



2. The acquisition of Offer Shares tendered by Non-resident Indians (“NRIs”) and Overseas Corporate Bodies (“OCBs”) is subject to approval / exemption from the Reserve Bank of India (“RBI”) under the Foreign Exchange Management Act, 1999 and the regulations made thereunder. The Acquirer is in the process of finalizing the application for the RBI approval, which will be filed with RBI following the date of this DPS.
3. Any person or entity (including a security trustee) who holds any liens, charges, equitable interests, pledges and/or other encumbrances or rights of any kind whatsoever over any Equity Shares of the Target Company which are owned by UBHL or in which UBHL has an interest (such persons or entities collectively, the “Restricted Pledges”, and the relevant Equity Shares, the “Pledged Equity Shares”), shall, subject to the provisions of applicable law including the SEBI (SAST) Regulations, be eligible to participate, in its own name, in this Offer (i.e. pursuant to invocation of the corresponding encumbrances or rights) to the extent of such Pledged Equity Shares, **only if** such Restricted Pledgee: (i) furnishes (along with the form of acceptance annexed with the letter of offer) a certified copy of an order of the High Court of Karnataka satisfactory to the Acquirer (acting in its sole discretion) unconditionally granting leave under and in accordance with sections 536(2) and 537(1) of the Companies Act, 1956 (or the equivalent provisions of the Companies Act, 2013, as applicable at the relevant time) for the sale of such Pledged Equity Shares to the Acquirer on the terms of this Offer (the “Leave Order”); and (ii) furnishes evidence satisfactory to the Acquirer (acting in its sole discretion) to show that (a) the period of limitation for filing an appeal against the Leave Order (and, where applicable, also against any order passed in an appeal or further appeal against the Leave Order) has expired, with in each case such limitation period being extended by the time taken by the High Court of Karnataka to issue a certified copy of the order (or any later order), and (b) that (I) no appeal has been filed against such an order, or (II) if any such appeal has been filed, that such appeal has been absolutely and unconditionally dismissed, is not subject to any outstanding right of appeal and that there is no application pending for an extension of time. In case any Pledged Equity Shares are tendered in the Offer without satisfying the above mentioned requirement, the tender of such Equity Shares will not be considered as valid for acceptance in this Offer and the Equity Shares comprised therein shall be returned to the respective Restricted Pledgees. In addition to, and without prejudice to, the above, each Restricted Pledgee who tenders any Pledged Equity Shares shall be deemed to: (i) have represented and warranted to the Acquirer that it has the absolute and unconditional right, title and authority to offer and sell the Pledged Equity Shares in this Offer and convey an indefeasible, good and marketable title to the Acquirer; and (ii) agree to indemnify and keep harmless the Acquirer and the PAC against any loss, damages, harm, costs, charges and expenses (including reasonable legal fees at actuals) by reason of any Pledged Equity Shares tendered by the Restricted Pledgee being purchased by the Acquirer including, but not limited to, any breach of the abovementioned representation and warranty.
4. The Acquirer does not require any approvals from financial institutions or banks for this Offer.
5. Where any statutory approval extends to some but not all of the Public Shareholders, the Acquirer shall have the option to make payment to such Public Shareholders in respect of whom no statutory approvals are required in order to complete this Offer.
6. In case of delay in receipt of any statutory approval, SEBI may, if satisfied that such delay in receipt of the requisite statutory approval(s) was not attributable to any willful default, failure or neglect on the part of the Acquirer and /or the PAC to diligently pursue such approval, and subject to such terms and conditions as may be specified by SEBI, including payment of interest in accordance with Regulation 18(11) of the SEBI (SAST) Regulations, permit the Acquirer and the PAC to delay the commencement of the tendering period for the Offer pending receipt of such statutory approval(s) or grant an extension of time to the Acquirer and the PAC to make the payment of the consideration to the Public Shareholders whose Offer Shares have been accepted in the Offer.
7. In terms of Regulation 23(1) of the SEBI (SAST) Regulations, in the event that the approvals specified in this DPS or those which become applicable prior to completion of the Offer are not received, the Acquirer shall have the right to withdraw the Offer. In the event of such a withdrawal of the Offer, the Acquirer and the PAC (through the Managers) shall, within two Working Days of such withdrawal, make an announcement of such withdrawal stating the grounds for the withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations.

