

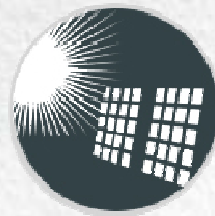
Lanco Infratech



EPC



POWER



SOLAR



NATURAL
RESOURCES



INFRASTRUCTURE

Investor Presentation

LANCO

Agenda

- 1 Company Overview
- 2 Industry Overview
- 3 Power Business
- 4 EPC Business
- 5 Solar Business
- 6 Natural Resource Business
- 7 Infrastructure Business
- 8 Property Development Business
- 9 Financials
- 10 Experienced Management Team

1. Mission, Vision and Values

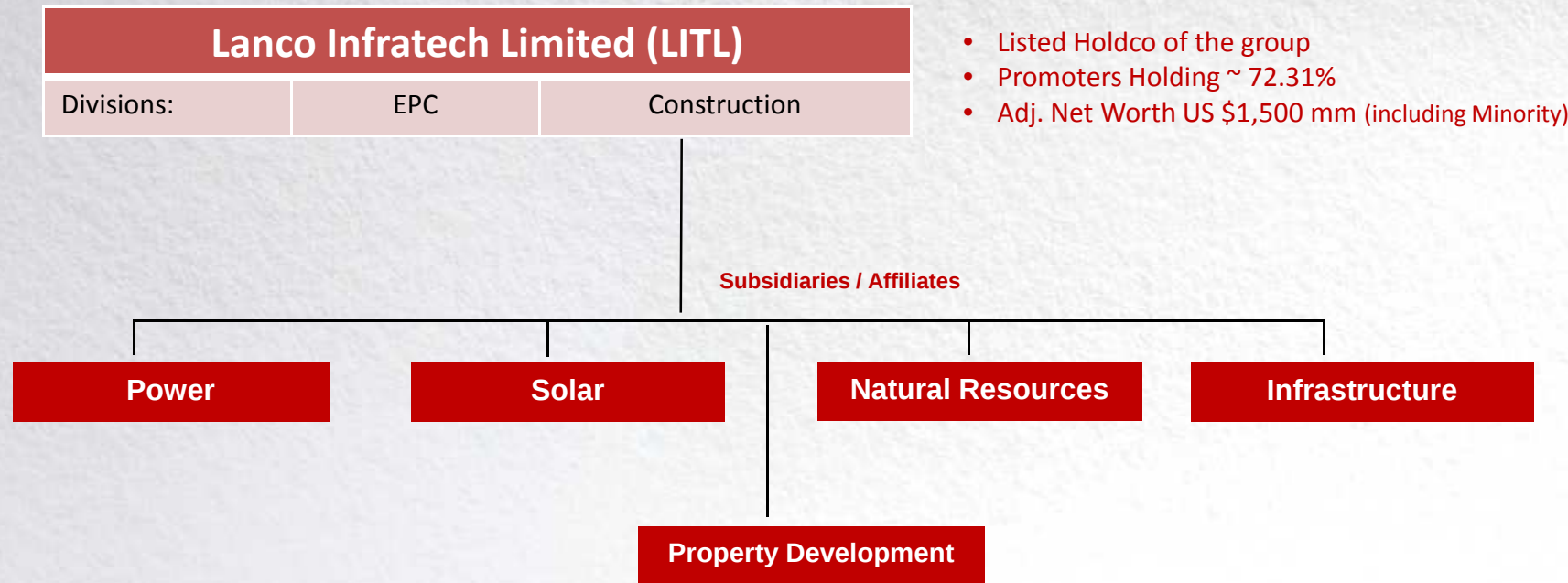
Mission: Development of Society through
Leadership, Entrepreneurship, Ownership

Vision: Most Admired Integrated Infrastructure Enterprise

Values:



1. India's largest Integrated Power Developer

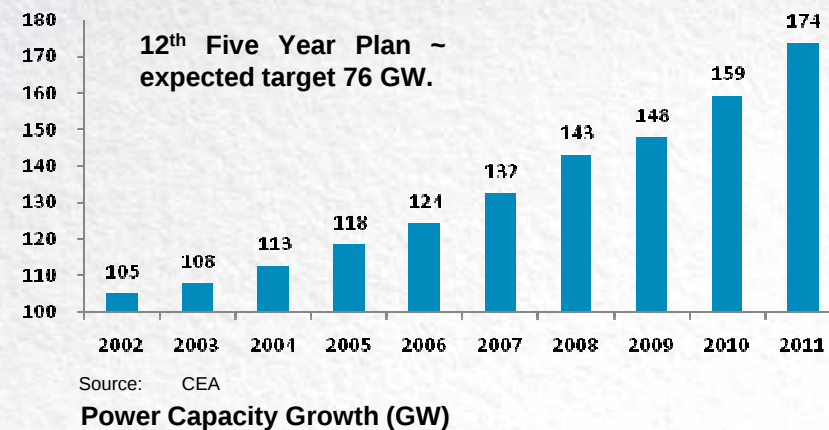
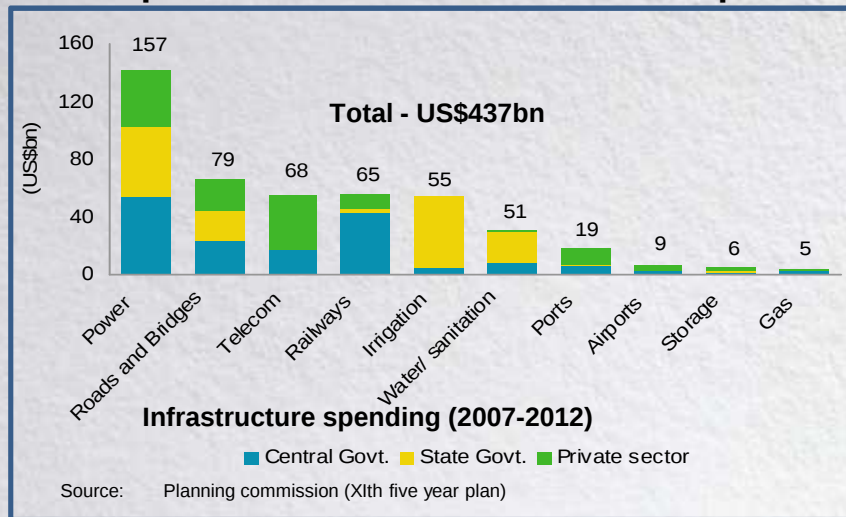


