

INVESTOR RELEASE

CONSOLIDATED NET PROFIT OF Rs 405 CRORE (US\$ 91 MILLION) FOR THE QUARTER – AN INCREASE OF 8%

CONSOLIDATED TOTAL OPERATING INCOME OF Rs 5,191 CRORE (US\$ 1.2 BILLION) FOR THE QUARTER – AN INCREASE OF 38%

CONSOLIDATED EPC REVENUE OF Rs 1,754 CRORE (US\$ 392 MILLION) FOR THE QUARTER – AN INCREASE OF 295%

EPC ORDERBOOK POSITION OF Rs 28,000 CRORE (US\$ 6.3 BILLION)

CONSOLIDATED BOOK VALUE OF Rs 903 (US\$ 20) PER SHARE AND NETWORTH OF Rs 24,025 CRORE (US\$ 5.4 BILLION)

CONSERVATIVELY FINANCED WITH DEBT: EQUITY OF 0.55

Mumbai, August 11, 2011: Reliance Infrastructure Limited today announced its un-audited consolidated financial results for the quarter ended June 30, 2011. The highlights are:

Key Highlights

- **Mumbai Distribution :**
 - MERC has approved the recovery of Regulatory Assets of Rs 2,316 crore from all consumers connected to RInfra's network including those supplied by Tata Power
 - MERC has allowed a levy of Cross Subsidy Surcharge on all migrating consumers from date of migration
- **Road Projects:** Developing 11 road projects of 970 kms
 - Have 4 operational projects and additional 6 road projects would start generating revenue in FY12
 - Hosur Krishnagiri (in Tamil Nadu) 6 laning project, part of Bengaluru Chennai Golden quadrilateral, is operational from June 2011

- **Metro Projects** : Developing 3 metro rail projects in Mumbai and Delhi with a total stretch of 66 kms, having 45 stations
 - Delhi Metro (23 kms & 6 Stations) :
 - Trains are running with 99.9% reliability for 18 hours a day
 - Baggage check-in facility started in Delhi Metro at Shivaji Stadium station and New Delhi Railway station.
 - Frequency of train increased by 33% to 15 minutes
 - Daily commuters increased to over 12,000 in just 5 months of operation
 - Deal signed for retail and advertising with marquee vendors
 - Mumbai Metro Line 1: (12 kms & 12 stations) : Project is scheduled to be commissioned in Q4FY12
 - Mumbai Metro Line 2 (32 kms & 27 stations) : Achieved financial closure; Topographical survey of alignment is complete.
- **Transmission:**
 - WRSS project (1,500 km in Gujarat & Maharashtra) : Line 1 and Line 2 have started generating revenue and project is expected to be operational by FY12
 - Mumbai Strengthening project : 3 receiving stations have been charged and registered an all time high availability of 99.7%
- **EPC Revenue** : EPC revenue of Rs 1,889 crore for the quarter – an increase of 214%
- **Buy-Back** : Bought-back 22.5 lakh shares of Rs 140 crore till date

Consolidated – Quarter ended June 30, 2011

- **Total Operating Income of Rs 5,191 crore** (US\$ 1.2 billion), against Rs 3,752 crore in the corresponding quarter of previous year, **an increase of 38%**
- **Net Profit of Rs 405 crore** (US\$ 91 million), against Rs 375 crore in the corresponding quarter of previous year, **an increase of 8%**
- **Cash Profit of Rs 637 crore** (US\$ 143 million), against Rs 508 crore in the corresponding quarter of previous year, **an increase of 25%**
- **Cash Earnings Per Share (Cash EPS) of Rs 23.9** against Rs 20.7 in the corresponding quarter of previous year
- **Earnings Per Share (EPS) of Rs 15.2** against Rs 15.3 in the corresponding quarter of previous year

On Consolidated basis, the **net worth of the Company stood at Rs 24,025 crore** (US\$ 5.4 billion) and book value per share at Rs 903 as on June 30, 11. The Company's **total debt on consolidated basis stood at Rs 13,300 crore** (US\$ 3.0 billion). The company has enough borrowing capacity with **debt to equity ratio** of 0.55 as on June 30, 2011.

On Standalone basis, the **net worth of the Company stood at Rs 17,967 crore** (US\$ 4.0 billion) and book value per share at Rs 677 as on June 30, 11. The Company's **total debt on standalone basis stood at Rs 4,601 crore** (US\$ 1.0 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.

The Company's **total contribution in various infrastructure SPVs is Rs 4,850 crore** (US\$ 1.1 billion)

MANAGEMENT DISCUSSION AND ANALYSIS

ELECTRICITY BUSINESS

Electricity business includes distribution business, power plants, transmission lines and trading business.

