Reliance Power Limited

Corporate Presentation

February 2014

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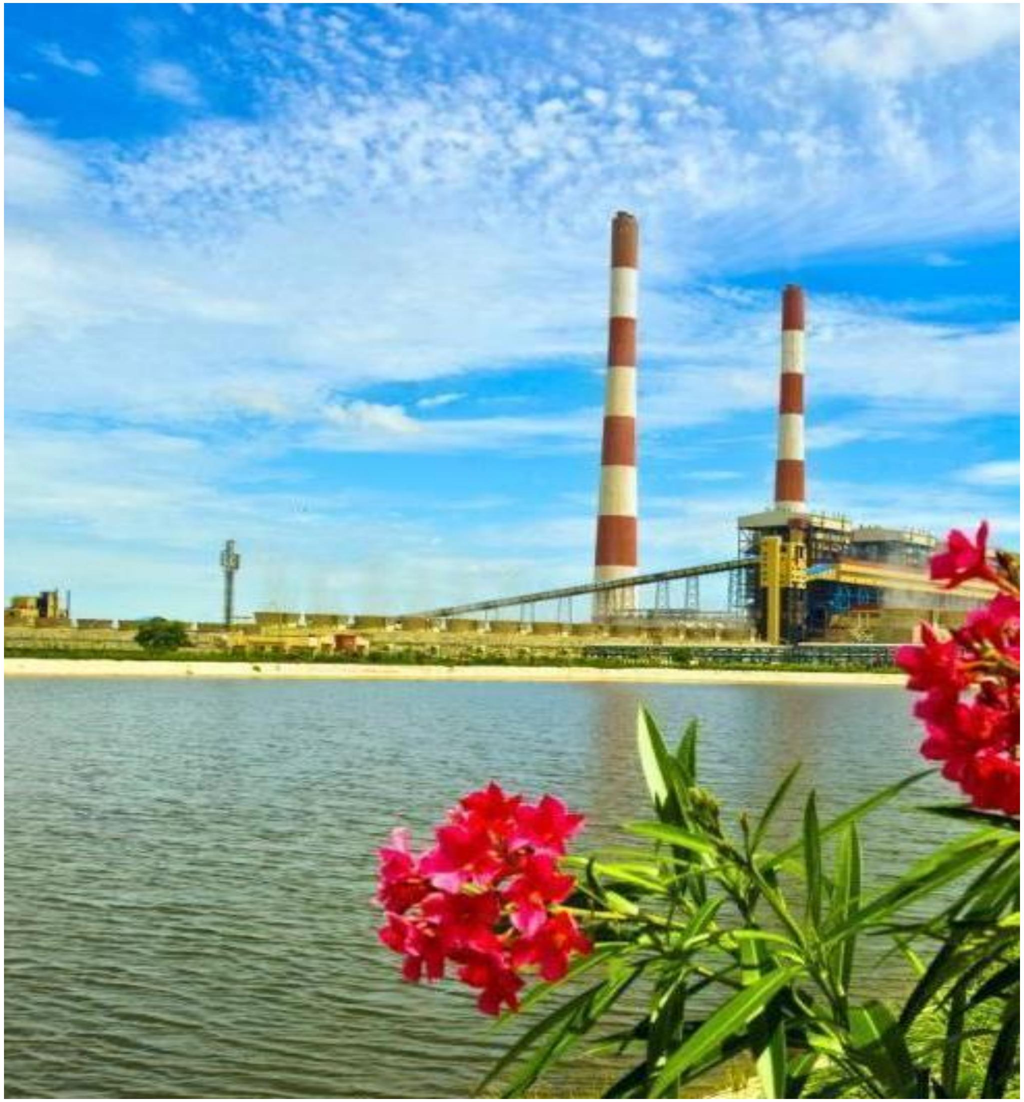


Section 1

Company Overview

Reliance Power: A Snapshot

- **One of India's leading power development companies**
- **Largest portfolio of power projects under construction and development in the private sector**
- **Largest coal reserves amongst private power generation companies**
- **Portfolio well diversified by fuel, fuel-source , geography and offtake**
- **Focus on environmentally friendly technologies**
- **Reliance Group's brand, experience and position in the Indian Power Sector**

RELIANCE

Power Generation

- 3,205 MW of operational capacity
- Over 20,000 MW under implementation
- Constructing India's largest gas-based power plant of 2,400 MW
- Won 3 of the 4 UMPPs awarded by GoI
- One of the largest capacities of renewable energy projects under construction in India

Resources

- 3 captive coal blocks in India with aggregate coal reserves of c. 2 bn tonnes
- Coal production started at Moher Mines (Sasan) - peak production 20 million tonnes per annum
- 3 coal concessions in Indonesia with estimated coal resources of c. 2 bn tonnes
- Planned peak coal production of 95 million tonnes
- 4 Coal Bed Methane (CBM) blocks

