DETAILED PUBLIC STATEMENT IN TERMS OF REGULATION 15(2) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 TO THE PUBLIC SHAREHOLDERS OF

PIONEER DISTILLERIES LIMITED

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OPEN OFFER FOR ACQUISITION OF UP TO 2,466,168 EQUITY SHARES ("EQUITY SHARES") OF PIONEER DISTILLERIES LIMITED, ("PDL" / "TARGET COMPANY" / "TARGET") TO THE PUBLIC SHAREHOLDERS (AS DEFINED BELOW) OF THE TARGET COMPANY BY RELAY B.V. ("ACQUIRER" / "RELAY") TOGETHER WITH DIAGEO PLC ("PAC 1" / "DIAGEO") AND UNITED SPIRITS LIMITED ("PAC 2" / "USL"), AS THE PERSONS ACTING IN CONCERT ("PACs") WITH THE ACQUIRER ("OFFER" / "OPEN OFFER").

This detailed public statement ("**PDPS**") is being issued by JM Financial Institutional Securities Private Limited, the manager to the Offer ("**Manager**" / "**JM Financial**"), for and on behalf of the Acquirer and the PACs, in compliance with proviso to Regulation 13(4) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto (the "**SEBI (SAST) Regulations**") as well as pursuant to the Public Announcement ("**Pioneer PA**") dated November 9, 2012 sent to the BSE Limited ("**BSE**"), the National Stock Exchange of India Limited ("**NSE**"), Pune Stock Exchange Limited ("**PSE**" and together with BSE and NSE the "**Stock Exchanges**") and the Target Company at its registered office in terms of Regulation 3(1), Regulation 4, Regulation 5 and Regulation 13(2)(e) of the SEBI (SAST) Regulations.

Pursuant to the share purchase agreement dated November 9, 2012 entered into between the Acquirer and Diageo with the Sellers (as defined below) ("**SPA**"), the preferential allotment agreement dated November 9, 2012 entered into between the Acquirer and Diageo with USL ("**PAA**") and the shareholders agreement dated November 9, 2012 entered into between the Acquirer and Diageo with United Breweries (Holdings) Limited ("**UBHL**" / "**Seller 1**") and Kingfisher Finvest India Limited ("**KFIL**" / "**Seller 2**") ("**SHA**"), the Acquirer together with Diageo, Diageo Finance plc ("**DFIN**"), Diageo Capital plc ("**DCAP**") and Tanqueray Gordon and Company Limited ("**TGCL**") as persons acting in concert with the Acquirer made an open offer ("**USL Open Offer**") in accordance with Regulation 3(1) and Regulation 4 of the SEBI (SAST) Regulations to the public shareholders (excluding the parties to the SPA, PAA and the SHA and persons acting in concert or deemed to be acting in concert with such parties ("**USL Public Shareholders**")) of USL.

The USL Open Offer was completed on May 13, 2013 pursuant to which the Acquirer acquired 58,668 equity shares in USL representing 0.04 per cent of the emerging voting capital (computed as the equity share capital of USL as on the 10th Working Day (as defined below) after the closure of the tendering period in the USL Open Offer including the equity shares to be issued in terms of the PAA) ("**USL EVC**") of USL from the USL Public Shareholders. Subsequently,

(i) on May 27, 2013, USL issued and allotted 14,532,775 equity shares representing 10.00 per cent of the USL EVC to the Acquirer pursuant to the terms of the PAA; and

(ii) on July 4, 2013, the Acquirer completed the acquisition of 21,767,749 equity shares representing 14.98 per cent of the USL EVC from UBHL, KFIL, SWEW Benefit Company ("**Seller 3**"), Palmer Investment Group Limited ("**Seller 5**") and UB Sports Management Overseas Limited ("**Seller 6**" and together with Seller 1, Seller 2, Seller 3, USL Benefit Trust represented by its trustees Dr.Vijay Mallya and Mr.A.K.R.Nedungadi ("**Seller 4**"), Seller 5 and Seller 6, the "**Sellers**") pursuant to the terms of the SPA. The acquisition by the Acquirer of 3,459,090 equity shares of USL representing 2.38 per cent of the USL EVC held by Seller 4 is proposed to be made upon the release of security that is currently held over these shares by certain lenders. The equity shares of USL acquired from UBHL, KFIL, Seller 3, Seller 5 and Seller 6 and proposed to be acquired from Seller 4 are referred to herein as the "**Sale Shares**".

