

DETAILED PUBLIC STATEMENT TO THE SHAREHOLDERS OF HINDUSTAN UNILEVER LIMITED IN TERMS OF REGULATION 6 READ WITH REGULATIONS 13(4), 14 AND 15(2) OF SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011



Hindustan Unilever Limited

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Voluntary Open Offer for acquisition of 487,004,772 Shares representing 22.52% of the Voting Share Capital from the public shareholders of Hindustan Unilever Limited ("HUL" or the "Target Company") by Unilever PLC (the "Acquirer") along with Unilever N.V. in its capacity as person acting in concert (the "PAC") with the Acquirer.

This detailed public statement ("DPS") is being issued by HSBC Securities and Capital Markets (India) Private Limited ("Manager to the Open Offer") on behalf of the Acquirer and the PAC to the public shareholders of the Target Company in compliance with Regulation 6 read with Regulations 13(4), 14 and 15(2) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("SEBI (SAST) Regulations, 2011"), pursuant to the Public Announcement ("PA") filed on 30 April 2013 with the BSE Limited ("BSE"), the National Stock Exchange of India Limited ("NSE"), the Securities and Exchange Board of India ("SEBI") and the Target Company in terms of Regulation 6 of the SEBI (SAST) Regulations, 2011.

Definitions:

For the purpose of this DPS, the following terms would have the meanings assigned to them below:

"Shares" shall mean issued, subscribed and fully paid-up equity shares of a face value of INR 1 each of the Target Company carrying voting rights, and including any security which entitles the holder thereof to exercise voting rights. For the purpose of this definition, Shares will include all depository receipts carrying an entitlement to exercise voting rights in the Target Company;

"Open Offer" shall mean the voluntary open offer made by the Acquirer and the PAC to the public shareholders of the Target Company for the acquisition of 487,004,772 (Four hundred eighty seven million four thousand seven hundred and seventy two) Shares representing 22.52% of the total fully diluted voting equity share capital of the Target Company ("Voting Share Capital");

"NRI" shall mean a non-resident Indian, as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, and

"OCB" shall mean an overseas corporate body, as defined under the Foreign Exchange Management (Deposit) Regulations, 2000.

