UNITED SPIRITS LIMITED

DIAGEO
INDIA

Corporate Identity Number: L01551KA1999PLC024991
Registered Office: "UB Tower", #24, Vittal Mallya Road, Bengaluru 560001, India
Tel.: +91 80 3985 6500, 2221 0705, Fax: +91 80 3985 6862
Website: www.diageoindia.com e-mail: investor.india@diageo.com

POSTAL BALLOT NOTICE

Notice pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014

Dear Shareholders,

Notice is hereby given pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 and other applicable provisions of the Companies Act, 2013, including any statutory modification or re-enactment thereof for the time being in force, to the members of United Spirits Limited (the "Company") to transact the following business by passing the following resolutions by way of postal ballot.

1. Alteration of Capital Clause in the Memorandum of Association

To consider, and if thought fit, pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 13 and 61 and other applicable provisions of the Companies Act, 2013, and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the existing Clause V of the Memorandum of Association of the Company relating to share capital be and is hereby altered by deleting the same and substituting in its place, the following as the new Clause V:

V. The capital of the Company is Rs. 7,192,000,000/-, divided into 2,740,000,000 Equity Shares of Rs. 2/- each and 171,200,000 Preference Shares of Rs. 10/- each.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary for obtaining necessary approvals in relation to the above and to execute all such documents, instruments and writings as may be required in this connection and to delegate all or any of its powers herein conferred to any Director, Company Secretary or any other officer(s) of the Company".

2. Alteration of Capital Clause in the Articles of Association

To consider, and if thought fit, pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions, if any, of the Companies Act, 2013, and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), the existing Article 4 of the Articles of Association of the Company be altered by deleting the same and substituting in its place, the following as new Article 4:

4. The authorised share capital of the Company shall be such amount and be divided into such shares as may, from time to time, be provided in Clause V of the Memorandum of Association, with the Board of Directors having the power to reclassify, subdivide, consolidate and increase and issue any shares of the original capital or any new capital with and subject to any preferential, qualified or special rights, privileges, or conditions as may be, thought fit and upon the sub-division of shares to apportion the right to participate in profits, in any manner as between the shares resulting from sub-division.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary for obtaining necessary approvals in relation to the above and to execute all such documents, instruments and writings as may be required in this connection and to delegate all or any of its powers herein conferred to any Director, Company Secretary or any other officer(s) of the Company".

3. To sub-divide Equity Shares of the Company having a face value of Rs. 10/- per Equity Share to Rs. 2/- per Equity Share and to sub-divide Preference Shares of the Company having a face value of Rs. 100/- per Preference Share to Rs. 10/- per Preference Share

To consider, and if thought fit, pass the following resolution as a Special Resolution:

"**RESOLVED THAT** pursuant to the provisions of Sections 61(1)(d), Section 64 and all other applicable provisions, if any, of the Companies Act, 2013, and the rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the provisions of the Memorandum and Articles of Association of the Company and subject to such approvals, consents, permissions and sanctions as may be necessary from the concerned authorities or bodies, each of the Equity Shares of the Company having a face value of Rs. 10/- (Rupees Ten only) be sub-divided into 5 (Five) Equity Shares having a face value of Rs. 2/- (Rupees Two only) each.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 61(1)(d), Section 64 and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the provisions of the Memorandum and Articles of Association of the Company and subject to such approvals, consents, permissions and sanctions as may be necessary from the concerned authorities or bodies, each of the 7% Non-Cumulative Redeemable Preference Shares of the Company having a face value of Rs. 100/- (Rupees One Hundred only) be sub-divided into 10 (Ten) Preference Shares having a face value of Rs. 10/- (Rupees Ten only) each.

