VIDEOCON

27th September, 2013

The Secretary Corporate Relations Department BSE Limited P. J. Towers, Dalal Street Mumbai – 400 001	The Secretary Corporate Relations Department The National Stock Exchange of India Ltd., Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai- 400 059

Dear Sir

This is with reference to the provisions of Clause 36 of the Listing Agreement.

In this connection, please find enclosed herewith a communication for your information and records.

Thanking you,

Yours Truly,
For **VIDEOCON INDUSTRIES LIMITED**



VINOD KUMAR BOHRA
COMPANY SECRETARY

Petrobras, Videocon and BPCL wells show major new oil find in Brazil

It has been noted by various agencies in RIO DE JANEIRO and hence Videocon reproduces extracts from the reurters article relating to its Sergipe Oil discoveries reported by IBV Brazil which is owned equally by BPCL and Videocon Industries Limited.

The said reuters report is about the news of a drilling campaign off Brazil's northeastern coast and area controlled by Petrobras and Indian partners. Petroleo Brasileiro SA, as Brazil's state-run oil company is formally known, and **IBV Brasil, a 50-50 joint venture between India's Bharat Petroleum Corp (BPCL) and Videocon Industries Ltd**, have determined the SEAL-11 exploration block contains very large amounts of high-quality light crude oil and natural gas, according to five government and industry sources with direct knowledge of the drilling results.

Petrobras said 16 wells drilled in the Sergipe deep-water area since 2008 have found several oil accumulations "that comprise a new petroleum province in the region."

Petrobras and its partners continue to drill in the area and have asked the ANP to approve eight discovery evaluation plans for the offshore region, the last step before a field is declared commercially viable.

Size of field –

The said reuters report shows that an area controlled by Petrobras and Indian partners likely **holds more than a billion barrels of oil,** government and industry officials told Reuters, bolstering hopes that the region will soon become the country's biggest new oil frontier.

The SEAL-11 block and adjacent areas, 100 kilometers (62 miles) off the coast of the Brazilian state of Sergipe, **may hold more than 3 billion barrels of oil in place**, according to two of the sources. If confirmed, that would make the block - owned 60 percent by Petrobras and 40 percent by IBV (videocon and BPCL), **one of the biggest global discoveries of the year.**

Petrobras has been betting that the waters off Sergipe hold large quantities of oil and gas since it bought rights to drill in the area a decade ago. As the block's operator, Petrobras has registered finds in the area with Brazilian regulators in recent years as required by law, but has yet to announce estimates of the potential size of the resource. The latest drilling makes clear how large the find may be, the sources said.

If the area proves to have 3 billion barrels or more in place, it could ultimately produce 1 billion barrels based on Brazilian recovery rates of 25 percent to 30 percent of oil in place, a Brazil-based oil industry expert with direct knowledge of the drilling program said.

GIANT OR SUPER-GIANT? If the Sergipe find is confirmed, the oil and gas found in SEAL-11 could become Brazil's first "super-giant," or billion-barrel-plus discovery, outside of the subsalt region where Libra is located.

Recent drilling also suggests that a giant natural gas field may extend well beyond SEAL-11 with enough gas to supply all of Brazil's current needs "for decades," one of the sources said.

Even if recoverable volumes in Sergipe fall in the "giant" category, or in the hundreds of millions of barrels, the area would still be the first major offshore find in Brazil's Northeast, one of the country's poorest regions.

Cost and Economic significance to Brazil –

The area, where Petrobras is now drilling evaluation wells, also offers the chance to boost Brazilian output with **resources that are cheaper and easier to drill than the country's giant deepwater "subsalt" reserves more than 1,500 kilometers to the south.**

"Sergipe, without a doubt, has great potential and excellent perspectives," a Brazilian government official with direct knowledge of Petrobras and IBV's discoveries and development plans told Reuters. "I would say that Sergipe is the best area in Brazil in terms of perspective after the subsalt." Its proximity to shore, **higher quality oil and less complex reservoirs** suggest it would be **cheaper to develop per barrel than the giant subsalt fields further south, the sources said.**

The subsalt is the name given to a series of oil reserves trapped far beneath the seabed under a layer of salt south of Rio de Janeiro in the Campos and Santos basins. The Sergipe estimates and outlooks shared with Reuters are based on at least 10 oil and gas strikes in seven wells reported to Brazil's petroleum regulator, the ANP, since June 16, 2011.

"The discovery is very large and if developed would transform the economy of our state and the region," Jose de Oliveira Junior, sub-secretary for sustainable energy development for Sergipe's government, told Reuters. Government officials in Sergipe are anxious to develop the area quickly. While oil has long been produced in the state, mostly on shore, current volumes are small. Monthly output in Sergipe is less than Brazil's biggest fields produce in hours.

(This above is produced according to the news report published by reuters in Brazil By By Jeb Blount senior correspondent (Additional reporting by Rodrigo Viga Gaier in Rio de Janeiro, Prashant Mehra in Mumbai and Nidhi Verma in New Delhi; Editing by Todd Benson, Leslie Gevirtz, Krista Hughes and Jonathan Leff))((Jeb.Blount@thomsonreuters.com)(+55-21-2223-7143)(Reuters Messaging: jeb.blount.thomsonreuters.com@reuters.net))