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November 7, 2013

National Stock Exchange of India Limited
Exchange Plaza
Plot No. C/1, G Block
Bandra Kurla Complex
Bandra (E),
Mumbai - 400 051

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai- 400 001

Bangalore Stock Exchange Limited
Stock Exchange Towers
51, 1st Cross, J.C. Road,
Bangalore 560 027

Dear Madam / Sir,

Sub: Acquisition of certain equity shares ("Equity Shares") of United Spirits Limited ("USL") in terms of the Share Purchase Agreement dated November 9, 2012, as amended from time to time ("SPA")

We refer to our letter dated May 15, 2013 with regards to the Post Offer Public Announcement that was published on our behalf on May 15, 2013 on the completion of the Open Offer of USL (**"Post Offer Public Announcement"**). Capitalized terms not defined herein shall have the meaning ascribed to them in the Post Offer Public Announcement.

As stated in the Post Offer Public Announcement, the Acquirer was to subscribe to 14,532,775 Equity Shares in terms of the PAA and acquire from the Sellers 25,226,839 Equity Shares in terms of the SPA.

We are pleased to inform that subsequent to the Post Offer Public Announcement, (i) on May 27, 2013, the issue and allotment of 14,532,775 Equity Shares was completed in accordance with the terms of the PAA; and (ii) On July 4, 2013, the acquisition of 21,767,749 Equity Shares from the Sellers (other than USL Benefit Trust) was completed in accordance with the terms of the SPA.

The acquisition of the remaining 3,459,090 Equity Shares representing 2.38 per cent of the Emerging Voting Capital from the USL Benefit Trust (**"Remaining Sale Shares"**) is yet to be completed. Accordingly, please note that our current shareholding in USL is 25.02% of its Emerging Voting Capital, vis-à-vis the projected shareholding of 27.40% of its Emerging Voting Capital as disclosed in the Post Offer Public Announcement (which assumed acquisition of all the Sale Shares under the SPA), as summarised in the tabled below:

Particulars	Number of Equity Shares as stated in the Post Offer Public Announcement	% of Emerging Voting Capital	Equity Shares currently held in USL	% of Emerging Voting Capital
Equity Shares acquired in the Open offer	58,668	0.04	58,668	0.04
Equity Shares to be subscribed under the PAA	14,532,775	10.00	14,532,775	10.00
Equity Shares acquired / to be acquired under the SPA	25,226,839	17.36	21,767,749	14.98
Grand Total	39,818,282	27.40	36,359,192	25.02

As per Regulation 22(3) of the SEBI (SAST) Regulations, we are required to complete the acquisition of Sale Shares not later than twenty six weeks from the completion of the Offer i.e. not later than November 11, 2013. However, as of date, the acquisition of the Remaining Sale Shares is yet to be completed for the reasons described below.

We understand that the Remaining Sale Shares had been pledged in favour of Unit Trust of India Investment Advisory Services Limited (the **"Security Trustee"**), acting on behalf of Punjab National Bank (**"PNB"**) and IDBI Bank Limited (**"IDBI"**) to secure certain outstanding facilities under their respective loan agreements with USL. We further understand that the amounts due to PNB have been repaid in full by USL following which PNB has issued its 'no-objection' to the Security Trustee to release the pledge over the Remaining Sale Shares. We understand that USL has also repaid the entire outstanding amount due to IDBI (together with all outstanding interest, prepayment premium and processing fees). However, notwithstanding such repayment and repeated requests / demands by or on behalf of USL and ourselves, including the submission of a legal notice dated September 6, 2013 on behalf of USL to IDBI, IDBI has refused to instruct the Security Trustee to release the pledge over the Remaining Sale Shares.

We further understand that USL and USL Benefit Trust (acting through a trustee) have filed a writ petition against IDBI and the Security Trustee in the High Court of Karnataka on November 6, 2013 seeking appropriate reliefs in this matter (including securing release of the pledge over the Remaining Sale Shares).

While the concerned parties (i.e. ourselves, the trustees of the USL Benefit Trust and USL as the sole beneficiary of the USL Benefit Trust) are keen to complete the acquisition of the Remaining Sale Shares at the earliest, in accordance with the terms of the SPA, in light of the reasons described above (the resolution of which is beyond the reasonable control of the concerned parties), we do not expect to be able to complete the acquisition of the Remaining Sale Shares within the prescribed period in Regulation 22(3) of the SEBI (SAST) Regulations i.e. November 11, 2013.

We propose to complete the acquisition of these Remaining Sale Shares in accordance with the terms of the SPA, on receipt of all applicable approvals and in compliance with the SEBI (SAST) Regulations, once the above issue involving IDBI is resolved and the pledge over the Remaining Sale Shares is released.

We request you to kindly take this submission on record.

Yours faithfully,
For **Relay B.V.**

Authorised Signatory

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