Section 2

Unique strengths

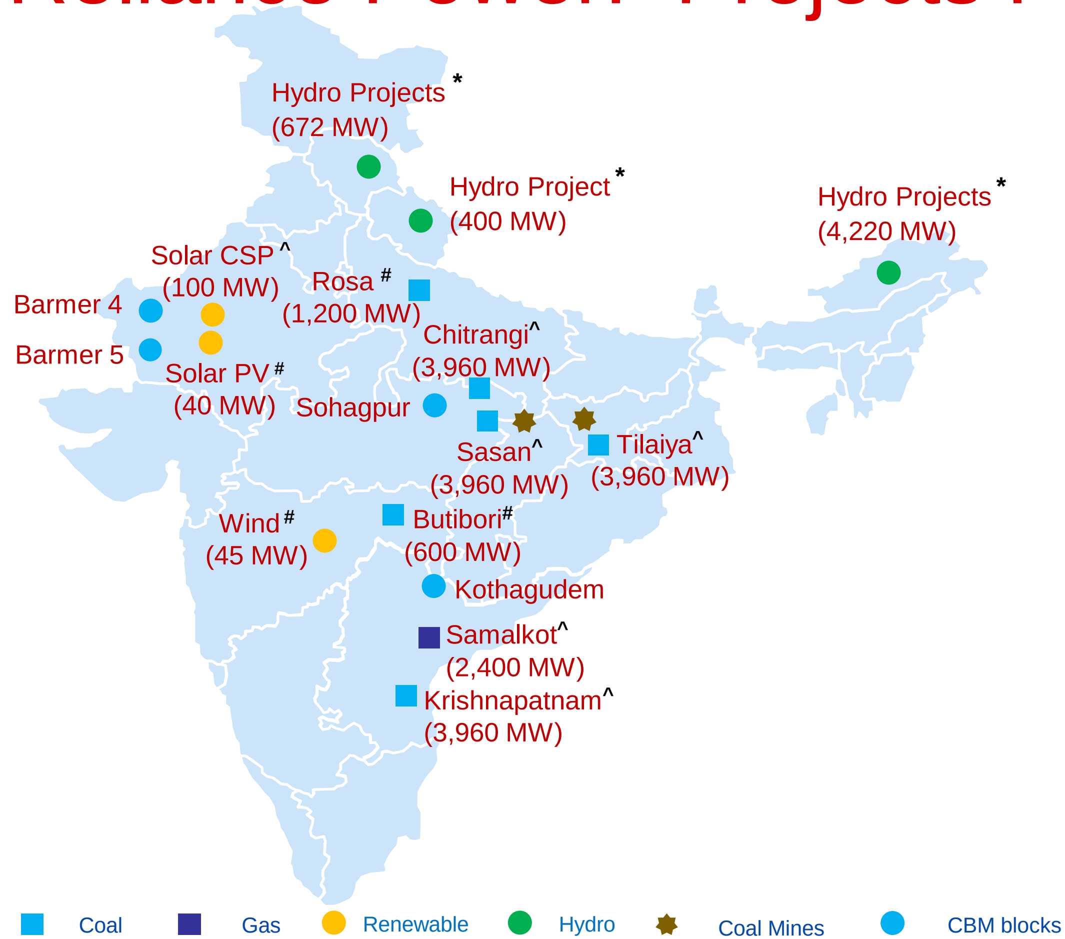
Reliance Power: Key Strengths

- Diversified generation portfolio
- Secured Fuel Supply
- Focus on Long Term Power Purchase Agreements
- Low cost of generation
- Creating new benchmarks

Reliance Power: Key Strengths

- **Diversified generation portfolio**
- **Secured Fuel Supply**
- **Focus on Long Term Power Purchase Agreements**
- **Low cost of generation**
- **Creating new benchmarks**

Reliance Power: Projects Portfolio



Operating Projects; ^ Projects Under Construction; * Projects Under Development

Power – Operation

Project	No.	Capacity (MW)
Coal based	3	3,120
Solar	1	40
Wind	1	45

Power – Implementation

Project	No.	Capacity (MW)
Coal based	4	14,520
Gas based	1	2,400
Solar	1	100

Power –Development

Project	No	Capacity (MW)
Hydroelectric	12	5,292
Coal based	1	~5,000

Resources

Asset	No	Resources
Coal blocks-India	3	~ 2 bn tonnes
Coal mine-Indonesia	3	~2 bn tonnes
CBM blocks	4	193.92 BCM

Generation portfolio is well diversified by fuel type, offtake and location

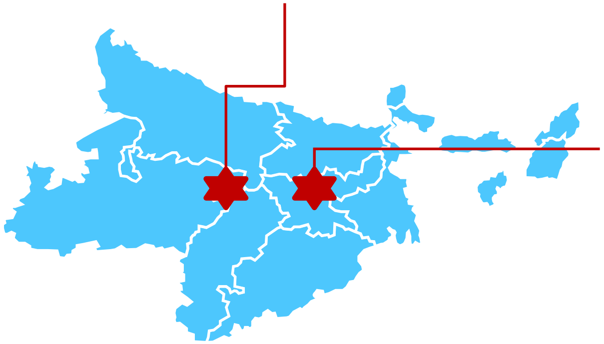
Reliance Power: Key Strengths

- Diversified generation portfolio
- **Secured Fuel Supply**
- Focus on Long Term Power Purchase Agreements
- Low cost of generation
- Creating new benchmarks

Secured Fuel Supply – Domestic coal

Projects	Sasan	Tilaiya
Coal block	Moher, Moher-Amlori extn, Chhatrasal	Kerandari BC
Location	Singrauli, Madhya Pradesh	Hazaribagh, Jharkhand
Resources (Million tonnes)	707	1,229
Peak Production (Million tonnes per annum, MTPA)	25	40