#### VII. TENTATIVE SCHEDULE OF ACTIVITY

No.	Activity	Schedule (Date and Day)
1.	Public Announcement	April 15, 2014 – Tuesday
2.	Date of publishing this DPS	April 23, 2014 – Wednesday
3.	Filing of the draft Letter of Offer (“Letter of Offer”) with SEBI	May 2, 2014 – Friday
4.	Last date for competitive offer(s)	May 19, 2014 – Monday
5.	Last date for SEBI observations on the draft Letter of Offer (in the event SEBI has not sought clarifications or additional information from the Managers to the Offer)	May 26, 2014 – Monday
6.	Identified Date*	May 28, 2014 – Wednesday

7.	Date by which the Letter of Offer is to be dispatched to the Public Shareholders whose name appears on the register of members on the Identified Date	June 4, 2014 – Wednesday
8.	Last date for revising the Offer Price / Offer Size	June 5, 2014 – Thursday
9.	Last Date by which the committee of the independent directors of the Target Company shall give its recommendation to the shareholders of the Target Company for this Offer	June 9, 2014 – Monday
10.	Date of publication of Offer opening public announcement in the newspapers in which this DPS has been published	June 10, 2014 – Tuesday
11.	Date of commencement of the tendering period (“Offer Opening Date”)	June 11, 2014 – Wednesday
12.	Date of closure of the tendering period (“Offer Closing Date”)	June 24, 2014 – Tuesday
13.	Last date of communicating the rejection/ acceptance and completion of payment of consideration or refund of Equity Shares to the shareholders of the Target Company	July 8, 2014 – Tuesday
14.	Last date for publication of post-Offer public announcement in the newspapers in which this DPS has been published	July 15, 2014 – Tuesday

# The Identified Date is only for the purpose of determining the Public Shareholders as on such date to whom the Letter of Offer would be posted. It is clarified that subject to sub-paragraphs 2 and 3 of paragraph VI (Statutory and Other Approvals) above, all the Public Shareholders (registered or unregistered) of the Target Company are eligible to participate in this Offer at any time on or prior to the Offer Closing Date.

#### VIII. PROCEDURE FOR TENDERING THE SHARES IN CASE OF NON-RECEIPT OF LETTER OF OFFER

- Subject to sub-paragraphs 2 and 3 of paragraph VI (Statutory and Other Approvals) above, all Public Shareholders, whether holding Equity Shares in dematerialized form or physical form, registered or unregistered, are eligible to participate in this Offer at any time during the tendering period for this Offer.
- Persons who have acquired Equity Shares but whose names do not appear in the register of members of the Target Company on the Identified Date, or unregistered owners or those who have acquired Equity Shares after the Identified Date, or those who have not received the Letter of Offer, may also participate in this Offer (subject to sub-paragraphs 2 and 3 of paragraph VI (Statutory and Other Approvals) above and provided that they do not constitute the promoter or promoter group shareholders) by submitting an application on plain paper giving details regarding their shareholding and confirming their consent to participate in this Offer on the terms and conditions of this Offer as set out in the PA, this DPS and the Letter of Offer. Alternatively, such holders of Equity Shares may also apply on the form of acceptance-cum-acknowledgement in relation to this Offer annexed to the Letter of Offer, which may be obtained from the SEBI website ([www.sebi.gov.in](http://www.sebi.gov.in)) or from Link Intime India Private Limited (“Registrar to the Offer” / “Registrar”). Any such application must be sent to the Registrar to the Offer at the address mentioned below in paragraph IX (Other Information) so as to reach the Registrar to the Offer on or before 4:00 p.m. on the Offer Closing Date, together with:
  - In the case of registered shareholders holding Equity Shares in physical form, name, address, the number of Equity Shares held, the number of Equity Shares offered and the distinctive numbers and folio number, together with the original Equity Share certificate(s) and valid transfer deeds. Unregistered shareholders can send their application in writing to the Registrar, on plain paper, stating the name and address of the first holder, name(s) and address(es) of joint holder(s) (if any), the number of Equity Shares held, the number of Equity Shares offered and the distinctive numbers and folio number, together with the original Equity Share certificate(s), valid share transfer deeds and the original contract note(s) issued by the broker through whom they acquired their Equity Shares and/or such other documents as may be specified; or
  - In the case of Equity Shares held in dematerialized form, the Depository Participant (“DP”) name and the DP identity and beneficiary account number, together with a photocopy or counterfoil of the delivery instruction slip in “off-market” mode duly acknowledged by the DP for transferring the Equity Shares in favour of the Escrow Demat Account. Any shareholders tendering Equity Shares in dematerialized form should ensure that the Equity Shares are credited in the favour of the Escrow Demat Account during the tendering period of this Offer. Any form of acceptance in respect of dematerialized Equity Shares not credited to the Escrow Demat Account on or before the Offer Closing Date is liable to be rejected.
- Shareholders having their beneficiary account with Central Depositories Services Limited (“CDSL”) must use the inter-depository delivery instruction slip for the purpose of crediting their Equity Shares in favour of the Escrow Demat Account.

The detailed procedure for tendering the shares in the Offer will be available in the Letter of Offer.