Energy Sales

The Company achieved **aggregate sales of electrical energy** on standalone basis of 2,231 million units during the quarter ended June 30, 2011, against 2,642 million units in the corresponding quarter of previous year

The Company's **aggregate revenue from energy sales** during the quarter ended June 30, 2011 was Rs 1,772 crore against Rs 1,588 crore in the corresponding quarter of previous year.

Mumbai Distribution

The Mumbai distribution business achieved **aggregate sales of electrical energy of 1,815 million units** during the quarter ended June 30, 2011 against 2,140 million units in the corresponding quarter of previous year

The Company's **aggregate revenue from energy sales in Mumbai Distribution is Rs 1,186 crore** during the quarter ended June 30, 2011 compared to Rs 1,355 crore in the corresponding quarter of previous year. In addition, the Company earned wheeling income of Rs 51 crore during the quarter compared to Rs 27 crore - **an increase of 92%** in the corresponding quarter of previous year owing to shift of consumers to Tata Power.

During the period, the Company **purchased 1,023 million units** of electrical energy from external sources as compared to 1,399 million units purchased in the corresponding quarter of previous year.

The **cost of energy purchased decreased by 21%** to Rs 693 crore compared to Rs 874 crore in the corresponding quarter of previous year.

During the quarter, the Company added 22,200 consumers and there are 28.3 lakh consumers using RInfra's network.

Maharashtra Electricity Regulatory Commission (MERC) in its order dated July 29, 2011 has **approved recovery of regulatory assets of Rs 2,316 crore** from all consumers on RInfra network. MERC has also **allowed a levy of Cross Subsidy Surcharge** on all migrating customers from date of migration.

Delhi Distribution

The Delhi distribution business achieved **aggregate sales of electrical energy of 3,306 million units** during the quarter ended June 30, 2011. The Company's **aggregate revenue from energy sales in Delhi Distribution is Rs 2,723 crore** during the quarter ended June 30, 2011 compared to Rs 2,686 crore in the corresponding quarter of previous year.

Transmission

The Company is **developing 5 transmission projects** including 2 Ultra Mega Transmission Projects (UMTP's) i.e. North Karanpura and Talcher – II, **with total project outlay of Rs 6,640 crore**

- **WRSS:** The first 100% independent private transmission project in country i.e. WRSS project in Maharashtra and Gujarat have started generating revenue. Stringing completed for 533 kms of lines in WRSS project and complete project is expected to be operational by FY12
- **Mumbai Strengthening:** 3 receiving stations have been charged and registered an all time high availability of 99.7% against regulatory target of 98%.

Power Generation

During the quarter, all the generating plants continue to outperform all major operational parameters and Dahanu Power Plant continues to have PLF of over 100% for consecutive 7th year. The **total units generated by the plants are 1,553 million units** during the quarter ended June 30, 2011

Energy Trading Business

The division has traded **996 million units** during the quarter ended June 30, 2011 as compared to 1,232 million units in the corresponding quarter of previous year. The Company is now focusing more on trading through Exchange to increase the trading business. RETL is consistently ranked amongst the top five trading licensees by CERC.

EPC Business

During the quarter, the **turnover of the division was Rs 1,889 crore** against Rs 601 crore in the corresponding quarter of previous year – a significant increase of 214%. The Division has **order book position of Rs 28,000 crore** as on June 30, 2011.

The EPC Division is working on 6 power projects of over 9,900 MW, one transmission project of 1,500 kms along with 6 road projects totaling 570 kms.

INFRASTRUCTURE PROJECTS

The Company is developing infrastructure projects comprising of 11 Roads, 3 Metro Rail, Mumbai Sealink, 5 Airports and 2 Cement projects. Rlnfra is the country's largest infrastructure company on an ownership basis.

Roads

The Company is developing **11 road projects of 970 kms worth Rs 12,000 crore**. Of which, 4 are operational and additional 6 road projects would start generating revenue in FY12. During the quarter, the Company has started toll collection for Hosur Krishnagiri (Tamilnadu) toll road project, part of Bengaluru Chennai Golden Quadrilateral. Construction progress is at full swing with more than 6,500 people working on various sites.

Sea link

The Company is **developing the first sea link of the country** i.e. Western Freeway Sea Link in Mumbai with project outlay of Rs 4,550 crore. The project has an agreement with MSRDC for 40 years of concession period. The project has already achieved financial closure.

