

**Exchange Offer and Consent Solicitation in respect of Videocon Industries Limited's U.S.\$200,000,000 6.75 per cent. Convertible Bonds due 2015 convertible into fully paid ordinary shares having a par value of Rs.10 each (ISIN: XS0566786546) (the "Existing Bonds")**

**25 November 2015**

On 6 November 2015, Videocon Industries Limited (the "**Issuer**") published a notice of meeting (the "**Notice**") to convene a meeting of the holders of the Existing Bonds (the "**Holders**") to be held at 6.00 p.m. (Hong Kong time) on 30 November 2015 for the purposes of approving an Extraordinary Resolution as set out in the Notice (the "**Consent Solicitation**"). On 16 November 2015, the Issuer announced its invitation to Holders to offer to exchange their Existing Bonds for a combination of new United States dollar denominated fixed rate convertible bonds due 2020 to be issued by the Issuer (the "**Exchange Bonds**") and cash consideration (the "**Exchange Offer**"). The Consent Solicitation and Exchange Offer were made on the terms, and subject to the conditions, set out in the exchange offer and consent solicitation memorandum dated 16 November 2015 (the "**Exchange Offer and Consent Solicitation Memorandum**") and (in the case of the Consent Solicitation) the Notice. The terms and conditions of the Exchange Bonds (the "**Exchange Bonds Conditions**") were set out in full in the Preliminary Offering Circular annexed to the Exchange Offer and Consent Solicitation Memorandum.

Copies of the Exchange Offer and Consent Solicitation Memorandum are (subject to the offer and distribution restrictions set out therein) available from the Dealer Manager and the Exchange and Tabulation Agent, the details for whom are set out below. Capitalised terms used but not defined in this announcement have the meanings given to them in the Exchange Offer and Consent Solicitation Memorandum.

The Issuer hereby:

- (a) confirms that, notwithstanding any statement to the contrary contained in the Exchange Offer and Consent Solicitation Memorandum, the Issuer shall announce the termination of the Consent Solicitation and the Exchange Offer in the event that the approval of the Reserve Bank of India for the consummation of the Consent Solicitation and the Exchange Offer (including, without limitation, the terms and conditions of the Exchange Bonds and the Bondholder Put Option contained in Condition 8.8 of the Exchange Bonds Conditions) is not received by the Issuer on or prior to the Cash Consideration Settlement Date; and
- (b) announces that Condition 6.4.1(vii) and Condition 8.7 of the Exchange Bonds Conditions as set out in the Preliminary Offering Circular shall be amended as set out in the Annex to this announcement. Accordingly, all references to the "Exchange Bonds Conditions" in the Exchange Offer and Consent Solicitation Memorandum shall be to the Exchange Bonds Conditions as amended by this announcement.

For the avoidance of doubt, all other terms and conditions of the Consent Solicitation and Exchange Offer (including, without limitation, the Exchange and Consent Deadline) remain unchanged.

Holders must have validly submitted, and not validly withdrawn, Exchange Instructions (in respect of the Exchange Offer) and Electronic Voting Instructions (in respect of the Consent Solicitation) at or prior to 5.00 p.m. (London time) on 27 November 2015 as provided in the Exchange Offer and Consent Solicitation Memorandum in order to participate in the Exchange Offer and/or Consent Solicitation.

Questions and requests for assistance in connection with the (a) Exchange Offer and/or the Proposal under the Consent Solicitation may be directed to the Dealer Manager; and (b) delivery of Exchange Instructions and/or Electronic Voting Instructions may be directed to the Exchange and Tabulation Agent, the contact details for both of which are set out below.

**THE ISSUER**

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India

**THE DEALER MANAGER**

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Tel: +852 21017324 / +852 21017112  
Email: jim.mcdonnell@credit-suisse.com / jennifer.j.choi@credit-suisse.com

**THE EXCHANGE AND TABULATION AGENT**

Deutsche Bank AG, Hong Kong Branch  
Level 52  
International Commerce Centre  
No. 1 Austin Road West, Kowloon  
Hong Kong  
Attention: Corporate Trust  
Tel: +852 2203 8888  
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## ANNEX

- (i) Condition 3.5 of the Exchange Bonds Conditions as set out in the Preliminary Offering Circular shall be amended as follows:

**“3.5 Restricted Transfer Periods**

*No Bondholder may require the transfer of a Bond to be registered (i) during the period of fifteen days ending on (and including) the due date for any redemption of the Bonds; (ii) after a Conversion Notice (as defined in Condition 6.2) has been delivered with respect to a Bond; (iii) after a Relevant Event Put Exercise Notice (as defined in Condition 8.4) has been deposited in respect of such a Bond; or (iv) after a Purchase Notice (as defined in Condition 8.5) has been deposited in respect of such a Bond; (v) ~~after the Non-Permitted Conversion Price Adjustment Event Repurchase Right (as defined in Condition 8.7) has been exercised in respect of such Bond; or (vi)~~ after a Put Option Notice (as defined in Condition ~~8.7~~8.8) has been deposited in respect of such Bond pursuant to Condition ~~8.7~~8.8; or (vii) during the period of seven days ending on (and including) any record date in respect of payment of interest on the Bonds, each such period being a “**Restricted Transfer Period**”;*