RESOLVED FURTHER THAT upon the sub-division of the Equity Shares as aforesaid, the existing share certificate(s) in relation to the existing Equity Shares of the face value of Rs. 10/- (Rupees Ten only) each held in physical form shall be deemed to have been automatically cancelled and be of no effect on and from the 'record date' (as determined by the Board of Directors of the Company) and the Company may without requiring the surrender of the existing share certificate(s) directly issue and dispatch the new share certificate(s) of the Company, in lieu of such existing issued share certificate(s) and in the case of the Equity Shares held in dematerialized form, the number of sub-divided Equity Shares be credited to the respective beneficiary accounts of the shareholders with the depository participants, in lieu of the existing credits representing the Equity Shares of the Company before sub-division.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to fix the 'record date' for the purpose of the sub-division and to do all such acts, deeds, matters and to take steps as may be necessary including the delegation of all or any of the powers herein conferred, to any Director, Company Secretary or any other officer(s) of the Company, for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to execute all such deeds, applications, documents, undertakings and writings that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution".

By order of the Board
For United Spirits Limited

Place: Bengaluru
Date: April 13, 2018

V. Ramachandran
Executive Vice President and
Company Secretary

Notes :

1. Please refer to the explanatory statement given hereunder.
2. A copy of this notice together with Postal Ballot Form has been placed on the website of the Company www.diageoindia.com and shall remain on the website until the last date for receipt of the postal ballots from the shareholders.
3. The explanatory statement pursuant to Section 102 of the Companies Act, 2013 and Rule 22 of the Companies (Management and Administration) Rules, 2014, ("Rules") setting out all material facts in respect of the business specified in this notice and the reasons thereto is annexed hereto. The Special Resolutions mentioned herein shall be declared as passed if the number of votes cast in its favour is not less than three times the number of votes cast against the said Special Resolution.
4. The postal ballot form for voting by shareholders is enclosed.
5. In accordance with Rule 22(3) of the Rules, after the postal ballot is dispatched, an advertisement will be published in at least one English language and one vernacular language newspaper circulating in Bengaluru.
6. The Notice and the Postal Ballot Form, outlining the detailed procedures, will be mailed to such Shareholders whose names appear on the register of members of the Company / Depositories, or who are beneficial owners of Equity Shares as per the records of Depositories, on the cut-off date i.e. 20th April 2018 and who have their email IDs registered with the Company / Depositories and for all remaining Shareholders who do not have their email IDs registered with the Company / Depositories, the Notice along with Postal Ballot Form will be sent physically.
7. However, on receipt of a request to the Registrar a copy of Notice and Postal Ballot form in physical format from such Shareholder to whom Notice and Postal Ballot Form were e-mailed, the same shall be sent physically.
8. The Board of Directors have, at their meeting held on April 13, 2018, appointed Mr. Sudhir V Hulyalkar, Company Secretary in Practice (Membership No.: 6040; CP Number : 6137) as the scrutinizer for conducting the postal ballot process in a fair and transparent manner. The scrutinizer's address is 16/8, Ground Floor, 2nd Cross, Gupta Layout, South End Road (Near South End Circle), Basavangudi, Bengaluru - 560 004.
9. Members are requested to read carefully the instructions printed on the postal ballot form and either: (a) return the form duly completed in the attached self-addressed pre-paid postage envelope; or (b) vote by electronic means in the manner set out herein, in each case, so as to ensure that votes reach the scrutinizer on or before 5.00 p.m. (17.00 hours IST) on the 3rd day of June, 2018 ("Last Date"). The Voting period will commence on May 5, 2018 at 9 a.m. (9.00 hours IST)
10. The scrutinizer will submit his report to the Chairman / any of the Director(s) of the Company as soon as possible after the last date of receipt of all postal ballots but not later than 48 hours thereof. Upon completion of the scrutiny of the postal ballot votes, the result of the postal ballot will be announced on or before 5th day of June, 2018 at the registered office of the Company and by placing it, along with the scrutinizer's report, on the website of the Company at www.diageoindia.com and will also be communicated to the stock exchanges where the equity shares of the Company are listed. The Special Resolutions, if approved, will be taken as passed effectively on the date of declaration of result.
11. Non Individual Shareholders and custodians should submit a scanned copy of the Board Resolution and/ or Power of Attorney (POA), along with postal ballot form (for physical voting) and in case of e-voting Board Resolution and/ or Power of Attorney (POA) shall be uploaded in PDF format in the system, for the scrutinizer to verify the same.
12. In accordance with Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Rule 20 and Rule 22 of the Rules, the Company is pleased to offer an e-voting facility to shareholders, and business connected with this postal ballot may be transacted by the shareholders through such e-voting system. Notice of this meeting has been sent to all shareholders who have registered their email ids with the Company or the Registrar and Transfer Agent/Depository Participants. Necessary arrangements have been made by the Company with Central Depository Services (India) Limited ('CDSL') to facilitate e-voting as an alternate to the dispatch of postal ballot forms. E-voting is optional and members shall have the option to vote either through e-voting or through submission of the postal ballot form. Kindly note that the members can opt for only one mode of voting i.e., either by physical ballot or e-voting.