I. ACQUIRER, PAC, TARGET COMPANY AND OPEN OFFER

A. Details of the Acquirer – Unilever PLC

- The Acquirer is a public limited company registered in England and Wales with its registered office at Port Sunlight, Wirral, Merseyside CH62 4ZD, United Kingdom.
- The Acquirer and the PAC are the two parent companies of the Unilever group of companies ("Unilever Group"). The Unilever Group is one of the world's leading suppliers of fast-moving consumer goods across the foods, refreshment, home and personal care categories.
- Together with their group companies, the Acquirer and the PAC operate as nearly as practicable as a single economic entity. This is achieved by a series of agreements between the Acquirer and the PAC, together with special provisions in the Articles of Association of the Acquirer and the PAC. The Acquirer and the PAC have the same directors, adopt the same accounting principles and pay dividends to their respective shareholders on an equalised basis. The Acquirer and the PAC and their group companies constitute a single reporting entity for the purposes of presenting consolidated accounts. Accordingly, the accounts of the Unilever Group are presented by both the Acquirer and the PAC as their respective consolidated accounts. The Acquirer and the PAC have agreed to co-operate in all areas and ensure that all group companies act accordingly. The Acquirer and the PAC are holding and service companies, and the business activity of the Unilever Group is carried out by their subsidiaries around the world. Shares in group companies may ultimately be held wholly by either the Acquirer or the PAC or by the two companies in varying proportions. The two companies have different shareholder constituencies and shareholders can hold shares in either or both companies but cannot convert or exchange the shares of one company for shares of the other.
- The Acquirer was incorporated in England & Wales as Lever Brothers, Limited in 1894. It changed its name on 31 December 1937 to Lever Brothers & Unilever Limited which was subsequently changed on 1 March 1952 to Unilever Limited. Unilever Limited then re-registered under the Companies Acts 1948 to 1980 as a public company on 1 June 1981 as Unilever PLC.
- The Acquirer has shares listed on the London Stock Exchange and as American Depositary Receipts on the New York Stock Exchange.
- The Acquirer is not owned or controlled, directly or indirectly, by another corporation, any foreign government or by any other legal or natural person.
- The Acquirer directly holds 36.75% of the Voting Share Capital of the Target Company and is currently a promoter of the Target Company. Brooke Bond Group Ltd, Unilever Overseas Holdings AG, Unilever UK & CN Holdings Ltd, Brooke Bond South India Estates Ltd, Brooke Bond Assam Estates Ltd and Unilever Overseas Holdings BV, which in the aggregate own 340,042,710 Shares constituting 15.72% of the Voting Share Capital, are direct or indirect subsidiaries of the Acquirer (collectively referred to as the "Other Promoter Entities"). The Acquirer and the Other Promoter Entities are the current promoters of the Target Company.
- The Other Promoter Entities are not participating in the Open Offer as acquirers or persons acting in concert. The Other Promoter Entities, which are direct or indirect subsidiaries of the Acquirer, own Shares as follows:
 - Brooke Bond Group Ltd holds 106,739,460 Shares constituting 4.94% of the Voting Share Capital;
 - Unilever Overseas Holdings AG holds 68,784,320 Shares constituting 3.18% of the Voting Share Capital;
 - Unilever UK & CN Holdings Ltd holds 60,086,250 Shares constituting 2.78% of the Voting Share Capital;
 - Brooke Bond South India Estates Ltd holds 52,747,200 Shares constituting 2.44% of the Voting Share Capital;
 - Brooke Bond Assam Estates Ltd holds 32,820,480 Shares constituting 1.52% of the Voting Share Capital; and
 - Unilever Overseas Holdings BV holds 18,865,000 Shares constituting 0.87% of the Voting Share Capital.
- Mr. Harish Manwani, the Non Executive Chairman and member of the board of directors of the Target Company is also the Chief Operating Officer of the Unilever Group and is a representative of the Acquirer in terms of Regulation 24(4) of the SEBI (SAST) Regulations, 2011 and holds 22,130 Shares in the Target Company.
- The Target Company enters into various related party transactions in the course of its business with the Acquirer and members of the Unilever Group. According to the Annual Report of the Target Company for the years ended 31 March 2011 and 31 March 2012, the Unilever Group has entered into commercial transactions with the Target Company. The significant transactions are as set out below:

Description of the nature of the transaction	(Amount in INR million)	
	For the financial year ending 31 March 2011	For the financial year ending 31 March 2012
Dividend paid (Unilever PLC)	5,166.2	5,563.6
Royalty expense (Gross) (Unilever PLC)	2,659.6	3,038.5
Income from services rendered (Unilever PLC)	2,933.5	3,341.2
Maintenance and support costs for licenses and software (Unilever N.V.)	20.4	23.0
Software development and procurement of licenses (Unilever N.V.)	46.6	52.5
Outstanding as at the year end – Payables to holding company and other Unilever Group companies		
- Unilever N.V.	489.4	143.0
- Unilever PLC	1,172.6	718.8
- Unilever Supply Chain Company	560.6	544.2
- Unilever Asia Private Limited	86.5	243.1
- Unilever Australia Limited	6.8	-
- Lipton Limited UK	134.3	12.1

Note:

- Source: Annual Report of the Target Company for the years ended 31 March 2011 and 31 March 2012 (consolidated accounts). Full details of the disclosures by the Target Company of its related party transactions is available on Pages 140 to 144 in its Annual Report for the year ended 31 March 2012 and on Pages 139 to 143 in its Annual Report for the year ended 31 March 2011. The Annual Reports of the Target Company may be obtained from the Target Company's website (<http://www.hul.co.in>).

