

Media Release:

Reliance Infrastructure achieves financial closure for WRSS Transmission projects

- **Total Project estimated at Rs.1,385 crore, with Debt to Equity Ratio of 70:30**
- **Rs.1,200 crore sanctions received against total debt requirement of Rs. 970 crore**
- **Transaction lead by State Bank of India**
- **First 100% Independent private power transmission utility**
- **Achieved financial closure within 70 days of PTA execution**
- **Envisage establishing of 400 KV Transmission Lines of around 1,500 Kms.**
- **Expected to be completed and commissioned by December 2010**
- **Projects to ensure smooth flow of power from power surplus Eastern and North - Eastern regions to Western Region**

Mumbai, May 21, 2009: Reliance Power Transmission Limited (RPTL), a wholly-owned subsidiary of Reliance Infrastructure Limited (RInfra), today signed financing agreements with banks for the Western Region System Strengthening Scheme (WRSS) Transmission Projects.

The project achieved the Financial Closure and is scheduled to be commissioned by December 31, 2010.

The transaction, led by State Bank of India (SBI) witnessed participation from major banks and financial institutions including India Infrastructure Finance Company Ltd, Vijaya Bank, State Bank of Hyderabad, South Indian Bank, United Bank, State Bank of Bikaner and Jaipur, Andhra Bank and Bank of Maharashtra.

The projects have received sanctions of around Rs.1,200 crore against a total debt requirement of Rs.970 crore. They will entail an investment of Rs.1,385 crore with debt to equity ratio of 70:30. The equity contribution for the projects would be infused by Reliance Infrastructure Ltd.

Speaking on the occasion, **Mr. Lalit Jalan, CEO & Whole-time director, Reliance Infrastructure Limited** said, *“The financial closure of WRSS in just 70 days of the execution of PTA reflects inherent strength in the projects in terms of profitability and execution capabilities of the company”*

He further added that *“once completed and commissioned in time, WRSS will facilitate overcoming the grim power situation in the Western Region States in view of the availability of surplus power from the Eastern and Northern States”*.

The projects are first of its kind in the transmission sector that is being implemented via 100% private participation. It involves setting up of 400 KV double circuit transmission lines covering 1,035 Km in Maharashtra and 483 Km in Gujarat. These transmission lines would together form Projects B & C under the WRSS, while Projects A and D are being developed by Power Grid Corporation India Limited (“PGCIL”).

These transmission projects would enable handling of 4,000 MW of power from the Eastern Grid and benefit the power-deficit Western Region.

RPTL bagged these projects through International Competitive Bidding on the basis of transmission service charges payable for a period of 22 years from the commercial operation date of the projects. The projects are being implemented under a robust contractual framework – an Implementation Agreement with PGCIL and Power Transmission Agreements (PTAs) with Beneficiaries of the Western Region.

Reliance Infrastructure Limited.

Reliance Infrastructure, 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 capitalization of around Rs 1,50,000 crore, net worth in excess of Rs 64,000 crore, operating cash flow of Rs 13,000 crore, net profit of around Rs 8,400 crore and zero net debt.

In the recent past, the company has achieved financial closure for various projects such as the 5 Road Projects in the State of Tamil Nadu, Delhi Airport Metro Express Pvt Limited and Mumbai Metro One Pvt Limited

Reliance Infrastructure 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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