

Redemption of Zero Coupon Unsecured Foreign Currency Convertible Bonds (FCCBs)

The Company had issued FCCBs aggregating to US\$ 15 million in October 2006. After repurchase and cancellation of FCCBs from time to time, the outstanding nominal value of FCCBs of **USD 10,000,000** has been paid in full at redemption value of **USD 14,825,500** including YTM of 8% on principle amount as on maturity date i.e. October 17, 2011 as per the terms and conditions of the offering circular dated October 10th 2006.

In view of the above payment, the entire liability on account of FCCB's is discharged.