~2 bn tonnes of coal reserves within a range of 450 km

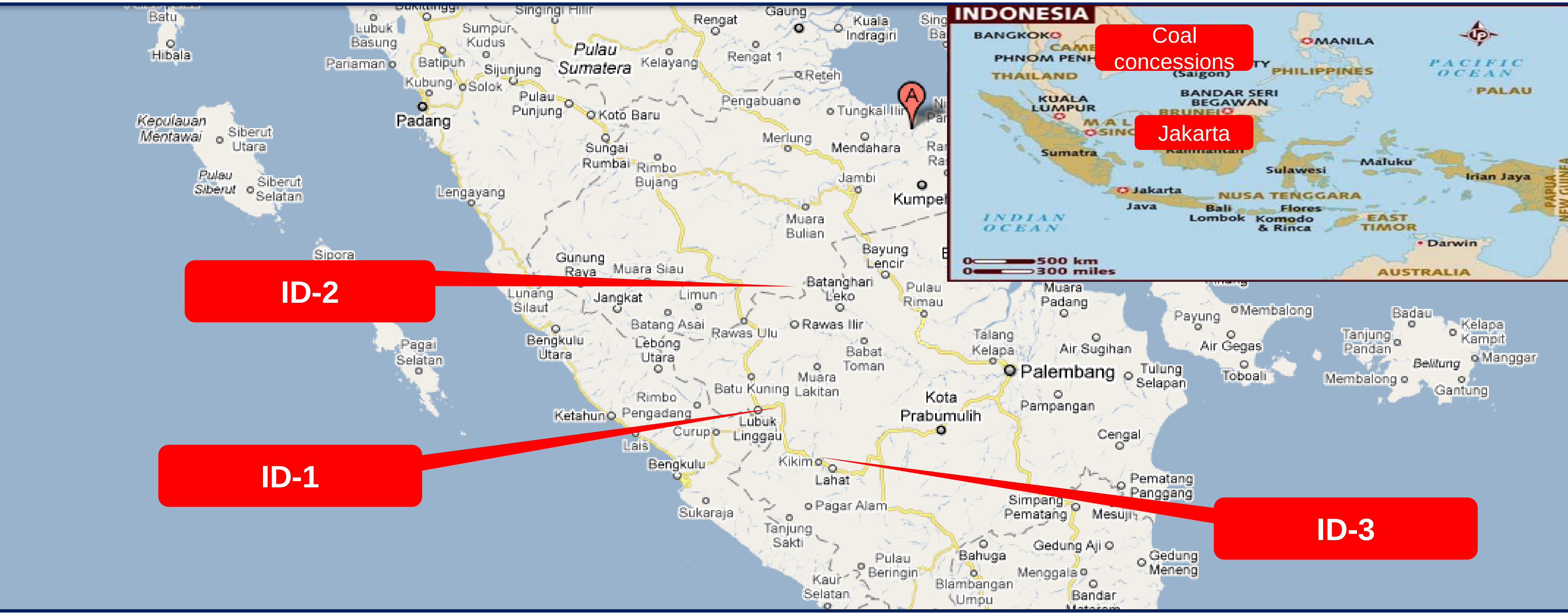


65 million tonnes of annual production can support 16,500 MW

Can support a capacity of 16,500 MW; production started in Moher

Secured Fuel Supply – Imported coal (Indonesia)

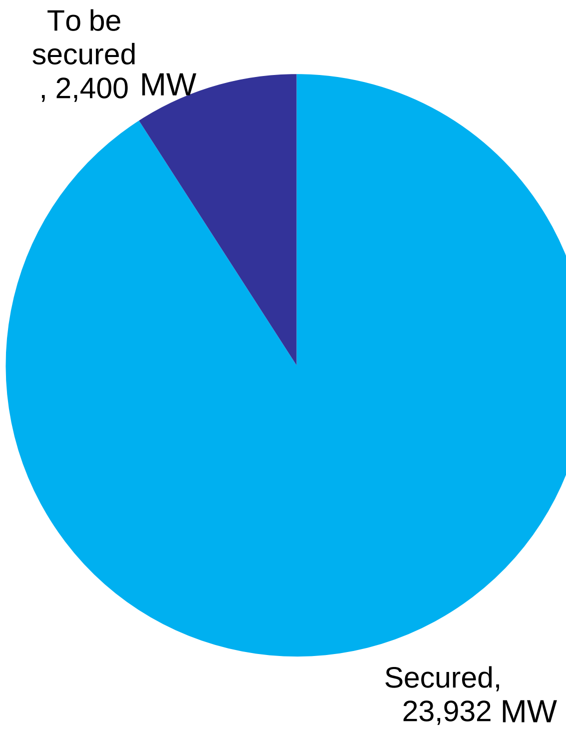
~2 bn tonnes of coal resources in South Sumatra, Indonesia



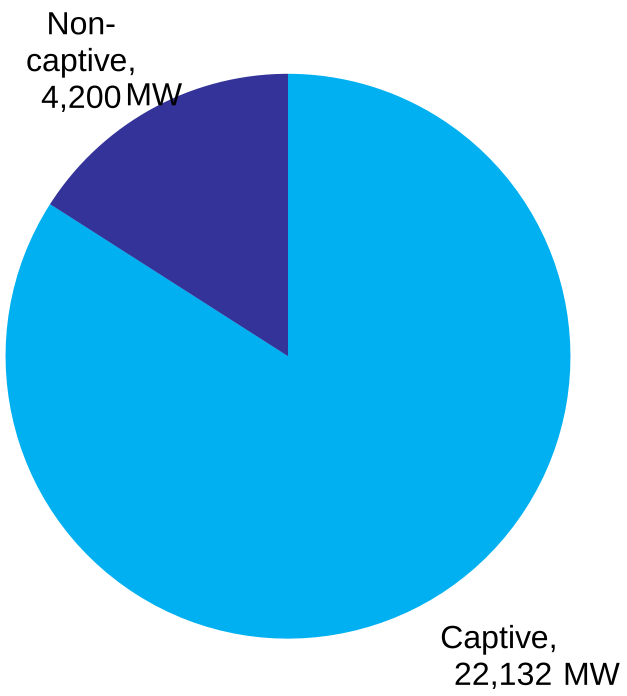
Annual production target of 30 million tonnes

