



UNITED SPIRITS

Date: July 4, 2013

Bangalore Stock Exchange Limited,
P.B.No.27024,
51, Stock Exchange Towers,
1st Cross, J.C.Road,
Bangalore 560 027

BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001

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

Dear Sirs,

Re: Notice under Clauses 30 and 36 and other relevant provisions of the Listing Agreement

This is to inform you of certain decisions taken by the Board of Directors of the Company at its meeting held today i.e. July 4, 2013.

Sale and Purchase of Equity Shares of the Company

We refer to our notice dated November 9, 2012 pursuant to which we had intimated you *inter alia* of the proposed sale of shares of the Company to Relay B.V., an indirect wholly owned subsidiary of Diageo plc.

The Board of Directors of the Company, at its meeting held today (the "**Meeting**") took on record the sale of 21,767,749 equity shares ("**Sale Shares**") of the Company in aggregate by United Breweries (Holdings) Limited ("**UBHL**"), Kingfisher Finvest India Limited ("**KFIL**"), SWEW Benefit Company ("**SWEW**"), UB Sports Management Overseas Limited ("**UB Sports**") and Palmer Investment Group Limited ("**Palmer**") to Relay B.V. ("**Relay**"), an indirect wholly owned subsidiary of Diageo plc at a price of Rs. 1440 (One Thousand Four Hundred and Forty only) per Sale Share. The Sale Shares constitute 14.98% of the equity share capital of the Company.

The particulars of the sale referred to above are set out below:

1.	UBHL (Promoter of the Company)	Relay	10,141,437
2.	KFIL (Promoter of the Company)	Relay	6,575,550
3.	SWEW Benefit Company	Relay	125,531

United Spirits Limited

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4.	UB Sports Management Overseas Limited (Subsidiary of the Company)	Relay	548,460
5.	Palmer Investment Group Limited (Subsidiary of the Company)	Relay	4,376,771

The Board of Directors also recorded the decision of the parties to defer the sale to Relay of 3,459,090 shares held by USL Benefit Trust, of which the Company is the beneficiary since certain conditions for the sale of these shares are not currently satisfied. The terms of the sale of such shares by USL Benefit Trust to Relay will continue to be governed by the terms of the Share Purchase Agreement dated November 9, 2012 (as amended from time to time) amongst UBHL, KFIL, UB Sports, Palmer, USL Benefit Trust, Relay and Diageo plc.

Pursuant to the sale of the Sale Shares referred to above, Diageo plc and Relay B.V. will be considered 'promoters' of the Company and will be included as promoters in subsequent disclosures by the Company. UBHL and KFIL will also continue as promoters of the Company.

A press release by the Company in this regard is enclosed as **Annexure A** for your reference.

Appointment and resignation of Directors

The Board of Directors have appointed Mr. Ravi Rajagopal and Mr. P.A.Murali, as nominee directors of Relay, and Mr. Arunkumar Ramanlal Gandhi, Ms.Renu Karnad, Mr. D. Sivanandhan and Mr. Sudhakar Rao as independent directors of the Company, all as additional directors on the Board of the Company with effect from July 4, 2013. Mr. P.A.Murali has also been appointed as an executive director of the Company with effect from July 4, 2013.

Brief profiles of the new directors is attached as **Annexure B**.

The Board also accepted the resignations of Mr. B.M.Labroo, Mr. Sreedhara Menon, Mr. Sudhinder Krishan Khanna, Mr. Doraiswamy Iyengar and Mr. S.R.Gupte from the Board of Directors of the Company and would like to thank them for their contribution to the Company.

Reconstitution of Committees

Pursuant to the aforementioned changes to Board of Directors of the Company, at the Meeting, the audit committee, shareholder/investor grievance committee, compensation committee and general committee of the Board of Directors of the Company were reconstituted.

Open Offer for the Shares of Pioneer Distilleries Limited

The Board of Directors of the Company have accorded their approval, subject to applicable law, for the Company to act as a "person acting in concert" with Relay B.V., Diageo plc, Diageo Finance plc, Diageo Capital plc and Tanqueray

Gordon and Company Limited, for the open offer made by them to the public shareholders of Pioneer Distilleries Limited ("PDL", a subsidiary of the Company), and to acquire from the



public shareholders of PDL up to 2,466,168 Equity Shares of face value of Rs.10 each ("**Offer Shares**") of PDL representing 18.42 per cent of the outstanding share capital of PDL in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.

