sale of shares.

(g) There are no bonus shares issued or bought back during the period of five years immediately preceding the reporting date.

(h) Details of shares in the Company held by subsidiaries, joint ventures or trusts controlled by the Company:

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	% of holding	No. of shares	% of holding
USL Benefit Trust (refer note 4.1)	1,72,95,450	2.38%	1,72,95,450	2.38%

(i) Disclosure of shareholding of promoters

Name of promoter	As at March 31, 2026		As at March 31, 2025		% change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
Diageo Relay B.V. (refer note below)	40,64,47,245	55.88%	40,64,47,245	55.88%	-
United Breweries (Holdings) Limited	55,55,265	0.76%	55,55,265	0.76%	-
Vijay Mallya	62,550	0.01%	62,550	0.01%	-
Vittal Investments Private Limited	1,56,350	0.02%	1,56,350	0.02%	-
Total	**41,22,21,410**	**56.67%**	**41,22,21,410**	**56.67%**	**-**

Note: On December 20, 2013, the Honorable Karnataka High Court passed an order in the matter involving United Breweries (Holdings) Limited (UBHL) and its creditors and the Diageo Plc. setting aside an earlier leave order which permitted UBHL to sell 1,01,41,437 equity shares of ₹ 10/- each (prior to the face value of the shares being split from ₹ 10 each to ₹ 2 each during the year ended March 31, 2019) in the Company to Diageo Relay B.V. (formerly known as Relay B.V.), pending disposal of the winding up petitions against UBHL. On the above matter, UBHL and Diageo plc. have approached the Honorable Supreme Court by way of special leave petitions (SLPs) challenging the order of the division bench. Pending, disposal of the above SLPs, the Honorable Supreme Court has directed that status quo be maintained in respect of the above mentioned transaction of sale of shares to Diageo Relay B.V. (formerly known as Relay B.V.). Such shares are included in arriving at Diageo Relay B.V.'s shareholding in the Company.

15 Reserves and surplus

Particulars	As at March 31, 2026	As at March 31, 2025
Capital reserve	95	95
Capital redemption reserve	72	72
Securities premium account	4,568	4,568
Central subsidy	0	0
Share based incentive reserve	1	1
Contingency reserve	11	11
General reserve	1,103	1,103
Retained earnings	2,726	1,884
Total reserves and surplus	**8,576**	**7,734**

Nature and purpose of reserves:

a) **Capital reserve:** Created pursuant to a Scheme of Amalgamation between the Company and SW Finance Co. Limited, sanctioned by the Honourable High Court of Karnataka and Honourable High Court of Bombay under the orders dated June 12, 2015 and August 28, 2015, respectively. The balance also includes capital reserve arising on amalgamation of Pioneer Distilleries Limited (""PDL"") with the Company wide order of the Honourable National Company Law Tribunal (NCLT) on December 02, 2022.

b) **Capital redemption reserve:** Created for an amount equivalent to the nominal value of shares redeemed in earlier years by the Company (including the erstwhile Companies that were merged with the Company through several schemes of amalgamations / mergers).This also includes capital redemption reserve taken over upon amalgamation of PDL.

c) **Securities premium account:** Securities premium account is credited when shares are issued at premium. The balance is utilised in accordance with the provisions of the Act.

d) **Central subsidy:** The balance is taken over on amalgamation of Shaw Wallace Distilleries Limited with the Company during the year ended March 31, 2006 as per the terms of the arrangement approved by the Honorable High Courts of Karnataka and Bombay.

e) **Share based incentive reserve:** The share-based incentive reserve is used to recognise grant date fair value of Diageo Plc's share options issued under the Diageo Plc's share-based payment arrangement. Recharges under this arrangements are debited to this reserve.

f) **Contingency reserve:** The balance is taken over on amalgamation of McDowell Spirits Limited with the Company during the year ended March 31, 2001 as per the terms of the arrangement approved by the Honorable High Court of Karnataka.

g) **General reserve:** The General reserve is created by way of transfer of profits from retained earnings for appropriation purposes. This reserve is utilised in accordance with the provisions of the Act.

h) **Retained earnings:** Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

16 Other financial liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Current		
Unpaid / unclaimed dividends [refer note (a) below]	19	4
Dividend payable	-	291
Deferred consideration payable	12	-
Others		
Due to Tie-up manufacturing units	47	17
Capital creditors	19	24
Employee benefits payable	109	108
Other financial liabilities	63	40
Total other current financial liabilities	**269**	**484**

Note:

(a) As at March 31, 2026 no balances are due to be transferred to IEPF (2025: Nil)

17 Provisions

Particulars	As at March 31, 2026		As at March 31, 2025	
	Current	Non-current	Current	Non-current
Employee benefits				
Compensated absences (refer note (iii) below)	47	-	38	-
Gratuity	-	25	-	-
Share appreciation rights (refer note 34)	18	14	10	16
"Provision for indirect tax and other legal matters (refer notes (a), (i) and (ii) below)"	435	-	325	-
Total provisions	**500**	**39**	**373**	**16**

Notes forming part of the Standalone Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

Notes:

(a) Movement in provisions for indirect taxes and other legal matters :

Description	As at April 1, 2025	Additions/ (amounts written back)	Amounts utilised	As at March 31, 2026
Indirect taxes and other legal matters [refer (i) and (ii) below]	325	117	(7)	435

Notes :

(i) Provision for indirect tax and other legal matters includes provision for water charges in the State of Maharashtra. The Company has received a demand raised by Water Resources Department, State of Maharashtra levying charges at a higher rate along with penalties for the period from November 2018 to February 2026. The Company has filed a Writ Petition challenging the demand before the High Court of Bombay (Aurangabad Bench), which is pending. The Company also assailed an interim order of the High Court by filing a Special Leave Petition (SLP) before the Supreme Court which disposed of the SLP inter alia directing USL to make an interim deposit in a time bound manner. Based on a legal opinion obtained, Management has determined that the provision recorded in the books represents probable cash outflows on account of additional water charges. Any further cash outflows in addition to the provision amount on account of this matter are considered remote.

(ii) Provision is made for probable cash outflow arising out of pending or potential indirect tax disputes / litigations. It is not practicable for the Company to estimate the timing of the cash outflows, if any, in respect of the above, pending resolution of respective proceedings. Refer note 9(a) for payments made under protest in respect of indirect tax and other legal matters.

(iii) The entire amount of provision for compensated absences is presented as current, since the Company does not have an unconditional right to defer settlement of these obligations beyond a period of 12 months from the Standalone Balance Sheet date. However, based on past experience, the Company does not expect all employees to avail the full amount of accrued leave or require payment within the next 12 months. The amount of compensated absences not expected to be settled within next 12 months amounts to ₹ 38 crores (2025 : ₹ 31 crores).

18 Trade payables

Particulars	As at March 31, 2026	As at March 31, 2025
Due to micro and small enterprises (refer note 43)	140	74
Dues to creditors other than micro and small enterprises		
Due to related parties [refer note 36(c)(iii)]	583	357
Others	1,654	1,721
Total trade payables	**2,377**	**2,152**

Trade payables ageing schedule is set-out below:

Particulars	As at March 31, 2026	As at March 31, 2025
(i) Undisputed dues - micro and small enterprises		
Unbilled	26	14
Not due	107	52
Less than 1 year	6	8
1-2 years	1	0
2-3 years	0	0
More than 3 years	0	0
Sub-total	**140**	**74**

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(All amounts in ₹ crores unless otherwise stated)

Particulars	As at March 31, 2026	As at March 31, 2025
(ii) Undisputed dues - others		
Unbilled	1,103	1,149
Not due	831	751
Less than 1 year	297	165
1-2 years	1	4
2-3 years	2	4
More than 3 years	3	5
Sub-total	**2,237**	**2,078**
Total	**2,377**	**2,152**

(iii) Supplier Financing Arrangement

The Company has entered into a supplier financing arrangement with a third-party finance provider (the Financing Institution). This arrangement allow suppliers to receive early payment for their invoices through the financing institution. The Financing Institution pays the supplier early at a discounted rate, and the Company settles the outstanding balance directly with the Financing Institution at the contractual due date agreed with the vendors.

Key terms and conditions of the arrangement are:

- The Company submits all the invoices of suppliers under the supplier financing arrangement for early settlement with the Financing Institution on receipt of invoice
- The Financing institution pays the supplier within 2 days from submission.
- The Company pays the Financing institution on the actual due date of the contractual due date agreed with the vendors. The Company does not obtain any extended credit terms from the Financing institution beyond the contractual due date agreed with the vendors.
- The cost of financing are negotiated by the suppliers with the Financing institution and is borne by the suppliers.

Particulars	As at March 31, 2026	As at March 31, 2025
Carrying amount of trade payables that are part of a supplier finance arrangement		
Presented in trade and other payable:		
- Liabilities under supplier finance arrangement	175	NA*
- of which suppliers have received payment from the finance provider	155	NA*
Range of payment due dates		
- Liabilities under supplier finance arrangement	30-90 days after invoice receipt date	NA*
- Comparable trade payables that are not part of the supplier finance arrangement (same line of business)	Upto 90 days after invoice receipt date	NA*

* The Company has not provided comparative information in respect of the amendments to Ind AS 7 and Ind AS 107 relating to supplier finance arrangements, as it has applied the transitional relief available on initial adoption of these amendments, which allows entities not to present comparative disclosures for prior period.

There were no material business combinations or foreign exchange differences that would affect the liabilities under the supplier finance arrangement in either period.

The carrying amounts of liabilities under the supplier finance arrangement are considered to be reasonable approximations of their fair values, due to their short-term nature

Notes forming part of the Standalone Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

19 Other current liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Contract liabilities (refer note below)	11	34
Statutory liabilities	318	398
Liability for taxes on closing inventory (net of prepaid taxes)	653	544
Total other current liabilities	**982**	**976**

Note:

The Company has made sales and has recognised revenue amounting to ₹ 34 crores (2025: ₹ 39 crores) during the year from advance from customers outstanding as at the beginning of the year. It similarly expects to recognise revenue in FY 2026-27 from the closing balance of advance from customers as at March 31, 2026.

20 Revenue from operations

Revenue comprises revenue from contracts with customers for sale of goods and income from brand franchisee royalties receivable. Revenue from sale of goods is inclusive of excise duties, as applicable, and is net of returns, trade allowances, rebates, value added taxes and such amounts collected on behalf of third parties.

Revenue is recognised as and when performance obligations are satisfied by transferring goods or services to the customers as below:

a. Revenue from sale of products:

Revenue is recognised on transfer of control, being on dispatch of goods or upon delivery to customer, in accordance with the terms of sale.

b. Revenue from manufacture and sale of products from Tie-up manufacturing arrangements:

The Company has entered into arrangements with Tie-up Manufacturing Units (TMUs), where-in TMUs manufacture and sell beverage alcohol on behalf of the Company. Under such arrangements, the Company has exposure to significant risks and rewards in such arrangements i.e. it has the primary responsibility for providing goods to the customer, has pricing latitude and is also exposed to inventory and credit risks. The Company is considered to be a principal in such arrangements with TMUs. Accordingly, the transactions of the TMUs under such arrangements have been recorded as gross revenue, excise duty and expenses as if they were transactions of the Company. The Company presents inventory held by the TMUs under such arrangements as its own inventory. The net receivables from/ payable to TMUs are recognised under other financial assets/ other financial liabilities respectively.

c. Income from brand franchise arrangements:

Revenue in respect of fixed income brand franchise arrangements is recognised proportionately in each period. Income from variable franchise arrangements is recognised based on the terms of the respective contracts upon sale of products by the franchisees.

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from contracts with customers:		
- Sale of products (includes excise duty)	27,632	26,640
- Income from brand franchise arrangements	98	84
	27,730	**26,724**
Other operating revenue:		
- Scrap sales	45	42
- Miscellaneous	6	14
	51	**56**
Total revenue from operations	**27,781**	**26,780**

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Reconciliation between contract price and revenue recognised		
Contract price	29,584	28,212
Less: Items offset against revenue from contracts with customers as required under Ind AS 115	(1,854)	(1,488)
Revenue from sale of products	**27,730**	**26,724**
Disaggregation of revenue from contracts with customers		
Categories of products		
Prestige and above	11,152	10,270
Popular	1,118	1,121
Others	127	126
Add: Excise duty collected from customers	15,333	15,207
Total	**27,730**	**26,724**

The Company has one external customer (2025: one external customer) individually contributing 20% of the Company's revenues (2025: 17%).

21 Other income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest income on term deposits and investments held at amortised cost	76	59
Interest income on direct and indirect tax refunds	241	26
Interest income from loans to subsidiary/joint ventures held at amortised cost [refer note 36(b)(iv)]	1	1
Dividend income from subsidiary [refer note 36(b)(xiv)]	101	120
Gain on disposal of property, plant and equipment (net)	22	99
Profit on redemption of mutual fund units	77	68
Increase in fair value of investments	31	16
Bad debts / advances recovered	0	1
Miscellaneous income	27	36
Total other Income	**576**	**426**

22 Cost of materials consumed

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Raw materials	3,847	3,315
Packing materials	2,151	2,128
Total cost of materials consumed	**5,998**	**5,443**

Notes forming part of the Standalone Financial Statements

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(All amounts in ₹ crores unless otherwise stated)

23 Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening inventory:		
Finished goods	694	500
Work-in-progress	534	636
Stock-in-trade	252	266
Total opening balance (A)	**1,480**	**1,402**
Closing inventory:		
Finished goods	761	694
Work-in-progress	539	534
Stock-in-trade	341	252
Total closing balance (B)	**1,641**	**1,480**
Increase / (decrease) in excise duty on finished goods, net (C)	21	168
Total changes in inventories of finished goods, work-in-progress and stock-in-trade (A-B+C)	**(140)**	**90**

24 Employee benefits expense

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries, wages and bonus	522	522
Contribution to provident and other funds [refer note 38(a)]	26	21
Defined benefits plan expense [refer note 38(b)D]	9	6
Share based payment expense (refer note 34)	22	17
Staff welfare expenses	44	39
Total Employee benefits expense	**623**	**605**

25 Depreciation and amortisation expense

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation/impairment of property, plant and equipment (refer note 3.1 & 3.5)	126	114
Depreciation of right-of-use assets (refer note 3.2)	144	147
Amortisation of intangible assets (refer note 3.4)	13	13
Total depreciation and amortisation expense	**283**	**274**

26 Other expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Sub-contracting charges	79	79
Power and fuel	20	19
Rent (refer note 3.2)	262	245
Repairs and maintenance	62	65
Rates and taxes	179	151
Travel and conveyance	53	48
Legal and professional	145	110

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(All amounts in ₹ crores unless otherwise stated)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Auditors' remuneration (refer note below)	6	6
Freight and Sales distribution charges	466	433
Royalty [refer note 36(b)(viii)]	20	12
Remuneration to non-executive directors: [refer note 36(d)]		
- Sitting fee	1	1
- Commission	3	3
Allowance for trade receivable, other financial assets and other assets (net)	35	(9)
Expense towards corporate social responsibility (refer note 44)	31	26
Miscellaneous expenses	206	196
Total other expenses	**1,568**	**1,385**

Note:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Auditors' remuneration*		
Statutory audit	2	2
Quarterly reviews	1	1
Certifications	0	0
Other assurance related service	3	3
Total payment to auditors	**6**	**6**

* Excluding goods and services tax

27 Finance costs

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest expense on lease liabilities	37	40
Interest others	121	49
Total finance costs	**158**	**89**

28 Exceptional items, net (refer note 47)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Gain on sale of a business undertaking	28	-
(b) Supply restructuring cost	(36)	(65)
(c) Voluntary separation scheme	(15)	-
(d) Impact of new Labour Codes on employee benefit provisions [refer note 38(a)]	(49)	-
(e) Impairment loss recognised on buildings and plant and equipment at a manufacturing facility	(19)	-
Total exceptional items, net	**(91)**	**(65)**

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(All amounts in ₹ crores unless otherwise stated)

29 Reconciliation of tax expense and accounting profit multiplied by India's tax rate

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit before income tax expense	2,340	2,056
Tax at Indian tax rate @ 25.17% (2025: 25.17%)	589	517
Tax effect of amounts which are not deductible / (taxable) in calculating taxable income:		
- Tax deduction for dividend received from subsidiary	(26)	(30)
- Unrecognised short term capital losses utilised against profit on redemption of mutual funds	(6)	(2)
- Expenses disallowed for tax purpose	22	8
- Provision / (reversal) of income tax relating to prior years	(5)	(1)
- Reversal of deferred tax asset on removal of indexation benefit on land	-	11
- Unrecognised long term capital loss utilised against profit on sale of business undertaking	(15)	-
- Deferred tax on legal expenses incurred on asset held for sale	(2)	-
- Deferred tax on impairment of investment in a subsidiary	(18)	-
- Deferred tax on accumulated Long term capital loss	(31)	-
- Others	2	(5)
Total	**(79)**	**(19)**
Income tax expense as per Standalone Statement of Profit and Loss	**510**	**498**

Note:

a) Deferred income tax assets has been recognized on long term capital losses aggregating to ₹ 214 crores (2025: Nil crores) as it is now virtually certain that long term capital gains would be available in the foreseable future to offset such losses.

b) During the Income Tax Return for FY 2024-25, capital losses amounting to ₹ 84 crore were utilised. In the current FY 2025-26, ₹ 92 crore is proposed to be utilised, and the balance of ₹ 214 crore is scheduled to be utilised in FY 2026-27.

c) During the previous year ended March 31, 2025, deferred income tax assets was not recognised on long term capital losses amounting to ₹ 390 crores as it was not probable that long term capital gains would be available in the foreseable future to offset such losses.

30 Earnings per share

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Nominal value of equity shares (in ₹)	2/-	2/-
Continuing Operations		
(a) Profits attributed to equity holders of the Company	1,830	1,558
(b) Weighted average number of equity shares used as denominator	72,73,50,853	72,73,50,853
(c) Basic and diluted earnings per share (in ₹)	25.16	21.42

Notes:

(a) There are no dilutive equity shares issued by the Company.

(b) In calculating the weighted average number of outstanding equity shares during the year, Company has not reduced the own shares held by USL Benefit Trust (of which Company is the sole beneficiary), as the investment in the said Trust has been accounted as investments as per the Scheme approved by courts [refer note (i) of note 4.1].

31 Financial risk management

The Company's activities exposes it to credit risk, liquidity risk and market risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, deposits with banks, mutual funds, trade receivables, loans and other financial assets measured at amortised cost	Ageing analysis and review of receivables and other financial assets	Diversification of bank deposits, review of mutual fund schemes and its underlying exposure, monitoring of credit limits and assessment of recoverability of loans to subsidiaries and other counterparties
Liquidity risk	Borrowings and other financial liabilities	Rolling cash flow forecasts	Investment in highly marketable and liquid investments and availability of committed credit lines
Market risk – interest rate	Other deposits with banks and debt mutual funds	Sensitivity analysis of interest rates	Monitoring of changes in interest rates
Market risk – foreign exchange risk	Primarily represented by receivables and payables towards export and imports, respectively	Forecast of highly probable foreign currency cash flows	Monitoring of changes in foreign exchange rates
Market risk – price risk	Investment in mutual fund, compulsorily convertible preference shares(CCPS) of joint ventures	Market available information, valuation of future cash flow	Company reviews its investments at regular intervals in order to minimize price risk arising from investments in mutual fund.

The Company's financial risk management is carried out by treasury department under policies approved by the Board of Directors ("the Board"). Corporate treasury identifies and evaluates financial risks in close co-operation with the Company's other functions. The Board sets written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk and credit risk.

(A) Credit risk

Credit risk management

Trade receivables:

The Company's credit policy provides guidance to keep the risk of credit sales within an acceptable level. The Company's management monitors (at customer group and non-group level) and reviews credit limits, overdue trade receivables, provisioning and write-off of credit impaired receivables.

Trade receivables are unsecured and are derived from revenues earned from two main classes of customers, receivables from sales to government corporations/ government owned entities and receivables from sales to private third parties.

Receivables from government corporations/ government owned entities amounted to ₹ 2,695 crores (65%) [2025: ₹ 2,311 crores (60%)] and receivables from private customers amounted to ₹ 1,460 crores (35%) [2025: ₹ 1,523 crores (40%)] respectively, of total trade receivables, on the reporting date.

The Company determines allowances for expected credit losses separately for different categories of customers using aged based provision matrix.

Notes forming part of the Standalone Financial Statements

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(All amounts in ₹ crores unless otherwise stated)

Movement in loss allowances for trade receivables is provided below:

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	181	172
Loss allowance (net)	35	6
Write offs/adjustments	(4)	3
Balance at the end of the year (refer note 11)	**212**	**181**

Expected credit loss ageing schedule is given below:

Particulars	As at March 31, 2026		As at March 31, 2025	
	Rate	Amount	Rate	Amount
Not due	0%	2	0%	1
Less than 3 months	0-2%	3	0-1%	3
3 months - 6 months	0-12%	3	0-7%	0
6 months -1 year	0-31%	3	0-19%	1
1-2 years	0-65%	8	0-38%	8
2-3 years	75-100%	22	79-100%	18
More than 3 years	100%	58	100%	51
Sub total (A)		**99**		**82**
Specific cases (B)		113		99
Total (A+B)		**212**		**181**

Loans and other financial assets:

Other financial assets includes balances with banks, receivable from Tie-up manufacturing units, government grants, security deposits and other receivables. Loans include loans to subsidiaries, employees and others and interest accrued on such loans.

The Company recognises allowances using expected credit loss method on other financial assets. Such allowances are measured considering either 12-month expected credit loss approach or life time credit loss approach, based on management's assessment of credit risk. Assets are written-off where there is no reasonable expectation of recovery. Where the loans or receivables are written-off the Company continues to engage in enforcement activity to attempt to recover the amounts due. Where recoveries are made, these are recognised in profit or loss.

Movement in loss allowances for financial assets other than for trade receivables during the reporting period is provided below:

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	1,359	1,375
Loss allowance recognised:		
Included in the standalone Statement of Profit and Loss	3	(8)
Restatement of loss allowance recognised in earlier years in respect of credit impaired loans to overseas subsidiaries in foreign currency (*)	13	3
Write offs/adjustments [refer note 40(A)(c)]	(1,242)	(11)
Balance at the year end (refer notes 5 and 6)	**133**	**1,359**

(*) Loans denominated in foreign currency to subsidiaries are credit impaired. Exchange differences arising on restatement of such loans at year-end exchange rates, are offset against an equivalent restatement of loss allowances at year end exchange rates, and hence there is no impact on the Standalone Statement of Profit and Loss, on this account.

Notes forming part of the Standalone Financial Statements

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The Company has credit risk from loans provided to subsidiaries and joint ventures:

- Loans to overseas subsidiaries- These loans are classified as credit impaired and have been fully provided for as these subsidiaries are non-operative and do not have the resources to repay the loans.
- Loans to domestic subsidiaries- There are no loans receivable from the domestic subsidiaries as at March 31, 2026.

Management has assessed credit risk for balances with banks, investments in mutual funds and other financial assets as at year ended March 31, 2026. Basis this assessment management has determined that no provision for expected credit loss is required, other than those already provided in these standalone financial statements.

(B) Liquidity risk

The company monitors daily and monthly rolling forecasts of the liquidity position and cash and cash equivalents on the basis of expected cash flows. Generally, any short-term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in bank deposits, treasury bills and debt mutual funds to optimise the cash returns on investments guided by the tenets of safety, liquidity and returns.

As disclosed in note 18(iii), the Company has entered into a supplier finance arrangement. The Company has no significant concentration of liquidity risk with any individual finance provider.

Financing arrangements

The Company has access to the following undrawn unsecured borrowing facilities as at end of the reporting period:

Particulars	As at March 31, 2026	As at March 31, 2025
Floating rate		
Cash credit/ working capital loans	891	918

The above facilities may be drawn at any time and such borrowings are repayable on demand.

Maturities of financial liabilities

The maturity profile of the Company's financial liabilities based on the remaining period from the date of balance sheet to the contractual maturity date is given in the table below. The figures reflect the contractual undiscounted cash obligation of the Company.

March 31, 2026

Particulars	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Lease liabilities	33	33	61	78	145	111	461
Trade payables	2,377	-	-	-	-	-	2,377
Other financial liabilities	269	-	-	-	-	-	269
Total liabilities	**2,679**	**33**	**61**	**78**	**145**	**111**	**3,107**

March 31, 2025

Particulars	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Lease liabilities	46	46	91	119	161	156	619
Trade payables	2,152	-	-	-	-	-	2,152
Other financial liabilities	484	-	-	-	-	-	484
Total liabilities	**2,682**	**46**	**91**	**119**	**161**	**156**	**3,255**

Notes forming part of the Standalone Financial Statements

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(All amounts in ₹ crores unless otherwise stated)

(C) Interest rate risk

Interest rate risk arises due to uncertainties about the future market interest rate on investments.

Treasury activities, focused on managing investments in debt instruments, are centralised and administered under a set of approved policies and procedures guided by the tenets of safety, liquidity and returns. This ensures that investments are made within acceptable risk parameters after due evaluation. The Company's investments are predominantly held in term deposits and mutual funds.

The Company invests in debt mutual fund schemes of leading fund houses, such investments are susceptible to market price risks that arise mainly from changes in interest rate which may impact the return and value of such investments. However, given the relatively short tenure of underlying portfolio of the mutual fund schemes in which the Company has invested, such price risk is not significant.

In addition to debt mutual funds, the Company invests in term deposits with banks. The term deposits carry a fixed-coupon rate and majority of the term deposits are for a term not exceeding 12-months from the Balance Sheet date, and such deposits are carried at amortised cost. Accordingly, interest rate risk is not significant.

(D) Foreign exchange risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions and balances, primarily with respect to the USD and GBP. Foreign exchange risk arises from future commercial transactions and monetary assets and liabilities denominated in a currency that is not the Company's functional currency (₹). The risk is measured through a forecast of highly probable foreign currency cash flows.

Foreign currency risk management

The Company's risk management policy is to assess the Company's net exposures which is mainly represented by receivables and payables towards exports and imports respectively and represented by receivables and payables extended in foreign currencies.

The Company can hedge its net exposures with a view on forex outlook. Since the net exposure is currently not material, foreign currency risk has not been hedged.

Foreign currency risk exposure

The Company's exposure to foreign currency risk at the end of the reporting period expressed in ₹ crores is as follows:

Particulars	As at March 31, 2026						
	USD	GBP	EURO	SGD	MXN	AUD	Total
Financial assets							
Cash and cash equivalents	0	0	0	-	-	-	0
Other financial assets	1	1	2	-	-	-	4
Trade receivables	23	-	-	-	-	-	23
Exposure to foreign currency risk (assets)	**24**	**1**	**2**	**-**	**-**	**-**	**27**
Financial liabilities							
Trade payables	8	31	-	6	0	-	45
Other financial liabilities	-	-	-	-	-	-	-
Exposure to foreign currency risk (liabilities)	**8**	**31**	**-**	**6**	**0**	**-**	**45**
Net exposure assets/(liabilities)	**16**	**(30)**	**2**	**(6)**	**(0)**	**-**	**(18)**

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(All amounts in ₹ crores unless otherwise stated)

Particulars	As at March 31, 2025						
	USD	GBP	EURO	SGD	MXN	AUD	Total
Financial assets							
Cash and cash equivalents	0	0	0	-	-	-	0
Other financial assets	0	1	1	-	-	-	2
Trade receivables	27	-	-	-	-	-	27
Exposure to foreign currency risk (assets)	**27**	**1**	**1**	**-**	**-**	**-**	**29**
Financial liabilities							
Trade payables	8	8	-	2	0	0	18
Other financial liabilities	-	-	-	-	-	-	-
Exposure to foreign currency risk (liabilities)	**8**	**8**	**-**	**2**	**0**	**0**	**18**
Net exposure assets/(liabilities)	**19**	**(7)**	**1**	**(2)**	**(0)**	**(0)**	**11**

Notes:

a) A reasonable possible fluctuation in foreign exchange rates are not expected to have a material effect on the profit/ loss.

b) Loans given to overseas subsidiaries, denominated in foreign currency are fully provided for and hence they do not carry any residual foreign currency risk.

(E) Price risk

Mutual funds: Company reviews its investments at regular intervals in order to minimize price risk arising from investments in Mutual funds. In accordance with the investment policy the Company invests in the liquid, overnight and money market mutual fund schemes which are not subject to significant changes in price. However, given the relative tenure of the underlying portfolio of the mutual fund schemes in which the company has invested, such price risk is not significant.

32 Capital management

a. Risk management

The Company's objectives when managing capital is to:

a) have a balanced financial profile from short term (1 year) to mid-term (3 years) for sustainable leverage, providing;

- Headroom for future growth / expansion
- Financial flexibility in case of adverse business cycles

b) ensure the capital structure is at competitive advantage when compared to peers and other sector players through:

- Diversification of funding sources to manage liquidity and rollover risk
- Financial flexibility in case of adverse business cycles

Net debt to equity ratio:

Particulars		As at March 31, 2026	As at March 31, 2025
Total debt including lease liabilities	(a)	405	480
Cash and cash equivalents	(b)	855	1,150
Net debt / (cash)	(c) = (a) - (b)	(450)	(670)
Total equity	(d)	8,721	7,879
Net debt to equity ratio	**(c) / (d)**	**NA**	**NA**

The Company has no external borrowings and debt represents Lease liabilities.

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(All amounts in ₹ crores unless otherwise stated)

b. Dividends

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(i) Equity shares		
Interim dividend of ₹ 6 (2025 : ₹ 4) per fully paid share	436	291
(ii) Dividends not recognised at the end of the reporting period		
In addition to the above dividends, subsequent to the year end the directors have recommended the payment of a final dividend of ₹ 11 (2025 : ₹ 8) per fully paid equity share. This proposed dividend for current year is subject to the approval of shareholders in the ensuing annual general meeting.	800	582

The Company had received orders from two authorities, whereby the Company was directed not to pay dividends in respect of shares held by certain promoters. Accordingly, the Company has withheld dividends amounting to ₹ 1 crore.

33 Assets pledged as security

(a) In respect of secured loans from banks ('lenders') obtained and repaid during earlier years, the Company has in most cases obtained no objection letters from lenders for the release of the hypothecation/ mortgage and have filed the necessary forms with Ministry of Corporate Affairs ("MCA") to reflect the release of such charge in MCA's records. In a few remaining cases, the Company is in the process of securing no objection letters from the lenders. As there are no secured loans outstanding as at March 31, 2026, no assets have been shown as hypothecated/ mortgaged as at March 31, 2026.

(b) Further the following assets have been pledged with a bank with whom the Company is involved in a litigation [refer note 40(A)(d)]

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
First charge			
Freehold land	3.1 & 3.5	118	118
Buildings	3.1 & 3.5	14	14
Leasehold land	3.1 & 3.5	4	4
Plant and equipment	3.1	0	0
Investments as a sole beneficiary in USL Benefit Trust	4.1	120	120
Total assets pledged as security		**256**	**256**

34 Share based payments

Diageo Plc. share based plans

Diageo Plc. (Ultimate holding company) runs various equity settled share based plans such as Discretionary Incentive Plan (DIP), Performance Share Plan (PSP), and Senior Executive Share Option Plan (SESOP) for qualifying employees of the Company. Vesting under these plans is subject to conditions such as continuity of employment and achievement of certain other performance factors.

The charge for the year in respect of such plans included in employee benefits expense amounted to ₹ 2 crores (2025: ₹ 5 crores).

Share appreciation rights (SAR)

The India SAR Plan creates an opportunity to link the employees' reward to Company's share price performance. Under this plan, Company grants stock appreciation rights (based on USL share price on the date of grant) to qualifying employees. Cash pay-out equivalent to the value of the Company's share will be made at the end of three years from the date of grant (the vesting period).

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Details of the SAR plans outstanding as at March 31, 2026 are as follows:

Grant Year	No. of units outstanding as at March 31, 2026	Average Vesting Period	Range of the expected settlement price (₹ per unit)
FY 2023-24	1,11,894	3 years	1781 to 1,815
FY 2024-25	1,18,645		1,350 to 1,651
FY 2025-26	1,25,801		1,731 to 1,731

The following table illustrates the movement in the number of SAR units during the year:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
	No. of units	No. of units
Outstanding at the beginning of the year	3,91,674	5,98,721
Granted during the year	1,25,801	1,45,056
Forfieted during the year	(79,943)	(1,78,696)
Exercised during the year	(81,192)	(1,73,407)
Outstanding at the end of the year	**3,56,340**	**3,91,674**

The fair value of the SARs is determined using the Black-Scholes model using the following inputs at the grant dates and as at each reporting date:

Particulars	As at March 31, 2026	As at March 31, 2025
Expected volatility (%)	23.22%	25.39%
Risk-free interest rate (%)	5.82%	6.55%

As at March 31, 2026 outstanding SARs are 3,56,340 (2025: 3,91,674). Refer below for movement in provision for SAR:

Particulars	Note	Amount
Provision as at April 1, 2024		**44**
Charge for the year	24	12
Payout during the year		(30)
Provision as at March 31, 2025	**17**	**26**
Charge for the year	24	20
Payout during the year		(14)
Provision as at March 31, 2026	**17**	**32**

Provision as at the year-end classified as:

Particulars	As at March 31, 2026	As at March 31, 2025
Current	18	10
Non-current	14	16
Total	**32**	**26**

Notes forming part of the Standalone Financial Statements

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(All amounts in ₹ crores unless otherwise stated)

35 Financial instruments:

Financial instrument by category:

Particulars	As at March 31, 2026			
	Amortized cost	Fair value through profit and loss	Fair value through other comprehensive income	Total
Financial assets:				
Liquid mutual fund units (refer note 4.2)	-	1,153	-	1,153
Treasury bills (refer note 4.2)	-	-	-	-
Loans (refer note 5)	1	-	-	1
Other financial assets (refer note 6)	367	-	-	367
Trade receivables (refer note 11)	3,943	-	-	3,943
Cash and cash equivalents (refer note 12.1)	453	402	-	855
Bank balance other than cash and cash equivalents (refer note 12.2)	1,027	-	-	1,027
Total	**5,791**	**1,555**	**-**	**7,346**
Financial liabilities:				
Other financial liabilities (refer note 16)	269	-	-	269
Trade payables (refer note 18)	2,377	-	-	2,377
Total	**2,646**	**-**	**-**	**2,646**

Particulars	As at March 31, 2025			
	Amortized cost	Fair value through profit and loss	Fair value through other comprehensive income	Total
Financial assets:				
Liquid mutual fund units (refer note 4.2)	-	773	-	773
Treasury bills (refer note 4.2)	100	-	-	100
Loans (refer note 5)	22	-	-	22
Other financial assets (refer note 6)	643	-	-	643
Trade receivables (refer note 11)	3,628	-	-	3,628
Cash and cash equivalents (refer note 12.1)	563	587	-	1,150
Bank balance other than cash and cash equivalents (refer note 12.2)	623	-	-	623
Total	**5,579**	**1,360**	**-**	**6,939**
Financial liabilities:				
Other financial liabilities (refer note 16)	484	-	-	484
Trade payables (refer note 18)	2,152	-	-	2,152
Total	**2,636**	**-**	**-**	**2,636**

Fair value hierarchy:

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows below:

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(All amounts in ₹ crores unless otherwise stated)

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Fair value of investment in mutual funds are classified as Level 1.

Management has determined their carrying amounts of current financial assets and financial liabilities i.e., trade receivables, current loans, bank deposits, cash and cash equivalents, receivables from TMUs, trade payables and other financial liabilities (excluding lease liabilities) to be a fair approximation of their fair values on account of their short term nature.

Management has determined that the fair values of other non current financial assets i.e., government grants, receivable from TMUs, security deposits and other receivables are not materially different from their carrying amounts March 31, 2026.

36 Related party disclosures

36 (a) Names of related parties and description of relationship

(i) Ultimate holding, holding and intermediate holding entities

- Diageo plc United Kingdom (Ultimate Holding company)
- Tanqueray Gordon & Company Ltd., United Kingdom (Holding Company of Diageo Relay B V)
- Diageo Relay B V, Netherlands (Holding Company)

(ii) Subsidiaries

Sl. No.	Name of the subsidiary	% of ownership interest	Country of incorporation
a.	**Indian subsidiaries**		
(i)	Royal Challengers Sports Private Limited	100	India
(ii)	Nao Spirits & Beverages Private Limited (w.e.f. June 26, 2025)	97	India
b.	**Overseas subsidiaries**		
(i)	Asian Opportunities and Investments Limited	100	Mauritius
(ii)	McDowell & Co. (Scotland) Limited	100	Scotland, U.K.
(iii)	Palmer Investment Group Limited	100	British Virgin Islands
(iv)	Shaw Wallace Overseas Limited	100	U.K.
(v)	United Spirits (Great Britain) Limited	100	U.K.
(vi)	United Spirits (UK) Limited	100	U.K.
(vii)	USL Holdings (UK) Limited	100	U.K.
(viii)	USL Holdings Limited	100	British Virgin Islands
(ix)	Hapusa Spirits UK Limited (with effect from June 26, 2025)	97	U.K.

