



SIFL/SECT/EA/21-22/105

December 24, 2021

The Secretary

BSE Limited

Phiroze Jeejeebhoy Towers

Dalal Street, Mumbai - 400 001

Fax: 022-2272 2037/2039/2041/3121

BSE Scrip Code: 523756

National Stock Exchange of India Limited

Exchange Plaza, 5th Floor, Plot no. C/1, G Block

Bandra-Kurla Complex, Bandra (E)

Mumbai - 400 051

Fax: 022-2659 8237/38; 2659 8347/48

NSE Symbol: SREINFRA

Dear Sir,

Sub: Submission of the Unaudited Standalone and Consolidated Financial Results of the Company for the Quarter and Half Year ended on 30th September, 2021

The Company has already intimated the Exchanges that the Reserve Bank of India ("RBI") has superseded the Board of Directors of Srei Infrastructure Finance Limited (SIFL) and Srei Equipment Finance Limited (SEFL) (a wholly owned subsidiary of Srei Infrastructure Finance Limited) (collectively "**Companies**") on 4th October, 2021 and appointed Mr. Rajneesh Sharma as the Administrator of the Companies in terms of Section 45-IE of the Reserve Bank of India Act, 1934 ("RBI Act") and accordingly the powers of the Board are vested in the Administrator. The RBI, in exercise of powers conferred under section 45-IE 5(a) of the RBI Act, had constituted a three member Advisory Committee to assist the Administrator of the Company in discharge of his duties. Further, pursuant to orders dated October 08, 2021 of the National Company Law Tribunal, Kolkata Bench ("**NCLT**"), Corporate Insolvency Resolution Process ("**CIRP**") has been initiated against the Companies as per the provisions of the Insolvency and Bankruptcy Code, 2016 ("**Code**").

Pursuant to the above, we wish to inform you that the Administrator (assisted by the Advisory Committee), at the Advisory Committee Meeting held today i.e. on 24th December, 2021, which commenced at 5:40 P.M. and concluded at 7:20 P.M., have inter-alia, considered and taken on record the Unaudited Standalone and Consolidated Financial Results of the Company for the Quarter and Half Year ended on 30th September, 2020 along with notes thereto and the Limited Review Report thereon furnished by the Statutory Auditors of the Company, as per Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws.

A copy of the Unaudited Standalone and Consolidated Financial Results of the Company for the Quarter and Half Year ended on 30th September, 2020 together with a copy of the Auditors' Limited Review Report thereon is enclosed for your information.

We are also arranging to upload the aforesaid Financial Results on the Company's website www.srei.com and publish the Consolidated Financial Results in the newspapers in the format prescribed under Regulation 47 of the SEBI Listing Regulations.

Srei Infrastructure Finance Limited

CIN: L29219WB1985PLC055352

(A Company under Corporate Insolvency Resolution Process vide NCLT (Kolkata) Order dated October 08, 2021)

Registered Office: 'Vishwakarma' 86C, Topsia Road (South), Kolkata - 700046

Tel.: +91.33.22850112-15, 61607734, Fax: +91.33.2285 7542/8501

Email: corporate@srei.com Website: www.srei.com



This is for your information and record.

Thanking you.

Yours faithfully,
For **Srei Infrastructure Finance Limited**

Manoj Kumar
Company Secretary
FCS 6698

Encl.: a/a

Srei Infrastructure Finance Limited

CIN: L29219WB1985PLC055352

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Email: corporate@srei.com Website: www.srei.com

Independent Auditor's Review Report on quarterly and year to date Unaudited Standalone Financial Results of Srei Infrastructure Finance Limited pursuant to the Regulation 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To The Administrator

Srei Infrastructure Finance Limited

1. We were engaged to review the accompanying Statement of Unaudited Standalone Financial Results of Srei Infrastructure Finance Limited ("the Company") for the quarter ended September 30, 2021 and for the year to date from April 1, 2021 to September 30, 2021 ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. The Reserve Bank of India ('RBI') vide press release dated October 4, 2021 in exercise of the powers conferred under Section 45-IE (1) of the Reserve Bank of India Act, 1934 ('RBI Act') superseded the Board of Directors of the Company and appointed an Administrator under Section 45-IE (2) of the RBI Act. Further, RBI, in exercise of powers conferred under section 45-IE (5) (a) of the RBI Act, has constituted a three-member Committee of Advisors for advising the Administrator.

The RBI had also filed application for initiation of Corporate Insolvency Resolution Process ('CIRP') against the Company under Section 227 read with clause (zk) of sub-section (2) of Section 239 of the Insolvency and Bankruptcy Code (IBC), 2016 ('the Code') read with Rules 5 and 6 of the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019 ('FSP Insolvency Rules') before the Hon'ble National Company Law Tribunal, Kolkata Bench (1Hon'ble NCLT). Hon'ble NCLT vide its order dated October 8, 2021 admitted the application made by RBI for initiation of CIRP against the Company. Further, Hon'ble NCLT gave orders for appointment of Mr. Rajneesh Sharma, as the Administrator to carry out the functions as per the Code and that the management of the Company shall vest in the Administrator. Further, RBI has also retained the three-member Committee of Advisors, as aforesaid, for advising the Administrator in the operations of the Company during the CIRP.

3. We refer to Note No. 2 to the Statement with regards to the responsibility of the Administrator in respect of the preparation of this Statement which have been taken on record by the Administrator, only limited to the extent of discharging the powers of the Board of Directors of the Company which were conferred upon him under the Code and solely for the purpose of ensuring regulatory compliance.

This Statement has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on this Statement based on our review.



In view of the matters described in paragraph 5 mentioned below, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our conclusion on this Statement. Accordingly, we do not express a conclusion on this Statement.

4. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of the Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

5. Basis for Disclaimer of Conclusion

- a) Note No. 2 to the Statement which explains that the Administrator takes no responsibility with respect to the accuracy, validity, completeness or authenticity of the information and figures mentioned in the Statement as they belong to a period prior to the date of his appointment as the Administrator and that he has relied upon the explanations, clarifications, certifications, representations and statements made by the existing management team of the Company. Further, the Administrator has taken on records and signed the Statement, while discharging the powers of the Board of Directors of the Company which were conferred upon him by the Code and solely for the purpose of ensuring regulatory compliance based upon the explanations, clarifications, certifications, representations, confirmations, and statements made by the existing officials of the Company.
- b) Note No. 4 to the Statement which explains that during the financial year 2019-20, the Company accounted for the slump exchange transaction and consequently passed the relevant entries in its books of account, pursuant to the Business Transfer Agreement ('BTA') with SEFL, with effect from October 1, 2019, after receiving the approval of the shareholders, debenture trustees, few lenders, stock exchanges and in-principle approval from some of the domestic lenders including lead banks. On the date of giving effect to BTA, the consent or otherwise, of other lenders was awaited. The previous management of the Company obtained expert legal and accounting opinions in relation to the accounting of BTA under Ind AS and the underlying guidance and framework and based on expert advice, accounting treatment for slump exchange was made in the books of both companies. Note No. 5 further explains that during the financial year 2020-2021, the Company had filed two separate applications under Section 230 of the Companies Act, 2013 before the Hon'ble NCLT proposing Schemes of Arrangement (the Schemes) with all its secured and unsecured lenders. The final order of NCLT for disposal of the Schemes filed by the Company is still awaited. Accordingly, the Administrator is not in a position to comment about the outcome of the Scheme and the validity of the BTA. In absence of the fact that whether the BTA is legally valid or not, we are not in a position to comment on the accounting of BTA, as aforesaid, done by the Company. Further, since the relevant assets and liabilities recognised pursuant to the BTA has been transferred from the books of accounts of the Company with effect from October 1, 2019, it is not practicable to quantify the financial effect of the same, if any, on the financial results of the Company for the quarter and six months ended September 30, 2021.



