

Reliance Infrastructure Limited
Reliance Energy Centre,
Santa Cruz (East)
Mumbai 400 055, India
Tel: +91 22 3009 9999
Fax: +91 22 3009 9763

MEDIA RELEASE

**NET PROFIT OF Rs 1,519 CRORE (US\$ 338 MILLION) FOR THE YEAR
– AN INCREASE OF 12%**

**TOTAL OPERATING INCOME OF Rs 14,865 CRORE (US\$ 3.3 BILLION) FOR THE
YEAR - AN INCREASE OF 16%**

DECLARED INTERIM DIVIDEND OF Rs 7.10 PER SHARE

EPC ORDERBOOK POSITION OF OVER Rs 19,250 CRORE (US\$ 4.3 BILLION)

**COMPANY HAS CASH & CASH EQUIVALENT OF OVER Rs 8,850 CRORE
(US\$ 2 BILLION)**

PROMOTERS' HOLDING INCREASED TO 43% FROM 38%

**LARGEST INFRASTRUCTURE DEVELOPER - DEVELOPING PROJECTS OF
OVER Rs 36,000 CRORE (US\$ 8.1 BILLION) IN ROADS, METRO RAIL &
TRANSMISSION**

Mumbai, May 15, 2010: Reliance Infrastructure Limited today announced its un-audited financial results for the financial year ended March 31, 2010. The performance highlights are:

Consolidated – Year ended March 31, 2010

- **Total Operating Income of Rs 14,865 crore** (US\$ 3.3 billion), against Rs 12,845 crore in the previous year, **an increase of 16%**
- **Net Profit of Rs 1,519 crore** (US\$ 338 million), against Rs 1,353 crore in the previous year, **an increase of 12%**
- **Cash Profit of Rs 1,937 crore** (US\$ 431 million), against Rs 1,627 crore in the previous year, **an increase of 19%**
- **Cash Earnings Per Share (Cash EPS) of Rs 86** (US\$ 1.9), against Rs 71 in the previous year, **an increase of 21%**
- **Earnings Per Share (EPS) of Rs 67** (US\$ 1.5), against Rs 59 in the previous year, **an increase of 14%**

At the meeting held today, the Board has declared payment of **interim dividend of Rs 7.10 per share**, amounting to a payout of Rs 174 crore (US\$ 39 million) for the year ended March 31, 2010.

The Board had in July 2009 **allotted 4.29 crore convertible warrants** to promoters at an issue price of Rs 929 per share. The effective purchase cost to the promoter group is Rs 1,112 per share. Of these, 1.96 crore worth Rs 1,820 crore (US\$ 405 million) have been converted during the year leading to an **increase in promoters holding to 42.73% from 37.74%**

As on March 31, 2010, the **net worth of the Company on standalone basis stood at Rs 15,153 crore** (US\$ 3.4 billion). **Book value per share on standalone basis increased to Rs 619** as on March 31, 10 from Rs 517 per share as on March 31, 2009.

As on March 31, 2010, the **net worth of the Company on consolidated basis stood at Rs 20,705 crore** (US\$ 4.6 billion). **Book value per share on consolidated basis has increased to Rs 846** as on March 31, 2010 from Rs 734 per share as on March 31, 2009.

The Company has over **Rs 8,850 crore (US\$ 2 billion) of cash & cash equivalents as on March 31, 2010**. Of the cash and cash equivalents, about Rs 3,675 crore (US\$ 818 million) is in cash and debt funds. The company doesn't have any exposure to equity markets.

The Company's **total debt on standalone basis stood at Rs 4,115 crore** (US\$ 916 billion). The Company remains **debt free at the net level** and enjoys the top end ratings of 'AA+' and 'AA' from CRISIL and FITCH respectively.

Management Discussion and Analysis

Energy Sales

The Company achieved **aggregate sales of electrical energy on standalone basis was 10,162 million units** during the financial year ended March 31, 2010, against 9,581 million units in the previous year, **an increase of 6%**.

The Company's aggregate **revenue from energy sales** during the financial year ended March 31, 2010 **was Rs 6,368 crore (US\$ 1.4 billion)** against Rs 7,183 crore in the previous year.

