VIDEOCON

NOT FOR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES

December 3, 2010

The Corporate Relations Department Bombay Stock Exchange Limited P. J. Towers, Dalal Street Mumbai – 400 001	The Corporate Relations Department The National Stock Exchange of India Ltd. Exchange Plaza, Bandra-Kurla Complex, Bandra East, Mumbai – 400059

Dear Sirs,

Sub: Videocon Industries Limited announces closure of USD 200 million Convertible Bonds

Further to our communication dated December 2, 2010, Videocon Industries Limited ("**Company)** hereby informs that the Company has closed the issue of USD 200 million direct, unsubordinated, unconditional and (subject to the conditions of the negative pledge) unsecured convertible bonds due 2015 ("**Bonds**") convertible into ordinary equity shares of the Company. The material terms of the FCCB Issue are as under:

Offering	Convertible Bonds due 2015 convertible into ordinary shares of the Issuer
Currency	US Dollars
Status	Direct, unconditional, unsubordinated and unsecured
Use of Proceeds	Primarily to meet capital expenditure on new and existing projects and for overseas direct investment in joint ventures and wholly owned subsidiaries subject to the existing FEMA guidelines and any other purposes as permitted under relevant approvals and applicable Indian Laws
Issue Size	US$ 200 Million
Maturity Date	16 December, 2015 (5 Years and 1 Day)
Investor Put Option	None
Coupon	6.75% per annum, payable on semi-annual basis
Yield to Maturity	6.75% per annum, calculated on semi-annual basis
Initial Conversion Price	Rs. 239.5265
Denomination	USD 100,000 and integral multiples thereof

The Settlement for the said FCCB Issue is expected to occur on or around 15 December 2010.

Best regards,
For **Videocon Industries Limited**

Authorised Signatory

Note: This announcement is not for distribution, directly or indirectly, in or into the United States (including its territories and possessions, any State of the United States and the District of Columbia). This press release does not constitute or form a part of any offer or solicitation to purchase or subscribe for securities in the United States. The Bonds mentioned herein have not been, and will not be, registered under the United States Securities Act of 1933 (the "Securities Act").

The Bonds may not be offered or sold in the United States except pursuant to an exemption from the registration requirements of the Securities Act. There will be no public offer of securities in the United States.