(iii) Other entity where there is control

USL Benefit Trust, India

Notes forming part of the Standalone Financial Statements

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(All amounts in ₹ crores unless otherwise stated)

(iv) Joint ventures

Sl. No.	Name of the joint ventures	% of ownership interest (*)	Country of Incorporation
(i)	Nao Spirits & Beverages Private Limited (till June 25, 2025)	30	India
(ii)	Inspired Hospitality Private Limited (w.e.f. April 04, 2024)	13	India
(iii)	V9 Beverages Private Limited (w.e.f. September 26, 2024)	25	India
(iv)	Indie Brews and Spirits Private Limited (w.e.f. September 27, 2024)	25	India

(*) % of ownership is on a fully diluted basis

(v) Fellow subsidiaries (with whom transactions have taken place during the year or in the previous year)

- Diageo Scotland Limited
- Diageo Brands B.V.
- Diageo Great Britain Limited
- Diageo North America Inc.
- Diageo Business Services India Private Limited
- Diageo Korea Co. Ltd
- Diageo Mexico Comercializadora S.A. de C.V.
- UDV Kenya Ltd
- Diageo Ireland Limited
- Diageo MENA holding FZE

(vi) Employees' benefit plans:

- McDowell & Company Limited Staff Gratuity Fund
- McDowell & Company Limited Officers' Gratuity Fund
- McDowell & Company Limited Employees Provident Fund
- United Spirits Superannuation Fund
- UB Group Employee Benefit Trust
- Pioneer Distilleries Employees Gratuity Trust

(vii) Key management personnel

a. Whole-time directors

- Hina Nagarajan (Managing Director and Chief Executive Officer) (till March 31, 2025)
- Praveen Someshwar (Managing Director and Chief Executive Officer) (w.e.f. April 1, 2025) (#)
- Pradeep Jain (Chief Financial officer and Executive Director)

(#) Appointed on March 1, 2025 as "Chief Executive officer - Designate"

b. Non-executive/ Independent directors

- Mahendra Kumar Sharma – Chairman (till March 31, 2025)
- V.K. Viswanathan - Chairman (w.e.f. April 1, 2025)
- Mark Sandys
- Mukesh Butani
- Indu Bhushan
- Amrita Gangothra (w.e.f. September 1, 2024)
- Preeti Arora (w.e.f. October 1, 2024)
- D Sivanandhan (till July 31, 2024)
- Rajeev Gupta (till July 31, 2024)
- Dr. Indu Shahani (till September 29, 2024)
- Emily Kathryn Gibson (till October 31, 2024)
- Mamta Sundara (till September 30, 2024)
- Narayan K Seshadri (w.e.f. October 9, 2025)
- Julie Bramham (w.e.f. January 21, 2026)

Notes forming part of the Standalone Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

36 (b) Summary of the transactions with related parties

	Name of the related party	Relationship	For the year ended March 31, 2026	For the year ended March 31, 2025
(i)	**Investments subsidiaries**	Subsidiary		
	Equity shares and compulsory convertible preference shares			
	Nao Spirits & Beverages Private Limited			
	- Equity shares carried at cost		30	-
	- Compulsory convertible preference shares carried at cost"		26	-
(ii)	**Investments in joint ventures**			
	Equity shares and compulsory convertible preference shares			
	Inspired Hospitality Private Limited	Joint venture		
	- Equity shares carried at cost		-	0
	- Compulsory convertible preference shares carried at cost		-	6
	V9 Beverages Private Limited	Joint venture		
	- Equity shares carried at cost		-	0
	- Compulsory convertible preference shares carried at cost"		3	2
	Indie Brews and Spirits Private Limited	Joint venture		
	- Equity shares carried at cost		-	0
	- Compulsory convertible preference shares carried at cost"		-	5
	Total- Investment in joint ventures and subsidiaries		**59**	**13**
(iii)	**Royalty and brand franchise income**			
	UDV Kenya Ltd	Fellow subsidiary	0	0
	Total- Royalty and brand franchise income		**0**	**0**
(iv)	**Interest income**			
	Nao Spirits & Beverages Private Limited	Subsidiary	1	1
	Total - Interest income from subsidiaries (refer note 21)		**1**	**1**
(v)	**Reimbursement of expenses from**			
	Diageo Plc	Parent	1	2
	Royal Challengers Sports Private Limited	Subsidiary	6	5
	Diageo Great Britain Limited	Fellow subsidiary	3	3
	Diageo Scotland Limited	Fellow subsidiary	126	1
	Diageo Mexico Comercializadora S.A. de C.V.	Fellow subsidiary	3	3
	Diageo Korea Co. Ltd	Fellow subsidiary	6	5
	Nao Spirits & Beverages Private Limited	Joint Venture	0	0
	Total - Reimbursement of expenses received		**145**	**19**

Notes forming part of the Standalone Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

Name of the related party	Relationship	For the year ended March 31, 2026	For the year ended March 31, 2025
(vi) Purchase of stock-in-trade from			
Diageo Brands BV	Fellow subsidiary	768	547
Nao Spirits & Beverages Private Limited	Subsidiary	8	-
Total- Purchase of stock-in-trade		**776**	**547**
(vii) Purchase of raw materials from			
Diageo Brands BV	Fellow subsidiary	656	470
Total- Purchase of raw materials		**656**	**470**
(viii) Royalty expense			
Diageo North America Inc.	Fellow subsidiary	17	11
Total- Royalty expense (refer note 26)		**17**	**11**
(ix) Professional charges			
Diageo Business Services India Private Limited	Fellow subsidiary	14	15
Total- Professional charges		**14**	**15**
(x) Cross charge towards share based payments			
Diageo Great Britain Limited	Fellow subsidiary	2	5
Total- Cross charge		**2**	**5**
(xi) Other services received			
Advertisement and sales promotion expenses			
Royal Challengers Sports Private Limited	Subsidiary	6	8
Information technology expenses			
Diageo Great Britain Limited	Fellow subsidiary	43	41
Diageo Business Services India Private Limited	Fellow subsidiary	3	2
Total- Other services received		**52**	**51**
(xii) Reimbursement of expenses paid to			
Diageo Great Britain Limited	Fellow subsidiary	4	9
Diageo Scotland Limited	Fellow subsidiary	2	-
Diageo Business Services India Private Limited	Fellow subsidiary	-	0
Diageo North America Inc	Fellow subsidiary	1	1
Diageo Ireland Limited	Fellow subsidiary	1	-
Diageo Mexico Comercializadora S.A. de C.V.	Fellow subsidiary	-	0
Diageo MENA holding FZE	Fellow subsidiary	6	0
Total- Reimbursement of expenses paid		**14**	**10**
(xiii) Dividend paid to			
Diageo Relay B V	Holding Company	732	203
USL Benefit Trust	Benefit Trust	31	9
Total- Dividend paid		**763**	**212**

Name of the related party	Relationship	For the year ended March 31, 2026	For the year ended March 31, 2025
(xiv) Dividend received from			
Royal Challengers Sports Private Limited	Subsidiary	101	120
Total- Dividend received		**101**	**120**
(xv) Surplus received from			
USL Benefit Trust	Benefit Trust	31	18
Total- Surplus received		**31**	**18**
(xvi) Loan given to			
Nao Spirits & Beverages Private Limited	Joint Venture	-	18
Total- Loans given		**-**	**18**
(xvii) Loans repaid by			
Nao Spirits & Beverages Private Limited	Subsidiary	18	-
Total- Loans repaid		**18**	**-**
(xviii) Transfer of liability for employee benefit obligations to			
Royal Challengers Sports Private Limited	Subsidiary	2	-
Total- Loans repaid		**2**	**-**
(xix) Transfer of liability for employee benefit obligations from			
Nao Spirits & Beverages Private Limited	Subsidiary	0	-
Total- Loans repaid		**0**	**-**
(xx) Contribution to/(surplus from) employee benefit plans			
McDowell & Company Limited Employees Provident Fund	Employee benefits plan	-	(2)
Total- Contribution to employee benefit plans		**-**	**(2)**

Note: The amounts disclosed above are excluding Goods and Services tax, wherever applicable.

36 (c) Summary of closing balances with related parties

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

Name of the related party	Relationship	As at March 31, 2026	As at March 31, 2025
(i) Financial assets receivable			
Royal Challengers Sports Private Limited	Subsidiary	2	3
Diageo Mexico Comercializadora S.A. de C.V.	Fellow subsidiary	1	0
Diageo Plc	Parent	1	0
Diageo Korea Co. Ltd	Fellow subsidiary	1	1
Diageo Great Britain Limited	Fellow subsidiary	0	1
Nao Spirits & Beverages Private Limited	Subsidiary	0	-
UDV Kenya Ltd	Fellow Subsidiary	0	-
Total- Financial assets receivable (refer note 6)		**5**	**5**

Notes forming part of the Standalone Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

	Name of the related party	Relationship	As at March 31, 2026	As at March 31, 2025
(ii)	**Trade receivables from**			
	UDV Kenya Ltd	Fellow subsidiary	-	0
	Total- Trade receivables (refer note 11)		**-**	**0**
(iii)	**Trade payables to**			
	Diageo Brands BV	Fellow subsidiary	526	325
	Royal Challengers Sports Private Limited	Subsidiary	-	4
	Diageo Great Britain Limited	Fellow subsidiary	34	16
	Diageo North America Inc.	Fellow subsidiary	12	6
	Diageo Scotland Limited	Fellow subsidiary	1	0
	Diageo Business Services India Private Limited	Fellow subsidiary	5	6
	Diageo Ireland Limited	Fellow subsidiary	1	-
	Diageo MENA holding FZE	Fellow subsidiary	1	-
	Nao Spirits & Beverages Private Limited	Subsidiary	2	-
	Diageo Mexico Comercializadora S.A. de C.V.	Fellow subsidiary	1	0
	Total- Trade payables (refer note 18)		**583**	**357**
(iv)	**Loans (including interest) outstanding from**			
	Asian Opportunities & Investments Limited	Subsidiary	72	61
	USL Holdings (UK) Limited	Subsidiary	17	15
	Nao Spirits & Beverages Private Limited	Joint Venture	-	18
	Total - Loans outstanding (refer note 5)		**89**	**94**
(v)	**Allowance on loans at year end**			
	Principal			
	Asian Opportunities & Investments Limited	Subsidiary	72	61
	USL Holdings (UK) Limited	Subsidiary	17	15
	Total allowance on loans (refer note 5)		**89**	**76**
(vi)	**Dividend payable to**			
	Diageo Relay B V	Holding Company	-	163
	USL Benefit Trust	Benefit Trust	-	7
	Total - Dividend payable		**-**	**170**
(vii)	**Minimum offtake commitment for purchase of bulk scotch**			
	Diageo Scotland Limited	Fellow subsidiary	668	1,080

Notes forming part of the Standalone Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

36 (d) Key management personnel and compensation

Executive directors	For the year ended March 31, 2026		For the year ended March 31, 2025	
	Praveen Someshwar	Pradeep Jain	Hina Nagarajan	Pradeep Jain
Remuneration (*)	18	5	27	5
Employee share-based payments (**)	-	0	3	0
Total compensation	**18**	**5**	**30**	**5**

(*) The employee benefits obligations such as gratuity, compensated absences and bonuses are provided for the Company as a whole, the amounts pertaining to individual Key Management Personnel are included on payment basis and not on an accrual basis.

(**) Based on options exercised.

Non-executive/ Independent directors	For the year ended March 31, 2026		For the year ended March 31, 2025	
	Sitting Fee	Commission	Sitting Fee	Commission
Mr. Mahendra Kumar Sharma (*)	-	-	0	1
Mr. V K Viswanathan (*)	0	1	0	0
Dr. Indu Shahani (*)	-	-	0	0
Mr. D Sivanandhan (*)	-	-	0	0
Mr. Rajeev Gupta (*)	-	-	0	0
Dr. Indu Bhushan (*)	0	1	0	0
Mr. Mukesh Butani (*)	0	1	0	0
Ms. Amrita Gangotra (*)	0	1	0	0
Mr. Narayan K Seshadri (*)	0	0	-	-
Total	**1**	**3**	**1**	**3**

(*) Individually sitting fees and commission paid to the directors is lesser than ₹ 50 lakhs. Sitting fees and commission paid to the directors above has been aggregated and disclosed against the total in the table above.

36 (e) General terms and conditions for transactions with related parties

Transactions with related parties are carried out in the normal course of business and are on normal commercial terms.

All loans to subsidiaries are unsecured and loan to a joint venture is secured. For tenure of the loans and interest rate, refer note 45(b)

37 Offsetting of financial assets and financial liabilities

The Company provides volume-based incentives and rebates to certain customers. Amounts payable by Company are offset against receivables from such customers and only the net amounts are settled. The relevant amounts have therefore been presented net in the balance sheet. Details of such offset is given in the below table.

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivable - current	3,849	3,500
Trade receivable - non current	351	340
Trade receivables (gross)	**4,200**	**3,840**
Less: Volume based incentives and rebates payable	(45)	(31)
Trade receivables as reported (refer note 11)	**4,155**	**3,809**

Notes forming part of the Standalone Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

38 (a) Defined contribution plans

Provident Fund:

Provident Fund covers all eligible employees of the Company. Both the employees and the Company make monthly contributions to the Provident Fund as per regulations to a fund administered by government authority, equal to a specified percentage of the employees' salary. The obligation of the Company is limited to the extent of contributions made on a monthly basis.

Employee Pension Scheme:

Employee Pension Scheme covers all eligible employees of the Company. A portion of the Company's contribution in respect of government administered Provident Fund is made to the government administered Employee Pension Scheme, as per regulations. The obligation of the Company is limited to the extent of contributions made on a monthly basis.

Employees' State Insurance:

Employees' State Insurance is a state plan which is applicable to those employees of the Company whose salaries do not exceed a specified amount. The contributions are made based on a percentage of salary to a fund administered by government authority. The obligation of the Company is limited to the extent of contributions made on a monthly basis.

Superannuation Fund:

Certain executive staff of the Company participate in United Spirits Superannuation fund (the 'Fund'), which is a voluntary contribution plan. The Company has no further obligations to the plan beyond its monthly contributions to the Fund, the corpus of which is administered by a Trust and is invested in insurance products.

National Pension Scheme:

Certain executive staff of the Company participate in National Pension Scheme, which is a voluntary contribution plan. The Company has no further obligations to the plan beyond its monthly contributions to a fund administered by a pension fund manager appointed by Pension Fund Regulatory and Development Authority.

During the year, the Company has recognised the following amounts in the Standalone Statement of Profit and Loss, which are included in contribution to provident and other funds under the employee benefits expense in Note 24:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Provident fund	20	18
Employees' pension scheme	3	2
Employees' state insurance	0	0
Superannuation fund	1	1
National pension scheme	2	0
Total (refer note 24)	**26**	**21**

38 (b) Defined benefit plans

Gratuity:

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") operated through a trust, wherein eligible employees are entitled to benefits equivalent to fifteen days' wages last drawn for each completed year of service, in compliance with the Code on Social Security, 2020. In accordance with the Code's standardized definition of wages, the calculation base is mandated to comprise a minimum of 50% of the employee's total Cost to Company (CTC). In cases where the Company's internal scheme provides more favorable terms than the minimum obligations under the Code, the more favorable terms are applied.

The benefits are payable on termination of service, resignation, permanent disability, or retirement, whichever occurs earlier. The funds are managed by a trust administered by the Company.

Notes forming part of the Standalone Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

Pension plan:

The Company operates an unfunded defined benefit pension plan for certain retired employees of an erstwhile entity which has merged into the Company in an earlier year. This plan provides benefits to members in the form of a guaranteed level of pension payable for life post retirement or termination of employment. The level of benefits provided depends on their salary in the final year leading up to retirement, or termination.

Gratuity and pension

A. Reconciliation of opening and closing balances of the present value of the defined benefit obligation (DBO):

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
	Gratuity (Funded)	Pension (Unfunded)	Gratuity (Funded)	Pension (Unfunded)
Obligation at the beginning of the year	109	-	107	0
Current service cost	11	-	9	-
Past service cost	38	-	-	-
Interest cost	7	-	7	-
Benefit payments from plan assets	(18)	-	(19)	-
Transfer in/out	(2)	-	-	-
Benefit payments from the Company	-	-	-	(0)
Actuarial (gain)/ loss from changes in financial assumptions	(2)	-	2	-
Actuarial (gain)/ loss from experience adjustments	(2)	-	3	-
Obligation at the end of the year	**141**	**-**	**109**	**-**

B. Reconciliation of opening and closing balances of the fair value of plan assets:

Particulars	For the year ended March 31	
	2026	2025
	Gratuity (Funded)	Gratuity (Funded)
Plan assets at the beginning of the year	130	137
Return on plan assets	9	10
Actuarial gains/ (losses)	(5)	2
Benefits paid	(18)	(19)
Plan assets at the end of the year	**116**	**130**

C. Reconciliation of present value of defined benefit obligation and the fair value of plan assets to the assets and liabilities recognised in the standalone Balance sheet at the end of the year:

Particulars	As at March 31	
	2026	2025
	Gratuity (Funded)	Gratuity (Funded)
Present value of obligation	141	109
Fair value of plan assets	116	130
Liability/ (asset) recognised in Balance Sheet (Refer notes 9 and 17)	**25**	**(21)**
Current	-	-
Non-current	25	(21)

Notes forming part of the Standalone Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

D. Expenses recognised in the Standalone Statement of Profit and Loss:

Particulars	For the year ended March 31	
	2026	2025
	Gratuity (Funded)	Gratuity (Funded)
Current service cost	11	9
Past service cost	38	-
a. Interest expense on DBO	7	7
b. Interest (income) on plan assets	(9)	(10)
Total net interest cost (a+b)	(2)	(3)
Defined benefit cost (refer note 24 and note 28)	**47**	**6**

E. Re-measurement effects recognised in other comprehensive income (OCI):

Particulars	For the year ended March 31	
	2026	2025
	Gratuity (Funded)	Gratuity (Funded)
a. Actuarial (gain)/ loss due to financial assumptions changes in DBO	(2)	2
b. Actuarial (gain)/ loss due to experience on DBO	(2)	3
c. Return on plan assets (greater)/ less than discount rate	5	(2)
Total actuarial (gain)/ loss included in OCI	**1**	**3**

F. Total cost recognised in total comprehensive income:

Particulars	For the year ended March 31	
	2026	2025
	Gratuity (Funded)	Gratuity (Funded)
Expense recognised in the Standalone Statement of Profit and Loss (refer note 24 and note 28)	48	6
Remeasurements effects recognised in OCI	1	3
Total cost recognised in total comprehensive income	**49**	**9**

G. Investment details of plan assets:

Particulars	As at March 31	
	2026	2025
	Gratuity (Funded)	Gratuity (Funded)
Pooled assets with an insurance company	100%	100%
Others (including bank balances)	0%	0%
	100%	**100%**

H. Significant assumptions:

Particulars	As at March 31, 2026	As at March 31, 2025
	Gratuity (Funded)	Gratuity (Funded)
Discount rate (per annum)	7.02%	6.75%
Rate of increase in compensation levels	10%	10%
Other assumptions:		
Attrition rate	10% - 15%	10% - 15%
Mortality rates	IALM* (2012-14) Ultimate table	IALM* (2012-14) Ultimate table

*IALM : Indian Assured Mortality Rate

38 (c) Sensitivity analysis:

The sensitivity of the defined benefit obligation to changes in the weighted principal significant assumptions is provided below:

Gratuity:

Particulars	Changes in assumptions		(Decrease)/ Increase in defined benefit obligation			
			Increase in assumption		Decrease in assumption	
			March 31			
	2026	2025	2026	2025	2026	2025
Discount rate	1%	1%	(6)	(5)	7	5
Compensation levels	1%	1%	7	5	(6)	(5)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as and when calculating the defined benefit liability recognised in the Standalone Balance Sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

38 (d) Risk exposure:

Through its defined benefit plans, Company is exposed to number of risks, the most significant of which are detailed below:

Asset volatility	The plan liabilities are calculated using a discount rate set with reference to yields of government securities; if plan assets underperform this yield, this will create a deficit. Plan asset investments for gratuity are made in pre-defined insurance plans. These are subject to risk of default and interest rate risk. The fund manages credit risk/ interest rate risk through continuous monitoring to minimise risk to an acceptable level.
Inflation risk	In the pension plans, the pensions in payment are not linked to inflation, so this is a less material risk.
Life expectancy	The pension plan provides benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities.

The Company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.

A large portion of assets consists of government and public sector bonds, although the Company also invests in private sector bonds, special deposit schemes and bank balances. The plan asset mix is in compliance with the requirements of the respective regulations.

Notes forming part of the Standalone Financial Statements

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(All amounts in ₹ crores unless otherwise stated)

38 (e) Effect of the defined benefit plan on the entity's future cash flows

The weighted average duration of the defined benefit obligation is 5 years (2025: 5 years). The expected maturity analysis of undiscounted gratuity is as follows:

March 31, 2026	Less than a year	Between 1-2 years	Between 2- 5 years	Over 5 years	Total
Gratuity	27	25	47	115	214
Total	**27**	**25**	**47**	**115**	**214**

March 31, 2025	Less than a year	Between 1-2 years	Between 2- 5 years	Over 5 years	Total
Gratuity	19	24	35	82	160
Total	**19**	**24**	**35**	**82**	**160**

Note:

The estimates of future increase in compensation levels, considered in the actuarial valuation, take into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

39 Long term contracts, including derivative contracts

The Company does not have any derivative contracts as at March 31, 2026. The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. No provision for material foreseeable losses is considered necessary based on the review of such contracts as at year end.

40 (A) Historical matters

(a) Additional Inquiry and other regulatory matters

As disclosed in each of the annual financial statements commencing from year ended March 31, 2014, upon completion in April 2015 of an inquiry into past improper transactions ('Initial Inquiry') which identified references to certain additional parties and certain additional matters, the then MD and CEO, pursuant to the direction of the Board of Directors, carried out an additional inquiry into past improper transactions ('Additional Inquiry') which was completed in July 2016. The Additional Inquiry prima facie identified transactions indicating actual and potential diversion of funds from the Company and its Indian and overseas subsidiaries to, in most cases, Indian and overseas entities that appeared to be affiliated or associated with the Company's former non-executive chairman, Dr. Vijay Mallya, and other potentially improper transactions. All amounts identified in the Additional Inquiry have been provided for or expensed in the financial statements of the Company or its subsidiaries in the respective prior periods. The Company has filed recovery suits against relevant parties and individuals identified pursuant to the Additional Inquiry. Additionally, the Company has also filed a suit for recovery of excess managerial remuneration amounting to ₹ 13 crores paid to the former Executive Director and CFO (ED and CFO) for the year ended March 31, 2015. The receivable recorded for excess managerial remuneration has been fully provided for.

As disclosed in each of the annual financial statements commencing from the year ended March 31, 2014, in relation to the above-mentioned Initial Inquiry and Additional Inquiry and the matters arising out of the settlement agreement dated February 25, 2016 entered into by the Company with Dr. Vijay Mallya pursuant to which, inter alia, the Company and Dr. Vijay Mallya agreed a mutual release in relation to matters arising out of the Initial Inquiry ('Agreement'), the Company received letters and notices from the Securities Exchange Board of India ('SEBI') during the year ended March 31, 2016 to which the Company has responded. There has been no further communication with SEBI on these matters since the Company's response in October 2017.

As disclosed in each of the annual financial statements commencing from the year ended March 31, 2016, in connection with the investigations carried out by the Directorate of Enforcement ('ED') under the Foreign Exchange Management Act, 1999 and Prevention of Money Laundering Act, 2002, the Company received letters and notices from ED during the year ended March 31, 2016, to which the Company responded. During the year ended March 31, 2022, the Company received a notice from the ED requesting for information, which the Company has provided. The Company has also received queries from its authorized dealer banks, based on queries from the Reserve Bank of India ('RBI'), with regard to remittances made in the prior years by the Company to its overseas subsidiaries, past acquisitions and Annual Performance Reports ('APR') for prior years, to which the Company has responded and is in process of filing the required forms.

As disclosed in each of the annual financial statements commencing from the year ended March 31, 2019, with the objective of divesting its non-core assets, the Company reviewed its subsidiaries' operations, obligations, and compliances, and recommended a plan for rationalisation through sale, liquidation or merger ("Rationalisation Process"). After receiving approval from the Board, the Company has been taking steps to implement this plan. The Rationalisation Process for the existing subsidiaries is subject to regulatory and other approvals (in India and overseas). If any historical non-compliances are established during the Rationalisation Process, the Company will consult with its legal advisors, and address any such issues including, if necessary, considering filing appropriate compounding applications with the relevant authorities. At this stage, it is not possible for the management to estimate the financial impact on the Company, if any, arising out of potential non-compliances with applicable laws, if established.

(b) Notices from the Ministry of Corporate Affairs

As disclosed in each of the annual financial statements commencing from year ended March 31, 2016, and pursuant to the inspection conducted by Ministry of Corporate Affairs ('MCA') during the year ended March 31, 2016, under Section 206(5) of the Companies Act, 2013, MCA issued show cause notices alleging violation of certain provisions of the Companies Act, 1956 and Companies Act, 2013, to which the Company had responded. During the year ended March 31, 2025, the Company has paid compounding fees and disposed off the compounding applications with the Registrar of Companies (RoC). As at year ended March 31, 2026, the Company is awaiting response from the RoC on one show cause notice wherein the Company had requested the RoC to discontinue further proceedings based on expert legal advice received. The penalty and compounding fee arising out of adjudication application are not material. The management is of the view that in line with the past adjudication orders, the financial impact arising out of adjudication of the residual matters will not be material to the Company's financial statements.

(c) Loan to United Breweries (Holdings) Limited ('UBHL')

As disclosed in each of the annual financial statements commencing from year ended March 31, 2015, the Company had pre-existing loans/ deposits/ advances/ accrued interest that were due to the Company and its subsidiaries from UBHL and its subsidiaries aggregating to ₹ 1,337 crores and that were consolidated into, and recorded as, an unsecured loan through an agreement entered into between the Company and UBHL on July 3, 2013 ('Loan Agreement'). UBHL defaulted on its obligations to pay any amounts under the Loan Agreement. The Company had made provision in prior financial years for the entire principal amount due of ₹ 1,337 crores, and for the accrued interest of ₹ 85 crores up to March 31, 2014. The Company has not recognised interest income on said loan after March 31, 2014. The Company has cumulatively offset ₹ 206 crores payable to UBHL arising under a trademark license agreement against the receivables under the loan.

Since UBHL had defaulted on its obligations under the Loan Agreement, the Company sought redressal of disputes and claims through arbitration under the terms of the Loan Agreement. In April 2018, the arbitral tribunal passed a final award against the Company. The reasons for this adverse award were disputed by the Company, and the Company obtained leave from the High Court of Karnataka to challenge this arbitral award. In July 2018, the Company filed a petition challenging the said award before the Jurisdictional Court in Bangalore (the "Court"). The Court issued notice pursuant thereto to the Official Liquidator (OL). The Company filed its claim with the OL. By its judgment dated March 3, 2025, the Court dismissed the Company's challenge to the arbitral award. The Company is challenging the judgment before the High Court of Karnataka.

Notwithstanding the judgement of the Court and the arbitral award, based on management assessment supported by an external legal opinion, the Company has offset payable to UBHL under the trademark license agreement against the balance of loan receivable from UBHL. During the quarter ended June 30, 2023, the OL filed an application before the High Court of Karnataka, seeking avoidance of setoff by the Company of the above license fee payments and recovery of the entire license fee payable under trademark license agreement with interest. The Company is contesting the application filed by the OL and filed its statement of objections during the quarter ended September 30, 2023. The OL subsequently filed its rejoinder during the quarter ended March 31, 2024. Based on the Management assessment supported by external legal opinions, the Company continues to believe that it has a good case on merits.

The Official Liquidator (UBHL) filed another claim before the High Court of Karnataka, purportedly as loans and advances repayable to UBHL by the Company, without substantiating the basis of such a claim. USL has denied this purported debt and is contesting this claim. The Company believes it has a good case on merits.

Pursuant to the approval of Board of Directors of the Company at its meeting held on March 5, 2026, the Company has written off outstanding loan amounting to ₹ 1,238 crores. Notwithstanding the write off, the Company continues to pursue legal remedies towards recovery of the aforesaid loan.

Notes forming part of the Standalone Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

(d) Dispute with IDBI Bank Limited

As disclosed in each of the annual financial statements commencing from year ended March 31, 2015, during the year ended March 31, 2014, the Company prepaid a term loan taken from IDBI Bank Limited (the "bank") in earlier years which was secured by certain property, plant and equipment and brands of the Company as well as by a pledge of certain shares of the Company held by the USL Benefit Trust (of which the Company is the sole beneficiary). The bank disputed the prepayment, following which the Company filed a writ petition ("WP") in November 2013 before the Hon'ble High Court of Karnataka ('High Court') challenging the actions of the bank.

In February 2016, following the original maturity date of the loan, the Company received a notice from the bank seeking to recall the loan and demanding a sum of ₹ 46 crores on account of outstanding principal, accrued interest and other amounts as also further interest till the settlement date as per the security documents. The Company challenged this notice in the writ proceedings pending with the High Court, during which the High Court directed that, subject to the Company depositing ₹ 46 crores with the bank in a suspense account, the bank should not deal with any of the secured assets including the shares until disposal of the writ petition. The Company deposited the full amount, and the bank was restrained from dealing with any of the secured assets.

In June 2019, a single judge bench of the High Court dismissed the Company's writ petition, amongst other reasons, on the basis that the matter involved an issue of breach of contract by the Company and was therefore not maintainable in exercise of the court's writ jurisdiction. The Company filed an appeal against this order before a division bench of the High Court, which was admitted and interim protection on the secured assets was reinstated. The writ appeal is pending.

Based on management assessment supported by external legal opinions, the Company continues to believe that it has a strong case on merits and therefore continues to believe that the aforesaid amount of ₹ 46 crores remains recoverable from the bank.

In a separate proceeding before the Debt Recovery Tribunal (DRT), Bengaluru, initiated by a consortium of banks (including the bank) for recovery of loans advanced by the consortium of banks to Kingfisher Airlines Limited (KAL), the bank filed an application for attachment of the pledged shares belonging to USL Benefit Trust. DRT dismissed the said application of the bank and the bank filed an appeal against this order before the Debt Recovery Appellate Tribunal ('DRAT'), Chennai in September 2017. The bank's appeal is pending for final hearing by the DRAT.

40 (B) During the year ended March 31, 2026, the Company was informed by Diageo Scotland Limited (DSL), a fellow subsidiary, about unintended omissions in its costing and invoicing process leading to a shortfall in the price charged for certain supplies of bulk spirits made during the period from October 2019 to July 2025. DSL confirmed that such shortfall will not be charged to the Company. Based on opinion from legal experts, management assessed its accounting position and recognized a liability for additional customs duty and interest thereon for goods already cleared for home consumption from customs warehouse/ free trade warehousing zone, amounting to ₹ 113 crores at June 30, 2025. DSL provided the Company with a covenant to fully pay the additional customs duty and the interest thereon. As DSL provided the Company with a covenant to pay, the said matter does not have financial impact on the Company. The liability for additional customs duty and interest thereon has been presented under Cost of Materials Consumed and Finance Costs, net off reimbursement from DSL in the standalone statement of profit and loss for the year ended March 31, 2026. The Company, voluntarily, has deposited the amount along with an appropriate disclosure to the Customs authorities and received the reimbursement from DSL of the same amount.

40 (C) During the financial year ended March 31, 2019, the Company voluntarily disclosed instances of intermediary and bottling losses surpassing the allowable excise limits at its Maharashtra facilities. Following this disclosure, the Company received demand notices related to excess wastage from April 2019 to July 2020. The Company had contested these charges in the Bombay High Court, which led to the appointment of an external expert to study the technical aspects of maturation loss. During the year ended March 31, 2026, the external expert has completed its assessment and has issued its final report. The said report has been submitted by the Company to the Commissioner (Appeals). While final adjudication remains pending before the Commissioner (Appeals) and subsequently the Hon'ble Bombay High Court, the Management has evaluated the report and considered opinion obtained from a legal expert. Consequently, management has recognized the related provision for excise duty and interest under cost of materials consumed and finance costs respectively.

Notes forming part of the Standalone Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

41 Capital and other commitments:

Particulars			As at March 31, 2026	As at March 31, 2025
(a)	Capital commitments for property, plant and equipment		97	46
(b)	Other commitments towards:			
	i.	Advertisement and sales promotion	30	55
	ii.	minimum offtake commitment for purchase of bulk scotch from a related party (*)"	668	1080

(*) minimum offtake commitment as at March 31, 2026, represents multi-year commitment entered into by the Company.

42 Contingent liabilities

Particulars			As at March 31, 2026	As at March 31, 2025
(a)	Income tax matters		385	299
(b)	Indirect tax matters			
	(i)	State excise	112	115
	(ii)	Central excise	0	0
	(iii)	Sales tax and entry tax	215	248
	(iv)	Customs duty	0	0
(c)	Other civil litigations and claims		108	109

Notes:

(a) Income tax matters- Income tax matters primarily relate to exposures under transfer pricing and disallowance of certain expenses that the Company had claimed as deductions in its Income Tax returns.

(b) Indirect tax matters- The Company has operations across various states in India. The Company has identified possible exposures relating to local sales tax, entry tax, state excise duty, central excise duty and customs duty.

(c) Other civil litigations and claims- Other civil litigations relate to various claims from third parties under dispute which are lying with various courts/ appellate authorities.

(d) Provident fund- The Company has evaluated the impact of the Supreme Court ("SC") judgement dated February 28, 2019 in the case of Regional Provident Fund Commissioner (II) West Bengal v/s Vivekananda Vidyamandir and Others, in relation to non-inclusion of certain allowances in the definition of "basic wages" of the relevant employees for the purposes of determining contribution to Provident Fund ("PF") under the Employees' Provident Fund & Miscellaneous Provisions Act, 1952. There are interpretation issues relating to the said SC judgement. In the assessment of the management, the aforesaid matter is not likely to have a significant impact on the Company and accordingly, no provision has been made in the standalone financial statements.

(e) Use of judgement

Management categorizes the matters based on the probability of cash outflow, which require judgement. Management obtains the views of external consultants where necessary. Based on the assessment, management recognises liability/ provision, or discloses the matter as a contingent liability, except for matters where the probability of outflow of cash is considered remote. Due to uncertainties involved in the process, actual outflows may be different from those originally estimated.

The Company may be involved in legal proceedings in respect of which it is not possible to make a reliable estimate of any expected settlement. In such cases, management has determined that any potential future cash outflows are not likely to be material.

(f) Management is optimistic of a favourable outcome in the above matters based on legal opinions / management assessment. It is not practicable for the Company to estimate the timing of the cash outflows, if any, in respect of the above, pending resolution of respective proceedings.

(g) Contingent liabilities above do not include demands with respect to income tax and indirect tax matters wherein the Company has assessed the probability of outflows of economic benefits to be remote.

Notes forming part of the Standalone Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

43 Dues to micro and small enterprises

Particulars	As at March 31, 2026	As at March 31, 2025
Principal amount due to suppliers registered under the MSMED Act [and remaining unpaid as at year end][refer note(ii)]	147	82
Interest due on principal amount remaining unpaid as at year end, as above, to suppliers registered under the MSMED Act	1	1
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	565	184
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
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	3	0
Interest accrued and remaining unpaid at the end of each accounting year	15	11
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act	15	11

Notes:

(i) The above information has been determined to the extent such parties have been identified by the Company.

(ii) Includes ₹ 7 crores (2025: ₹ 8 crores) which are in nature of capital creditors.

44 Corporate Social Responsibility (CSR)

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceeding three financial years on corporate social responsibility (CSR) activities. A CSR committee has been formed by the Company as per the Act. The funds were primarily utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013:

Details of actual CSR expenditure incurred:

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
i)	Amount required to be spent by the Company during the year (refer note 26)	31	26
ii)	Amount of expenditure incurred		
	a) Construction / acquisition of any asset	-	-
	b) On purposes other than (i) above	33	26
iii)	Shortfall/(excess) at the end of the year [(i)-(ii)]*	(2)	(0)
iv)	Total of previous years shortfall	-	-
v)	Reason for shortfall	NA	NA
vi)	Nature of CSR activities	Employment enhancing vocation skills, conservation of natural resources including water, promoting responsible consumption of alcohol, promoting sanitation and making available safe drinking water and other activities in alignment with Schedule VII to the Act.	
vii)	Details of related party transactions, e.g. contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard	NA	NA
viii)	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision	NA	NA

Notes forming part of the Standalone Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

The Company has not undertaken any ongoing projects during the years ended and as at March 31, 2026 and March 31, 2025.

Details of CSR expenditure under Section 135(5) of the Act in respect of excess amount spent:

Balance excess spent as at April 1, 2025	Amount required to be spent during the year	Amount spent during the year	Balance excess spent as at March 31, 2026
0	31	33	2

(*) The Company has utilised excess spent of prior year of ₹ 0 crores in the current year towards CSR expense. The Company intends to carry forward excess amount spent under CSR activity of ₹ 2 crores for the year ending March 31, 2027.

45 (a) Details of Investments (Original cost) as per Section 186 (4) of Companies Act, 2013

i) Investments in subsidiaries:

Name of the subsidiaries	Relationship	As at March 31, 2026	As at March 31, 2025
Domestic subsidiary			
Royal Challengers Sports Private Limited	Wholly owned subsidiaries	170	170
Nao Spirits & Beverages Private Limited		152	-
Overseas subsidiaries			
Asian Opportunities & Investments Limited		30	30
McDowell & Co. (Scotland) Limited		13	13
USL Holdings Limited		5,629	5,629
Shaw Wallace Overseas Limited		1	1
Palmer Investment Group Limited		692	692
Total		**6,687**	**6,535**

ii) Investments in joint ventures:

Name of the joint venture	Relationship	As at March 31, 2026	As at March 31, 2025
Nao Spirits & Beverages Private Limited	Joint ventures	-	46
Inspired Hospitality Private Limited		6	6
V9 Beverages Private Limited		5	2
Indie Brews and Spirits Private Limited		5	5
Total		**16**	**59**

45 (b) Details of loans (gross) as per Section 186 (4) of Companies Act, 2013

Name of the borrower	Relationship	Purpose	Rate of Interest 2025-26	Rate of Interest 2024-25	Term/ Repayment schedule	As at March 31, 2026	As at March 31, 2025
Overseas subsidiaries:							
Asian Opportunities & Investments Limited	Wholly owned subsidiary	Working capital / funding towards acquisition of Bouvet Ladubay, erstwhile subsidiary	Interest free	Interest free	Term/ repayment schedule not specified.	72	61
USL Holdings UK Ltd	Wholly owned subsidiary	Working capital	Interest free	Interest free	Term/ repayment schedule not specified.	17	15

Notes forming part of the Standalone Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

Name of the borrower	Relationship	Purpose	Rate of Interest 2025-26	Rate of Interest 2024-25	Term/ Repayment schedule	As at March 31, 2026	As at March 31, 2025
Joint venture:							
Nao Spirits & Beverages Private Limited (*)	Subsidiary	Repayment of borrowers' existing debts	18.00%	NA	Interest payable on quarterly basis and principal to be repaid by November 3, 2025	-	18
Others:							
United Breweries (Holdings) Limited	Unrelated	Refer note 40(A)(c)	9.50%	9.50%	8 years	-	1,238
Total						**89**	**1,332**

(*) As per the agreement, simple interest is charged for loan given to Nao Spirits & Beverages Private Limited.

