

**China Development Bank signs final documentation for fully underwritten
over Rs. 8700 crores (US\$ 1.93 Billion) loan facility for
Reliance Communications (RCom)**

Largest loan in history of Telecom Sector

Largest loan between China and India

First loan to finance 3G spectrum Auction

Annual projected interest cost savings of over Rs. 500 Crs per year

**Use of Loan Proceeds for refinancing RCOM's 3G Spectrum Fees
and Imports of Telecom Equipment**

**RCOM to benefit from extended Loan Maturity of 10 years,
and substantial interest cost savings**

RCOM to commence drawdown beginning in March, 2011

Mumbai; March 09, 2011: Reliance Communications Limited (RCOM) today signed final documentation with China Development Bank (CDB) for a Rs. 6000 crore (US\$ 1.33 Billion) loan facility. (USD = 45.15 INR)

The loan facility is fully underwritten by CDB, and will be funded by a syndicate of Chinese Banks/Financial Institutions including CDB.

This represents the first and largest ever Syndicated Loan for refinancing Spectrum Fees.

RCOM has also signed an additional Agreement for Rs. 2700 crore (US\$ 600 million) with CDB, for financing imports / domestic expenditure of telecom equipment from Chinese vendors (namely, Huawei and ZTE).

RCOM has already received RBI Approval for the facilities, and draw down is expected to commence shortly.

The aggregate financing of Rs. 8700 crore (US\$ 1.93 billion) has a maturity period of 10 years, contributing to significant extension of RCOM's debt maturity profile, apart from substantial savings in interest costs.

RCOM had earlier received an in principle approval from CDB for these facilities, and had executed a Memorandum of Understanding with CDB, during the visit of Hon'ble Prime Minister of China, Mr Wen Jiabao, to India in December 2010.

About Reliance Communications

Reliance Communications Limited founded by the late Shri Dhirubhai H Ambani (1932-2002) is the flagship company of the Reliance Group. The Reliance 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 132 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.