





Power



EPC



Solar



Natural Resources



Infrastructure



Property Development

Moving on. Forward

At LANCO forward is the only direction we recognize. Be it consolidating on our growth, or realigning our business strategies to meet challenges in dynamic environments, it's always about taking the next step in an impacting and positive manner. Our story is one that gets stronger with every year. Notwithstanding the dynamic economic environments, LANCO has firmly adhered to its business vision and goals while smartly realigning its plans to leverage opportunities into tangible business outcomes.

Our business verticals are powered by the idea of a collective growth that subscribes perfectly to our credo of ALWAYS INSPIRING. A vision we share with our stakeholders, associates, partners and employees as we move forward with confidence, one step at a time.

Power



Powered in the right direction

One of the largest independent power producers in the country. An installed capacity of 4732 MW with an under-construction capacity of 4636 MW. Competencies in energy that straddle varied fuel types with our power portfolio strategically placed across geographic locations. These facts are a precursor to the road map ahead we have laid for ourselves. In fact, we have also entered into an MoU with the China Development Bank (CDB) for a \$ 2 billion debt for our Anpara Phase II and Himavat power projects. As India's energy requirements continue to spiral, we at LANCO are ever ready to step up and deliver as we have done before.

LANCO POWER fact file

- Full year operations of Lanco Anpara (1200 MW) and Lanco Udupi (1200 MW)
- Commercial operations commenced at Budhil hydro power plant (70 MW)
- Lanco's Power Trading division (NETS) registered trading of 6137 million units (23% YoY)
- Long term Power Purchase Agreement (25 years signed up for Amarkantak Unit 1 (300 MW))
- Environment clearance granted by MoEF for Himavat Power (2*660 MW) coal based super critical thermal power plant under development
- Environment clearance granted by MoEF for Anpara Phase II (2*660 MW), Lanco's coal based super critical thermal power plant
- Kondapalli Unit 1 received full fixed charge under the PPA with APTRANSCO
- Lanco Anpara granted Medium Term Open Access for the supply of 100 MW power to Tamil Nadu for 3 years beginning June 2013



Building future-ready competencies

At Lanco, our forte comes from the ability to change direction at the most opportune time. Our EPC competencies are a mirror image of this credo. A smart business strategy which involved a seamless integration of our home grown EPC capabilities with our other verticals – Power, Construction and Infra – has proven to be catalytic in our move forward. This has enabled us to consolidate our strengths in executing large thermal and hydro power projects across India as well as establishing our emphatic presence as the pioneering innovators in EPC. An order book worth ₹ 22,97,750 Lakhs for EPC projects, just about sums up the way we are heading – forward.

LANCO EPC fact file

External

- BOP of 3x660 MW Koradi Thermal Power Project for Mahagenco
- EPC of 2x125 MW Akaz Gas Power Project for Government of Iraq
- EPC of 2x600 MW Moser Baer Thermal Power Project

Internal

- 2x660 MW Amarkantak Thermal Power Project
- 2x660 MW Vidarbha Thermal Power Project
- 2x660 MW Babandh Thermal Power Project
- 500 MW Teesta Hydro Power Project
- 76 MW Mandakini Hydro Power Project

Solar



Bright times ahead

Green energy is the future. At Lanco, we are more than ready for it. Our presence as one of the largest players in solar energy (a Solar EPC order book of ₹ 3,32,250 Lakhs) did not come by chance. Strategic road maps, insightful planning and the ability to pre-empt future opportunities has led us to leverage existing competencies to our advantage. Today, we have the capability of managing the entire life cycle of solar energy projects, irrespective of the scope and requirements. Our in-built design and execution skills are geared to step up to off-grid and on-grid projects. Add to this an in-house manufacturing facilities and we are amongst the few players to offer holistic renewable solutions speedily and cost-effectively.

LANCO SOLAR fact file

- Aims to be a leader, as a developer and a third party EPC player
- Successfully deployed a 75 MW Solar PV project, which is the largest deployed solar power project in India, for Mahagenco
- Solar farm development portfolio of 141 MW (operating 41 MW and under construction 100 MW)

Natural Resources



A positive synergy

When it comes to managing natural resources in the current economic scenario, resource leadership is the order of the day. Our foray into this vertical is geared to take into context the interdependencies of the natural resources and consequently offer long term management of resources which delivers both economic and ecological benefits. Our two-pronged strategy of building our natural resources portfolio involves operating and under-developed assets in India and across the world. This has resulted in securing fuel to our Power projects, effecting a seamless project integration on one hand; On the other, it has added to our expanding portfolio of competencies paving the way to becoming a global player.