46 Disclosure as per Regulation 34 (3) and 53 (f) read with Part A of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of loans/ advances/ investments outstanding as at year end

Particulars	Investments in equity / preference shares at cost held as at		Gross loans outstanding as at		Maximum amount of loans and advances outstanding during the year ended	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Asian Opportunities & Investments Limited	30	30	72	59	72	59
Shaw Wallace Overseas Limited	1	1	-	-	-	-
USL Holdings Limited	5,629	5,629	-	-	-	-
USL Holdings UK Ltd	-	-	17	15	17	15
Palmer Investment Group Limited	692	692	-	-	-	-
McDowell & Co (Scotland) Limited	13	13	-	-	-	-
Royal Challengers Sports Private Limited	170	170	-	-	-	-
Nao Spirits & Beverages Private Limited	152	46	-	18	18	18
Inspired Hospitality Private Limited	6	6	-	-	-	-
V9 Beverages Private Limited	5	2	-	-	-	-
Indie Brews and Spirits Private Limited	5	5	-	-	-	-
Total	**6,703**	**6,594**	**89**	**92**		

The aforesaid amounts are gross of provisions, if any, made based on Management assessment of recoverability. For repayment schedule and interest related terms, refer note 45(b)

47 Exceptional Items

(i) Supply Agility Programme

During the year ended March 31, 2023, the Board of Directors of the Company approved a multi-year supply chain agility programme. The programme primarily is directed towards the optimization of the existing manufacturing footprint with an intent to strengthen its end-to-end supply chain and make it fit for the future. The total implementation cost of the supply chain agility programme, majority of which are expected to be recognized as exceptional items, will be recorded when the recognition criteria are satisfied.

Pursuant to the Supply Agility Programme, the Company has recognized: (i) a severance cost of ₹ 36 crores; (ii) a gain of ₹ 28 crores from the disposal of a closed plant; and (iii) an impairment charge of ₹ 19 crores on plant, machinery and buildings for the year ended March 31, 2026.

(ii) Severance cost incurred of ₹ 15 crores.

(iii) The Company had assessed impact of the New Labour Code notified by the Government of India on November 21, 2025 and recognised an incremental impact of past service cost in gratuity and compensated absences amounting to ₹ 49 crores arising primarily from the revision in the definition of wages. The Company continues to monitor the finalisation of Central and State rules, clarifications from the Government on other aspects of the Labour Code and will provide appropriate accounting effects based on such developments as needed.

48 Claim from a Customer

During the quarter ended December 31, 2023, the Company received a claim from one of its institutional customers, amounting to ₹ 365 crores inclusive of penalty. The claim pertains to a historical matter regarding differential trade terms and was disclosed in the annual financial statements for the years ended March 31, 2017, March 31, 2018, March 31, 2021 and March 31, 2022. The impact of the settlement was accounted for and disclosed in the financial statements for the earlier years. Management's assessment is that the claim from the customer is unreasoned, arbitrary in nature and is in violation of the principles of natural justice. Management is of the view that the matter was resolved and settled in full in the prior years. Management has therefore not acknowledged the claim from the customer and has chosen to litigate as per the legal remedies available. The Company filed petitions under the Arbitration and Conciliation Act, seeking appointment of an arbitrator, and interim relief against withholding payments. By its order dated August 12, 2024, the Bombay High Court appointed a Sole Arbitrator to decide on the dispute and transferred the Company's pending petition for interim relief to be decided by the Arbitrator and is reserved for orders. The parties have filed their respective pleadings, and the arbitration is in progress. Management, supported by external legal opinion, believes that it has a good case on merits with a high probability of success in realising the withheld payments. Management has also determined that the receivable from the customer as at March 31, 2026 is good and recoverable.

49 Additional regulatory information required by Schedule III

i. Details of benami property held

The Company does not hold any benami property. No proceedings have been initiated on the Company or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

ii. Borrowing secured against current assets

The Company has no borrowings from banks and financial institutions on the basis of security of current assets.

iii. Willful defaulter

The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

iv. Relationship with struck off companies

The Company has no transactions with the companies struck off under the Companies Act, 2013 or the Companies Act, 1956 except for the following:

Name of the Struck Off company	Nature of transactions with the struck off company	Balance outstanding as at March 31, 2026	Balance outstanding as at March 31, 2025	Relationship with the struck off company
Charuu Multi Services Private Limited	Purchase of goods and payment made	-	-	Vendor

v. Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

vi. Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013, read with the Companies (Restriction on number of layers) Rules, 2017.

Notes forming part of the Standalone Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

vii. Utilisation of borrowed funds and share premium

A. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding 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 funding party (ultimate beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

B. 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 otherwise) 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 to or on behalf of the ultimate beneficiaries.

viii. Undisclosed income

There is no income surrendered or disclosed as income during the current or prior year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of accounts of the Company.

ix. Compliance with approved scheme(s) of arrangements

The Company has not entered into any such scheme of arrangement which has an accounting impact on current or previous financial year.

x. Loans or advances to specified persons

The Company has not granted any loans or advances to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, except for the parties mentioned under Note 45(b) that are:

(a) Repayable on demand

(b) Without specifying any terms or period of repayment

xi. Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or prior year.

xii. Valuation of property, plant and equipments, right-of-use assets, intangible assets and investment properties

The Company has not revalued its property, plant and equipments, right-of-use assets, intangible assets or investment properties during the current or previous year.

xiii. Utilisation of borrowings availed from banks and financial institutions

The Company has not availed any borrowings from any banks or financial institutions during the year.

Notes forming part of the Standalone Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

xiv. Analytical ratios

Ratios	Numerator	Denominator	Year ended March 31, 2026	Year ended March 31, 2025	% Variance
Current ratio	Current assets	Current liabilities	2.0	2.0	0.0%
Debt-equity ratio (refer note 32a)	Debt / borrowings	Shareholder's equity	NA	NA	NA
Debt service coverage ratio	Earnings available for debt service	Debt service	NA	NA	NA
Return on equity ratio	Profit after tax	Average shareholder's equity	22.0%	21.0%	4.8%
Inventory turnover ratio	Cost of goods sold and excise duty	Average inventory	8.9	9.9	-10.1%
Trade receivables turnover ratio	Gross sales	Average trade receivables	7.3	7.9	-7.6%
Trade payables turnover ratio	Net credit purchases	Average trade payables	4.2	4.5	-6.7%
Net capital turnover ratio	Gross sales	Working capital (inventories, trade receivables and trade payables)	6.6	7.1	-7.0%
Net profit ratio	Net profit	Net sales (Sales-Excise duty)	14.7%	13.5%	8.9%
Return on capital employed	Earnings before interest and taxes	Capital employed (Equity, debt and lease liabilities)	28.4%	26.4%	7.6%
Return on investment	Income from investment	Average investments	7.2%	6.4%	12.5%

(*) Reasons for variance is not required as change in ratios is less than 25% as compared to prior year.

50 Summary of other accounting policies

50.1 Property, plant and equipment

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All expenses in the nature of repairs and maintenance are charged to the Standalone Statement of Profit and Loss during the reporting period in which they are incurred.

The cost of property, plant and equipment which are not ready for their intended use at the balance sheet date, are disclosed as capital work-in-progress.

Disposals

Gains and losses on disposals are determined by comparing proceeds with the carrying amounts. These are accounted in the Standalone Statement of Profit and Loss within other income/other expenses, on a net basis.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment."

Notes forming part of the Standalone Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

50.2 Intangible assets

Impairment of assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested for impairment at least annually, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment at least annually or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Disposals

Gains and losses on disposals are determined by comparing proceeds with the carrying amounts. These are accounted in the Standalone Statement of Profit and Loss within other income/other expenses, on a net basis.

50.3 Investment in subsidiaries and joint ventures

Investments in subsidiaries and joint ventures are carried at cost less accumulated impairment losses, 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 an asset's fair value less costs of disposal and value in use.

On disposal of investments in subsidiaries and joint ventures, the difference between net disposal proceeds and the carrying amounts are recognised in the Standalone Statement of Profit and Loss.

On adoption of Ind AS, Company has measured these investments at cost using the net carrying value as per previous GAAP as at March 31, 2015. The Company has subsequently measured its investments in equity shares of subsidiaries and joint ventures at cost in accordance with Ind AS 27.

50.4 Financial instruments

A) Financial assets:

a) Recognition and measurement

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, all financial assets except trade receivables are recognised at fair value. Financial assets are subsequently classified and measured at amortised cost. Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

i) Loans

On initial recognition, loans are measured at fair value. Since the objective is to hold these financial assets to collect contractual cash flows that are solely payments of principal and interest, these assets are subsequently measured at amortised cost using the EIR method less impairment, if any.

ii) Other financial assets:

On initial recognition, Other financial assets are measured at fair value, and subsequently, measured at the amortised cost, less impairment if any. Loss arising from impairment, if any is recognised in the Standalone Statement of Profit and Loss.

b) Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

c) Impairment of financial assets

The Company applies Expected Credit Losses (ECL) model for measurement and recognition of loss allowance on trade receivables and other financial assets measured at amortised cost.

In case of trade receivables, the Company follows the provision matrix approach (as permitted by Ind AS 109) wherein an amount equal to lifetime ECL is measured and recognised as loss allowance.

The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

In case of other financial assets, the Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognised as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognised as loss allowance. Subsequently, if the credit quality of the financial assets improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and the cash flows that the Company expects to receive (i.e., cash shortfalls), discounted at the original effective interest rate.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12-month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date.

ECL are measured in a manner that they reflect probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Standalone Statement of Profit and Loss under the head Other expenses as 'Allowance for trade receivable, other financial assets and other assets (net)'.

d) Income recognition

Dividend income on investments is recognised and accounted for when the right to receive the payment is established, it probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

Interest income is accounted for on a time-proportion basis using effective interest rate method taking into account the amounts invested and the rate of interest, except for financial assets that subsequently become credit impaired.

For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial assets (after deduction of the loss allowance).

B) Financial liabilities:

a) Recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. On initial recognition, financial liabilities are measured at fair value and subsequently measured at amortised cost.

Trade and other payables

In case of trade and other payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest rate method.

Trade and other payables represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid as per credit period. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

b) Derecognition

The Company derecognises a financial liability when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

Notes forming part of the Standalone Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

C) Off-setting 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. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

50.5 Employee benefits

a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits and performance incentives that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services rendered up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented under 'Other financial liabilities' in the Standalone Balance Sheet.

b) Post-employment obligations

The Company's defined benefit plans comprise gratuity and pension.

Pension and gratuity obligations

The net liability or asset recognised in the Standalone Balance Sheet in respect of pension and gratuity (defined benefit plans) is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Standalone Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Standalone Statement of Changes in Equity and in the Standalone Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans

These are plans in which the Company pays pre-defined amounts to funds administered by government authority and the Company does not have any legal or constructive obligation to pay additional sums. These comprise contributions in respect of Employees' Provident Fund, Employees' Pension Scheme, Employees' State Insurance, Superannuation fund and National Pension Scheme. The Company's payments to the defined contribution plans are recognised as employee benefit expenses when they are due.

(c) Other long-term employee benefit obligations

The liabilities for earned and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields of government bonds at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in Standalone Statement of Profit and Loss.

(d) Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the Company recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(e) Share-based payments

Share based compensation benefits are provided to certain grades of employees in the form of United Spirits Limited- Stock Appreciation Rights Plan, a cash settled scheme, and various equity settled schemes managed by Diageo group.

Stock appreciation rights

Liabilities for the Company's share appreciation rights are recognised as employee benefit expense over the relevant service period. The liabilities are remeasured to fair value at each reporting date and are presented as current/ non-current provisions in the Standalone Balance Sheet.

Diageo group share based payment arrangements:

The fair value of equity settled share options based on shares of Diageo plc. (the ultimate holding company) is initially measured at grant date and is charged to the Standalone Statement of Profit and Loss over the vesting period, which is the period over which all of the specified vesting conditions are satisfied, and the credit is included in equity. At the end of each period, the Company revises its estimates of the number of options that are expected to vest based on the non-market and service conditions. It recognises the impact of revision to original estimate, if any, in profit or loss, with a corresponding adjustment to equity. Once the costs towards share option plans are cross charged by Diageo group companies, the same is accounted for as a reduction from equity. To the extent the amount or recharge exceeds the fair value of equity shares on the date of exercise, the same is recognised in the Standalone Statement of Profit and Loss.

50.6 Income tax

Income tax expense is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. However, deferred tax liabilities are not recognised if they arise from initial recognition of goodwill. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in Standalone Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

50.7 Earnings per share (EPS)

Basic EPS is arrived by dividing profit attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless impact is anti-dilutive. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented in case of share splits.

Notes forming part of the Standalone Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

50.8 Provisions and contingencies

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

A provision is made in respect of onerous contracts, i.e., contracts in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contracts. Provisions are not recognised for other future operating losses. The carrying amounts of provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or an obligation for which the future outcome cannot be ascertained with reasonable certainty. When there is a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

50.9 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in Standalone Statement of Profit and Loss over the period of the borrowings using the effective interest method.

Borrowings are derecognised from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in Standalone Statement of Profit and Loss as other gains/ (losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

50.10 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

50.11 Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions are 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 property, plant and equipment, it is recognised as deferred income and recognised as income in Standalone Statement of Profit and Loss over the expected useful life of the related asset. When loan or similar assistance are provided by government or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is recognized at government rate. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received.

Notes forming part of the Standalone Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

50.12 Exceptional items

When an item of income or expense within Standalone Statement of Profit and Loss from ordinary activity is of such size, nature and incidence that its disclosure is relevant to explain more meaningfully the performance of the Company for the year, the nature and amount of such items is disclosed as exceptional items.

50.13 Segmental information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Executive committee, which has been identified as the chief operating decision maker, assesses the financial performance and position of the Company and makes strategic decisions. The executive committee consists of the Managing Director & Chief Executive Officer and other senior management team members. Since segment disclosures have been provided in the consolidated financial statements, no such disclosures have been made in these standalone financial statements.

50.14 Equity

Own shares represent shares of the Company and those held in treasury by USL Benefit Trust. Pursuant to orders of the High Court of Karnataka and the High Court of Bombay, shares held in aforesaid trust have been treated as an investment.

Dividends - Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

50.15 Foreign currency translation

(i) Functional and presentation currency

The standalone financial statements are presented in Indian Rupee (₹), the functional currency of the company.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in the Standalone Statement of Profit and Loss.

50.16 Rounding of amounts

All amounts disclosed in the standalone financial statements and notes have been rounded off to the nearest crores as per the requirement of Schedule III (Division II) to the Act, unless otherwise stated. The sign '0' in these standalone financial statements indicates that the amounts involved are below ₹ Fifty Lakhs and the sign '-' indicates that amounts are nil.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm registration number: 304026E/E-300009

Dibyendu Majumder
Partner
Membership number: 057687

Place: Bengaluru
Date: May 14, 2026

For and on behalf of the Board of Directors

V.K. Viswanathan
Chairman
DIN:01782934
Place: Bengaluru

Narayan K. Seshadri
Director
DIN: 00053563
Place: Bengaluru

Praveen Someshwar
Managing Director and Chief Executive Officer
DIN : 01802656
Place: Bengaluru

Pradeep Jain
Executive Director and Chief Financial Officer
DIN : 02110401
Place: Bengaluru

Pragya Kaul
Company Secretary
Place: Bengaluru

Date: May 14, 2026

Independent Auditor's Report

To the Members of United Spirits Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of United Spirits Limited (hereinafter referred to as the "Holding Company "), its subsidiaries, a trust controlled by it (together referred to as "the Group") and its joint ventures (refer 'Group overview' section to the attached consolidated financial statements), which comprise the Consolidated Balance Sheet as at March 31, 2026, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information (hereinafter referred to as "the consolidated financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("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 joint ventures as at March 31, 2026 and consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) 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 joint ventures in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

4. We draw attention to the following matters:

   a) Note 41A(a) to the consolidated financial statements regarding the uncertainties post completion of the Initial Inquiry, which identified references to certain Additional Parties and certain Additional matters, the then MD and CEO of the Holding Company, pursuant to the direction of the Board of Directors of the Holding Company, had carried out an Additional Inquiry that revealed transactions indicating actual and potential diversion of funds from the Holding Company and its Indian and overseas subsidiaries to, in most cases, Indian and overseas entities that appear to be affiliated or associated with the Holding Company's erstwhile non-executive Chairman and other potentially improper transactions. Post the completion of Additional Inquiry certain regulatory notices and communications were received from Securities Exchange Board of India, Directorate of Enforcement, Authorised Dealer banks ('AD') and other regulatory agencies to which the Holding Company has responded. Subsequently, the Holding Company had commenced the rationalisation process for divestment/ liquidation/ merger of certain overseas subsidiaries including step down subsidiaries and completion of the above Rationalisation process is subject to regulatory approvals in India and overseas. The Holding Company has also filed suits for recovery of certain amounts against relevant parties and individuals identified in the Additional Inquiry including excess managerial remuneration paid to the former Executive Director and CFO which have been fully provided for or recognised as an expense in prior years. The management is currently unable to estimate the financial impact on the Holding Company, if any, arising out of potential non compliances with applicable laws as above.

   b) Note 41A(e) to the consolidated financial statements, which describes the uncertainty relating to the final outcome of litigations with a bank ("the bank") that continues to retain the pledge of certain assets of the Holding Company and of the Holding Company's shares held by USL Benefit Trust (of which the Holding Company is the sole beneficiary) despite the Holding Company prepaying the term loan to that bank along with the prepayment penalty and further depositing an additional sum of ₹ 46 crores demanded by the bank and as directed by the Hon'ble High Court of Karnataka (the "Court"). Based on management assessment supported by external legal opinions, the Holding Company has disclosed the aforesaid amount of ₹ 46 crores under Other non-current financial assets as recoverable from the bank pending the final outcome of the litigation. In a separate proceeding before the Debt Recovery Appellate Tribunal, the bank's appeal against the judgement awarded by Debt Recovery Tribunal in favour of the Holding Company in respect of attachment of the aforesaid pledged shares for recovery of the loans advanced by the bank to Kingfisher Airlines Limited is pending disposal.

   Our opinion is not modified in respect of the matters described under paragraph 4 above.

Independent Auditors' Report (Continued)

Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. 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.

Key audit matter	How our audit addressed the key audit matter
Assessment of the appropriateness of provisions recognised and contingent liabilities disclosed in respect of certain tax matters. (Refer Notes 8, 18 and 44(a) and 44(b) to the consolidated financial statements) As at March 31, 2026, the Holding Company has significant tax exposures and is subject to periodic assessments/ demands by tax authorities on transfer pricing, income tax and indirect tax matters. Consequent to such tax assessments and demands relating to past several years, the Holding Company has paid certain amounts under protest at various dates. The Holding Company has also filed appeals with various appellate authorities against such demands. Management judgement is involved in assessing the likelihood of ultimate outcome of the tax disputes to decide on the accounting/ disclosure requirements. For certain complex matters the probable amount of the cash outflows determined by the management is supported by opinions obtained from external tax counsels or assessment performed by management tax experts. We considered this a key audit matter as: (a) The amounts involved are significant to the consolidated financial statements; (b) Change in the management's judgements and estimates may significantly affect the provisions recognised or contingent liabilities disclosed; and (c) Matters of disputes are complex in some cases due to the nature of the industry in which the Holding Company operates and are subject to interpretations under tax laws.	Our audit procedures included the following: • Understood, evaluated and tested the design and operating effectiveness of the Holding Company's controls in respect of the identifying potential tax exposures and/ or the accounting and disclosures thereof. • Evaluated the related accounting policy for recognising provisions for tax exposures and disclosure of contingent liabilities with the requirements of the relevant accounting standards. • Obtained Holding Company management's assessment of tax demands as to whether the cash outflows are either probable, possible or remote. • Evaluated Holding Company management's assessment with the help of auditors' specialists, where necessary, as follows: - For the samples selected, read the correspondences received from the tax authorities or orders from the appellate authorities. - Read and assessed the views provided by the management or external tax counsel appointed by the Holding Company management, as applicable. - Assessed Holding Company management's position on significant tax exposures in accordance with the tax laws and past precedents of tax judgements. - Assessed completeness of litigations by inquiring with the Holding Company management, perusal of Board minutes and obtained confirmations from external tax counsel on a sample basis. - Evaluated the objectivity, independence, competence and capabilities of the external tax counsel appointed by the Holding Company. - Evaluated the adequacy of the disclosures made in the consolidated financial statements.

Other information

6. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual 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 the 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 and the reports of the other auditors as furnished to us, 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.

Independent Auditors' Report (Continued)

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

7. The Holding Company's Board of Directors are 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 and consolidated cash flows, and changes in equity of the Group and its joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act.

   The respective Board of Directors of the companies included in the Group and of its joint ventures and the trustees of the Trust are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group, 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 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 Board of Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its joint ventures and the trustees of the trust are responsible for assessing the ability of the respective companies and the trust to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the respective companies or the trust or to cease operations, or has no realistic alternative but to do so.

9. The respective Board of Directors of the companies included in the Group and of its joint ventures and trustees of the trust are responsible for overseeing the financial reporting process of the respective companies.

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

10. 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.

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

    (a) 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.

    (b) 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 consolidated financial statements in place and the operating effectiveness of such controls.

    (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

    (d) 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 joint ventures 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 joint ventures to cease to continue as a going concern.

    (e) 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.

    (f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint ventures 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.

12. 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.

13. 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.

14. 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 of the current period 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 Matters

15. The financial statements of 2 subsidiaries located outside India, included in the consolidated financial statements, which constitute total assets of ₹ 86 crore and net assets of ₹ 86 crores as at March 31, 2026, total revenue of Nil, total comprehensive income (comprising of profit and other comprehensive income) of ₹ 4 crores and net cash inflows amounting to ₹ 0 crores for the year then ended, have been prepared in accordance with accounting principles generally accepted in their respective countries and have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from the accounting principles generally accepted in their respective countries to the accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India, including other information, is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

16. We did not audit the financial statements of an Indian subsidiary whose financial statements reflect total assets of ₹ 49 crores and net assets of ₹ 25 crores as at March 31, 2026, total revenue of ₹ 35 crores, total comprehensive income (comprising of loss and other comprehensive income) of ₹ (15) crores and net cash inflows amounting to ₹ 2 crores for the year ended on that date, as considered in the consolidated financial statements. The financial statements of the subsidiary has been audited by other auditor whose report has been furnished to us by the Holding Company's management. Our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of the subsidiary and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors furnished to us by the Holding Company's management. In our opinion and according to the information and explanations given to us by the management, these financial statements are not material to the Group.

17. The consolidated financial statements also include the Group's share of total comprehensive income (comprising of loss and other comprehensive income) of ₹ (7) crores for the year ended March 31, 2026 as considered in the consolidated financial statements, in respect of 4 joint ventures, whose financial information have not been audited by us. The financial information of these joint ventures are unaudited and have been furnished to us by the management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these joint ventures and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid joint ventures, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the management, these financial information are not material to the Group.

18. We did not audit the financial statements of 7 subsidiaries located outside India and a trust located in India whose financial statements reflect total assets of ₹ 6 crores and net assets of ₹ 5 crores as at March 31, 2026, total revenue of Nil, total comprehensive income (comprising of loss and other comprehensive income) of ₹ (4) crores and net cash inflows amounting to ₹ 2 crores for the year ended on that date, as considered in the consolidated financial statements. The financial statements of the subsidiaries located outside India and the trust have been prepared in accordance with accounting principles generally accepted in their respective countries and have been audited by the other auditors under the generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of the trust and the subsidiaries located outside India from the accounting principles generally accepted in their respective countries to the accounting

Independent Auditors' Report (Continued)

principles applicable to the Holding Company. Our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and trust and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiaries and the trust, is based solely on the reports of the other auditors furnished to us and the conversion adjustments prepared by the Holding Company's management. In our opinion and according to the information and explanations given to us by the management, these financial statements are not material to the Group.

Our opinion 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 reports of the other auditors and the financial statements and financial information certified by the management.

Report on Other Legal and Regulatory Requirements

19. As required by the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure B", a statement on the matters specified in paragraph 3(xxi) of CARO 2020.

20. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors except for the matters stated in paragraph 20(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Holding Company and its subsidiaries, which are incorporated in India and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries, none of the directors of the Group companies incorporated in India are disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 20(b) above and paragraph 20(h)(vi) below.

(g) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A". Reporting under Section 143(3)(i) of the Act in respect of the adequacy of internal controls with reference to financial statements is not applicable to the trust controlled by the Holding Company.

(h) 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 consolidated financial statements disclose the impact of pending litigations on the consolidated financial statements. (Refer Notes 8, 18, 41A(a), 41A(d), 41A(e), 41(B) and 44 to the consolidated financial statements).

ii. The Group was not required to recognise a provision as at March 31, 2026 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contracts. The Group did not have any derivative contracts as at March 31, 2026.

iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Holding Company during the year. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by its subsidiary companies incorporated in India.

iv. (a) The respective managements of the Holding Company and its subsidiary companies which are companies 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 their 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 any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), 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 Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. (Refer Note 48(vi)A to the consolidated financial statements)

(b) The respective managements of the Holding Company and its subsidiary companies which are companies 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 their knowledge and belief, no funds have been received by the Holding Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries 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 Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. (Refer Note 48(vi)B to the consolidated financial statements)

(c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditors of the subsidiary companies which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

v. The dividend declared and paid by the Holding Company and its subsidiary company incorporated in India during the year is in accordance with Section 123 of the Act. Further, as stated in Note 33(b) to the consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. Based on our examination, which included test checks, the Holding Company and its subsidiary companies, which are companies incorporated in India, have used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software, except that for the Holding Company and one subsidiary, the audit trail is not maintained for any changes made through specific access and direct database changes. Other than the instances mentioned above, based on our procedures performed, we did not notice any instance of the audit trail feature being tampered with. Further, the audit trail, to the extent maintained in the prior years, has been preserved by the Holding Company and its subsidiary companies as per the statutory requirements for record retention.

21. The Group (including its subsidiaries incorporated in India) have paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/ E300009

Dibyendu Majumder
Partner
Membership Number: 057687
UDIN: 26057687RZHPKE1478

Place: Bengaluru
Date: May 14, 2026

Annexure A to Independent Auditor's Report

Referred to in paragraph 20(g) of the Independent Auditor's Report of even date to the members of United Spirits Limited on the consolidated financial statements as of and for the year ended March 31, 2026

Report on the Internal Financial Controls with reference to consolidated financial statements under clause (i) of sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2026, we have audited the internal financial controls with reference to consolidated financial statements of United Spirits Limited (hereinafter referred to as "the Holding Company") and its subsidiaries, which are companies incorporated in India, as of that date. Reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is not applicable to three joint ventures incorporated in India namely Inspired Hospitality Private Limited, Indie Brews and Spirits Private Limited and V9 Beverages Private Limited, pursuant to Ministry of Corporate Affairs Notification GSR 583(E) dated June 13, 2017.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiaries, which are companies incorporated in India, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is applicable, are responsible for establishing and maintaining internal financial controls based on the internal control 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 ("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

3. Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and 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.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system 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 control 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 consolidated financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the 'Other Matter' paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial control with reference to 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 control with reference to 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.

Annexure A to Independent Auditor's Report (Continued)

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Holding Company and its subsidiaries, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matter

9. Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to one subsidiary, incorporated in India, is based on the corresponding report of the auditor of such company incorporated in India. Our opinion is not modified in respect of this matter.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/ E300009

Dibyendu Majumder
Partner
Membership Number: 057687
UDIN: 26057687RZHPKE1478

Place: Bengaluru
Date: May 14, 2026

Annexure B to Independent Auditor's Report

Referred to in paragraph 19 of the Independent Auditor's Report of even date to the members of United Spirits Limited on the Consolidated Financial Statements as of and for the year ended March 31, 2026

As required by paragraph 3(xxi) of the CARO 2020, we report that the qualifications or adverse remarks were included in the CARO 2020 report issued by us in respect of the standalone financial statements of the Holding Company and by the other auditor in their CARO 2020 report on the financial statements of the subsidiary included in the consolidated financial statements.

Sl. No.	Name of the Company	CIN	Relationship with the Holding Company	Clause number of the CARO report which contains the qualification or adverse remarks
1.	United Spirits Limited	L01551KA1999PLC024991	Holding Company	(i)(c) and (iii)(c)
2.	Nao Spirits and Beverages Private Limited	U15100DL2010PTC197532	Subsidiary	(iii)(c) and (d)

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/ E300009

Dibyendu Majumder
Partner
Membership Number: 057687
UDIN: 26057687RZHPKE1478

Place: Bengaluru
Date: May 14, 2026

Consolidated Balance Sheet

(All amounts in ₹ crores unless otherwise stated)

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non-current assets			
Property, plant and equipment	3.1	832	850
Right-of-use assets	3.2	383	457
Capital work-in-progress	3.3	77	72
Goodwill	3.4	55	1
Other intangible assets	3.4	76	329
Investment properties	3.5	58	75
Financial assets			
Investments in joint ventures	4.1	14	50
Trade receivables	11	351	340
Other financial assets	6	311	384
Deferred tax assets (net)	7	284	155
Current tax assets (net)	8	1,191	1,115
Other non-current assets	9	274	218
Total non-current assets		**3,906**	**4,046**
Current assets			
Inventories	10	2,668	2,305
Financial assets			
Investments	4.2	1,157	873
Trade receivables	11	3,609	3,410
Cash and cash equivalents	12	859	1,328
Bank balances other than cash and cash equivalents	13	1,118	702
Loans	5	1	22
Other financial assets	6	57	256
Other current assets	9	393	306
Total current assets before asset classified as held for sale		**9,862**	**9,202**
Assets classified as held for sale	42	701	-
Total current assets		**10,563**	**9,202**
Total assets		**14,469**	**13,248**
EQUITY AND LIABILITIES			
EQUITY			
Share capital	14	145	145
Other equity			
Reserves and surplus	15	8,808	7,959
Total equity attributable to the owners		**8,953**	**8,104**
Non-controlling interests		4	-
Total equity		**8,957**	**8,104**

Consolidated Balance Sheet (Continued)

(All amounts in ₹ crores unless otherwise stated)

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Lease liabilities	3.2	308	334
Deferred tax liabilities	7	18	72
Provisions	18	41	16
Total non-current liabilities		**367**	**422**
Current liabilities			
Financial liabilities			
Borrowings	16	6	-
Lease liabilities	3.2	99	146
Trade payables			
(A) total outstanding dues of micro and small enterprises	19	142	75
(B) total outstanding dues of creditors other than micro and small enterprises	19	2,241	2,164
Other financial liabilities	17	273	477
Provisions	18	500	375
Current tax liabilities (net)	8	571	380
Other current liabilities	20	986	1,105
Total current liabilities before liabilities associated with assets held for sale		**4,818**	**4,722**
Liabilities associated with assets held for sale	42	327	-
Total current liabilities		**5,145**	**4,722**
Total liabilities		**5,512**	**5,144**
Total equity and liabilities		**14,469**	**13,248**

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

As per our consolidated report of even date

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm registration number: 304026E/E-300009

Dibyendu Majumder
Partner
Membership number: 057687

Place: Bengaluru
Date: May 14, 2026

For and on behalf of the Board of Directors

V.K. Viswanathan
Chairman
DIN:01782934
Place: Bengaluru

Narayan K. Seshadri
Director
DIN: 00053563
Place: Bengaluru

Praveen Someshwar
Managing Director and Chief Executive Officer
DIN : 01802656
Place: Bengaluru

Pradeep Jain
Executive Director and Chief Financial Officer
DIN : 02110401
Place: Bengaluru

Pragya Kaul
Company Secretary
Place: Bengaluru

Date: May 14, 2026

Consolidated Statement of Profit and Loss

(All amounts in ₹ crores unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
INCOME			
Revenue from operations	21	27,816	26,780
Other income	22	478	325
Total income		**28,294**	**27,105**
EXPENSES			
Cost of materials consumed	23	6,007	5,443
Purchase of stock-in-trade		808	864
Change in inventories of finished goods, work-in-progress and stock-in-trade	24	(141)	90
Excise duty		15,349	15,207
Employee benefits expense	25	635	609
Depreciation and amortisation expense	26	289	274
Advertisement and sales promotion		1,295	1,121
Other expenses	27	1,577	1,386
Finance costs	28	158	89
Total expenses		**25,977**	**25,083**
Profit before share of net loss of joint ventures, exceptional items and tax			
		2,317	2,022
Share of net loss of joint ventures		(7)	(7)
Profit before exceptional items and tax		**2,310**	**2,015**
Less: Exceptional items, net	29	(91)	(65)
Profit before tax from continuing Operations		**2,219**	**1,950**
Income tax expense:	30		
Current tax		637	506
Current tax relating to earlier years		2	(11)
Deferred tax charge		(129)	10
Total tax expense		**510**	**505**
Profit for the year from continuing operations		**1,709**	**1,445**
Discontinued operations			
Profit before tax from discontinued operations		175	185
Less: Tax expense of discontinued operations		46	48
Profit after tax from discontinued operations		**129**	**137**
Profit for the year		**1,838**	**1,582**

Consolidated Statement of Profit and Loss

(All amounts in ₹ crores unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
Other comprehensive income			
A. Items that will be reclassified to profit or loss			
(i) Exchange difference on translation of foreign operations		10	2
(ii) Share of other comprehensive income of joint ventures		-	-
B. Items that will not be reclassified to profit or loss			
(i) Remeasurements of post-employment benefit plans	39(b)E	(1)	(3)
(ii) Share of other comprehensive income of joint ventures		-	-
(iii) Income tax credit relating to above		-	1
Other comprehensive income for the year, net of income tax		**9**	**-**
Total comprehensive income for the year		**1,847**	**1,582**
Profit is attributable to:			
Owners of United Spirits Limited		1,838	1,582
Non-controlling interests		(0)	-
		1,838	**1,582**
Other comprehensive income is attributable to:			
Owners of United Spirits Limited		9	-
Non-controlling interests		-	-
		9	**-**
Total comprehensive income is attributable to:			
Owners of United Spirits Limited		1,847	1,582
Non-controlling interests		(0)	-
		1,847	**1,582**
Basic and diluted earnings per share (in ₹)	31		
From continuing operations		24.07	20.35
From discontinued operations		1.82	1.93
Total earnings per share from continuing and discontinued operations		**25.89**	**22.28**

The above consolidated statement of profit and loss should be read in conjunction with the accompanying notes.

As per our consolidated report of even date

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm registration number: 304026E/E-300009

Dibyendu Majumder
Partner
Membership number: 057687

Place: Bengaluru
Date: May 14, 2026

For and on behalf of the Board of Directors

V.K. Viswanathan
Chairman
DIN:01782934
Place: Bengaluru

Narayan K. Seshadri
Director
DIN: 00053563
Place: Bengaluru

Praveen Someshwar
Managing Director and Chief Executive Officer
DIN : 01802656
Place: Bengaluru

Pradeep Jain
Executive Director and Chief Financial Officer
DIN : 02110401
Place: Bengaluru

Pragya Kaul
Company Secretary
Place: Bengaluru

Date: May 14, 2026

Consolidated Statement of Changes in Equity

A. Equity share capital

(All amounts in ₹ crores unless otherwise stated)

Particulars	Note	Amount
Equity share capital as at April 1, 2024	14	145
Changes in equity share capital		-
Equity share capital as at March 31, 2025	14	145
Changes in equity share capital		-
Equity share capital as at March 31, 2026	14	145

B. Other equity

		Reserves and surplus											
Particulars	Note	Capital reserve	Capital redemption reserve	Securities premium account	Treasury shares	Central subsidy	Share based incentive reserve	Foreign currency translation reserve	Contingency reserve	General reserve	Retained earnings	Total	Non-Controlling Interest
As at April 1, 2024	15	568	70	4,568	(120)	5	1	18	11	1,041	814	6,976	-
Profit for the year		-	-	-	-	-	-	-	-	-	1,582	1,582	-
Other comprehensive income (OCI), net of tax		-	-	-	-	-	-	2	-	-	(2)	-	-
Total comprehensive income for the year		-	-	-	-	-	-	2	-	-	1,580	1,582	-
Share based payments	35	-	-	-	-	-	5	-	-	-	-	5	-
Cross charge by a Diageo group company during the year towards share based payments	37(b) (ix)	-	-	-	-	-	(5)	-	-	-	-	(5)	-
Other movements (net)		-	-	-	-	-	-	-	-	-	40	40	-
Dividend payment		-	-	-	-	-	-	-	-	-	(639)	(639)	-
As at March 31, 2025	15	568	70	4,568	(120)	5	1	20	11	1,041	1,795	7,959	-
Profit for the year		-	-	-	-	-	-	-	-	-	1,838	1,838	-
Other comprehensive income (OCI), net of tax		-	-	-	-	-	-	10	-	-	(1)	9	-
Total comprehensive income for the year		-	-	-	-	-	-	10	-	-	1,837	1,847	-
Share based payments	35	-	-	-	-	-	2	-	-	-	-	2	-
Acquisition of Nao Spirits	4	-	-	-	-	-	-	-	-	-	(4)	(4)	4
Cross charge by a Diageo group company during the year towards share based payments	37(b) (ix)	-	-	-	-	-	(2)	-	-	-	-	(2)	-
Dividend payment	33(b)	-	-	-	-	-	-	-	-	-	(994)	(994)	-
As at March 31, 2026	15	568	70	4,568	(120)	5	1	30	11	1,041	2,634	8,808	4

The above consolidated statement of changes in equity should be read in conjunction with accompanying notes.

