

May 18, 2018

The General Manager
Listing Department
BSE Limited
Phiroze Jeejeeboy Towers
Dalal Street, Fort,
Mumbai 400 001
BSE Scrip Code: 500390

The Manager
Listing Department
National Stock Exchange of India limited
Plaza, 5th Floor, Plot no.C/1, G Block
Bandra Kurla Complex, Bandra (E)
Mumbai 400 051
NSE Scrip Symbol: RELINFRA

Dear Sirs,

Sub: Credit Rating by India Ratings & Research

We hereby inform that India Ratings & Research has revised rating on the Company's Regulatory Asset Debt to IND A (SO) / RWN, the Company's Long-Term Debt (Bank Facilities and Non Convertible Debentures) to IND BBB+ / RWN and the Company's Short Term Debt and Commercial Papers to IND A2+ / RWN.

The Company respectfully disagrees with the above revision in ratings. The Company's deleveraging initiative is on the track and the Company is committed to become debt free. The rating agency has not appropriately factored in the deleveraging activities being undertaken by the Company.

1. The delay in sale of Mumbai Power Business to Adani Transmission Limited has happened owing to non availability of Maharashtra Electricity Regulatory Commission (MERC) members for the hearing. The hearing has now been scheduled on 14th June 2018. The Company shall receive Rs 18,800 crore from the deal – Rs 13,800 crore upfront and Rs 5,000 crore on actual recovery of regulatory assets.
2. **IndRA has not factored in more than Rs 3,300 crore equity inflow to Rlnfra** from favourable arbitration award to its subsidiary Delhi Airport Metro Expressway Private Limited considering that the case has been upheld by Hon'ble Delhi High Court. Rlnfra is confident of receiving the proceeds shortly.
3. IndRA has not given appropriate weightage to the Company's plans of raising equity which shall further increase the existing networth of Rs 21,985 crore. The Company has obtained shareholder's approval for raising Rs 2,000 crore equity through Qualified Institutions Placement (QIP). On May 14, 2018, the Company has obtained approval from Board of Directors to raise Rs 3,000 crore equity through rights issue / QIP. The proposed issue shall further improve the balance sheet and reduce the debt.



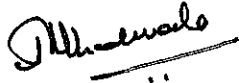
RELIANCE

4. The Company has won arbitration awards of ~Rs 500 crore in relation to its Goa plant and 2 road projects. In addition, other arbitration and regulatory claims filed by the Company are in advanced stage of completion. IndRA has not factored such equity inflow in its rating assessment.

We would request you to inform the members suitably on the above.

Yours faithfully

For Reliance Infrastructure Limited



Aashay Khandwala
Company Secretary

