



## UNITED SPIRITS

September 22, 2014

The Managing Director  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai 400 001

The Managing Director  
The National Stock Exchange of India Limited  
Exchange Plaza, Plot no. C/1, G Block  
Bandra Kurla Complex, Bandra (East)  
Mumbai 400 051

Dear Sirs,

**Subject: Notice of offer for sale of shares of Pioneer Distilleries Limited ("PDL") by United Spirits Limited, promoter of PDL, through the stock exchange mechanism (the "Notice")**

Pursuant to Para 5(b) of the SEBI circular no. CIR/MRD/DP/18/2012 dated July 18, 2012 (as modified through circulars no. CIR/MRD/DP/04/2013 dated January 25, 2013, CIR/MRD/DP/17/2013 dated May 30, 2013 and CIR/MRD/DP/24/2014 dated August 8, 2014) (the "SEBI OFS Circular"), we wish to inform you that we, United Spirits Limited (the "Seller"), the promoter and holding company of Pioneer Distilleries Limited (the "Company"), propose to sell 15,20,067 equity shares of Rs. 10 each representing 11.35% of the equity share capital of the Company (the "Equity Shares") on September 24, 2014 exclusively through the Seller's broker named below through a sale on the separate window provided by BSE Limited (the "BSE") and the National Stock Exchange of India Limited (the "NSE") for this purpose, under the SEBI OFS Circular (the "Sale"). The Equity Shares are listed on BSE, NSE and Pune Stock Exchange Limited.

The details of the Sale, in accordance with the requirements of Para 5(b) of the SEBI OFS Circular, are set forth below. In addition, other important information in relation to the Sale is set out below under the heading "Important Information", and the information included therein constitutes an integral part of the terms and conditions of the Sale. The brokers and prospective buyers are required to read the information included in this Notice in its entirety along with the SEBI OFS Circular.

Name of the Seller (promoter/ promoter group)	United Spirits Limited  The Seller is the promoter and holding company of Pioneer Distilleries Limited as disclosed by the Company in the filings made to the BSE and the NSE pursuant to the provisions of the listing agreement.
Name of the Company whose shares are proposed to be sold	Pioneer Distilleries Limited ISIN: INE889E01010
Name of the stock exchanges where the orders shall be placed	BSE and NSE (together referred to as "Stock Exchanges")
Name of the designated stock exchange	BSE
Date and time of the opening of the Sale	Wednesday, September 24, 2014 at 9.15 a.m. Indian Standard Time
Date and time of the closing of the Sale	Wednesday, September 24, 2014 at 3.30 p.m. Indian Standard Time
Allocation Methodology	The allocation shall be made using the price priority method on the basis of multiple clearing prices in accordance with SEBI OFS Circular.

**United Spirits Limited**

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Tel : 91-80 3985 6500, 2221 0705, Fax : 91-80 3985 6862, 3985 6959, 3985 6607

[www.unitedspirits.in](http://www.unitedspirits.in)

