

VIDEOCON ANNOUNCES DISCOVERY OF OIL AND GAS IN BRAZIL

Videocon Energy Brazil Limited, a step-down subsidiary of Videocon Industries Limited, advises that Petrobras Brasileiro SA, the Operator of the BM-SEAL-11 Concession in the Sergipe Basin of the Brazilian Offshore announced today *the presence of oil and gas accumulations, confirmed after completing the drilling, logging (records characteristics of a formation), sampling (liquid and gas) fluid in a formation testing operations at Barra well (1-SES-158) with presence of excellent reservoirs with good porosities and permeabilities at several depths. Excellent quality hydrocarbons were observed in the range from around 43^o API (condensate/light oil) to 32^o API (oil), during logging and fluid (liquid and gas) sampling, in a formation test, at 5,050 and 5,400m, respectively.*

The Barra well is the first Well drilled in deepwater exploration in water depths of 2,311 meters, 58 km from the coast of Sergipe and 90 km from Aracaju, in the Sergipe-Alagoas Basin, off shore Brazil. The information obtained so far, is sufficient to confirm discovery of a new oil province in the Sergipe-Alagoas Basin.

The Joint Venture comprising of Petrobras as Operator with 60% Participating Interest and IBV Brasil (a 50 : 50 Joint Venture Company of Videocon Energy Brazil Limited and Bharat PetroResources Ltd) holding the balance 40% Participating Interest, will fulfill the commitment of Minimum Exploration Programme agreed with the Petroleum Regulatory Authority of Brazil Government (ANP) has also approved the *proposed Appraisal Plan submitted by the consortium, in order to ascertain the extent of accumulation through the drilling of other Appraisal/Exploratory well.*

The forward looking statements of Operator are based on reasonable assumptions and no assurance can be given that such expectations will prove to have been correct. A number of factors could cause actual results to differ materially from the projections, anticipated results or other expectations expressed.