As per our consolidated report of even date

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm registration number: 304026E/E-300009

Dibyendu Majumder
Partner
Membership number: 057687

Place: Bengaluru
Date: May 14, 2026

For and on behalf of the Board of Directors

V.K. Viswanathan
Chairman
DIN:01782934
Place: Bengaluru

Narayan K. Seshadri
Director
DIN: 00053563
Place: Bengaluru

Date: May 14, 2026

Praveen Someshwar
Managing Director and Chief Executive Officer
DIN : 01802656
Place: Bengaluru

Pradeep Jain
Executive Director and Chief Financial Officer
DIN : 02110401
Place: Bengaluru

Pragya Kaul
Company Secretary
Place: Bengaluru

Consolidated Statement of Cash Flows

(All amounts in ₹ crores unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit before tax:	2,219	1,950
	Adjustments for		
	Depreciation and amortisation expense	26	289	274
	Employee share-based payment expense	25	22	17
	Loss allowance on trade receivables, other financial assets and other assets (net)	27	33	(9)
	Profit on redemption of mutual funds units		(77)	(25)
	Increase in fair value of mutual funds units (net)	22	(31)	(16)
	Finance costs	28	158	89
	Gain on disposal of property, plant and equipment and investment properties (net)	22	(22)	(99)
	Interest income on term deposits with banks	22	(79)	(71)
	Interest income from loan to a joint venture	22	(1)	(1)
	Interest income on direct and indirect tax refunds	22	(241)	(48)
	Share of net loss in joint ventures	4.1	7	7
	Exceptional items (net)	29	91	65
	Exchange (gain)/ loss on translation of foreign currency monetary assets and liabilities		(0)	(1)
			149	182
	Operating profit before changes in working capital		**2,368**	**2,132**
	(Increase) / decrease in trade receivables		(356)	(494)
	(Increase) / decrease in loans and other financials assets		36	(42)
	(Increase) / decrease in other assets		(140)	49
	(Increase) / decrease in inventories		(359)	(242)
	Increase / (decrease) in trade payables		223	289
	Increase / (decrease) in other financial liabilities		(1)	(145)
	Increase / (decrease) in other liabilities		8	247
	Increase / (decrease) in provisions		10	(15)
			(579)	**(353)**
	Cash generated from operations		**1,789**	**1,779**
	Income taxes paid (net of refunds)		(334)	(117)
	Net cash generated from operating activities - continuing operations		**1,455**	**1,662**
	Net cash generated from operating activities - discontinued operations		4	285
	Net cash generated from operating activities (A)		**1,459**	**1,947**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**			
	Purchase of property, plant and equipment and intangible assets		(181)	(162)
	Proceeds from sale of property, plant and equipment and investment properties		253	1
	Purchase of current investments		(1,879)	(1,246)
	Redemption of current investments		1,701	1,011
	Investment in term deposits with banks		(1,113)	(1,143)
	Redemption of term deposits from banks		790	406
	Investment in joint ventures		(40)	(13)
	Loan given to joint venture		-	(18)
	Repayment of loans given to others		3	7
	Interest received		67	35
	Net cash outflow from investing activities - continuing operations		**(399)**	**(1,122)**
	Net cash (outflow)/inflow from investing activities - discontinued operations		(29)	8
	Net cash outflow from investing activities (B)		**(428)**	**(1,114)**

Consolidated Statement of Cash Flows (Continued)

(All amounts in ₹ crores unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
C. CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from working capital loans	16	6	-
Repayment of working capital loans	16	(12)	-
Principal repayment of lease liabilities	16	(144)	(137)
Interest paid on lease liabilities	16	(37)	(40)
Dividend paid (net)	33(b)	(1,263)	(355)
Net cash outflow from financing activities - continuing operations		(1,450)	(532)
Net cash outflow from financing activities - discontinued operations		-	(25)
Net cash outflow from financing activities (C)		**(1,450)**	**(557)**
Net cash (decrease) / increase in cash and cash equivalents [D = A+B+C]		**(419)**	**276**
Cash and cash equivalents as at the beginning of the year (E)		**1,328**	**1,052**
Effects of exchange rate changes on cash and cash equivalents		0	0
Net (decrease)/increase in cash and cash equivalents for continuing operations		(394)	8
Net (decrease)/increase in cash and cash equivalents for discontinued operations		(25)	268
Cash and cash equivalents as at the end of the year [D+E]		**909**	**1,328**
Less: Cash and cash equivalents as at the end of the year for discontinued operations		(50)	-
Cash and cash equivalents as at the end of the year for continuing operations	12	859	1,328
Non-cash financing and investing activity			
Acquisition of right-of-use assets	3.2	75	394

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

As per our consolidated report of even date

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm registration number: 304026E/E-300009

Dibyendu Majumder
Partner
Membership number: 057687

Place: Bengaluru
Date: May 14, 2026

For and on behalf of the Board of Directors

V.K. Viswanathan
Chairman
DIN:01782934
Place: Bengaluru

Narayan K. Seshadri
Director
DIN: 00053563
Place: Bengaluru

Praveen Someshwar
Managing Director and Chief Executive Officer
DIN : 01802656
Place: Bengaluru

Pradeep Jain
Executive Director and Chief Financial Officer
DIN : 02110401
Place: Bengaluru

Pragya Kaul
Company Secretary
Place: Bengaluru

Date: May 14, 2026

Notes forming part of the Consolidated Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

Group overview

United Spirits Limited ("the Holding Company" or "USL") which is a public company domiciled and headquartered in Bengaluru, Karnataka, India, together with its subsidiaries and its controlled trust (collectively "the Group"). The Holding Company is incorporated under the Companies Act, 1956 and its shares are listed on the BSE Limited and National Stock Exchange of India Limited. It is engaged in the business of manufacture (including through third party manufacturing facilities), purchase and sale of beverage alcohol (including franchising of some of its brands in certain states), and other allied spirits. In addition, the Group has rights to operate sports franchise through Royal Challengers Sports Private Limited.

Consolidated financial statements includes the financial statements of the following subsidiaries controlled by the Holding Company:

- Royal Challengers Sports Private Limited
- Asian Opportunities and Investments Limited
- McDowell & Co. (Scotland) Limited
- Palmer Investment Group Limited
- Shaw Wallace Overseas Limited
- United Spirits (Great Britain) Limited
- United Spirits (UK) Limited
- USL Holdings Limited
- USL Holdings (UK) Limited
- Nao Spirits & Beverages Private Limited (w.e.f June 26, 2025)
- Hapusa Spirits UK Ltd (w.e.f June 26, 2025)

Trust controlled by the Holding Company

- USL Benefit Trust

The Holding Company, its Subsidiaries and the Trust controlled by the Holding Company together are referred to as the Group.

The consolidated financial statements also includes Group's share of total comprehensive income (loss and other comprehensive income) of the following joint ventures: (refer note 4.1)

- Nao Spirits & Beverages Private Limited (till June 25, 2025) (30% interest on fully diluted basis) (Refer Note 4.3)
- Inspired Hospitality Private Limited (w.e.f. from April 04, 2024), 13.24% (2025: 15%) (interest on fully diluted basis)
- V9 Beverages Private Limited (w.e.f. from September 26, 2024), 25% (2025: 15%) interest on fully diluted basis), acquired additional shares during financial year ended March 31, 2026
- Indie Brews and Spirits Private Limited (w.e.f. from September 27, 2024) (25% interest on fully diluted basis)

These consolidated financial statements are approved for issue by the Board of Directors on May 14, 2026.

Note 1: Summary of material accounting policy information

1.1: Basis of preparation of consolidated financial statements

(i) Compliance with Ind AS

These consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the 'Act') [Companies (Indian Accounting Standards) Rules, 2015, as amended] and other relevant provisions of the Act.

(ii) Going concern

These consolidated financial statements are prepared on a going concern basis unless the Holding Company management either intends to liquidate any entities within the Group or has no realistic alternative but to do so, in which case the financial statements of such entities are prepared and consolidated on a liquidation basis (i.e. "break up" basis).

Notes forming part of the Consolidated Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

(iii) Historical cost convention

These consolidated financial statements have been prepared on a historical cost basis, except for the following:

- defined benefits plans – plan assets are measured at fair value;
- share-based payments are measured at fair value; and
- investment in mutual funds is measured at fair value.

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III (Division II) to the Act. Based on the nature of products and the time between the acquisition of asset for processing and their realization in cash and cash equivalents, the Group has ascertained its operating cycle as twelve months for the purpose of current / non- current classification of assets and liabilities.

(iv) New and amended standards adopted

The Ministry of Corporate Affairs vide notification dated 7 May 2025 and 13 August 2025 notified the Companies (Indian Accounting Standards) Amendment Rules, 2025 and Companies (Indian Accounting Standards) Second Amendment Rules, 2025, respectively, which amended certain accounting standards (see below), and are effective for annual reporting periods beginning on or after 1 April 2025:

The Ministry of Corporate Affairs (MCA) vide its notifications dated May 7, 2025 and August 13, 2025 issued the Companies (Indian Accounting Standards) Amendment Rules, 2025. These amendments are effective for the annual reporting periods beginning on or after from April 1, 2025:

- Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants – Amendments to Ind AS 1;
- Supplier Finance Arrangements – Amendments to Ind AS 7 and Ind AS 107;
- International Tax Reform – Pillar Two Model Rules – Amendments to Ind AS 12; and
- Lack of Currency Exchangeability – Amendments to Ind AS 21.

As a result of the adoption of the amendments to Ind AS 7 and Ind AS 107, the Company provided new disclosures for liabilities under supplier finance agreements in Note note 19(iii). The other amendments did not have a material impact on the Group's financial statements.

(v) New standards or amendments not yet adopted

Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants – Amendments to Ind AS 1 - This amendment also includes specific provisions that will take effect for reporting periods beginning on or after 1 April 2026, as outlined below:

Under the existing Ind AS 1, where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

However, the amended requirements stipulate that entities will no longer be permitted to consider lender waivers that are granted after the reporting date but before the financial statements are approved for the purpose of classification of loans. This amendment is required to be applied retrospectively in accordance with Ind AS 8.

The above amendment is note expected to have an impact on the Group's financial statements.

The material accounting policy information related to preparation of the consolidated financial statements have been disclosed in the respective notes.

Notes forming part of the Consolidated Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

Note 2: Critical estimates and judgements

The preparation of consolidated financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual result. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the consolidated financial statements.

The areas involving critical estimates and judgements are:

- Estimation of provisions recognised and contingent liabilities disclosed in respect of tax matters – notes 9, 18, and 44;
- Impairment of trade receivables and other financial assets - notes 6, 11 and 32(A).

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

Notes forming part of the Consolidated Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

3.1 Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation, and impairment loss, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the assets.

Depreciation method, estimated useful lives and residual value

Depreciation is calculated using the straight-line method as per the estimated useful lives of assets as below:

Asset category	Useful life (in years)
Building	
- Roads	5
- Buildings	5 - 60
Plant and equipment	
- Wooden casks	7 - 15
- Others	5 - 15
Furniture and fittings	10
Office equipment	
- Computers	3
- Servers	3
- Others	5
Vehicles	5

Useful lives of asset classes determined by management estimate, which are different than those prescribed under Schedule II of the Act are supported by internal technical assessment of the useful lives. Estimated useful lives based on technical evaluation considers the impact of additional depreciation for working extra shifts.

Refer note 49.2 for other accounting policies relevant to property, plant & equipment.

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and fittings	Office equipment	Vehicles	Total
Year ended March 31, 2025							
Gross carrying amount							
Opening	142	369	1,282	44	55	1	1,893
Additions	-	21	97	6	2	-	126
Disposals	-	(4)	(21)	(15)	(1)	-	(41)
Transfer to investment properties (refer note 3.5)	(23)	(16)	-	-	-	-	(39)
Closing gross carrying amount	**119**	**370**	**1,358**	**35**	**56**	**1**	**1,939**
Accumulated depreciation and impairment							
Opening	54	145	766	39	44	1	1,050
Depreciation charge during the year	0	17	88	3	5	0	113
Disposals	-	(4)	(21)	(14)	(1)	-	(40)
Transfer to investment properties (refer note 3.5)	(17)	(16)	-	-	-	-	(33)
Closing accumulated depreciation and impairment	**37**	**142**	**833**	**28**	**48**	**1**	**1,089**
Net carrying value as at March 31, 2025	**82**	**228**	**525**	**7**	**8**	**-**	**850**

Notes forming part of the Consolidated Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and fittings	Office equipment	Vehicles	Total
Year ended March 31, 2026							
Gross carrying amount							
Opening	119	370	1,358	35	56	1	1,939
Additions*	-	12	130	23	3	-	168
Disposals	-	(3)	(73)	(4)	(2)	-	(82)
Transfer to asset held for sale (refer note 42 (d))	-	-	(63)	-	-	-	(63)
Closing gross carrying amount	**119**	**379**	**1,352**	**54**	**57**	**1**	**1,962**
Accumulated depreciation and impairment							
Opening	37	142	833	28	48	1	1,089
Depreciation charge during the year	-	11	108	3	4	-	126
Impairment during the year	-	-	19	-	-	-	19
Disposals	-	(3)	(51)	(4)	(2)	-	(60)
Transfer to asset held for sale (refer note 42 (d))	-	-	(44)	-	-	-	(44)
Closing accumulated depreciation and impairment	**37**	**150**	**865**	**27**	**50**	**1**	**1,130**
Net carrying value as at March 31, 2026	**82**	**229**	**487**	**27**	**7**	**-**	**832**

* Addition to plant and equipment includes ₹ 2 crores (2025: Nil) acquired through business combination (refer note 4.3 (i))

Property, plant and equipment pledged as security

Refer to note 34 for information on property, plant and equipment pledged as security by the Group.

Contractual obligations

Refer note 43 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

3.2 Right of use assets and lease liabilities

As a lessee

The Group recognises a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments, for example arrangements that require payments based on agreed minimum production volumes)
- variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Group under residual value guarantees
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Notes forming part of the Consolidated Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

To determine the incremental borrowing rate, the group:

- where possible, uses recent third-party financing as a starting point, adjusted to reflect changes in financing conditions since third party financing was received; and
- makes adjustments specific to the lease, e.g. term and security.

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the Group uses that rate as a starting point to determine the incremental borrowing rate.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise small items of office equipment and furniture.

This note provides information for leases where the Group is a lessee. The Group has taken on lease land, offices, warehouses, plant & equipment and office equipment. Lease contracts are typically entered into for 30 years to 100 years for leasehold land and for periods of 11 months to 10 years for other categories, and may have extension options as described in note (c) below. Some of the leasing arrangements entered into by the Group include cancellable lease terms.

(i) Amounts recognised in Consolidated Balance Sheet

Particulars	As at March 31, 2026	As at March 31, 2025
Right-of-use assets		
Leasehold land	5	5
Buildings	51	53
Plant and equipment	327	399
Office equipment	0	0
Total	**383**	**457**

Movement in right-of-use assets during the year

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening	457	227
Acquired through business combination (Refer note 4.3)	2	-
Additions / adjustments	73	394
Depreciation for the year (refer note 26)	(145)	(147)
Termination of leases	(4)	(17)
Closing	**383**	**457**

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Lease liabilities		
Current	99	146
Non- current	308	334
Total	**407**	**480**

(ii) Amounts recognised in the Consolidated Statement of Profit and Loss

Particulars		Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
a)	Depreciation charge of right-of-use assets	26		
	Buildings		14	16
	Plant and equipment		130	129
	Office equipment		1	2
	Total		**145**	**147**
b)	Interest expenses (included in finance cost)	28	37	40
c)	Lease related expenses included in rent expenses	27		
	Short term leases		7	8
	Leases of low value assets		11	9
	Variable lease payments (not included in lease liabilities)		245	228
	Total		**263**	**245**

(iii) The total cash outflow for leases for the year ended March 31, 2026 was ₹ 444 crores (2025: ₹ 422 crores).

Notes:

(a) Additions / adjustments to the right-of-use assets for the year ended March 31, 2026 aggregate to ₹ 75 Crores (2025: ₹ 394 crores).

(b) **Variable lease payments**

The Group has lease contracts for plant and equipment that contain variable payments. Variable lease payments that depend on production volumes are recognised in the Consolidated Statement of Profit and Loss in the period in which the condition that triggers those payments occurs. Any changes in production under contracts which includes variable lease payments, would have a proportionate impact on the variable lease payments. Certain agreements contain clauses for minimum production volumes and hence portion of lease payments in these agreements are 'in-substance fixed'. "In-substance" fixed lease payments are included in the determination of the lease liabilities and consequently included in determining the value of right-of-use assets.

(c) **Extension and termination options**

Extension and termination options are included in a number of property and equipment leases. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. Management considers contractual terms and conditions, leasehold improvements undertaken, costs relating to termination of lease, incentives received from the Government (if any) and significance of the underlying asset to the Group's operations in determining the lease term for the purpose of recognising/ measuring the lease liability.

3.3 Capital work-in-progress

Movement of capital work-in-progress(CWIP) set-out below:

Particulars	As at March 31, 2026	As at March 31, 2025
Opening	72	37
Additions	165	161
Addition through business combination	7	-
Assets capitalised during the year	(168)	(126)
Closing	**76**	**72**

Notes forming part of the Consolidated Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

The ageing schedule for CWIP is set-out below:

Particulars	As at March 31, 2026	As at March 31, 2025
Projects in progress		
Less than 1 year	65	64
1-2 years	4	0
2-3 years	-	7
More than 3 years	7	1
Total	**76**	**72**

Projects under suspension amounted to ₹ 1 crore (2025 : ₹ 1 crore).

Expected completion timelines of CWIP projects whose completion is overdue or has exceeded its cost compared to its original plan is set-out below:

Particulars	As at March 31, 2026	As at March 31, 2025
Less than 1 year		
Health, Safety and Environment protection projects	2	-
Brand innovation projects	8	4
Support core growth projects	1	4
Productivity improvement projects	20	36
Others	6	6
Total	**37**	**50**
Others	-	0
1-2 years	4	-
3 years	7	-

3.4 Intangible assets

Brands and licenses

Licenses acquired are carried at cost less accumulated amortisation and impairment losses, if any. Brands are regarded as having indefinite useful lives and are not amortised, but are assessed for impairment at every reporting date.

Brands acquired as part of a business combination (refer Note 4.3) were recognised at fair value at the date of acquisition and amortised on a straight-line basis over their estimated remaining lives.

Computer software

Computer software acquired or developed are carried at cost less accumulated amortisation and impairment losses, if any. Costs associated with maintaining software programs are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of customised computer software applications are recognised as intangible assets under development or intangible assets when ready for intended use, when the following criteria are met:

a) it is technically feasible to complete the software so that it will be available for use,

b) there is an ability to use or sell the software,

c) it can be demonstrated that the software will generate probable future economic benefits,

d) adequate technical, financial and other resources to complete the development and to use the software are available, and

e) the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the customised software applications include employee costs and other directly attributable costs are amortised from the point at which the software asset is available for use.

Notes forming part of the Consolidated Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

Franchisee rights

A wholly owned subsidiary in the Group owns perpetual right to the Bengaluru Franchisee of ""BCCI in Indian Premier League"" (BCCI – IPL). Franchisee right acquired is carried at cost less accumulated amortisation and impairment losses, if any.

Amortisation method and useful lives

The Group amortises intangible assets with finite useful life using the straight-line method over their estimated useful lives as follows:

Asset category	Useful life (in years)
Licenses	Over the license period
Brands	10 Years
Computer software	5 years
Franchisee rights	50 years/ IPL seasons

Refer note 49.3 for other accounting policy relevant to intangible assets.

Particulars	Other intangible assets					Goodwill
	Brands	License	Computer software	Franchise rights [refer note (a) below]	Total	
Year ended March 31, 2025						
Gross carrying amount						
Opening	11	1	87	400	499	119
Additions to internally developed intangible assets	-	-	2	-	2	-
Closing gross carrying amount	**11**	**1**	**89**	**400**	**501**	**119**
Accumulated amortisation and impairment						
Opening	11	1	52	86	150	118
Amortisation charge for the year	-	-	13	9	22	-
Closing accumulated amortisation and impairment	**11**	**1**	**65**	**95**	**172**	**118**
Net carrying value as at March 31, 2025	**-**	**-**	**24**	**305**	**329**	**1**

Particulars	Other intangible assets					Goodwill
	Brands	License	Computer software	Franchise right	Total	
Year ended March 31, 2026						
Gross carrying amount						
Opening	11	1	89	400	501	119
Additions to internally developed intangible assets	-	-	-	-	-	-
Acquired through business combination (Refer note 4.3)	70	-	-	-	70	54
Transfer to asset held for sale (Refer note 42)	-	-	-	(400)	-	-
Closing gross carrying amount	**81**	**1**	**89**	**-**	**171**	**173**
Accumulated amortisation and impairment						
Opening	11	1	65	95	172	118
Amortisation charge for the year	5	-	13	8	26	-
Transfer to asset held for sale (Refer note 42)	-	-	-	(103)	(103)	-
Closing accumulated amortisation and impairment	**16**	**1**	**78**	**-**	**95**	**118**
Net carrying value as at March 31, 2026	**65**	**-**	**11**	**-**	**76**	**55**

Notes forming part of the Consolidated Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

Notes:

a) The Group had estimated the useful life of the IPL franchisee right to be 50 years/ IPL seasons based on the assessment performed. The actual useful life may be different depending on various circumstances. If the useful life were shorter by 5 years, the carrying amount of franchise right would be ₹ 254 crores (2025: ₹ 266 crores). If the useful life were longer by 5 years, the carrying amount would be ₹ 308 crores (2025: ₹ 315 crores) (refer note 42)

The carrying amount of franchise right will be amortized over the remaining period of 32 years/IPL seasons. (2025: 33 years/IPL seasons).(refer note 42)

b) Management has performed an impairment assessment and determined that no impairment of goodwill is required as at March 31, 2026

3.5 Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, is classified as investment properties. Investment properties is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment properties is replaced, the carrying amount of the replaced part is derecognised.

Movement of investment properties is set-out below:

Particulars	As at March 31, 2026	As at March 31, 2025
Gross carrying amount		
Opening	199	243
Transfer from property, plant and equipment	-	39
Disposals	(30)	(83)
Transfer to assets held for sale	(37)	-
Closing gross carrying amount	**132**	**199**
Accumulated depreciation and impairment		
Opening	124	104
Transfer from property, plant and equipment	-	33
Depreciation charge for the year	-	1
Depreciation and impairment on disposal	(19)	(14)
Transfer to assets held for sale	(31)	-
Closing accumulated depreciation and impairment	**74**	**124**
Net carrying amount	**58**	**75**

Estimation of fair value:

The Group obtains independent valuations for its investment properties. The best evidence of fair value is current prices in an active market for similar properties. When such information is not available, the Group considers information from a variety of sources including:

(a) current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences;

(b) discounted cash flow projections based on reliable estimates of future cash flows; and

(c) capitalised income projection based upon a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence.

Notes forming part of the Consolidated Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

The fair value of investment properties has been determined by a valuation expert who holds relevant professional qualification and experience. The market value of the investment properties has been assessed on an open market basis with the benefit of vacant possession. In the course of valuation, a direct comparison method has been adopted by making a reference to the relevant market transaction in land and building where the investment properties is located. The appropriate adjustments have been made in order to account for the differences between the subject property and comparable terms of time, floor level, view, condition, quality and facilities etc. All resulting fair value estimates for investment properties are included in level 3.

Notes:

(a) The Group periodically reviews the fair value of investment properties. Fair value of investment properties is ₹ 403 crores (2025: ₹ 516 crores).

(b) There are restrictions on realisability of few investment properties.

(c) There is no contractual obligation to purchase, construct or develop investment properties or for repairs, maintenance or enhancements.

(d) Opening and closing cost of investment property includes payments below rounding off norms adopted by the Group towards fully paid shares held in a co-operative housing society for the purpose of acquiring the right of occupation in respect of which Group is in possession of photocopy of share certificate in co-operative society.

4.1 Investments in joint ventures

(carrying amount determined using the equity method of accounting)

Particulars	As at March 31, 2026	As at March 31, 2025
Investments in equity Instruments (fully paid-up)		
Unquoted		
Nao Spirits & Beverages Private Limited [refer note(i) below]		
[Nil (2025: 4,670) having face value of ₹ 10 each]		
Balance as at the beginning of the year	-	9
Acquired during the year	-	-
Share of total comprehensive income for the year	-	(6)
Balance as at the end of the year	**-**	**3**
Total investments in equity instruments (A)	**-**	**3**
Investments in compulsory convertible preference shares ("CCPS") (fully paid-up)		
Nao Spirits & Beverages Private Limited [refer note(i) below]		
[Nil (2025: 14,172) having face value of ₹ 10 each]		
Balance as at the beginning of the year	-	35
Acquired during the year	-	-
Share of total comprehensive income for the year	-	-
Balance as at the end of the year	**-**	**35**
Inspired Hospitality Private Limited [refer note(ii) below]		
[3,494 CCPS (2025: 3,494) having face value of ₹ 10 each]		
Balance as at the beginning of the year	5	-
Acquired during the year	-	6
Share of total comprehensive income for the year	-	(1)
Balance as at the end of the year	**5**	**5**
V9 Beverages Private Limited [refer note(ii) below]		
[3,734 CCPS (2025: 1,972) having face value of ₹ 10 each]		
Balance as at the beginning of the year	2	-
Acquired during the year	3	2
Share of total comprehensive income for the year	(0)	-
Balance as at the end of the year	**5**	**2**

Notes forming part of the Consolidated Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

Particulars	As at March 31, 2026	As at March 31, 2025
Indie Brews and Spirits Private Limited [refer note(ii) below]		
[4,016 CCPS (2025: 4,016) having face value of ₹ 10 each]		
Balance as at the beginning of the year	5	-
Acquired during the year	-	5
Share of total comprehensive income for the year	(1)	-
Balance as at the end of the year	**4**	**5**
Total investments in CCPS (B)	**14**	**47**
Total investments in joint ventures (A+B)	**14**	**50**
Aggregate amount of unquoted investments	14	50

Note:

(i) Till June 25, 2025, The Holding Company held 30% (2025: 30%) ownership interest on a fully diluted basis. Management had considered Nao Spirits to be a joint venture since the Holding Company has joint control over its operating and financing decisions. Refer note 4.3 below.

The exercise price of the call option as specified in the Shareholders' agreement is equal to its fair value and shall be in accordance with applicable law, including the Foreign Exchange Management Act, 1999.

(ii) During the previous year, the Holding Company acquired the interests in below joint ventures and details are as follows:

1. Inspired Hospitality Private Limited ('Inspired Hospitality') - Invested ₹ 6 crores by subscribing to 3,494 CCPS and 10 equity shares. The Holding Company holds 13.24% (2025: 15%) ownership interest on a fully diluted basis as at March 31, 2026. Due to further infusion by the majority shareholders after conversion of loan into equity shares, the holding company share is reduced.
2. V9 Beverages Private Limited ('V9 Beverages') - Invested ₹ 5 crores (2025: ₹ 2 Crores) by subscribing to 3,734 (2025:1,972) CCPS and 10 equity shares. The Holding Company holds 25% (2025: 15%) ownership interest on a fully diluted basis as at March 31, 2026.
3. Indie Brews and Spirits Private Limited ('Indie Brews & Spirits') - Invested ₹ 5 crores by subscribing to 4,016 CCPS and 10 equity shares. The Holding Company holds 25% (2024: Nil) ownership interest on a fully diluted basis as at March 31, 2026.

Management has considered the investments to be joint ventures since the Holding Company has joint control over its operating and financing decisions.

4.2 Investments- current

(i) Debt instruments:

On initial recognition, the debt instruments are measured at fair value. Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset.

- Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost.
- Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI.
- Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss.

Notes forming part of the Consolidated Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

(ii) Investment in mutual fund:

On initial recognition, these are measured at fair value, and subsequently, carried at fair value through profit and loss.

Particulars	As at March 31, 2026	As at March 31, 2025
Quoted		
Money market funds at fair value	1,157	773
Treasury bills at amortized cost	-	100
Total current investments	**1,157**	**873**
Aggregate amount of quoted investments	1,157	873
Aggregate market value of quoted investments	1,157	873

4.3 Business Combination:

On June 26, 2025, the Company purchased 34,291 equity shares of Nao Sprits and Beverages Private Limited ("NAO") from existing shareholders, through a step acquisition. The transaction was executed for a consideration of ₹ 49 crores. The Company has further infused ₹ 56 crores through a combination of equity and compulsorily convertible preference shares (CCPS) to support future growth initiatives of NAO. Subsequent to the acquisition and capital infusion, the Company holds 97.07% of the paid-up share capital in NAO and has an obligation to buy the remaining equity interest. As per the share purchase agreement, the remaining shares held by third party will be purchased by the company upon receipt of certain regulatory approvals. The management has completed the Purchase Price Allocation (PPA) as required by Ind AS 103, Business Combinations. The acquisition has resulted in recognition of Intangible assets in the nature of Brand and Goodwill amounting to ₹ 70 crores and ₹ 54 crores, respectively in the consolidated financial results.

(i) The assets and liabilities recognised as a result of the acquisition are as follows:

Particulars	Amount
Assets	
Property, plant and equipment	2
Right-of-use assets	2
Capital work-in-progress	7
Other intangible assets	70
Cash and cash equivalents	4
Borrowings	(29)
Working Capital	(4)
Lease Liabilities	(1)
Deferred tax liabilities	(18)
Total Net Assets Acquired	**33**

(ii) Below is the calculation for Goodwill:

Particulars	Amount
Purchase Consideration	49
Acquisition date fair value of previously held equity interest	34
Non Controlling Interest	4
Net assets acquired	(33)
Goodwill	**54**

The goodwill is mainly attributable to the synergies expected to be achieved from integrating the acquiree's business into the Group's existing business. The goodwill is expected to be deductible for tax purposes.

Notes forming part of the Consolidated Financial Statements

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(All amounts in ₹ crores unless otherwise stated)

(iii) Disclosure of the revenue and profit for current reporting period:

Particulars	Amount	
	Revenue	Loss
Since the acquisition date (June 26, 2025)	39	(10)
Had it been at the beginning of the reporting period (April 1, 2025)	40	(18)

(iv) Liability towards obligation to acquire non-controlling interest

Pursuant to the acquisition, the Company has an obligation to acquire the non-controlling interest contingent on achievement of certain business milestones at a future date. The obligation has been accounted for as a liability in the consolidated financial statements on the acquisition date at its present value of ₹ 4 crore with a corresponding debit to other equity.

5. Loans

Particulars	As at March 31, 2026		As at March 31, 2025	
	Current	Non-current	Current	Non-current
Loan to UBHL and related entities (net of trademark fee payable of ₹ 206 crores)[refer note 41(A)(d)]	-	-	-	1,238
Loan to joint venture [refer note 37(b)(xiii) and (xiv)]	-	-	18	-
Loans to employees	1	-	2	-
Loan to others	-	-	2	-
	1	**-**	**22**	**1,238**
Less: Loss allowance				
Loan to UBHL and related entities [refer note 41(A)(d)]	-	-	-	(1,238)
	-	**-**	**-**	**(1,238)**
Total loans	**1**	**-**	**22**	**-**

Particulars	As at March 31, 2026	As at March 31, 2025
Details of securities/ categorisation of credit risk on loans		
Loans considered good- secured	-	20
Loans considered good- unsecured	1	2
Loans- credit impaired	-	1,238
Total	**1**	**1,260**
Less: Loss allowance	-	(1,238)
Total loans	**1**	**22**

Refer note 32 for information about financial risk management.

6 Other financial assets

Particulars	As at March 31, 2026		As at March 31, 2025	
	Current	Non-current	Current	Non-current
Balances with banks [refer note (i) below]	-	46	-	46
Term deposit with bank with remaining maturity period more than 12 months	-	208	-	273
Receivable from related parties [Refer note 37(c)(i)]	3	-	2	-
Receivable from Tie-up manufacturing units	29	3	60	7
Government grant	9	66	8	72
Security deposits	15	17	15	17
Other receivables [refer note (ii) below]	2	13	172	13
	58	**353**	**257**	**428**
Less: Loss allowance				
Receivable from Tie-up manufacturing units	-	(3)	-	(7)
Government grant	-	(17)	-	(15)
Security deposits	-	(10)	-	(9)
Other receivables	(1)	(12)	(1)	(13)
	(1)	**(42)**	**(1)**	**(44)**
Total other financial assets	**57**	**311**	**256**	**384**

Notes:

(i) Balances with banks comprise of:

(a) Deposit of ₹ 46 crores (2025: ₹ 46 crores) as at March 31, 2026 with a bank in suspense account (refer note 41(A)(e)).

(b) Represents bank deposits under lien in respect of bank guarantees provided to tax authorities are ₹ 0 crores (2025: ₹ 0 crores).

(ii) Other receivables includes cheques on hand of Nil (2025 : ₹ 170 crores which was encashed on April 2, 2025.)

Refer note 32 for information about financial risk management.

7. Deferred tax assets (net)

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax assets		
Allowance for doubtful receivable balances	71	65
Expenses allowed on payment basis	114	96
Accumulated capital losses	31	-
Impairment of investment in subsidiary	18	-
Lease liabilities	99	121
Others	46	24
	379	**306**
Deferred tax liabilities		
Difference between carrying amount and tax base of property, plant and equipment, investment properties and intangible assets	3	109
Right-of-use assets	92	114
Goodwill	18	-
	113	**223**
	266	**83**
Deferred tax assets (net)	284	155
Deferred tax liabilities (net)	18	72

Notes forming part of the Consolidated Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

Movement in deferred tax assets

Particulars	Doubtful receivable balances	Expenses allowed on payment basis	Carried forward tax losses and unabsorbed depreciation	Impairment of investment in subsidiary	Goodwill	Difference between carrying amount and tax base of property, plant and equipment, investment properties and intangible assets	Right-of-use assets	Lease liabilities	Others	Total
At March 31, 2024	71	86	0	11	-	(92)	(56)	60	24	104
(Charged) / credited:										
- to profit and loss	(6)	9	(0)	(11)	-	(17)	(58)	61	0	(22)
- to other comprehensive income	-	1	-	-	-	-	-	-	-	1
At March 31, 2025	65	96	0	-	-	(109)	(114)	121	24	83
(Charged) / credited:										
- to profit and loss	6	18	31	18	(18)	106	22	(22)	22	183
- to other comprehensive income	-	0	-	-	-	-	-	-	-	0
At March 31, 2026	71	114	31	18	(18)	(3)	(92)	99	46	266

Note: The Company has recognised deferred tax asset on brought forward capital loss which has been used to settle current tax on sale of a land which occurred during the year.

8. Income tax balances

Particulars	As at March 31, 2026	As at March 31, 2025
Current tax liabilities (net of advance tax of ₹ 585 crores (2025: ₹ 111 crores))	571	380
Current tax assets (Non-current) (net of provision for current tax of ₹ Nil (2025: ₹ 544 crores))	1,191	1,115

Note:

(a) The above balances include amounts paid under protest of ₹ 1,119 crores (2025: ₹ 1,191 crores) pertaining to various assessment years.

9 Other assets

Particulars	As at March 31, 2026		As at March 31, 2025	
	Current	Non-current	Current	Non-current
Capital advances (refer note (ii) below)				
Considered good	-	19	-	8
Balances with government authorities (refer note (i) below)				
Considered good	165	255	89	189
Considered doubtful	12	15	16	14
Advances to suppliers				
Considered good	90	-	79	-
Considered doubtful	-	82	-	82
Net surplus in gratuity plan [refer note 39(b)C]	-	-	-	21
Pre-paid expenses	138	-	138	-
	405	**371**	**322**	**314**
Less: Loss allowance	(12)	(97)	(16)	(96)
Total other assets	**393**	**274**	**306**	**218**

Notes:

(i) Balance with government authorities includes:

(a) ₹ 124 crores (2025: ₹ 124 crores) paid under protest in respect of disputed indirect tax matters; and

(b) ₹ 76 crores (2025 : ₹ 10 crores) paid under protest in respect of water charges (refer note 18)

(ii) Capital advances considered good includes an amount of ₹ 2 crores (2025 : ₹ 2 crores) being advance paid towards purchase of land pursuant to an "agreement to sell" entered by the Holding Company with the owners of the land. This matter is currently litigated at the High Court of Bombay.

10. Inventories

Raw materials and stores and spares, work in progress, stock-in-trade and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials and stock-in-trade comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.

Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Cost is computed on a weighted average basis. Excise duty, as applicable, is included in the valuation.

Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Particulars	As at March 31, 2026	As at March 31, 2025
Raw materials	844	647
[including materials in transit ₹ 135 crores (2025: ₹ 82 crores)]		
Work-in-progress [refer note (a) below]	538	534
Finished goods	768	695
[including goods in transit ₹ 96 crores (2025: ₹ 75 crores)]		
Stock-in-trade	341	252
[including goods in transit ₹ 202 crores (2025: ₹ 95 crores)]		
Packing materials	162	162
[including materials in transit ₹ 9 crores (2025: ₹ 3 crores)]		
Stores and spares	15	15
Total inventories	**2,668**	**2,305**

Notes:

(a) Inventories are net of provisions for inventories amounting to ₹ 89 crores (2025: ₹ 113 crores). Allowance for obsolete inventories (net) for the year amounting to ₹ (4) crores (2025: ₹ (2) crores) has been recognised as an (credit)/charge during the year and is included in cost of materials consumed and change in inventories of finished goods, work-in-progress and stock-in-trade in the Consolidated Statement of Profit and Loss.

(b) Inventories include inventory held by tie up manufacturing units amounting to ₹ 67 crores (2025: ₹ 74 crores).

11. Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflect the Group's unconditional right to consideration (that is, payment is due only on the passage of time).Trade receivables are recognised initially at the transaction price unless it contains a significant financing component, in which case it is recognised at fair value. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance. For trade receivables, the Group applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Notes forming part of the Consolidated Financial Statements

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(All amounts in ₹ crores unless otherwise stated)

Particulars	As at March 31, 2026		As at March 31, 2025	
	Current	Non-current	Current	Non-current
From contract with customers - related parties [refer note 37(c)(ii)]	-	-	-	-
From contract with customers - others	3,823	351	3,592	340
	3,823	**351**	**3,592**	**340**
Less: Loss allowance	(214)	-	(182)	-
Total trade receivables	**3,609**	**351**	**3,410**	**340**
Details of securities/ categorisation of credit risk of trade receivables				
Trade receivables considered good- unsecured	3,823	351	3,592	340
Total	**3,823**	**351**	**3,592**	**340**
Less: Loss allowance	(214)	-	(182)	-
Total trade receivables	**3,609**	**351**	**3,410**	**340**

Notes:

(a) Refer note 32 for information about financial risk management

Trade receivables ageing schedule is set-out below:

Particulars	As at March 31, 2026	As at March 31, 2025
Undisputed - considered good		
Unbilled dues	-	109
Not due	2,949	2,537
Less than 6 months	698	346
6 months -1 year	34	451
1-2 years	38	52
2-3 years	4	10
More than 3 years	35	28
Sub-total	**3,758**	**3,533**

Particulars	As at March 31, 2026	As at March 31, 2025
Disputed - considered good		
Unbilled dues	-	-
Not due	-	-
Less than 6 months	11	-
6 months -1 year	5	191
1-2 years	189	175
2-3 years	181	10
More than 3 years	30	23
Sub-total	**416**	**399**
Total	**4,174**	**3,932**
Less: Loss allowance	(214)	(182)
Total trade receivables	**3,960**	**3,750**

Notes forming part of the Consolidated Financial Statements

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(All amounts in ₹ crores unless otherwise stated)

12. Cash and cash equivalents

Cash and cash equivalents includes cash on hand and balances with banks and other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Highly liquid investments includes overnight and liquid mutual funds which the Group has intention to hold for very short period of time to manage day to day cashflow requirements.

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with banks		
In current account	126	80
Term deposits with original maturity of less than three months [refer note (a)]	312	354
Other cash equivalents		
Overnight and liquid mutual funds	402	599
Unpaid dividend accounts (earmarked)	19	295
Total cash and cash equivalents	**859**	**1,328**

Note:

(a) Includes ₹ 42 crores (2025 : ₹ 40 crores) being term deposit with banks held under lien

13. Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
In unpaid public deposit accounts [refer note (a) below]	0	0
Bank deposits due to mature within 12 months from the reporting date [refer note (b) below]	1,119	706
	1,119	**706**
Less : Loss allowance	(1)	(4)
Total bank balances other than cash and cash equivalents	**1,118**	**702**

Notes:

a) Includes ₹ 0 crores (2025: ₹ 0 crores) transferred to a separate non-interest bearing escrow account pertaining to unclaimed public deposits which had matured in earlier years and for which duly discharged deposit receipts were not received from deposit holders.

b) Includes ₹ 5 crores (2025: ₹ 5 crores) being term deposits with banks held under lien.