The Board of Directors of the Target Company, at the board meeting on 22 January 2013, approved a proposal to enter into a new agreement ("New Agreement") with the Acquirer (and entities of the Unilever Group) for the provision of technology, trademark licenses and other services. The New Agreement between the Acquirer and the Target Company became effective from 1 February 2013.

The New Agreement envisages that the then existing royalty cost of c. 1.4% of turnover will increase, in a phased manner, to a royalty cost of c.3.15% of turnover no later than the financial year ending 31 March 2018, i.e. a total estimated increase of 1.75% of turnover. The increase in royalty cost, in the period from 1 February 2013 to 31 March 2014 is estimated to be 0.5% of turnover, and thereafter in a range of 0.3% to 0.7% of turnover in each financial year, leading up to a total estimated royalty cost increase of 1.75% of turnover compared to existing arrangements, no later than the financial year ending 31 March 2018.

- The Acquirer has not been prohibited by SEBI from dealing in securities, in terms of any directions issued under Section 11B or any other regulations made under the Securities and Exchange Board of India Act, 1992 ("SEBI Act").
- The Acquirer's key financial information based on its audited consolidated financial statements as at and for financial years ended 31 December 2010, 31 December 2011 and 31 December 2012 audited by PricewaterhouseCoopers LLP, the statutory auditor of the Acquirer, is as follows:

Description of the nature of the transaction	(Amount in € million and INR million except per share data)	
	As at and for the financial year ending 31 December 2010	As at and for the financial year ending 31 December 2011
Total Revenue / Turnover	44,262	3,141,606
Net Income / Net Profit	4,598	326,355
Net worth / Total Shareholders' Funds	15,078	1,070,199
Earnings Per Share ("EPS") ⁽ⁱ⁾	1.51	107.18

Note:

- Source: The consolidated financial information set forth above has been extracted from the audited consolidated financial statements of the Acquirer as at and for years ended 31 December 2010, 31 December 2011 and 31 December 2012 prepared in accordance with International Financial Reporting Standards and audited by PricewaterhouseCoopers LLP. As set out above in Paragraph 1.A.3, the Acquirer and the PAC and their group companies constitute a single reporting entity for purposes of presenting consolidated accounts. Accordingly the accounts of the Unilever Group are presented by the Acquirer as its consolidated accounts.
- EPS has been taken as the basic earnings per share disclosed in the audited consolidated financial statements of the Acquirer.