Kindly take the above notification on record, and the same may be treated as compliance under the applicable Clauses of the Listing Agreement.

Thanking you,

Yours faithfully,

For UNITED SPIRITS LIMITED



V.S. VENKATARAMAN
Company Secretary

Encl: a/a

ANNEXURE A

UBHL and Diageo announce completion of share purchase agreement

Diageo has today completed the acquisition of a 14.98% stake in United Spirits Limited ("USL"), the leading spirits company in India. The consideration was Rs. 1,440 per share and the total consideration of Rs. 31,345,558,560 was settled today. The acquisition involved the sale of 11.502% of the share capital of USL in the aggregate by United Breweries (Holdings) Limited and its wholly owned subsidiary, Kingfisher Finvest India Limited, and the sale of 3.47% of the share capital of USL by its subsidiaries, UB Sports Management Overseas Limited and Palmer Investment Group Limited to Relay B.V., and the sale by SWEW Benefit Company of its shareholding in USL to Relay B. V.

Shares owned by the USL Benefit Trust, of which USL is a beneficiary, which represent 2.38% of the share capital of USL are not part of the sale and purchase announced today. If the release of all security interests over these shares is obtained they will be purchased separately at a later stage.

Following the sale, Diageo holds 36,359,192 shares representing 25.02% of the share capital of the Company and United Breweries (Holdings) Limited, together with its wholly owned subsidiary, Kingfisher Finvest India Limited, continue to hold 16,108,323 shares representing 11.08% of the USL share capital.

With completion of the Share Purchase Agreement, the Shareholders' Agreement between Diageo plc, Relay B.V., United Breweries (Holdings) Limited and Kingfisher Finvest India Limited relating to their relationship as shareholders of the Company is now effective and both Diageo and UBHL will be promoters of USL.

Ivan Menezes, Chief Executive of Diageo, said:

'USL's strong market-leading position combined with Diageo's strength and capabilities opens an exciting and important new chapter for Diageo in the attractive Indian spirits market. Since we received approval for this transaction we have been getting ready for closing and integration. Having completed the share purchase, we will now begin the work to identify and capture the significant growth opportunities within this attractive market.'

'Through this acquisition we have transformed Diageo's position in India, a market which is one of the biggest growth opportunities in our industry. India will become one of Diageo's largest markets and with its increasing number of middle class consumers looking for premium and prestige local spirits brands as income levels rise it will also become a major contributor to our growth ambitions.'

Dr Vijay Mallya, Chairman of the UB Group, said:

'I am very pleased that we have completed our Share Purchase Agreement today. USL has entered into the next stage on its journey and I look forward to remaining part of that journey in my role as Chairman of USL.'



Key points:

- UBHL and Diageo will be co-promoters of USL
- Dr. Mallya will continue as non-executive director and chairman of USL. Ashok Capoor will continue as CEO of USL.
- In addition to Gilbert Ghostine who was appointed as a non-executive director of USL following the preferential allotment, Diageo has nominated Ravi Rajagopal as a non-executive director and has confirmed P. A. Murali as CFO and nominated him as an executive director of USL.

Advisors to UBHL & USL:

Amarchand and Mangaldas & Suresh A. Shroff & Co. acted as lead legal adviser. Legal adviser on matters of English Law - Herbert Smith Freehills LLP; Legal adviser for legal due diligence process - Kanga & Co.

Citigroup Global Markets acted as lead financial adviser; Ambit Corporate Finance advised UBHL on tax and structure-related issues.



ANNEXURE B**Mr. Ravi Rajagopal:**

Ravi Rajagopal is currently the Global Head of Business Development and he has been in this role since September 2010. Ravi has in the last three years overseen various acquisitions Diageo has made including major businesses in Turkey and Brazil.

Ravi joined Diageo in 1997 in their Indian operations and moved to the UK in 1998. He has held a variety of roles covering regional finance and was the group controller from 2002 to 2005. He also held general management positions looking after India.