14. Equity share capital

Particulars	As at March 31, 2026	As at March 31, 2025
Authorised		
2,82,75,00,000 equity shares of ₹ 2/- each (2025: 2,82,75,00,000 equity shares of ₹ 2/- each)	565	565
17,37,00,000 preference shares of ₹ 10/- each (2025: 17,37,00,000 preference shares of ₹ 10/- each)	174	174
	739	**739**
Issued, subscribed and paid-up		
72,73,50,853 equity shares of ₹ 2/- each (2025: 72,73,50,853 equity shares of ₹ 2/- each) fully paid up	145	145
	145	**145**

Notes forming part of the Consolidated Financial Statements

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(a) Reconciliation of the number of shares outstanding

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	Amount	No. of shares	Amount
Balance at the beginning of the year	72,73,93,206	145	72,73,36,163	145
Add: Equity shares issued during the year	-	-	-	-
Balance at the end of the year	**72,73,93,206**	**145**	**72,73,36,163**	**145**

(b) Rights, preferences and restrictions attached to equity shares

The Holding Company has one class of equity shares having a face value of ₹ 2/- per share. Each holder of the equity shares is entitled to 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, except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, if any in proportion to their holdings.

(c) Shares held by USL's holding / ultimate holding company

Out of the equity shares issued by the Holding Company, shares held by USL's holding company are as below:

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	Amount	No. of shares	Amount
Diageo Relay B.V. (wholly owned subsidiary of Diageo Plc.) [refer note (i) below]	40,64,47,245	81	40,64,47,245	81
Total	**40,64,47,245**	**81**	**40,64,47,245**	**81**

(d) The Holding Company has not issued any shares for consideration other than cash during the period of five years immediately preceding the reporting date except for 7,12,138 shares allotted to the non-controlling shareholders of Pioneer Distilleries Limited (PDL) as a result of amalgamation during the year ended March 31, 2023.

(e) Details of shareholders holding more than 5% shares in the Holding Company

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	% of holding	No. of shares	% of holding
Diageo Relay B.V. [refer note (i) below]	40,64,47,245	55.88%	40,64,47,245	55.88%

(f) There are no shares reserved for issue under options and contracts / commitments for the sale of shares.

(g) There are no bonus shares issued or bought back during the period of five years immediately preceding the reporting date.

(h) Details of shares in the Holding Company held by subsidiaries, joint ventures or trusts controlled by Holding Company

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	% of holding	No. of shares	% of holding
USL Benefit trust [refer note (j) below]	1,72,95,450	2.38%	1,72,95,450	2.38%

(i) On December 20, 2013, the Honorable Karnataka High Court passed an order in the matter involving United Breweries (Holdings) Limited (UBHL) and its creditors and the Diageo Plc. setting aside an earlier leave order which permitted UBHL to sell 1,01,41,437 equity shares on ₹ 10 each (prior to the face value of the shares being split from ₹ 10 each to ₹ 2 each during the year ended March 31, 2019) in the Holding Company to Diageo Relay B.V. (formerly known as Relay B.V.), pending disposal of the winding up petitions against UBHL. On the above matter, UBHL and Diageo plc. have approached the Honorable Supreme Court by way of special leave petitions (SLPs) challenging the order of the division bench. Pending, disposal of the above SLPs, the Honorable Supreme Court has directed that status quo be maintained in respect of the above mentioned transaction of sale of shares to Diageo Relay B.V. Such shares are included in arriving at Diageo Relay B.V.'s shareholding in the Holding Company.

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(j) Investment as a sole beneficiary in USL Benefit Trust (the 'Trust') was made as per the terms of composite scheme of arrangement approved by the Honourable High Court of Karnataka and High Court of Bombay, upon amalgamating various companies with United Spirits Limited. The Trust has been established for the exclusive benefit of the Holding Company and holds 1,72,95,450 equity shares of ₹ 2 face value (2025: 1,72,95,450 equity shares of ₹ 2 face value) of the Holding Company. As per the terms of the aforesaid scheme of arrangement, the Group has carried this investment at the aggregate of book value as per the books of the concerned transferor companies. Also refer note 34(b) for assets pledged and note 41A(e).

(k) Disclosure of shareholding of promoters

Name of promoter	As at March 31, 2026		As at March 31, 2025		% change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
Diageo Relay B.V.	40,64,47,245	55.88%	40,64,47,245	55.88%	-
United Breweries Holdings Limited	55,55,265	0.76%	55,55,265	0.76%	-
Vijay Mallya	62,550	0.01%	62,550	0.01%	-
Vittal Investments Private Limited	1,56,350	0.01%	1,56,350	0.01%	-
Total	**41,22,21,410**	**56.66%**	**41,22,21,410**	**56.66%**	**-**

15. Reserves and surplus

Particulars	As at March 31, 2026	As at March 31, 2025
Capital reserve	568	568
Capital redemption reserve	70	70
Securities premium account	4,568	4,568
Treasury shares	(120)	(120)
Central subsidy	5	5
Share based incentive reserve	1	1
Foreign currency translation reserve	30	20
Contingency reserve	11	11
General reserve	1,041	1,041
Retained earnings	2,638	1,795
Total reserves and surplus	**8,812**	**7,959**

Nature and purpose of reserves:

a) **Capital reserve:** Created pursuant to a Scheme of Amalgamation between the Holding Company and SW Finance Co. Limited, sanctioned by the Honourable High Court of Karnataka and Honourable High Court of Bombay under the orders dated June 12, 2015 and August 28, 2015, respectively.

b) **Capital redemption reserve:** Capital Redemption Reserve is created for an amount equivalent to the nominal value of shares redeemed in earlier years by the Holding Company (including the erstwhile companies that were merged with the Holding Company through several schemes of amalgamations / mergers).

c) **Securities premium account:** Securities premium account is credited when shares are issued at premium. The balance is utilised in accordance with the provisions of the Act.

d) **Treasury shares:** Pursuant to the terms of composite scheme of arrangement approved by the Honourable High Courts of Karnataka and Bombay, upon amalgamating various companies with Holding Company, USL Benefit Trust (of which the Holding Company is the sole beneficiary) held 1,72,95,450 (post - split) shares in the Holding Company (own shares). As per the term of the aforesaid scheme of arrangement, the Holding Company has carried the aggregate value of such shares as per the books of the concerned transferor companies as investment in its Standalone Financial Statements. For the purpose of Consolidated Financial Statements such investment has been shown as treasury shares.

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(All amounts in ₹ crores unless otherwise stated)

e) **Central subsidy:** The balance is taken over on amalgamation of Shaw Wallace Distilleries Limited with the Holding Company during the year ended March 31, 2006 as per the terms of the arrangement approved by the Honorable High Courts of Karnataka and Bombay.

f) **Share based incentive reserve :** The share-based incentive reserve is used to recognise grant date fair value of Diageo Plc's share options issued under the Diageo Plc's share-based payment arrangement. Recharges under this arrangement are debited to this reserve.

g) **Foreign currency translation reserve:** Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income and accumulated in this separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment in a foreign operation is disposed off.

h) **Contingency reserve:** The balance is taken over on amalgamation of McDowell Spirits Limited with the Holding Company during the year ended March 31, 2001 as per the terms of the arrangement approved by the Honorable High Court of Karnataka.

i) **General reserve:** The general reserve is created by way of transfer of profits from retained earnings for appropriation purposes. This reserve is utilised in accordance with the provisions of the Act.

j) **Retained earnings:** Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

16. Borrowings

Particulars	Maturity date	Terms of repayment	Coupon/ interest rate	As at March 31, 2026	As at March 31, 2025
Current					
Unsecured					
Working capital loans from bank [refer note (a) below]	Payable on demand	Payable on demand	8.5% p.a.	6	-
Total				6	-
Add: Current maturities of deferred sales tax liability				-	-
Total current borrowings				6	-
Total borrowings				6	-

Notes:

a) Loan from bank: The Group had obtained working capital loans from bank (ICICI bank)at an interest rate ranging from 7.95% to 8.5%.

b) Net debt reconciliation

(i) Net debt summary:

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
Current borrowings	16	6	-
Lease liabilities	3.2	407	480
Total debt		413	480
Less: Cash and cash equivalents	12	859	1,328
Net debt/ (cash)		(446)	(848)

(ii) Movements in net debt:

Particulars	Lease liabilities	Working capital loans	Cash and cash equivalents	Net debt
Net debt/ (cash) as on April 1, 2024	240	25	(1,052)	(787)
Acquisition- leases (net)	377	-	-	377
Net proceeds from / (repayment of) borrowings	-	(25)	-	(25)
Interest expense (refer note 28)	40	-	-	40
Interest paid	(40)	-	-	(40)
Principal lease payments	(137)	-	-	(137)
Repayment of debt	-	-	-	-
Cash outflows / (inflows)	-	-	(276)	(276)
Net debt/ (cash) as at March 31, 2025	480	-	(1,328)	(848)
Acquisition- leases (net)	71	-	-	71
Net proceeds from / (repayment of) borrowings	-	6	-	6
Interest expense (refer note 28)	37	-	-	37
Interest paid	(37)	-	-	(37)
Principal lease payments	(144)	-	-	(144)
Repayment of debt	-	-	-	-
Cash outflows / (inflows)	-	-	469	469
Net debt/ (cash) as at March 31, 2026	407	6	(859)	(446)

17. Other financial liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Current		
Unpaid / unclaimed dividends (refer note (a) and (b) below)	19	4
Dividend payable	-	284
Deferred consideration payable	11	-
Others		
Due to Tie-up manufacturing units	47	17
Capital creditors	19	24
Employee benefits payables	110	108
Others	67	40
Total other financial liabilities	273	477

Note:

(a) As at March 31, 2026 no balance is due to be transferred to IEPF (2025: Nil)

(b) The Company had received orders from two authorities, whereby the Company has been directed not to pay/ release amounts that may be payable with respect to shares held by certain promoters. Accordingly, the Company has withheld payment of dividend on such shares.

Notes forming part of the Consolidated Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

18. Provisions

Particulars	As at March 31, 2026		As at March 31, 2025	
	Current	Non-current	Current	Non-current
Employee benefits				
Compensated absences [refer note (iii) below]	47	-	38	-
Gratuity	-	27	-	-
Share appreciation rights [refer note 35]	17	14	10	16
Provision for indirect tax and other legal matters [refer note (a), (i) and (ii) below]	436	-	327	-
Total provisions	**500**	**41**	**375**	**16**

Notes:

(a) Movement in provisions for indirect taxes and other legal matters :

Description	As at April 1, 2025	Additions/ (amounts written back)	Amounts utilised	As at March 31, 2026
Indirect taxes and other legal matters [refer (i) and (ii) below]	327	116	(7)	436

Notes :

(i) Provision for indirect tax and other legal matters includes provision for water charges in the State of Maharashtra. The Company has received a demand raised by Water Resources Department, State of Maharashtra levying charges at a higher rate along with penalties for the period from November 2018 to February 2026. The Company has filed a Writ Petition challenging the demand before the High Court of Bombay (Aurangabad Bench), which is pending. The Company also assailed an interim order of the High Court by filing a Special Leave Petition (SLP) before the Supreme Court which disposed of the SLP inter alia directing USL to make an interim deposit in a time bound manner. Based on a legal opinion obtained, Management has determined that the provision recorded in the books represents probable cash outflows on account of additional water charges. Any further cash outflows in addition to the provision amount on account of this matter are considered remote.

(ii) Provision is made for probable cash outflow arising out of pending or potential indirect tax disputes / litigations. It is not practicable for the Group to estimate the timing of the cash outflows, if any, in respect of the above, pending resolution of respective proceedings. Refer note 9 for payments made under protest in respect of indirect tax and other legal matters.

(iii) The entire amount of provision for compensated absences is presented as current, since the Group does not have an unconditional right to defer settlement of these obligations beyond a period of 12 months from the Consolidated Balance Sheet date. However, based on past experience, the Group does not expect all employees to avail the full amount of accrued leave or require payment within the next 12 months. The amount of compensated absences not expected to be settled within next 12 months amounts to ₹ 38 crores (2025: ₹ 31 crores).

19 Trade payables

Particulars	As at March 31, 2026	As at March 31, 2025
Dues to micro and small enterprises	142	75
Dues to creditors other than micro and small enterprises		
Dues to related parties [refer note 37(c)(iii)]	581	353
Others	1,660	1,811
	2,241	**2,164**
Total trade payables	**2,383**	**2,239**

Notes forming part of the Consolidated Financial Statements

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(All amounts in ₹ crores unless otherwise stated)

Particulars		As at March 31, 2026	As at March 31, 2025
(i)	**Undisputed dues - micro and small enterprises**		
	Unbilled	26	14
	Not due	107	53
	Less than 1 year	8	8
	1-2 years	1	0
	2-3 years	0	0
	More than 3 years	0	-
	sub-total	**142**	**75**
(ii)	**Undisputed dues - others**		
	Unbilled	1,103	1,234
	Not due	837	752
	Less than 1 year	295	165
	1-2 years	1	4
	2-3 years	2	4
	More than 3 years	3	5
	sub-total	**2,241**	**2,164**
	Total	**2,383**	**2,239**

(iii) Supplier Financing Arrangement

The Group has entered into a supplier financing arrangement with a third-party finance provider (the Financing Institution). This arrangement allow suppliers to receive early payment for their invoices through the financing institution. The Financing Institution pays the supplier early at a discounted rate, and the Group settles the outstanding balance directly with the Financing Institution at the contractual due date agreed with the vendors.

Key terms and conditions of the arrangement are:

- The holding company submits all the invoices of suppliers under the supplier financing arrangement for early settlement with the Financing Institution on receipt of invoice
- The Financing institution pays the supplier within 2 days from submission.
- The Group pays the Financing institution on the actual due date of the contractual due date agreed with the vendors. The Group does not obtain any extended credit terms from the financing institution beyond the contractual due date agreed with the vendors.
- The cost of financing are negotiated by the suppliers with the Financing institution and is borne by the suppliers.

Particulars	As at March 31, 2026	As at March 31, 2025
Carrying amount of trade payables that are part of a supplier finance arrangement presented in trade and other payable:		
- Liabilities under supplier finance arrangement	175	NA*
- of which suppliers have received payment from the finance provider	155	NA*
Range of payment due dates		
- Liabilities under supplier finance arrangement	30-90 days after invoice receipt date	NA*
- Comparable trade payables that are not part of the supplier finance arrangement (same line of business)	Upto 90 days after invoice receipt date	NA*

* The Group has not provided comparative information in respect of the amendments to Ind AS 7 and Ind AS 107 relating to supplier finance arrangements, as it has applied the transitional relief available on initial adoption of these amendments, which allows entities not to present comparative disclosures for prior period.

Notes forming part of the Consolidated Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

There were no material business combinations or foreign exchange differences that would affect the liabilities under the supplier finance arrangement in either period.

The carrying amounts of liabilities under the supplier finance arrangement are considered to be reasonable approximations of their fair values, due to their short-term nature.

20. Other current liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Contract liabilities [refer note below]	12	132
Statutory liabilities	318	429
Liability for taxes on closing inventory (net of prepaid taxes)	656	544
Total other current liabilities	**986**	**1,105**

Note:

The Group has made sales and has recognised revenue amounting to ₹ 132 crores (2025: ₹ 39 crores) during the year from advance from customers outstanding as at the beginning of the year. It expects to recognise revenue within the next financial year for closing balance of advance from customers as at year end.

21. Revenue from operations

Revenue comprises revenue from contracts with customers for sale of goods and income from brand franchisee royalties receivable. Revenue from sale of goods is inclusive of excise duties, as applicable, and is net of returns, trade allowances, rebates, value added taxes and such amounts collected on behalf of third parties.

Revenue is recognised as and when performance obligations are satisfied by transferring goods or services to the customer, as below:

a. Revenue from sale of products:

Revenue is recognised on transfer of control, being on dispatch of goods or upon delivery to customer, in accordance with the terms of sale.

b. Revenue from manufacture and sale of products from tie-up manufacturing arrangements:

The Group has entered into arrangements with Tie-up Manufacturing Units (TMUs), where-in TMUs manufacture and sell beverage alcohol on behalf of the Group. Under such arrangements, the Group has exposure to significant risks and rewards in such arrangements i.e. it has the primary responsibility for providing goods to the customer, has pricing latitude and is also exposed to inventory and credit risks. The Group is considered to be a principal in such arrangements with TMUs. Accordingly, the transactions of the TMUs under such arrangements have been recorded as gross revenue, excise duty and expenses as if they were transactions of the Group. The Group presents inventory held by the TMUs under such arrangements as its own inventory. The net receivables from/ payable to TMUs are recognised under other financial assets/ other financial liabilities respectively.

c. Income from brand franchise arrangements:

Revenue in respect of fixed income brand franchise arrangements is recognised proportionately in each period. Income from variable franchise arrangements is recognised based on the terms of the respective contracts upon sale of products by the franchisees.

d. Revenue from BCCI-IPL and WPL franchise arrangements (Refer Note 42):

One of the principal activity of the Group is that of a franchisee playing in the cricket leagues organised by the Board of Control for Cricket in India (BCCI). The Group has determined that it is a principal in all its revenue contracts. Revenue is measured at the amount of transaction price based on the consideration received or receivable as per the contracts with customers.

The revenues from BCCI-IPL and WPL franchise arrangements can be broadly categorised into 'Central rights revenue' earned from BCCI participating in the cricket leagues, and sponsorship revenue and other commercial revenue earned from exploiting the franchisee rights:

Central Rights revenue – The Group considers BCCI as its customer in relation to Central rights revenue, which represents the revenue earned by the Group for participating in cricket leagues. Central rights revenue is by specific agreements with BCCI. The Company receives a share of the net receipts of each season earned by BCCI for participating in the cricket leagues, Central rights revenue for each league season is recognised on an estimated basis, to the extent it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Such revenue is pro-rated for matches played during the year as against the total number of matches playable for the season.

The Group earns play-off revenue from BCCI when it qualifies for additional matches (based on the league ranking) in the cricket league. Play-off revenue is recognised when such matches are played.

Commercial revenue earned from exploiting the franchisee rights:

- Sponsorship and other similar revenue is recognised over the league season, based on number of matches played and terms of contracts with the customers.
- Royalty and licensing revenue is received from customers for usage of the Group's brand name. Revenue is recognised over time based on the terms of contracts with the customers.
- Revenue from sale of tickets for home league matches and events is recognised as and when the matches are played and events are conducted.
- Fee received for transfer of players to another franchisee is recognised when the Group transfers control of rights on the player."

Sponsorship income, royalty and licensing fee – The Group receives sponsorship revenue for displaying sponsor's logo/ brand on the players jersey, company website etc. Royalty and licensing revenue is received from customers for usage of RCB brand name, RCB logo, player photograph etc. Revenue from sponsorship and royalty and licensing contracts are recognised over the period of IPL/WPL league season, based on number of matches played, which corresponds with the period of service.

Estimates of revenues, costs or extent of progress towards completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues are reflected in the Consolidated Statement of Profit and Loss in the period in which the circumstances that give rise to the revision become known to the management.

Contract assets are in the nature of unbilled receivables where the Group has partially satisfied the performance obligation and hence does not have an unconditional right to consideration. Where the Group has an obligation to transfer goods or services to a customer for which the Group has received consideration from the customer in advance, a contract liability is recognised.

The Group does not have any contracts where the period between the transfer of the promised services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

If the services rendered by the Group exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from contracts with customers:		
Sale of products (including excise duty)	27,667	26,640
Revenue from brand franchise arrangements	97	84
	27,764	**26,724**
Other operating revenue:		
Sales of scrap and by-products	45	42
Miscellaneous	7	14
	52	**56**
Total revenue from operations	**27,816**	**26,780**

Notes forming part of the Consolidated Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

Notes:

(d) Reconciliation between contract price and revenue recognised

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Contract price	29,416	28,363
Less: Items offset against revenue from customers as required by Ind AS 115	(1,652)	(1,639)
Revenue from contracts with customers	**27,764**	**26,724**

(e) Disaggregation of revenue and payments made to customers:

(I) At Group level :

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Categories of sale of products		
Prestige and above	11,152	10,270
Popular	1,118	1,121
Others	145	126
Add: Excise duty collected from customers	15,349	15,207
	27,764	**26,724**

22. Other income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest income on term deposits and investments held at amortised cost	79	59
Interest income on direct and indirect tax refunds	241	47
Profit on sale of investments		
Interest income from loan to a joint venture held at amortised cost [refer note 37(b)(iii)]	1	1
Gain on disposal of property, plant and equipment (net)	22	99
Profit on redemption of mutual fund units	77	67
Increase in fair value of current investments (net)	31	16
Bad debts / advances recovered	-	1
Miscellaneous income	27	35
Total other income	**478**	**325**

23. Cost of materials consumed

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Raw materials	3,851	3,315
Packing materials	2,156	2,128
Total cost of materials consumed	**6,007**	**5,443**

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24. Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening inventory:		
Finished goods	694	500
Work-in-progress	534	636
Stock-in-trade	252	266
Total opening balance (A)	**1,480**	**1,402**
Closing inventory:		
Finished goods	768	694
Work-in-progress	538	534
Stock-in-trade	341	252
Total closing balance (B)	**1,647**	**1,480**
Increase / (decrease) in excise duty on finished goods (net) (C)	26	168
Total changes in inventories of finished goods, work-in-progress and stock-in-trade (A-B+C)	**(141)**	**90**

25. Employee benefits expense

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries, wages and bonus	534	527
Contribution to provident and other funds [refer note 39(a)]	26	21
Defined benefit plan expense [refer note 39(b)D and note 47 (iii)]	10	6
Share based payment expense [refer note 35]	22	17
Staff welfare expenses	43	38
Total employee benefits expense	**635**	**609**

26. Depreciation and amortisation expense

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation / impairment of property, plant and equipment (refer note 3.1 & 3.5)	126	114
Depreciation of right-of-use assets (refer note 3.2)	145	147
Amortisation of intangible assets (refer note 3.4)	18	13
Total depreciation, amortisation and impairment expense	**289**	**274**

27. Other expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Sub-contracting charges	79	79
Power and fuel	20	19
Rent [refer note 3.2]	263	245
Repairs and maintenance	62	65
Rates and taxes	181	151
Travel and conveyance	55	48
Legal and professional	147	111

Notes forming part of the Consolidated Financial Statements

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(All amounts in ₹ crores unless otherwise stated)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Auditor's remuneration (refer note a below)	8	7
Freight and sales distribution charges	466	433
Royalty [refer note 37(b)(vii)]	20	12
Sitting fee	1	1
Commission	3	3
Allowance for trade receivables, other financial assets and other assets (net)	33	(9)
Expense towards corporate social responsibility	31	25
Miscellaneous expenses	208	196
Total other expenses	**1,577**	**1,386**

Note:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Auditor's remuneration*		
Statutory audit	3	3
Quarterly reviews	1	1
Certifications	0	0
Other assurance related services	4	3
Total payment to auditors	**8**	**7**

* Excluding goods and services tax

28. Finance costs

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest expense on lease liabilities (refer note 3.2)	37	40
Interest others	121	49
Total finance costs	**158**	**89**

29. Exceptional items (net)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Profit on sale of business undertaking	28	-
(b) Supply restructuring cost	(36)	(65)
(c) Voluntary separation scheme	(15)	-
(d) Impact of new Labour Codes on employee benefit provisions	(49)	-
(e) Impairment loss recognised on buildings, plant and equipment at a manufacturing facility	(19)	-
Total exceptional items (net) {refer note 47}	**(91)**	**(65)**

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30. Reconciliation of tax expense and accounting profit multiplied by India's tax rate

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profits before income tax expense	2,394	2,135
Tax calculated at the statutory rate applicable to the Holding Company	633	573
Tax effects of amounts which are not deductible / (taxable) in calculating taxable income:		
- Tax deduction for dividend received from subsidiary	(26)	(30)
- Unrecognised short term capital losses utilised against profit on redemption of mutual funds	(6)	(2)
- Expenses disallowed for tax purposes	24	9
- Deferred tax on impairment of investment in a subsidiary	(18)	-
- Deferred tax on accumulated Long term capital loss	(31)	-
- Provision/(reversal) of income taxes relating to prior years	(5)	(1)
- Reversal of deferred tax asset on removal of indexation benefit on land	18	11
- Unrecognised long term capital losses utilised against profit on sale of business undertaking	(15)	-
- Deferred tax on legal expenses incurred on asset held for sale	(2)	-
- Others	(16)	(7)
- Tax expense for discontinued operation	(46)	(48)
Income tax expense as per Consolidated Statement of Profit and Loss	**510**	**505**
(a) Tax losses		
Unused tax losses for which no deferred tax asset has been recognised (refer notes below)	158	451
Potential tax benefit at rates applicable in the country concerned	39	104

Note:

a) Deferred income tax assets has been recognized on long term capital losses aggregating to ₹ 214 crores (2025: Nil) as it is now virtually certain that long term capital gains would be available in the foreseable future to offset such losses.

b) During the Income Tax Return for FY 2024-25, capital losses amounting to ₹ 84 crore were utilised. In the current FY 2025-26, ₹ 92 crore is proposed to be utilised, and the balance of ₹ 214 crore is scheduled to be utilised in FY 2026-27.

c) As at March 31, 2026, deferred income tax assets has not been recognised on long term capital losses amounting to ₹ 158 crores (2025: ₹ 451 crores) as it is not probable that long term capital gains would be available in the foreseable future to offset such losses.

31. Earnings per share

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Continued Operations:		
Nominal value of equity shares (₹)	2/-	2/-
(a) Profits attributed to the owners of the Holding Company	1,709	1,445
(b) Weighted average number of equity shares used as denominator	71,00,55,403	71,00,55,403
- Issued/paid up share capital	71,00,55,403	71,00,55,403
(c) Basic and diluted earnings per share (₹)	24.07	20.35
Discontinued Operations:		
(a) Profits attributed to the owners of the Holding Company	129	137
(b) Weighted average number of equity shares used as denominator	71,00,55,403	71,00,55,403
- Issued/paid up share capital	71,00,55,403	71,00,55,403
(c) Basic and diluted earnings per share (₹)	1.82	1.93

Notes:

(a) There are no dilutive equity shares in the Holding Company.

(b) In calculating the weighted average number of outstanding equity shares during the year, Holding Company has reduced the own shares held by USL Benefit Trust (of which Holding Company is the sole beneficiary), as the investment in the said Trust has been accounted as per the Scheme approved by courts. [refer note 14(h)]

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(All amounts in ₹ crores unless otherwise stated)

32. Financial risk management

The Group's activities exposes it to credit risk, liquidity risk and market risk. This note explains the sources of risk which the entity is exposed to and how the Group manages the risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, deposits with banks, mutual fund, trade receivables, loans and other financial assets measured at amortised cost	Ageing analysis and review of receivables and other financial assets	Diversification of bank deposits, review of mutual fund schemes and its underlying exposure, monitoring of credit limits and assessment of recoverability of loans to other counterparties
Liquidity risk	Borrowings and other financial liabilities	Rolling cash flow forecasts	Investment in highly marketable and liquid investments and availability of committed credit lines
Market risk – interest rate	Other deposits with banks and debt mutual funds	Sensitivity analysis of interest rates	Monitoring of changes in interest rates
Market risk – foreign exchange risk	Primarily represented by receivables and payables towards export and imports, respectively	Forecast of highly probable foreign currency cash flows	Monitoring of changes in foreign exchange rates
Market risk – price risk	Investment in mutual fund, compulsorily convertible preference shares(CCPS)	Market available information, valuation using of future cash flows	Group reviews its investments at regular intervals in order to minimize price risk arising from investments in mutual fund.

The Group's financial risk management is carried out by treasury department under policies approved by the Board of Directors ("the Board"). Corporate treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's other functions. The Board sets written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk and credit risk.

(A) Credit risk

Credit risk management

Trade receivables:

The Group's credit policy provides guidance to keep the risk of credit sales within an acceptable level. The Group's management monitors (at customer group and non-group level) and reviews credit limits, overdue trade receivables, provisioning and write-off of credit impaired receivables.

Trade receivables are unsecured and are derived from revenues earned from two main classes of customers, receivables from sales to government corporations/ government owned entities and receivables from sales to private third parties.

Receivables from government corporations/ government owned entities amounted to ₹ 2,705 crores (65%) (2025: ₹ 2,311 crores (59%)) and receivable from sales to private customers amounted to ₹ 1,469 crores (35%) (2025: ₹ 1,621 crores (41%)) respectively, of total trade receivables, on the reporting date.

The Group determines allowances for expected credit losses separately for different categories of customers using age-based provision matrix.

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Movement in loss allowances for trade receivables is provided below:

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	182	173
Loss allowance (net)	36	6
Write offs/ adjustments	(4)	3
Balance at the end of the year (refer note 11)	**214**	**182**

Expected credit loss ageing schedule is given below:

Particulars	As at March 31, 2026		As at March 31, 2025	
	Rate	Amount	Rate	Amount
Not due	0%	2	0%	1
Less than 3 months	0-2%	3	0-2%	3
3 months - 6 months	0-12%	4	0-6%	1
6 months -1 year	0-31%	3	0-30%	1
1-2 years	0-65%	9	0-42%	9
2-3 years	75-100%	22	79-100%	18
More than 3 years	100%	58	0%	51
Sub total (A)		**101**		**84**
Specific cases (B)		113		98
Total (A+B)		214		182

Loans and other financial assets:

'Other financial assets' includes balances with banks, receivable from Tie-up manufacturing units, government grants, security deposits and other receivables. Loans includes loans to a joint venture, employees, others and interest accrued on such loans.

The Group recognises allowances using expected credit loss method on Other financial assets. Such allowances are measured considering either 12-month expected credit loss approach or life time credit loss approach, based on management's assessment of credit risk. Assets are written-off where there is no reasonable expectation of recovery. Where the loans or receivables are written-off the Group continues to engage in enforcement activity to attempt to recover the amounts due. Where recoveries are made, these are recognised in profit or loss.

Movement in loss allowances for financial assets other than for trade receivables during the reporting period is provided below:

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	1,283	1,302
Loss allowance recognised:		
Included in the Consolidated Statement of Profit and Loss	3	(8)
Write offs/ adjustments [refer note 41(A)(d)]	(1,243)	(11)
Balance at the year end (refer note 5 and 6)	**43**	**1,283**

Management has assessed credit risk for balances with banks, investments in mutual funds, other financial assets and loans as at year ended March 31, 2026. Basis this assessment management has determined that no provision for expected credit loss is required, other than those already provided in these consolidated financial statements.

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(B) Liquidity Risk

The Group monitors daily and monthly rolling forecasts of the liquidity position and cash and cash equivalents on the basis of expected cash flows. Generally, any short-term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in bank deposits, debt mutual funds and other highly rated corporate debentures to optimise the cash returns on investments guided by the tenets of safety, liquidity and returns.

As disclosed in note 19 (iii), the Group has entered into a supplier finance arrangement. The Group has no significant concentration of liquidity risk with any individual finance provider.

Financing arrangements

The Group has access to the following undrawn unsecured borrowing facilities as at end of the reporting period:

Particulars	As at March 31, 2026	As at March 31, 2025
Floating rate		
Cash credit/ working capital loans	897	1,118

The above facilities may be drawn at any time and such borrowings are repayable on demand.

Maturities of financial liabilities

The maturity profile of the Group's financial liabilities based on the remaining period from the date of balance sheet to the contractual maturity date is given in the table below. The figures reflect the contractual undiscounted cash obligation of the Group.

March 31, 2026

Particulars	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Lease liabilities	33	33	61	78	145	111	461
Trade payables	2,383	-	-	-	-	-	2,383
Other financial liabilities	273	-	-	-	-	-	273
Borrowings	6	-	-	-	-	-	6
Total liabilities	**2,695**	**33**	**61**	**78**	**145**	**111**	**3,123**

March 31, 2025

Particulars	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Lease liabilities	46	46	91	119	161	156	619
Trade payables	2,239	-	-	-	-	-	2,239
Other financial liabilities	477	-	-	-	-	-	477
Total liabilities	**2,762**	**46**	**91**	**119**	**161**	**156**	**3,335**

(C) Interest rate risk

Interest rate risk arises due to uncertainties about the future market interest rate on investments.

Treasury activities, focused on managing investments in debt instruments, are centralised and administered under a set of approved policies and procedures guided by the tenets of safety, liquidity and returns. This ensures that investments are made within acceptable risk parameters after due evaluation. The Group's investments are predominantly held in fixed deposits and mutual funds.

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The Group invests in debt mutual fund schemes of leading fund houses. Such investments are susceptible to market price risks that arise mainly from changes in interest rate which may impact the return and value of such investments. However, given the relatively short tenure of underlying portfolio of the mutual fund schemes in which the Group has invested, such price risk is not significant.

In addition to debt mutual funds, the Group invests in term deposits with banks. The term deposits carry a fixed-coupon rate and are majority of the term deposits are for a term not exceeding 12-months from the Balance Sheet date and such deposits are carried at amortised cost. Accordingly, interest rate risks is not significant.

(D) Foreign exchange risk

The Group is exposed to foreign exchange risk arising from foreign currency transactions and balances, primarily with respect to the USD and GBP. Foreign Exchange risk arises from future commercial transactions and monetary assets and liabilities denominated in a currency that is not the functional currency of the Holding Company or its subsidiaries. The risk is measured through a forecast of highly probable foreign currency cash flows.

Foreign currency risk management

The Group's risk management policy is to assess the Group's net exposures which is mainly represented by receivables and payables towards exports and imports respectively and represented by receivables and payables extended in foreign currencies.

The Group can hedge its net exposures with a view on forex outlook. Since the net exposure is currently not material, foreign currency risk has not been hedged.

Foreign currency risk exposure

The Group's exposure to foreign currency risk at the end of the reporting period expressed in ₹ crores is as follows:

Particulars	As at March 31, 2026						
	USD	GBP	EURO	SGD	MXN	AUD	Total
Financial assets							
Cash and cash equivalents	0	0	0	-	-	-	0
Other financial assets	1	1	2	-	-	-	4
Trade receivables	23	1	-	-	-	-	24
Exposure to foreign currency risk (assets)	**24**	**2**	**2**	**-**	**-**	**-**	**28**
Financial liabilities							
Trade payables	8	32	-	6	0	0	46
Other financial liabilities	-	-	-	-	-	-	-
Exposure to foreign currency risk (liabilities)	**8**	**32**	**-**	**6**	**0**	**0**	**46**
Net exposure assets/(liabilities)	**16**	**(30)**	**2**	**(6)**	**(0)**	**(0)**	**(18)**

Particulars	As at March 31, 2025						
	USD	GBP	EURO	SGD	MXN	AUD	Total
Financial assets							
Cash and cash equivalents	0	0	0	-	-	-	0
Other financial assets	0	1	1	-	-	-	2
Trade receivables	27	-	-	-	-	-	27
Exposure to foreign currency risk (assets)	**27**	**1**	**1**	**-**	**-**	**-**	**29**
Financial liabilities							
Trade payables	8	8	-	2	0	0	18
Other financial liabilities	-	-	-	-	-	-	-
Exposure to foreign currency risk (liabilities)	**8**	**8**	**-**	**2**	**0**	**0**	**18**
Net exposure assets/(liabilities)	**19**	**(7)**	**1**	**(2)**	**(0)**	**(0)**	**11**

Note:

a) A reasonable possible fluctuation in foreign exchange rates are not expected to have a material effect on the profit/ loss.

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(E) Price risk

a) **Mutual funds:** Group reviews its investments at regular intervals in order to minimize price risk arising from investments in mutual Funds. In accordance with the investment policy the Group invests in the liquid, overnight and money market mutual fund schemes which are not subject to significant changes in price. However, given the relative tenure of the underlying portfolio of the mutual fund schemes in which the company has invested, such price risk is not significant.

32 Capital management

a. Risk management

The Group's objectives when managing capital is to:

a) have a balanced financial profile from short term (1 year) to mid-term (3 years) for sustainable leverage, providing;

- Headroom for future growth / expansion
- Financial flexibility in case of adverse business cycles

b) ensure the capital structure is at competitive advantage when compared to peers and other sector players through:

- Diversification of funding sources to manage liquidity and rollover risk
- Financial flexibility in case of adverse business cycles

Net debt to equity ratio:

Particulars		As at March 31, 2026	As at March 31, 2025
Total debt including lease liabilities	(a)	413	480
Cash and cash equivalents	(b)	859	1,328
Net debt/ (cash)	(c) = (a) - (b)	(446)	(848)
Total equity	(d)	8,953	8,104
Net debt to equity ratio	**(c) / (d)**	**NA**	**NA**

As at March 31, 2025, the Group has no external borrowings and debt represents lease liabilities.

b. Dividends

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
(i)	**Equity shares**		
	Interim dividend of ₹ 6 (2025 - ₹ 4) per fully paid share	426	284
(ii)	**Dividends not recognised at the end of the reporting period**		
	In addition to the above dividends, subsequent to the year end, the directors have recommended the payment of a final dividend of ₹ 11 (2025: ₹ 8) per fully paid equity share. This proposed dividend for current year is subject to the approval of shareholders in the ensuing annual general meeting.	781	568

The Holding Company had received orders from two authorities, whereby the Holding Company was directed not to pay dividends in respect of shares held by certain promoters. Accordingly, the Holding Company has withheld dividends amounting to ₹ 1 crore.

34. Assets pledged as security

(a) In respect of secured loans from banks ('lenders') obtained and repaid during earlier years, the Holding Company has in most cases obtained no objection letters from lenders for the release of the hypothecation/ mortgage and have filed the necessary forms with Ministry of Corporate Affairs ("MCA") to reflect the release of such charge in MCA's records. In a few remaining cases, the Holding Company is in the process of securing no objection letters from the lenders. As there are no secured loans outstanding as at March 31, 2026 no assets have been shown as hypothecated/ mortgaged as at March 31, 2026.

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(b) Further the following assets have been pledged with a bank with whom the Holding Company is involved in a litigation [refer note 41(A)(e)]

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
First charge			
Freehold land	3.1 & 3.5	118	118
Buildings	3.1 & 3.5	14	14
Leasehold land	3.1 & 3.5	4	4
Plant and equipment	3.1	0	0
Investment as a sole beneficiary in USL Benefit Trust		120	120
Total assets pledged as security		**256**	**256**

35. Share based payments

Diageo Plc. share based plans

Diageo Plc. (Ultimate holding company) runs various equity settled share based plans such as Discretionary Incentive Plan (DIP), Performance Share Plan (PSP), and Senior Executive Share Option Plan (SESOP) for qualifying employees of the Holding Company. Vesting under these plans is subject to conditions such as continuity of employment and achievement of certain other performance factors.