B. Details of the PAC – Unilever N.V.

- The PAC is a public limited company registered in the Netherlands with its registered office at Weena 450, PO Box 760, 3000 DK Rotterdam, The Netherlands.
- The Acquirer and the PAC are the two parent companies of the Unilever Group, which is one of the world's leading suppliers of fast-moving consumer goods across the foods, refreshment, home and personal care categories.
- Together with their group companies, the Acquirer and the PAC operate as nearly as practicable as a single economic entity. This is achieved by a series of agreements between the Acquirer and the PAC, together with special provisions in the Articles of Association of the Acquirer and the PAC. The Acquirer and the PAC have the same directors, adopt the same accounting principles and pay dividends to their respective shareholders on an equalised basis. The Acquirer and the PAC and their group companies constitute a single reporting entity for the purposes of presenting consolidated accounts. Accordingly, the accounts of the Unilever Group are presented by both the Acquirer and the PAC as their respective consolidated accounts. The Acquirer and the PAC have agreed to co-operate in all areas and ensure that all group companies act accordingly. The Acquirer and the PAC are holding and service companies, and the business activity of the Unilever Group is carried out by their subsidiaries around the world. Shares in group companies may ultimately be held wholly by either the Acquirer or the PAC or by the two companies in varying proportions. The two companies have different shareholder constituencies and shareholders can hold shares in either or both companies but cannot convert or exchange the shares of one company for shares of the other.
- The PAC was incorporated under the name Naamlooze Vennootschap Margarine Unie in The Netherlands in 1927. The PAC changed its name on 9 May 1930 to Unilever N.V. which was subsequently changed on 23 November 1937 to Lever Brothers & Unilever N.V. On 3 March 1952 it changed its name to Unilever N.V.
- The PAC's shares and depository receipts are listed on Euronext Amsterdam and New York Registry Shares on the New York Stock Exchange.
- The Foundation Unilever NV Trust Office holds approximately 77% of the PAC's ordinary shares and holds approximately 34% of the PAC's 7% cumulative preference shares (the "Foundation"). The Foundation has a board independent of the Unilever Group. As part of its corporate objects, the Foundation issues depository receipts in exchange for the PAC's ordinary shares and the PAC's 7% preference shares. These depository receipts are listed on Euronext Amsterdam, as are the PAC's ordinary and 7% preference shares themselves.
- The holders of depository receipts are entitled to all dividends and economic benefits on the underlying shares held by the Foundation; can attend all general meetings of the PAC, either personally or by proxy (and also have the right to speak); and can under all circumstances exercise all voting rights on the underlying shares or instruct the Foundation to vote on their behalf. The Foundation only votes shares that are not represented at a general meeting (either in person or by proxy); and is required, by the conditions of the administration applicable to the depository receipts, to vote in such a manner as it deems to be in the interest of the holders of depository receipts.
- The PAC is not owned or controlled, directly or indirectly, by another corporation, any foreign government or by any other legal or natural person.
- The PAC does not directly hold any shares in the Target Company.
- The PAC, through its direct and indirect subsidiaries, holds a minority stake in Unilever UK & CN Holdings Ltd which in turn holds 60,086,250 Shares constituting 2.78% of the Voting Share Capital of the Target Company.
- Mr. Harish Manwani, the Non Executive Chairman and member of the board of directors of the Target Company is also the Chief Operating Officer of the Unilever Group and is a representative of the Acquirer and the PAC in terms of Regulation 24(4) of the SEBI (SAST) Regulations, 2011 and holds 22,130 Shares in the Target Company.
- The Target Company enters into various related party transactions in the course of its business with the PAC and members of the Unilever Group. According to the Annual Report of the Target Company for the financial years ended 31 March 2011 and 31 March 2012, the Unilever Group has entered into commercial transactions with the Target Company. The significant transactions are as set out below:

Description of the nature of the transaction	(Amount in INR million)	
	For the financial year ending 31 March 2011	For the financial year ending 31 March 2012
Dividend paid (Unilever PLC)	5,166.2	5,563.6
Royalty expense (Gross) (Unilever PLC)	2,659.6	3,038.5

Income from services rendered (Unilever PLC)	2,933.5	3,341.2
Maintenance and support costs for licenses and software (Unilever N.V.)	20.4	23.0
Software development and procurement of licenses (Unilever N.V.)	46.6	52.5
Outstanding as at the year end – Payables to holding company and other Unilever Group companies		
- Unilever N.V.	489.4	143.0
- Unilever PLC	1,172.6	718.8
- Unilever Supply Chain Company	560.6	544.2
- Unilever Asia Private Limited	86.5	243.1
- Unilever Australia Limited	6.8	-
- Lipton Limited UK	134.3	12.1

Note:

- Source: Annual Report of the Target Company for the years ended 31 March 2011 and 31 March 2012 (consolidated accounts). Full details of the disclosures by the Target Company of its related party transactions is available on Pages 140 to 144 in its Annual Report for the year ended 31 March 2012 and on Pages 139 to 143 in its Annual Report for the year ended 31 March 2011. The Annual Reports of the Target Company may be obtained from the Target Company's website (<http://www.hul.co.in>).

The Board of Directors of the Target Company, at the board meeting on 22 January 2013, approved a proposal to enter into a New Agreement with the Acquirer (and entities of the Unilever Group) for the provision of technology, trademark licenses and other services. The New Agreement between the Acquirer and the Target Company became effective from 1 February 2013.