Mumbai Distribution

The Mumbai distribution business achieved **aggregate sales of electrical energy of 8,328 million units** during the financial year ended March 31, 2010, against 8,276 million units in the previous year, **an increase of 1%**.

The Company's **aggregate revenue from energy sales in Mumbai Distribution were Rs 5,693 crore (US\$ 1.3 million)** compared to Rs 6,542 crore in the previous year. The reduction in revenue is due to reduced FAC owing to lower cost of power purchased.

During the period under review, **the Company purchased 5,250 million units of electrical energy** from external sources as compared to 5,283 million units purchased in the previous year.

The **cost of energy purchased decreased by 28%** to Rs 3,319 crore (US\$ 739 million) during the period under review, owing to decrease in per unit cost to Rs 6.32 for the period against Rs 8.04 in the previous period

During the year under review, there was addition of over 1,00,000 consumers. There was a shift of around 30,000 consumers to Tata Power out of the total consumer base of over 27.3 lakhs.

Delhi Distribution

The Delhi distribution business achieved **aggregate sales of electrical energy of 12,108 million units** during the financial year ended March 31, 2010, against 10,978 million units in the previous year, **an increase of 10%**.

The Delhi distribution business achieved **aggregate revenue from energy sales of Rs 5,344 crore (US\$ 1.2 billion)** compared to Rs 4,854 crore in the previous year, **an increase of 10%**.

During the year, both discoms have over-achieved the target AT&C loss targets, due to which both discoms continues to remain in the incentive zone as depicted below:

| Discoms | Target AT&C losses | Achieved AT&C losses |
|----------------|-------------------------------|---------------------------------|
| BRPL | 20.2% | 18.9% |
| BYPL | 26.2% | 22.9% |

Power Generation

During the year, all the generating plants continues to efficiently operate as depicted below :

| Plants | Capacity (MW) | PLF (FY10) | Units Generated in MU's (FY10) |
|----------|---------------|------------|--------------------------------|
| Dahanu | 500 | 102.33% | 4,482 |
| Samalkot | 220 | 92.95% | 1,553 |
| Goa | 48 | 88.48% | 321 |

EPC Business

During the year, the **turnover of the division was Rs 3,415 crore (US\$ 761 million)** against Rs 2,437 crore in the previous year, **an increase of 40%**.

The Division had **order book position of over Rs 19,250 crore (US\$ 4.3 billion) as on March 31, 2010**. The EPC Division is working on 5 power projects of over 7,500 MW along with two road projects.

Energy Trading Business

The division has traded **3,312 million units** in the year ended March 31, 2010 as compared to 1,934 million units in corresponding period in previous year, **an increase of 71 %**.

Quantum (in units) under assured trading arrangements for the coming years is about 30,000 million units

Projects under Development

The Company is **developing 23 projects aggregating around Rs 36,200 crore (US\$ 8.1 billion)** of Roads, Metro Rails, Transmission, Sealink & Airports excluding distribution business and 2 Specialty Real Estate Projects. R Infra has emerged as country's largest infrastructure company on an ownership basis.

There would be **11 revenue generating projects in FY11**, having project outlay of **around Rs 17,400 crore (US\$ 3.9 billion)**

Roads

Developing 11 road projects of 970 kms worth Rs 12,000 crore (US\$ 2.7 billion). Of which, **two are operational** and additional **5 road projects would start generating revenue in FY11**. The toll collection from Pune Satara road project should start from Q1FY11. The company is largest developer of 6 laning road projects.

During the year, the company has been awarded following road projects

| S. No | Project | Length (Km) | Project Cost (Rs crore) | Concession Period* |
|-------|-----------------------|-------------|-------------------------|--------------------|
| 1 | Jaipur – Reengus Road | 52 | 530 | 18 Years |
| 2 | Pune – Satara Road | 140 | 2,000 | 24 Years |
| 3 | Kandla – Mundra Road | 71 | 1,540 | 25 Years |
| | Total | 263 | 4,070 | |

* includes construction period

Recently, the company has emerged as preferred bidder in 6 laning of 2 projects i.e. Hosur – Krishnagiri on NH-7 and Delhi–Agra on NH-2, projects worth around Rs 4,000 crore (US\$ 891 million).