- Listed Holdco of the group
- Promoters Holding ~ 72.31%
- Adj. Net Worth US \$1,500 mm (including Minority)

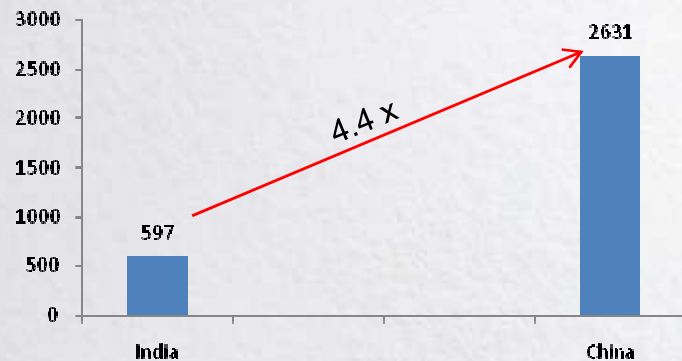
- All businesses of the group are under LITL
- Total Employee Strength of 8,400+ out of which 520 are based abroad
- Power projects of 9,368 MW in 12 states of India (4,480 MW under operation & 4,888 under construction)

2. Strong Push to Drive Infrastructure Growth

Expenditure on Infrastructure is required to keep growth momentum of Indian economy



In BRIC countries, India's per capita consumption lowest. China's per capita consumption of power is 4.4x of India.

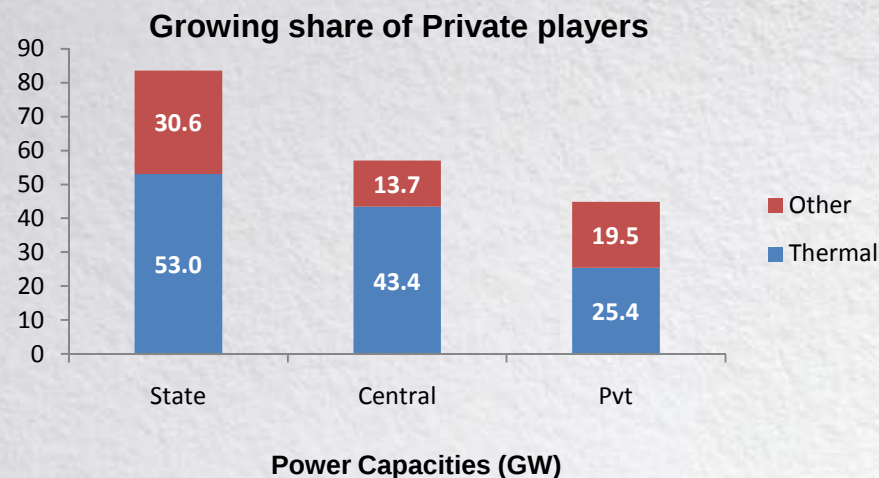


Source: World Bank Data 2009, (<http://data.worldbank.org/indicator/EG.USE.ELEC.KH.PC>)

Per capita consumption of electricity

In order to achieve 9% growth, India should attain 8.1% growth in total power sector.

2. Power Scenario in India

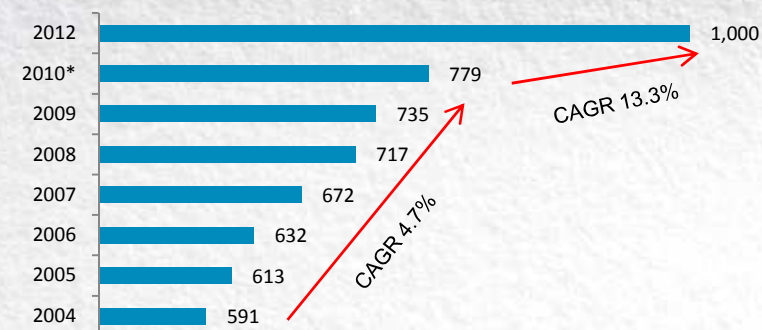


Source: CEA

Recent Policy Initiatives:

1. Policy push towards regular tariff increase by DISCOMs ~ most DISCOMs hiking tariffs
2. Initiative by Prime Ministers Office to Solve issues in Power Sector - Signing coal supply with 80% trigger
3. Modification to Case I bidding – Under Preparation.