Metro Rails

The Company is the largest 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.**

Some of the major mile stones achieved in metro projects are :

- **Delhi Airport Express Link** started commercial operations in Q4FY11 – First PPP metro project to become operational in India. Baggage check in facility started at New Delhi Railway station and Shivaji Stadium station. The patronage in all the passenger segments has shown satisfactory response touching a passenger throughput of about 12,000 passengers on a daily basis. Trains are running successfully at a frequency of 15 minutes for 18 hours a day.
- **Mumbai Metro Line 1** construction is in full swing for major structures including Western Express Highway Bridge, Railway Line Bridge, etc. Viability Gap Funding of Rs 355 crore has been received from MMRDA. Project is scheduled to be commissioned in Q4FY12.
- **Mumbai Metro Line 2** - Topographical Survey of the alignment is completed; M/s Systra of France is appointed as design consultants.

Cement

Reliance Cement Company Pvt Ltd, a 100% wholly owned subsidiary of the Company is **developing two cement plants of 5 million tons each** in Maharashtra and Madhya Pradesh. Major order has been placed for Plant & Machinery and formal Environmental clearance received for both the projects. Civil construction has started in grinding unit at Butibori.

Reliance Infrastructure Limited

Reliance Infrastructure Ltd (RInfra) is the largest infrastructure company developing projects, through various Special Purpose Vehicles, in several high growth areas in Infrastructure sector i.e. Roads, Metro rail, Airports, etc. The Company is also leading utility company having presence across the value chain of power businesses i.e. Generation, Transmission, Distribution, EPC and Trading.

The Company is developing two metro rail projects in Mumbai and operating Airport Metro Express in Delhi; awarded eleven road projects with total length of 970 kms; operate and maintain five airports in Maharashtra.

RInfra generates 940 MW of power through its five power stations; distributes power to over 5.4 million consumers in Mumbai and Delhi; developing five transmission projects including first Independent Private Transmission project in India.

RInfra also provides Engineering, Procurement and Construction (EPC) for developing power & road projects and currently have an orderbook of about Rs. 28,000 crore.

Reliance Infrastructure Limited

Registered Office: H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710
website: www.rinfra.com

Unaudited Consolidated Financial Results for the quarter ended June 30, 2011

(Rs. crore)

Sr. No.	Particulars	Quarter ended		Year ended
		30-06-2011 (Unaudited)	30-06-2010 (Unaudited)	31-03-2011 (Audited)
1	(a) Net Sales / Income from Electricity Business	3,039.96	3,292.74	11,987.42
	(b) Income from EPC and Contracts Business	1,750.02	443.14	2,989.62
	(c) Income from Infrastructure Business	111.66	12.56	117.11
	(d) Other Operating Income (Refer Note 4)	289.54	3.40	53.87
	Total Operating Income	5,191.18	3,751.84	15,148.02
2	Expenditure			
	(a) Cost of Electrical Energy purchased	1,905.74	2,210.47	7,393.72
	(b) Cost of Fuel	447.90	417.82	1,489.12
	(c) Cost of Materials and Sub-contract Charges (EPC and Contracts Business)	1,493.93	302.46	2,370.66
	(d) Employees Cost	275.88	233.00	1,001.49
	(e) Depreciation (Refer Note 4)	102.42	119.59	482.47
	(f) Other Expenditure	276.70	180.14	976.24
	Total Expenditure	4,502.57	3,463.48	13,713.70
3	Profit from operations before Other Income (net) and Interest	688.61	288.36	1,434.32
4	Other Income (net)	128.33	201.96	556.48
5	Profit before Interest	816.94	490.32	1,990.80
6	Interest and Finance Charges	216.62	137.24	634.96
7	Profit from Ordinary Activities before Tax, Share in Associates and Minority Interest	600.32	353.08	1,355.84
8	Tax Expenses			
	- Current Tax	141.89	71.53	293.82
	- Deferred Tax (net)	129.41	12.99	(58.15)
	- Tax adjustment for earlier years (net)	-	(18.14)	(108.83)
9	Profit after Tax but before Share in Associates and Minority Interest	329.02	286.70	1,229.00
	Share of Profit in Associates (net)	77.67	88.60	322.94
	Minority Interest	(1.30)	(0.01)	(0.33)
10	Profit after Tax, Share in Associates and Minority Interest	405.39	375.29	1,551.61
11	Paid-up Equity Share Capital (Face Value of Rs. 10 per Share)	265.36	244.91	267.47
12	Reserves including Statutory Reserves excluding Revaluation Reserves			22,858.26
13	Earnings Per Share (* not annualised)			
	(a) Basic (Rs.)	15.23*	15.33*	62.05
	(b) Diluted (Rs.)	15.23*	15.14*	58.16
14	Aggregate of Public Shareholding			
	- Number of Shares	137,691,616	140,241,616	139,791,616
	- Percentage of Shareholding	51.90	57.27	52.27
15	Promoter and promoter group shareholding			
	(a) Pledged / Encumbered			
	- Number of shares	-	-	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-
	- Percentage of shares (as a % of the total share capital of the Company)	-	-	-
	(b) Non-encumbered			
	- Number of shares	127,628,646	104,628,646	127,628,646
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00
	- Percentage of shares (as a % of the total share capital of the Company)	48.10	42.73	47.73