Metro Rails

The Company is the only private player in metro rail sector in the Country. The company is **developing 3 metro rail projects in Mumbai and Delhi worth around Rs 16,000 crore (US\$ 3.6 billion)**. Mumbai Metro Line 1 and Delhi Airport Express Link **will be operational in FY11**.

| Project | Project Cost (Rs crore) | Length (Km) | Corridor | Concession Period* |
|----------------------------------|-------------------------|-------------|--|--------------------|
| Mumbai Metro Line I | 2,450 | 12 | Versova – Andheri – Ghatkopar | 35 Years |
| Delhi Airport Metro Express Line | 2,500 | 23 | New Delhi Railway Station - IGI Airport – Dwarka | 30 Years |
| Mumbai Metro Line II | 11,000 | 32 | Mankhurd – Bandra – Charkop | 35 Years |

* includes construction period

Transmission

Developing 5 transmission projects, with total project outlay of Rs 6,640 crore (US\$ 1.5 billion). The first 100% independent private transmission project in country i.e. **WRSS would start generating revenue in Q1 FY11**.

During the year, the company has also **won 2 out of 3 ultra mega transmission projects (UMTP's)** i.e. North Karanpura & Talcher – II, with aggregate project outlay of around Rs 2,400 crore (US\$ 535 million)

Sea link

The company is **developing first sea link of the country** i.e. Western Freeway Sea Link with **project outlay of Rs 5,100 crore (US\$ 1.1 billion)**.

Airports

During the year, company acquired **developing and operating rights for 95 years for 5 regional brown-field airports in Maharashtra** at Nanded, Latur, Yavatmal, Baramati & Osmanabad.

Cement

Reliance Cementation Ltd, a 100% wholly owned subsidiary of company is planning to have **25 million tonne of cement capacity**.

For two plants of 5 million tonne each in Maharashtra and Madhya Pradesh, secured limestone reserves and land has been acquired.

Above all, R Infra has been awarded as “**Most Admired Infrastructure Company – Overall**” and Metro Line 1 of Mumbai has been awarded ‘Project of the year’ in 2nd KPMG Infrastructure Today Awards 2010.

Reliance Infrastructure Limited

Registered Office: Reliance Energy Centre, Santa Cruz (East), Mumbai 400 055.
website:www.rinfra.com

Unaudited financial results for the quarter and year ended March 31, 2010

(Rs. crore)

