

Reliance Communications, MTN talks off

The consolidation talks between Anil Ambani-led Reliance Communications, India's second largest private telecom company, and South Africa's MTN were called off late Friday.

Citing 'legal and regulatory issues', the two companies said late Friday they have allowed their exclusive period of negotiations to lapse.

'Owing to certain legal and regulatory issues, the parties are presently unable to conclude a transaction. Accordingly, it has been mutually decided to allow the exclusivity agreement to lapse,' a Reliance Communications statement said.

The two companies had entered into an exclusive 45-day talks May 26, which was extended to July 21 a week ago.

The decision was taken after at least four letters to MTN from Mukesh Ambani-controlled Reliance Industries that said their group had the first right of refusing a stake in Anil Ambani's Reliance Communications, should they be sold.

The billionaire Ambani brothers have been locked in a bitter battle ever since the group, created by their late father Dhirubhai Ambani, was split a couple of years ago.

While Anil has Reliance Communications among the companies under his fold, Mukesh controls Reliance Industries, India's largest private company.

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