- c) Note No. 1 to the Statement which explains that the Administrator has invited the financial/operational/other creditors to file their respective claims and that the admission of such claims is in process.
- d) Note No. 10 to the Statement which explains the reasons owing to which the Company was not able to comply with the requirements of Section 135 of the Act in relation to depositing unspent amount of CSR. As stated, in the said note, pending final determination by the Company of the financial and other consequences arising out of such non-compliance, no adjustments have been made to the Statement.
- e) In view of the possible effects of the matters described in paragraph 5(a) to 5(d) above, we are also unable to comment on the Company's compliance on various regulatory ratios/limits and consequential implications including disclosures, if any.

6. Disclaimer of Conclusion

In view of the significance of the matters described in paragraph 5 above, we have not been able to obtain sufficient and appropriate evidence and therefore, unable to conclude as to whether the Statement has been prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India or state whether the Statement has disclosed the information required to be disclosed, including the manner in which it is to be disclosed, or that it contains any material misstatement.

7. Material uncertainty related to Going Concern

We draw attention to Note No. 7 to the Statement which states that the Company has been admitted to CIRP and also indicates the factors that have further resulted into accumulated net loss upto September 30, 2021 during the quarter and six months ended September 30, 2021. As a result, the Company's net worth has eroded by more than 50% as at that date and it has not been able to comply with various regulatory ratios/limits. All this has impacted the Company's ability to continue its operations in normal course in future. These events or conditions, along with other matters as set forth in the aforesaid Note, indicate that there is a material uncertainty which casts significant doubt about the Company's ability to continue as a 'going concern' in foreseeable future. However, for the reasons stated in the said note, the Company has considered it appropriate to prepare the Statement on a going concern basis.

8. We draw attention to the following matters in the notes to the Statement:

- a) Note No. 3 to the Statement which explains the extent to which Covid-19 pandemic has impacted the operations of the Company, owing to which and based on the information available at this point of time, the extent to which the pandemic may further impact the operations and financial results of the Company is dependent on future developments, which are highly uncertain at this point of time.
- b) Note No. 8 to the Statement which explains that the Company, as per the specific directions from Reserve Bank of India (RBI) in relation to certain borrowers referred to as 'probable connected parties/related parties', in line with arm's length principles. The Company has taken a legal view and determined that the Company does not have transactions with any connected party during the quarter and half year ended 30 September 2021 other than related projects.



- c) Note No. 9 to the Statement which states that The Ministry of Corporate Affairs (MCA) vide its letter dated September 27, 2021 has initiated investigation into the affairs of the Company under Section 206(5) of the Companies Act, 2013. The Company is fully co-operating with the investigating agency.

Any comment/s in the matter will depend upon completion of re-assessment and re-negotiations as stated above.

For D. K. Chhajer & Co.
Chartered Accountants
FRN: 304138E

NIRAJ
KUMAR
JHUNJHUN
WALA

Digitally signed
by NIRAJ KUMAR
JHUNJHUNWALA
Date: 2021.12.24
20:21:28 +05'30'

Niraj K Jhunjunwala
Partner
Membership No.: 057170
UDIN: 21057170AAAAHF5400

Place: Kolkata
Date: December 24, 2021



SREI INFRASTRUCTURE FINANCE LIMITED

 Regd Office: 'Vishwakarma', 86C, Topsia Road (South), Kolkata - 700 046, Website: www.srei.com, Email for Investors: investor.relations@srei.com
 (CIN): L29219WB1985PLC05352

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2021

(Rs. in Lakhs)

| Particulars | Quarter ended | | | Half Year ended | | Year ended |
|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|------------------------|
| | 30-Sep-21 (Unaudited) | 30-Jun-21 (Unaudited) | 30-Sep-20 (Unaudited) | 30-Sep-21 (Unaudited) | 30-Sep-20 (Unaudited) | 31-Mar-21 (Audited) |
| Revenue from Operations | | | | | | |
| Interest Income | - | 6 | 8 | 6 | 18 | 28 |
| Rental Income | 103 | 93 | 352 | 196 | 707 | 1,391 |
| Fees and Commission Income | 796 | 425 | 550 | 1,221 | 1,520 | 2,494 |
| Net gain on derecognition of financial instruments under fair value through profit or loss | - | - | 2 | - | 2 | 3 |
| Net gain on derecognition of financial instruments | - | - | 274 | - | 1,774 | 274 |
| (I) Total Revenue from Operations | 899 | 524 | 1,186 | 1,423 | 4,021 | 4,190 |
| (II) Other Income | 152 | 2 | 7 | 154 | 8 | 811 |
| (III) Total Income (I+II) | 1,051 | 526 | 1,193 | 1,577 | 4,029 | 5,001 |
| Expenses | | | | | | |
| Finance Costs | 57 | 54 | 99 | 111 | 1,809 | 3,282 |
| Fees and Commission Expense | 702 | 248 | 357 | 950 | 576 | 1,178 |
| Impairment on Financial Instruments (Net) | 115 | 86 | (52) | 201 | (93) | 1,472 |
| Employee Benefits Expenses | 118 | 175 | 155 | 293 | 261 | 813 |
| Depreciation, Amortisation and Impairment | 184 | 185 | 194 | 369 | 388 | 773 |
| Administrative and Other Expenses | 296 | 238 | 213 | 534 | 442 | 1,000 |
| (IV) Total Expenses (IV) | 1,472 | 986 | 966 | 2,458 | 3,383 | 8,518 |
| (V) Profit / (Loss) Before Exceptional items and Tax (III-IV) | (421) | (460) | 227 | (881) | 646 | (3,517) |
| (VI) Exceptional Items | - | - | - | - | - | 310,455 |
| (VII) Profit / (Loss) Before Tax (V-VI) | (421) | (460) | 227 | (881) | 646 | (313,972) |
| (VIII) Tax Expense: | | | | | | |
| (a) Current Tax | - | - | - | - | - | - |
| (b) Income Tax in respect of earlier year | (1,844) | - | - | (1,844) | - | (54) |
| (c) Deferred Tax | - | - | 65 | - | 235 | (19,446) |
| (IX) Profit / (Loss) after tax for the period (VII-VIII) | 1,423 | (460) | 162 | 963 | 411 | (294,472) |
| (X) Other Comprehensive Income | | | | | | |
| Items that will not be reclassified to Profit or Loss | | | | | | |
| - Remeasurement Gains/ (Losses) on Defined Benefit Plan | 9 | 7 | (33) | 16 | (21) | 29 |
| - Gains/ (Losses) on Equity Instruments through Other Comprehensive Income | (10,552) | 29,384 | 272 | 18,832 | 2,178 | 17,627 |
| - Tax related to above | - | - | 10 | - | (445) | (3,729) |
| Total Other Comprehensive Income (X) | (10,543) | 29,391 | 249 | 18,848 | 1,712 | 13,927 |
| (XI) Total Comprehensive Income for the period (IX+X) | (9,120) | 28,931 | 411 | 19,811 | 2,123 | (280,545) |
| Paid-up Equity Share Capital (Par Value Rs. 10/- per Equity Share) | 50,309 | 50,309 | 50,309 | 50,309 | 50,309 | 50,309 |
| Other Equity excluding Revaluation Reserves | - | - | - | - | - | (46,587) |
| Earnings per Equity share (Basic and Diluted) (in Rs.) (*Not annualised) (Par Value Rs. 10/- per Equity Share) | *0.28 | *(0.09) | *0.03 | *0.19 | *0.08 | (58.53) |

BALANCE SHEET

(Rs. in Lakhs)

| Particulars | As at | As at |
|---------------------------------------|--------------------------|------------------------|
| | 30-Sep-21 (Unaudited) | 31-Mar-21 (Audited) |
| ASSETS | | |
| 1. Financial Assets | | |
| (a) Cash and Cash Equivalents | 7 | 1,731 |
| (b) Bank Balance other than (a) above | 518 | 1,998 |
| (c) Receivables | | |
| (i) Trade Receivables | 1,060 | 1,204 |
| (d) Investments | 80,009 | 61,185 |
| (e) Other Financial Assets | 874 | 496 |
| | 82,468 | 66,614 |
| 2. Non-Financial Assets | | |
| (a) Current Tax Assets (Net) | 7,547 | 7,488 |
| (b) Property, Plant and Equipment | 9,538 | 9,655 |
| (c) Right-of-use Assets | 1,524 | 1,775 |
| (d) Other Intangible Assets | 3 | 4 |
| (e) Other Non-Financial Assets | 191 | 213 |
| | 18,803 | 19,135 |
| TOTAL ASSETS | 101,271 | 85,749 |

