

# United Spirits raises Rs 1,615 cr via QIPs

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IN A second round of funding, the country's largest liquor maker United Spirits (USL) Wednesday said it has raised Rs 1,615.60 crore through private placement of shares with qualified institutional buyers (QIP). Net proceeds would be primarily used for reducing the debt, USL said in a statement.

The board of directors at their meeting held on Tuesday decided to close the bid period by allotting 1.76 crore shares, representing 16.4 per cent stake, at Rs 913.70 a piece to potential investors, it added.

Earlier in June this year, USL had raised around \$200 million through the sale of around 10.17 per cent stake in the company to private equity players.

**The company has already repaid about \$300 million of the total debt of around Rs 5,000 crore**

"The net proceeds of the issue would be used primarily to reduce debt incurred upon the acquisition of Scottish whiskey maker Whyte and Mackay Group, to repay other debt, to fund capital expenditure and for other corporate purposes,"

the company said.

The Bangalore-based company is in the process of raising money to repay the loan, which it took to finance the Whyte & Mackay buy-out in May 2007. USL had acquired Glasgow-based Scotch maker Whyte & Mackay for around £595 million.

The UB group has already paid about \$300 million of the total debt of around Rs 5,000 crore (\$1 billion). "The fact that USL is the pick of the Indian FMCG sector is manifested by the strong demand received for its shares from investors...and the over-subscription that the issue received in difficult market conditions," USL chairman Vijay Mallya said.

UNITED SPIRITS  
BSE Rs 1019.75 ▼  
NSE Rs 1019.25 ▼