

MEDIA RELEASE

TRANSFER OF INFRASTRUCTURE PROJECTS TO 100% SUBSIDIARY TO FURTHER UNLOCK SHAREHOLDER VALUE FOR THE BENEFIT OF OVER 1.5 MILLION SHAREHOLDERS

REL'S INFRASTRUCTURE PORTFOLIO INCLUDES DEVELOPMENT OF ROADS, BRIDGES, METRO RAIL AND REAL ESTATE PROJECTS

Mumbai, 30th October, 2007: The Board of Directors of Reliance Energy Limited (REL) has approved a proposal to transfer its infrastructure projects to a separate 100% owned subsidiary, subject to compliance with applicable laws, rules, regulations and approvals.

REL's current portfolio inter alia consists of the following infrastructure projects covering development of roads, bridges, metro rail and real estate:

Roads

REL in the last two years has emerged as the largest developer of road and highway projects for the National Highways Authority of India under the build, own, transfer scheme. REL is presently involved in the four-laning of five National Highway projects in Tamil Nadu, covering a length of 400 kms at a cost of Rs. 3,100 crore.

In addition REL is currently pursuing a number of other large road projects including the Rs 5,000 crore, 20-km- Western Freeway Sealink Project, to connect Worli to Nariman Point in Mumbai, and the Rs. 6,000 crore Jaipur Ring Road Project for the construction of a 12-lane, 150 km-long highway around Jaipur.

Real Estate

Reliance Energy-led consortium has emerged as the preferred bidder for the development of a new business district over an area of 77 acres in Hyderabad City. The project will have a built up area of 11 million sq ft, and will include the construction of a 100-storey trade tower – likely to be the tallest in South East Asia - at a cost of Rs 6,500 crore.

Metro Rail : Mass Rapid Transit System (MRTS) Project

REL led consortium has been awarded the first ever metro rail project in Mumbai city. The 35-year Public-Private Partnership, based on the build, own, operate and transfer model, involves the development and operation of a fully elevated metro rail. The total cost of the project is over Rs 2,500 crore.

The project will cover a distance of about 12 kms, and benefit over 6 lakh commuters every day. It will connect Versova to Ghatkopar, through Andheri, reducing the travel time from the current 90 minutes to less than 22 minutes. The foundation stone for the project was laid by the Hon'ble Prime Minister, Shri Manmohan Singh, in June last year.

REL has also bid for Line 2 of the Mumbai Metro 32-km elevated track between Mankhurd and Charkop via Bandra, at an estimated investment of around Rs 6,500 crore.

Bridges (MTHL)

Reliance Energy is bidding for the Rs 6,000 crore Mumbai Trans Harbour Link, which will connect the mainland of Mumbai to Navi Mumbai.

BACKGROUND

Reliance Energy Limited:

Reliance Energy, a part of Reliance - Anil Dhirubhai Ambani Group, is India's leading private sector utility Company.

Reliance Anil Dhirubhai Ambani Group currently has a market capitalisation of over Rs 2,50,000 crore, net worth in excess of Rs 40,000 crore, cash flow of Rs 9,000 crore, net profit of Rs 5,000 crore and zero net debt.

Reliance Energy is ranked amongst India's top 25 listed private companies in terms of all major financial parameters, including assets, sales, net worth, profits and market capitalisation.

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