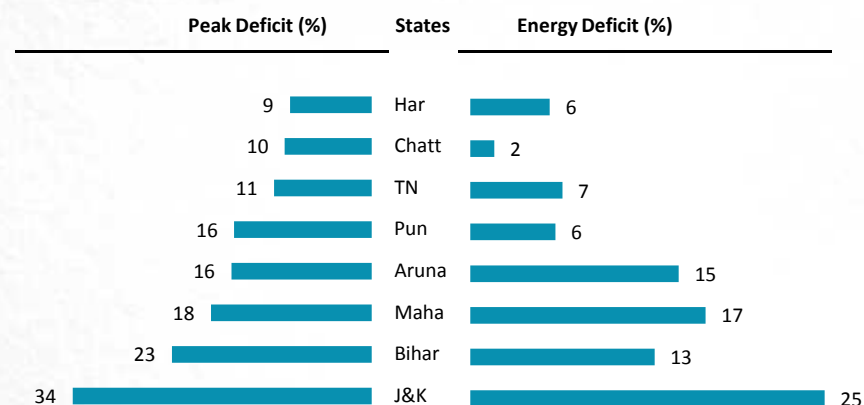
Per capita consumption of electricity ~ growing at a faster rate



Per Capita Consumption Growth (Units)

* Provisional Source: CEA

Power Deficit (2011)



Source: CEA

3. Project Status Update

Power Projects under Operation

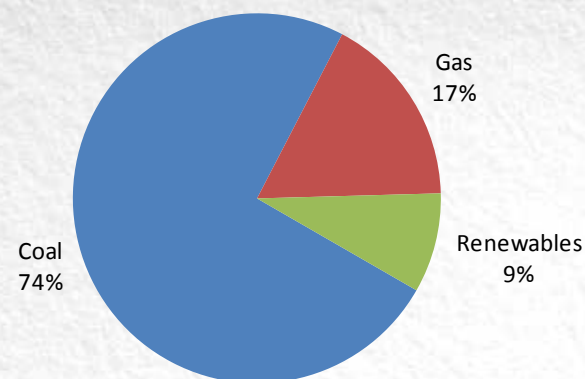
Plant	Fuel	Capacity (MW)	Offtake
Udupi*	Imported Coal	1,200	PPA
Anpara	Coal	1,200	PPA
Kondapalli I	Gas	368	PPA
Kondapalli II	Gas	366	Short Term
Kondapalli III*	Gas	480	Short Term
Amarkantak I	Coal	300	Short Term
Amarkantak II	Coal	300	PPA
Tanjore	Gas	120	PPA
Budhil	Hydro	70	Short Term
Other Renewable	Wind, Solar, Hydro	76	PPA
Total		4,480	

* Udupi Unit II (600 MW) and kondapalli III (480 MW) are getting ready for operations.

Power Projects under Construction

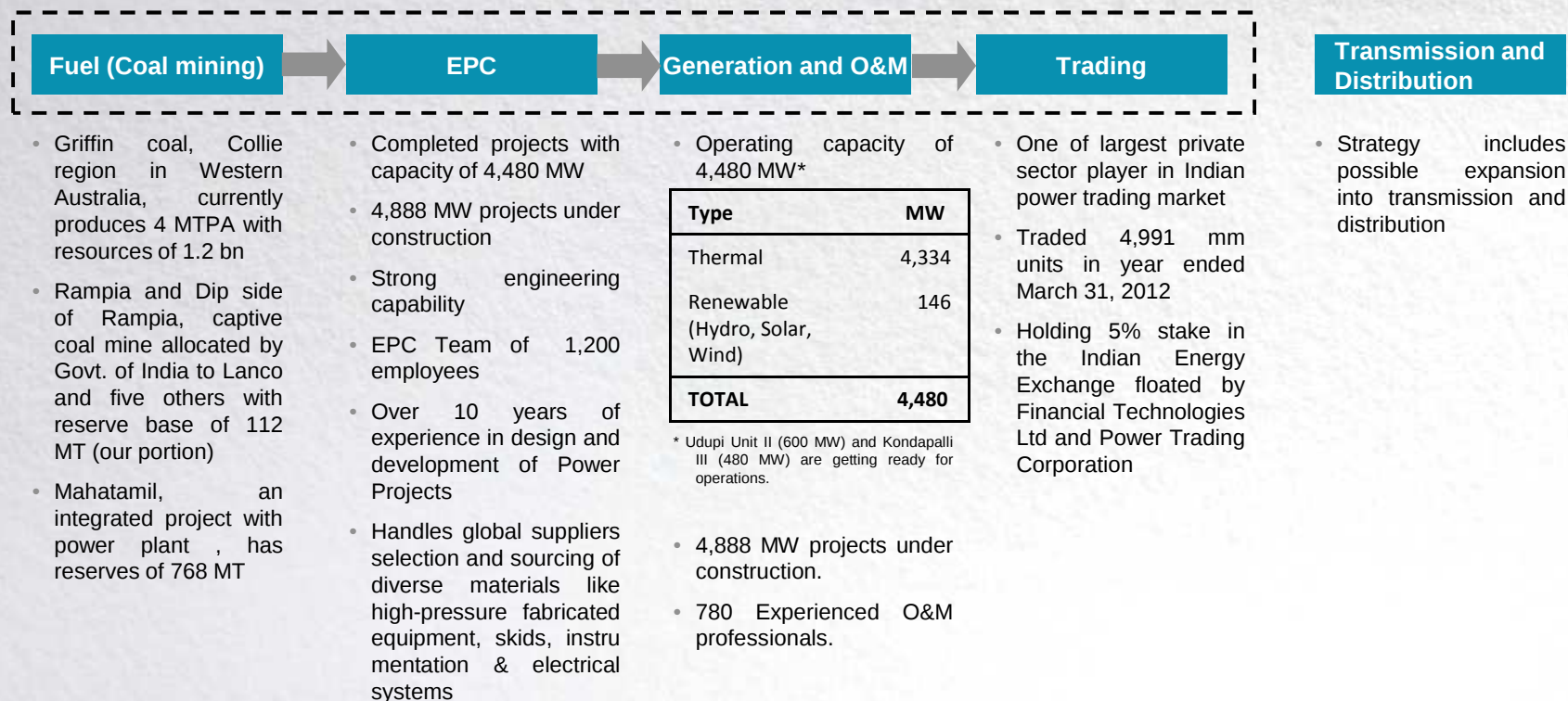
Plant	Fuel	Financial closure	Capacity (MW)	offtake	Estimated completion	Current status
Kondapalli – III Combined Cycle	Gas	Y	252	Open	FY 13	Commissioning of Combined Cycle under progress
Lanco Uttaranchal	Hydro	Y	76	Short Term	FY 14	65% work completed
Teesta	Hydro	Y	500	PPA	FY 15	45% work completed
Amarkantak III & IV	Coal	Y	1,320	Part PPA	FY 14	Boiler parts Erection in progress
Vidarbha	Coal	Y	1,320	Part PPA	FY 14	TG deck of unit 1 completed.
Babandh	Coal (Partly Owned)	Y	1,320	Part PPA	FY 14	TG deck casting completed.
Solar	Solar	Y	100	PPA	FY 14	Various Stages
Total			4,888			