Ravi qualified as a Chartered Accountant and as a Cost Accountant and has attended the Advanced Management Program at the Harvard Business School.

Prior to joining Diageo, Ravi worked with ITC, India, a large conglomerate with leading positions in tobacco, hotels, paper, food and fashion wear. Again, he had held a variety of senior positions both in finance and general management.

Mr. P A Murali:

Mr. P. A Murali is the Joint President & Chief Financial Officer of USD 3 billion United Spirits Limited (USL).

A UB Group veteran of nearly two decades, Murali joined the Group's Spirits business in 2005 as the Executive Vice President and Chief Financial Officer. He led the consolidation efforts of the Spirits business especially the legal merger of all the spirits companies and distilleries acquired by the UB Group. He, thus, directly facilitated the creation of United Spirits Limited in 2006. He spearheaded the efforts of the company for a successful completion of the GDR / FCCB issue of \$230 million in 2006. He played a leading and vital role in the acquisition of Whyte and Mackay Group, UK, Bouvet Ladubay SA, France and Liquidity Inc, USA in 2006-2007, furthering the company's premiumization and internationalization aspirations.

Given his impeccable sense of financial management and a comprehensive understanding of the Indian and international stock markets, fund raising to reduce the debt burden for USL, through a Qualified Institutional Placement (QIP) of USD 350 million in 2009 in just a fortnight, created an industry record for Murali.

He has been in the forefront of charting the strategic initiatives of the Spirits division through a backward integration program of increasing USL's Primary Distillation & Bottling capabilities. He was instrumental in negotiating the merger of Balaji Distilleries Ltd., acquisition of Tern Distilleries Ltd., Pioneer Distilleries Ltd., and Sovereign Distilleries Ltd., which added critical distillation and bottling capacities to USL.

Murali has held several senior and important positions in his twenty year tenure so far with the UB Group. He joined the Group in 1993 as Senior Manager - Finance in Mumbai. He was transferred to the Company's Headquarters at Bangalore in 1994. He quickly rose to the position of a General Manager. He was involved in the Group's acquisition activities in the beer segment in USA and South Africa. Post the acquisitions in the US, he was accorded the



responsibility to lead the Finance function of the UB Group's Brewery Investments / Operations in that region. He was promoted as the Senior Vice President and CFO thereafter. After a period of four years in the U.S.A. Murali returned to United Breweries Limited (UBL), Bangalore as the Divisional Vice President - Finance and was promoted as Executive Vice President - Finance & Accounts, looking after the entire Finance and Accounts function of the company.

He was instrumental in restructuring the erstwhile UBL by demerging the beer business from the UBL conglomerate. He played a pivotal role in the induction of a strategic partner into the beer business and formation of the Joint Venture with Scottish & Newcastle Plc. More recently in Nov 2012, under Mr. Murali's leadership, USL stitched up a USD 2 billion comprehensive partnership structure with Diageo Plc.

Murali additionally oversaw the operations of United Breweries [Holdings] Limited (UBHL), the group's holding company. He was responsible for the consolidation of various subsidiaries and overseas businesses of UBHL in 2003.

Managing by mind and leading by heart is Murali's distinct management style. A well-known figure in the alcobev industry in India, Murali today leads a global team of over 7500 professionals and provides the key insight for all aspects of United Spirits growth charter and strategic intent.

Murali is a qualified Chartered Accountant and holds a Bachelor's Degree in Commerce.

Mr. Arunkumar Ramanlal Gandhi:

Mr. Arunkumar Ramanlal Gandhi born in 1943 is a fellow member of The Institute of Chartered Accountants in England & Wales, The Institute of Chartered Accountants of India and an associate member of the Chartered Institute of Taxation, London.

Prior to joining Tata Sons, he was with M/s N. M. Raiji & Co., Chartered Accountants. He joined the firm as a partner in July 1969 and in 1993 became a senior partner. The firm has more than 60 years of professional standing. As partner Mr Gandhi audited several public sector and private sector entities including Wipro, ICICI, ICICI Bank, Tata Tea, Tata Chemicals, Ambuja Cements etc. He performed several share valuations and advised on various corporate restructurings (ie mergers/ demergers etc) including merger of Brooke Bond with HLL and merger of Ponds with HLL. He also advised on Tata Tea's overseas acquisition of Tetley (UK).