Pursuant to the completion of the acquisition of the relevant Sale Shares as described herein above, the SHA came into effect on July 4, 2013. Accordingly and with the coming into effect of the SHA, PAC 1 and Relay are identified as part of 'Promoter & Promoter group' of USL and consequently this Offer is being made pursuant to Regulation 3(1), Regulation 4 and Regulation 5 of the SEBI (SAST) Regulations to the Public Shareholders of the Target Company.

USL has now been included as a person acting in concert with the Acquirer for the purpose of the Open Offer. Further, USL shall acquire all the Equity Shares that are validly tendered by the Public Shareholders in the Open Offer. Accordingly and given the limited role to be played by DFIN, DCAP and TGCL, each of DFIN, DCAP and TGCL who were named as persons acting in concert in the Pioneer PA are being discontinued as persons acting in concert for the purpose of the Open Offer.

I. ACQUIRER, PACs, TARGET COMPANY AND OFFER

1 Details of the Acquirer and the PACs

1.1 Acquirer - Relay B.V.

1. Relay B.V., a private limited company incorporated on July 13, 2012 in the Netherlands with trade register number 55690319, is an indirectly wholly owned subsidiary of Diageo. Its registered office is situated at Molenwerf 10-12, 1014 BG, Amsterdam, the Netherlands, Tel: +31 20 7745000, Fax: +31 20 7745091, Email id: marga.gerichhausen@diageo.com. Compliance Officer: Marga Gerichhausen.
2. Relay is part of the Diageo Group (as defined below). Its main objects include the acquisition of, subscription to and investment in equity shares / equity linked instruments of investee companies and the carrying on of all activities incidental or conducive thereto.
3. The issued and paid up capital of Relay as of May 23, 2013 was 1,300 ordinary A shares of ₹1,000 each and 4,100,000 ordinary B shares of ₹1,000 each. The shares of Relay are not listed on any stock exchange.
4. As of the date of this PDPS and pursuant to the coming into effect of the SHA, Relay and PAC 1 are identified as part of 'Promoter & Promoter group' of USL. As of the date of this PDPS, USL directly holds and controls 10,922,032 Equity Shares representing 81.58 per cent of the Emerging Voting Capital of the Target Company. Other than as stated hereinabove, neither the Acquirer nor any of its directors' hold, either directly or indirectly any stake in the equity share capital of or have any other interest in PDL. Further, there are no common directors on the board of Relay and PDL.
5. Relay has not been prohibited by the Securities and Exchange Board of India ("**SEBI**") from dealing in securities pursuant to the terms of any directions issued under section 11B of the SEBI Act, 1992 ("**SEBI Act**") as amended or under any other regulations made under the SEBI Act.
6. Relay was incorporated on July 13, 2012 and, this being its first year of operations, there are no financial statements related to Relay.

1.2 PAC 1 - Diageo plc

1. Diageo plc is a public limited company incorporated in England under registered number 23307. Diageo was originally incorporated as Arthur Guinness Son and Company, Limited on October 21, 1886. Its name was subsequently changed to Arthur Guinness and Sons Plc on March 1, 1982 and subsequently to Guinness PLC on May 1, 1985. The company was eventually named Diageo plc on December 17, 1997. Its registered office is situated at Lakeside Drive, Park Royal, London, NW10 7HQ, United Kingdom, Tel: +44 20 8978 6000, Fax: +44 20 8978 1577, Email id: Paul.Tunnacliffe@diageo.com. Compliance Officer: Paul Tunnacliffe.
2. Diageo is one of the world's leading premium drinks business selling products in more than 180 markets and collection of beverage alcohol brands across spirits, beer and wine categories. These brands include Johnnie Walker, Crown Royal, J&B, Buchanan's, Windsor and Bushmills whiskies, Smirnoff Ciroc and Ketel One vodkas, Baileys, Captain Morgan, Tanqueray and Guinness. Diageo is the ultimate holding company of the Acquirer. The companies operating under Diageo across all its markets are together classified in this document as the "**Diageo Group**".
3. The issued and paid up capital of Diageo as of June 30, 2012 was 2,754 million ordinary shares of face value 28(101/108) pence each aggregating to £797 million. This includes 259 million ordinary shares held as treasury shares repurchased under various buy-back programs and shares for hedging share scheme grants to employees. The shares of Diageo are listed on the London Stock Exchange, Paris Stock Exchange and the Dublin Stock Exchange. The American depository receipts of Diageo are listed on the New York Stock Exchange. Diageo is a widely held company with no identified promoter. As at November 9, 2012 the following substantial interest (3 per cent or more) in Diageo's ordinary share capital has been notified to Diageo:

Shareholder	Number of ordinary shares	% of issued ordinary share capital (excluding treasury shares)
BlackRock Investment Management (UK) Limited (indirect holding)	147,296,928	5.89
Capital Research and Management Company (indirect holding)	124,653,096	4.99
Legal & General Group plc (direct holding)	99,894,002	3.99

4. As of the date of this PDPS and pursuant to the coming into effect of the SHA, Diageo and the Acquirer are identified as part of 'Promoter & Promoter group' of USL. As of the date of this PDPS, USL directly holds and controls 10,922,032 Equity Shares representing 81.58 per cent of the Emerging Voting Capital of the Target Company. Other than as stated hereinabove, neither Diageo nor any of its directors' hold, either directly or indirectly any stake in the equity share capital of or have any other interest in PDL. Further, there are no common directors on the board of Diageo and PDL.
5. Diageo has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under section 11B of the SEBI Act as amended or under any other regulations made under the SEBI Act.
6. Brief audited financials of Diageo as of and for the financial years ended June 30, 2012, 2011 and 2010 and reviewed financials as of and for the six months ended December 31, 2012 on a consolidated basis are provided below:

(in million except for EPS)

Particulars	Six months ended December 31, 2012[1]		Year ended June 30, 2012		Year ended June 30, 2011		Year ended June 30, 2010	
	(in £)	(in *₹)	(in £)	(in *₹)	(in £)	(in *₹)	(in £)	(in *₹)
Total income[2]	6,167	548,370	10,975	975,897	10,112	899,159	9,922	882,264
Profit after taxation[3]	1,601	142,361	2,072	184,242	2,017	179,352	1,743	154,988
Basic earnings per share ("**EPS**")[4]	61.5[5]	54.7	77.8[5]	69.2	76.2[5]	67.8	65.5[5]	58.2
Net worth[6]	6,327	562,597	5,588	496,885	5,245	466,385	4,007	356,302

** 1 £ = ₹ 88.92 - Source: Bloomberg data as of December 31, 2012*

Notes

1) *Diageo plc prepares group financial statements for years ending 30 June, and condensed financial statements in half-yearly financial reports for the six months ended 31 December*
2) *Net sales and share of associates' profits after tax*
3) *Profit for the period / year*
4) *Earnings per share after discontinued operations*
5) *In pence*
6) *Net assets less non-controlling interests*

1.3 PAC 2 - United Spirits Limited

1. United Spirits Limited is a public limited company incorporated in Bangalore, India. USL was incorporated as McDowell Spirits Limited on March 31, 1999. Subsequently its name was changed to McDowell & Company Limited on April 12, 2001 and eventually changed to United Spirits Limited on October 17, 2006. On May 27, 2013, USL issued and allotted 14,532,775 equity shares representing 10.00 per cent of the USL EVC to the Acquirer pursuant to the terms of the PAA. Further the SHA came into effect on July 4, 2013 with the completion of the acquisition of 21,767,749 equity shares representing 14.98 per cent of the USL EVC by the Acquirer from UBHL, KFIL, Seller 3, Seller 5 and Seller 6 pursuant to the terms of the SPA. The acquisition of the relevant "Sale Shares" from Seller 4 (3,459,090 equity shares representing 2.38 per cent of the USL EVC) by the Acquirer is proposed to be made upon the release of security that is currently held over these shares by certain lenders. Its registered office is situated at UB Tower, #24, Vittal Mallya Road, Bangalore – 560 001, Tel: +91 80 3985 6500 and Fax: +91 80 3985 6862.
2. Pursuant to the consummation of the PAA, SPA and the coming into effect of the SHA the Acquirer and Diageo together with UBHL, KFIL and other promoter group members of USL are identified as the 'Promoters' of USL. USL's objects include *inter alia* manufacturing alcohol, rectified spirit and potable and industrial alcohol and manufacturing, brewing, distilling, blending, compounding, preparing, processing and rendering potable or marketable various categories of liquors, wines, spirits and beers. USL carries on the business of manufacturing and bottling Indian Made Foreign Liquor through distillery and bottling units (which include "owned" units, "tie-up" units, "associate" units and "leased"/ "privileged" units).
3. The equity shares of USL are listed on each of the BSE, NSE and the Bangalore Stock Exchange Limited ("**BgSE**"). Further, the Global Depository Shares of USL ("**GDS**") are listed on the Luxembourg Stock Exchange. Two GDS represent 1 equity share. There are no outstanding shares that have been issued but not listed on at least one of the BSE, NSE and BgSE. The brief shareholding pattern of USL as of July 5, 2013 is provided below