Fuel Diversification



3. Presence Across Value Chain De-risking the Business

Integrated presence across value chain capturing value addition across the businesses



Power projects of 9,368 MW in 12 states of India (4,480 MW under operation & 4,888 under construction)

4. In-house EPC Enhances Margins

EPC

Employee strength 1,200

EPC order book of USD 6.14 billion as on Mar'12

Major EPC / Construction order executed

Kondapalli	1,214 MW
Udupi	1,200 MW
Anpara	1,200 MW
Amarkantak (I & II)	600 MW
Tanjore Power	120 MW
Budhil	70 MW

New External orders received

EPC of Moser Baer Thermal Power Plant (600 MW x 2)

BoP of Koradi Thermal Power (3 x 660 MW)

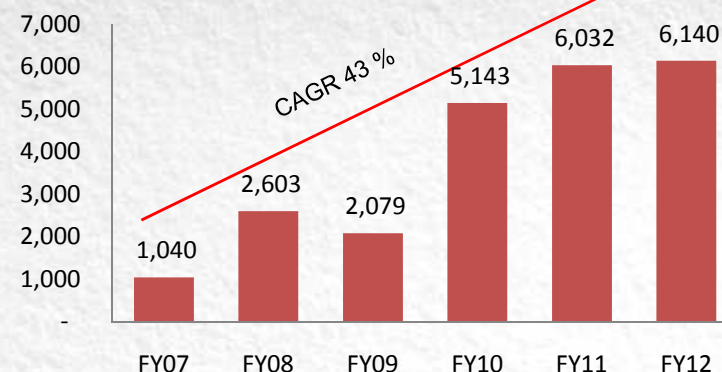
EPC of 250 MW Gas based Power plant in Iraq

Construction

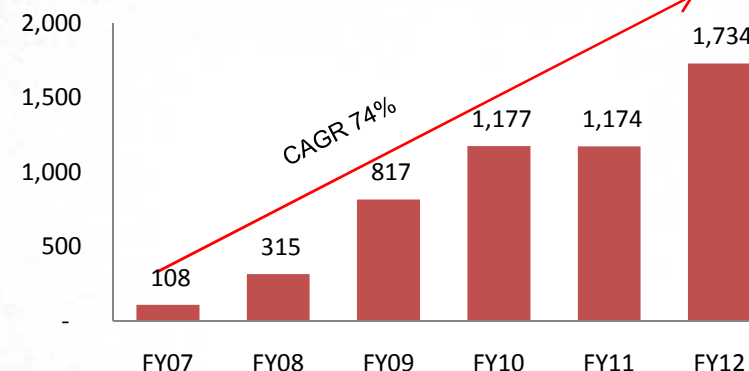
Employee strength 2,300

Executing a wide range of projects spanning Thermal Power Plants, Hydro Power Plants, Highways, Airports, Industrial Structures, Transmission and Distribution, Chimneys and Cooling Towers, Water Infrastructure and Heavy Civil Structures.

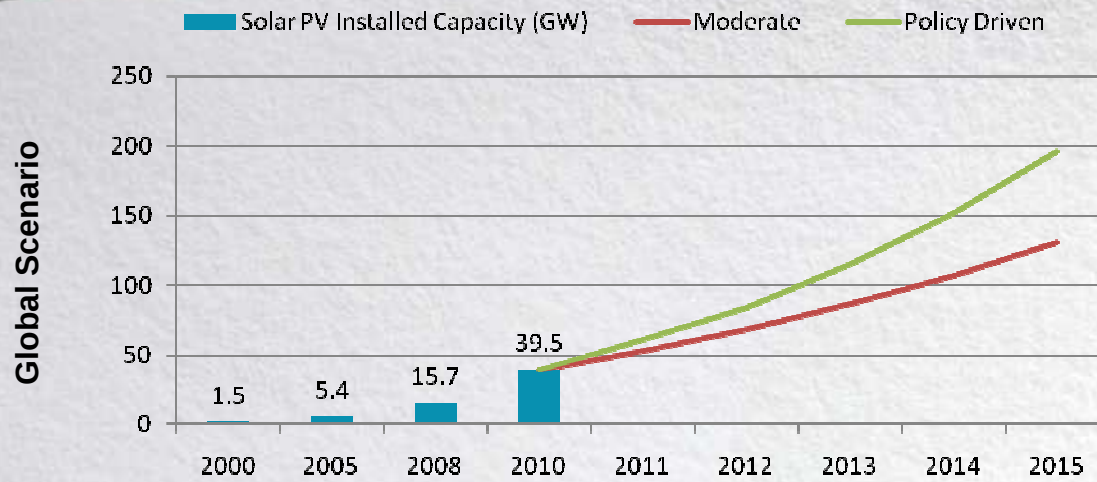
Order Book (USD Mn)



