ADVERTISEMENT IN ACCORDANCE WITH REGULATION 18(7) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011, AS AMENDED, ("SEBI (SAST) REGULATIONS") WITH RESPECT TO THE OPEN OFFER TO THE PUBLIC SHAREHOLDERS OF

UNITED SPIRITS LIMITED

REG. OFFICE: UB TOWER, #24, VITTAL MALLYA ROAD, BANGALORE - 560 001, TEL: +91 80 3985 6500, FAX: +91 80 3985 6959

This advertisement (**"Offer Opening Public Announcement"**) is being issued by JM Financial Institutional Securities Limited and HSBC Securities and Capital Markets (India) Private Limited, the managers to the Offer (**"Managers"**) for and on behalf of the Acquirer and the PAC, in compliance with Regulation 18(7) of the SEBI (SAST) Regulations. The Offer Opening Public Announcement is to be read together with the Public Announcement dated April 15, 2014, the Detailed Public Statement that was published on April 23, 2014, the Corrigendum that was published on May 26, 2014 and the Letter of Offer dated May 27, 2014. The Detailed Public Statement with respect to the Offer was published in The Economic Times and Business Standard (all editions), English national dailies, Navbharat Times and Business Standard (all editions), Hindi national dailies, Samyukta Karnataka (Bangalore edition), Kannada regional daily and Maharashtra Times (Mumbai edition), Marathi regional daily.

Capitalized terms used herein but not specifically defined shall have the same meaning ascribed to such terms in the Letter of Offer dated May 27, 2014.

Offer Price

The Offer Price is ₹3,030 (Rupees Three Thousand and Thirty only) per Equity Share. The same is justified in terms of Regulation 8(2) of the SEBI (SAST) Regulations, being the highest of the following parameters:

SL.No.	Details	₹
A	The highest negotiated price per Equity Share of the Target Company for any acquisition under an agreement attracting the obligation to make a public announcement of an open offer	Not Applicable
B	The volume weighted average price paid or payable per Equity Share for acquisitions, whether by the Acquirer or by the PAC, during the fifty two weeks immediately preceding the date of the PA*	₹1,571.76**
C	The highest price paid or payable per Equity Share for any acquisition, whether by the Acquirer or by the PAC, during the twenty six weeks immediately preceding the date of the PA	₹2,474.45
D	The volume weighted average market price per Equity Share for a period of sixty trading days immediately preceding the date of the PA as traded on the National Stock Exchange of India Limited, being the stock exchange where the maximum volume of trading in Equity Shares are recorded during such period and such shares being frequently traded	₹2,524.94

** The volume weighted average price paid or payable per Equity Share for acquisitions, whether by the Acquirer or by the PAC, during the fifty two weeks immediately preceding the date of the PA (excluding shares acquired through share purchase agreement, preferential allotment and earlier open offer by the Acquirer) works out to ₹2,447.66.*

*** Includes interest paid for shares acquired under earlier open offer*

(Source: CA certificate dated April 17, 2014 issued by SSPA & Co., Chartered Accountants, registration number 128851W)

Recommendation of the Committee of Independent Directors of USL

The committee of independent directors (**"IDC"**) of USL has recommended that Offer Price to the Public Shareholders of USL is fair and reasonable. The IDC's recommendation was published on June 4, 2014 in the same newspapers where the DPS was published. Summary of the IDC's recommendation is provided below:

1. The constitution of the IDC was as under:
   a. Mr. Ghyanendra Nath Bajpai - Chairman of IDC;
   b. Mr. Arunkumar Ramanlal Gandhi;
   c. Mr. Sudhakar Rao;
   d. Mr. Sivanandhan Dhanushkodi; and
   e. Mr. Vikram Singh Mehta
2. The IDC opined that the Offer Price is in compliance with the requirements of the SEBI (SAST) Regulations and is fair and reasonable. However, the shareholders should independently evaluate the Offer and take an informed decision in the matter.
3. The IDC took into consideration the following for making their recommendation:
   a. The Offer Price is at a premium of 20.00% to the minimum price payable in terms of Regulation 8(2) of the SEBI (SAST) Regulations based on the highest of various applicable parameters (the highest applicable parameter being the volume weighted average market price per Equity Share for a period of sixty trading days immediately preceding the date of the PA as traded on the NSE);
   b. The Offer Price represents a premium of 18.49% to the closing price of the Equity Shares on the NSE (₹2,557.25), on April 11, 2014, i.e. one working day prior to the date on which the PA was issued;
   c. The Offer Price is at a premium of 8.20% to the highest ever closing price of the Equity Shares on the NSE up to the date of the PA (₹2,800.35); and
   d. Citigroup Global Markets India Private Limited has provided an opinion on June 2, 2014 to the IDC that the Offer Price is fair from a financial point of view to the Public Shareholders.