Shareholder	Number of ordinary shares	% of total issued shares
Promoter & Promoter Group		
Relay B.V.	36,359,192	25.02
UBHL	10,167,733	7.00
KFIL	5,940,590	4.09
Other Promoter Group members	82,597	0.06
Total	**52,550,112**	**36.16**
Public	**92,777,631**	**63.84**
Grand Total	**145,327,743**	**100.00**

(Source: USL)

4. As of the date of this PDPS, USL directly holds and controls 10,922,032 Equity Shares representing 81.58 per cent of the Emerging Voting Capital of the Target Company.
5. Mr. Ashok Harikishanlal Capoor and Mr. Murali Ananthasubramanian Pathai, directors on the board of USL are also directors on the board of the Target Company. PDL also supplies 'Extra Neutral Alcohol' ("**ENA**") to USL under an arrangement with USL. USL also extends support to PDL like providing corporate guarantee, advances in the normal course of business.
6. USL has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under section 11B of the SEBI Act as amended or under any other regulations made under the SEBI Act.
7. Brief audited financials of USL as of and for the financial years ended March 31, 2013, 2012 and 2011 on a consolidated basis are provided below:

(in ₹million except for EPS)

Particulars	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011
Total Income	108,512.85	94,557.03	76,212.21
Profit / (Loss) for the year	(1,012.12)	1,879.21	5,695.20
Basic Earnings Per Share	(8.04)	14.93	45.25
Net worth	47,872.96	46,617.68	41,786.18

(Source: CA certificate dated July 9, 2013 issued by Walker, Chandiok & Co, Chartered Accountants, registration number 001076N)

2. Details of the Target

Target – Pioneer Distilleries Limited

1. Pioneer Distilleries Limited was originally incorporated as Ganga Orgchem Limited on November 25, 1992. Its name was changed to its current name on September 12, 1994. The registered office of PDL is situated at UB House, Plot No. 36, Street No. 4, Srinagar Colony, Hyderabad - 500 073 (Tel: +91 40 6674 7388, Fax: +91 40 6674 7386).
2. The sole manufacturing unit of PDL is situated at Balapur village, Dharmabad Taluk, Nanded district, Maharashtra - 431 809 where it produces ENA, rectified spirit, absolute alcohol, special denatured spirit and carbon dioxide.
3. USL became the promoter of the Target Company with effect from May 24, 2011 consequent to USL's acquisition of 10,977,132 Equity Shares representing 81.99 per cent of the Emerging Voting Capital. Subsequently, on October 23, 2012, USL undertook an offer for sale through the stock exchange mechanism ("**OFS**") in compliance with the SEBI circular CIR/MRD/DP/18/2012 dated July 18, 2012 to increase the public shareholding in the Target Company for the purpose of ensuring compliance with the minimum public shareholding requirement of 25 per cent under Rule 19(A)(2) of Securities Contract (Regulation) Rules, 1957 and clause 40A of the listing agreement entered into between the Target Company and each of the Stock Exchanges ("**Listing Agreement**"). However the OFS was unsuccessful and USL received valid bids for only 55,100 Equity Shares as against 935,982 Equity Shares that were on offer. Pursuant to the OFS, USL's shareholding in the Target Company reduced to 10,922,032 Equity Shares representing 81.58 per cent of the Emerging Voting Capital.
4. The Target Company has vide letter dated October 23, 2012 made a reference to the Board for Industrial and Financial Reconstruction ("**BIFR**") under the provisions of Section 15(1) of the Sick Industrial Companies (Special Provisions) Act, 1985 following the erosion of the entire net worth of the Target Company. The BIFR at its last hearing dated May 28, 2013 issued directions to all statutory authorities concerned to file their objections on the sickness of the Target Company within a period of 2 weeks from May 28, 2013 and fixed the next date of the hearing on July 31, 2013.
5. The Equity Shares of PDL are listed on each of the Stock Exchanges. The Equity Shares are infrequently traded as per Regulation 2(1)(j) of the SEBI (SAST) Regulations.
6. The board of directors of PDL as of the date of this PDPS is provided below:

Name of Director	Designation
Murali Ananthasubramanian Pathai	Non-Executive Chairman
Ashok Harikishanlal Capoor	Non-Executive Director
Maddagiri Ramaswamy Doraiswamy Iyengar	Independent Director
Chhaganlal Meghraj Jain	Independent Director