(Rs. in Lakhs)

| Particulars | As at | As at |
|---|--------------------------|------------------------|
| | 30-Sep-21 (Unaudited) | 31-Mar-21 (Audited) |
| LIABILITIES AND EQUITY | | |
| LIABILITIES | | |
| 1. Financial Liabilities | | |
| (a) Payables | | |
| (I) Trade Payables | | |
| (i) Total outstanding dues of micro enterprises and small enterprises | - | 14 |
| (ii) Total outstanding dues of creditors other than micro | 244 | 367 |
| (b) Borrowings (Other than Debt Securities) | 25,671 | 28,055 |
| (c) Subordinated Liabilities | 33,000 | 33,000 |
| (d) Lease Liabilities | 1,759 | 1,994 |
| (e) Other Financial Liabilities | 16,907 | 18,351 |
| | 77,581 | 81,781 |
| 2. Non-Financial Liabilities | | |
| (a) Provisions | 7 | 51 |
| (c) Other Non-Financial Liabilities | 150 | 195 |
| | 157 | 246 |
| 3. Equity | | |
| (a) Equity Share Capital | 50,309 | 50,309 |
| (b) Other Equity | (26,776) | (46,587) |
| | 23,533 | 3,722 |
| TOTAL LIABILITIES AND EQUITY | 101,271 | 85,749 |



Handwritten signatures and initials:

Signature 1

Signature 2

Signature 3

Signature 4

STATEMENT OF CASH FLOWS

(Rs. in Lakhs)

| Particulars | Half Year ended | |
|---|--------------------------|--------------------------|
| | 30-Sep-21 (Unaudited) | 30-Sep-20 (Unaudited) |
| A. Cash Flows from Operating Activities | | |
| Profit/ (Loss) Before Tax | (881) | 646 |
| Adjustments for : | | |
| Interest on Income Tax Refund | (152) | - |
| Impairment on Financial Instruments (Net) | 201 | (93) |
| Depreciation, Amortisation and Impairment | 369 | 388 |
| Operating profit before working capital changes | (463) | 941 |
| Changes in Working Capital | | |
| Adjustments for : | | |
| (Increase) / Decrease in Trade Receivables and Others Assets | (412) | (1,927) |
| Increase / (Decrease) in Trade Payables and Others Liabilities | (1,883) | 14,019 |
| Increase/ (Decrease) in Other Bank Balances | 1,480 | (39) |
| Cash generated / (used) in operations | (1,278) | 12,994 |
| Direct Taxes Paid (net of refund) | 1,937 | (47) |
| Net Cash (used in) / generated from Operating Activities | 659 | 12,947 |
| B. Cash Flows from Investing Activities | | |
| Purchase of Property, Plant and Equipment, and Intangible Assets | (1) | (30) |
| (Increase) / Decrease in Investments (Other than Subsidiaries) | 8 | 846 |
| (Increase) / Decrease of Investments in Subsidiaries | - | 182 |
| Net Cash (used in) / generated from Investing Activities | 7 | 998 |
| C. Cash Flows from Financing Activities | | |
| Repayment of Debt securities (including subordinated debt securities) | - | (3,025) |
| Proceeds from intercorporate deposit | 25 | 67,786 |
| Repayment of intercorporate deposit | (2,409) | (35,388) |
| (Repayment of) / Proceeds from Other Borrowings (Net) | - | (44,290) |
| Dividend Paid (including Corporate Dividend Tax) | (6) | (6) |
| Net Cash (used in) / generated from Financing Activities | (2,390) | (14,923) |
| Net Increase / (Decrease) in Cash and Cash Equivalents | (1,724) | (978) |
| Cash & Cash Equivalents at the beginning of the year | 1,731 | 1,078 |
| Cash and Cash Equivalents at the end of the year | 7 | 100 |

Components of Cash and Cash Equivalents:

| | As at | As at |
|---|--------------------------|--------------------------|
| | 30-Sep-21 (Unaudited) | 30-Sep-20 (Unaudited) |
| Cash and Cash Equivalents at the end of the year | | |
| (a) Cash on hand | - | - |
| (b) Balances with Banks - in Current Account | 7 | 100 |
| | 7 | 100 |



Notes:

1. Supersession of Board of Directors and Initiation of Corporate Insolvency Resolution Process

The Reserve Bank of India ('RBI') vide press release dated October 4, 2021 in exercise of the powers conferred under Section 45-IE (1) of the Reserve Bank of India Act, 1934 ('RBI Act') superseded the Board of Directors of the Company and appointed an Administrator under Section 45-IE (2) of the RBI Act. Further, RBI, in exercise of powers conferred under section 45-IE (5) (a) of the RBI Act, constituted a three-member Advisory Committee to assist the Administrator in discharge of his duties.

Thereafter RBI filed application for initiation of Corporate Insolvency Resolution Process ('CIRP') against the Company under section 227 read with clause (zk) of sub-section (2) of Section 239 of the Insolvency and Bankruptcy Code (IBC), 2016 ('the Code') read with Rules 5 and 6 of the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019 ('FSP Insolvency Rules') before the Hon'ble National Company Law Tribunal, Kolkata Bench ('Hon'ble NCLT'). Hon'ble NCLT vide its order dated October 8, 2021 admitted the application made by RBI for initiation of CIRP against the Company. Further, Hon'ble NCLT gave order for appointment of Mr. Rajneesh Sharma, as the Administrator to carry out the functions as per the Code and that the management of the Company shall vest in the Administrator. Further, RBI also retained the three-member Advisory Committee, as aforesaid, for advising the Administrator in the operations of the Company during the CIRP.

Accordingly, as per the Code, the Administrator has invited the financial/operational/other creditors to file their respective claims as on October 8, 2021 (i.e. date of commencement of CIRP).

2. The above unaudited standalone financial results of the Company for the quarter and six months ended September 30, 2021 pertain to a period before the supersession of the Board and commencement of CIRP and the Administrator takes no responsibility with respect to the accuracy, validity, completeness or authenticity of the information and figures mentioned in these unaudited financial results as they pertain to the period prior to the date of his appointment as the Administrator, wherein the undersigned was not present. The Administrator has signed these financial results solely for the purpose of compliance and discharging his duties during the CIRP of the Company, in accordance with the Code read with the regulations and rules thereunder. While taking the financial results on records, the Administrator has relied upon the explanations, clarifications, certifications, representations and statements made by the existing company management team.

The Administrator has not independently verified the underlying data which has gone into preparation of the financial results since the same pertains to period prior to his appointment and has relied on the information and representations made by existing company management. Further, the Administrator as part of his duties under the Code and running the Company as





going concern, has initiated various reviews/audits including for processes, policies, compliance etc. and the data based on which these unaudited financial results are prepared is subject to the outcome of such reviews/audits. As a part of the CIRP, the Administrator has appointed Auditors for Transaction Audit as per section 43, 45, 50 and 66 of the Code. The outcome of these procedures may provide additional facts about data based on which these financial results have been prepared. These unaudited financial results of the Company for the quarter and six months ended September 30, 2021 have been taken on record by the Administrator, in the meeting of the Advisory Committee held on December 24, 2021, while discharging the powers of the Board of Directors of the Company which were conferred upon him by the RBI press release dated October 4, 2021 and subsequently, powers conferred upon him in accordance with NCLT Order dated October 8, 2021 solely for the purpose of ensuring regulatory compliance. It is also incumbent upon the Resolution Professional, under Section 20 of the Code, to manage the operations of the Company as a going concern.

