



Lanco Infratech Limited

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Press Release

Significant developments at LANCO

- Consolidated operating power capacity of around 8000 MW by FY 2018

- **Entered into PPA with Telangana and Andhra Pradesh Discoms**
- **Got a favorable order from the Hon'ble Supreme court for coal supply**

New Delhi, 25 September 2015: Lanco Kondapalli Power Limited one of the step down subsidiaries of **Lanco Infratech Limited** entered into **Power Purchase Agreements with Telangana Discoms and Andhra Pradesh Discoms on 23rd September 2015 and 24th September 2015 respectively aggregating to 1108 MW to operate at 50% PLF** under the gas pooling mechanism for the period October 1, 2015 to March 31, 2016 at Rs. 4.70 per KWH. The realization per unit including the PSDF subsidy will be Rs. 6.14 per kWh.

Lanco Amarkantak Power Limited (LAPL), another step down subsidiary of Lanco Infratech limited got a favourable order from the Hon'ble Supreme court directing the South Eastern Coalfields Ltd. to supply coal to the 300 MW Lanco Amarkantak unit II treating it as an unit having a subsisting long term PPA.

LAPL on September 24, 2015 executed the documentation for flexible refinancing with its Lenders for 2 x 300 MW Unit 1 & 2. LAPL has also completed the documentation for the cost overrun financial closure of its 2 x 660 MW expansion project.

Similarly, **three of the other step-down subsidiaries with under construction power projects also completed the documentation for respective cost overrun financial closure – the coal based Babandh and Vidarbha power projects each of 1320 MW capacity, and the 76 MW Mandakini hydro power project.** In addition, the consortium of lenders to the 500 MW Teesta Hydro power project has decided to convert part of their loans in the project into equity under the Strategic Debt Restructuring mechanism as an interim measure pending the induction of a strategic investor into the project. **These are significant developments giving clear visibility to the completion of these projects costing almost Rs. 40000 Crores.** With the commissioning of these plants, the Company will have a consolidated operating power capacity of around 8000 MW by FY 2018.

The EPC order book of Lanco (including power and solar projects) stands at Rs. 28,158 Crores. The financial closure of the cost overrun proposals of the above projects will enable the execution of majority of this order book within the next two years

About Lanco

As one of India's leading business entities, Lanco Infratech Limited has been driving growth in the domains of Engineering, Procurement and Construction (EPC), Power, Solar, Natural Resources and Infrastructure over the last two-and-a-half decades. Its continuous focus on innovation and expansion together with its commitment to quality and excellence has contributed significantly to the progress that the company has made over a short span of time.

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