The charge for the year in respect of such plans included in employee benefits expense amounted to ₹ 2 crores (2025: ₹ 5 crores).

Share Appreciation Rights (SAR)

The India SAR Plan creates an opportunity to link the employees' reward to Holding Company's share price performance. Under this plan, Group grants stock appreciation rights (based on USL share price on the date of grant) to qualifying employees. Cash pay-out equivalent to the value of the Holding Company's share will be made at the end of three years from the date of grant (the vesting period).

Details of SAR plans outstanding as at March 31, 2026 are as follows:

Grant Year	No. of units outstanding as at March 31, 2026	Average vesting Period	Range of the expected settlement price (₹ per unit)
FY 2023-24	1,11,894	3 years	1781 to 1,815
FY 2024-25	1,18,645		1,350 to 1,651
FY 2025-26	1,25,801		1,731 to 1,731

The following table illustrates the movement in the number of SAR units during the year:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
	No. of units	No. of units
Outstanding at the beginning of the year	3,91,674	5,98,721
Granted during the year	1,25,801	1,45,056
Forfieted during the year	(79,943)	(1,78,696)
Exercised during the year	(81,192)	(1,73,407)
Outstanding at the end of the year	**3,56,340**	**3,91,674**

The fair value of the SARs is determined using the Black-Scholes model using the following inputs at the grant dates and as at each reporting date:

Particulars	As at March 31, 2026	As at March 31, 2025
Expected volatility (%)	23.22%	25.39%
Risk-free interest rate (%)	5.82%	6.55%

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As at March 31, 2026 outstanding SARs are 3,56,340 (2025: 3,91,674). Refer below for movement in provision for SAR:

Particulars	Notes	Amount
Provision as at April 1, 2024		**44**
Charge for the year	25	12
Payout during the year		(30)
Provision as at March 31, 2025	18	**26**
Charge for the year	25	20
Payout during the year		(15)
Provision as at March 31, 2026	18	**31**

Provision as at the year-end classified as:

Particulars	As at March 31, 2026	As at March 31, 2025
Current	17	10
Non-current	14	16
Total	**31**	**26**

36. Financial instruments:

Financial instrument by category:

Particulars	As at March 31, 2026			
	Amortized Cost	Fair Value through Profit and Loss	Fair Value through Other comprehensive income	Total
Financial assets:				
Liquid mutual fund units (refer note 4.2(ii))	-	1,157	-	1,157
Loans (refer note 5)	1	-	-	1
Other financial assets (refer note 6)	368	-	-	368
Trade receivables (refer note 11)	3,960	-	-	3,960
Cash and cash equivalents (refer note 12)	457	402	-	859
Bank balance other than cash and cash equivalents (refer note 13)	1,118	-	-	1,118
Total	**5,904**	**1,559**	**-**	**7,463**
Financial liabilities:				
Borrowings (refer note 16)	6	-	-	6
Other financial liabilities (refer note 17)	273	-	-	273
Trade payables (refer note 19)	2,383	-	-	2,383
Total	**2,662**	**-**	**-**	**2,662**

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Particulars	As at March 31, 2025			
	Amortized cost	Fair value through profit and loss	Fair value through other comprehensive income	Total
Financial assets:				
Liquid mutual fund units (refer note 4.2(ii))	-	773	-	773
Treasury bills (refer note 4.2(ii))	100	-	-	100
Loans (refer note 5)	22	-	-	22
Other financial assets (refer note 6)	640	-	-	640
Trade receivables (refer note 11)	3,750	-	-	3,750
Cash and cash equivalents (refer note 12)	729	599	-	1,328
Bank balance other than cash and cash equivalents (refer note 13)	702	-	-	702
Total	**5,943**	**1,372**	**-**	**7,315**
Financial liabilities:				
Other financial liabilities (refer note 17)	477	-	-	477
Trade payables (refer note 19)	2,239	-	-	2,239
Total	**2,716**	**-**	**-**	**2,716**

Fair value hierarchy:

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows below:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Accordingly, Investment in mutual funds is considered as Level 1 and measured at fair value through profit or loss. All other financial instruments are considered as Level 3 which are on amortised cost.

Management has determined their carrying amounts of current financial assets and financial liabilities i.e., trade receivables, loans, bank deposits, cash and cash-equivalents, receivable from TMUs, trade payables and other financial liabilities (excluding lease liabilities) to be a fair approximation of their fair values on account of their short term natures.

Management has determined that the fair values of other non current financial assets i.e., government grants, receivable from TMUs, security deposits and other receivables are not materially different from their carrying amounts as at March 31, 2026.

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37 Related party disclosures

37(a) Names of related parties and description of relationship

(i) Ultimate holding, holding and intermediate holding entities

- Diageo plc United Kingdom (Ultimate Holding company)
- Tanqueray Gordon & Company Ltd., United Kingdom (Holding Company of Diageo Relay B V)
- Diageo Relay B.V., Netherlands (Immediate Holding Company)

(ii) Joint ventures

Name of the joint venture	% of ownership interest *	Country of incorporation
Nao Spirits & Beverages Private Limited (till June 25, 2025)	30	India
Inspired Hospitality Private Limited [w.e.f. April 04, 2024]	13	India
V9 Beverages Private Limited [w.e.f. September 26, 2024]	25	India
Indie Brews and Spirits Private Limited [w.e.f. September 27, 2024]	25	India

(*) % of ownership is on a fully diluted basis

(iii) Fellow subsidiaries (with whom transactions have taken place during the year or in the previous year)

- Diageo Scotland Limited
- Diageo Brands B.V.
- Diageo Great Britain Limited
- Diageo North America Inc.
- Diageo Korea Co. Ltd
- Diageo America Supply Inc.
- Diageo Business Services India Private Limited
- Diageo Ireland Limited
- UDV Kenya Limited
- Diageo Mena holding FZE
- Diageo Mexico Comercializadora S.A. de C.V.

(iv) Employees' Benefit Plans:

- McDowell & Company Limited Staff Gratuity Fund
- McDowell & Company Limited Officers' Gratuity Fund
- McDowell & Company Limited Employees Provident Fund(*)
- United Spirits Superannuation Fund
- UB Group Employee Benefit Trust
- Pioneer Distilleries Employees Gratuity Trust

(*) The Holding Company was operating a defined benefit provident fund plan through its own Trust for all permanent employees. During the financial year 2023-24, the Holding Company has transferred its provident fund obligation from the Trust to Employee Provident Fund Organization (EPFO) after necessary approval from EPFO. The Holding Company is in the process of liquidating the Trust. [refer note 39(b)]

(v) Key management personnel

a. Whole-time directors

- Hina Nagarajan (Managing Director and Chief Executive Officer) (till March 31, 2025)
- Praveen Someshwar (Managing Director and Chief Executive Officer) (w.e.f. April 1, 2025) (#)
- Pradeep Jain (Executive Director and Chief Financial officer)

(#) Appointed on March 1, 2025 as "Chief Executive officer - Designate

b. Non-executive/ Independent directors

- Mahendra Kumar Sharma – Chairman (till March 31, 2025)
- V.K. Viswanathan - Chairman (w.e.f. April 1, 2025)
- Narayan K Seshadri (w.e.f. October 9, 2025)
- Julie Bramham (w.e.f. January 21, 2026)
- Mark Sandys
- Mukesh Butani
- Indu Bhushan
- Amrita Gangotra (w.e.f. September 1, 2024)
- Preeti Arora (w.e.f. October 1, 2024)
- Dr. Indu Shahani (till September 29, 2024)
- D Sivanandhan (till July 31, 2024)
- Rajeev Gupta (till July 31, 2024)
- Mamta Sundara (till September 30, 2024)
- Emily Kathryn Gibson (till October 31, 2024)

37(b) Summary of the transactions with related parties

Name of the related party	Relationship	For the year ended March 31, 2026	For the year ended March 31, 2025
(i) Investment in joint ventures			
Inspired Hospitality Private Limited	Joint venture		
- Equity shares carried at cost		-	0
- Compulsory convertible preference shares at cost		-	6
V9 Beverages Private Limited	Joint venture		
- Equity shares carried at cost		-	0
- Compulsory convertible preference shares at cost		3	2
Indie Brews and Spirits Private Limited	Joint venture		
- Equity shares carried at cost		-	0
- Compulsory convertible preference shares at cost		-	5
Total- Investment in joint ventures		**3**	**13**
(ii) Royalty income			
UDV Kenya Ltd	Fellow subsidiary	0	0
Total- Royalty income		**0**	**0**
(iii) Interest income on loans to			
Nao Spirits & Beverages Private Limited till June 25, 2025	Joint venture	1	1
Total - Interest income on loans (refer note 22)		**1**	**1**
(iv) Reimbursement of expenses from			
Diageo Plc	Ultimate Holding Company	1	2
Diageo Great Britain Limited	Fellow subsidiary	3	3
Diageo Scotland Limited	Fellow subsidiary	126	1
Diageo Korea Co. Ltd	Fellow subsidiary	6	5

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Name of the related party		Relationship	For the year ended March 31, 2026	For the year ended March 31, 2025
	Diageo Mexico Comercializadora S.A. de C.V.	Fellow subsidiary	3	3
	Diageo America Supply Inc.	Fellow subsidiary	-	-
	Total - Reimbursement of expenses received		**139**	**14**
(v)	**Purchase of stock-in-trade from**			
	Diageo Brands B.V.	Fellow subsidiary	768	547
	Total- Purchase of stock-in-trade		**768**	**547**
(vi)	**Purchase of raw materials from**			
	Diageo Brands B.V.	Fellow subsidiary	656	470
	Total- Purchase of raw materials		**656**	**470**
(vii)	**Royalty expense**			
	Diageo North America Inc.	Fellow subsidiary	17	11
	Total- Royalty expense (refer note 27)		**17**	**11**
(viii)	**Professional charges**			
	Diageo Business Services India Private Limited	Fellow subsidiary	14	15
	Total- Professional charges		**14**	**15**
(ix)	**Cross Charge towards share based payments**			
	Diageo Plc		1	-
	Diageo Great Britain Limited	Fellow subsidiary	1	5
	Total- Cross charge		**2**	**5**
(x)	**Other services received**			
	Information Technology expenses			
	Diageo Great Britain Limited	Fellow subsidiary	43	41
	Diageo Business Services India Private Limited	Fellow subsidiary	3	2
	Total- Other services received		**46**	**43**
(xi)	**Reimbursement of expenses paid to**			
	Diageo Great Britain Limited	Fellow subsidiary	4	9
	Diageo Scotland Limited	Fellow subsidiary	2	-
	Diageo North America Inc	Fellow subsidiary	1	1
	Diageo Business Services India Private Limited	Fellow subsidiary	0	-
	Diageo Mena holding FZE	Fellow subsidiary	6	-
	Diageo Ireland Limited	Fellow subsidiary	1	-
	Total- Reimbursement of expenses paid		**14**	**10**
(xii)	**Dividend paid to**			
	Diageo Relay B.V.	Immediate Holding Company	732	203
	Total- Dividend paid		**732**	**203**
(xiii)	**Loan given to**			
	Nao Spirits & Beverages Private Limited	Joint venture	-	18
	Total- Loans given		**-**	**18**
(xiv)	**Loan repaid by**			
	Nao Spirits & Beverages Private Limited	Subsidiary	18	-
	Total- Loans given		**18**	**-**
(xv)	**Contribution to/ (surplus from) employee benefit plans**			
	McDowell & Company Limited Employees Provident Fund	Employee benefits plan	-	(2)
	Total- Contribution to/ (surplus from) employee benefit plans		**-**	**(2)**

Note: The amounts disclosed above are excluding Goods and Services tax, wherever applicable.

37(c) Summary of closing balances with related parties

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

Name of the related party		Relationship	As at March 31, 2026	As at March 31, 2025
(i)	**Financial assets receivable**			
	Diageo Scotland Limited	Fellow subsidiary	-	-
	Diageo Mexico Comercializadora S.A. de C.V.	Fellow subsidiary	1	0
	Diageo Brands B.V.	Fellow subsidiary	0	-
	Diageo Great Britain Limited	Fellow subsidiary	0	1
	Diageo Plc	Ultimate Holding Company	1	0
	Diageo Korea Co. Ltd	Fellow subsidiary	1	1
	Total- Financial assets receivable (refer note 6)		**3**	**2**
(ii)	**Trade receivables from**			
	UDV Kenya Ltd	Fellow subsidiary	-	0
	Total- Trade receivables (refer note 11)		**-**	**0**
(iii)	**Trade payables to**			
	Diageo Brands B.V.	Fellow subsidiary	526	325
	Diageo Great Britain Limited	Fellow subsidiary	34	16
	Diageo North America Inc.	Fellow subsidiary	12	6
	Diageo Scotland Limited	Fellow subsidiary	1	-

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(All amounts in ₹ crores unless otherwise stated)

	Name of the related party	Relationship	As at March 31, 2026	As at March 31, 2025
	Diageo Business Services India Private Limited	Fellow subsidiary	5	6
	Diageo MENA holding FZE	Fellow subsidiary	1	-
	Diageo Ireland Limited	Fellow subsidiary	1	-
	Diageo Mexico Comercializadora S.A. de C.V.	Fellow subsidiary	1	-
	Total- Trade payables (refer note 19)		**581**	**351**
(iv)	**Dividend payable to**			
	Diageo Relay B.V.	Immediate Holding Company	-	163
	Total- Dividend payable		**-**	**163**
(vi)	**Minimum offtake commitment for purchase of bulk scotch**			
	Diageo Scotland Limited	Fellow subsidiary	668	1,080

37(d) Key management personnel and compensation

Executive directors	For the year ended March 31, 2026		For the year ended March 31, 2025	
	Praveen Someshwar	Pradeep Jain	Hina Nagarajan	Pradeep Jain
Remuneration (*)	18	5	-	5
Employee share-based payments (**)	-	0	-	0
Total compensation	**18**	**5**	**-**	**5**

(*) As the employee benefits obligations such as gratuity, compensated absences and bonuses are provided for the Holding Company as a whole, the amounts pertaining to individual Key Management Personnel are not included above on an accrual basis.

(**) Based on options exercised.

Non-executive/ Independent directors	For the year ended March 31, 2026		For the year ended March 31, 2025	
	Sitting Fee	Commission	Sitting Fee	Commission
Mr. Mahendra Kumar Sharma	-	-	0	1
Mr. Narayan K Seshadri (*)	0	0	-	-
Mr. V K Viswanathan (*)	0	1	0	0
Dr. Indu Shahani (*)	-	-	0	0
Mr. D Sivanandhan (*)	-	-	0	0
Mr. Rajeev Gupta (*)	-	-	0	0
Dr. Indu Bhushan (*)	0	1	0	0
Ms. Amrita Gangotra (*)	0	1	0	0
Mr. Mukesh Butani (*)	0	1	0	0
Total	**1**	**4**	**1**	**3**

(*) Individually sitting fees and commission paid to the directors is lesser than ₹ 50 lakhs. Sitting fees and commission paid to the directors above has been aggregated and disclosed against the total in the table above.

37(e) General terms and conditions for transactions with related parties

Transactions with related parties are carried out in the normal course of business and are generally on normal commercial terms.

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38. Offsetting of financial assets and financial liabilities

The Group provides volume-based incentives and rebates to certain customers. Amounts payable by Group are offset against receivables from such customers and only the net amounts are settled. The relevant amounts have therefore been presented net in the balance sheet. Details of such offset is given in the below table.

Particulars	As at March 31, 2026	As at March 31, 2025
Trade Receivables - current	3,868	3,623
Trade Receivables - non current	351	340
Trade receivables (gross)	**4,219**	**3,963**
Less: Volume based incentives and rebates payable	(45)	(31)
Trade receivables as reported (refer note 11)	**4,174**	**3,932**

(a) Defined contribution plans

Provident Fund:

Provident Fund covers all eligible employees of the Holding Company. Both the employees and the Holding Company make monthly contributions to the Provident Fund as per regulations to a fund administered by government authority, equal to a specified percentage of the employees' salary. The obligation of the Holding Company is limited to the extent of contributions made on a monthly basis.

Employee Pension Scheme:

Employee Pension Scheme covers all eligible employees of the Holding Company. A portion of the Holding Company's contribution in respect of government administered Provident Fund is made to the government administered Employee Pension Scheme, as per regulations. The obligation of the Holding Company is limited to the extent of contributions made on a monthly basis.

Employees' State Insurance:

Employees' State Insurance is a state plan which is applicable to those employees of the Holding Company whose salaries do not exceed a specified amount. The contributions are made based on a percentage of salary to a fund administered by government authority. The obligation of the Holding Company is limited to the extent of contributions made on a monthly basis.

Superannuation fund:

Certain executive staff of the Holding Company participate in United Spirits Superannuation fund (the 'Fund'), which is a voluntary contribution plan. The Holding Company has no further obligations to the plan beyond its monthly contributions to the Fund, the corpus of which is administered by a Trust and is invested in insurance products.

National Pension Scheme:

Certain executive staff of the Holding Company participate in National Pension Scheme, which is a voluntary contribution plan. The Holding Company has no further obligations to the plan beyond its monthly contributions to a fund administered by a pension fund manager appointed by Pension Fund Regulatory and Development Authority.

During the year, the Holding Company has recognised the following amounts in the Statement of Profit and Loss, which are included in contribution to provident and other funds under the employee benefits expense in note 25.

Particulars	For the year ended March 31, 2026	For the year ended *March 31, 2025
Provident fund	20	18
Employees' pension scheme	3	2
Employees' state insurance	0	0
Superannuation fund	1	1
National pension scheme	2	0
Total (refer note 25)	**26**	**21**

*Excludes contributions to Provident Fund Trust which are in the nature of defined benefit plans managed by the Holding Company.

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39(b) Defined benefit plans

Gratuity:

The Holding Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") operated through a trust, wherein eligible employees are entitled to benefits equivalent to fifteen days' wages last drawn for each completed year of service, in compliance with the Code on Social Security, 2020. In accordance with the Code's standardized definition of wages, the calculation base is mandated to comprise a minimum of 50% of the employee's total Cost to Company (CTC). In cases where the Holding Company's internal scheme provides more favorable terms than the minimum obligations under the Code, the more favorable terms are applied.

The benefits are payable on termination of service, resignation, permanent disability, or retirement, whichever occurs earlier. The funds are managed by a trust administered by the Holding Company.

Pension plan:

The Holding Company operates an unfunded defined benefit pension plan for certain retired employees of an erstwhile entity which has merged into the Holding company as earlier years. This plan provides benefits to members in the form of a guaranteed level of pension payable for life post retirement or termination of employment. The level of benefits provided depends on their salary in the final year leading up to retirement, or termination.

Gratuity and Pension

A. Reconciliation of opening and closing balances of the present value of the defined benefit obligation (DBO):

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
	Gratuity (Funded)	Gratuity (Unfunded)*	Gratuity (Funded)	Pension (Unfunded)
Obligation at the beginning of the year	109	1	107	0
Current service cost	11	0	9	-
Past service cost	38	-	-	-
Interest cost	8	0	7	-
Benefit payments from plan assets	(18)	(0)	(19)	-
Transfer in/out	(2)	-	-	-
Benefit payments from the Group	-	-	-	(0)
Actuarial (gain)/ loss from changes in financial assumptions	(2)	(1)	2	-
Actuarial (gain)/ loss from experience adjustments	(2)	-	3	-
Obligation at the end of the year	**142**	**1**	**109**	**-**

*Acquired through business combination of Nao Spirits & Beverages Private Limited

B. Reconciliation of opening and closing balances of the fair value of plan assets:

Particulars	For the year ended March 31	
	2026	2025
	Gratuity (Funded)	Gratuity (Funded)
Plan assets at the beginning of the year	130	137
Return on plan assets	9	10
Actuarial gains/ (losses)	(5)	2
Benefits paid	(18)	(19)
Plan assets at the end of the year	**116**	**130**

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C. Reconciliation of present value of defined benefit obligation and the fair value of plan assets to the assets and liabilities recognised in the Balance sheet at the end of the year:

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
	Gratuity (Funded)	Gratuity (Unfunded)	Gratuity (Funded)	Pension (Unfunded)
Present value of obligation	142	1	109	-
Fair value of plan assets	116	-	130	-
Liability/ (asset) recognised in Consolidated Balance sheet (refer notes 9 & 18)	**26**	**1**	**(21)**	**-**
Current	-	-	-	-
Non-current	26	1	(21)	-

D. Expenses recognised in the Consolidated Statement of Profit and Loss:

Particulars	For the year ended March 31, 2026			For the year ended March 31, 2025
	Gratuity (Funded)	Gratuity (Unfunded)	Total	Gratuity (Funded)
Current service cost	11	0	11	9
Past service cost	38	-	38	-
Net interest cost				
a. Interest expense on DBO	8	0	8	7
b. Interest (income) on plan assets	(9)	-	(9)	(10)
Total net interest cost (a+b)	**(1)**	**0**	**(1)**	**(3)**
Defined benefit cost (refer note 25)	**48**	**0**	**48**	**6**

E. Re-measurement effects recognised in other comprehensive income (OCI):

Particulars	For the year ended March 31, 2026			For the year ended March 31, 2025
	Gratuity (Funded)	Gratuity (Unfunded)	Total	Gratuity (Funded)
a. Actuarial (gain)/ loss due to financial assumptions changes in DBO	(2)	0	(2)	2
b. Actuarial (gain)/ loss due to experience on DBO	(2)	0	(2)	3
c. Return on plan assets (greater)/ less than discount rate	5	0	5	(2)
Total actuarial (gain)/ loss included in OCI	**1**	**0**	**1**	**3**

F. Total cost recognised in comprehensive income:

Particulars	For the year ended March 31, 2026			For the year ended March 31, 2025
	Gratuity (Funded)	Gratuity (Unfunded)	Total	Gratuity (Funded)
Expense recognised in consolidated statement of profit and loss (refer note 25)	48	-	48	6
Remeasurements effects recognised in OCI	1	0	1	3
Total cost recognised in comprehensive income	**49**	**0**	**49**	**9**

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G. Investment details of plan assets:

Particulars	As at March 31, 2026	As at March 31, 2025
	Gratuity (Funded)	Gratuity (Funded)
Pooled assets with an insurance group	100%	100%
Others (including bank balances)	0%	0%
	100%	**100%**

H. Significant assumptions:

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025
	Gratuity (Funded)	Gratuity (Unfunded)	Gratuity (Funded)
Discount rate (per annum)	7.02%	7.90%	6.75%
Rate of increase in compensation levels	10%	10%	10%
Other assumptions:			
Attrition rate	10% - 15%	2% - 5%	10% - 15%
Mortality rates	IALM* (2012-14) Ultimate table	IALM* (2012-14) Ultimate table	IALM* (2012-14) Ultimate table

* IALM: Indian Assured Lives Mortality

39(c) Sensitivity analysis:

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is provided below:

Gratuity:

Particulars	Changes in assumptions		(Decrease)/ Increase in defined benefit obligation			
			Increase in assumption		Decrease in assumption	
			March 31			
	2026	2025	2026	2025	2026	2025
Discount rate	1%	1%	(6)	(5)	7	5
Compensation levels	1%	1%	7	5	(6)	5

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as and when calculating the defined benefit liability recognised in the Consolidated Balance Sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

39(d) Risk exposure:

Through its defined benefit plans, Holding Company is exposed to number of risks, the most significant of which are detailed below:

Asset volatility	The plan liabilities are calculated using a discount rate set with reference to yields of government securities; if plan assets underperform this yield, this will create a deficit. Plan asset investments for gratuity are made in pre-defined insurance plans. These are subject to risk of default and interest rate risk. The fund manages credit risk/ interest rate risk through continuous monitoring to minimise risk to an acceptable level.
Inflation risk	In the pension plans, the pensions in payment are not linked to inflation, so this is a less material risk.
Life expectancy	The pension plan provides benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities.

The Holding Company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.

A large portion of assets consists of government and public sector bonds, although the Holding Company also invests in private sector bonds, special deposit schemes and bank balances. The plan asset mix is in compliance with the requirements of the respective regulations.

39(e) Effect of the defined benefit plan on the entity's future cash flows

The weighted average duration of the defined benefit obligation is 5 years (2025: 4.62 years). The expected maturity analysis of undiscounted gratuity is as follows:

March 31, 2026	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
Gratuity	27	25	47	116	215

March 31, 2025	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
Gratuity	19	24	35	82	160

Note:

The estimates of future increase in compensation levels, considered in the actuarial valuation, take into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

40. Long term contracts, including derivative contracts

The Group does not have any derivative contracts as at March 31, 2026. The Group has a process whereby periodically all long term contracts are assessed for material foreseeable losses. No provision for material foreseeable losses is considered necessary based on the review of such contracts as at year end.

41 (A) Historical matters

(a) Additional Inquiry and other regulatory matters

As disclosed in each of the annual financial statements commencing from the year ended March 31, 2014, in relation to the above-mentioned Initial Inquiry and Additional Inquiry and the matters arising out of the settlement agreement dated February 25, 2016 entered into by the Company with Dr. Vijay Mallya pursuant to which, inter alia, the Company and Dr. Vijay Mallya agreed a mutual release in relation to matters arising out of the Initial Inquiry ('Agreement'), the Company received letters and notices from the Securities Exchange Board of India ('SEBI') during the year ended March 31, 2016 to which the Company has responded. There has been no further communication with SEBI on these matters since the Company's response in October 2017.

As disclosed in each of the annual financial statements commencing from the year ended March 31, 2014, in relation to the above-mentioned Initial Inquiry and Additional Inquiry and the matters arising out of the settlement agreement dated February 25, 2016 entered into by the Holding Company with Dr. Vijay Mallya pursuant to which, inter alia, the Holding Company and Dr. Vijay Mallya agreed a mutual release in relation to matters arising out of the Initial Inquiry ('Agreement'), the Holding Company received letters and notices from the Securities Exchange Board of India ('SEBI') during the year ended March 31, 2016 to which the Holding Company has responded. There has been no further communication with SEBI on these matters since the Holding Company's response in October 2017.

As disclosed in each of the annual financial statements commencing from the year ended March 31, 2016, in connection with the investigations carried out by the Directorate of Enforcement ('ED') under the Foreign Exchange Management Act, 1999 and Prevention of Money Laundering Act, 2002, the Company received letters and notices from ED during the year ended March 31, 2016, to which the Company responded. During the year ended March 31, 2022, the Company received a notice from the ED requesting for information, which the Company has provided. The Company has also received queries from its authorized dealer (AD) banks, based on queries from the Reserve Bank of India ('RBI'), with regard to remittances made in the prior years by the Company to its overseas subsidiaries, past acquisitions and Annual Performance Reports ('APR') for prior years, to which the Company has responded or is in process of filing the required forms. The Company has also received

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notices from Serious Fraud Investigation Office, Ministry of Corporate Affairs during the year ended March 31, 2026 calling for information relating to the above Initial Inquiry and Additional Inquiry, to which the Company has responded.

As disclosed in each of the annual financial statements commencing from the year ended March 31, 2019, with the objective of divesting its non-core assets, the Company reviewed its subsidiaries' operations, obligations, and compliances, and recommended a plan for rationalization through sale, liquidation or merger ("Rationalization Process"). After receiving approval from the Board, the Company has been taking steps to implement this plan. The Rationalization Process for the existing subsidiaries is subject to regulatory and other approvals (in India and overseas). If any historical non-compliances are established during the Rationalization Process, the Company will consult with its legal advisors, and address any such issues including, if necessary, considering filing appropriate compounding applications with the relevant authorities. At this stage, it is not possible for the management to estimate the financial impact on the Company , if any, arising out of potential non-compliances with applicable laws, if established.

(b) Preparation of financial statements of subsidiaries on liquidation basis

Consequent to the Rationalisation Process, the financial information of the following subsidiaries included in the consolidated financial results have been prepared on a liquidation basis (i.e. "break up" basis) i.e. (i) USL Holdings Limited, (ii) USL Holdings (UK) Limited, (iii) United Spirits (UK) Limited, (iv) United Spirits (Great Britain) Limited, (v) McDowell & Co. (Scotland) Limited, (vi) Shaw Wallace Overseas Limited and (vii) Asian Opportunities and Investments Limited. Accordingly, assets and liabilities of such subsidiaries have been recognized at their fair values that approximate their carrying values as at March 31, 2026. Such remeasurements did not have any material impact on the consolidated financial results.

(c) Notices from the Ministry of Corporate Affairs

As disclosed in each of the annual financial statements commencing from year ended March 31, 2016, and pursuant to the inspection conducted by Ministry of Corporate Affairs ('MCA') during the year ended March 31, 2016, under Section 206(5) of the Companies Act, 2013, MCA issued show cause notices alleging violation of certain provisions of the Companies Act, 1956 and Companies Act, 2013, to which the Company had responded. During the year ended March 31, 2025, the Group has paid compounding fees and disposed off the compounding applications with the Registrar of Companies (RoC). As at year ended March 31, 2026, the Group is awaiting response from the RoC on one show cause notice wherein the Group had requested the RoC to discontinue further proceedings based on expert legal advice received. The penalty and compounding fee arising out of adjudication application are not material. The management is of the view that in line with the past adjudication orders, the financial impact arising out of adjudication of the residual matters will not be material to the Group's financial statements.

(d) Loan to United Breweries (Holdings) Limited ('UBHL')

As disclosed in each of the annual financial statements commencing from year ended March 31, 2015, the Holding Company had pre-existing loans/ deposits/ advances/ accrued interest that were due to the Holding Company and its subsidiaries from UBHL and its subsidiaries aggregating to ₹ 1,337 crores and that were consolidated into, and recorded as, an unsecured loan through an agreement entered into between the Holding Company and UBHL on July 3, 2013 ('Loan Agreement'). UBHL defaulted on its obligations to pay any amounts under the Loan Agreement. The Holding Company had made provision in prior financial years for the entire principal amount due of ₹ 1,337 crores, and for the accrued interest of ₹ 85 crores up to March 31, 2014. The Holding Company has not recognised interest income on said loan after March 31, 2014 which cumulatively amounts to ₹ 1,343 crores up to March 31, 2026. The examination of the publicly available financial statement, other statutory disclosures of UBHL and publicly available records or recoveries already by external parties of dues from UBHL, reveals that the recoverability of the outstanding dues from UBHL is highly improbable. Accordingly, During the year, the Holding Company has written off loan amounting to ₹ 1238 crores, after offsetting ₹ 206 crores payable to UBHL arising under a trademark license agreement against the receivables under the loan.

Since UBHL had defaulted on its obligations under the Loan Agreement, the Company sought redressal of disputes and claims through arbitration under the terms of the Loan Agreement. In April 2018, the arbitral tribunal passed a final award against the Company. The reasons for this adverse award were disputed by the Company, and the Company obtained leave from the High Court of Karnataka to challenge this arbitral award. In July 2018, the Company filed a petition challenging the said award before the Jurisdictional Court in Bangalore (the "Court"). The Court issued notice pursuant thereto to the Official Liquidator (OL). The Company filed its claim with the OL. By its judgment dated March 3, 2025, the Court dismissed the Company's challenge to the arbitral award. The Company has challenged the judgment before the High Court of Karnataka.

Notwithstanding the judgement of the Court and the arbitral award, based on management assessment supported by an external legal opinion, the Company has offset payable to UBHL under the trademark license agreement against the balance of loan receivable from UBHL. During the quarter ended June 30, 2023, the OL filed an application before the High Court of Karnataka, seeking avoidance of setoff by the Company of the above license fee payments and recovery of the entire license fee payable under trademark license agreement with interest. The Company is contesting the application filed by the OL and filed its statement of objections during the quarter ended September 30, 2023. The Official Liquidator (UBHL) subsequently filed its rejoinder during the quarter ended March 31, 2024. Based on the Management assessment supported by external legal opinions, the Company continues to believe that it has a good case on merits.

The Official Liquidator (UBHL) filed another claim before the High Court of Karnataka, purportedly as loans and advances repayable to UBHL by the Holding Company, without substantiating the basis of such a claim. USL has denied this purported debt and is contesting this claim. The Holding Company believes it has a good case on merits.

Pursuant to the approval of Board of Directors of the Holding Company at its meeting held on March 5, 2026, the Holding Company has written off outstanding loan amounting to ₹ 1,238 crores. Notwithstanding the write off, the Holding Company continues to pursue legal remedies towards recovery of the aforesaid loan.

(e) Dispute with IDBI Bank Limited

As disclosed in each of the annual financial statements commencing from year ended March 31, 2015, during the year ended March 31, 2014, the holding company prepaid a term loan taken from IDBI Bank Limited (the "bank") in earlier years which was secured by certain property, plant and equipment and brands of the holding company as well as by a pledge of certain shares of the Company held by the USL Benefit Trust (of which the holding company is the sole beneficiary). The bank disputed the prepayment, following which the holding company filed a writ petition ("WP") in November 2013 before the Hon'ble High Court of Karnataka ('High Court') challenging the actions of the bank.

In February 2016, following the original maturity date of the loan, the holding company received a notice from the bank seeking to recall the loan and demanding a sum of ₹ 46 crores on account of outstanding principal, accrued interest and other amounts as also further interest till the settlement date as per the security documents. The holding company challenged this notice in the pending writ proceedings during which the High Court directed that, subject to the holding company depositing ₹ 46 crores with the bank in a suspense account, the bank should not deal with any of the secured assets including the shares until disposal of the writ petition. The holding company deposited the full amount, and the bank was restrained from dealing with any of the secured assets.

In June 2019, a single judge bench of the High Court dismissed the holding company's writ petition, amongst other reasons, on the basis that the matter involved an issue of breach of contract by the holding company and was therefore not maintainable in exercise of the court's writ jurisdiction. The holding company filed an appeal against this order before a division bench of the High Court, which was admitted and interim protection on the secured assets was reinstated. The writ appeal is pending.

Based on management assessment supported by external legal opinions, the holding company continues to believe that it has a strong case on merits and therefore continues to believe that the aforesaid amount of ₹ 46 crores remains recoverable from the bank.

In a separate proceeding before the Debt Recovery Tribunal (DRT), Bengaluru, initiated by a consortium of banks (including the bank) for recovery of loans advanced by the consortium of banks to Kingfisher Airlines Limited (KAL), the bank filed an application for attachment of the pledged shares belonging to USL Benefit Trust. DRT dismissed the said application of the bank and the bank filed an appeal against this order before the Debt Recovery Appellate Tribunal ('DRAT'), Chennai in September 2017. The bank's appeal is pending for final hearing by the DRAT.

41(B) Claim from customer

During the quarter ended December 31, 2023, the Holding Company received a claim from one of its institutional customers, amounting to ₹ 365 crores inclusive of penalty. The claim pertains to a historical matter regarding differential trade terms and was disclosed in the annual financial statements for the years ended March 31, 2017, March 31, 2018, March 31, 2021 and March 31, 2022. The impact of the settlement was accounted for and disclosed in the consolidated financial statements for the earlier years. Management's assessment is that the claim from the customer is unreasoned, arbitrary in nature and is in violation of the principles of natural justice. Management is of the view that the matter was resolved and settled in full in the prior years. Management has therefore not acknowledged the claim from the customer and has chosen to litigate as per the legal remedies available. The Holding Company filed petitions under the Arbitration and Conciliation Act, seeking appointment of an arbitrator, and interim relief against withholding payments. By its order dated August 12, 2024, the Bombay High Court appointed a Sole Arbitrator to decide on the dispute and transferred the Holding Company's pending petition for interim relief

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to be decided by the Arbitrator and is reserved for orders. The parties have filed their respective pleadings, and the arbitration is in progress. Management, supported by external legal opinion, believes that it has a good case on merits with a high probability of success in realising the withheld payments. Management has also determined that the receivable from the customer as at March 31, 2026 is good and recoverable.

41(C) During the year ended March 31, 2026, the holding company was informed by Diageo Scotland Limited (DSL), a fellow subsidiary, about unintended omissions in its costing and invoicing process leading to a shortfall in the price charged for certain supplies of bulk spirits made during the period from October 2019 to July 2025. DSL confirmed that such shortfall will not be charged to the holding company. Based on opinion from legal experts, management assessed its accounting position and recognized a liability for additional customs duty and interest thereon for goods already cleared for home consumption from customs warehouse/ free trade warehousing zone, amounting to ₹ 113 crores at June 30, 2025. DSL provided the Company with a covenant to fully pay the additional customs duty and the interest thereon. As DSL provided the holding company with a covenant to pay, the said matter does not have financial impact on the Company. The liability for additional customs duty and interest thereon has been presented under Cost of Materials Consumed and Finance Costs, net off reimbursement from DSL in the consolidated statement of profit and loss for the year ended March 31, 2026. The holding company, voluntarily, has deposited the amount along with an appropriate disclosure to the Customs authorities and received the reimbursement from DSL of the same amount.

41(D) During the financial year ended March 31, 2019, the Group voluntarily disclosed instances of intermediary and bottling losses surpassing the allowable excise limits at its Maharashtra facilities. Following this disclosure, the Group received demand notices related to excess wastage from April 2019 to July 2020. The Group had contested these charges in the Bombay High Court, which led to the appointment of an external expert to study the technical aspects of maturation loss. During the year ended March 31, 2026, the external expert has completed its assessment and has issued its final report. The said report has been submitted by the Group to the Commissioner (Appeals). While final adjudication remains pending before the Commissioner (Appeals) and subsequently the Hon'ble Bombay High Court, the Management has evaluated the report and considered opinion obtained from a legal expert. Consequently, management has recognized the related provision for excise duty and interest under cost of materials consumed and finance costs respectively.

41(E) Officials of Royal Challengers Sports Private Limited (RCSPL), a 100% subsidiary of the holding company which is held for sale as at March 31, 2026, were summoned for inquiries conducted consequent to the stampede which happened during a celebration event on June 4, 2025, after RCB won its maiden IPL title. The stampede resulted in some casualties and injuries to the fans who had gathered. The ongoing enquiries include a judicial inquiry, a Criminal Investigation Department (CID) inquiry and a magisterial inquiry. The Karnataka High Court also took suo-moto cognisance of the incident and sought a detailed status report from the Advocate General. The suo-moto petition has been disposed of. Management has been co-operating with the officials in the said enquiries and investigations. RCSPL and its officials have filed petitions before the Courts, including a petition seeking to quash the FIRs. The High Court has stayed investigation in two FIRs. Investigation continues in relation to the third FIR by the CID, Bengaluru. Separately, BCCI Ombudsman issued a notice to RCSPL in relation to the above to which RCSPL has appropriately responded to. Based on expert's opinion. The Group does not foresee any financial implication and believes that it has good case on merits.

