

Media Release**RNRL merger with RPower to take effect****RNRL fixes November 11, 2010
as the Record Date****Exchange ratio of 1 share of RPower
for every 4 shares of RNRL****RPower to have about 6 million shareholders,
the world's largest shareholding family**

Mumbai, October 29, 2010 : Reliance Power Limited (RPower) and Reliance Natural Resources Limited (RNRL) today filed with the Registrar of Companies, Maharashtra the copy of the Hon'ble High Court of Judicature at Bombay dated October 15, 2010 sanctioning the Scheme of Arrangement of RPower and RNRL and other group companies and their respective shareholders and creditors ('Scheme').

RNRL has fixed Thursday, November 11, 2010 as the record date for determining the entitlement to the equity shares to be issued and allotted by RPower in a share exchange ratio of 1 equity shares 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 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 shareholders base of RPower would increase from the present 35 lakh to about 60 lakh consequent to allotment of shares to the eligible shareholders of RNRL.

Reliance Power and its shareholders, including, *inter alia*, Reliance Natural Resources 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.

RELIANCE Power

Anil Dhirubhai Ambani Group

RELIANCE Natural Resources

Anil Dhirubhai Ambani Group

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

Reliance Power will have over 6 million shareholders, the world's largest shareholding family, upon completion of the deal.

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.

For further information please contact:

Gaurav Wahi – 09322904680

Nagraj Rao - 09323342576