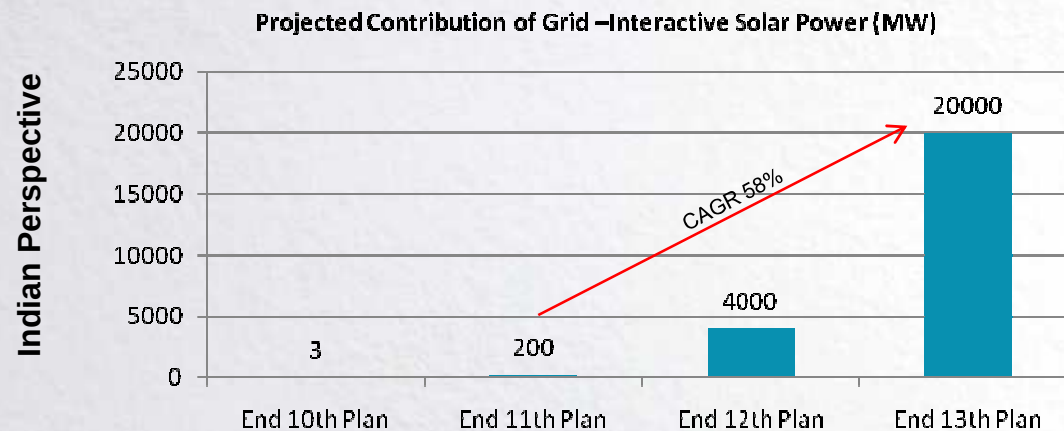
Revenue (USD Mn)



5. Solar Scenario



Source: EPIA – Global Market Outlook for PV Until 2015



Source: MNRE - Renewable Energy in India: Progress, Vision and Strategy

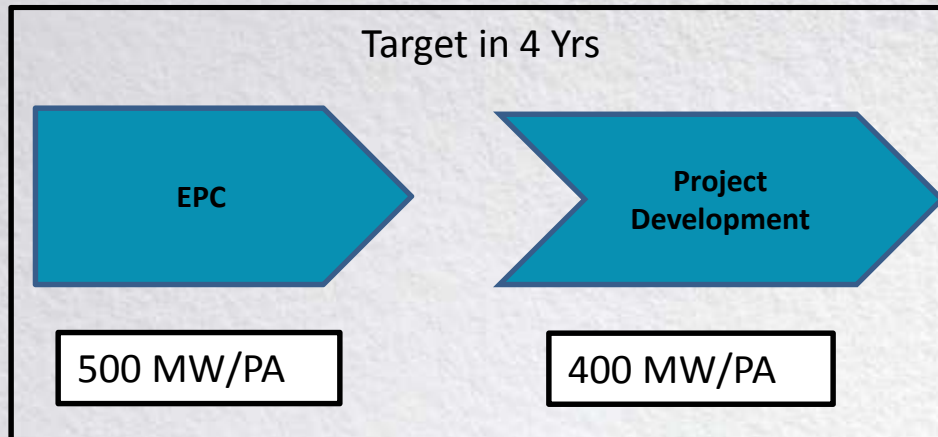
- ❖ Addition of capacities:
 - ❖ 2009 – 7.2 GW
 - ❖ 2010 – 16.6 GW
- ❖ Price decreases that have brought PV close to grid parity in several countries have encouraged new investors
- ❖ Expected Growth in the market 3.3-4.8x of current capacity by 2015

- ❖ Under the MNRE policy:
 - ❖ New grid projects through NVVN
 - ❖ Small grid projects through IREDA
 - ❖ Off-grid solar

- ❖ MNRE - Phase I
 - ❖ Batch I 620 MW
 - ❖ Batch II 350 MW
- ❖ Gujarat 365 MW
- ❖ Rajasthan 200 MW

- ❖ RPO requirement

5. Fully Integrated Strategy enables lowest Rs/kWh

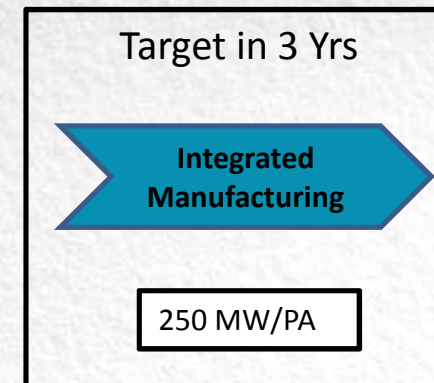


Aim to be a Global player, as a developer and a third party EPC player.

Current **Solar EPC Order Book USD \$ 834mn** (included in EPC order book)

Current Solar farm development portfolio – 143 MW (Operating 43 MW and Under Construction 100 MW)

Policy	Capacity (MW)	Tariff- Rs/Unit	Project Cost (USD mm)	PPA Duration (Yrs)
Solar PV Farm				
Gujarat Policy	35	Rs 15 for 12 yrs, Rs 5 for next 13 Yrs	125	25
JNNSM	5	11.5	18	25
RPSSGP	1	16.5	4	25
Solar Thermal Farm				
JNNSM	100	10.5	400	25

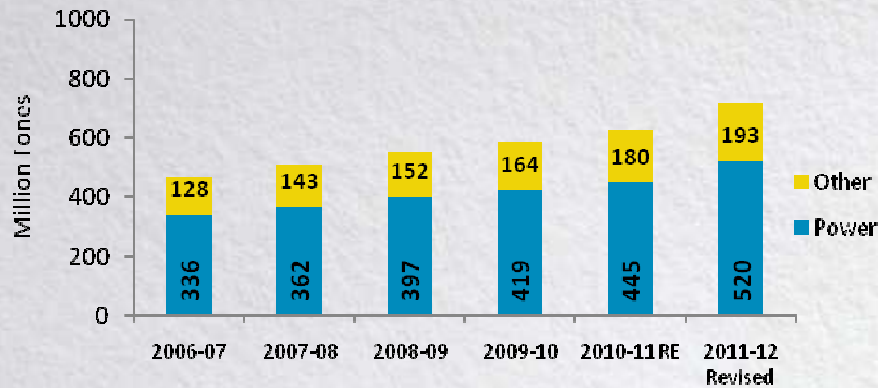


Foray into manufacturing to support internal requirements and reduce margin volatility, through the cycle