Other details of the Offer

1. The Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
2. The Letter of Offer dated May 27, 2014 has been dispatched as of May 30, 2014 to all the Public Shareholders whose name appeared in the register of members on May 23, 2014, the Identified Date.
3. The Letter of Offer along with the Form of Acceptance-cum-Acknowledgement is available on the SEBI website (www.sebi.gov.in). In case of non-receipt of the Letter of Offer, Public Shareholders, including those who have acquired Equity Shares after the Identified Date, if they so desire, may download the Letter of Offer or the Form of Acceptance-cum-Acknowledgement from SEBI's website. Further, the Public Shareholders may also participate in the Offer by submitting an application on plain paper along with the following details:
   a. In case of Public Shareholders holding Equity Shares in physical form:
      (i) Name(s), addresses and signature of the holder(s)
      (ii) Number of Equity Shares being tendered, distinctive number and folio numbers of such Equity shares
      (iii) Original share certificates
      (iv) Valid transfer forms duly signed by the transferors by all registered Public Shareholders in same order and as per the specimen signatures registered with and duly witnessed at the appropriate place
      (v) A copy of the PAN card, power of attorney, corporate authorization (including board resolution / specimen signature) and no objection certificate / tax clearance certificate from income tax authorities, as applicable

      Please note that in case the aforesaid documents have not been tendered but the original share certificates and valid transfer forms, duly signed, have been tendered, the Equity Shares shall be deemed to have been accepted for all resident Public Shareholders
   b. In case of Public Shareholders holding Equity Shares in dematerialized form:
      (i) Name(s), addresses and signature of the holder(s)
      (ii) Number of Equity Shares being tendered, distinctive number and folio numbers of such Equity shares
      (iii) A photocopy of the delivery instruction slip in "off-market" mode or counterfoil of the delivery instruction slip in "off-market" mode, duly acknowledged by the relevant DP
      (iv) The Public Shareholders having their beneficiary account in CDSL must use an inter-depository delivery instruction for the purpose of crediting their Equity Shares in favour of the escrow depository account with NSDL
      (v) A copy of the PAN card, power of attorney, corporate authorization (including board resolution / specimen signature) and no objection certificate / tax clearance certificate from income tax authorities, as applicable

      Please note that in case the aforesaid documents have not been tendered but the Equity Shares have been transferred to the Open Offer Escrow Demat Account, the Equity Shares shall be deemed to have been accepted for all resident Public Shareholders.

   For the purpose of the Offer, the Registrar to the Offer has opened the Open Offer Escrow Demat Account in the name and style of "Relay BV – USL Open Offer Escrow Demat Account" with JM Financial Services Limited, India as the Depository Participant in NSDL. The DP ID is IN302927 and the Client ID is 10214762.
4. The Public Shareholders who qualify and who wish to participate in this Offer will have to deliver the relevant documents as mentioned above and such other documents as specified in the Letter of Offer at the Registrar to the Offer's office or at the following collection centres, either by hand delivery or by registered post or by courier between 10.00 a.m. and 4.00 p.m. on any Working Day during the Tendering Period, provided it is not a Saturday or a Sunday. The documents should not be sent to the Managers, the Acquirer, the PAC or the Target.