- (ii) Condition 6.4.1(vii) of the Exchange Bonds Conditions as set out in the Preliminary Offering Circular shall be amended as follows:

*“(vii) it will not take any corporate or other action which pursuant to these Conditions would cause the Conversion Price to be adjusted to a price which would render conversion of the Bonds into Shares at such adjusted Conversion Price to be (a) in contravention of applicable law or (b) subject to approval from the Reserve Bank of India, the Ministry of Finance, the Government of India and/or any other governmental/regulatory authority in India without receiving prior approval, in a form satisfactory to the Trustee, from the Reserve Bank of India, the Ministry of Finance, the Government of India and/or any other governmental/regulatory authority in India, which such approval would clarify that the adjusted Conversion Price as proposed to be adjusted pursuant to such action, is in conformity with applicable law and would not violate applicable law. The Issuer also undertakes that, prior to taking any action which would cause an adjustment to the Conversion Price, it shall provide the Trustee with an opinion of an independent legal counsel in India of international repute, approved by the Trustee in writing, stating that the Conversion Price as proposed to be adjusted pursuant to such action, is in conformity with applicable law and that the conversion of the Bonds to the Shares at such adjusted Conversion Price would not require approval of the Reserve Bank of India, the Ministry of Finance, the Government of India and/or any other governmental/regulatory authority in India or if such approval is required, that such approval has been obtained as at the date of the opinion (the “Price Adjustment Opinion”). ~~To the extent that an event triggering an adjustment to the Conversion Price occurs and the Issuer is unable to provide the Trustee with a Price Adjustment Opinion, the Issuer shall give notice to Bondholders of their Non-Permitted Conversion Price Adjustment Event Repurchase Right, as defined in and pursuant to Condition 8.7.~~”; and*

- (iii) Condition 8.7 (Non-Permitted Conversion Price Adjustment Event Repurchase Right) of the Exchange Bonds Conditions as set out in the Preliminary Offering Circular shall be deleted in its entirety and the remaining conditions in Condition 8 shall be renumbered accordingly together with any corresponding cross references to the relevant conditions.

## Disclaimer

This announcement must be read in conjunction with the Notice and the Exchange Offer and Consent Solicitation Memorandum. This announcement, the Notice and the Exchange Offer and Consent Solicitation Memorandum contain important information which should be read carefully before any decision is made with respect to the Consent Solicitation and/or the Exchange Offer. If any Holder is in any doubt as to the action it should take, it is recommended to seek its own financial and legal advice, including in respect of any tax consequences, immediately from its broker, bank manager, solicitor, accountant or other independent financial, tax or legal adviser. None of the Issuer, the Dealer Manager, the Trustee, the Exchange and Tabulation Agent or the Escrow Agent makes any recommendation as to whether a Holder should exchange any or all of its Existing Bonds or participate in the Consent Solicitation.

This announcement is not an offer to exchange any Existing Bonds or a solicitation of an offer to exchange any Existing Bonds. The Consent Solicitation and the Exchange Offer are each being made solely by means of the Notice and the Exchange Offer and Consent Solicitation Memorandum.

This announcement does not constitute an offer of securities for sale in the United States. The securities referred to herein may not be offered or sold in the United States or to or for the account of U.S. persons (as such term is defined in Regulation S under the Securities Act of 1933, as amended (the “**Securities Act**”)) absent registration under the Securities Act or another exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The exchange and offer of the securities referred to herein has not been and will not be registered under the Securities Act. There will be no public offer of the securities in the United States.

The distribution of this announcement and the Exchange Offer and Consent Solicitation Memorandum do not constitute a solicitation of an invitation to offer to exchange Existing Bonds in any jurisdiction in which, or to or from any persons to or from whom, such solicitation or invitation is unlawful, and invitations for offers to exchange will not be accepted from holders located or resident in any jurisdiction in which such solicitation or offer is unlawful. In those jurisdictions where the securities or other laws require the Exchange Offer to be made by a licensed broker or dealer, any actions in connection with the Exchange Offer shall be deemed to be made on behalf of the Issuer by one or more registered brokers or dealers licensed under the laws of such jurisdiction.

The distribution of this announcement and the Exchange Offer and Consent Solicitation Memorandum in certain jurisdictions is restricted by law. Persons into whose possession this announcement or the Exchange Offer and Consent Solicitation Memorandum comes are required by the Issuer, the Dealer Manager, the Trustee, the Exchange and Tabulation Agent and the Escrow Agent to inform themselves about, and to observe, any such restrictions.

Holders should refer to the full offer and distribution restrictions set out in the Exchange Offer and Consent Solicitation Memorandum in respect of the Exchange Offer.