3. Impact of Covid-19 pandemic

The outbreak of Covid-19 pandemic and its more virulent second wave followed by lockdown extended from time to time across India which caused significant adverse impact due to halt/slowdown in economic activities during the previous year, has continued even thereafter. There is still huge uncertainty around Covid-19 pandemic and the extent to which the pandemic may further impact the operations, financial results of the Company and asset quality will depend on future developments, which are still unascertainable at this point of time.

Interest on Non-convertible Perpetual Bond

Considering the significant impact of COVID-19 on business activity, the Company had received consent for waiver of interest on Non-convertible Perpetual Bond from the Bond Holders. Accordingly, the Company has not accrued interest on such bonds for half year ended 30th September, 2021 totaling to Rs. 1655 lakhs.

4. Business Transfer Agreement

During the year 2019-20, the Board of Directors of the Company and its wholly owned subsidiary company, Srei Equipment Finance Limited (SEFL) at their respective meetings held on July 4, 2019 had approved the transfer of Lending Business, Interest Earning Business & Lease Business of SIFL together with associated employees, assets & liabilities (including liabilities towards issued & outstanding non - convertible debentures) (Transferred Undertaking), as a going concern by way of slump exchange to SEFL pursuant to a Business Transfer Agreement (BTA), subject to all necessary approvals. The Company and SEFL signed BTA on August 16, 2019 and an amendment to the aforesaid BTA on November 14, 2019 and then pursuant to the same they entered into various assignment agreements, in connection with the Transferred Undertaking, to give effect to the slump exchange and accordingly the Company and SEFL had passed the relevant accounting entries for slump exchange in their respective books of account effective October 1, 2019, after receiving the approval of the shareholders, debenture trustees, few lenders, stock exchanges and in-principle approval from some of the domestic lenders including lead banks. Pending approval from majority of lenders, the previous management of the



Company had obtained expert legal and accounting opinions in relation to the accounting of BTA which confirmed that the accounting treatment so given is in accordance with the relevant Ind AS and the underlying guidance and framework.

Based on the representations provided, the Administrator understands that the BTA has not been approved by majority of lenders and as such the Administrator is not in a position to comment about the validity of the BTA and accordingly has taken the accounts for the quarter ended 30th September 2021 on record on an as-is where-is basis (i.e as they existed on 30th September 2021, which is prior to his appointment).

5. Scheme of Arrangement by SEFL

During the year 2020-21, SEFL had filed two separate applications under Sec. 230 of the Companies Act, 2013 ('the Act') before the Hon'ble NCLT proposing Schemes of Arrangement (the Schemes) with all its secured and unsecured lenders (Creditors). BTA, as stated in Note No. 4 (Business Transfer Agreement), constituted an integral part of the Schemes.

The Hon'ble NCLT passed an interim order dated October 21, 2020 and December 30, 2020, stating inter alia that Creditors, as mentioned in the Schemes, shall maintain status quo till further orders with respect to their respective contractual terms, dues, claims and rights and that the said Creditors and all government and regulatory authorities are estopped from taking any coercive steps including reporting in any form and/or changing the account status of the Company from being a standard asset, which will prejudicially affect the implementation of the Schemes and render the same ineffective. Vide the said order dated December 30, 2020, the Hon'ble NCLT had also directed the credit rating agencies to not consider any non-payment to be a default and to maintain the rating(s) of the Company at least that of investment grade.

Hon'ble NCLT also directed that the meetings of Creditors to be convened in due course to decide on the Schemes. Pursuant to the said order, a meeting of a particular class of creditors (i.e. Creditors like banks/financial institutions as mentioned in Part III of one of the Scheme) was held and convened on December 16, 2020, wherein creditors constituting 86.26% (in value) of the total creditors (i.e. Creditors like banks/financial institutions as mentioned in Part III of one of the Scheme) (who had casted their vote) had voted against the Scheme. Further, a meeting of Secured Debenture Holders ('SDH') and Unsecured Debenture Holders ('UDH') (as defined in Part II of one of the Scheme) was held and convened on May 15, 2021 and May 29, 2021 respectively, wherein SDH and UDH constituting 71.65% (in value) and 93.80% (in value) respectively of the total SDH and UDH (who casted their vote) had voted against the Scheme. Further, meetings of Perpetual Debt Instruments ('PDI') Holders and Individual Debenture Holders was held and convened on July 10, 2021 and July 26, 2021 respectively, wherein one of the Schemes was approved with some modifications by 100% (in value) in the meeting of the PDI Holders and 69.41% (in value) at the meeting of the Individual Debenture Holders (who casted their votes). However, meetings of the Secured ECB lenders and the Unsecured ECB lenders was postponed to September 25, 2021 and October 8, 2021 respectively by the Chairperson appointed for the said meetings at the request of the majority of Secured and

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Unsecured ECB Lenders at their meetings dated June 12, 2021 and June 26, 2021 respectively. These meetings of the Secured and Unsecured ECB lenders were convened on the September 25, 2021 and October 8, 2021 respectively. The results of the meetings are still awaited.

In respect of the interim orders of Hon'ble NCLT dated December 30, 2020, the Hon'ble National Company Law Appellate Tribunal ('Hon'ble NCLAT') vide its order dated March 2, 2021 granted stay on a particular section of Hon'ble NCLT order which directed the Credit Rating Agencies against considering non-payment by the Company as default under the respective debt documents and also to maintain the rating(s) of the Company at least that of investment grade. The benefit of the said order was also extended to a separate appeal filed by a separate credit rating agency vide an order dated April 5, 2021. Pursuant to the stay orders of the Hon'ble NCLAT, the Credit Rating Agencies downgraded the rating of the Company to 'default' category. The previous management has contested the same as blatantly wrong, misleading and baseless and filed necessary intimation with Stock Exchanges.

Further, Hon'ble NCLAT vide its order dated March 31, 2021 further granted stay on another section of Hon'ble NCLT order which estopped all governmental or regulatory authorities from taking any coercive steps including reporting in any form and/or changing the account status of the Company in an appeal preferred by the Reserve Bank of India.

The appeals preferred by UCO Bank and Reserve Bank of India against the order dated October 21, 2020 have been allowed by Hon'ble NCLAT vide its order dated September 7, 2021. The appeals preferred by the debenture trustees and RBI against the certain directions arising out of order dated December 30, 2020 are pending for final decision before Hon'ble NCLT/NCLAT.

Further, as stated in Note No. 4 above, the Administrator is also not in position to comment on the outcome of Schemes and about the validity of the BTA and any decision taken by the previous management.

6. Trust and Retention Account (TRA)

As domestic lenders of the Company & SEFL stipulated Trust and Retention Account (TRA) mechanism effective November 24, 2020, pursuant to which all the payments being made by the Company are being approved/released based on approval in the TRA mechanism. This resulted in a lot of operational challenges including non-approval or delayed approval of various expenditure being incurred by the Company. Hence, the Company was neither able to make payment of the interest of Rs. 1,402 Lakhs w.r.t. ICDs from SEFL nor able to collect rent of Rs. 469 Lakhs for the half year ended 30th September, 2021 and accordingly considering the restrictions imposed by the lenders on the related party payments, the Audit Committee of SIFL and SEFL in their meeting dated August 14, 2021 and August 11, 2021 respectively approved waiver of aforesaid rent and interest between SIFL and SEFL.



7. Going Concern

Owing to the impact of Covid-19 pandemic, as explained in Note No. 4 (Impact of Covid-19 pandemic), the Company has incurred accumulated losses of Rs 2,566 crores till the period ended 30 September, 2021, eroding the net worth of the Company substantially.