7. Brief audited financials of PDL on a stand-alone basis as of and for the financial years ended March 31, 2013, 2012 and 2011 are provided below:

(in ₹)

Particulars	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011
Total Income	1,036,533,668	1,044,649,140	556,890,846
Profit for the year	(278,576,427)	(253,037,275)	(292,019,718)
Basic Earnings Per Share	(20.81)	(18.90)	(21.74)
Net worth	(306,092,579)	(73,109,465)	116,327,110

(Source: CA certificate dated July 8, 2013 issued by Lodha & Co, Chartered Accountants, registration number 301051E)

3. Details of the Offer

1. The Acquirer and the PACs are making this Offer to all the equity shareholders of PDL other than parties to the SPA, PAA and SHA and persons acting in concert or deemed to act in concert with such parties ("**Public Shareholders**"), to acquire up to 2,466,168 Equity Shares ("**Offer Shares**") of face value of ₹10/- each at an offer price of ₹64.02 per Equity Share ("**Offer Price**") aggregating to ₹157,884,075.36 (Rupees One hundred and fifty seven million eight hundred and eighty four thousand seventy five and thirty six paise only) in cash ("**Offer Size**"). It is being clarified that all the Equity Shares that are validly tendered and accepted in this Offer shall be acquired by USL in accordance with the terms and conditions set forth in this PDPS and the Letter of Offer.
2. The Offer Shares represent the remaining 18.42% of the paid up equity share capital of PDL as on the 10th Working Day (Working Day as defined under SEBI (SAST) Regulations) after the closure of the tendering period ("**Emerging Voting Capital**").
3. The Emerging Voting Capital has been computed as follows:

Particulars	Issued and paid up capital and voting rights	% of Emerging Voting Capital
Fully paid up Equity Shares as of the Pioneer PA date	13,388,200	100.00
Partly paid up Equity Shares as of the Pioneer PA date	Nil	Nil
Employee stock options outstanding	Nil	Nil
Emerging Voting Capital	13,388,200	100.00

4. For the purpose of this Offer, the Registrar has opened a special depository account ("**Open Offer Escrow Demat Account**") in the name and style of USL - PDL Open Offer Escrow Demat Account with DSP Merrill Lynch as the depository participant in National Securities Depositories Limited ("**NSDL**"). The DP ID is IN302638 and the Client ID is 10066850.
5. The Offer Price shall be paid in cash in accordance with the provisions of Regulation 9(1)(a) of the SEBI (SAST) Regulations.
6. To the best of the knowledge of the Acquirer and the PACs, there are no statutory approvals required to complete the acquisition of the Offer Shares. If any other statutory approval becomes applicable prior to the completion of the Offer, the Offer would also be subject to such other statutory approval.
7. The acquisition of Offer Shares tendered by Non-Resident Indians ("**NRIs**") and Overseas Corporate Bodies ("**OCBs**") is subject to and where applicable such OCBs and NRIs submitting the approval / exemption from the Reserve Bank of India ("**RBI**") for tendering their Equity Shares in the Open Offer.
8. 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 the Offer.
9. The Offer is not conditional on any minimum level of acceptance by the Public Shareholders and is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
10. The Acquirer and the PACs currently do not have any intention to alienate, whether by way of sale, lease, encumbrance or otherwise, any material assets of PDL during the period of two years following the completion of the Offer, except in the ordinary course of business or on account of regulatory approvals or conditions, or compliance with any applicable law.
11. Other than the above, if the Acquirer and PACs intend to alienate any material asset of PDL, within a period of 2 years from completion of the Offer, the Target shall seek the approval of its shareholders as per proviso to regulation 25(2) of SEBI (SAST) Regulations.
12. Pursuant to the completion of the Open Offer, USL shall take such steps in consultation with the Acquirer as may be permitted under applicable law including the provisions of clause 40A of the Listing Agreement to achieve compliance with the minimum public shareholding requirement of 25 per cent under the Securities Contract (Regulation) Rules, 1957 within a period of 1 year from the completion of the Open Offer.