He joined Tata Sons Limited as an Executive Director on 18th August 2003 and continued in that position till 17th August 2008. From 18th August 2008 till 15th March 2013, Mr Gandhi was a Director on the Board of Directors of Tata Sons Ltd. He was also a member of Tata Group's Group Corporate Council (GCC). He was also a member of the Tata Sons' Audit Committee.

Mr. Gandhi has been assisting the Tata Group in acquiring diverse assets and companies across the globe. This has enabled the Tata Group to acquire critical assets, resources and access to world class R&D facilities. He has advised on numerous mergers & acquisitions including Tata Communications' acquisition of Tyco & Teleglobe, Tata Steel's acquisition of Corus, Tata Motors acquisition of Jaguar Land-rover, Tata Chemicals' acquisition of Brunner



Mond, Tata Coffee's acquisition of Eight 'o Clock Coffee and IHCL's acquisition of the rights to manage The Pierre, New York.

In these transactions he advised on business valuation, financial due diligence, counter-party negotiations, financing and merger control.

Over the last 20 years Mr Gandhi served on the Board of Directors of various Indian companies including Tata Global Beverages Ltd, Tata Asset Management Ltd, Tata Communications Ltd, Benares Hotels Ltd, Bayer Diagnostics Ltd, Nilkamal Ltd, Paper Products Ltd and on Board of Directors of foreign companies including Tata Ltd (UK), Tata Communications International (Singapore), Tata Global Beverages Group Ltd (UK) and Tata Tea Extractions Inc (USA).

Mr. Gandhi has been a member of various committees constituted by industry forums and regulatory bodies such as SEBI's Takeover Panel Exemption Committee and the Institute of Chartered Accountants of India's Accounting Standards Board among various others.

Ms. Renu Sud Karnad:

A Post Graduate in Economics from the University of Delhi and a degree holder of Law from the University of Mumbai, Ms. Renu Sud Karnad brings with her rich experience and enormous knowledge in the mortgage sector, having been part of the nascent real estate & mortgage sectors in India. She is also a Parvin Fellow — Woodrow Wilson School of International Affairs, Princeton University, U.S.A.

Ms. Renu Sud Karnad joined HDFC Ltd. in 1978. After having spent over two decades in various positions, she was inducted onto its Board as Executive Director in 2000. She grew to become Joint Managing Director in 2007 and has been elevated to the post of Managing Director with effect from January 1, 2010.

Ms. Karnad is in-charge of the lending operations of the company and is responsible for spearheading HDFC's expansion. Under Ms. Karnad's leadership, HDFC has grown consistently in its lending business with cumulative home loan disbursements of over Rs. 4.56 trillion as of March 2013.

Additionally, she has under her fold the Human Resources and Communications functions. Apart from being HDFC's brand custodian, Ms Karnad is the guiding force behind formulation of the organization's communication strategy and public image. Recognizing the changing needs and lifestyles of its customers, under her stewardship, HDFC Ltd. has been consistently rolling out innovative & customer friendly mortgage products and services.

Owing to her successful spell with the mortgage sector, Ms. Karnad has served as the President of the International Union for Housing Finance (IUHF), an association of housing finance firms present across the globe. She has also served as Director, Asian Real Estate Society.

Besides being on the Board of several HDFC Group Companies including HDFC Bank, she is the Chairperson of HDFC Property Venture. Ms. Karnad is also on the board of a number of Indian and Multinational Companies like Akzo Noble India Ltd, Bosch Limited, Credit Information Bureau (India) Limited, Feedback Ventures Limited, G4S Corporate Services



Private Limited, Indraprastha Medical Corporation Limited, Lafarge and Sparsh BPO Services Limited, Value And Budget Housing Corporation (India) Pvt. Ltd., Transunion LLC, Chicago and HDFC Plc., Maldives. She is a member of the Senior Expert Council of IDFC Private Equity. She is also on the advisory board of number of Indian corporate and MNC's.

