

Media Release

Bombay High Court approves the Scheme of Arrangement / merger *inter alia* between RNRL and RPower

**Exchange ratio of 1 share of RPower
for every 4 shares of RNRL**

**Record Date for allotment of RPower Shares to RNRL Shareholders to
be announced shortly**

**RPower to have over 6 million shareholders,
the world's largest shareholding family**

Mumbai, October 15, 2010 : The Hon'ble High Court of Judicature at Bombay has today approved the Composite Scheme of Arrangement between Reliance Natural Resources Limited ('RNRL') and Reliance Power Limited ('RPower') and other group companies and their respective shareholders and creditors ('Scheme').

The shareholders of RPower and RNRL had earlier at the High Court convened meetings of respective companies held on September 4, 2010 approved the Scheme of both the companies.

The Scheme envisages a share exchange ratio of 1 equity share of face value Rs. 10 each of RPower for every 4 equity shares of face value of Rs 5 each of RNRL. The share exchange ratio was based on the recommendation of the leading international firm, KPMG.

The shareholders base of RPower would increase from the present 3.5 million to over 6 million consequent to allotment of shares to the eligible shareholders of RNRL.

The record date to determine the RNRL shareholders who will be entitled to equity shares to be issued and allotted by RPower in the aforesaid ratio in terms of the Scheme would be announced shortly.

RPower and its shareholders, including, *inter alia*, Reliance Infrastructure Ltd., will derive substantial benefits from the Scheme, as follows:

- Gas Supply Master Agreements with RIL shall facilitate accelerated implementation of RPower's plans for setting up over 8,000 MW of gas based power generation capacity.
- Prospects for gas from RNRL's Coal Bed Methane (CBM) blocks, comprising of 45% interest in 4 CBM blocks and a 10% share in an oil and gas block in Mizoram.
- Enhanced reliability and cost efficiency for fuel supplies through RNRL's coal supply logistics and shipping business.

- Contribution from RNRL's net worth of around Rs. 1,900 crore, leading to an increase in Reliance Power's net worth to over Rs. 16,000 crore.
- Significant further enhancement of Reliance Power's overall growth prospects.

RNRL's shareholders will benefit by participating in future growth prospects of Reliance Power's diversified generation portfolio of 37,000 MW, and its substantial coal reserves in India and abroad.

RNRL shareholders representing approximately 80% of its capital are also shareholders of Reliance Power, and over 80% of them received their shares FREE on demerger from RIL.

Background

Reliance Anil Dhirubhai Ambani Group

The Reliance Anil Dhirubhai Ambani Group currently has a net worth in excess of Rs. 64,000 crore (US\$ 13.6 billion), cash flows of Rs. 13,000 crore (US\$ 2.8 billion), net profit of Rs. 8,400 crore (US\$ 1.8 billion).

Reliance Power Limited

Reliance Power Limited is part of the Reliance Anil Dhirubhai Ambani Group and is established to develop, construct and operate power projects domestically and internationally. The Company on its own and through subsidiaries has a portfolio of almost 37,000 MW of power generation capacity, both operational as well as under development. Reliance Power has substantial coal reserves in India and abroad.

Reliance Natural Resources Limited

Reliance Natural Resources Limited, a part of the Reliance Anil Dhirubhai Ambani Group, is engaged primarily in sourcing, supply and transportation of gas, coal and liquid fuels. It is also engaged in exploration, production and distribution of gas.

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