

**Reliance Communications signs MoU
with China Development Bank Corporation
for 10 year Financing of US\$ 1.93 Billion (Rs 9,000 crore)**

Mumbai / Delhi; December 15, 2010: During the visit of the Chinese Prime Minister to India, Reliance Communications Limited today signed a Memorandum of Understanding (MoU) with China Development Bank Corporation for syndicated loan financing of US\$ 1.93 Billion.

The proposed facility has 10 year maturity, and will be funded by a Syndicate including CDB and other Chinese Banks / Financial Institutions. RCOM will benefit from extension of maturity, and substantial savings in interest costs. The facility is subject to necessary approvals, etc.

The MoU covers:

- (a) the first and largest Syndicated Loan of US\$ 1.33 billion for refinancing 3G Spectrum Fees; and
- (b) financing of up to US\$ 600 million towards 85% of equipment and services to be procured from Huawei Technologies Co. Ltd (Huawei) and ZTE Corporation (ZTE). This facility is over and above the existing US\$ 750 million facility, already substantially utilized by RCOM for procurement of equipment and services from Huawei and ZTE.

About Reliance Communications:

Reliance Communications Limited founded by the late Shri Dhirubhai H Ambani (1932-2002) is the flagship company of the Reliance Anil Dhirubhai Ambani Group. The Reliance Anil Dhirubhai Ambani Group currently has a net worth in excess of Rs. 64,000 crore (US\$ 13.6 billion), cash flows of Rs. 13,000 crore (US\$ 2.8 billion), net profit of Rs. 8,400 crore (US\$ 1.8 billion).

Reliance Communications is India's foremost and truly integrated telecommunications service provider. The Company, with a customer base of over 124 million including over 2.5 million individual overseas retail customers, ranks among the Top 4 Telecom companies in the world by number of customers in a single country. Reliance Communications corporate clientele includes 2,100 Indian and multinational corporations, and over 800 global, regional and domestic carriers.

Reliance Communications has established a pan-India, next generation, integrated (wireless and wireline), convergent (voice, data and video) digital network that is capable of supporting best-of-class services spanning the entire communications value chain, covering over 24,000 towns and 600,000 villages. Reliance Communications owns and operates the world's largest next generation IP enabled connectivity infrastructure, comprising over 277,000 kilometers of fibre optic cable systems in India, USA, Europe, Middle East and the Asia Pacific region.

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