#### IX. OTHER INFORMATION

##### Special Leave Petitions in Supreme Court

- On December 20, 2013, a Division Bench of the Karnataka High Court in Bangalore passed an order (“December 20 Order”) setting aside an order of a Single Judge of the same Court dated May 24, 2013 granting leave to UBHL under Sections 536(2) and 537(1) of the Companies Act, 1956 to sell shares of the Target Company to Relay and the PAC, and pursuant to which 1,01,41,437 Equity Shares of the Target Company (representing 6.98% of the Voting Share Capital) had been sold by UBHL to Relay on July 4, 2013. Following the December 20 Order, Relay and Diageo (amongst other parties) filed petitions for special leave to appeal (“SLPs”) against the December 20 Order before the Supreme Court of India. On February 10, 2014, the Supreme Court of India issued an order, *inter alia*, admitting the SLPs and ordering that the status quo be maintained with regard to the transaction which had not been approved by the Division Bench of the Karnataka High Court in the December 20 Order. The SLPs are currently listed for final disposal and the next date of hearing is April 28, 2014.

##### Writ petition in Karnataka High Court

- Under a share purchase agreement dated November 9, 2012 amongst, *inter alia*, the Acquirer, the PAC and USL Benefit Trust (acting through its trustees), the Acquirer agreed to acquire from USL Benefit Trust (of which the Target Company is the sole beneficiary) 3,459,090 Equity Shares of the Target Company, representing 2.38% of the Voting Share Capital (“USLBT Shares”). However, the Acquirer has not yet been able to complete the acquisition of the USLBT Shares.
- To the best of the knowledge of the Acquirer and the PAC: (i) the USLBT Shares had been pledged in favour of Unit Trust of India Investment Advisory Services Limited (“Security Trustee”), acting on behalf of Punjab National Bank (“PNB”) and IDBI Bank Limited (“IDBI”), to secure certain outstanding facilities under their respective loan agreements with the Target Company; (ii) the amounts due to PNB have been repaid in full by the Target Company following which PNB issued its ‘no-objection’ to the Security Trustee to release the pledge over the USLBT Shares; (iii) the Target Company has also repaid the entire outstanding amount due to IDBI (together with all outstanding interest, prepayment premium and processing fees); (iv) notwithstanding such repayment and repeated requests by or on behalf of the Target Company and the Acquirer to IDBI, IDBI has refused to instruct the Security Trustee to release the pledge over the USLBT Shares.
- To the best of the knowledge of the Acquirer and the PAC, the Target Company and USL Benefit Trust (acting through a trustee) filed a writ petition against IDBI and the Security Trustee before the High Court of Karnataka at Bangalore on November 6, 2013 seeking appropriate reliefs in this matter (including securing release of the pledge over the USLBT Shares). This writ petition is currently pending before the High Court of Karnataka at Bangalore.

##### General

- The Acquirer and the PAC and their respective directors (as applicable) accept full responsibility for the information contained in the PA and this DPS (other than such information as has been obtained from public sources or provided or confirmed by the Target Company or any subsidiaries or entities controlled by the Target Company) and shall be jointly and severally responsible for the fulfillment of obligations under the SEBI (SAST) Regulations in respect of this Offer.
- This DPS and the PA shall also be available on SEBI’s website ([www.sebi.gov.in](http://www.sebi.gov.in)).

Issued on behalf of the Acquirer and the PAC by the Managers	
 <b>JM FINANCIAL</b> <b>JM Financial Institutional Securities Limited</b> 7 <sup>th</sup> Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai – 400 025 Tel. No.: +91 22 6630 3030 Fax No.: +91 22 6630 3330 Email: <a href="mailto:lakshmi.lakshmanan@jmfml.com">lakshmi.lakshmanan@jmfml.com</a> Contact Person: Ms. Lakshmi Lakshmanan SEBI Registration Number: INM000010361 CIN: U65192MH1995PLC092522	 <b>HSBC</b> <b>HSBC Securities and Capital Markets (India) Private Limited</b> 52 / 60 MG Road, Fort Mumbai 400 001 Tel: +91 22 2268 1840 Fax: +91 22 2263 1984 Email: <a href="mailto:uslopenoffer@hsbc.co.in">uslopenoffer@hsbc.co.in</a> Contact Person: Mr. Ravi Thanvi SEBI Registration Number: INM000010353 CIN: U67120MH1994PTC081575
Registrar to the Offer	
 <b>LINK INTIME</b> <b>INDIA PVT LTD</b>	<b>Link Intime India Private Limited</b> C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai – 400 078 Tel No.: +91 22 2596 7878; Fax No.: +91 22 2596 0329 Email: <a href="mailto:usl.offer@linkintime.co.in">usl.offer@linkintime.co.in</a> ; Contact Person: Mr. Pravin Kasare

Place: Mumbai

Date: April 22, 2014