The New Agreement envisages that the then existing royalty cost of c. 1.4% of turnover will increase, in a phased manner, to a royalty cost of c.3.15% of turnover no later than the financial year ending 31 March 2018, i.e. a total estimated increase of 1.75% of turnover. The increase in royalty cost, in the period from 1 February 2013 to 31 March 2014 is estimated to be 0.5% of turnover, and thereafter in a range of 0.3% to 0.7% of turnover in each financial year, leading up to a total estimated royalty cost increase of 1.75% of turnover compared to existing arrangements, no later than the financial year ending 31 March 2018.

- The PAC has not been prohibited by SEBI from dealing in securities, in terms of any directions issued under Section 11B or any other regulations made under the SEBI Act.

- The PAC's key financial information based on its audited consolidated financial statements as at and for financial years ended 31 December 2010, 31 December 2011 and 31 December 2012 audited by PricewaterhouseCoopers N.V., the statutory auditor of the PAC, is as follows:

	As at and for the financial year ending 31 December 2010		As at and for the financial year ending 31 December 2011		As at and for the financial year ending 31 December 2012	
	€	INR	€	INR	€	INR
Total Revenue / Turnover	44,262	3,141,606	46,467	3,298,111	51,324	3,642,849
Net Income / Net Profit	4,598	326,355	4,623	328,129	4,948	351,197
Net worth / Total Shareholders' Funds	15,078	1,070,199	14,921	1,059,055	15,716	1,115,482
Earnings Per Share ("EPS") ⁽ⁱ⁾	1.51	107.18	1.51	107.18	1.58	112.14

Note:

- Since the financial statements for the PAC are prepared in Euro ("€"), the functional currency of the PAC, they have been converted into INR for purpose of convenience of translation. INR to € conversion has been assumed at a rate of 1 € = INR 70.9775 as on the date of the PA (Source: Reserve Bank of India - <http://www.rbi.org.in>).
- Source: The consolidated financial information set forth above has been extracted from the audited consolidated financial statements of the PAC as at and for years ended 31 December 2010, 31 December 2011 and 31 December 2012 prepared in accordance with International Financial Reporting Standards and audited by PricewaterhouseCoopers N.V. As set out above in Paragraph 1.B.3, the Acquirer and the PAC and their group companies constitute a single reporting entity for purposes of presenting consolidated accounts. Accordingly, the accounts of the Unilever Group is presented by the PAC as its consolidated accounts.
- EPS has been taken as the basic earnings per share disclosed in the audited consolidated financial statements of the PAC.