However, the Company has assessed that, considering its plan to deal with the aforesaid events or conditions, the use of the going concern assumption is appropriate in the circumstances and hence, these financial results has been prepared on a going concern assumption basis. Certain crucial aspects of the Company's plans in this regard are as follows:-

- a. Considering the underlying strength of its existing business and future business outlook, the Company is hopeful of improvement in its cash flows in due course of time
- b. Cost optimization measures adopted by the company.
- c. The Company is also exploring all possibilities to start new business.
- d. The Code requires the Administrator to, among other things, run the Company as a going concern during CIRP. The Administrator, in consultation with the Committee of Creditors ('CoC') of the Company, in accordance with the provisions of the IBC, is making all endeavors to run the Company as a going concern. CIRP has just started and ultimately a resolution plan needs to be presented to and approved by the CoC and further approved by the Hon'ble NCLT. Pending the completion of the said process under CIRP, these financial results have been prepared on a going concern basis.

8. Probable Connected / Related Companies

The Reserve Bank of India (RBI) in its inspection report and risk assessment report (the directions) for the year ended March 31, 2020 had identified 'certain borrowers' as probable connected/ related companies.

In view of the directions, the previous management of the Company had taken legal view that the Company and SEFL have no direct or indirect control or significant influence (as per Companies Act, 2013, Ind AS 24) over such borrowers and are not under common control and accordingly, are not a related party of the Company or SEFL.

As a part of the CIRP, the Administrator has appointed Auditors for Transaction review as per section 43, 45, 50 and 66 of the IBC and the outcome thereof is awaited.

9. The Ministry of Corporate Affairs (MCA) vide its letter dated September 27, 2021 has initiated investigation into the affairs of the Company under Section 206(5) of the Companies Act, 2013. The Company is fully co-operating with the investigating agency.

10. As at March 31, 2021, the Company was having funds amounting to INR 53 Lakhs in relation to the Corporate Social Responsibility ('CSR') which were unspent. These unspent amounts as per the requirements of Section 135 of the Companies Act, 2013 ('Act') were to be transferred to funds specified under Schedule VII to the Act within a period of 6 months. However, the domestic lenders of the Company had stipulated Trust and Retention Account (TRA) mechanism





effective November 24, 2020, pursuant to which all the payments being made by the Company were being approved/released based on the TRA mechanism. Hence, due to non-receipt of approval from Bankers, the Company was not able to transfer the aforesaid unspent CSR amount as per the requirements of Section 135 of the Act. The Company is in the process of evaluating the financial and other consequences arising from such non-compliances. Pending final determination thereof, no adjustments have been made to these financial results in this regard.

11. In accordance to Ind AS 108 - "Operating Segments", the required disclosure is done in the Consolidated Financial Results of the Company.
12. The figures for second quarter in each of the financial years are the balancing figures between figures in respect of the six months and the year to date figures upto the end of the first quarter of the respective financial year.
13. Previous period/year figures have been regrouped/rearranged, wherever considered necessary, to conform to the classification of the current period.

For Srei Infrastructure Finance Ltd.
(A Company under Corporate Insolvency
Resolution Process vide NCLT Order dated October 08, 2021)



A handwritten signature in blue ink, appearing to be "Rajneesh Sharma".

RAJNEESH SHARMA
ADMINISTRATOR APPOINTED UNDER IBC

Place: Kolkata
Date : 24th December, 2021

The Administrator has been appointed under Rule 5(a)(iii) of the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019 under the Insolvency and Bankruptcy Code, 2016 (IBC). The affairs, business and property of Srei Infrastructure Finance Limited are being managed by the Administrator, Mr. Rajneesh Sharma, who acts as agent of the Company only and without any personal liability.

Address for Correspondence - Vishwakarma 86C, Topsia Road (South), Kolkata, West Bengal, 700046

Email ID for Correspondence: sreiadministrator@srei.com

Three handwritten signatures in blue ink, located at the bottom left of the page.

Independent Auditor's Review Report on quarterly and year to date Unaudited Consolidated Financial Results of Srei Infrastructure Finance Limited pursuant to the Regulation 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To The Administrator

Srei Infrastructure Finance Limited

- 1) We were engaged to review the accompanying Statement of Unaudited Consolidated Financial Results of Srei infrastructure Finance Limited ("the Holding Company/SIFL") and its subsidiaries and trust (the Holding Company, its Subsidiaries and trust together referred to as "the Group") for the quarter ended September 30, 2021 and for the year to date from April 1, 2021 to September 30, 2021 ("the Statement"), being submitted by the Holding Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
- 2) The Reserve Bank of India ('RBI') vide press release dated October 4, 2021 in exercise of the powers conferred under Section 45-IE (1) of the Reserve Bank of India Act, 1934 ('RBI Act') superseded the Board of Directors of the Holding Company (SIFL) and its wholly owned subsidiary SREI Equipment Finance Limited (SEFL) Company and appointed an Administrator under Section 45-IE (2) of the RBI Act. Further, RBI, in exercise of powers conferred under section 45-IE (5) (a) of the RBI Act, has constituted a three-member Committee of Advisors for advising the Administrator.

The RBI had also filed application for initiation of Corporate Insolvency Resolution Process ('CIRP') against SIFL and SEFL under Section 227 read with clause (2k) of sub-section (2) of Section 239 of the Insolvency and Bankruptcy Code (IBC), 2016 ('the Code') read with Rules 5 and 6 of the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019 ('FSP Insolvency Rules') before the Hon'ble National Company Law Tribunal, Kolkata Bench ("Hon'ble NCLT"). Hon'ble NCLT vide its order dated October 8, 2021 admitted the application made by RBI for initiation of CIRP against SIFL and SEFL. Further, Hon'ble NCLT gave orders for appointment of Mr. Rajneesh Sharma, as the Administrator to carry out the functions as per the Code and that the management of the Company shall vest in the Administrator. Further, RBI has also retained the three-member Committee of Advisors, as aforesaid, for advising the Administrator in the operations of SIFL/SEFL during the CIRP.

- 3) We refer to Note No. 2 to the Statement with regards to the responsibility of the Administrator in respect of the preparation of this Statement which have been taken on record by the Administrator, only limited to the extent of discharging the powers of the Board of Directors of the Company which were conferred upon him under the Code and solely for the purpose of ensuring regulatory compliance.



This Statement has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on this Statement based on our review.

In view of the matters described in paragraph 7 mentioned below, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our conclusion on this Statement. Accordingly, we do not express a conclusion on this Statement.

- 4) We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of the group personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
- 5) We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated 29 March, 2019 issued by the SEBI under Regulation 33(8) of the Listing Regulations, to the extent applicable.
- 6) The Statement includes the results of the following entities:

| S.No. | Name of the Entities | Relationship |
|-------|---|-------------------------|
| 1. | Srei Equipment Finance Limited ("SEFL") | Wholly owned Subsidiary |
| 2. | Srei Capital Markets Limited | Wholly owned Subsidiary |
| 3. | Srei Asset Leasing Limited (Formerly Srei Finance Limited) | Wholly owned Subsidiary |
| 4. | Controlla Electrotech Private Limited | Wholly owned Subsidiary |
| 5. | Srei Mutual Fund Asset Management Private Limited | Wholly owned Subsidiary |
| 6. | Srei Mutual Fund Trust Private Limited | Wholly owned Subsidiary |
| 7. | Srei Insurance Broking Private Limited | Wholly owned Subsidiary |
| 8. | Bengal Srei Infrastructure Development Limited | Subsidiary |
| 9. | Trinity Alternative Investment Managers Limited (Formerly Srei Alternative Investment Managers Limited) | Subsidiary |
| 10. | Hyderabad Information Technology Venture Enterprises Limited | Step-down Subsidiary |
| 11. | Cyberabad Trustee Company Private Limited | Step-down Subsidiary |
| 12. | Srei Mutual Fund Trust | Trust |

7) Basis for Disclaimer of Conclusion

- a) Note No. 2 to the Statement which explains that the Administrator takes no responsibility with respect to the accuracy, validity, completeness or authenticity of the information and figures mentioned in the Statement as they belong to a period prior to the date of his appointment as the Administrator and that he has relied upon the explanations, clarifications, certifications,



representations and statements made by the existing officials made by the existing company management team ('the existing officials of SIFL & SEFL'). Further, the Administrator has taken on records and signed the Statement, while discharging the powers of the Board of Directors of the Company which were conferred upon him by the Code and solely for the purpose of ensuring regulatory compliance based upon the explanations, clarifications, certifications, representations, confirmations, and statements made by the existing officials of the Holding Company.