    Shareholders who wish to vote through a ballot form may also download the ballot form from the link www.diageoindia.com or seek a duplicate form from Integrated Registry Management Services Private Limited, 30, Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bengaluru - 560 003, fill in the details and send the same to the scrutinizer.
13. The instructions for shareholders voting electronically are as under:
    (i) The voting period will begin on May 5, 2018 from 9.00 a.m. (9.00 hours IST) and will end on June 3, 2018 at 5 p.m. (17:00 hours IST). During this period members of the company, holding shares either in physical form or in dematerialized form, as on the cut-off date, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

    (ii) The cut-off date for e-voting facility is April 20, 2018 and members whose names appear on the register of members/list of beneficial owners shall be entitled to avail the service.

    (iii) The members should log on to the e-voting website www.evotingindia.com

    (iv) Click on "Shareholders / Members" tab.

(v) Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the company.

(vi) Next enter the Image Verification as displayed and Click on Login.

(vii) If you are holding shares in DEMAT form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on address sticker
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

(ix) After entering these details appropriately, click on "SUBMIT" tab.

(x) Members holding shares in physical form will then directly reach the company selection screen. However, members holding shares in DEMAT form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the DEMAT holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN of **United Spirits Limited** (EVSN - 180427001) on which you choose to vote.

(xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xviii) If DEMAT account holder has forgotten the changed login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xx) Note for Institutional Members (Non Individual and Custodians)

- Institutional members (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

14. The Scrutinizer's decision on the validity of the postal ballot shall be final and binding.

15. Please note that any postal ballot form(s) received after the Last Date i.e., June 3, 2018 will be treated as not having been received and after the Last Date, the portal where e-votes can be cast will be blocked.

EXPLANATORY STATEMENT AS REQUIRED BY SECTION 102 OF THE COMPANIES ACT, 2013 FORMING PART OF THE NOTICE OF POSTAL BALLOT

Item No. 1

Presently the authorised share capital of the Company is Rs. 7,192,000,000/- divided into 548,000,000 Equity Shares of Rs. 10/- each and 159,200,000 Preference Shares of Rs. 10/- each and 1,200,000 7% Non-Cumulative Redeemable Preference Shares of Rs. 100/- each.

The sub-division of Equity Shares and Preference Shares proposed under Item No.3 of this Notice would require a consequential amendment to the existing Clause V of the Memorandum of Association of the Company as set out in Item No. 1 of the Notice.

Accordingly, approval of the members is sought for the resolution at Item No.1, for the amendment of Clause V of the Memorandum of Association of the Company.

A copy of the existing Memorandum of Association of the Company along with the proposed draft amendment is available for inspection by any member at the Registered Office of the Company between 10.00 a.m. and 5.00 p.m. on all working days of the Company (Monday to Friday), from the date of dispatch of notice up to the last date for receipt of Postal Ballot Forms or e-voting, i.e., June 03, 2018.