Can support a capacity of 8,000 MW; production to start in FY14

Fuel Security - Portfolio



Fuel secure for all projects other than Samalkot



Captive fuel for all projects other than Rosa, Butibori, Samalkot

Fuel secured for 91% capacity, captive fuel for 84% capacity

Reliance Power: Key Strengths

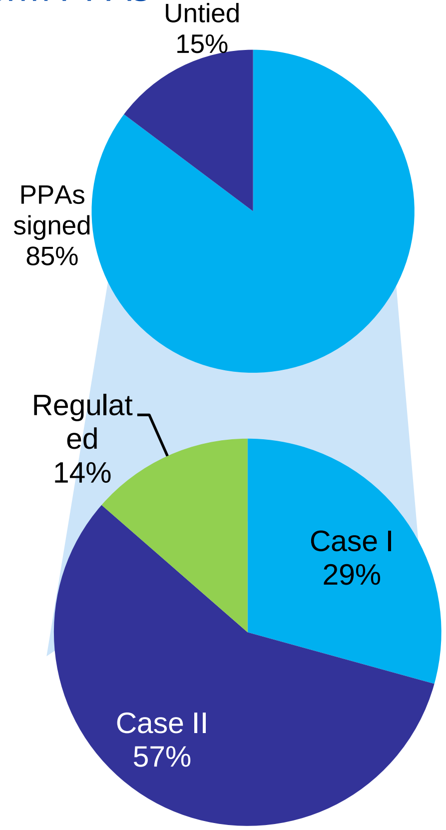
- Diversified generation portfolio
- Secured Fuel Supply
- **Focus on Long Term Power Purchase Agreements**
- Low cost of generation
- Creating new benchmarks

Focus on Long-Term Power Purchase Agreements (PPAs)

85% of generation capacity Under Operation and Construction is tied-up through long term PPAs

Project	Capacity (MW)
PPAs signed	13,865
Untied Capacity	2,400

Off Take Arrangement by type (MW)		
Case 1	Case 2	Regulated
4,060	7,920	1,885



Long-term PPAs to provide secured revenue and cash flow streams

Reliance Power: Key Strengths

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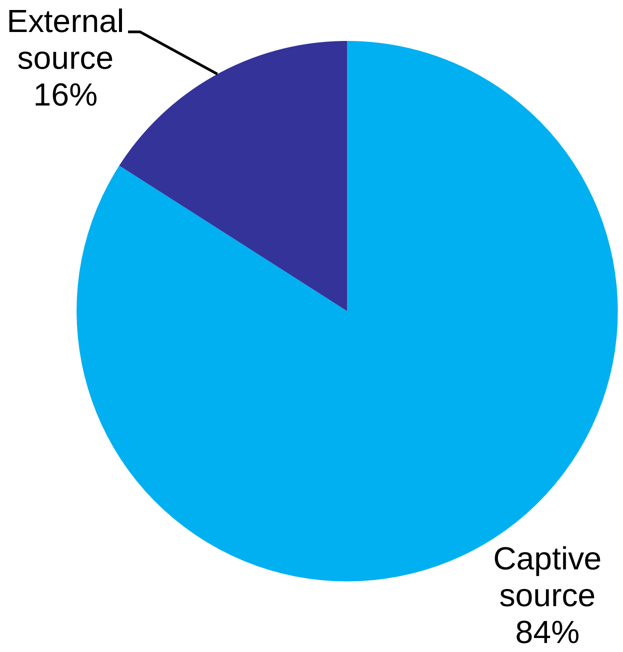
- **Low cost of generation**
- Creating new benchmarks

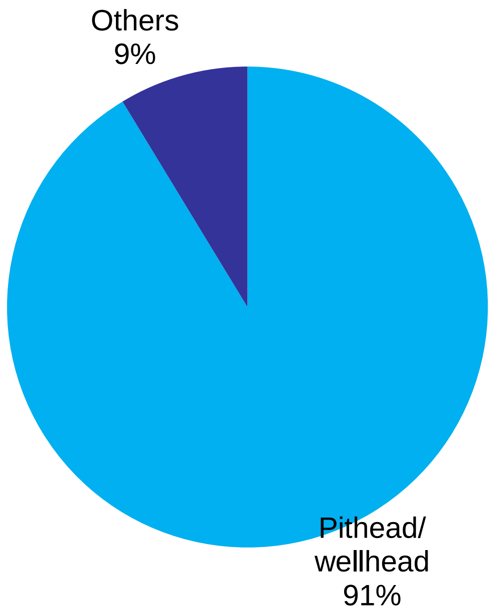
Low Cost of Generation

Low dependence on external sources



No dependence on external sources other than for Rosa, Butibori & Samalkot

Majority capacity located at pit-head/well-head



All projects other than Rosa & Butibori located at pithead/ well head

Captive and pit-head/well-head source ensure control over costs

Low Cost of Generation

Standardized equipment / processes

High repeatability

Efficient operations

Low operations and maintenance cost

Standardized equipment lead to high efficiency & lower operating costs

Low Cost of Generation

Captive Fuel Sources	Low fuel cost
Pithead / Wellhead Project Locations	Low fuel transportation cost
Standardization of equipment	Low O&M expense
Strategic tie-ups with equipment vendors	Low lifecycle cost
Access to ECB Funding	Low financing cost, diversification of funding sources

Low cost of generation

Low cost of generation to act as a significant competitive advantage

Reliance Power: Key Strengths

- Diversified generation portfolio
- Secured Fuel Supply
- Focus on Long Term Power Purchase Agreements
- Low cost of generation
- **Creating new benchmarks**