Over the years, Ms. Karnad has had to her credit, numerous awards and accolades. She was awarded "Outstanding Woman Business Leader" at the CNBC-TV18 Indian Business Leader Awards (IBLA) 2012, was part of the 25 Most Influential Women Professionals in India-India Today Magazine's power list 2011, was honoured by IMC Ladies' wing for outstanding contribution by a woman in the field of Banking and Financial Services, 2011, has featured in the ET – Corporate Dossier list of India Inc's 'Top 15 powerful women CEOs' in 2010, *Verve*, international magazine's list of 50 power women in 2010 and in Business Today magazine's list of 'Most Powerful Women in Indian Business' for six years - 2004, 2006, 2007, 2008, 2009 & 2012, Fortune India Magazine's most power women for 2011 & 2012, has featured amongst the list of '25 top non-banking women in finance' by U.S. Banker magazine in 2008, was chosen as the 'Best Woman Corporate Leader' by Business & Economy magazine for the year 2007-08. She was felicitated at the 'Women Achievers Award - 2007' by the FICCI Ladies Organization. In 2006, Wall Street Journal Asia adjudged her among the 'Top Ten Powerful Women to Watch Out for in Asia'.

Known for her wit and diplomacy, Ms. Karnad has always had a humane approach towards solving complex issues. She firmly believes that 'people' are key to an organization's success especially in the service domain and propagates 'self belief' as the strongest weapon to achieving excellence.

A quintessential woman and a role model for her women colleagues at HDFC, her message to the young professionals is elicited by a famous quote by David Frost 'don't aim for success; if you want it, just do what you love and believe in, and it will come naturally'.

Mr. Sivanandhan Dhanushkodi:

One of the most highly regarded IPS officers in India, with an illustrious career spanning several postings during his 35 years of service.

He has dedicated his life to the eradication of corruption and organised crime and is renowned for his use of strategy & intelligence to uphold the rule of law.

During his tenure, he raised resources to upgrade the police force capabilities and welfare in the form of the latest law enforcement equipment, hospitals, gymnasiums, schools, and other facilities.

He is the driving force behind Securus First India Private Limited, where he actively oversees and advises case teams during investigations.

Most recently, he has been a member of the special task force in the National Security Council Secretariat (Prime Minister's Office) for revamping India's internal and external national security measures. He is also the security advisor to the Reserve Bank of India.



Mr. Sudhakar Rao:

Mr. Sudhakar Rao is a retired Indian Administrative Service (IAS) Officer of the 1973 batch. He is currently a director in a number of Indian companies including Indian Oil Corporation Limited, BSE Limited, Binani Industries Limited, CMC Limited and L&T Infrastructure Development Projects Limited.

Mr. Rao holds a Master's Degree in Economics from the Delhi School of Economics and a Master's Degree in Public Administration from the Kennedy School of Government, Harvard University. He was conferred the Kannada Rajyotsava Award, under the public service category by the Government of Karnataka on 1 November 2010.

Mr. Rao went on deputation to the Union Government, after initial postings at the field level in the State of Karnataka, as Under Secretary in the Ministry of Power, where he was closely associated with the work of the path breaking Rajyadhakshya Committee on Power. He was Deputy Commissioner & District Magistrate of Shimoga District during 1982 and 1983. He proceeded on deputation to the Government of India once again after completing his district assignment, and was Deputy Secretary in the Department of Economic Affairs, Ministry of Finance for two years and Director in the Prime Minister's Office for two years, dealing with policy matters covering social sectors. Later he was Joint Secretary in the Ministry of Power, entrusted with the development of hydel power in the country following which he was posted Minister (Economic) in the Embassy of India in Washington for four years.

On his return to the State Government in 2000, he held various assignments, including Chairman & Managing Director of the Karnataka Urban Infrastructure Development and Finance Corporation (KUIDFC), Principal Secretary, Finance; Principal Secretary, Home; Principal Secretary to the Chief Minister of Karnataka; Development Commissioner and finally, Chief Secretary of Karnataka, from which post he retired from Government service on 30 September 2009.

On retirement, he was appointed as a Member of the Public Enterprises Selection Board (PSEB) from which post he resigned on 26 October 2010 to take up other engagements.