| Sr. No. | Particulars | Standalone | | | | Consolidated | |
|---------|--|--------------------------|--------------------------|--------------------------|------------------------|--------------------------|------------------------|
| | | Quarter ended | | Year ended | | Year ended | |
| | | 31-Mar-10 (Unaudited) | 31-Mar-09 (Unaudited) | 31-Mar-10 (Unaudited) | 31-Mar-09 (Audited) | 31-Mar-10 (Unaudited) | 31-Mar-09 (Audited) |
| 1 | (a) Net sales of Electrical Energy (Refer Note No 4) | 1,268.37 | 1,452.95 | 6,367.76 | 7,183.09 | 11,298.39 | 10,037.64 |
| | (b) Income from EPC and Contracts Division | 1,284.75 | 886.72 | 3,414.86 | 2,436.76 | 3,197.63 | 2,463.62 |
| | (c) Other Operating Income | 90.75 | 69.57 | 244.64 | 248.76 | 368.80 | 343.41 |
| | Total Operating Income | 2,643.87 | 2,409.24 | 10,027.26 | 9,868.61 | 14,864.82 | 12,844.67 |
| 2 | Expenditure | | | | | | |
| | (a) Cost of Electrical Energy purchased | 565.00 | 720.12 | 3,321.94 | 4,253.99 | 6,953.37 | 6,216.88 |
| | (b) Cost of Fuel | 320.31 | 304.38 | 1,219.83 | 1,166.78 | 1,580.81 | 1,709.55 |
| | (c) Tax on Sale of Electricity | 33.32 | 35.49 | 154.13 | 152.96 | 265.86 | 152.96 |
| | (d) Cost of Materials and Sub-contract Charges (EPC and Contracts) | 1,128.83 | 690.30 | 2,882.55 | 1,966.49 | 2,706.06 | 2,007.00 |
| | (e) Employees Cost | 164.73 | 142.32 | 652.85 | 536.62 | 946.52 | 631.46 |
| | (f) Depreciation | 90.67 | 62.72 | 319.84 | 244.88 | 472.44 | 330.38 |
| | (g) Other Expenditure | 160.32 | 360.72 | 676.80 | 760.84 | 891.89 | 717.37 |
| | Total Expenditure | 2,463.18 | 2,316.05 | 9,227.94 | 9,082.56 | 13,816.95 | 11,765.60 |
| 3 | Profit from operations before Other Income (net) and Interest | 180.69 | 93.19 | 799.32 | 786.05 | 1,047.87 | 1,079.07 |
| 4 | Other Income (net) | 166.82 | 282.38 | 789.83 | 737.88 | 824.85 | 697.81 |
| 5 | Profit before Interest | 347.51 | 375.57 | 1,589.15 | 1,523.93 | 1,872.72 | 1,776.88 |
| 6 | Interest and Finance Charges | 58.06 | 101.25 | 292.21 | 330.50 | 525.13 | 439.42 |
| 7 | Profit from Ordinary Activities before Tax, Share in Associates and Minority Interest | 289.45 | 274.32 | 1,296.94 | 1,193.43 | 1,347.59 | 1,337.46 |
| 8 | Tax Expenses (including Fringe Benefit Tax, Deferred Tax & Tax for earlier years) | 38.36 | (71.85) | 145.25 | 54.55 | 149.83 | 78.32 |
| 9 | Profit after Tax but before Share in Associates and Minority Interest | 251.09 | 346.17 | 1,151.69 | 1,138.88 | 1,197.76 | 1,259.14 |
| | Share of Profit in Associates (net) | | | | | 321.45 | 93.37 |
| | Minority Interest | | | | | 0.18 | 0.72 |
| 10 | Profit after Tax, Share in Associates and Minority Interest | 251.09 | 346.17 | 1,151.69 | 1,138.88 | 1,519.39 | 1,353.23 |
| 11 | Paid-up Equity Share Capital (Face Value of Rs. 10 per Share) | 244.91 | 226.06 | 244.91 | 226.06 | 244.91 | 226.06 |
| 12 | Reserves including Statutory Reserves excluding Revaluation Reserves | | | | 10,308.14 | | 15,298.30 |
| 13 | Earnings Per Share (* not annualised) | | | | | | |
| | (a) Basic (Rs.) | 11.14 * | 15.29 * | 51.11 | 49.45 | 67.43 | 58.75 |
| | (b) Diluted (Rs.) | 10.61 * | 15.00 * | 50.32 | 48.54 | 64.22 | 57.68 |
| 14 | Debt Service Coverage Ratio (*) | | | 1.06 | | | |
| 15 | Interest Service Coverage Ratio (*) | | | 5.44 | | | |
| 16 | Aggregate of Public Shareholding | | | | | | |
| | - Number of Shares | 140,241,616 | 141,395,121 | 140,241,616 | 141,395,121 | 140,241,616 | 141,395,121 |
| | - Percentage of Shareholding | 57.27 | 62.44 | 57.27 | 62.44 | 57.27 | 62.44 |
| 17 | Promoter and promoter group shareholding | | | | | | |
| | a) Pledged/Encumbered | | | | | | |
| | - Number of shares | - | 37,238,281 | - | 37,238,281 | - | 37,238,281 |
| | - Percentage of shares (as a % of the total shareholding of promoter and promoter group) | - | 43.79 | - | 43.79 | - | 43.79 |
| | - Percentage of shares (as a % of the total share capital of the Company) | - | 16.45 | - | 16.45 | - | 16.45 |
| | b) Non-encumbered | | | | | | |
| | - Number of shares | 104,628,646 | 47,790,365 | 104,628,646 | 47,790,365 | 104,628,646 | 47,790,365 |
| | - Percentage of shares (as a % of the total shareholding of promoter and promoter group) | 100.00 | 56.21 | 100.00 | 56.21 | 100.00 | 56.21 |
| | - Percentage of shares (as a % of the total share capital of the Company) | 42.73 | 21.11 | 42.73 | 21.11 | 42.73 | 21.11 |

