



News Release

MTS expands reach across West Bengal

- *Launches mobile services in six districts of North Bengal*
- *Introduces the revolutionary “Mcard 99” offering call charges at 30 paisa per min for outgoing calls made to any mobile in Kolkata and West Bengal*
- *Scales up its presence to 10,000 towns and villages, across 18 districts of West Bengal*
- *Widens reach across more than 25,000 retail outlets in Kolkata and West Bengal*
- *Crosses one lac subscriber base in Kolkata and West Bengal, in less than 45 days of operations*

Kolkata, July 21, 2009: Sistema Shyam Teleservices Limited (SSTL), a joint venture between Sistema of Russia and Shyam Group of India, today announced expanding the coverage of its telephony service brand MTS to six new districts of North Bengal. The launch will see the roll out of services in 80 towns and 1200 villages of the region.

The six districts that comprise the company’s new service areas include Coochebehar, Jalpaiguri, Darjeeling, Malda, Uttar Dinajpur and Dakshin Dinajpur. The foray marks the availability of the MTS brand to customers in 10,000 towns and villages spanning 18 districts of the state, in addition to Kolkata, where services were launched recently. Subscribers can reach out to any one of the 25,000 retail outlets across locations to avail connections.

“The widened coverage in West Bengal, gives us the confidence to build an extensive network and make MTS one of the most preferred subscriber brands in the region. We will soon be present in all four districts of Sikkim. Our inaugural scheme of “Minute Millionaires” and the second lifetime offer received overwhelming response in Kolkata and other parts of West Bengal. We intend to replicate this success in the new service areas of North Bengal,” **said Mr. Keshhav Tiwary, COO, SSTL Kolkata & West Bengal.**

As a part of the inaugural scheme, the company is offering a range of exciting products including “Mcard 99” offering call charges at 30 paisa per minute for outgoing calls made to any

mobile in Kolkata and West Bengal; "Mcard 499", that will offer subscribers upto one million minutes of talk time over a lifetime; "MSaver 31", a SMS card, offering 1000 local and national SMS in a month; and MSaver 27, a STD card that will allow users to make calls at Re1/min.

SSTL, which marked its foray into the Indian telecom space with the launch of services in Rajasthan, rapidly expanded its presence to five more circles - Tamil Nadu, Kerala, Kolkata, West Bengal and Bihar in quick succession, serving over 1.35 million MTS customers.

MTS provides mobile telephony services in six other countries, and has a subscriber base of close to 100 million globally.

About Sistema Shyam TeleServices

Sistema Shyam TeleServices (SSTL) is a joint venture company between Sistema {LSE: SSA} of Russia and Shyam Group of India. Sistema is the majority share holder in this joint venture with a 73.71% equity stake, along with the Shyam Group, holding a 23.79% stake and the rest 2.5% being public partake. SSTL has spectrum to provide mobile telephony services in all the 22 circles across the country. In a recent development, SSTL tied up with Mobile TeleSystems OJSC of Russia to bring the globally acclaimed telecom brand-MTS-to India. MTS is the 8th largest telecom brand in the world and has recently been voted as the 71st ranked brand out of 100 top global brands in the world by Millward Brown.

For further details visit: www.mtsindia.in

Media Contacts:

Reet Gwari

Corporate Communications

Sistema Shyam TeleServices Ltd

Mobile: +91 9899753252

reet.gwari@mtsindia.in