Benchmarks in Power plant development

Rosa I: 600 MW	• Commissioned 3 months ahead of schedule
Rosa II: 600 MW	• Commissioned 4 months ahead of schedule
Solar PV: 40 MW	• Constructed in record time of 129 days
Samalkot: 2,400 MW	• Gas turbines ready for commissioning in just 15 months
Butibori: 600 MW	• First unit synchronized in just 21 months
Sasan: 3,960 MW	• Units commissioned ahead of PPA schedule

Constantly implementing projects ahead of schedule

Benchmarks in Coal mine development

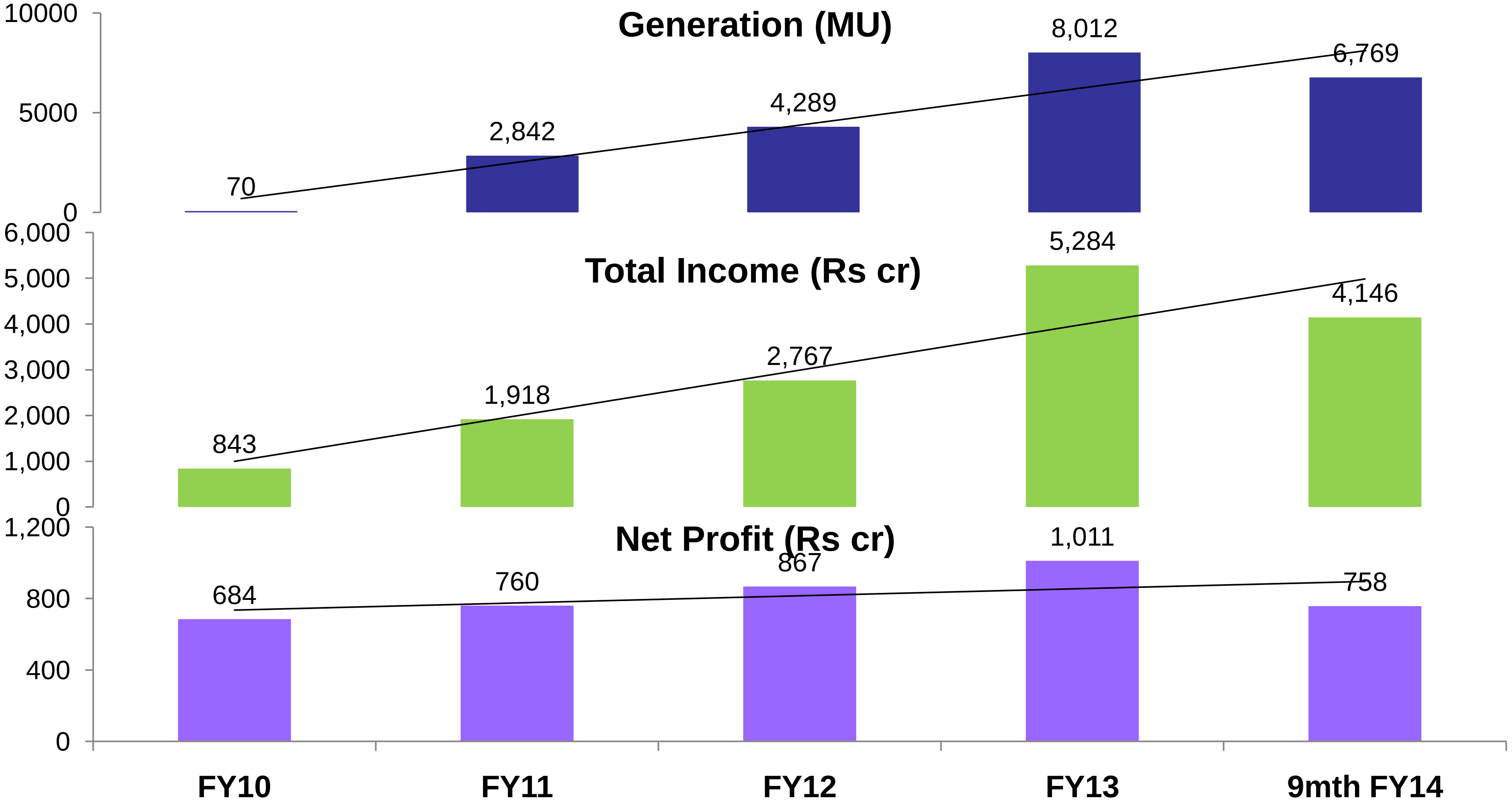
	Reliance Approach	Standard Mining Approach in India
Planning	Adopting global norms	Conservative norms
Technology	Innovative and globally advanced technology	Domestically tried and tested technology
Size of equipment	Largest eqpt. Dragline : 61 m^3 Shovel :42 m^3 Dumper : 240 ton	Smaller eqpt. (majority) Dragline : 24 m^3 Shovel :10 m^3 Dumper : 85 ton
CAPEX Decision	Driven by life-cycle analysis	Driven by initial capex minimization
Ramp-up period	Peak capacity in 5/7 years	Peak capacity in 10-20 yrs