II. BACKGROUND TO THE OFFER

1. This Offer is made in accordance with Regulation 3(1), Regulation 4 and Regulation 5 of the SEBI (SAST) Regulations pursuant to the SPA, SHA and the PAA. This is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
2. On the completion of the USL Open Offer, the Acquirer acquired 58,668 equity shares representing 0.04 per cent of the USL EVC on May 13, 2013. Subsequently on May 27, 2013, USL issued and allotted 14,532,775 equity shares representing 10.00 per cent of the USL EVC to the Acquirer pursuant to the terms of the PAA. Further on July 4, 2013 the Acquirer completed the acquisition of 21,767,749 equity shares representing 14.98 per cent of the USL EVC from UBHL, KFIL, Seller 3, Seller 5 and Seller 6 pursuant to the terms of the SPA. The acquisition of the relevant 'Sale Shares' held by Seller 4 (3,459,090 equity shares representing 2.38 per cent of the USL EVC) by the Acquirer is proposed to be made upon the release of security that is currently held over these shares by certain lenders.
3. Pursuant to the completion of the acquisition of the relevant Sale Shares as described herein above, the SHA came into effect on July 4, 2013. Accordingly and with the coming into effect of the SHA, PAC 1 and Relay are identified as part of 'Promoter & Promoter group' of USL and consequently this Offer is being made pursuant to Regulation 3(1), Regulation 4 and Regulation 5 of the SEBI (SAST) Regulations to the Public Shareholders of the Target Company.
4. USL has now been included as a person acting in concert with the Acquirer for the purpose of the Open Offer. Further USL shall acquire all the Equity Shares that are validly tendered by the Public Shareholders in the Open Offer. Accordingly and given the limited role to be played by DFIN, DCAP and TGCL, each of DFIN, DCAP and TGCL who were named as persons acting in concert in the Pioneer PA are being discontinued as persons acting in concert for the purpose of the Open Offer.
5. The Acquirer and the PACs currently do not have any intention to alienate, whether by way of sale, lease, encumbrance or otherwise, any material assets of the PDL during the period of two years following the completion of the Offer, except in the ordinary course of business or on account of regulatory approvals or conditions, or compliance with any applicable law.
6. Other than the above, if the Acquirer and PACs intend to alienate any material asset of PDL, within a period of 2 years from completion of the Offer, the Target shall seek the approval of its shareholders as per proviso to regulation 25(2) of SEBI (SAST) Regulations.

III. SHAREHOLDING AND ACQUISITION DETAILS

Please find below the shareholding of the Acquirer and the PACs in PDL and details of any acquisition made by them since the Pioneer PA date:

Details	Acquirer		Diageo		USL	
	Number of Equity Shares	%	Number of Equity Shares	%	Number of Equity Shares	%
Shareholding as on the Pioneer PA date	Nil	Nil	Nil	Nil	10,922,032	81.58
Shares acquired between the Pioneer PA date and the PDPS date	Nil	Nil	Nil	Nil	Nil	Nil
Post-Offer and post underlying transaction shareholding (based on Emerging Voting Capital)	Nil	Nil	Nil	Nil	13,388,200*	100.00

** Assuming the full acceptance in the Open Offer*

IV. OFFER PRICE

1. The Equity Shares are listed on each of the Stock Exchanges.
2. The trading turnover in the Equity Shares based on the trading volumes during the twelve months prior to the calendar month in which the Pioneer PA was made on NSE, BSE and PSE is as given below:

Stock exchange	Total traded volumes during the 12 calendar months preceding the calendar month in which the Pioneer PA was made	Weighted average number of Equity Shares during the 12 calendar months preceding the calendar month in which the Pioneer PA was made	Trading turnover (as a % of weighted average number of Equity Shares)
BSE	238,780	13,388,200	1.8
NSE	251,515	13,388,200	1.9
PSE	No trading		

(Source: CA certificate dated November 9, 2012 issued by Deloitte Haskins & Sells, Chartered Accountants, registration number 117365W)

3. Based on the above, the Equity Shares are infrequently traded in terms of the SEBI (SAST) Regulations.
4. Further in terms of Regulation 5(2) and Regulation 8(5) of the SEBI (SAST) Regulations and on the basis of the audited financial statements of the Target Company, USL and USL on a consolidated basis, as applicable, for the year ended March 31, 2012

(i) The proportionate net asset value of the Target Company as a percentage of the consolidated net asset value of USL is less than 15 per cent;

(ii) The proportionate sales turnover of the Target Company as a percentage of the consolidated sales turnover of USL is less than 15 per cent; and

(iii) The proportionate market capitalization of the Target Company as a percentage of the enterprise value of USL is less than 15 per cent

For the purpose of (i) above, the net asset value of the Target Company and USL on a consolidated basis was calculated as non-current assets, including goodwill on consolidation plus current assets excluding miscellaneous expenditure less non-current and current liabilities as applicable.