At Lanco, our key focus area has been Coal, having joined the privileged league of top-line mine developers and operators in the country. To date, we have over 2 billion tons of coal resources. Our current operating asset Griffin Coal has production capacity of 4 MTPA with the scaling-up capability of producing 15 MTPA by 2018.

LANCO NATURAL RESOURCES fact file

Lanco Mahatamil Project

- Gare Palma Sector- 2 Coal Block jointly allocated to TNEB (74%) and MSMC (26%) awarded to Lanco Infratech Limited for Mine Development and Operations
- Development of end use thermal power plant for TNEB share of coal
- Capabilities to be developed to produce over 20 MTPA coal and approximately 2000 MW of power plant

Griffin Coal Mine

- Griffin Coal Mining Company Pty Ltd based in Collie, is Western Australia's oldest coal company with coal resources of approximately 1.1 billion tonnes
- Coal from Griffin caters to both the domestic Australian and export markets. It produced 3.11 MT of coal during the year with sales of 3.03 MT
- Capacity enhancement program with capacity being raised from current to 15 MTPA is underway

Infrastructure



Structured to lead

The 12th Five Year Plan has allocated a budget outlay of approximately \$ 1 trillion for infrastructure development. Despite the fact that India has the second largest road network in the world. (total length of 33 lakh kilometers). National Highways account for only 1.7% of roads but carries 40% of the traffic. Parallel to this is the annual projected growth of Roadways which stands at 12% to 15% for passenger traffic and 15% to 18% for cargo traffic.

At Lanco, our purposeful move forward into selective infrastructure projects comes from the solid grounding of our EPC capabilities. Our infrastructure competencies is focused on execution of large civil and urban projects. The National Highways Development Project (NHDP) is India's largest road development initiative of 54000 kilometers. Lanco has signed Concession Agreements with the National Highways Authority of India (NHAI) for developing 443 kilometers of national highways in the country.

LANCO INFRASTRUCTURE fact file

- 82 km Neelamangla Junction (Bangalore) – Devihalli (NH-48) is in operation
- Construction of 81 km of Bangalore – Hoskote – Mulbagal (NH-4) completed. Approval for Commissioning (COD) is being awaited
- Financial closure of 283 km - Aligarh – Kanpur (NH-91) completed. Construction will commence after obtaining the necessary approvals

Property Development



Landmarks next

Spread over 100 acres, this one-of-a-kind project offers a premium mix of residential and office spaces, SEZs, retail and hospitality. The Mega Mall, which is in the development stage will soon offer shopping entertainment and leisure avenues on a global scale.

LANCO PROPERTY DEVELOPMENT fact file

- During 2012-2013, the revenue from operations increased by 122%
- Mega Mall is under design and development stage and is all set for construction

Contents

Corporate Information	9
Year at a Glance	11
Directors' Report	12
Management Discussion and Analysis	16
Report on Corporate Governance	33

Abridged Financial Statements

Auditors' Report	45
Balance Sheet	52
Statement of Profit and Loss Account	53
Cash Flow Statement	54
Notes to Abridged Financial Statements	55

Consolidated Financial Statements

Auditors' Report	79
Balance Sheet	82
Statement of Profit and Loss Account	83
Cash Flow Statement	84
Notes to Consolidated Financial Statements	85

Board of Directors



Mr. L. Madhusudhan Rao
Executive Chairman



Mr. G. Bhaskara Rao
Executive Vice - Chairman



Mr. L. Sridhar
Vice - Chairman



Mr. G. Venkatesh Babu
Managing Director



Mr. S. C. Manocha
Deputy Managing Director



Dr. Pamidi Kotaiah
Independent Director



Mr. P. Abraham
Independent Director



Dr. Uddesh Kumar Kohli
Independent Director



Dr. B. Vasanthan
Independent Director



Mr. R. Krishnamoorthy
Independent Director