

MEDIA RELEASE

ANNOUNCEMENT REGARDING HUTCHISON ESSAR LIMITED (HEL)

Mumbai, December 28, 2006: The Board of Directors of Reliance Communications discusses various opportunities for growth on a continuous basis. The potential acquisition of Hutchison Essar Ltd. is one such situation.

However, as is customary, there is no certainty either on the completion, or the timing, of any such proposal.

The cornerstone of the company's strategy for future growth will always be sustainable value creation for all stakeholders of Reliance Communications.

The announcement is made in the interests of the Company's over 2 million domestic and foreign, institutional and retail shareholders.

Background

Reliance Communications Limited (RCOM) is part of the Reliance – Anil Dhirubhai Ambani Group. RCOM is India's largest integrated communications service provider in the private sector with over 29 million individual consumer, enterprise, and carrier customers.

We operate pan-India across the full spectrum of wireless, wireline, and long distance, voice, data, and internet communication services. We also have an extensive international presence through the provision of long distance voice, data and internet services and submarine cable network infrastructure globally.