SL. No.	Collection Centre	Address of Collection Centre	Contact person	Phone No. / Fax No. and Email Id	Mode of delivery
1.	Mumbai	Link Intime India Pvt. Ltd, C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (W), Mumbai - 400078	Mr. Pravin Kasare	Tel. No.: +91 22 25967878 Fax No.: +91 22 25960329 Email: pravin.kasare@linkintime.co.in	Hand Delivery & Registered Post/Courier
2.	Ahmedabad	Link Intime India Pvt. Ltd, 303, 3rd Floor, Shoppers Plaza V, Opp. Municipal Market, Behind Shoppers Plaza II, Off C G Road, Navrangpura, Ahmedabad - 380009	Mr. Hitesh Patel	Tel. No.: +91 79 26465179 Telefax No.: +91 79 26465179 Email: ahmedabad@linkintime.co.in	Hand Delivery
3.	Bangalore	Link Intime India Pvt. Ltd., 543/A, 7TH Main, 3rd Cross, Hanumanthanagar, Bangalore - 560 019	Mr. Nagendra Rao	Tel. No.: +91 80 26509004 Telefax No.: +91 80 26509004 Email: bangalore@linkintime.co.in linkblr@gmail.com	Hand Delivery
4.	Baroda	Link Intime India Pvt. Ltd., B Tower, 102 B & 103, Sangrila Complex, First Floor, Radhakrishna Char Rasta, Akota, Vadodara – 390020	Mr. Alpesh Gandhi	Tel. No.: +91 265 2356573 / 796 / 794 Fax No.: +91 265 2356791 Email: vadodara@linkintime.co.in	Hand Delivery
5.	Kolkata	Link Intime India Pvt. Ltd, 59C, Chowringhee Road, 3rd Floor, Kolkata -700020	Mr. S.P. Guha	Tel. No.: +91 33 22890539 / 40 Telefax No.: +91 33 22890539 / 40, Email: kolkata@linkintime.co.in	Hand Delivery
6.	New Delhi	Link Intime India Pvt. Ltd., 44 Community Centre, 2nd Floor, Nariana Industrial Area, Phase I, Near PVR, Nariana, New Delhi – 110028	Mr. Swapan Naskar	Tel. No.: +91 11 41410592 / 93 / 94 Fax No.: +91 11 41410591 Email: delhi@linkintime.co.in	Hand Delivery
7.	Pune	Link Intime India Pvt. Ltd., Block No 202, 2nd Floor, Akshay Complex, Near Ganesh Temple, Off Dhole Patil Road, Pune - 411 001	Mr. Rajeeva Koteshwar	Tel. No.: +91 20 26160084 / 1629 Telefax No.: +91 20 26163503 Email: pune@linkintime.co.in	Hand Delivery
8.	Chennai	C/o SGS Corporate Solutions India Pvt. Ltd., Indira Devi Complex, II Floor, No.20, Gopalakrishna Street, Pondy Bazaar, T. Nagar, Chennai - 600 017	Mrs. Solly Soy	Tel. No.: +91 44 28152672 / 42070906 Telefax No.: +91 44 28152672 Email: chennai@saspartners.com	Hand Delivery
9	Hyderabad	Skystock Services (India) Private Limited, C/o PRVS Courier, 1-8-155/A, Behind Autofin Showroom, Above Sharavana Bhavan Hotel, CG Road, Secunderabad - 500003	Mr. Shirish Terela	Tel. No.: +91 40 65648544 / 65908183 Fax No.: +91 40 27729082 Email: prvssai123@yahoo.com	Hand Delivery

5. SEBI vide its letter number CFD/DCR/SKS/14416/2014 dated May 21, 2014 has issued its comments (**"SEBI Observations"**) on the Draft Letter of Offer with respect to the Offer. The SEBI Observations have been duly incorporated in the Letter of Offer.

Material Updates from the date of the Public Announcement

1. The Public Shareholders can refer to the Corrigendum published on May 26, 2014 in all the newspaper in which DPS was published for certain material updates from the date of the Public Announcement.
2. In addition to the material updates stated in the Corrigendum, the Public Shareholders are requested to kindly note the following information relating to the Offer:
   a. On May 27, 2014, the Target Company has informed the Stock Exchanges that with reference to earlier announcement by the Target Company regarding proposed sale of Whyte and Mackay Group Limited by a wholly owned subsidiary of the Target Company (**"Proposed Sale"**), the board of directors (**"Board"**) and the statutory auditors of the Target Company are in the process of evaluating the financial statements of the Target Company for the year ended March 31, 2014. However, the Board expects that it would require additional time in order to complete a comprehensive balance sheet review including in respect of the impact of the Proposed Sale on the statement of affairs of the Target Company as at March 31, 2014. The Board is aiming to complete this as expeditiously as practicable.The Target Company shall, as required under the Listing Agreement, update the Stock Exchanges upon a board meeting being convened to consider the accounts of the Target Company.
   b. On June 2, 2014, the Target Company sent to the Stock Exchanges a copy of the postal ballot notice and explanatory statement (**"Notice"**) circulated to its shareholders seeking their approval with respect to the sale and transfer of the entire issued share capital of Whyte and Mackay Group Limited. The Notice states, among other things, that the estimated aggregate net proceeds of sale are approximately £408 million. Note that the actual proceeds of sale could fluctuate depending upon the adjustments to be made through the completion accounts, pursuant to the share sale and purchase agreement between United Spirits (Great Britain) Limited and Emperador UK Limited and Emperador Inc. (as may be amended or modified from time to time) dated May 9, 2014. The net proceeds of sale will be insufficient to repay the intra-USL group loan (as defined in the Notice), the balance of which stands at approximately ₹4,793 crores as of March 31, 2014. The Target Company is required, pursuant to mandatorily applicable accounting standards, to impair its investment in USL Holdings Ltd, BVI by approximately ₹2.2 crores and provide for the intra-USL group loan to the extent of ₹4,652 crores to be further netted off by a write-back from foreign currency translation reserves of ₹963.9 crores as of March 31, 2014. This will result in a reduction of the Target Company's net worth by an amount of ₹3,690.3 crores. Subject to prior approval of the RBI, as described in the Notice, the Target Company will be required to write-off a similar amount of the intra-USL group loan and its investment in USL Holdings Ltd, BVI upon completion of the proposed transaction. Note that the actual amount of the write-off may fluctuate depending upon factors including the timing of completion, interest on the refinanced acquisition facility, the actual amount of the adjustments required to be made through the completion accounts pursuant to the terms of the share sale and purchase agreement and exchange rate fluctuations. Due to the provisioning as set out in the Notice and its consequent impact upon the net worth of the Target Company, the Board may be required to file a report in relation to the Target Company under Section 23 of the Sick Industrial Companies (Special Provisions) Act, 1985. However, the Board believes this report, if required, would arise as a technical requirement under the Sick Industrial Companies (Special Provisions) Act, 1985 due to the exceptional and one-time write off and does not reflect upon the long term prospects of the Target Company.
3. There are no other material updates in relation to the Offer since the date of the Public Announcement.