Reliance Infrastructure Limited

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Segment-wise revenue, results and capital employed

| | | (Rs. crore) | | | | | |
|---------|--|--------------------------|--------------------------|--------------------------|------------------------|--------------------------|------------------------|
| Sr. No. | Particulars | Standalone | | | | Consolidated | |
| | | Quarter ended | | Year ended | | Year ended | |
| | | 31-Mar-10 (Unaudited) | 31-Mar-09 (Unaudited) | 31-Mar-10 (Unaudited) | 31-Mar-09 (Audited) | 31-Mar-10 (Unaudited) | 31-Mar-09 (Audited) |
| 1 | Segment Revenue | | | | | | |
| | - Electrical Energy | 1,325.80 | 1,484.39 | 6,505.41 | 7,369.64 | 11,534.48 | 10,318.75 |
| | - EPC and Contracts Division | 1,318.07 | 924.85 | 3,521.85 | 2,498.97 | 3,304.78 | 2,525.92 |
| | - Roads | - | - | - | - | 25.34 | - |
| | - Others | - | - | - | - | 0.22 | - |
| | Total | 2,643.87 | 2,409.24 | 10,027.26 | 9,868.61 | 14,864.82 | 12,844.67 |
| | Less : Inter Segment Revenue | - | - | - | - | - | - |
| | Net Sales / Income from Operations | 2,643.87 | 2,409.24 | 10,027.26 | 9,868.61 | 14,864.82 | 12,844.67 |
| 2 | Segment Results | | | | | | |
| | Profit before Tax, Interest, Share in Associates and Minority Interest from each segment : | | | | | | |
| | - Electrical Energy | 74.16 | 33.31 | 548.53 | 624.24 | 828.56 | 721.85 |
| | - EPC and Contracts Division | 98.10 | 81.81 | 283.77 | 204.24 | 240.95 | 185.50 |
| | - Roads | - | - | - | - | 15.50 | - |
| | - Others | - | - | - | - | (2.31) | (2.98) |
| | Total | 172.26 | 115.12 | 832.30 | 828.48 | 1,082.70 | 904.37 |
| | - Interest and Finance Charges | (58.06) | (101.25) | (292.21) | (330.50) | (525.13) | (439.42) |
| | - Interest Income | 69.60 | 73.20 | 268.29 | 338.81 | 292.23 | 371.51 |
| | - Other un-allocable Income net of expenditure | 105.65 | 187.25 | 488.56 | 356.64 | 497.79 | 501.00 |
| | Profit before Tax, Share in Associates and Minority Interest | 289.45 | 274.32 | 1,296.94 | 1,193.43 | 1,347.59 | 1,337.46 |
| 3 | Capital Employed | | | | | | |
| | - Electrical Energy | 5,300.58 | 4,814.35 | 5,300.58 | 4,814.35 | 6,002.58 | 5,708.40 |
| | - EPC and Contracts Division | 417.78 | 155.06 | 417.78 | 155.06 | 520.82 | 159.27 |
| | - Roads | - | - | - | - | 107.03 | 62.56 |
| | - Others | - | - | - | - | 1,967.68 | 1,181.56 |
| | - Unallocated Corporate Assets (net) | 9,434.27 | 6,938.03 | 9,434.27 | 6,938.03 | 12,106.40 | 9,785.81 |
| | Total | 15,152.63 | 11,907.44 | 15,152.63 | 11,907.44 | 20,704.51 | 16,897.60 |

Notes:

1. The Board has declared an interim dividend of Rs. 7.10 per Equity Share for the year 2009-10.
2. The final determination in the matter of Standby Charges payable to The Tata Power Company Limited (TPC) is pending listing with the Supreme Court for final hearing. The Company has so far fully accounted the liability of Rs. 515.60 crore as determined earlier by Maharashtra Electricity Regulatory Commission (MERC).
3. The final determination in respect of the claim by TPC of Rs. 323.87 crore, along with interest based on the Orders passed by MERC / Appellate Tribunal for Electricity (ATE) towards difference in energy charge and minimum offtake charges for energy supplied by TPC at 220 kV interconnection is pending before Supreme Court for final hearing. The Company has complied with the interim order direction of depositing Rs. 25 crore with the Registrar of Supreme Court and providing a Bank Guarantee of Rs. 9.98 crore.
4. (a) The tariff to be levied effective from June 1, 2009 by the Company has been increased for certain categories by MERC by its order dated June 15, 2009 (new tariff order). However, MERC has by its order dated July 15, 2009 temporarily stayed implementation of the increased tariffs sanctioned by it in respect of certain consumer categories, while directing that the tariff reductions specified in its new tariff order be given effect to. In accordance with the principle of prudence and as a conservative measure, the Company has not accrued the additional net sales of electrical energy of Rs. 66.04 crore and Rs. 193.84 crore for the quarter and year ended March 31, 2010, respectively, to which it is entitled as per the new tariff order. If these sales had been taken into account, the profit before tax for the quarter and year ended March 31, 2010 would have been higher to that extent.

(b) Unbilled / unrecovered Fuel Adjustment Charges (FAC) have been accrued considering base energy costs as per new tariff order and revenue in respect of unrecovered power purchase / fuel expenses have been accrued considering base energy costs as per the previous tariff order. Both of these if not recovered in the current year, would be recovered through future tariff determination in accordance with the electricity regulations.
5. The Scheme of Restructuring envisaging transfer of various operating divisions of the Company, namely Dahanu thermal power station division, Goa and Samalkot power station division, power transmission division, power distribution division (together considered under electrical segment), toll roads division and real estate division (together considered under other operations segment) to its respective resulting six wholly owned subsidiaries has since been sanctioned by the Bombay High Court subject to the Company receiving requisite approvals and the same has been filed with the Registrar of Companies on September 14, 2009. The Scheme will be effective upon receipt of remaining approvals and therefore no disclosure has been made with regard to discontinuing operations.
6. The Company had made a preferential offer of 4.29 crore warrants to one of the promoters, AAA Project Ventures Private Limited. The warrant holder is entitled to apply for one equity share of the Company of Rs. 10 each at a premium of Rs. 918.89 per share, per warrant at any time after October 9, 2009 but on or before 18 months from the date of allotment of warrants. The Company had earlier received Rs. 996.23 crore as subscription money for the warrants adjustable against the price of the Equity Shares. During the quarter ended March 31, 2010, AAA Project Ventures Private Limited has exercised some of the warrants and applied for 1.96 crore Equity Shares by paying Rs. 1,365.47 crore being the balance price of the shares.
7. During the quarter, KM Toll Road Pvt. Ltd. and PS Toll Road Pvt. Ltd. have become subsidiaries of the Company. Reliance Airport Developers Pvt. Ltd., Latur Airport Pvt. Ltd., Baramati Airport Pvt. Ltd., Nanded Airport Pvt. Ltd., Yavatmal Airport Pvt. Ltd., Osmanabad Airport Pvt. Ltd., Reliance Cementation Pvt. Ltd., Reliance Cement & Infra Pvt. Ltd., Reliance Cement Corporation Pvt. Ltd. and Reliance Cement Works Pvt. Ltd., have also become subsidiaries / step down subsidiaries of the Company during the year. There is no material impact on the financial results on account of the same.
8. There were no exceptional / extraordinary items during the quarter and year ended March 31, 2010.
9. Ratios have been computed as under:
 - Debt Service Coverage Ratio = Earnings before Interest and Tax / (Interest on Long Term Debt + Principal Repayment of Long Term Debt)
 - Interest Service Coverage Ratio = Earnings before Interest and Tax / Interest Expense
10. Information on investor complaints pursuant to Clause 41 of the listing agreement for the quarter ended March 31, 2010: opening: Nil; additions: 21; disposals: 21; closing: Nil
11. The aforesaid Standalone and Consolidated financial results were reviewed by the Audit Committee of the Board at its meeting held on May 14, 2010 and subsequently approved by the Board of Directors on May 15, 2010. The statutory auditors of the Company have carried out a "Limited Review" of the Standalone financial results of the Company only, as per the listing agreement entered into with the stock exchanges in India.
12. Figures of the previous year / period have been regrouped / reclassified wherever considered necessary.

For and on behalf of the Board of Directors

Place: Mumbai
Date: May 15, 2010

Anil D. Ambani
Chairman