C. The Target Company – Hindustan Unilever Limited

- The Target Company is a market leader in the fast moving consumer goods business in India, with brands spanning categories such as soaps, detergents, shampoos, skin care, toothpastes, deodorants, cosmetics, tea, coffee, packaged foods, ice cream, and water purifiers. Its portfolio includes the following brands: Lifebuoy, Surf Excel, Nri, Wheel, Fair & Lovely, Pond's, Vaseline, Lakme, Dove, Clinic Plus, Sunsilk, Pepsodent, Cleopase, Axe, Brooke Bond, Knorr, Kissan, Kwality Walls and Pureit. Hindustan Unilever Limited has its registered office at Unilever House, B. D. Sawant Marg, Chakala, Andheri East, Mumbai – 400 099.
- The Acquirer set up its first subsidiary in India, Hindustan Vanaspathi Manufacturing Company in 1931, followed by Lever Brothers India Limited in 1933 and United Traders Limited in 1935. The three companies merged in 1956 to form Hindustan Lever Limited. Effective 11 June 2007, the name of Hindustan Lever Limited was changed to Hindustan Unilever Limited after receiving the approval of shareholders during the 74th Annual General Meeting on 18 May 2007.
- The Shares of the Target Company are listed on the BSE (Scrip ID: HUL; Scrip Code: 500696) and the NSE (Symbol: HINDUNILVR); ISIN: INE030A01027.
- The Shares of the Target Company are frequently traded on the NSE within the meaning of Regulation 2(1)(j) of SEBI (SAST) Regulations, 2011 during the preceding 12 calendar months prior to the month in which the PA was made.
- The corporate identification number ("CIN") of the Target Company is L15140HM1933PLC002030.
- The present promoters of the Target Company are the Acquirer holding 36.75%, Brooke Bond Group Ltd holding 4.94%, Unilever Overseas Holdings AG holding 3.18%, Unilever UK & CN Holdings Ltd holding 2.78%, Brooke Bond South India Estates Ltd holding 2.44%, Brooke Bond Assam Estates Ltd holding 1.52% and Unilever Overseas Holdings BV holding 0.87% of the Voting Share Capital of the Target Company.
- The Other Promoter Entities are direct or indirect subsidiaries of the Acquirer.
- As at 31 March 2013, the total issued and subscribed share capital of the Target Company was INR 2,215,591,286 comprising 2,215,591,286 Shares of INR 1 each and fully paid up share capital of the Target Company was INR 2,162,472,310 comprising 2,162,472,310 Shares of INR 1 each. The difference between total issued and subscribed share capital and fully paid up share capital of the Target Company is due to the buyback made from the open market as per special resolutions passed through postal ballot on 14 September 2007 and 26 July 2010. The total number of shares bought back under the scheme was 30,235,772 and 22,883,204 respectively. As at the date of this DPS, there are no (i) partly paid-up Shares; or (ii) any instruments convertible into Shares. As per the shareholding pattern of the Target Company as on 31 March 2013, 607,991 Shares (aggregating to 0.03% of the share capital) of the Target Company are under lock-in, being Shares issued under Employee Stock Plans.
- The board of directors of the Target Company comprises nine members namely: Mr. Harish Manwani, Mr. Nitin Paranjpe, Mr. Sridhar Ramamurthy, Mr. Pradeep Banerjee, Mr. A. Narayan, Mr. S. Ramadurai, Dr. R. A. Mashelkar, Mr. O. P. Bhatt and Dr. Sanjiv Misra.
- Mr. Harish Manwani, the Non Executive Chairman and member of the board of directors of the Target Company is also the Chief Operating Officer of the Unilever Group and is a representative of the Acquirer and the PAC in terms of Regulation 24(4) of the SEBI (SAST) Regulations, 2011. He has neither participated nor shall participate in any deliberations of the board of directors of the Target Company or vote on any matter in relation to the Open Offer.
- The Target Company's key financial information based on its audited consolidated financial statements for the financial years ended 31 March 2011, 31 March 2012 and 31 March 2013 audited by M/s. Lovelock & Lewes is as follows:

	(Amount in INR million except per share data)	
	As at and for the financial year ending 31 March 2011	As at and for the financial year ending 31 March 2012
Total Revenue / Turnover ⁽ⁱ⁾	202,777	236,960
Net Income / Net Profit ⁽ⁱ⁾	22,961	27,907
Net worth / Total Shareholders' Funds	27,495	36,994
Earnings Per Share ("EPS") ⁽ⁱⁱ⁾	10.53	12.92

Note:

- Source: The consolidated financial information set forth above has been extracted from the Target Company's audited consolidated financial statements as at and for years ended 31 March 2011, 31 March 2012 and 31 March 2013 prepared in accordance with applicable Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act 1956 and audited by M/s. Lovelock & Lewes, Firm Registration Number 301056E.

- Total Revenue / Turnover includes other income
- Net Income / Net Profit is after minority interest
- EPS has been taken as the basic earnings per share disclosed in the audited consolidated financial statements of the Target Company.

