

MEDIA RELEASE

RELIANCE MUTUAL FUND VALUED AT RS. 10,000 CRORES

**LEADING GLOBAL INVESTOR, ETON PARK, TO INVEST RS. 501 CRORES
FOR APPROX. 5% EQUITY STAKE IN RELIANCE CAPITAL ASSET MANAGEMENT**

VALUATION AT APPROX. 13% OF ASSETS UNDER MANAGEMENT

AMC VALUATION TRANSLATES INTO RS. 400 PER RELIANCE CAPITAL SHARE

**EQUITY PROCEEDS WILL BE UTILISED
FOR DOMESTIC AND INTERNATIONAL EXPANSION OF RELIANCE MF**

Mumbai, December 12, 2007: Reliance Capital Ltd. (RCL) today announced a proposed investment by Eton Park, a leading global investor, in Reliance Capital Asset Management Ltd. (RCAM), a 100% subsidiary of RCL.

Eton Park proposes to invest Rs. 501 crores for an approximate 5% equity stake in RCAM, at an equity valuation of Rs. 10,000 crores.

The proposed investment values RCAM at approx. 13% of its Assets under Management (AUM).

The RCAM valuation translates into a price of Rs. 400 per share of Reliance Capital.

The proceeds of the transaction will be utilised by RCAM for its domestic and international expansion.

The transaction is subject to completion of definitive documentation and necessary approvals, if any, and is expected to close in January 2008.

Commenting on the transaction, **Mr. Eric Mindich, Chief Executive Officer of Eton Park Capital Management, said, "We are delighted with our proposed investment in RCAM, the leader in India's asset management industry. We share Reliance Capital's excitement on the growth prospects of the industry, and are deeply impressed with the outstanding franchise RCAM has already created."**

Mr. Vikrant Gugnani, President and CEO, Reliance Capital Asset Management Ltd., said, "We welcome Eton Park as a respected long term institutional investor, and value this association, given Eton Park's significant global presence in financial markets."

About Eton Park

Eton Park is a global, multi-disciplinary, team-oriented investment organization, dedicated to delivering superior risk-adjusted returns over a multi-year period. Eton Park currently manages over US\$ 10 billion through its offices in New York, London and Hong Kong.

About Reliance Mutual Fund

Reliance Mutual Fund (RMF), a part of the Reliance - Anil Dhirubhai Ambani Group, is India's leading Mutual Fund, with Assets Under Management of Rs. 77,765 crores (AUM as on 30th November 2007), and an investor base of over 4.2 million.

Reliance Mutual Fund is one of the fastest growing mutual funds in the country. RMF offers investors a well-rounded portfolio of products to meet varying investor requirements and has a presence in 300 cities across the country.

About Reliance Capital

Reliance Capital Ltd is a part of the Reliance - Anil Dhirubhai Ambani Group, and is ranked among the 15 most valuable private companies in India.

Reliance Capital is one of India's leading and fastest growing private sector financial services companies, and ranks among the top 3 private sector financial services and banking groups, in terms of net worth.

Reliance Capital has interests in asset management and mutual funds, life and general insurance, private equity and proprietary investments, stock broking, depository services, distribution of financial products, consumer finance and other activities in financial services.

About Reliance Anil Dhirubhai Ambani Group

The Reliance Anil Dhirubhai Ambani Group is one of India's top 3 business houses, and has a market capitalisation of over Rs.2,90,000 crore (US\$ 75 billion), net worth in excess of Rs.40,000 crore (US\$ 10 billion), cash flows of Rs. 9,000 crore (US\$ 2.2 billion), net profit of Rs. 5,000 crore (US\$ 1.3 billion) and zero net debt.

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