42 Assets held for sale and Discontinued Operations

The board of directors of the Company at its meeting held on March 24, 2026, approved the sale of 14,690 equity shares (representing 100% of the share capital) of RCSPL, a wholly owned subsidiary, for an aggregate consideration of ₹ 16,663 crores, subject to adjustments and other conditions set out in the Share Purchase Agreement (SPA) dated March 24, 2026. Further, pursuant to the receipt and acceptance of purchaser change notice, and in accordance with terms of SPA, an Amended and Restated Share Purchase Agreement ("A&R SPA") dated 11 May, 2026 has been entered into between USL, RCSPL, Bolt IPL Holdings LLC, Big Banyan Holdings Pte. Ltd ("Big Banyan"), Asia Investment Topco II Pte. Ltd, Times Internet Limited, Times Cricket LLP ("Times LLP") and ICQ Opportunities R C Holdco, Ltd ("ICONIQ") to record and give effect to, amongst others, the change in the purchasers. The transaction will be completed after the receipt of all requisite approvals, including from the Competition Commission of India and the Board of Control for Cricket in India. Further, under the A&R SPA, Company has assumed certain indemnification obligations and based on Management's current assessment, the same is not expected to result in material financial outflow. The transaction is expected to be completed within the next 12 months.

In conformity with the requirements of Ind AS 105, "Non-Current Assets Held for Sale and Discontinued Operations", as of March 31, 2026, The net assets and liabilities of RCSPL have been disclosed as "Assets held for sale" and "Liabilities associated with assets held for sale", respectively in the consolidated statement of assets and liabilities. Further, financial performance and cash flows of RCSPL for the year ended March 31, 2026, have been presented as relating to "Discontinued operations", and the prior year comparatives have been represented to conform to the presentation made in the current year in the consolidated statement of financial results and consolidated statement of cash flows, respectively.

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42(a) The assets and liabilities of Discontinued Operations classified as held for sale as at March 31, 2026 are as follows :

Particulars	As at March 31, 2026
Assets	
Other intangible assets	297
Investments	41
Trade receivables	255
Cash and cash equivalents	50
Other non-current assets	1
Current tax assets	21
Other Current Assets	11
Assets classified as held for sale	**676**
Liabilities:	
Deferred tax liabilities	71
Trade payables	96
Provisions	3
Current tax liabilities	20
Other financial liabilities	1
Other current liabilities	138
Liabilities associated with assets held for sale	**327**

42(b) The financial results of Discontinued Operations for the year are as follows:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from operations	540	496
Other income	26	11
Total Income	**566**	**507**
Employee benefits expense	4	-
Depreciation and amortisation expense	8	9
Advertisement and sales promotion	12	9
Other expenses	364	304
Total Expenses	**388**	**322**
Profit before exceptional items and tax from discontinued operations	178	185
Less: Exceptional Items	3	-
Profit before tax from discontinued operations	**175**	**185**
Income tax expense	46	48
Profit after tax from discontinued operations	**129**	**137**
Basic and diluted earnings per share (in ₹)	1.82	1.93

42(c) The net cash flow position of Discontinued Operations for the year is as follows :

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Net Cash generated from / (used in) Operating Activities	4	285
Net Cash generated from / (used in) Investing Activities	(29)	8
Net Cash generated from / (used in) Financing Activities	-	(25)
Net Increase / (Decrease) in Cash and Cash Equivalents from Discontinued Operations	**(25)**	**268**

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42(d) As at March 31, 2026, the management is in the process of sale of assets related to two of its closed manufacturing facilities under the Supply Agility Programme. Accordingly, the Group has classified the assets as "Assets classified as held for sale", in line with the requirements of Ind AS 105.

Particulars	As at March 31, 2026
Property, plant and equipment (refer note 3.1)	19
Investment Property (refer note 3.5)	6
	25

42(e)

Particulars	As at March 31, 2026
Total assets classified as asset held for sale	701
Total liabilities classified as liabilities associated with asset held for sale	327

43. Capital and other commitments:

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Capital commitments for property, plant and equipment	97	46
(b) Other commitments:		
i. Advertisement and sales promotion	30	55
ii. Minimum offtake commitment for purchase of bulk scotch from a related party (*)	668	1080

(*) minimum offtake commitment as at March 31, 2026, represents multi-year commitment entered into by the Holding Company.

44. Contingent liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Income tax matters	385	300
(b) Indirect tax matters		
(i) State excise	112	115
(ii) Central excise	0	0
(iii) Sales tax and entry tax	215	248
(c) Other civil litigations and claims	108	109

Notes:

(a) **Income tax matters-** Income tax matters primarily relate to exposures under transfer pricing and disallowance of certain expenses that the Group had claimed as deductions in its Income Tax returns.

(b) **Indirect tax matters-** The Group has operations across various states in India. The Group has identified possible exposures relating to local sales tax, entry tax, state excise duty, goods and services tax and central excise duty.

(c) **Other civil litigations and claims-** Other civil litigations relate to various claims from third parties under dispute which are lying with various courts/ appellate authorities.

(d) **Provident fund-** The Group has evaluated the impact of the Supreme Court ("SC") judgement dated February 28, 2019 in the case of Regional Provident Fund Commissioner (II) West Bengal v/s Vivekananda Vidyamandir and Others, in relation to non-inclusion of certain allowances in the definition of "basic wages" of the relevant employees for the purposes of determining contribution to Provident Fund ("PF") under the Employees' Provident Fund & Miscellaneous Provisions Act, 1952. There are interpretation issues relating to the said SC judgement. In the assessment of the management, the aforesaid matter is not likely to have a significant impact on the Group and accordingly, no provision has been made in the Consolidated Financial Statements.

(e) **Use of Judgement**

Management categorizes the matters based on the probability of cash outflow, which require judgement. Management obtains the views of external consultants where necessary. Based on the assessment, management recognises liability/ provision, or discloses the matter as a contingent liability, except for matters where the probability of outflow of cash is considered remote. Due to uncertainties involved in the process, actual outflows may be different from those originally estimated.

The Group may be involved in legal proceedings in respect of which it is not possible to make a reliable estimate of any expected settlement. In such cases, management has determined that any potential future cash outflows are not likely to be material.

(f) Management is optimistic of a favourable outcome in the above matters based on legal opinions / management assessment. It is not practicable for the Group to estimate the timing of the cash outflows, if any, in respect of the above, pending resolution of respective proceedings.

(g) Contingent liabilities above do not include demands with respect to income tax and indirect tax matters wherein the Group has assessed the probability of outflows of economic benefits to be remote.

45. Interest in other entities

(a) Subsidiaries / controlled trust

Name of the entity	% of ownership interest As at March 31, 2026	% of ownership interest As at March 31, 2025	Country of incorporation	Principal business activity
Subsidiaries:				
1. Royal Challengers Sports Private Limited (held for sale)	100	100	India	BCCI - IPL and WPL franchises
2. McDowell & Co. (Scotland) Limited	100	100	Scotland, U.K.	Dormant
3. Asian Opportunities and Investments Limited	100	100	Mauritius	Dormant
4. Palmer Investment Group Limited	100	100	British Virgin Islands	Dormant
5. Shaw Wallace Overseas Limited	100	100	U.K.	Dormant
6. USL Holdings Limited	100	100	British Virgin Islands	Dormant
7. USL Holdings (UK) Limited	100	100	U.K.	Dormant
8. United Spirits (UK) Limited	100	100	U.K.	Dormant
9. United Spirits (Great Britain) Limited	100	100	U.K.	Dormant
10. Nao Spirits & Beverages Private Limited	97	-	India	Gin Manufacturing
11. Hapusa Spirits UK Limited	97	-	U.K.	Gin Manufacturing
Controlled trust:				
USL Benefit Trust	100	100	India	Investment in shares of Holding Company

(b) Interest in Nao Spirits & Beverages Private Limited

During the year ended March 2023, the Holding Company acquired the interest in Nao Spirits & Beverages Private Limited ("Nao Spirits") by investing ₹ 32 crores by subscribing to 8,094 Compulsory Convertible Preference Shares (CCPS) and 4,670 equity shares. During the previous year, the Holding Company infused additional amount of ₹ 15 crores by subscribing to 6,078 CCPS. The Holding Company held 30% ownership interest on a fully diluted basis as at March 31, 2025. Management had considered Nao Spirits to be a joint venture since the Holding Company has joint control over its operating and financing activties.

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(All amounts in ₹ crores unless otherwise stated)

In accordance with the shareholder's agreement, the Holding Company has a right to purchase all or any of the shares held by promoters, existing investors and other shareholders upon occurrence of earlier of the Nao Spirits achieving the specified sales volume threshold or July 01, 2025. The exercise price of the call option shall be determined in accordance with a formula specified in the shareholder's agreement subject to applicable laws, including the Foreign Exchange Management Act, 1999.

On June 26, 2025, the Company purchased 34,291 equity shares of Nao Sprits and Beverages Private Limited ("NAO") from existing shareholders, through a step acquisition. The transaction was executed for a consideration of ₹ 49 crores. The Company has further infused ₹ 56 crores through a combination of equity and compulsorily convertible preference shares (CCPS) to support future growth initiatives of NAO. Subsequent to the acquisition and capital infusion, the Company holds 97.07% of the paid-up share capital in NAO and has an obligation to buy the remaining equity interest. As per the share purchase agreement, the remaining shares held by third party will be purchased by the company upon receipt of certain regulatory approvals. The management has completed the Purchase Price Allocation (PPA) as required by Ind AS 103, Business Combinations. The acquisition has resulted in recognition of Intangible assets in the nature of Brand and Goodwill amounting to ₹ 70 crores and ₹ 54 crores, respectively in the consolidated financial results.

(c) Interest in Inspired Hospitality Private Limited

On April 4, 2024, the Holding Company invested ₹ 6 crores in Inspired Hospitality Private Limited ("Inspired Hospitality") by subscribing to 3,494 Compulsory Convertible Preference Shares and 10 equity shares of Inspired Hospitality, resulting in the Holding Company holding 15% ownership interest on a fully diluted basis. Management has considered Inspired Hospitality to be a joint venture since the Holding Company has joint control over its operating and financing activties. During the year, the majority shareholders of Inspired hospitality invested more which resulted in reduction of it's ownership to 13.24%.

In accordance with the shareholder's agreement, the Holding Company has a right to purchase all or any of the shares held by promoters, existing investors and other shareholders upon occurrence of earlier of the Inspired Hospitality achieving the specified sales volume threshold or July 01, 2030. The exercise price of the call option shall be determined in accordance with a formula specified in the shareholder's agreement. As at March 31, 2026, fair value of the said call option has been determined to be immaterial.

(d) Interest in V9 Beverages Private Limited

On Septermber 26, 2024, the Holding Company invested ₹ 2 crores in V9 Beverages Private Limited ("V9 Beverages") by subscribing to 1,972 Compulsory Convertible Preference Shares and 10 equity shares of V9 Beverages, resulting in the Holding Company holding 15% ownership interest on a fully diluted basis. Management has considered V9 Beverages to be a joint venture since the Holding Company has joint control over its operating and financing activties.

During the year 2026, the holding company has invested ₹ 3 crores by subscribing to 1,762 compulsory convertible preference shares resulting in the Holding Company overall holding to 25% ownership interest on a fully diluted basis.

In accordance with the shareholder's agreement, the Holding Company has a right to purchase all or any of the shares held by promoters, existing investors and other shareholders upon occurrence of earlier of the V9 Beverages achieving the specified sales volume threshold or March 31, 2029. The exercise price of the call option shall be determined in accordance with a formula specified in the shareholder's agreement. As at March 31, 2026, fair value of the said call option has been determined to be immaterial.

(e) Interest in Indie Brews and Spirits Private Limited

On Septermber 27, 2024, the Holding Company also invested ₹ 5 crores in Indie Brews and Spirits Private Limited ("Indie Brews & Spirits") by subscribing to 4,016 Compulsory Convertible Preference Shares and 10 equity shares, resulting in the Holding Company holding 25% ownership interest on a fully diluted basis. Management has considered Indie Brews and Spirits to be a joint venture since the Holding Company has joint control over its operating and financing activties.

In accordance with the shareholder's agreement, the Holding Company has a right to purchase all or any of the shares held by promoters, existing investors and other shareholders upon occurrence of earlier of the Indie Brews & Spirits achieving the specified sales volume threshold or March 31, 2030. The exercise price of the call option shall be determined in accordance with a formula specified in the shareholder's agreement. As at March 31, 2026, fair value of the said call option has been determined to be immaterial.

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(All amounts in ₹ crores unless otherwise stated)

(f) Share of profit and assets of Holding Company, subsidiaries and joint ventures

Name of the entity	Net assets i.e., total assets minus total liabilities		Share in profit/(loss)		Share in other comprehensive income		Share in total comprehensive income	
	% of Consolidated assets	Amount	% of Consolidated profit/(loss)	Amount	% of Consolidated other comprehensive income	Amount	% of Consolidated total comprehensive income	Amount
I. Holding Company								
United Spirits Limited	95%	8,490	94%	1,732	100%	9	94%	1,741
II. Indian subsidiary/ controlled trust								
1. Royal Challengers Sports Private Limited	4%	351	7%	129	0%	-	7%	129
2. USL Benefit Trust	0%	0	0%	(0)	0%	-	0%	(0)
3. Nao Spirits & Beverages Private Limited	0%	25	(1%)	(15)	0%	-	(1%)	(15)
III. Joint ventures						-		
1. Nao Spirits & Beverages Private Limited	-	-	(0%)	(6)	0%	-	(0%)	(6)
2. Inspired Hospitality Private Limited	-	-	(0%)	(0)	0%	-	(0%)	(0)
3. V9 Beverages Private Limited	-	-	(0%)	(0)	0%	-	(0%)	(0)
4. Indie Brews and Spirits Private Limited	-	-	(0%)	(1)	0%	-	(0%)	(1)
IV. Overseas Subsidiaries						-		
1. Asian Opportunities and Investments Limited	0%	0	(0%)	(4)	0%	-	(0%)	(4)
2. McDowell & Co. (Scotland) Limited	0%	17	0%	0	0%	-	0%	0
3. Shaw Wallace Overseas Limited	0%	2	(0%)	(0)	0%	-	(0%)	(0)
4. United Spirits (Great Britain) Limited	(0%)	0	(0%)	(0)	0%	-	(0%)	(0)
5. United Spirits (UK) Limited	(0%)	(0)	(0%)	(0)	0%	-	(0%)	(0)
6. USL Holdings Limited	0%	3	0%	0	0%	-	0%	0
7. USL Holdings (UK) Limited	(0%)	(0)	(0%)	(0)	0%	-	(0%)	(0)
8. Palmer Investment Group Limited	1%	69	0%	4	0%	-	0%	4
9. Hapusa Spirits (UK) Limited	0%	0	0%	-	0%	-	0%	0
Total	**100%**	**8,957**	**100%**	**1,838**	**100%**	**9**	**100%**	**1,847**

Note: Net assets given above exclude inter-company balances and treasury shares. Share in profit or loss, other comprehensive income and total comprehensive income excludes inter-company transactions.

Notes forming part of the Consolidated Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

46. Segment reporting

Segment Information

The Group is engaged in the business of manufacture, purchase and sale of beverage alcohol and other allied spirits, including through tie-up manufacturing units and through strategic franchising of some of its brands.

The Executive Committee of the Holding Company has been identified as the Chief Operating Decision Maker (CODM). The CODM of the Holding Company assesses performance and allocates resources for the business of the Group. Group operates in two segment (refer note (a) below):

- Beverage alcohol – Manufacture, purchase, franchise and sale of beverage alcohol and other allied spirits.
- Sports – Rights to operate sports franchise*.

Consolidated segment wise revenue, results, assets and liabilities as of and for the Year ended March 31, 2026

1 Segment revenue

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Beverage alcohol	12,467	11,573
Sports* (refer note 42)	545	504
Total net segment revenue	**13,012**	**12,077**
Inter segment elimination	(5)	(8)
Net segment revenue	**13,007**	**12,069**
Add: Excise duty (Beverage alcohol)	15,349	15,207
Less: Revenue from discontinued operations	(540)	(496)
Revenue from operations	**27,816**	**26,780**

2 Segment results - Earning before interest, tax, depreciation and exceptional items (EBITDA)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Beverage alcohol	2,286	2,057
Sports*	159	186
Total segment results	**2,445**	**2,243**
Other income		
Beverage alcohol	478	325
Sports* (refer note 42)	26	11
Depreciation, amortisation and impairment expense		
Beverage alcohol	(289)	(274)
Sports* (refer note 42)	(8)	(9)
Finance costs	(158)	(89)
Exceptional items (net) loss		
Beverage alcohol	(91)	(65)
Sports* (refer note 42)	(3)	-
Share of net loss in joint ventures	(7)	(7)
Profit before tax	**2,394**	**2,135**

Notes forming part of the Consolidated Financial Statements

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(All amounts in ₹ crores unless otherwise stated)

3 Segment assets

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Beverage alcohol	13,793	12,615
Sports	678	640
Total segment assets	**14,471**	**13,255**
Inter-segment elimination	(2)	(7)
Total assets	**14,469**	**13,248**

4 Segment liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Beverage alcohol	5,185	4,832
Sports* (refer note 42)	329	319
Total segment liabilities	**5,514**	**5,151**
Inter-segment elimination	(2)	(7)
Total liabilities	**5,512**	**5,144**

*(a) The sports segment has been considered as discontinued operations and asset held for sale as on March 31, 2026. (refer note 42)

Additional information by geographies

Although the Group's operations are managed basis type of product (or) service, additional information about external revenues and non-current assets based on geographies of the customers and assets is as provided below:

Particulars	As at March 31, 2026	As at March 31, 2025
Revenue from contracts with customers		
India#	27,577	26,543
Outside India	187	181
	27,764	**26,724**
Non-current assets		
India#	3,906	4,046
Outside India	-	-
	3,906	**4,046**

#Excluded revenue of ₹ 540 crores (2025: ₹ 496 crores) related to discontinued operation and ₹ 676 related to assets held for sale.

The Group has one external customer (2025: one external customer) individually contributing 20 percent of the Group's revenues (2025: 17 percent).

Particulars	For the year ended March 31, 2026			For the year ended March 31, 2025		
	Beverage alcohol	Sports*	Total	Beverage alcohol	Sports	Total
Specified amounts regularly provided to the CODM, but not included in the segment profit or loss (i.e., EBITDA):						
Income tax	510	46	556	505	48	553
Specified amounts included in the measure of segment profit or loss (i.e., EBITDA) reviewed by the CODM:						
Other material expense items:						
Cost of goods sold	6,674	-	6,674	6,397	-	6,397
Excise duty	15,349	-	15,349	15,207	-	15,207
Advertisement and sales promotion	1,295	12	1,307	1,121	9	1,130
Other expenses	1,577	368	1,945	1,386	304	1,690

Notes forming part of the Consolidated Financial Statements

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(All amounts in ₹ crores unless otherwise stated)

47 Exceptional items

(i) Supply agility programme

During the year ended March 31, 2023, the Board of Directors of the Holding Company have approved a multi-year supply chain agility programme. The programme primarily is directed towards the optimization of the existing manufacturing footprint with an intent to strengthen its end-to-end supply chain and make it fit for the future. The total implementation cost of the supply chain agility programme, majority of which are expected to be recognized as exceptional items, will be recorded when the recognition criteria are satisfied.

Pursuant to the Supply Agility Programme, the Company has recognized:

(a) a severance cost of ₹ 36 crores;

(b) a gain of ₹ 28 crores from the disposal of closed plant; and

(c) an impairment charge of ₹ 19 crores on plant, machinery for the year ended March 31, 2026.

(ii) The Company recognised an amount of ₹ 15 crores for the year ended March 31, 2026, as employee severance cost which has been presented under exceptional items.

(iii) The Company had assessed impact of the New Labour Code notified by the Government of India on November 21, 2025 and recognised an incremental impact of past service cost in gratuity and compensated absences amounting to ₹ 49 crores arising primarily from the revision in the definition of wages. The Company continues to monitor the finalisation of Central and State rules, clarifications from the Government on other aspects of the Labour Code and will provide appropriate accounting effects based on such developments as needed.

48 Additional regulatory information required by Schedule III

i. Details of benami property held

The Holding company and it's subsidiaries in India does not hold any benami property. No proceedings have been initiated or are pending against the Holding company and it's subsidiaries in India for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

ii. Borrowing secured against current assets

The Holding company and it's subsidiaries in India have no borrowings from banks and financial institutions on the basis of security of current assets.

iii. Willful defaulter

None of the entities in the Holding company and it's subsidiaries in India have been declared willful defaulter by any bank or financial institution or government or any government authority.

iv. Relationship with struck off companies

The Holding Company and it's subsidiaries in India have no transactions with the companies struck off under the Companies Act, 2013 or the Companies Act, 1956 except for the following transaction during the year:

Name of the Struck Off company	Nature of transactions with the struck off company	Balance outstanding as at March 31, 2026	Balance outstanding as at March 31, 2025	Relationship with the struck off company
Charuu Multi Services Private Limited	Sales of goods and receipt of consideration	-	-	Vendor

v. Compliance with number of layers of companies

The Holding Company and it's subsidiaries in India have ensured compliance with Section 2(87) of the Companies Act, 2013, read with the Companies (Restriction on Number of Layers) Rules, 2017 ('Layering Rules').

vi. Utilisation of borrowed funds and share premium

A. The Holding Company and it's subsidiaries in India have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with understanding 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 funding party (ultimate beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

B. The Holding Company and it's subsidiaries in India have not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Holding Company and it's subsidiaries in India 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 to or on behalf of the ultimate beneficiaries.

vii. Undisclosed income

There is no income surrendered or disclosed as income during the current or prior year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of accounts of the Holding Company and it's subsidiaries in India.

viii. Compliance with approved scheme(s) of arrangements

The Holding Company and it's subsidiaries in India have not entered into any such scheme of arrangement which has an accounting impact on current (or) previous financial year.

ix. Loans or advances to specified persons

The Holding Company and it's subsidiaries in India have not granted any loans or advances to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, except for the parties mentioned under note 41 (A)(d) that are:

(a) Repayable on demand

(b) without specifying any terms or period of repayment

x. Details of crypto currency or virtual currency

The Holding Company and it's subsidiaries in India have not traded or invested in crypto currency or virtual currency during the current or prior year.

xi. Valuation of property, plant and equipment, right-of-use assets, intangible assets and investment properties

The Holding Company and it's subsidiaries in India have not revalued its property, plant and equipment, right-of-use assets, intangible assets and investment properties during the current or previous year.

xii. Utilisation of borrowings taken from banks and financial institutions for specific purpose

The Holding Company has not availed borrowings from any banks or financial institutions during the year for a specific purpose. Nao Spirits and beverages Private Limited has availed loan from bank for working capital purpose.

xiii. Registration of charges or satisfaction with Registrar of Companies

The Holding Company and it's subsidiaries in India have no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

Notes forming part of the Consolidated Financial Statements

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Note 49 - Summary of other accounting policies

49.1 Principles of consolidation and equity accounting

(i) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group except for common control transactions.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(ii) Joint ventures

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

(iii) Equity method

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognized as a reduction in the carrying amount of the investment.

When the Group's share of loss in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in these entities. Unrealized losses are also estimated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note 49.4 below.

The Group does not have any investments in associates.

(iv) Changes in ownership interests

When the Group ceases to consolidate or equity account for an investment because of a loss of control or significant influence, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognized in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequent accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognized in other comprehensive income are reclassified to profit or loss where appropriate.

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49.2 Property, plant and equipment

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All expenses in the nature of repairs and maintenance are charged to Statement of profit and loss during the reporting period in which they are incurred.

The cost of property, plant and equipment which are not ready for their intended use at the balance sheet date, are disclosed as capital work-in-progress.

Disposals

Gains and losses on disposals are determined by comparing proceeds with the carrying amounts. These are accounted in Statement of profit and loss within Other income/ Other expenses, on a net basis.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

49.3 Intangible assets

Impairment of assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested for impairment at least annually, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment at least annually or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Disposals

Gains and losses on disposals are determined by comparing proceeds with the carrying amounts. These are accounted in Statement of profit and loss within Other income/ Other expenses, on a net basis.

Transition to Ind AS

On transition to Ind AS, the group has elected to continue with the carrying value of all of intangible assets measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

49.4 Investment in joint ventures

Investments in joint ventures are carried at cost/ deemed cost, less accumulated impairment losses, 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 an asset's fair value less costs of disposal and value in use.

On disposal of investments in joint ventures, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

49.5 Financial instruments

A) Financial assets:

a) Recognition and measurement

Financial assets are recognised when the Group becomes a party to the contractual provisions of the instrument.

On initial recognition, all financial assets except trade receivables are recognised at fair value. Financial assets are subsequently classified and measured at amortised cost. Financial assets are not reclassified subsequent to their recognition, except if and in the period the Group changes its business model for managing financial assets.

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i) Loans

On initial recognition, Loans are measured at fair value. Since the objective is to hold these financial assets to collect contractual cash flows that are solely payments of principal and interest, these assets are subsequently measured at amortised cost using the EIR method less impairment, if any.

ii) Other financial assets:

On initial recognition, Other financial assets are measured at fair value, and subsequently, measured at the amortised cost, less impairment if any. Loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

b) Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

c) Impairment of financial assets

The Group applies Expected Credit Losses (ECL) model for measurement and recognition of loss allowance on Trade receivables and other financial assets measured at amortised cost.

In case of trade receivables, the Group follows the provision matrix approach (as permitted by Ind AS 109) wherein an amount equal to lifetime ECL is measured and recognised as loss allowance.

The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

In case of other financial assets, the Group determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognised as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognised as loss allowance. Subsequently, if the credit quality of the financial asset improve such that there is no longer a significant increase in credit risk since initial recognition, the Group reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive (i.e., cash shortfalls), discounted at the original effective interest rate.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12-month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date.

ECL are measured in a manner that they reflect probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Consolidated Statement of Profit and Loss under the head other expenses as 'Allowance for trade receivables, other financial assets and other assets (net)'.

d) Income recognition

Dividend income on investments is recognised and accounted for when the right to receive the payment is established, it probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

Interest income is accounted for on a time-proportion basis using effective interest rate method taking into account the amounts invested and the rate of interest, except for financial assets that subsequently become credit impaired.

For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Notes forming part of the Consolidated Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

B) Financial Liabilities:

a) Recognition and measurement

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. On initial recognition, financial liabilities are measured at fair value and subsequently measured at amortised cost.

Trade and other payables

In case of trade and other payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest rate method.

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid as per credit period. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

b) Derecognition

The Group derecognises a financial liabilities when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

C) Off-setting 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. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

49.6 Employee benefits

a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits and performance incentives that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services rendered up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented under 'Other financial liabilities' in the balance sheet.

b) Post-employment obligations

The Group's defined benefit plans comprise gratuity and pension.

Pension and gratuity obligations

The net liability or asset recognised in the balance sheet in respect of pension and gratuity (defined benefit plans) is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Consolidated Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans

These are plans in which the Group pays pre-defined amounts to funds administered by government authority and the Group does not have any legal or constructive obligation to pay additional sums. These comprise contributions in respect of Employees' Provident Fund,

Notes forming part of the Consolidated Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

Employees' Pension Scheme, Employees' State Insurance, Superannuation fund and National Pension Scheme. The Group's payments to the defined contribution plans are recognised as employee benefit expenses when they are due.

c) Other long-term employee benefit obligations

The liabilities for earned and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields of government bonds at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in Statement of Profit and Loss.

d) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the Group recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

e) Share-based payments

Share based compensation benefits are provided to certain grades of employees in the form of United Spirits Limited- Stock Appreciation Rights Plan, a cash settled scheme, and various equity settled schemes managed by Diageo group.

Stock appreciation rights

Liabilities for the Group's share appreciation rights are recognised as employee benefit expense over the relevant service period. The liabilities are remeasured to fair value at each reporting date and are presented as current/ non-current provisions in the Balance Sheet.

Diageo group share based payment arrangements

The fair value of equity settled share options based on shares of Diageo plc. (the ultimate holding Group) is initially measured at grant date and is charged to the Statement of Profit and Loss over the vesting period, which is the period over which all of the specified vesting conditions are satisfied, and the credit is included in equity. At the end of each period, the Group revises its estimates of the number of options that are expected to vest based on the non-market and service conditions. It recognises the impact of revision to original estimate, if any, in profit or loss, with a corresponding adjustment to equity. Once the costs towards share option plans are cross charged by Diageo group companies, the same is accounted for as a reduction from equity. To the extent the amount or recharge exceeds the fair value of equity shares on the date of exercise, the same is recognised in the Statement of Profit and Loss.

49.7 Income tax

Income tax expense is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from initial recognition of goodwill. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Notes forming part of the Consolidated Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

49.8 Earnings per share (EPS)

Basic EPS is arrived by dividing profit attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless impact is anti-dilutive. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented in case of share splits.

49.9 Provisions and contingencies

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

A provision is made in respect of onerous contracts, i.e., contracts in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contracts. Provisions are not recognised for other future operating losses. The carrying amounts of provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or an obligation for which the future outcome cannot be ascertained with reasonable certainty. When there is a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

49.10 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in Statement of Profit and Loss over the period of the borrowings using the effective interest method.

Borrowings are derecognised from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in Statement of Profit and Loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

49.11 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

Notes forming part of the Consolidated Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

49.12 Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions are 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 property, plant and equipment, it is recognised as deferred income and recognised as income in Statement of Profit and Loss over the expected useful life of the related asset. When loan or similar assistance are provided by government or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is recognized at government rate. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received.

49.13 Exceptional items

When an item of income or expense within Statement of profit and loss from ordinary activity is of such size, nature and incidence that its disclosure is relevant to explain more meaningfully the performance of the Group for the year, the nature and amount of such items is disclosed as exceptional items.

49.14 Equity

Own shares represent shares of the Group and those held in treasury by USL Benefit Trust. Pursuant to orders of the High Court of Karnataka and the High Court of Bombay, shares held in aforesaid trust have been treated as an investment.

Dividends - Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

49.15 Foreign currency translation

(i) Functional and presentation currency

The consolidated financial statements of the Group are presented in Indian Rupees (₹), which is the presentation currency of the Group. Each entity within the Group determines its functional currency, being the currency of the primary economic environment in which the entity operates, in accordance with Ind AS 21.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in the Consolidated Statement of Profit and Loss.

(iii) Transaction of Group Companies

The results and financial position of foreign operations (none of which has the currency of a hyper inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of that balance sheet;
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognized in other comprehensive income as 'Foreign currency translation reserve'.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings are recognized in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

Notes forming part of the Consolidated Financial Statements

as of and for the year ended March 31, 2026

(All amounts in ₹ crores unless otherwise stated)

49.16 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest crores as per the requirement of Schedule III (Division II) to the Act, unless otherwise stated. The sign '0' in these financial statements indicates that the amounts involved are below ₹ fifty lakhs and the sign '-' indicates that amounts are nil.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm registration number: 304026E/E-300009

Dibyendu Majumder
Partner
Membership number: 057687

Place: Bengaluru
Date: May 14, 2026

For and on behalf of the Board of Directors

V.K. Viswanathan
Chairman
DIN:01782934
Place: Bengaluru

Narayan K. Seshadri
Director
DIN: 00053563
Place: Bengaluru

Praveen Someshwar
Managing Director and Chief Executive Officer
DIN : 01802656
Place: Bengaluru

Pradeep Jain
Executive Director and Chief Financial Officer
DIN : 02110401
Place: Bengaluru

Pragya Kaul
Company Secretary
Place: Bengaluru

Date: May 14, 2026

UNITED SPIRITS LIMITED

Registered Office: 'UB Tower', #24, Vittal Mallya Road, Bengaluru – 560 001, Karnataka, India.
Corporate Identification Number: L01551KA1999PLC024991
Tel: +91 80 2221 0705; **Fax:** +91 80 2224 5253;
Website: www.diageoindia.com | **E-mail:** investor.india@diageo.com

NOTICE

NOTICE is hereby given that the 27th (twenty-seventh) Annual General Meeting ("AGM") of members of United Spirits Limited ("the Company"/"USL") will be held on **Tuesday, 4th August 2026 at 3:30 P.M. IST** through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM") to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt Audited Standalone Financial Statements of the Company for the financial year ended 31st March 2026, and the reports of Board of Directors and Auditors thereon.

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** the Audited Standalone Financial Statements of the Company for the financial year ended 31st March 2026, and the reports of Board of Directors and Auditors thereon, as circulated to members, be considered and adopted."

2. To receive, consider and adopt Audited Consolidated Financial Statements of the Company for the financial year ended 31st March 2026, and the reports of Board of Directors and Auditors thereon.

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March 2026, and the reports of Board of Directors and Auditors thereon, as circulated to members, be considered and adopted."

3. To declare final dividend of ₹ 11 per equity share for financial year ended 31st March 2026.

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to recommendation of Board of Directors of the Company, a final dividend of ₹ 11 (550%) per equity share of face value of ₹ 2 per equity share for the financial year ended 31st March 2026, be and is hereby declared and paid out of profits of financial year 2025-26 to equity shareholders of the Company whose name appear in the Register of Members of the Company as on Wednesday, 8th July 2026."

4. To appoint a Director in place of Mr. Pradeep Jain (DIN: 02110401) who retires by rotation and being eligible, offers himself for re-appointment.

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to section 152 and other applicable provisions of the Companies Act, 2013, and rules made thereunder (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force) read with Articles of Association of the Company, Mr. Pradeep Jain (DIN: 02110401), who retires by rotation at the ensuing Annual General Meeting of the Company, and being eligible for re-appointment, be and is hereby re-appointed as an Executive Director of the Company, liable to retire by rotation."

Relevant details of Mr. Pradeep Jain pursuant to Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India is enclosed as **Annexure 1** to this Notice.

5. Appointment of M/s. Walker Chandiok & Co. LLP, Chartered Accountants as Statutory Auditors of the Company.

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of section 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 and rules framed thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") (including any statutory modification(s) or re-enactment thereof for the time being in force) and upon recommendations of the Audit Committee and the Board of Directors, M/s. Walker Chandiok & Co LLP, Chartered Accountants (Firm Registration No. 001076N/N500013), be and are hereby appointed as the Statutory Auditors of the Company for a term of 5 (five) years i.e., from the conclusion of this Annual General Meeting till the conclusion of 32nd (thirty-second) Annual General Meeting of the Company, on such remuneration as may be recommended by the Audit Committee, in consultation with the Auditors and duly approved by the Board of Directors.

RESOLVED FURTHER THAT the Audit Committee/Board of Directors of the Company, be and are hereby authorized to revise/alter/modify/amend the terms and conditions and/or remuneration, from time to time, as may be mutually agreed with the Statutory Auditors, during the tenure of their appointment.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution and to delegate all or any of its powers herein conferred to any Director, Company Secretary or any other officer(s) of the Company."

Notice (Continued)

SPECIAL BUSINESS

6. Remuneration payable to M/s. Rao, Murthy & Associates, Cost Auditor of the Company for the financial year ending 31st March 2027.

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to provisions of section 148 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), consent of members of the Company be and is hereby accorded for the proposed remuneration not exceeding ₹ 2.25 Lakh plus out of pocket expenses and applicable taxes, payable to M/s. Rao, Murthy & Associates, Cost Accountants, (Firm Registration Number: 000065), appointed by the Board of Directors of the Company on the recommendation of Audit Committee, as Cost Auditor of the Company, to conduct cost audit of the Company for financial year 2026-27.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution and to delegate all or any of its powers herein conferred to any Director, Company Secretary or any other officer(s) of the Company."

7. Appointment of Mr. Vinod Rao (DIN: 01788921) as an Independent Director of the Company

To consider and, if thought fit, to pass the following resolution as a **Special Resolution:**

"**RESOLVED THAT** in accordance with the provisions of sections 149, 150, 152, 161, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder and Regulation 17, 25 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Articles of Association of the Company, Mr. Vinod Rao (DIN: 01788921), who was appointed by the Board of Directors on the recommendation of Nomination and Remuneration Committee as an Additional Director (Non-Executive, Independent Director) with effect from 13th June 2026, and who meets the criteria for independence under section 149(6) of the Act and the Rules made thereunder and Regulation 16(1)(b) of the Listing Regulations, and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a member under section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company for a period of three years, effective from 13th June 2026 to 12th June 2029, and whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution and to delegate all or any of its powers herein conferred to any Director, Company Secretary or any other officer(s) of the Company."

8. Appointment of Mr. Daniel Mobley (DIN: 11790849) as a Non-Executive Non-Independent Director of the Company

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"**RESOLVED THAT** in accordance with the provisions of section 149, 152, 161 of the Companies Act, 2013 and the Rules made thereunder and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") (including any statutory modification(s) or reenactment(s) thereof for the time being in force), the Articles of Association of the Company, Mr. Daniel Mobley (DIN: 11790849), who was appointed by the Board of Directors on the recommendation of Nomination and Remuneration Committee as an Additional Director (Non-Executive, Non-Independent Director) with effect from 6th July 2026, and who is eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a member under section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as Non-Executive Non-Independent Director, liable to retire by rotation.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution and to delegate all or any of its powers herein conferred to any Director, Company Secretary or any other officer(s) of the Company."

By order of the Board of Directors of
United Spirits Limited

Sd/-
Pragya Kaul
Company Secretary
Membership No. A17167

Place: Bengaluru
Date: 3rd July 2026

Notice (Continued)

NOTES

Virtual Meeting:

1. The Ministry of Corporate Affairs ("MCA") vide its General Circular No. 20/2020 dated 5th May 2020 read with subsequent circulars issued from time to time, the latest one being General Circular No. 03/2025 dated 22nd September 2025, ("MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020 read with subsequent circulars issued from time to time, the latest one being Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated 3rd October 2024, ("SEBI Circulars") (hereinafter collectively referred to as "Circulars") has permitted companies to conduct AGM through Video Conferencing or Other Audio Visual Means ("VC/OAVM"), without physical presence of members at a common venue, until further orders. Accordingly, in compliance with the provisions of the Companies Act, 2013 ("Act") SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and above Circulars, 27th (twenty-seventh) AGM of the Company is being held through VC/OAVM on Tuesday, 4th August 2026 at 3.30 P.M. IST with deemed venue being the Registered Office of the Company.

2. Members to note that National Securities Depository Limited ("NSDL") will be providing facilities of voting through remote electronic voting ("e-voting") and e-voting during the AGM. VCNow will facilitate the participation in AGM through VC/OAVM. The procedure for participating in the meeting through VC/OAVM is explained in detail in **Annexure 2** and is also available on the Company's website at www.diageoindia.com.

3. Participation of members through VC/OAVM will be reckoned for the purpose of quorum for the AGM as per section 103 of the Act.