Reliance Infrastructure Limited

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website: www.rinfra.com

Consolidated Segment-wise Revenue, Results and Capital Employed

(Rs. crore)

Sr. No.	Particulars	Quarter ended		Year ended
		30-06-2011 (Unaudited)	30-06-2010 (Unaudited)	31-03-2011 (Audited)
1	Segment Revenue			
	- Electricity Business	3,325.44	3,295.32	12,036.91
	- EPC and Contracts Business	1,754.08	443.96	2,994.00
	- Infrastructure Business	111.66	12.56	117.11
	Total	5,191.18	3,751.84	15,148.02
	Less: Inter Segment Revenue	-	-	-
	Net Sales / Income from Operations	5,191.18	3,751.84	15,148.02
2	Segment Results			
	Profit before Interest, Tax, Share in Associates and Minority Interest from each segment:			
	- Electricity Business	524.37	236.50	1,236.21
	- EPC and Contracts Business	140.65	54.90	241.26
	- Infrastructure Business	40.15	5.27	18.01
	Total	705.17	296.67	1,495.48
	- Interest and Finance Charges	(216.62)	(137.24)	(634.96)
	- Interest Income	45.84	131.17	390.40
	- Other un-allocable Income net of expenditure	65.93	62.48	104.92
	Profit before Tax, Share in Associates and Minority Interest	600.32	353.08	1,355.84
3	Capital Employed			
	- Electricity Business	8,129.65	6,550.60	7,771.34
	- EPC and Contracts Business	1,817.69	492.97	509.50
	- Infrastructure Business	4,850.17	2,159.84	4,448.67
	- Unallocated Assets (net)	9,226.99	11,973.15	10,878.10
	Total	24,024.50	21,176.56	23,607.61

Notes:

1. The final determination in the matter of Standby Charges payable for the years 1998-99 to 2003-04 to The Tata Power Company Limited (TPC) is pending before the Supreme Court for final hearing. The Parent Company has so far fully accounted the liability of Rs. 515.60 crore as determined earlier by Maharashtra Electricity Regulatory Commission (MERC).
2. 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 Parent 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.
3. Pursuant to the approval of the Board of Directors for buy-back of Equity shares under Section 77A of the Companies Act, 1956, the Parent Company bought-back 21,00,000 equity shares during the quarter ended June 30, 2011. Consequently the paid-up capital stands reduced to Rs. 265.32 crore. Out of the above 50,000 shares have been extinguished subsequently on July 3, 2011.
4. Pursuant to the clarification provided by the Ministry of Corporate Affairs vide circular dated May 31, 2011 and based on the legal opinion obtained, the Group has provided for depreciation in respect of its Electricity business following the rates as well as methodology notified by the respective Electricity Regulators retrospectively w.e.f April 1, 2009 as against Schedule XIV to the Companies Act, 1956. Accordingly, depreciation of Rs. 226.62 crore for the years 2009-10 and 2010-11 has been written back during the quarter ended June 30, 2011 and has been included in other operating income, resulting in increase in profit before tax for the quarter ended June 30, 2011 to that extent. Similarly, the depreciation charge for the current quarter is lower and profit before tax is higher by Rs. 10.81 crore on account of such change.
5. Information on investor complaints pursuant to Clause 41 of the listing agreement for the quarter ended June 30, 2011: opening: Nil; additions: 07; disposals: 07; closing: Nil.
6. There were no exceptional / extraordinary items during the quarter ended June 30, 2011.
7. The Company has opted to publish consolidated financial results. Standalone financial results, for the quarter ended June 30, 2011 can be viewed on the websites of the Company, National Stock Exchange of India Limited and Bombay Stock Exchange Limited at www.rinfra.com, www.nseindia.com and www.bseindia.com respectively. Key standalone financial information is given below:

Particulars	(Rs. crore)		
	Quarter ended (Unaudited)		Year ended (Audited)
	June 30, 2011	June 30, 2010	March 31, 2011
Total Operating Income	3,660.71	2,189.00	9,482.29
Profit before Tax	679.49	295.70	1,135.05
Profit after Tax	430.49	246.25	1,080.91

8. The aforesaid financial results were reviewed by the Audit Committee of the Board at its meeting held on August 10, 2011 and subsequently approved by the Board of Directors on August 11, 2011.
9. Figures of the previous period / year have been regrouped / reclassified wherever considered necessary.

For and on behalf of the Board of Directors

Place: Mumbai
Date: August 11, 2011

Anil D. Ambani
Chairman