Coal mine efficiency to be in line with global standards

Section 3

Operational and Financial Performance

Operational and Financial Performance*



*Excludes performance of Sasan UMPP

Over 8 billion units generated in FY13; net profit of over Rs 1,000 crore

Highlights of 9mth FY2013-14

Rosa
- 96% Availability, 79% PLF

Solar PV
- Record generation of 55 million units, average PLF 21%

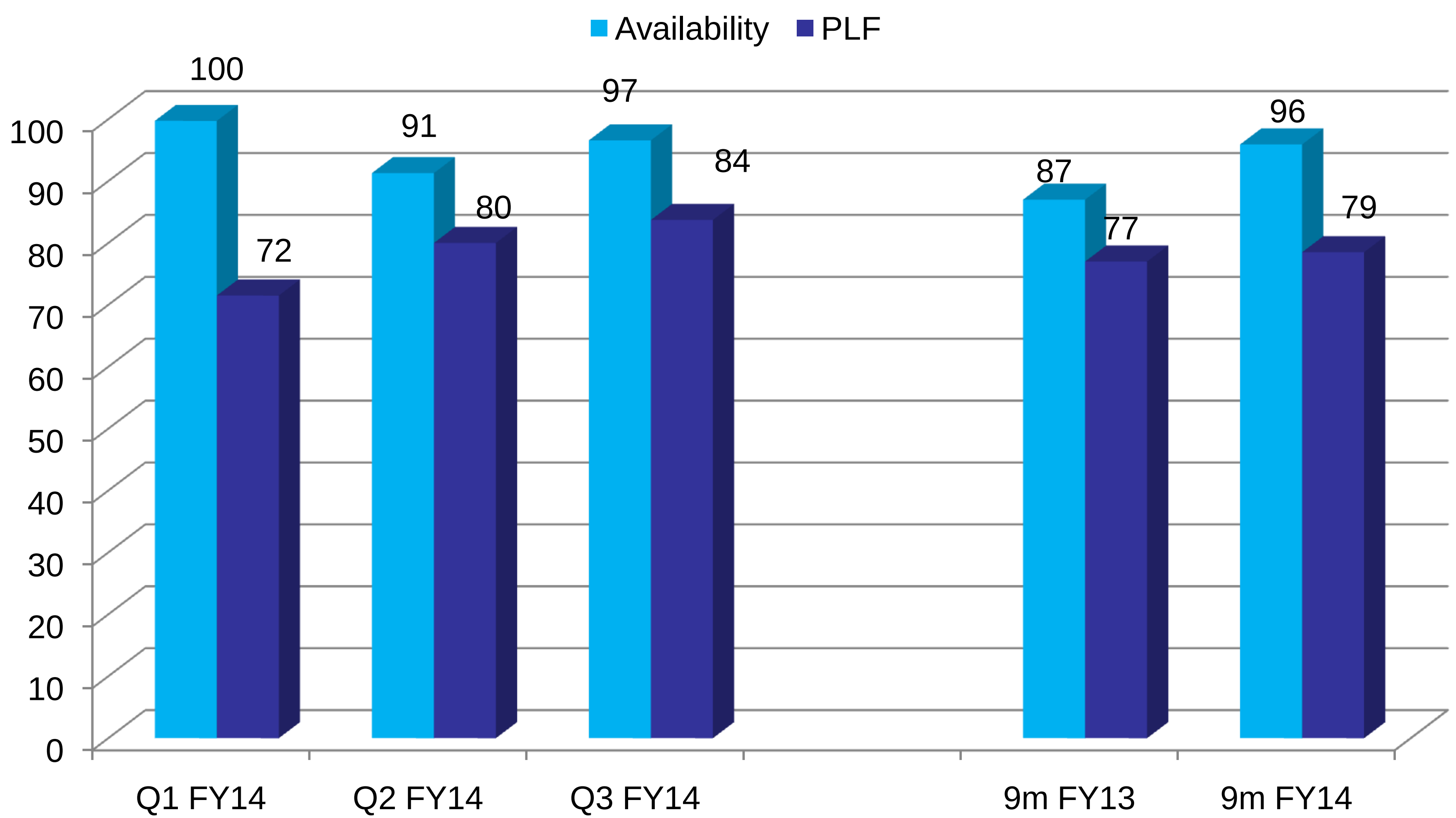
Butibori
- One unit declared commercial (4th April 2013)
- Started supplying power through own generation

