

MEDIA RELEASE

BOARD OF RELIANCE COMMUNICATIONS APPROVES PROPOSAL TO SPONSOR SECONDARY MARKET GDRs/ADRs

OFFERING OF UP TO Rs. 4,500 CRORE (US\$ 1 BILLION) AT A PREMIUM TO DOMESTIC MARKET PRICE

OFFERING TO FINANCIAL/STRATEGIC INTERNATIONAL INVESTORS AND/OR RETAIL AND INSTITUTIONAL INVESTORS IN JAPAN

NO INCREASE IN EXISTING EQUITY SHARE CAPITAL

Mumbai, 5th May, 2006: The Board of Directors of Reliance Communications Ventures Limited today approved a **proposal to sponsor a secondary market offering of Global / American Depositary Receipts (GDR/ADRs)**.

The proposed offering will enable **existing shareholders to offer their shareholdings to:**

- **Financial/Strategic international investors**
- **Retail / Institutional investors in Japan**

The offering, of up to **Rs. 4,500 crore (US\$ 1 billion)**, will be at a premium to the domestic market price, and will be in one or more tranches, as may be appropriate.

The proposed GDR/ADR programme **relates only to existing shares, and will not result in any increase** in the outstanding share capital.

The **equity share capital** of RCOVL post the already announced reorganization, will remain unchanged at **Rs 1,022 crore (US\$ 228 million)**, comprising approximately 204 crore shares of Rs. 5 each.

The GDR/ADR programme will be in accordance with applicable guidelines, and will be subject to all necessary sanctions and approvals, including approval of shareholders.

The present market capitalisation of the Company (based on the post reorganisation equity share capital) is approx. Rs. 70,000 crore (over US\$ 15 billion).

Background

Reliance Communication Ventures Limited is part of Reliance – Anil Dhirubhai Ambani Group.

RCVL is India's largest integrated communications service provider in the private sector with over 21 million individual consumer, enterprise, and carrier customers as at March 31, 2006. 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.

As presently constituted, RCVL was formed by the demerger and vesting of the telecommunications undertakings of Reliance Industries Limited. Our shares were listed in India on the Bombay Stock Exchange and National Stock Exchange on March 6, 2006.