- b) Note No. 4 to the Statement which explains that during the financial year 2019-20, SIFL and SEFL accounted for the slump exchange transaction and consequently recognized the relevant assets and liabilities in their respective books of accounts, pursuant to the Business Transfer Agreement ('BTA') , with effect from October 1, 2019, after receiving the approval of the shareholders, debenture trustees, few lenders, stock exchanges and in-principle approval from some of the domestic lenders including lead banks. On the date of giving effect to BTA, the consent or otherwise, of other lenders was awaited. The previous management of SIFL/SEFL obtained expert legal and accounting opinions in relation to the accounting of BTA under Ind AS and the underlying guidance and framework. And based on expert advice accounting treatment for slump exchange was made in the books of both company. Note No. 5 further explains that during the financial year 2020-2021, the SIFL/SEFL had filed two separate applications under Section 230 of the Companies Act, 2013 before the Hon'ble NCLT proposing Schemes of Arrangement (the Schemes) with all its secured and unsecured lenders. The final order of NCLT for disposal of the Schemes filed is still awaited. Accordingly, the Administrator is not in a position to comment about the outcome of the Scheme and the validity of the BTA. In absence of the fact that whether the BTA is legally valid or not, we are not in a position to comment on the accounting of BTA, as aforesaid. Further, since the relevant assets and liabilities recognised pursuant to the BTA has been merged with the books of accounts of the respective Company with effect from October 1, 2019, it is not practicable to quantify the financial effect of the same, if any, on the financial results for the quarter and six months ended September 30, 2021.
- c) Note No. 3 to the Statement which explains that latest valuations from independent valuers in respect of assets/collaterals held as securities and considered for loan loss provision is in progress. Hence, pending completion of the process, we are unable to comment on the impact, if any of the same on the Statement.
- d) Note No. 6 to the Statement which explains that the Administrator has invited the financial/operational/other creditors to file their respective claims and that the admission of such claims is in process. Further, the note explains that the effect in respect of the claims admitted by the Administrator for SEFL and SIFL has been given in the books of account. Further, the note also explains that the creditors can file their claim during CIRP and the figures of claims admitted and accounted in the books of accounts might undergo changes during CIRP. Hence, adjustments, if any, arising out of the claim verification and submission process, will be given effect in subsequent periods.
- e) Note No. 7 to the Statement which explains the reasons owing to which SEFL has not been able to comply with guidelines of RBI in relation to mandatory hedging of exposure in External Commercial Borrowings amounting to INR 260 crore as at September 30, 2021. As stated, in the



said note, pending final determination by SEFL of the financial and other consequences arising out of such non-compliance, no adjustments have been made to the Statement.

- f) Note No. 13 to the Statement which explains that based on the directions of RBI, SEFL has made provisions amounting to INR 98 crores and INR 50 crores in respect of direct tax cases and indirect tax cases respectively where SEFL was under various stages of appeal with the relevant tax authorities. However, SEFL has not assessed whether the outflow of resource embodying economic benefits is probable or not as per the requirements of Ind AS 37- 'Provisions, Contingent Liabilities and Contingent Assets'. Hence, in absence of such assessment, we are unable to comment on any non-compliance with Ind AS and the corresponding impact, if any of the same on the Statement.
- g) Note No. 14 to the Statement which explains the reasons owing to which SIFL and SEFL was not able to comply with the requirements of Section 135 of the Act in relation to depositing unspent amount of CSR. As stated, in the said note, pending final determination of the financial and other consequences arising out of such non-compliance, no adjustments have been made to the Statement.
- h) Note No. 15 to the Statement which states that SEFL is in the process of assessing the asset cover on its secured redeemable non-convertible debentures ('NCDs') as at September 30, 2021. Since, the process of such assessment is still going, we are unable to comment on the asset cover on the NCDs.
- i) In view of the possible effects of the matters described in paragraph 7(a) to 7(h) above, we are also unable to comment on the group's compliance of the covenants in respect of all borrowings and consequential implications including disclosures, if any.
- j) In view of the possible effects of the matters described in paragraph 7(a) to 7(i) above, we are also unable to comment on the group's compliance on various regulatory ratios/limits and consequential implications including disclosures, if any.

8) Disclaimer of Conclusion

In view of the significance of the matters described in paragraph 7 above, we have not been able to obtain sufficient and appropriate evidence and therefore, unable to conclude as to whether the Statement has been prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India or state whether the Statement has disclosed the information required to be disclosed, including the manner in which it is to be disclosed, or that it contains any material misstatement.

9) Material uncertainty related to Going Concern

We draw attention to Note No. 8 to the Statement which states that SIFL and SEFL has been admitted to CIRP and also Indicates the factors that have further resulted into net loss during the quarter and six months ended September 30, 2021. As a result, the Group's net worth has fully eroded as at that date and It has not been able to comply with various regulatory ratios/limits. All this have impacted the



group's ability to continue its operations in normal course in future. These events or conditions, along with other matters as set forth in the aforesaid Note, indicate that there is a material uncertainty which casts significant doubt about the Company's ability to continue as a 'Going Concern' in foreseeable future. However, for the reasons stated in the said note, SIFL and its material wholly owned subsidiary SEFL has considered it appropriate to prepare their Statement on a going concern basis, and hence this statement has also been prepared on a going concern basis.

10) We draw attention to the following matters in the notes to the Statement:

- a) Note No. 3 to the Statement which explains the extent to which Covid-19 pandemic has impacted the operations of the group, owing to which and based on the information available at this point of time, as stated in the note, SEFL has made ECL provision aggregating to INR 1,027 crores and INR 1,445 crores for the quarter and six months ended September 30, 2021 respectively. The extent to which the pandemic may further impact the operations and financial results of the group is dependent on future developments, which are highly uncertain at this point of time.
- b) Note No. 9 to the Statement which explains that SIFL and SEFL, as per the specific directions from Reserve Bank of India (RBI) in relation to certain borrowers referred to as 'probable connected parties/related parties', in line with arm's length principles, is in the process of re-assessing & re-negotiating terms and conditions with such borrowers and all other borrowers, who have been granted loans with moratorium period and at interest rate which is linked with the cash flows of the project. Necessary disclosures/adjustments, if any, will be done upon completion of the re-assessment of and the re-negotiations with the respective borrowers.
- c) Note No. 10 to the Statement which states that The Ministry of Corporate Affairs (MCA) vide its letter dated September 27, 2021 has initiated investigation into the affairs of the Company under Section 206(5) of the Companies Act, 2013. The Company is fully co-operating with the investigating agency.

Any comment/s in the matter will depend upon completion of re-assessment and renegotiations as stated above.

For D. K. Chhajjer & Co.