Manufacturing- Phase I	
Capex	US\$ 305 Mm
Debt: Equity	70:30
Capacity- Phase I	
Polysilicon	1250 MT
Wafer	80 MW
Module Line	50 MW

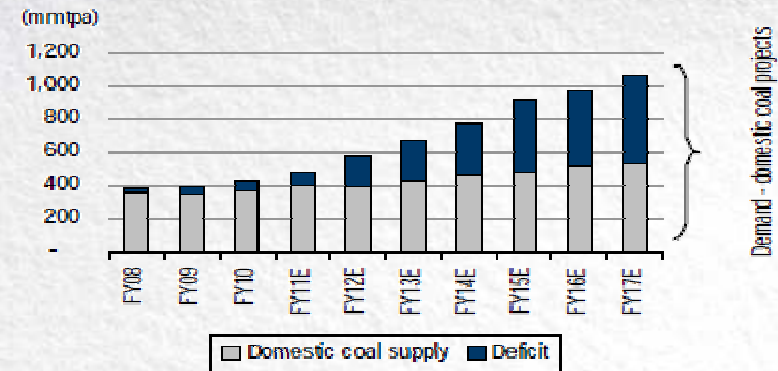
6. Coal Outlook

Coal Demand



Source: Ministry of Coal Annual Report 2010-11

Domestic supply flatters to deceive

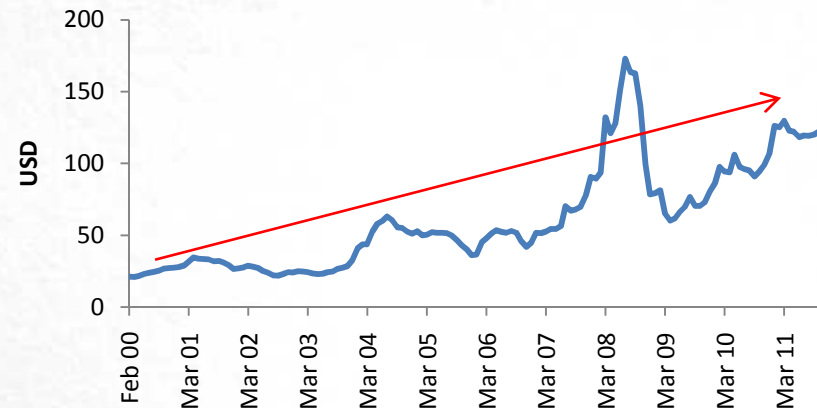


Source: Coal India, Credit Suisse estimates

Securing coal: a need; an opportunity

- Around 70% of demand from Power Sector
- Uncertainty in domestic supply
- Expected Import of coal by 2017 > 180 MT
- Increasing competition for overseas assets
- Limited operational assets
- Uptrend in prices

International Coal Price



Source: Bloomberg, McCloskey Newcastle 6700 kc GAD fob steam coal spot

6. Resources (Coal)

Providing integration and increased fuel security

- Integration across the value chain
- Providing increased fuel security (both volume and price) for current power generation assets and future power portfolio expansions.
- Presents an opportunity to participate in the burgeoning natural resources trading market.
- Looking out for further opportunities in mineral rich countries of Australia, Indonesia, South Africa and India.

Griffin Coal

Largest operational thermal coal mines in Western Australia, with Resource base of 1.2 bn Tonne

Strategic location – Bunbury port <100 km from mine

Good connectivity of rail and port.

Current production :- capacity of 4 mtpa of coal.

- Current exports of 0.7 MTPA

Expansion : Plans to ramp up production to a max of 18 MTPA by FY 18

Rampia and DIP side of Rampia

Allocated to Lanco along with five other IPPs

Lanco's share in the coal blocks would cater to the development of approx. 1,000 MW power plant.

Mahatamil

Estimated Coal Reserves 768 MT and spread over 24.95 sq km

Exploration in advanced stage, geological report being prepared.

- 23% of coal produced – Maharashtra state
- Remaining coal (77%) to be converted to Power
 - Home state share - 37.5% of power
 - Remaining power shared between Tamil Nadu state and Lanco at 50:50 ratio.
- Coal mining fees of 112 Rs/ Ton to be paid by Lanco.

Capacity that can be built :-

- coal mine capacity around 15 MTPA
- Power Generation of about 2000 MW

7. Leveraging Construction Expertise to Build Infrastructure Business

Lanco has moved into selective infrastructure projects to leverage its EPC experience

Awarded two National highway projects in Karnataka

c. 81 km stretch connecting Bangalore – Hoskote – Mudbagal

c. 82 km stretch connecting Neelamangla – Devihalli

Concession periods of 20 years and 25 years respectively during which toll will be collected

Capex of USD \$ 360 mn

Grant from NHAI USD \$ 73 mn

COD of Devihalli attained on June 25th 2012 and toll collection started

Construction of Hoskote completed and under process of attaining COD

Awarded one National highway projects in Uttar Pradesh

C. 280 Km stretch connecting Aligarh to Kanpur

Project investment of around USD \$ 200 mn

Grant to be received USD \$ 57 mn

Financial Closure achieved



Also built jetty at Mangalore port for Udupi Power Plant

8. Property Development

Lanco Hills is the group's foray into property development, located in Hyderabad, spread over 100 acres and comprises residential space, office space and IT SEZ

Lanco Hills

Residential

- Towers under Phase I are ready for occupation
- In addition to high rise towers, 54 Villas will also be constructed

Office space

- IT tower - 0.59 mn sqft ready for occupation
- SEZ : 0.06 mn sqft incubation space – leased out to IT companies

