

NOTES IN RELATION TO THE FINANCIAL RESULTS

1. 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.
2. The reported consolidated Profit After Tax amounting to Rs. 28,036 lakhs (previous year Rs. 35,417 lakhs) has been arrived at after eliminating inter company profits amounting to Rs. 12,896 lakhs (previous year Rs. 2,813 lakhs) as per the Accounting Standard (AS) 21 "Consolidated Financial Statements" and Accounting Standard (AS) 23 "Accounting for Investments in Associates in Consolidated Financial Statements". It may be noted that the above eliminations do not reduce the cash earnings of the company on the stand alone/ consolidated basis.

Accordingly the consolidated Profit After Tax before elimination as above for the year ended 31st March 2009 is Rs. 40,932 lakhs as against the previous year of Rs 38,230 lakhs, representing an increase of 7% over the previous year.

3. Pursuant to the notification of the Companies (Accounting Standards) Amendment Rules 2006 on 31st March 2009, the Exchange differences relating to long-term monetary items, arising during the year, in so far as they relate to the acquisition of a depreciable capital asset are added to/deducted from the cost of the asset and depreciated over the balance life of the asset. Accordingly an amount of Rs. 9248 lakhs has been added to the cost of fixed assets, and profit for the year is higher by this amount.
4. No investor complaint was pending on 01.01.2009. During the quarter ended 31.03.2009, 2 complaints were received and resolved.
5. These results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on May 29, 2009.
6. The Order Book of the Company stands at Rs.10393.66 Crores as on March 31, 2009.
7. Figures pertaining to the previous period / year have been regrouped, reclassified and restated to conform to those of the current period / year.

for Lanco Infratech Limited

Place: Hyderabad
Date : May 29, 2009

G. Venkatesh Babu
Managing Director