Sasan
- Second unit commissioned
- Steam blowing completed for 3rd unit

Section 4

Performance of operating plants

1,200 MW Rosa: Operating Performance

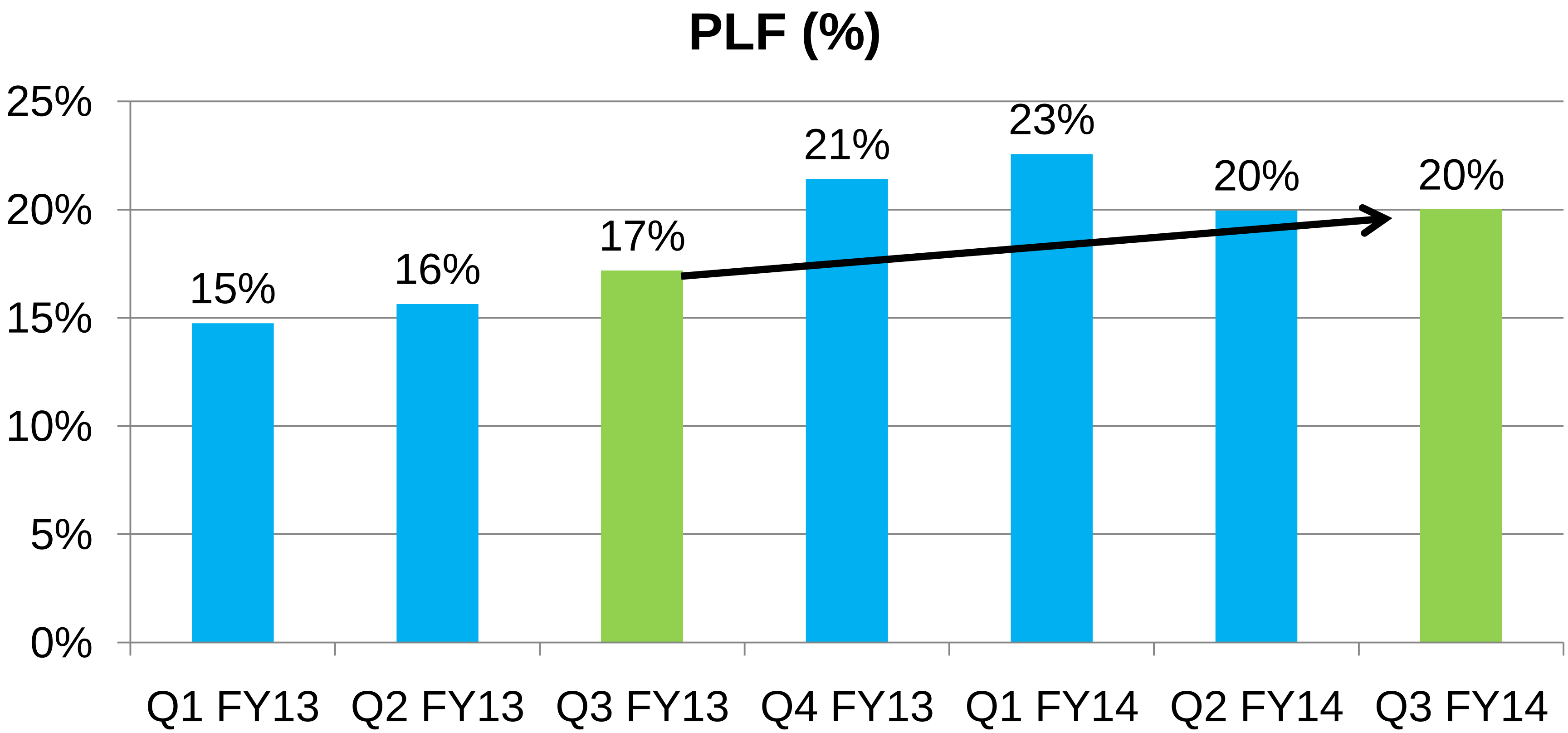


Robust performance on a continuous basis

1,200 MW Rosa: Meritorious Award from MoP

Rosa received 2 awards from MoP for meritorious performance:
Unit-4 : Gold Shield ; Unit-3 : Silver Shield

40 MW Solar PV: Operational Performance



Continuous increase in generation

45 MW Vashpet Wind: Performance

	Jul-Dec'13
PLF (%)	22
Units generated (MU)	22
Revenue (Rs cr)	26
PAT (Rs cr)	6

33% PLF in first full quarter of operation; COD on 30th June 2013

Section 5

Projects under implementation

600 MW Butibori, Maharashtra

- Both units ready for generation
- Currently supplying power to RInfra through medium term PPA (till March 2014)
- Signed long term PPA with RInfra for sale of entire capacity at regulated tariff from April 2014 – provisional tariff approval received from regulator (MERC)
- FSA's expected to be signed shortly

To have long term power supply tie-up from next year

3,960 MW Sasan UMPP, MP

- First unit commissioned in March 2013
- Second unit commissioned in January 2014

- Coal production from Moher Mines started in September 2012
- Sufficient coal stock at plant for smooth operations

- All major coal mining equipment deployed at site
- Dragline assembly in progress

- All subsequent units expected to be commissioned on schedule

2 units commissioned. All units expected by Jun-14

2,400 MW Samalkot, Andhra Pradesh

- Four gas turbines ready for generation

- Combined cycle commissioning to be based on gas availability

- Applied to PFC and REC for total loan amount of Rs 4,700 Cr.
- Due diligence in process

- Sustained advocacy efforts for gas allocation and equitable treatment of all gas based projects

100 MW Solar CSP, Rajasthan

PPA	• Signed with NVVN at a levelized tariff of Rs 11.97/unit
EPC	• Signed with R-Infra • AREVA to provide Solar Field technology supply
Financing	• Financial closure achieved with involvement of US Exim, ADB, FMO and others
Construction	• Construction at site in full swing

To be commissioned by the end of this financial year

3,960 MW Chitrangi, MP

Land	• Entire govt. land under possession • Entire private land awarded, mutation and diversion completed
Water	• CWC clearance for water from Gopad received
Construction	• Site leveling completed • Main plant civil work ready to commence
Coal	• Awaiting Stage II forest clearance for Chhatrasal

To commence construction after forest clearance of Chhatrasal mines

3,960 MW Krishnapatnam UMPP, Andhra Pradesh

- Changes in coal regulations by Govt. of Indonesia has impacted viability of the project
- Company raised dispute with procurers under the PPA. However, the procurers sent a notice for termination of the PPA.
- Hearing in Division Bench of Delhi High Court in progress against issuance of the termination notice
- Also filed petition before CERC and Indian Council of Arbitration for adjudication of issues concerning the PPA

Hopeful of positive resolution based on CERC orders on similar cases

3,960 MW Tilaiya UMPP, Jharkhand: Highlights

Land	• Private land (186 acres): Ownership Transferred • Forest land (1220 acres): Stage II Forest Clearance received. Final handover expected shortly • Govt. land (167 acres): Final approval expected shortly
R&R	• R&R survey complete , R&R plan submitted to district administration
CSR	• Medical camps, Hand pump installation, Blanket distribution taken up • NGOs identified and SHGs being formed for livelihood generation
Financing	• Escrow Assessment study completed; ESIA/ESMP to meet IFC Performance Standards prepared • Discussion with overseas & domestic banks in progress