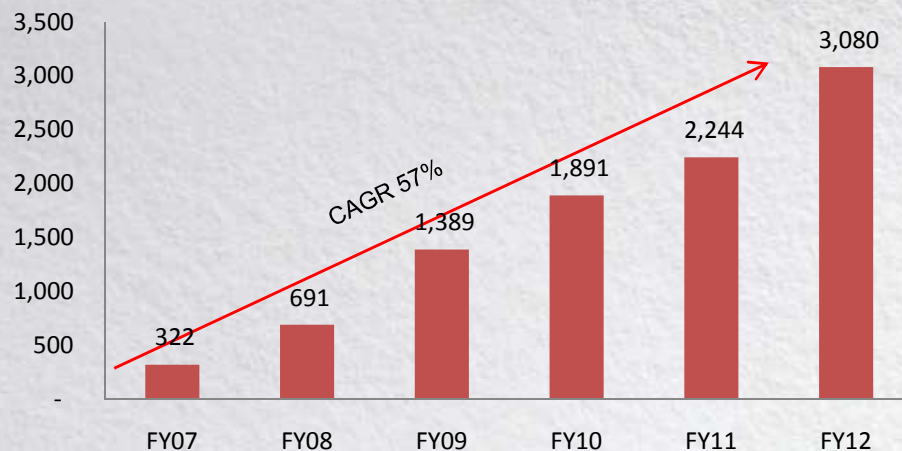
Property Development is restricted to Hyderabad only



9. Steady Growth

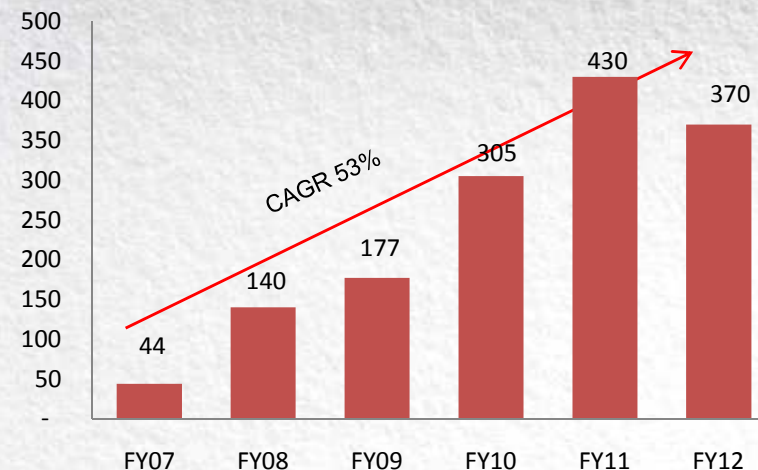
US\$ Mn

Revenue *

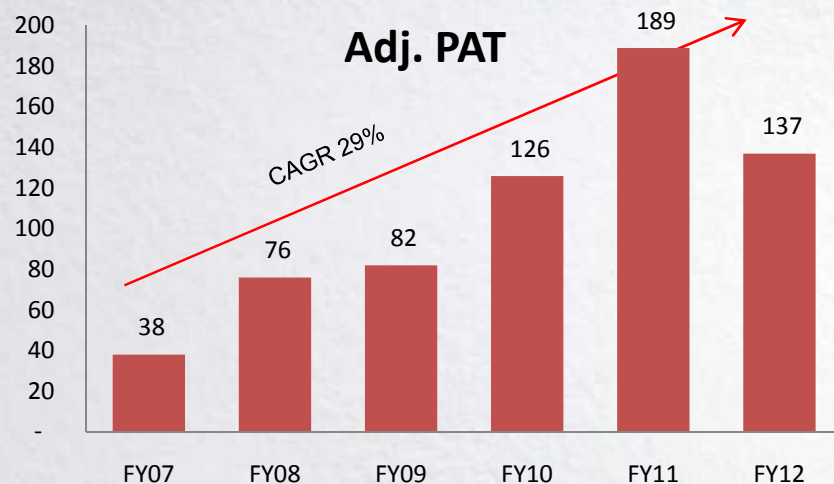


* Revenue : Before intersegment revenue elimination

EBITDA

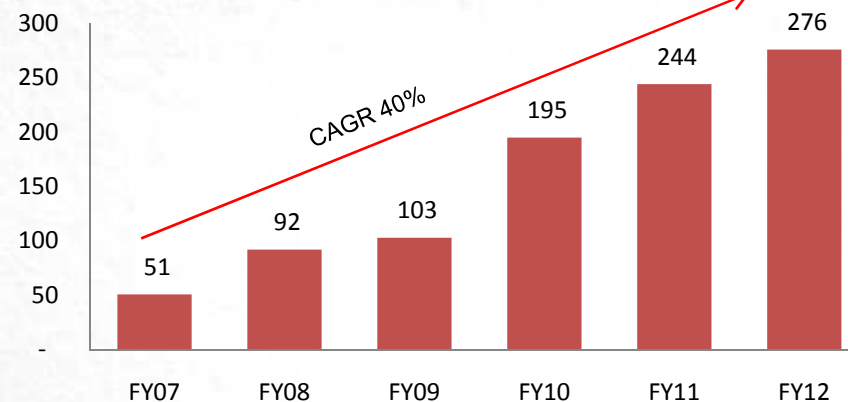


Adj. PAT



Adj. PAT= Reported PAT + Profit Eliminated

Cash Profit



Cash Profit: PAT + Depreciation + Profit Eliminated

Note:

1. Assumed US\$ / INR = 50
2. Mn /bn indicate million and billion

10. Experienced Management Team

LANCO Board



L. Madhusudhan Rao
Executive Chairman



L. Sridhar
Vice Chairman



S. C. Manocha
Director



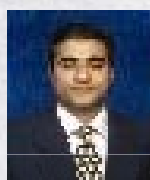
P. Kotaiah
Director



U.K. Kohli
Director



G. Bhaskara Rao
Executive Vice Chairman



G. Venkatesh Babu
Managing Director



P. Abraham
Director



B. Vasanthan
Director



R. Krishnamoorthy
Director

Lanco Group Senior Management Team

Finance

- T. Adi Babu
- T. N. Subramaniyan

Power

- A. A Khan
- P. Panduranga Rao
- K. Raja Gopal
- K. Naga Prasad

Construction & EPC

- S. C. Manocha
- Arabinda Guha

Property Development

- S. Pochendar

Solar

- V. Saibaba

CSR

- R S Sharat

Pan India Presence

Coal Based



Plants under operation



Plants under construction

Hydro



Plants under operation



Plants under construction

Gas



Plants under operation



Plants under construction

Solar



Plants under operation



Plants under construction

Wind



Plants under operation



Property development



Road development



Coal mine

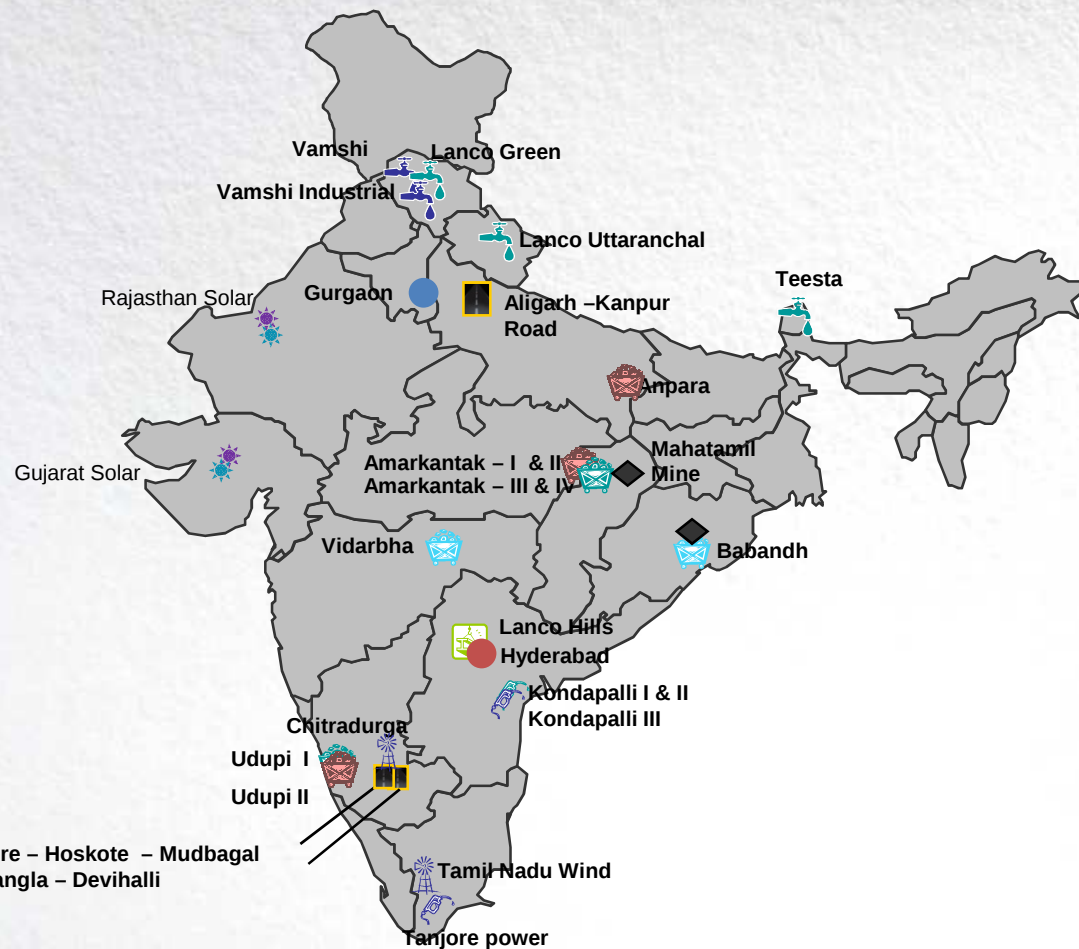


Registered office



Corporate Office

81 km Bangalore – Hoskote – Mudbagal
82 km Neelamangla – Devihalli



We care for the world we live in

Lanco Foundation



- Member of the UN Global Compact
- Operating in 11 Indian States at 13 locations
- Covering 140 villages & 200,000 population beneficiaries
- we have a number of initiatives in place that help us to make a difference...
- **Focused work in the areas of:**
 - ✓ ***Disability***
 - ✓ ***Education***
 - ✓ ***Safe Drinking water***
 - ✓ ***Mobile Health Services***
 - ✓ ***Support of traditional arts & crafts***

Recent Awards

- ✓ Lanco Kondapalli Wins **"Golden Peacock Environment Management Award for corporate Social responsibility"** for 2012
- ✓ 8th Construction World- Annual Award for **"Fastest Growing Construction Company"**
- ✓ Tanjore Power received TERI Corporate Award for **"Environmental Excellence and Corporate Social Responsibility"**
- ✓ Tanjore Power received GreenTech silver award in Power sector for **"Safety Management"**
- ✓ IKU II received IEEMA award for **"Excellence in Fast Track Commissioning of Small Hydro Projects"**
- ✓ Lanco Infratech Ltd received PRSI Golden Jubilee Award for the **"Most Impressive Public Relations Initiatives"**
- ✓ Lanco Kondapalli wins **"GreenTech Safety Award in Golden category"**

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