Corporate Identity Number : L01551KA1999PLC024991

	<p>Bidders can bid under retail category or non-retail category. Indicative price for retail and non-retail category shall be displayed separately. The cut off price i.e. the lowest price at which the entire offer gets sold shall be determined based on all valid bids. The cut off price shall be determined separately for bids received in the retail category and for bids received in the non-retail category. No single bidder other than Mutual Funds (as defined below) and Insurance Companies (as defined below) shall be allocated more than 25% of the Sale Shares (as defined below) being offered in the Sale.</p> <p><i>Non-Retail Category allocation methodology</i></p> <p>A minimum of 25% of the Sale Shares shall be reserved for allocation to mutual funds registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended ("Mutual Funds") and insurance companies registered with the Insurance Regulatory and Development Authority under the Insurance Regulatory and Development Authority Act, 1999, as amended ("Insurance Companies"), subject to receipt of valid bids/orders at or above the floor price and as per the allocation methodology.</p> <p>In the event of any under subscription by Mutual Funds and Insurance Companies, the unsubscribed portion shall be available to the other bidders.</p> <p><i>Retail Category allocation methodology</i></p> <p>A minimum of 10% of the Sale Shares shall be reserved for retail investors ("Retail Category"). Retail investor shall mean an individual investor who places bids for shares of total value of not more than Rs. 2 lakhs aggregated across the Stock Exchanges ("Retail Investors"). If the cumulative bid value across exchanges exceeds Rs. 2 lakhs in the Retail Category, such bids shall be rejected.</p> <p>Retail Investors shall have the option to bid in the Retail Category and the general category. However, if the cumulative bid value of such investors exceeds Rs.2 lakhs, the bids in the Retail Category shall become ineligible.</p> <p>Upon determining the cut-off price, the offer size reserved for Retail Investors shall be allocated to eligible bids of Retail Investors. Any unutilized</p>
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	portion shall be offered to non-retail category of investors. In case of excess demand in Retail Category at the cut-off price, allocation shall be on proportionate basis.
Number of equity shares being offered for Sale	15,20,067 Equity Shares (the "Sale Shares")
Maximum number of equity shares that the Seller may choose to sell over and above the offer made in the Sale	Nil
Name of the broker on behalf of the Seller (the "Seller's Broker")	JM Financial Services Limited
Date and time of the declaration of the floor price	<p>The Seller shall provide the floor price (the "Floor Price") for the Sale on September 23, 2014 in a sealed envelope to the designated stock exchange after the closure of the trading hours of the Stock Exchanges but not later than 5 p.m. Indian Standard Time.</p> <p>The Floor Price shall not be declared to the market and shall not be disclosed to anybody. Sealed envelope shall be opened by the designated stock exchange after the closure of the offer for sale and the Floor Price shall be suitably disseminated to the market by the designated stock exchange.</p> <p>There is no discount being offered to the Retail Investors.</p>
Conditions for withdrawal of Sale	<p>The Seller reserves the right to not proceed with the Sale at any time prior to opening of the Sale on the date of Sale.</p> <p>In such a case there will be a cooling off period of 10 trading days from the date of withdrawal before another offer for sale is made.</p>
Conditions for cancellation of Sale	In the event (i) the aggregate number of orders received in the Sale at or above the Floor Price is less than the total number of shares offered in Sale or (ii) of any default in settlement obligations, the Seller reserves the right to either conclude the Sale to the extent of valid bids or cancel the Sale in full. The decision to either accept or reject the Sale shall be at the sole discretion of the Seller.
Conditions for participating in the Sale	<p>1. The following orders shall be valid in the offer for sale window:</p> <p>a. Orders with 100% of the order value paid upfront by non-institutional investors and by institutional investors.</p>

	<p>b. Orders without paying 100% of the order value upfront by institutional investors only.</p> <p>2. In case of institutional investors who place orders with 100% of the order value deposited upfront, custodian confirmation shall be within trading hours. In case of institutional investors who place orders without depositing 100% of the order value upfront, custodian confirmation shall be as per the existing rules for secondary market transactions.</p> <p>3. The funds collected shall neither be utilized against any other obligation of the trading member nor co-mingled with other segments.</p> <p>4. Modification or cancellation of orders:</p> <p>a. Orders placed by non-institutional investors and by institutional investors with 100% of the order value deposited upfront can be modified or cancelled at any time during the trading hours.</p> <p>b. Orders placed by institutional investors without depositing 100% of the order value upfront cannot be modified or cancelled by the institutional investors or stock brokers, except for making upward revision in the price or quantity.</p> <p>5. The Seller shall deposit the Sale Shares as pay-in with the clearing corporation / clearing house of the BSE prior to the commencement of the Sale. No other margin shall be charged on the Seller.</p> <p>6. The investors shall also be liable to pay any other fees as may be levied by the Stock Exchanges, including securities transaction tax.</p> <p>7. In case of any permitted modification or cancellation of the order/ bid, the funds shall be released/ collected on a real-time basis by the clearing corporation.</p> <p>8. In case of default in pay-in by any investor, 10% of the order value shall be charged as penalty from the investor and collected from the broker. This amount shall be credited to</p>
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	<p>the investor protection fund of the Stock Exchanges. The price at which the allotments have been made based on the allocation on September 24, 2014 (i.e., T day) shall not be revised as a result of any default in pay-in. Further, no settlement guarantee fund shall be available for the Sale.</p> <p>9. Multiple orders from a single buyer shall be permitted.</p> <p>10. Only limit orders / bids shall be permitted.</p> <p>11. In case of the shares under this Sale, trading in the normal market shall continue. However, in case of market closure due to the incidence of breach of 'Market wide index based circuit filter', the Sale shall also be halted.</p>
Settlement	<p>Settlement shall take place on a trade for trade basis. For non-institutional investors and institutional investors who place orders with 100% of the order value deposited upfront, settlement shall take place on T+1 (T being the date of Sale i.e. September 24, 2014 and T+1 being September 25, 2014), in accordance with the SEBI OFS Circular. In the case of institutional investors who place bids without depositing 100% of the order value upfront, settlement shall be as per the existing rules for secondary market transactions (i.e. on T+2, being September 26, 2014).</p> <p>Funds collected from the bidders who have not been allocated shares shall be released after the download of the obligation.</p>