D. Details of the Open Offer

- This Open Offer is for the acquisition of 487,004,772 Shares representing 22.52% of the Voting Share Capital of the Target Company.
- This Open Offer is being made to all the shareholders of the Target Company other than the Acquirer, the PAC and the Other Promoter Entities. As of the date of this DPS, there are no outstanding convertible securities, depository receipts, warrants or instruments, issued by the Target Company, convertible into Shares of the Target Company.
- All Shares (up to the maximum number set out above) validly tendered in the Open Offer will be acquired by the Acquirer, in accordance with the terms and conditions set forth in this DPS and the Letter of Offer.
- The price being offered under this Open Offer is INR 600 (Rupees six hundred) per Share (the "Open Offer Price"), in accordance with Regulation 8 of the SEBI (SAST) Regulations, 2011.
- The Open Offer Price will be payable in cash by the Acquirer, in accordance with the provisions of Regulation 9(1)(a) of the SEBI (SAST) Regulations, 2011.
- As of the date of this DPS, to the best of the knowledge of the Acquirer and the PAC, there are no statutory approvals required by the Acquirer and/or the PAC to complete this Open Offer. However, in case of any statutory approvals being required by the Acquirer and/or the PAC at a later date before the closure of the tendering period, the Open Offer shall be subject to all such approvals and the Acquirer and/or the PAC shall make the necessary applications for such approvals. In accordance with Regulation 23 of the SEBI (SAST) Regulations, 2011, the Acquirer and the PAC will have the right not to proceed with the Open Offer in the event that the statutory approvals indicated above are refused.
- This Open Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of SEBI (SAST) Regulations, 2011.
- This Open Offer is not a competing offer in terms of Regulation 20 of SEBI (SAST) Regulations, 2011.
- Upon completion of the Open Offer, assuming full acceptances, the Acquirer will hold 1,281,811,522 Shares of the Target Company, representing a total of 59.28% of the Voting Share Capital of the Target Company and together with the Other Promoter Entities will hold, in aggregate, 1,621,854,232 Shares of the Target Company, representing a total of 75% of the Voting Share Capital of the Target Company. The Shares will be acquired by the Acquirer free and clear from all liens, charges and encumbrances and together with all rights attached thereto, including the rights to all dividends, bonus and rights declared thereat.
- In terms of Regulation 25(2) of the SEBI (SAST) Regulations, 2011, the Acquirer does not have any plans to sell, dispose of or otherwise encumber any material assets of the Target Company during the period of two years from the expiry of the Open Offer period except to the extent required (i) for the purposes of restructuring, rationalisation or reorganisation of assets, investments, business operations or liabilities of the Target Company (including discontinuation or disposal of existing product portfolios whether as per the global strategy of the Unilever Group or otherwise); or (ii) in the ordinary course of business of the Target Company. It will be the responsibility of the board of directors of the Target Company to make appropriate decisions in these matters in accordance with the requirements of the business of the Target Company. Such approvals and decisions will be governed by the provisions of the relevant regulations or any other applicable laws or legislation at the relevant time. Further, during such period of two years, save as set out above, the Acquirer undertakes not to sell, dispose of or otherwise encumber any material assets of the Target Company except with the prior approval of the shareholders of the Target Company through a special resolution by way of a postal ballot in terms of Regulation 25(2) of the SEBI (SAST) Regulations, 2011.
- The Shares of the Target Company are listed on the BSE and the NSE. As per Clause 40A of the Listing Agreement read with Rule 19A of Securities Contract (Regulation) Rules, 1957 ("SCRR"), the Target Company is required to maintain at least 25% public shareholding (i.e. Shares of the Target Company held by the public excluding the shares held by custodian against depository receipts issued overseas) as determined in accordance with the SCRR, on a continuous basis for listing. Pursuant to this Open Offer, the public shareholding in the Target Company shall not reduce below the minimum level required as per the listing agreements entered into by the Target Company with the BSE and the NSE read with Rule 19A of the SCRR.
- The Manager to the Open Offer does not hold any Shares as of the date of this DPS.
- A copy of this DPS will be (i) submitted to SEBI through the Manager to the Open Offer; (ii) sent to the BSE and the NSE, being the stock exchanges on which the Shares are listed for being notified on the notice board; and (iii) sent to the Target Company at its registered office for placement before the board of directors of the Target Company.
- In terms of Regulation 6(1) of the SEBI (SAST) Regulations, 2011, during the Open Offer period, neither the Acquirer nor the PAC will acquire any Shares other than those tendered in the Open Offer.