Chartered Accountants

FRN: 304138E

NIRAJ KUMAR
JHUNJHUNW
ALA

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NIRAJ KUMAR
JHUNJHUNWALA
Date: 2021.12.24
20:13:17 +05'30'

Niraj K Jhunjunwala

Partner

Membership No.: 057170

UDIN: 21057170AAAAHG8778

Place: Kolkata

Date: December 24, 2021



SREI INFRASTRUCTURE FINANCE LIMITED

Regd Office: 'Vishwakarma', 86C, Topsia Road (South), Kolkata - 700 046, Website: www.srei.com, Email for Investors: investor.relations@srei.com
(CIN): L29219WB1985PLC055352

UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2021

(Rs. in Lakhs)

| Particulars | Quarter ended | | | Half Year ended | | Year ended |
|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|------------------------|
| | 30-Sep-21 (Unaudited) | 30-Jun-21 (Unaudited) | 30-Sep-20 (Unaudited) | 30-Sep-21 (Unaudited) | 30-Sep-20 (Unaudited) | 31-Mar-21 (Audited) |
| Revenue from Operations | | | | | | |
| Interest Income | 56,791 | 65,806 | 91,857 | 122,597 | 182,892 | 285,318 |
| Dividend Income | - | - | - | - | - | - |
| Rental Income | 10,307 | 11,652 | 21,992 | 21,959 | 45,504 | 46,620 |
| Fees and Commission Income | 1,844 | 1,622 | 1,546 | 3,466 | 3,313 | 6,186 |
| Net gain on fair value changes | - | - | - | - | - | - |
| Net gain on derecognition of financial instruments | 1,964 | 910 | 274 | 2,874 | 1,774 | 274 |
| Net gain on derecognition of financial instruments under fair value through profit or loss | 5 | 2 | 2 | 7 | 2 | 4 |
| Others | 715 | 962 | 1,409 | 1,677 | 5,089 | 4,680 |
| (I) Total Revenue from Operations | 71,626 | 80,954 | 117,080 | 152,580 | 238,574 | 343,082 |
| (II) Other Income | 721 | (1,620) | 771 | (899) | 2,165 | 5,797 |
| (III) Total Income (I+II) | 72,347 | 79,334 | 117,851 | 151,681 | 240,739 | 348,879 |
| Expenses | | | | | | |
| Finance Costs | 81,738 | 93,607 | 83,558 | 175,345 | 167,916 | 333,438 |
| Fees and Commission Expense | 904 | 774 | 1,224 | 1,678 | 1,877 | 5,461 |
| Net loss on fair value changes | 26,469 | 2,516 | (412) | 28,985 | 2,289 | 49,867 |
| Net loss on derecognition of financial instruments under amortised cost | 1,131 | 9,502 | 1,309 | 10,633 | 1,711 | 3,635 |
| Impairment on Financial Instruments (Net) | 121,146 | 43,873 | 3,445 | 165,019 | 10,151 | 551,312 |
| Purchases of Stock-in-trade | - | - | - | - | - | 1,100 |
| Employee Benefits Expenses | 3,220 | 3,272 | 3,559 | 6,492 | 6,992 | 14,290 |
| Depreciation, Amortisation and Impairment | 14,772 | 14,967 | 17,135 | 29,739 | 34,344 | 73,456 |
| Administrative and Other Expenses | 11,096 | 5,136 | 5,645 | 16,232 | 8,703 | 21,750 |
| Loss / write-off on Repossessed Assets and Assets acquired in satisfaction of debt | 607 | 2,725 | 1,554 | 3,332 | 2,436 | 12,451 |
| (IV) Total Expenses (IV) | 261,083 | 176,372 | 117,017 | 437,455 | 236,419 | 1,066,760 |
| (V) Profit before Exceptional Items & Tax (III-IV) | (188,736) | (97,038) | 834 | (285,774) | 4,320 | (717,881) |
| (VI) Adjustment on disposal / cessation of Subsidiaries and Associate | - | - | - | - | - | - |
| (VII) Profit/ (Loss) Before Tax (V+VI) | (188,736) | (97,038) | 834 | (285,774) | 4,320 | (717,881) |
| (VIII) Tax Expense: | | | | | | |
| (a) Current Tax | 93 | 19 | 2,768 | 112 | 4,910 | 115 |
| (b) Income Tax in respect of earlier year | 7,962 | - | - | 7,962 | - | (4,387) |
| (c) Deferred Tax | 35 | 48 | (2,406) | 83 | (3,363) | 20,230 |
| (IX) Profit/ (Loss) After Tax but before Loss of Associates (VII-VIII) | (196,826) | (97,105) | 472 | (293,931) | 2,773 | (733,839) |
| (X) Share of Profit/ (Loss) of Associates | - | - | - | - | - | - |
| (XI) Profit/ (Loss) After Tax (IX+X) | (196,826) | (97,105) | 472 | (293,931) | 2,773 | (733,839) |
| (XII) Other Comprehensive Income/(Expense) | | | | | | |
| Items that will not be reclassified to Profit or Loss | | | | | | |
| - Remeasurement Gains/ (Losses) on Defined Benefit Plan | (83) | 11 | 48 | (72) | 39 | 48 |
| - Gains/ (Losses) on Equity Instruments through Other Comprehensive Income | (10,517) | 29,536 | 204 | 19,019 | 2,110 | 17,558 |
| - Tax related to above | (8) | (29) | (18) | (37) | (466) | (3,495) |
| Items that will be reclassified to Profit or Loss | | | | | | |
| - Effective portion of gains and losses on hedging instruments in a cash flow hedge | - | 14 | 180 | 14 | 163 | 1,573 |
| - Gains on fair valuation of loans | (192) | (471) | 197 | (663) | 2,583 | (2,713) |
| - Tax related to above | - | - | (132) | - | (960) | 800 |
| Total Other Comprehensive Income/(Expense) (XII) | (10,800) | 29,061 | 479 | 18,261 | 3,469 | 13,771 |
| (XIII) Total Comprehensive Income/(Expense) for the period (XI+XII) | (207,626) | (68,044) | 951 | (275,670) | 6,242 | (720,068) |
| Profit/ (Loss) for the period attributable to: | | | | | | |
| -Owners of the parent | (196,885) | (97,182) | 475 | (294,067) | 2,778 | (733,920) |
| -Non-controlling interest | 59 | 77 | (3) | 136 | (5) | 81 |
| Other Comprehensive Income/(Expense) for the period attributable to: | | | | | | |
| -Owners of the parent | (10,800) | 29,011 | 479 | 18,201 | 3,469 | 13,771 |
| -Non-controlling interest | 10 | 50 | - | 60 | - | - |
| Total Comprehensive Income/(Expense) for the period attributable to: | | | | | | |
| -Owners of the parent | (207,685) | (68,171) | 954 | (275,866) | 6,247 | (720,149) |
| -Non-controlling interest | 69 | 127 | (3) | 196 | (5) | 81 |
| Paid-up Equity Share Capital (Par Value Rs. 10/- per Equity Share) | 50,309 | 50,309 | 50,309 | 50,309 | 50,309 | 50,309 |
| Other Equity excluding Revaluation Reserves | - | - | - | - | - | (368,209) |
| Earnings per Equity share (Basic and Diluted) (in Rs.) (*Not annualised) (Par Value Rs. 10/- per Equity Share) | *(39.13) | *(19.30) | *0.09 | *(58.43) | *0.55 | (145.87) |

BALANCE SHEET

(Rs. in Lakhs)

| Particulars | As at | As at |
|---------------------------------------|--------------------------|------------------------|
| | 30-Sep-21 (Unaudited) | 31-Mar-21 (Audited) |
| ASSETS | | |
| 1. Financial Assets | | |
| (a) Cash and Cash Equivalents | 32,323 | 43,511 |
| (b) Bank Balance other than (a) above | 20,103 | 100,818 |
| (c) Derivative Financial Instruments | - | 936 |
| (d) Receivables | | |
| (i) Trade Receivables | 5,067 | 4,346 |
| (ii) Other Receivables | - | - |
| (e) Loans | 2,022,971 | 2,154,861 |
| (f) Investments | 203,295 | 164,250 |
| (g) Other Financial Assets | 86,434 | 92,376 |
| | 2,370,193 | 2,561,098 |
| 2. Non-Financial Assets | | |
| (a) Inventories | - | - |
| (b) Current Tax Assets (Net) | 17,439 | 18,690 |
| (c) Deferred Tax Assets (Net) | 216 | 332 |
| (d) Investment Property | 1,710 | 1,729 |
| (e) Property, Plant and Equipment | 227,651 | 265,294 |
| (f) Rights-of-use Assets | 2,961 | 2,844 |
| (g) Capital Work-in-Progress | - | - |
| (h) Goodwill on Consolidation | 683 | 683 |
| (i) Other Intangible Assets | 1,004 | 1,177 |
| (j) Other Non-Financial Assets | 41,985 | 48,511 |
| | 293,649 | 339,260 |
| TOTAL ASSETS | 2,663,842 | 2,900,358 |