For the purpose of (ii) above, the sales turnover of the Target Company and USL on a consolidated basis represents respective revenue from operations net of excise duty.

For the purpose of (iii) above, the enterprise value of USL was calculated as market capitalization of USL (calculated in the manner as set out in this paragraph) plus non-current and current borrowings, current maturities of non-current borrowings, minority interest, preferred shares minus total cash and cash equivalents. In accordance with the explanation to Regulation 5(2)(c) of the SEBI (SAST) Regulations, the market capitalization of the Target Company was calculated based on the sixty day volume weighted average market price of Equity Shares on the BSE where the maximum volume of trading in the Equity Shares of Target Company were recorded for a period of sixty trading days preceding November 9, 2012 being the date of the Pioneer PA. Likewise the market capitalization of USL was calculated based on the sixty day volume weighted average market price of equity shares of USL on the NSE where the maximum volume of trading in the equity shares of USL were recorded for a period of sixty trading days preceding November 9, 2012 being the date of the public announcement for USL open offer.

5. The Offer Price of ₹64.02 per Equity Share is justified in terms of Regulation 8(3) and Regulation 8(4) of the SEBI (SAST) Regulations, being the highest of the following parameters:

SL. No.	Details	₹
A	The highest negotiated price per Sale Share of PDL (as per the SPA) attracting the obligation of the Open Offer	NA
B	The volume weighted average price paid or payable per Equity Share by the Acquirer or the PACs during the fifty two weeks immediately preceding the date of the Pioneer PA	NA
C	The highest price paid or payable per Equity Share for any acquisition by the Acquirer or the PACs during the twenty six weeks immediately preceding the date of the Pioneer PA	NA
D	The volume weighted average market price of the Equity Shares during the sixty trading days immediately preceding the date of the Pioneer PA as traded on BSE, being the stock exchange on which the Equity Shares were most frequently traded for the said period, provided such Equity Shares are frequently traded	NA
E	Fair Value per Equity Share as determined taking into account, *inter alia* valuation report Ref DHS/G-200/132 dated November 9, 2012 issued by Deloitte Haskins & Sells, Chartered Accountants, (Registration Number. 117365W) i.e. ₹60.00 per Equity Share as enhanced by ₹4.02 being the sum determined at the rate of 10 per cent per annum for the period between the date of Pioneer PA and the date of this PDPS, in accordance with the provisions of Regulation 8(12) of the SEBI (SAST) Regulations	64.02*

Note: The Offer Price would be revised in the event of any corporate action like bonus, rights, split etc where the record date for effecting such corporate actions falls within 3 Working Days prior to the commencement of the tendering period of the Open Offer

**CA certificate dated July 10, 2013 issued by Deloitte Haskins & Sells, Chartered Accountants, registration number 117365W*

6. The Offer Price is subject to revision, if any, pursuant to the SEBI (SAST) Regulations or at the discretion of the Acquirer and the PACs at any time prior to three Working Days before the commencement of the tendering period in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. In the event of such revision, the Acquirer and the PACs shall (i) make corresponding increases to the escrow amounts, as more particularly set out in Part V - Financial Arrangements, of this PDPS; (ii) make a public announcement in the same newspapers in which this PDPS is published; and (iii) simultaneously with the issue of such announcement, inform SEBI, the Stock Exchanges and the Target Company at its registered office of such revision.

V. FINANCIAL ARRANGEMENTS

1. The Offer Size is ₹157,884,075.36 (Rupees One hundred and fifty seven million eight hundred and eighty four thousand seventy five and thirty six paise only).
2. In accordance with Regulation 17 of the SEBI (SAST) Regulations, an escrow arrangement has been created in the form of a Cash Escrow (as defined below).
3. USL has entered into an escrow agreement with Bank of America N.A. Mumbai branch ("**Open Offer Escrow Agent**") and the Manager ("**Open Offer Escrow Agreement**") pursuant to which USL has deposited cash aggregating to ₹39,471,019 (Rupees Thirty nine million four hundred and seventy one thousand and nineteen only), being twenty five percent of the Offer Size ("**Cash Escrow**"), in the escrow account ("**Open Offer Escrow Account**") opened with the Open Offer Escrow Agent. The Cash Escrow, constitutes the escrow amount ("**Open Offer Escrow Amount**"). The Open Offer Escrow Amount has been computed in accordance with Regulation 17(1) of the SEBI (SAST) Regulations. The Manager has been authorized to operate the Open Offer Escrow Account on the terms set out in the Open Offer Escrow Agreement.
4. Walker, Chandiok & Co, have, on the basis details of bank balances, liquid investments as of July 7, 2013, reading of the Open Offer Escrow Agreement and examination of the balance confirmation in the Open Offer Escrow Account provided by the Escrow Agent, certified vide their certificate dated July 8, 2013 that USL has sufficient means and internal accruals to meet their obligations under this Offer.
5. Based on the above, the Manager to the Offer is satisfied that firm arrangements have been put in place by USL to fulfill its obligations in relation to this Offer through verifiable means in accordance with the SEBI (SAST) Regulations.