Status of the Statutory and other Approvals

There are no updates to the statutory and other approvals stated in the DPS and the Letter of Offer.

Revised Schedule of Activities

Activity	Schedule of activities as per the DPS	Revised schedule of activities as per the DLoF and LoF
	Date & Day	
Date of the Public Announcement	April 15, 2014 – Tuesday	April 15, 2014 – Tuesday
Date of publication of the Detailed Public Statement	April 23, 2014 – Wednesday	April 23, 2014 – Wednesday
Last date for a competing offer(s)	May 19, 2014 – Monday	May 19, 2014 – Monday
Identified Date* (as defined below)	May 28, 2014 – Wednesday	May 23, 2014 – Friday
Dispatch completion date of the Letter of Offer	June 4, 2014 – Wednesday	May 30, 2014 – Friday
Date of commencement of the Tendering Period (Offer Opening Date)	June 11, 2014 – Wednesday	June 6, 2014 – Friday
Date of closure of the Tendering Period (Offer Closing Date)	June 24, 2014 – Tuesday	June 19, 2014 – Thursday
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	July 3, 2014 – Thursday

**The Identified Date is only for the purpose of determining the Public Shareholders as on such date to whom the LoF would be posted. It is clarified that, subject to paragraphs 2 and 3 under Statutory and Other Approvals of Part VII of the DLoF and the LoF, all the Public Shareholders (registered or unregistered) of the Target Company are eligible to participate in the Offer at any time prior to the expiry of the Tendering Period.*

The Acquirer and the PAC and their respective directors (as applicable) accept full responsibility for the information contained in this Offer Opening Public Announcement (other than such information as has been obtained from public sources) and also accept full responsibility for their obligations under the Offer and shall be jointly and severally liable for ensuring compliance with the SEBI (SAST) Regulations.

A copy of this Offer Opening Public Announcement is expected to be available on the website of SEBI (www.sebi.gov.in).

Issued on behalf of the Acquirer and the PAC by the Managers

JM FINANCIAL

JM Financial Institutional Securities Limited
7th Floor, Cnergy, Appasaheb Marathe Marg,
Prabhadevi, Mumbai – 400 025
Tel. No.: +91 22 6630 3030
Fax No.: +91 22 6630 3330
Email: lakshmi.lakshmanan@jmfl.com
Contact Person: Ms. Lakshmi Lakshmanan
SEBI Registration Number: INM000010361
CIN: U65192MH1995PLC092522

HSBC

HSBC Securities and Capital Markets (India) Private Limited
52 / 60 MG Road, Fort,
Mumbai 400 001
Tel: +91 22 2268 1840
Fax: +91 22 2263 1984
Email: uslopenoffer@hsbc.co.in
Contact Person: Mr. Ravi Thanvi
SEBI Registration Number: INM000010353
CIN: U67120MH1994PTC081575

Place : Mumbai
Date : June 4, 2014

CONCEPT

Size: 24x43 sq. cm