

NOTES IN RELATION TO THE FINANCIAL RESULTS

1. Lanco Infratech Limited (the Company) is engaged in the business of Construction & EPC and Infrastructure Development. The Company is also a Holding Company with investments mainly in its subsidiaries engaged in the business of Power Generation, Power Trading and Property Development. The main income for the Company is from its Construction & EPC, Infrastructure Development, Property Development and Power Generating/Trading activities.
2. Option to publish consolidated results:

Pursuant to the recent amendments to the clause 41 of the listing agreement the Company opted to publish only the consolidated results of the Company. Investors can view the stand alone results of the Company on the Company's website www.lancogroup.com or on the websites of BSE (www.bseindia.com) or NSE (www.nseindia.com).
3. The above published consolidated results have been extracted from consolidated financial statements prepared in accordance with principles and procedures as set out in Accounting Standard (AS) 21 on "Consolidated Financial Statements" and Accounting Standard (AS) 23 on "Accounting for Investments in Associates in Consolidated Financial Statements.
4. Depreciation in respect of power sector subsidiaries has been uniformly considered based on the rates as prescribed under Schedule XIV to the Companies Act 1956, with effect from the date of acquisition of respective subsidiaries. Depreciation on assets of power sector subsidiaries is charged in individual entities on different basis following Accounting Policies which are considered appropriate in each case and continue to follow the same.
5. The Company has accounted Rs. 1357.73 lakhs as its share of notional foreign exchange translation loss as per Accounting Standard (AS) 11 issued by the Institute of Chartered Accountants of India.
6. **Segment Reporting:**
 - a) The segment report of the Company, its Subsidiaries and its Associates has been prepared in accordance with Accounting Standard (AS) 17, "Segment Reporting" issued by the Institute of Chartered Accountants of India.

::2::

b) The business segments of the Company comprises of the following:

Segment	Details of Business
Construction and EPC	Construction of Industrial, Residential & Commercial Buildings and Roads etc., Engineering, Procurement and Commissioning (EPC)
Infrastructure	Development of roads on Build, Operate and Transfer basis and other infrastructure
Property Development	Development of integrated properties comprising of commercial and residential buildings
Power	Generation of power and trading in power
Others	Residual activities

7. Position of Investor complaints as at June 30, 2008:

Complaints pending at the beginning of the quarter	:	Nil
Received during the quarter	:	13
Resolved during the quarter	:	13
Pending as on June 30, 2008	:	Nil

8. These results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on July 30, 2008.

9. The Statutory Auditors of the Company have carried out limited review of the above unaudited financial results for the quarter ended June 30, 2008.

10. There are no exceptional / extraordinary items during the quarter ended June 30, 2008.

11. The Order Book of the Company stands at Rs 12611.69 Crores as on June 30, 2008.

12. Figures pertaining to the previous year have been regrouped, reclassified and restated to conform to those of the current year.

for Lanco Infratech Limited

Place: Hyderabad
Date :July 30, 2008

G. Venkatesh Babu
Managing Director