VI. STATUTORY AND OTHER APPROVALS

1. To the best of the knowledge of the Acquirer and the PACs, there are no statutory approvals required to complete the acquisition of the Offer Shares. If any other statutory approval becomes applicable prior to completion of the Offer, the Offer would also be subject to such other statutory approval.
2. The acquisition of Offer Shares tendered by NRIs and OCBs is subject to and where applicable such OCBs and NRIs submitting the approval / exemption from the Reserve Bank of India for tendering their Equity Shares in the Open Offer.
3. 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.

VII. TENTATIVE SCHEDULE OF ACTIVITY

No.	Activity	Schedule (Date and Day)
1.	Public Announcement	November 9, 2012 - Friday
2.	Date of publishing this PDPS	July 11, 2013 – Thursday
3.	Filing of the draft Letter of Offer with SEBI	July 18, 2013 – Thursday
4.	Last date for competitive offer(s)	August 1, 2013 – Thursday
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 Manager to the Offer)	August 8, 2013 – Thursday
6.	Identified Date#	August 13, 2013 - Tuesday
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	August 21, 2013 - Wednesday
8.	Last date for revising the Offer Price / Offer Size	August 22, 2013 – 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	August 26, 2013 – Monday
10.	Date of publication of Offer opening public announcement in the newspapers in which this PDPS has been published	August 27, 2013 – Tuesday
11.	Date of commencement of the tendering period (Offer Opening Date)	August 28, 2013 - Wednesday
12.	Date of closure of the tendering period (Offer Closing Date)	September 11, 2013 - Wednesday
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	September 25, 2013 - Wednesday
14.	Last date for publication of post-Offer public announcement in the newspapers in which this PDPS has been published	October 3, 2013 - Thursday

 # 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 mailed. It is clarified that all the Public Shareholders (registered or unregistered) of the Target Company are eligible to participate in this Offer at any time prior to the closure of this Offer.

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

1. 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.
2. 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 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 Pioneer PA, this PDPS 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) 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 Part IX so as to reach the Registrar to the Offer on or before 4:00 p.m. on the date of closure of the tendering period of this Offer (as mentioned in Part VII), together with:
   a. In the case of registered shareholders holding Equity Shares in physical form, his 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
   b. 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 the date of closure of the tendering period for this Offer (as mentioned in Part VII) is liable to be rejected.
3. 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 Equity Shares in the Offer will be available in the Letter of Offer.

IX. OTHER INFORMATION

1. The Acquirer and the PAC 1 and their respective directors (as applicable) accept full responsibility for the information contained in the Pioneer PA (other than such information as has been obtained from public sources).
2. The Acquirer and the PACs and their respective directors (as applicable) accept full responsibility for the information contained in this PDPS (other than such information as has been obtained from public sources) and shall be jointly and severally responsible for the fulfillment of obligations under the SEBI (SAST) Regulations in respect of this Offer.
3. This PDPS and the Pioneer PA shall also be available on SEBI's website (www.sebi.gov.in).

Issued on behalf of the Acquirer and the PACs by the Manager

JM FINANCIAL

JM Financial Institutional Securities Private Limited
141, Maker Chamber III, Nariman Point, Mumbai – 400 021.
Tel: +91 22 6630 3030, Fax: +91 22 2204 7185. Contact Person: Ms.Lakshmi Lakshmanan
Email: lakshmi.lakshmanan@jmfl.com

Registrar to the Offer

LINK INTIME
INDIA PVT LTD
(Formerly INTIME SPECTRUM REGISTRY LTD)

Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai – 400 078
Tel: +91 22 2596 7878, Fax: +91 22 2596 0329. Contact Person: Mr.Pravin Kasare
Email: pdl.offer@linkintime.co.in

Place: Bangalore / Singapore
Date: July 11, 2013