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| Particulars | (Rs. in Lakhs) | |
|---|--------------------------|------------------------|
| | As at | As at |
| | 30-Sep-21 (Unaudited) | 31-Mar-21 (Audited) |
| LIABILITIES AND EQUITY | | |
| LIABILITIES | | |
| 1. Financial Liabilities | | |
| (a) Derivative Financial Instruments | - | 1,151 |
| (b) Payables | | |
| (i) Trade Payables | | |
| (i) Total outstanding dues of micro enterprises and small enterprises | - | 14 |
| (ii) Total outstanding dues of creditors other than micro enterprises and small enterprises | 6,414 | 9,248 |
| (c) Debt Securities | 256,299 | 244,148 |
| (d) Borrowings (Other than Debt Securities) | 2,653,098 | 2,647,553 |
| (e) Subordinated Liabilities | 291,021 | 278,531 |
| (f) Lease Liabilities | 3,387 | 3,136 |
| (g) Other Financial Liabilities | 25,385 | 24,486 |
| | 3,235,604 | 3,208,267 |
| 2. Non-Financial Liabilities | | |
| (a) Provisions | 16,000 | 1,384 |
| (b) Other Non-Financial Liabilities | 5,721 | 8,522 |
| | 21,721 | 9,906 |
| 3. Equity | | |
| (a) Equity Share Capital | 50,309 | 50,309 |
| (b) Other Equity | (644,073) | (368,209) |
| | (593,764) | (317,900) |
| Non-controlling Interests | 281 | 85 |
| TOTAL LIABILITIES AND EQUITY | 2,663,842 | 2,900,358 |

STATEMENT OF CASH FLOWS

| Particulars | (Rs. in Lakhs) | |
|--|--------------------------|--------------------------|
| | Half Year ended | |
| | 30-Sep-21 (Unaudited) | 30-Sep-20 (Unaudited) |
| A. Cash Flows from Operating Activities | | |
| Profit Before Tax | (285,774) | 4,320 |
| Adjustments for : | | |
| Net unrealised fair value (gain) / loss | 27,038 | 3,651 |
| Net (gain) / loss on derecognition of Property, Plant and Equipment | 4,288 | 2,079 |
| Interest on Income Tax Refund | (319) | (682) |
| Liabilities No Longer Required written back | - | 2,962 |
| Impairment on Financial Instruments (Net) | 165,019 | 10,151 |
| Depreciation, Amortisation and Impairment | 29,739 | 34,344 |
| Impairment on Goodwill | - | - |
| Net (gain) / loss on derecognition of Financial Instruments under amortised | 10,633 | 2,373 |
| Impairment/Write-off on Assets acquired in satisfaction of debt | 3,332 | - |
| Operating profit before working capital changes | (46,044) | 59,198 |
| Changes in Working Capital | | |
| Adjustments for : | | |
| (Increase) / Decrease in Trade Receivables and Others Assets | (949) | 6,265 |
| (Increase) / Decrease in Loans Assets | (48,298) | 36,024 |
| (Increase) / Decrease in Inventory | - | - |
| Increase / (Decrease) in Trade Payables and Others Liabilities | 10,081 | (31,526) |
| (Increase) / Decrease in Other Bank Balances | 80,715 | 17,816 |
| Cash generated / (used) in operations | (4,495) | 87,777 |
| Direct Taxes Paid (net of refund) | (6,508) | 2,062 |
| Net Cash (used in) / generated from Operating Activities | (11,003) | 89,839 |
| B. Cash Flows from Investing Activities | | |
| Purchase of Property, Plant and Equipment/ Capital Work-in-Progress/ Intangible Assets | 4,415 | (45) |
| Proceeds from Sale of Property, Plant and Equipment/Intangible assets | 40 | 3,752 |
| (Increase) / Decrease in Investments (Other than Subsidiaries) | (34,710) | (42,925) |
| (Increase) / Decrease of Investments in Subsidiaries | - | 182 |
| Net Cash (used in) / generated from Investing Activities | (30,335) | (39,036) |
| C. Cash Flows from Financing Activities | | |
| Proceeds from issuance of Debt securities (including subordinated debt securities) | - | (35,346) |
| (Repayment of) / Proceeds from Working Capital facilities (Net) | 9,422 | 82,387 |
| Repayment of Other Borrowings | 20,734 | - |
| (Repayment of) / Proceeds from Other Borrowings (Net) | - | (135,412) |
| Dividend Paid (including Corporate Dividend Tax) | (6) | (6) |
| Net Cash (used in) / generated from Financing Activities | 30,150 | (88,377) |
| Net Increase / (Decrease) in Cash and Cash Equivalents | (11,188) | (37,574) |
| Cash & Cash Equivalents at the beginning of the year | 43,511 | 40,059 |
| Cash and Cash Equivalents at the end of the year | 32,323 | 2,485 |

| Components of Cash and Cash Equivalents: | As at | As at |
|---|--------------------------|--------------------------|
| | 30-Sep-21 (Unaudited) | 30-Sep-20 (Unaudited) |
| Cash and Cash Equivalents at the end of the year | | |
| (a) Cash on hand | 10 | 35 |
| (b) Balances with Banks - in Current Account | 32,313 | 2450 |
| (c) Fixed Deposits with original maturity period less than three months | - | - |
| | 32,323 | 2,485 |

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Segment wise Revenue, Results, Assets and Liabilities

(Rs. in Lakhs)

| Particulars | Quarter ended | | | Half Year ended | | Year ended |
|------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|------------------------|
| | 30-Sep-21 (Unaudited) | 30-Jun-21 (Unaudited) | 30-Sep-20 (Unaudited) | 30-Sep-21 (Unaudited) | 30-Sep-20 (Unaudited) | 31-Mar-21 (Audited) |
| 1. Segment Revenue | | | | | | |
| (a) Financial Services | 71,629 | 80,956 | 117,145 | 152,585 | 238,702 | 343,329 |
| (b) Others | 1 | 1 | 76 | 2 | 155 | 316 |
| Total | 71,630 | 80,957 | 117,221 | 152,587 | 238,857 | 343,645 |
| Less: Inter Segment Revenue | 4 | 3 | 141 | 7 | 283 | 563 |
| Net Income from Operations | 71,626 | 80,954 | 117,080 | 152,580 | 238,574 | 343,082 |
| 2. Segment Results | | | | | | |
| (a) Financial Services | (188,721) | (97,021) | 857 | (285,742) | 4,354 | (717,806) |
| (b) Others | (15) | (17) | (23) | (32) | (34) | (75) |
| Profit Before Tax | (188,736) | (97,038) | 834 | (285,774) | 4,320 | (717,881) |
| 3. Segment Assets | | | | | | |
| (a) Financial Services | 2,630,582 | 2,854,290 | 3,665,892 | 2,630,582 | 3,665,892 | 2,879,359 |
| (b) Others | 1,918 | 1,962 | 2,020 | 1,918 | 2,020 | 1,947 |
| (c) Un-allocable | 31,342 | 20,002 | 20,898 | 31,342 | 20,898 | 19,052 |
| Total Segment Assets | 2,663,842 | 2,876,254 | 3,688,810 | 2,663,842 | 3,688,810 | 2,900,358 |
| 4. Segment Liabilities | | | | | | |
| (a) Financial Services | 3,257,276 | 3,262,094 | 3,280,253 | 3,257,276 | 3,280,253 | 3,218,123 |
| (b) Others | 25 | 25 | 19 | 25 | 19 | 20 |
| (c) Un-allocable | 24 | 30 | 30 | 24 | 30 | 30 |
| Total Segment Liabilities | 3,257,325 | 3,262,149 | 3,280,302 | 3,257,325 | 3,280,302 | 3,218,173 |

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