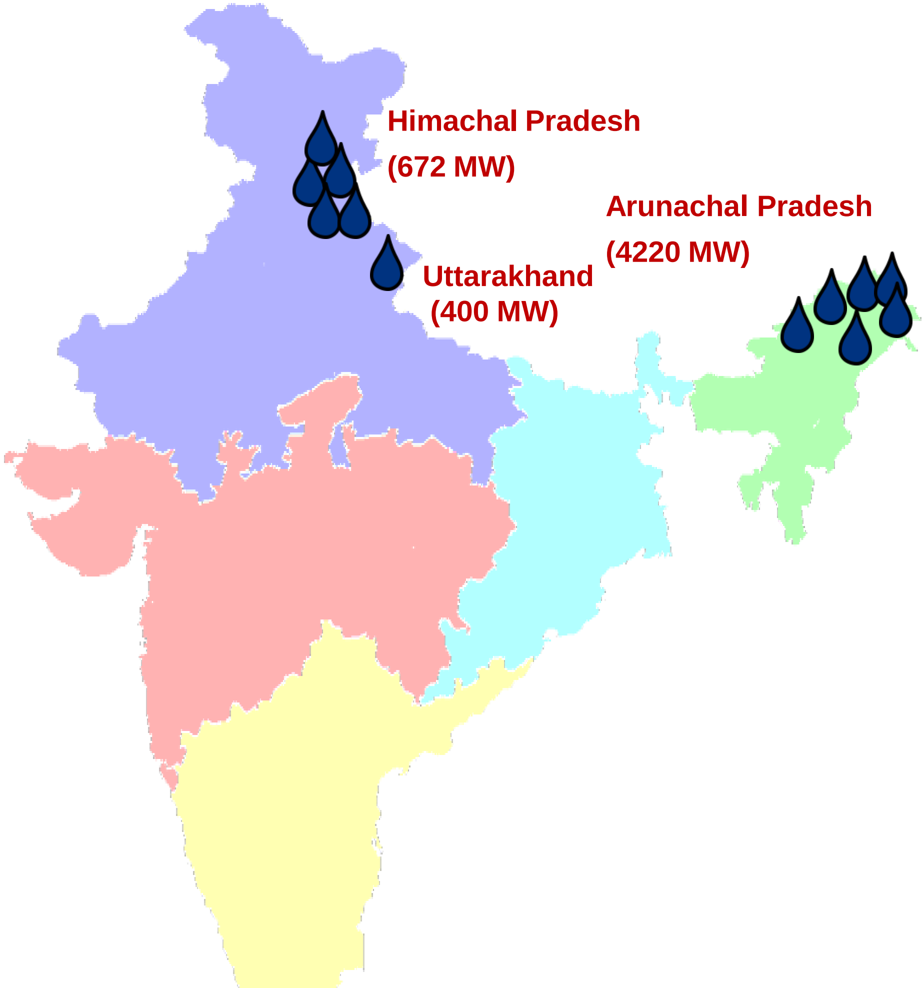
Have filed petition with CERC for tariff adjustment

Tilaiya Coal Mines, Jharkhand: Highlights

Land	• Application for Section 4 notification under approval at State revenue dept. • Forest Diversion proposal under approval at State Forest Department
R&R	• Socio-economic survey completed • LA proposal for 988 acres of land for R&R colony with State Revenue Dept. for issuance of Section 4
EC & FC	• EIA/EMP submitted to MoEF; public hearing conducted in May 2012 • Stage-I Forest Clearance being processed for recommendation by State Govt.
Coal Mining	• Mining lease application with State Mining Dept. for prior approval to GoI • NIT issued for major equipments; Discussions with OEMs in progress

CCI has clarified that Compensatory Afforestation not required for FC

5,292 MW Hydro Portfolio



Project	Location	Capacity (MW)
Tato II	Arunachal Pradesh	700
Siyom	Arunachal Pradesh	1,000
Kalai II	Arunachal Pradesh	1,200
Urthing Sobla	Uttarakhand	400
Emini	Arunachal Pradesh	500
Amulin	Arunachal Pradesh	420
Mihundon	Arunachal Pradesh	400
Purthi	Himachal Pradesh	300
Teling	Himachal Pradesh	94
Shangling	Himachal Pradesh	44
Sumte Kothang	Himachal Pradesh	130
Lara Sumta	Himachal Pradesh	104
		5,292

Development activities in progress for each project

700 MW Tato-II, Arunachal Pradesh: Status Update

Land	• Award for entire project land (786 acres) pronounced by State Govt. • R&R Plan submitted to GoAP for approval & implementation
Techno-Economic Clearance	• Techno-economic clearance obtained from CEA
Environmental Clearance	• Environmental clearance and Consent to establish obtained
Power Sale	• UPPCL has accorded in-principle approval for purchase of power on long term basis through regulatory route in UP

Project at advanced stage of development

Indonesian Coal: Highlights

- 51,000 m of drilling completed in all 3 concessions
- JORC Resources and Reserves certified by Marston, USA
- All major clearances obtained
- Under discussions with consumers/traders for sale of coal

Coal production to start in FY15

Sohagpur CBM Block : Current Status

- 12 Core Holes and 2 Test Wells drilled against Minimum Work Program of 8 core holes & 2 test wells in Phase-I
- Reserve certification by NSAI of USA completed in Dec 13
- Value of reserves of works out to be ~US$ 1.7 Billion at gas price of 8.4 $/MMBTU to be recovered in 20 years with plateau peak production of 10 years
- Cumulative Gas Produced > 1 lakh m3 in one well & ~ 0.5 lakh in second well

Gas Flaring

12th Sept 2013 : Well SPNT-1A

Commercial production of gas targeted by 2016

Thank You