II. BACKGROUND TO THE OPEN OFFER

- The Open Offer is being made to the public shareholders of the Target Company pursuant to Regulation 6 of the SEBI (SAST) Regulations, 2011 and is a voluntary open offer by the Acquirer.
- The Open Offer is being made for consolidating the Acquirer's shareholding in the Target Company and represents a further step in the Acquirer and the PAC's strategy to invest in emerging markets. The long heritage and great brands of the Target Company, and the significant growth potential of a country with 1.3 billion people makes India a strategic long term priority for the business of the Acquirer and the PAC.
- The Open Offer Price will be payable in cash by the Acquirer, in accordance with the provisions of Regulation 9(1)(a) of the SEBI (SAST) Regulations, 2011.

III. SHAREHOLDING AND ACQUISITION DETAILS

- The Acquirer presently holds 794,806,750 Shares and the Other Promoter Entities hold 340,042,710 Shares, representing a total holding of 52.48% of the Voting Share Capital. The Other Promoter Entities are direct or indirect subsidiaries of the Acquirer.
- The current and proposed shareholding of the Acquirer and the PAC in the Target Company and the details of its acquisition shall be as follows:

Details	Acquirer		PAC		Other Promoter Entities		Total	
	Number	%	Number	%	Number	%	Number	%
Shareholding as on the date of the PA	794,806,750	36.75	Nil	Nil	340,042,710	15.72	1,134,849,460	52.48
Shares acquired in the period between the date of the PA and the date of the DPS	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Post Open Offer shareholding - on diluted basis, as on 10 th working day after closing of tendering period (assuming full acceptances)	1,281,811,522	59.28	Nil	Nil	340,042,710	15.72	1,621,854,232	75.00

- The directors of the Acquirer and the PAC do not hold any Shares in the Target Company.
- Mr. Harish Manwani, the Non Executive Chairman and member of the board of directors of the Target Company is also the Chief Operating Officer of the Unilever Group and is a representative of the Acquirer and the PAC in terms of Regulation 24(4) of the SEBI (SAST) Regulations, 2011, holds 22,130 Shares in the Target Company.

IV. OPEN OFFER PRICE

- The Shares of the Target Company are listed on the BSE (Scrip Code: 500696) and the NSE (Symbol: HINDUNILVR).
- The Shares of the Target Company are frequently traded on the NSE during the preceding 12 calendar months prior to the month of the PA within the meaning of Regulation 2(1)(j) of the SEBI (SAST) Regulations, 2011. The annualised trading turnover of the Target Company for the period commencing on 1 April 2012 and ending on 31 March 2013 on the NSE and the BSE, where the Shares are listed, is as follows:

Name of stock exchange	Total Number of Shares traded during the past 12 months	Total Number of Shares	Trading Turnover (% of the total listed Shares)
NSE	562,935,798	2,162,472,310	26.03%
BSE	53,578,839	2,162,472,310	2.48%

- The Open Offer Price is justified in terms of Regulation 8(2) of SEBI (SAST) Regulations, 2011, in view of the following:

- the highest negotiated price per Share, if any, of the Target Company for any acquisition under the agreement attracting the obligations to make a public announcement of an open offer;
- the volume-weighted average price paid or payable for any acquisition, whether by the Acquirer or by any person acting in concert with him, during the fifty-two weeks immediately preceding the date of public announcement of an open offer;
- the