#### Important Information

The Sale is personal to each prospective bidder (including individuals, funds or otherwise) who makes a bid (each a "Bidder") and neither the Sale nor this Notice constitutes an offer to sell or invitation or solicitation of an offer to buy, to the public, or to any other person or class of persons requiring any prospectus or offer document to be issued, submitted or filed with any regulatory authority or to any other person or class of person within or outside India.

The Sale is being carried out in reliance with the SEBI OFS Circular and subject to the circulars, rules and regulations of the Stock Exchanges. There will be no public offer of the Sale Shares in India under the Companies Act, 1956 or Companies Act, 2013 (as notified and applicable) ("Companies Act") or in any other jurisdiction. Accordingly, no documents have been or will be prepared, registered or submitted for approval as a "prospectus" or an offer document with the Registrar of Companies in India under the Companies Act and/or Securities and Exchange Board of India (the "SEBI") under the Securities and Exchange Board of India (Issue of Capital and Disclosure





Requirements) Regulations, 2009, as amended, or to the Stock Exchanges or any other regulatory or listing authority in India or abroad, and no such document will be circulated or distributed to any person in any jurisdiction, including in India. The Sale is being made in reliance on the SEBI OFS Circular and subject to the guidelines, circulars, rules and regulations of the Stock Exchanges. The Bidders acknowledge and agree that any buy order or bid shall be made solely on the basis of publicly available information and any information available with SEBI, Stock Exchange, Company's website or any other public domain, together with the information contained in this Notice. The Sale is subject to the further terms set forth in the contract note to be provided to the successful Bidders.

This Notice is for information purposes only and is neither an offer nor invitation to buy or sell nor a solicitation of an offer to buy or sell any securities, nor shall there be any sale of securities in any jurisdiction ("**Other Jurisdiction**") in which such offer, solicitation or sale is or may be unlawful whether prior to registration or qualification under the securities laws of any such jurisdiction or otherwise. This Notice and the information contained herein are not for publication or distribution, directly or indirectly, to persons in any Other Jurisdiction unless permitted pursuant to an exemption under the relevant local law or regulation in any such jurisdiction. Prospective Bidders should seek appropriate legal advice prior to participating in the Sale.

This Notice is not for publication or distribution in the United States of America, and is neither an offer to sell nor a solicitation of an offer to buy any securities of the Company in the United States of America, its territories and possessions, any state of the United States of America, or the District of Columbia (together, the "**United States**"). The Sale Shares have not been and will not be registered under the U.S. Securities Act of 1933 (the "**Securities Act**") and may not be offered or sold in the United States of America except in transactions exempt from the registration requirements. The Sale Shares will be offered outside the United States through offshore transactions in reliance upon Regulation S under the Securities Act. The purchasers of Sale Shares are hereby advised that any resale of such shares must be made in accordance with the registration requirements of the securities laws in the United States.

By submitting a bid in connection with the Sale or receiving the Sale Shares, each Bidder and any broker acting on such Bidder's behalf will be deemed to have (a) read and understood this Notice in its entirety, (b) accepted and complied with the terms and conditions set out in this Notice, and (c) represented, agreed and acknowledged that such Bidder is, and at the time the Sale Shares are purchased, will be, the beneficial owner of such Sale Shares, not an affiliate of the Company or a person acting on behalf of such an affiliate and located outside the United States of America and purchasing such Sale Shares in reliance upon Regulation S.

By submitting a bid on behalf of a buyer in connection with the Sale, each broker will also be deemed to have represented, agreed and acknowledged that it is located outside the United States and that none of the broker, its affiliates and all persons acting on its or their behalf has (a) engaged or will engage in any "directed selling efforts" (as defined in Regulation S under the Securities Act) in connection with the offer or sale of the Sale Shares and (b) offered or will offer and sell the Sale Shares except outside the United States of America in reliance upon Regulation S in transactions exempt from the registration requirements of the Securities Act.

Yours sincerely,  
For United Spirits Limited



P.A. Murali  
Executive Director