4. Pursuant to Regulation 44 of SEBI Listing Regulations and the aforesaid circulars, facility for appointment of Proxy by members is not available for this AGM. Accordingly, proxy form, attendance slip including route map to the venue are not annexed to this Notice.

   However, pursuant to section 112 and 113 of the Act, representatives of members such as the President of India or the Governor of a State or body corporate can attend this AGM through VC/OAVM and cast their votes through e-voting.

Authorized Representative:

5. Institutional/Corporate members intending to authorize its representatives to participate and/or vote at the AGM through VC/OAVM are requested to send a scanned copy (PDF/JPEG) of the certified copy of Board Resolution/Authorization Letter, authorizing its representatives to the Scrutinizer by email at sudhir.compsec@gmail.com or to the Company at investor.india@diageo.com or upload the same on VC portal/e-voting portal.

Electronic dispatch of Integrated Annual Report and process for registration of e-mail ID and for obtaining copy of Integrated Annual Report:

6. In compliance with aforesaid Circulars and Regulation 36(1)(a) of SEBI Listing Regulations, the 27th (twenty-seventh) AGM Notice along with Integrated Annual Report for Financial Year 2025-26 (FY 2025-26) is being sent through electronic mode to those members whose email addresses are registered with the Company/Depositories/Registrar and Transfer Agent (RTA) as on Wednesday, 8th July 2026. Further, in compliance with Regulation 36(1)(b) of the Listing Regulations, a letter providing the web-link, including the exact path, where Integrated Annual Report for the FY 2025-26 is available, is being sent to those members whose e-mail address is not registered with the Company/RTA/Depository Participants ("DP").

7. Members may note that the AGM Notice and Integrated Annual Report for FY 2025-26 is also available on the Company's website at www.diageoindia.com, websites of Stock Exchanges viz., the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") at www.bseindia.com and www.nseindia.com, respectively.

8. Members are required to immediately inform details of their email addresses, if any, as mentioned below, in order to receive all notices and other statutory documents which are required to be sent to members of the Company as per the Act and the Listing Regulations:

   a) **In case of shares held in physical form** – to the Company's RTA viz., Integrated Registry Management Services Private Limited at #30, Ramana Residency, 4th Cross, Sampige Road, Bengaluru – 560 003, Karnataka, India. (Tel No. +91 80 2346 0815-818 Fax No. +91 80 2346 0819), and

   b) **In case of shares held in dematerialized/electronic form** – to respective DP.

9. Physical copy of Integrated Annual Report for FY 2025-26 (including 27th AGM Notice) shall be sent only to those members who specifically request for the same. Accordingly, members who wish to obtain a physical copy of the above, may write to the Company at investor.india@diageo.com or to the RTA at bglsta@integratedindia.in, requesting the same, by providing their holding details.

Members holding shares in physical mode ("Physical members"):

10. Physical members to note that effective 1st April 2019, transfer of shares through physical mode are not permitted pursuant to SEBI notification dated 8th June 2018. Additionally, the Company's equity shares are under compulsory dematerialization viz., trading of these shares would be facilitated through stock exchanges only if physical shares are dematerialized.

Accordingly, Physical members are advised to consider opening a demat account with an authorised DP and arrange for dematerializing their physical shareholding in the Company.

Kindly note that a special window for transfer and dematerialization ("demat") of physical shares will remain open upto 4th February 2027 as per SEBI Circular no. HO/38/13/11(2)2026-MIRSD-POD/I/3750/2026 dated 30th January 2026 ("SEBI Circular - SW").

This facility is available to those investors who had purchased physical shares of the Company prior to 1st April 2019, and

a) had not lodged the shares for transfer, or

b) had lodged the shares for transfer, but the same was rejected, returned, not processed due to deficiencies in documentation.

Applicability of Special Window:

For clarity regarding applicability of this window for transfer deeds executed prior to 1st April 2019, investors may refer to the below matrix:

Lodged for transfer before 1st April 2019	Availability of original security certificate with the Investor	Eligibility under the special window
No (Fresh lodgement)	Yes	Yes, subject to conditions stated under SEBI Circular - SW.
Yes (Rejected, returned earlier)	Yes	
Yes	No	No
No	No	No

Kindly note that only the request(s) which are accompanied with original share certificate(s) along with transfer deed(s) and other supporting documents will be considered under the special window.

Members are requested to use this opportunity and reach out to RTA/the Company for any support/guidance in this regard.

11. Physical members to note that SEBI vide its Master Circular No. SEBI/HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated 6th February 2026 ("SEBI Master Circular") has mandated listed companies to issue securities only in demat form while processing service requests viz., issuance of duplicate securities certificate, claim from unclaimed suspense account, renewal/exchange of securities certificate, endorsement, sub-division/splitting of securities certificate, consolidation of securities certificates/folios, transmission or transposition.

    Accordingly, members are requested to make service requests by submitting a duly filled and signed Form ISR-4, format of which is made available on Company's website at https://www.diageoindia.com/en/investors/shareholder-centre/downloads. Additionally, all service requests shall be processed only after the folio is KYC Compliant.

12. Physical members have been mandated to furnish PAN, choice of Nomination (optional), contact details, bank account details and specimen signature for their corresponding folio numbers vide SEBI Master Circular.

    Accordingly, Physical members are requested to submit duly filled and signed prescribed forms by sending an email from their registered email ID to bglsta@integratedindia.in and send physical copies of the above to Integrated Registry Management Service Private Limited, Unit: United Spirits, Limited, No. 30, Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bengaluru – 560 003, Karnataka, India.

    Format of prescribed forms are made available on Company's website at https://www.diageoindia.com/en/investors/shareholder-centre/downloads.

13. Effective 1st April 2024, Physical members whose folios are not updated with any of aforesaid KYC details, shall be eligible to get dividend in electronic mode, only after furnishing their KYC details. Accordingly, the Company encourages physical members to ensure their folios are KYC compliant in order to receive their dividends in a timely manner.

Dividends and related matters:

14. The Board of Directors of the Company at their meeting held on 14th May 2026, has inter alia, approved and recommended payment of final dividend of ₹11 (Rupees Eleven only) per equity share of face value of ₹2 (Rupees Two only) each, for FY 2025-26, subject to approval of members at this AGM.

15. Final dividend for FY 2025-26, if approved by members at the ensuing AGM, will be paid on or after Thursday , 13th August 2026, to those members whose names appear on the Register of Members of the Company or Register of Beneficial Owners maintained by the Depositories as on the record date i.e., Wednesday, 8th July 2026.

16. Members holding shares in physical/demat form are hereby informed that bank particulars registered with RTA or their respective DP, as the case may be, will be considered by the Company for payment of final dividend. Accordingly, members are required to submit their bank account details, if not already registered, as mandated by the SEBI.

    Further, members are requested to ensure that their PAN is linked to Aadhaar as per the date specified by the Central Board of Direct Taxes.

    FAQs on Tax deducted at Source on Dividend are available on the website of the Company at https://www.diageoindia.com/en/investors/shareholder-centre/downloads

Notice (Continued)

Unclaimed Dividends:

17. All unclaimed dividends for the period from 1st April 1999 to 31st March 2013, required to be transferred to the Investor Education and Protection Fund ("IEPF") in terms of the provisions of the Companies Act, 1956 and the Companies Act, 2013, were transferred to IEPF.

    Since FY14 upto FY23, the Company has not declared any dividend. Thereafter, the Company has declared the following dividends:

Financial Year (FY)	Particulars	Record Date	Dividend per share
FY24	Interim Dividend	17 Nov 2023	₹ 4
	Final Dividend	12 Jul 2024	₹ 5
FY25	Interim Dividend	3 Apr 2025	₹ 4
	Final Dividend	1 Aug 2025	₹ 8
FY26	Interim Dividend	27 Jan 2026	₹ 6

The Investor Education and Protection Fund:

18. Members are requested to note that dividends, if not encashed for a period of 7 (seven) years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the IEPF.

    Further, all shares in respect of which dividend has remained unclaimed for 7 (seven) consecutive years or more from the date of transfer to unpaid dividend account, shall also be transferred to IEPF.

    In view of this, members are requested to claim their unclaimed dividends, if any, from the Company, within the following timelines:

Particulars	Declaration Date	Last date for claiming unpaid/ unclaimed dividend
Interim Dividend FY24	8 Nov 2023	9 Dec 2030
Final Dividend FY24	31 Jul 2024	30 Aug 2031
Interim Dividend FY25	27 Mar 2025	27 Apr 2032
Final Dividend FY25	29 Aug 2025	28 Sept 2032
Interim Dividend FY26	20 Jan 2026	26 Feb 2033

19. Pursuant to provisions of the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), the Company has uploaded details of unpaid and unclaimed amounts lying with the Company as on 31st March 2026 on Company's website at https://www.diageoindia.com.

20. During FY 2025-26, the Company transferred ₹ 5.3 crore to IEPF towards the Interim and Final dividend of FY 2024-25 and Interim dividend of FY 2025-26, on shares which have already been transferred to IEPF.

21. Members may note that unclaimed dividends which are transferred to IEPF can be claimed only by submitting an application in form IEPF-5 to the Ministry of Corporate Affairs available on website https://www.mca.gov.in.

Tax on Dividends:

22. As per the Income Tax Act, 2025, dividends paid or distributed by the Company after 1st April 2020, shall be taxable in the hands of members and the Company shall be required to deduct tax at source ("TDS") at prescribed rates from dividend to be paid to such members. For prescribed rates for various categories, kindly refer to the Income Tax Act, 2025 and amendments thereof.

    a. An email communication was sent to all members informing relevant procedure to be adopted by them/documents to be submitted for availing applicable tax rate.

    b. Resident and Non-Resident members are requested to duly fill and sign aforesaid documents and upload the same, as applicable, only on RTA's weblink i.e., https://ipostatus.integratedregistry.in/TaxExemptionRegistration.aspx on or before Wednesday, 15th July 2026, , to enable the Company to determine appropriate TDS/withholding tax rate for the proposed final dividend for FY 2025-26. Further members may note that tax determination/deduction received post Wednesday, 15th July 2026, shall not be considered for payment of final dividend for FY 2025-26. For any queries/ clarification, members may address the same to bglsta@integratedindia.in.

    c. Members to note that in case tax on aforesaid dividend is deducted at a higher rate due to non-receipt of or satisfactory completeness of the aforementioned details/ documents by Wednesday, 15th July 2026, members may claim an appropriate refund in their return of income filed with respective tax authorities.

    d. Members are requested to ensure that their PAN, choice of nomination, contact details including mobile number, email ID, bank account details and residential status of their demat accounts are updated with DP, in order to receive communications from the Company and any benefits arising out of corporate action in a timely manner. Any change in aforesaid details is required to updated with your DP directly.

    e. No tax will be deducted at source, in the case of resident individual members where the aggregate dividend payable during the financial year does not exceed ₹ 10,000. However, where the PAN is not updated in the records of the Company, its Registrar and RTA or the DP, or where the PAN is invalid, and the aggregate dividend payable to the resident individual member exceeds ₹10,000 during the financial year, the Company shall deduct tax at source under Section 393(1) [Table: Sl. No. 7] read with Section 397(2) of the Income-tax Act, 2025, at the applicable rate.

    f. This communication is for information purposes only and is not intended to constitute a complete analysis or listing of all tax implications relating to the payment of dividend. Members are advised to consult their own tax advisors regarding the tax consequences applicable to their specific circumstances.

Notice (Continued)

    g. The Company shall issue the TDS certificate in electronic form to the e-mail address registered with the RTA or DP, after filing the TDS return within the timelines prescribed under the Income-tax Act, 2025. Members may also download Form 168 from the Income-tax Department's e-filing portal.

    h. The applicable rate of TDS /withholding tax shall be determined based on the member details available in the Register of Members as on the Record Date and the declarations, documents and other information furnished by the member to the Company or its RTA within the prescribed timelines.

    i. Where tax has been deducted at a higher rate than applicable, the member may claim the appropriate refund by filing the return of income in accordance with the provisions of the Income-tax Act, 2025

Procedure for inspection of documents:

23. All documents referred to in this Notice shall be available at the Registered Office of the Company for inspection without any fee on all working days (Monday to Friday), during normal business hours (09:00 A.M. to 05:00 P.M. IST) upto, Tuesday, 4th August 2026. Additionally, members seeking to inspect such documents electronically may send an email providing your holding details to the Company at investor.india@diageo.com.

24. During the AGM, the Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of the Act, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under section 189 of the Act, shall be available for inspection electronically, by members on the e-voting portal.

Nomination:

25. Pursuant to section 72 of the Act and SEBI Master Circular, facility for making nomination is made available for members in respect of shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13.

    If a Physical member desires to opt-out or cancel earlier nomination and record a fresh nomination, they may submit duly filled and signed Form ISR-3 or SH-14, as the case may be, to the RTA. Aforesaid forms are made available in Company's website https://www.diageoindia.com/en/investors/shareholder-centre/downloads. Demat members are requested to contact their DP for recording their nominations.

Grievance redressal:

26. Members are requested to email their grievances, if any, for redressal at bglsta@integratedindia.in or investor.india@diageo.com along with their full name, Folio No./DP ID and Client ID, contact number and a detailed description of their discrepancy.

Procedure for remote e-voting and e-voting during the AGM:

27. In compliance with the provisions of section 108 of the Act and Rule 20 of the Companies (Management and Administrations) Rules, 2014, the Company is pleased to provide members with a facility to exercise their right to vote at the AGM by electronic means and the votes may be cast through e-voting services provided by NSDL.

28. Facility for e-voting shall also be made available during the meeting and members attending the meeting through VC, who have not cast their vote by remote e-voting can exercise their vote during the meeting.

29. Members who have cast their vote by remote e-voting, prior to the meeting, may attend the meeting but shall not be entitled to cast their vote again.

30. Any person who acquires shares of the Company and becomes a Member of the Company after sending of this Notice and holding shares as of the cut-off date, may obtain their login credentials by sending an email to eVoting@nsdl.com. However, if the member has already registered with NDSL for remote e-voting, members can use their existing credentials for casting their vote(s).

    30A. The members who have cast their vote(s) by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote(s) again at the Meeting. Once the vote on a resolution is cast by a member, whether partially or otherwise, the member shall not be allowed to change it subsequently or cast the vote again.

    30B. Only a person, whose name is recorded as on the Cut-off Date, in the Register of Members/Register of Beneficial Owners maintained by the Depositories, shall be entitled to avail the facility of remote e-voting or participation at the AGM and voting through Poll. A person who is not a member as on the Cut-off Date, should treat this Notice for information purpose only.

31. Key dates in relation to e-voting:

Cut-off date:	Tuesday, 28th July 2026
Remote e-voting period:	Begins on Thursday, 30th July 2026 at 09:00 hrs IST Ends on Monday, 3rd August 2026 at 17:00 hrs IST E-voting module shall be disabled by NDSL for voting thereafter. AGM Notice is also disseminated on NDSL' website at https://www.evoting.nsdl.com/.

Scrutinizer for this AGM:

32. Mr. Sudhir V. Hulyalkar, Company Secretary in Practice (CP: 6137), failing him Mr. Sudhindra K S, Practicing Company Secretary (CP No. 8190) shall act as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

Notice (Continued)

33. Scrutinizer shall make a consolidated Scrutinizer's Report of votes cast in favour or against, if any, to the Chairperson or person(s) authorized by him, within two working days after conclusion of AGM, and the Company will declare the voting results forthwith.

34. The results declared along with Scrutinizer's Report shall be placed on Company's website www.diageoindia.com and on stock exchanges' website viz., the NSE at www.nseindia.com and the BSE at www.bseindia.com, immediately after the result is declared by the Chairperson or any person authorised and communicated to the concerned stock exchanges.

Speaker Registration:

35. Members who would like to express their views/ask questions during the AGM may register themselves as a speaker by sending their request in advance **at-least 5 days prior to AGM** mentioning their name, demat account number/folio number, email ID, mobile number at investor.india@diageo.com and only those members are allowed to express their views/ask questions during the AGM.

36. Members who do not wish to speak during the AGM but have queries may send their queries in advance 5 days prior to meeting mentioning their name, demat account number/folio number, email ID, mobile number at investor.india@diageo.com. These queries will be responded appropriately by the Company.

37. Members will be allowed to attend the AGM through VC or OAVM on first come, first serve basis.

PROCESS FOR THOSE MEMBERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. **For Physical members:** Kindly provide necessary details like Folio No., members name, scanned copy of share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to the Company/RTA email ID.

2. **For Demat members:** Kindly update your email ID & mobile no. with your respective Depository Participant (DP).

3. **For Individual Demat members:** Kindly update your email ID & mobile no. with your respective Depository Participant (DP) which is mandatory while e-voting & joining virtual meetings through Depository.

   If you have any queries or issues regarding attending AGM & e-voting from NSDL e-Voting System, you may write an email to eVoting@nsdl.com or contact at Toll-Free no. +91 22 4886 7000.

   All grievances connected with facility for voting by electronic means may be addressed to Ms. Pallavi Mhatre, Sr. Manager, National Securities Depository Limited (NDSL), T301, 3rd Floor, Naman Chambers, G Block, Plot No- C-32, Bandra Kurla Complex, Bandra East-400051 ,Mumbai, India, or send an email to eVoting@nsdl.com or call on +91 22 4886 7000.

INSTRUCTIONS FOR MEMBERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING AGM

1. Procedure for attending AGM & e-voting on the day of AGM is same as instructions mentioned above for remote e-voting.

2. Link for VC/OAVM to attend AGM will be available where EVSN of the Company will be displayed after successful login as per instructions mentioned above for e-voting.

3. Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. Members are encouraged to join the AGM through Laptop/iPad for better experience.

5. Further, members will be required to allow camera and use internet with a good speed to avoid any disturbance during the AGM.

6. Kindly note that participants connecting from mobile devices/ tablets/laptops connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. Accordingly, it is recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

7. Only those members who have registered themselves as a speaker will be allowed to express their views/ask questions during the AGM.

8. Only those members present at the AGM through VC/OAVM facility and have not casted their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.

9. If any votes are cast by members through e-voting available during AGM and if the said member has not participated in the AGM through VC/OAVM facility, then such votes cast shall be considered invalid as the facility of e-voting during the AGM is available only to the members attending the AGM.

Notice (Continued)

EXPLANATORY STATEMENT AS REQUIRED BY SECTION 102 OF THE COMPANIES ACT, 2013.

Item No. 5

Appointment of M/s. Walker Chandiok & Co. LLP, Chartered Accountants as Statutory Auditors of the Company.

The Members of the Company at the 22nd AGM held on 26th August 2021 had approved the re-appointment of M/s. Price Waterhouse & Co Chartered Accountants LLP, (FRN 304026E/E-300009), as the Statutory Auditors of the Company to hold office for a term of 5 (five) consecutive years from the conclusion of said AGM till the conclusion of the 27th AGM. They will complete their two consecutive terms as Statutory Auditors of the Company on conclusion of this AGM.

The Board of Directors of the Company (the "Board"), at their meeting held on 21st November 2025, considering the experience, expertise and based on the recommendation of the Audit Committee, has proposed the appointment of M/s. Walker Chandiok & Co. LLP, Chartered Accountants (Firm Registration No. 001076N/N500013), as Statutory Auditors of the Company, to the Members of the Company.

A robust process was followed for shortlisting of statutory audit firm commencing with a Request for Proposal (RFP) to large audit firms. Based on subsequent interactions, few firms opted out of the process citing non-audit services being rendered to Diageo group. The remaining shortlisted firms made a formal presentation to the Independent Directors of the Audit Committee followed by an interaction. After evaluating the proposals and considering all relevant factors including audit quality management initiatives, technology deployment, audit team, profile of the proposed engagement partner, industry experience, client pedigree amongst others, M/s. Walker Chandiok & Co. LLP has been recommended for appointment. Audit Committee was periodically apprised of the process.

The proposed appointment is for a term of 5 (five) consecutive years from the conclusion of 27th AGM till the conclusion of the 32nd AGM on payment of such remuneration as may be mutually agreed upon between the Board of Directors and the Statutory Auditors, from time to time

The proposed remuneration to be paid to the Statutory Auditors for the financial year 2026-27 is ₹ 259 lakhs (Rupees Two Hundred Fifty-Nine Lakhs Only), comprising the statutory audit fee, limited review fee and BRSR reasonable assurance fee, in addition, certification fees shall be payable at ₹ 1 lakh (Rupees One Lakh Only) per certification for other permissible services, plus reimbursement of out-of-pocket expenses and applicable taxes. Besides the aforesaid services, the Company would also obtain other permissible non-audit services from the statutory auditors under various statutory regulations as required from time to time, for which they will be remunerated separately on mutually agreed terms, as approved by the Board of Directors in consultation with the Audit Committee. The fees, if any, for the permitted non-audit services shall not exceed 20% of the annual audit fees.

The remuneration for the remaining period of the term shall be fixed by the Board of Directors based on the recommendation of the Audit Committee. The proposed remuneration is commensurate with the size of the Company as per the nature of its business and is determined based on the recommendation of the Audit Committee, which peruses the industry benchmarks, profile of the firm, scope of audit and other relevant factors. The Company shall not avail any services from the Statutory Auditors which are prohibited under section 144 of the Act.

The proposed fees payable to M/s. Walker Chandiok & Co. LLP is lower than the fee paid to the outgoing statutory auditor. The reduction is attributable to the incoming auditor's proposed engagement and resource model, technology-enabled audit approach, efficiencies identified during the audit transition process, pre-emptive discussion of significant accounting matters and is in line with the peer group benchmarking. The Audit Committee has evaluated the auditor's qualifications, experience, independence, audit scope and fee structure and is satisfied that the proposed remuneration is reasonable and commensurate with the scope and complexity of the audit engagement.

M/s. Walker Chandiok & Co. LLP is a firm of Chartered Accountants registered and empanelled with the Institute of Chartered Accountants of India ("ICAI"). It was established in the year 1935 and is a Limited Liability Partnership Firm incorporated in India. It has its registered office at L-41, Connaught Circus, New Delhi - 110001 apart from 15 other branch offices in various cities in India. It is primarily engaged in providing audit and assurance services to its clients. It is amongst the largest and highly reputed audit firms in India and are auditors for several large companies including some of the top 100 listed entities in India.

Pursuant to section 139 of the Act and the Rules framed thereunder, the Company has received written consent from M/s. Walker Chandiok & Co. LLP and a certificate that they satisfy the criteria provided under section 141 of the Act and that the appointment, if made, shall be in accordance with the applicable provisions of the Act and Rules framed thereunder. As required under the Listing Regulations, M/s. Walker Chandiok & Co. LLP, has confirmed that they hold a valid certificate issued by the Peer Review Board of the ICAI.

None of the Directors or other Key Managerial Personnel and their relatives are concerned or interested (financially or otherwise) in this Resolution. The Board recommends the Ordinary Resolution set out at Item No. 5 for the approval of Members.

Item No. 6

Remuneration payable to M/s. Rao, Murthy & Associates, Cost Auditor of the Company for the financial year ending 31st March 2027.

Pursuant to provisions of section 148 of the Companies Act, 2013 (the "Act"), read with Companies (Audit and Auditors) Rules, 2014, maintenance of Cost Records and Cost Audit is applicable for the Company and remuneration payable to Cost Auditor is required to be approved by the members of the Company.

Based on recommendation of Audit Committee, the Board of Directors of the Company (the "Board") approved appointment of M/s. Rao, Murthy and Associates, Cost Accountants (Firm Registration Number: 000065), as Cost Auditor of the Company for conducting audit of cost records of the Company for financial year 2026-27, at a remuneration

Notice (Continued)

of ₹ 2.25 Lakh (Rupees Two lakh Twenty-Fifty thousand only) plus applicable taxes and reimbursement of out-of-pocket expenses.

Members to note that M/s. Rao, Murthy & Associates, Cost Accountants, have provided their consent to act as Cost Auditor of the Company and confirmed that they are not disqualified to be appointed as Cost Auditor, and that this appointment would be within the prescribed limit under the Act.

Proposed fee is based on scope of audit, knowledge, expertise, industry experience, time and resources deployed by Cost Auditor and is line with industry benchmark. Considering the above, Board believes that the proposed remuneration is fair and reasonable and does not impair independence and judgement of Cost Auditor. Accordingly, the Board recommends the Ordinary Resolution set out at Item No. 6 for the approval of Members.

None of the Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in this resolution, except to the extent of their shareholding, if any.

Item No. 7

Appointment of Mr. Vinod Rao (DIN: 01788921) as an Independent Director of the Company

Pursuant to section 149, 150, 152, 161 and other applicable provisions of the Companies Act, 2013, (the "Act"), the Articles of Association of the Company, the Board of Directors of the Company at their meeting held on 12th June 2026, based on recommendation of the Nomination and Remuneration Committee ("NRC") and subject to the approval of Members, approved the appointment of Mr. Vinod Rao (DIN: 01788921) as an Additional Director (Non-Executive Independent Director) of the Company, for a term of three years commencing from 13th June 2026 to 12th June 2029 (both days inclusive) not liable to retire by rotation.

Brief Profile of Mr. Vinod Rao:

Mr. Vinod Rao, with over 35 years in finance roles, has worked with global giants such as Diageo, PepsiCo, and ICI, spanning industries like FMCG and consumer durables. His last executive role was in 2021 as Group Treasurer and Head of Investor Relations at Diageo PLC, London. He had also served as a Non-Executive Director on the Company's Board from 2016 to 2021. He possesses expertise in both developed and developing markets, including India, China and Europe. He currently serves as an Independent Director at Eureka Forbes Limited and Cohance Lifesciences Limited, and acts as a Trustee for the UK-based Isha Foundation. He holds a Bachelor of Commerce from Madras University and is a member of the Institute of Chartered Accountants of India. He also attended a Senior Executive Programme at London Business School.

The Company has received the following statutory disclosures/ declarations:

i) DIR-2- consent to act as a Director

ii) Form DIR-8 - intimating the Company that he stands free from any disqualification, under section 164(1) and 164(2) of the Act;

iii) Declaration under section 149(7) of the Act and Regulation 25(8) of the Listing Regulations;

iv) Declaration that he is not debarred from holding the office of Director by virtue of any SEBI Order or any other such authority and given his consent to act as Director of the Company;

v) Confirmation that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge duties as an Independent Director of the Company;

vi) A notice in writing by a member proposing his candidature under section 160(1) of the Act;

vii) Confirmation that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualifications of Directors) Rules, 2014, with respect to his registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs;

viii) Form MBP-1 – disclosing his concerns or interests in other company(ies) in terms of section 184(1) of the Act.

The Board noted that Mr. Vinod Rao brings significant experience as a Non-Executive Director, along with extensive expertise in finance, mentoring, and leadership across both developing and developed markets, including India, which would be of immense value to the Company operating in a highly regulated industry. Accordingly, the Board is of the view that his appointment would add significant value and meaningful insights to the Company. Further, based on the recommendation of the NRC, the Board has determined that the appointment of Mr. Vinod Rao would be beneficial to the Company.

There is no inter-se relationship between Mr. Vinod Rao and any other Directors and other Key Managerial Personnel of the Company. The terms and conditions of appointment of Mr. Vinod Rao are available for inspection by the Members at the Registered Office of the Company during business hours on all working days, until the date of the Annual General Meeting.

Except for Mr. Vinod Rao being an appointee, none of the Directors or Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise, in the above resolution, except to the extent of his shareholding, if any.

As per provisions of Regulation 17(1C) of the Listing Regulations, approval of the shareholders has to be obtained at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier. Accordingly, the approval for passing this resolution as a Special Resolution is being sought from the members of the Company. The Board of Directors recommends the resolution as set out in Item No.7 in the Notice for approval of the Members as a Special resolution.

Relevant details of Mr. Vinod Rao pursuant to the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India is enclosed as **Annexure 1** to this Notice.

Notice (Continued)

Agenda Item 8

Appointment of Mr. Daniel Mobley (DIN: 11790849) as a Non-Executive Non-Independent Director of the Company

Pursuant to section 149, 152, 161 and other applicable provisions of the Companies Act, 2013, (the "Act"), the Articles of Association of the Company, the Board of Directors of the Company via resolution passed on 3rd July 2026, based on recommendation of the Nomination and Remuneration Committee ("NRC") and subject to the approval of Members, approved the appointment of Mr. Daniel Mobley (DIN: 11790849) as an Additional Director (Non-Executive Non-Independent Director) of the Company.

The Company has received the following statutory disclosures/ declarations:

i. DIR-2- consent to act as a Director

ii. Form DIR-8 - intimating the Company that he stands free from any disqualification, under section 164(1) and 164(2) of the Act;

iii. Declaration that he is not debarred from holding the office of Director by virtue of any SEBI Order or any other such authority and given his consent to act as Director of the Company;

iv. A notice in writing by a member proposing his candidature under section 160(1) of the Act;

v. Form MBP-1 – disclosing his concerns or interests in other company(ies) in terms of section 184(1) of the Act.

Brief Profile:

Mr. Daniel Mobley ('Dan') was appointed as Global Corporate Relations Director and as a member of Diageo Executive Management Team in June 2017. He is responsible for managing Diageo's reputation and positive impact on society, leading the government, communications and society teams across 180 countries, where Diageo makes and sells its brands. Dan is also a Board Member of the International Alliance for Responsible Drinking (IARD), which brings together the largest global alcohol companies to tackle misuse. He is the Grantee of the Royal Warrant of Appointment to Her Majesty The Queen held by Johnnie Walker and a Council Member of the Scotch Whisky Association.

Prior to joining Diageo, Dan held a variety of roles in Corporate Relations at Standard Chartered in London, Mumbai and Johannesburg. He moved to private sector after eight years in UK Treasury, latterly as Private Secretary to the Permanent Secretary and had a brief spell with the Foreign Office in the UK Representation to the European Union in Brussels. He has also worked for a Trade Union, Environment and Development NGOs and the United Nations Association.

Dan holds a degree in Philosophy and Politics and an M.Phil in International Relations, researching peacebuilding in Asia and Africa, both from the University of Oxford.

The Board is of the view that his appointment would add significant value and meaningful insights to the Company. Further, based on the recommendation of the NRC, the Board has determined that the appointment of Mr. Daniel Mobley would be beneficial to the Company.

There is no inter-se relationship between Mr. Daniel Mobley and any other Directors and other Key Managerial Personnel of the Company. The terms and conditions of appointment of Mr. Daniel Mobley are available for inspection by the Members at the Registered Office of the Company during business hours on all working days, until the date of the Annual General Meeting.

Except for Mr. Daniel Mobley being an appointee, none of the Directors or Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise, in the above resolution, except to the extent of his shareholding, if any.

As per provisions of Regulation 17(1C) of the Listing Regulations, approval of the shareholders has to be obtained at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier. Accordingly, the approval for passing this resolution as an Ordinary Resolution is being sought from the members of the Company. The Board of Directors recommends the resolution as set out in Item No.7 in the Notice for approval of the Members as an Ordinary resolution.

Relevant details of Mr. Daniel Mobley pursuant to the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India is enclosed as **Annexure 1** to this Notice.

Annexure 1

Agenda Item 4

Disclosure pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of Secretarial Standards on General Meetings





Name of Director	Mr. Pradeep Jain	Mr. Vinod Rao	Mr. Daniel Mobley
Director Identification Number (DIN)	02110401	01788921	11790849
Age	57 years	64 years	50 years
Date of first appointment on Board	1st February 2023 Re-appointed on 31st July 2024 at the 25th Annual General Meeting of the Company.	13th June 2026	6th July 2026
Expertise	Finance	Kindly refer the explanatory statement to the resolution.	Kindly refer the explanatory statement to the resolution.
Experience	30 years	Kindly refer the explanatory statement to the resolution.	Kindly refer the explanatory statement to the resolution.
Brief Resume	Mr. Pradeep Jain (Pradeep) is the Executive Director & Chief Financial Officer of the Company. He is also a member of Diageo's Global Finance Leadership and Diageo India's Executive Committee. He oversees the Company's Finance, Accounting, Treasury, Tax, Governance, Compliance, Investor Relations and Secretarial functions. Pradeep is an accomplished finance leader with over 30 years of experience across diverse industries. Since joining Diageo in 2017, he has led several organization-wide transformation initiatives, driving operational excellence, strengthening governance frameworks, enhancing ESG performance, and fostering a data-driven, customer-centric approach to business. He has also played a key role in building organizational capabilities and developing high-performing finance teams. Prior to joining Diageo, Pradeep held leadership positions at Eicher Motors, PepsiCo and Pidilite Industries. His expertise spans strategic financial planning, treasury, controllership, capital allocation, organization design, performance transformation and finance talent development.	Kindly refer the explanatory statement to the resolution.	Kindly refer the explanatory statement to the resolution.

Name of Director	Mr. Pradeep Jain	Mr. Vinod Rao	Mr. Daniel Mobley
Qualification	a. Qualified as Chartered Accountant from the Institute of Chartered Accountants of India. b. Bachelor's degree in commerce from the University of Delhi.	a. Member of the Institute of Chartered Accountants of India b. Bachelor of Commerce from Madras University c. Attended a Senior Executive Program from London Business School.	a) Degree in Philosophy and Politics b) M.Phil in International Relations, researching peacebuilding in Asia and Africa Both from the University of Oxford.
Terms and conditions of appointment/ re-appointment	Appointment as Whole- Time Director designated as "Executive Director and Chief Financial Officer" for a period of five years from 1st February 2023 to 31st January 2028. As per the terms of his appointment, his re-appointment at this AGM as a Director retiring by rotation would not constitute a break in his appointment as a Whole-time Director.	Appointment as an Independent Director of the Company for a period of three years, effective from 13th June 2026 to 12th June 2029, and whose office shall not be liable to retire by rotation.	Appointment as a Non-Executive Non-Independent Director of the Company, who is liable to retire by rotation.
Last Drawn Remuneration Details along with remuneration sought to be paid	Details of remuneration for FY 2025-26 has been provided in **Point 9A** of the Corporate Governance Report forming part of the Integrated Annual Report 2025-26. Remuneration will be paid from time to time based on the recommendation of the Nomination and Remuneration Committee and as per the rules/policy of the Company within the overall limit of ₹ 12 crore as approved by the shareholders in the AGM held on 29th August 2025.	Last drawn remuneration: Not Applicable Sitting fees shall be paid for attending Board and Committee meetings, if any, where he is a member. Commission as determined by the Board of Directors within approved limits by shareholders (within permissible threshold as per the Act).	Last drawn remuneration: Not Applicable Further, he will not receive any sitting fees, commission or stock options from the Company. He shall be entitled to draw expenses incurred for travelling/boarding to participate in Board/Committee Meetings and other Company related work in his capacity as a Non-Executive, Non-Independent Director of the Company.
No. of Board meetings attended	Mr. Pradeep Jain attended all 11 Board meetings held in the financial year 2025-26.	Not Applicable	Not Applicable
Directorships details (excluding USL)	Listed Public Companies: NIL Public Companies: NIL Foreign Companies: NIL List of other Indian Directorships held along with listed entities from which the person has resigned in the past three years: NIL	Listed Public Companies: a. Eureka Forbes Limited b. Cohance Lifesciences Limited (formerly Suven Pharmaceuticals Limited) Unlisted Public Companies: NIL Private Limited Companies: NIL Foreign Companies: NIL Section 8 Companies: NIL List of other Indian Directorships held along with listed entities from which the person has resigned in the past three years: NIL	Listed Public Companies: NIL Unlisted Public Companies: NIL Private Limited Companies: NIL Foreign Companies: NIL Section 8 Companies: NIL List of other Indian Directorships held along with listed entities from which the person has resigned in the past three years: NIL

Notice (Continued)

Name of Director	Mr. Pradeep Jain	Mr. Daniel Mobley
Memberships/Chairmanships of committees of other companies (excluding foreign companies)	**Member:** a. **United Spirits Limited** i. Risk Management Committee ii. Stakeholders Relationship and General Committee **Chairperson:** Nil	**Member and Chairperson:** NIL **a. Eureka Forbes Limited** 1) Audit Committee - Chairperson 2) Nomination and Remuneration Committee - Member 3) Stakeholders Relationship Committee - Member 4) Risk Management Committee - Chairperson 5) Corporate Social Responsibility Committee - Member **b. Cohance Lifesciences Limited (formerly, Suven Pharmaceuticals Limited)** 1) Audit Committee - Chairperson 2) Risk Management Committee - Member 3) Investment, Banking and Authorisations Committee - Member **c. United Spirits Limited** 1) Audit Committee - Member 2) Corporate Social Responsibility Committee - Member
Number of Equity Shares held in the Company (including shareholding as a beneficial owner)	NIL	NIL
Inter-se relationship with other Directors and Key Managerial Personnel of the Company	Not related to any directors of the Company	Not related to any directors of the Company

Notice (Continued)

Annexure 2

INSTRUCTIONS FOR MEMBERS FOR VOTING ELECTRONICALLY

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A. Login method for e-Voting and joining virtual meeting for Individual members holding securities in demat mode

In terms of SEBI circular dated 30 January 2026, on e-Voting facility provided by Listed Companies, all Individual members holding shares of the Company in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are advised to update their mobile number and email ID in their demat accounts in order to access the e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-voting and joining virtual meetings for **Individual members (CDSL/NSDL)** is given below:

Type of members	Login Method
Individual members holding securities in demat mode with NSDL.	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client ID, PAN No., Verification code, and generate OTP. Enter the OTP received on the registered email id/mobile number and click on Login. After successful authentication, you will be redirected to the NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the **"Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 3. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/ OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 5. Shareholders/Members can also download NSDL Mobile App **"NSDL Speede"** facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play

Notice (Continued)

Type of members	Login Method
Individual Members holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi /Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System My easi Tab and then user your existing my easi username & password. 2. After successful login the Easi /Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by the Company. On clicking the e-Voting option, the user will be able to see the e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Members (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Members holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Members holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Members holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

B) Login Method for e-Voting and joining virtual meeting for members other than Individual members holding securities in demat mode and members holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
PAN	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12********** then your user ID is 12**********
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for members other than Individual members are given below:

   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

   (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

   (ii) If your email ID is not registered, please follow steps mentioned below in **process for those members whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

   a) Click on **"Forgot User Details/Password?"**(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) **"Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join the General Meeting on the NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

Notice (Continued)

General Guidelines for members

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to; sudhir.compsec@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution /Power of Attorney /Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/ Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Members available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to Ms. Pallavi Mhatre, Sr. Manager, National Securities Depository Limited (NDSL), T301, 3rd Floor, Naman Chambers, G Block, Plot No- C-32, Bandra Kurla Complex, Bandra East-400051 ,Mumbai, India, or send an email to evoting@nsdl.com or call on +91 22 4886 7000.

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