None of the Directors and/or Key Managerial Personnel of the Company including their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution except to the extent of their respective shareholding in the Company to the same extent as that of every other shareholder of the Company.

The Board of Directors recommend passing of the resolution set out under Item No. 1 for approval of the members as a special resolution through postal ballot.

Item No. 2

The sub-division of Equity Shares and Preference Shares proposed under Item No.3 of this Notice would require a consequential amendment to the existing Article 4 of the Articles of Association of the Company, which specifies the current share capital of the Company. However, the Company's share capital is not required to be specified in the Articles of Association of the Company, and therefore it is proposed to remove reference to the number of shares and to give the reference to the share capital as appearing in Clause V of the Memorandum of Association. Approval of the members is sought for the consequent amendment to the existing Article 4 of the Articles of Association of the Company, on the lines specified in Item No. 2 of the Notice.

A copy of the existing Articles of Association of the Company along with the proposed draft amendment is available for inspection by any member at the Registered Office of the Company between 10.00 a.m. and 5.00 p.m. on all working days of the Company (Monday to Friday) from the date of dispatch of notice up to the last date for receipt of Postal Ballot Forms or e-voting, i.e., June 3, 2018.

None of the Directors and/or Key Managerial Personnel of the Company including their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution except to the extent of their respective shareholding in the Company to the same extent as that of every other shareholder of the Company.

The Board of Directors recommend passing of the resolution set out under Item No. 2 for approval of the members as a special resolution through postal ballot.

Item No. 3

The Equity Shares of your Company are listed and actively traded on BSE Limited and the National Stock Exchange of India Limited.

The market price of the Equity Shares of your Company has witnessed a significant rise over a period of time. High price of the Equity Shares of the Company keeps the small retail investors away from trading in your Company's Equity Shares leading to reduction in the liquidity of the shares of your Company in the stock market. In order to improve the liquidity of your Company's Equity Shares in the stock market with higher floating stock as well as to improve trading volume and to encourage and improve the participation of investors by making the Equity Shares of the Company more affordable, the Board of Directors of the Company, at its Meeting held on April 13, 2018, considered and approved the sub-division of the Equity Shares of the Company having a face value of Rs.10 each into five Equity Shares of face value of Rs. 2 each, subject to the approval of the members and any other statutory and regulatory approvals, as applicable. The authority to fix the 'record date' for the entitlement of the aforesaid sub-division of the Equity Shares has been delegated to a Committee of Directors and also to certain designated officers and will be announced separately.

Also, in order to bring in uniformity between the two types of Preference Shares, which the Company is authorized to issue, the Board of Directors of the Company at its Meeting held on April 13, 2018, considered and approved the sub-division of the 7% Non-Cumulative Redeemable Preference Shares of the Company having a face value of Rs.100 each into ten Preference Shares of face value of Rs.10 each, subject to the approval of the members and any other statutory and regulatory approvals, as applicable. Even though currently there are no issued Preference Share Capital, it is proposed to make one class of Preference Shares instead of two classes of Preference Shares to make future issuance of Preference Shares uniform.

The Board of Directors of the Company is of the opinion that the aforesaid sub-division of the face value of the Equity Shares and Preference Shares is in the best interest of the Company and the investors.

None of the Directors and/or Key Managerial Personnel of the Company including their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution except to the extent of their respective shareholding in the Company to the same extent as that of every other shareholder of the Company.

The Board of Directors recommend passing of the resolution set out under Item No. 3 for approval of the members as a special resolution through postal ballot.

By order of the Board
For United Spirits Limited

Place: Bengaluru
Date : April 13, 2018

V. Ramachandran
Executive Vice President and
Company Secretary

Encl.:

1. Postal ballot form
2. Self-addressed and prepaid postage envelope