

MEDIA RELEASE

SHAREHOLDERS OF RELIANCE INFRASTRUCTURE LIMITED APPROVE THE SCHEME OF ARRANGEMENT FOR DEMERGER OF THE FOLLOWING DIVISIONS OF THE COMPANY

- **DAHANU THERMAL POWER STATION**
- **GOA AND SAMALKOT POWER STATIONS**
- **POWER TRANSMISSION**
- **POWER DISTRIBUTION**
- **TOLL ROADS**
- **REAL ESTATE**

TO THE RESPECTIVE WHOLLY OWNED RESULTING COMPANIES

Mumbai, June 9, 2009: The equity shareholders of Reliance Infrastructure Limited (RInfra), at their meeting convened pursuant to the Order of the Hon'ble High Court of Judicature at Bombay, held on June 9, 2009, have approved the Scheme of Arrangement (Scheme) for demerger of the following Divisions of the Company with the respective Resulting Companies under Sections 391 to 394 of the Companies Act, 1956 with requisite majority.

- Dahanu Thermal Power Station to Reliance Energy Generation Limited
- Goa and Samalkot Power Stations to Reliance Goa and Samalkot Power Limited
- Power Transmission Division to Reliance Power Transmission Limited
- Power Distribution Division to Reliance Energy Limited
- Toll Roads Division to Reliance InfraVentures Limited
- Real Estate Division to Reliance Property Developers Limited

All the resulting companies are wholly owned subsidiary companies of RInfra.

The demerger of various divisions of RInfra would benefit the respective companies and the stakeholders of respective companies on account of the following reasons:

- Simplified and transparent business structure and alignment of interest of various stake holders;
- Attribution of appropriate risk and valuation to different businesses based on their respective risk-return profile and cash flows;
- More focused management;
- Optimal financing structure for individual businesses;
- Greater visibility on the performance of individual businesses;
- Possibility of investments by strategic players in different businesses, and
- Tax efficiency for individual businesses.

The said Scheme is now subject to requisite approvals and sanctions, inter-alia of Hon'ble High Court of Judicature at Bombay.

About Reliance Infrastructure Limited

Reliance Infrastructure Limited is part of the Reliance Anil Dhirubhai Ambani Group. The group currently has a market capitalization of around Rs 1,65,000 crore (US\$ 35.1 Bn), net worth in excess of Rs 64,000 crore (US\$ 13.6 Bn), operating cash flow of Rs 13,000 crore (US\$ 2.8 Bn) and net profit of around Rs 8,400 crore (US\$ 1.8 Bn).

In the power sector, the company is involved in generation, transmission, distribution and trading of electricity and constructing power plants as EPC contractor, having strong order book position of Rs 21,510 crore (US\$ 4.6 Bn).

In the infrastructure space, the company is developing Roads, Metro projects and also pursuing other Infrastructure verticals like Ports, Airports, SEZ and Real Estate.

Reliance Infrastructure is developing 11 infrastructure projects worth Rs 12,800 crore and there are 3 projects worth Rs 16,800 crore which are awarded or the company is the preferred bidder. A large number of new mega infrastructure projects are also soon being put to bid, to provide further impetus to the country's rapidly accelerating economic growth.