



Srei Equipment Finance Limited to raise up to Rs 300 crore through Public Issue of Secured and Unsecured Redeemable NCDs

New Delhi, December 18, 2018: Srei Equipment Finance Limited ("SEFL"), a wholly-owned subsidiary of Srei Infrastructure Finance Limited ("SIFL"), is proposing a public issue of secured non-convertible debentures ("Secured NCDs") and Unsecured Subordinated NCDs of face value Rs 1,000 each ("Unsecured NCDs"), amounting up to Rs 150 crore ("Base Issue Size") with an option to retain oversubscription for an amount up to Rs 150 crore, aggregating to Rs 300 crore ("Overall Issue Size").

The issue will open on December 19, 2018 and close on January 18 2019, with an option of early closure. Investors have the option of applying across various series of NCDs having tenors of 400 days, 3 years, 5 years and 10 years. The NCDs offer a maximum annualised coupon of up to 10.75% per annum for 10 years tenor of Unsecured NCDs. Investors who are existing NCD/Bonds holders of SEFL and/or SIFL, equity shareholders of SIFL, and senior citizens at the Deemed Date of Allotment are eligible for an additional incentive of 0.25% p.a. in this current Issue.

SEFL is an industry leader in the construction, mining and allied equipment ("CME") finance space, with an approximate market share of 33% in FY 2018 (Source: Feedback Report). The company enjoys a pan India presence with 90 branches and four offices, including its head office in Kolkata.

The NCDs have a credit rating of "BWR AA+" (BWR Double A Plus) (Outlook: Stable) by BRICKWORK and " ACUITE AA+/Stable' (ACUITE Double A plus/Stable)" by ACUITE Ratings Limited ("ACUITE"). Instruments with such ratings are considered to have a high degree of safety regarding timely servicing of financial obligations and carry very low risk. The issue is proposed to be listed on the BSE Limited ("BSE" or "Designated Stock Exchange")

Commenting on the proposed NCD issue, **Mr. Devendra Kumar Vyas**, CEO, SEFL, said, "The on-going government's thrust on infrastructure development such as Bharatmala, Sagarmala, urban infrastructure, railways, irrigation etc. will continue to support the demand for construction, mining, and allied equipment. This issue will provide an impetus to leverage on the growth opportunities.

SEFL has an established track record of consistent financial performance and growth. The proposed issue is a part of our ongoing endeavour to diversify our funding sources and achieving a cost effective funding mix. Backed by strong financial profile and stakeholders trust, SEFL NCDs offers lucrative options to all categories of investors to subscribe to the Issue, who are keen to diversify their portfolio into debt instruments that offer fixed and good returns."

The object of the proposed issue is to raise funds for lending/repayment of loan and for general corporate purpose. The lead managers to the issue are Edelweiss Financial Services Limited, IIFL Holdings Limited, Trust Investment Advisors Private Limited, Tipsons Consultancy Services Private Limited and Srei Capital Markets Limited.



About Srei Equipment Finance Limited ("SEFL"):

Srei Equipment Finance Limited ("SEFL"), a wholly-owned subsidiary of Srei Infrastructure Finance Limited, is an industry leader in construction and mining equipment financing. SEFL is an industry leader in the construction, mining and allied equipment ("CME") finance space, with an approximate market share of 33% in FY 2018 (Source: Feedback Report). The company enjoys a pan India presence with 90 branches and four offices, including its head office in Kolkata. SEFL has an experienced management team having significant expertise in the financial services sector.

Disclaimer:

@The Issue shall remain open for subscription on Working Days from 10 A.M. to 5 P.M. (Indian Standard Time) during the period indicated above, except that the Issue may close on such earlier date or extended date as may be decided by the Board/Committee of Directors, as the case maybe, subject to necessary approvals. In the event of an early closure or extension of the Issue, our Company shall ensure that notice of the same is provided to the prospective investors through advertisements in a leading national daily newspaper with wide circulation on or before such earlier date of Issue Closure or initial date of Issue closure, as the case may be. On the Issue Closing date, the Application Forms will be accepted only between 10 a.m. to 3 p.m. (Indian Standard Time) and uploaded till 5 p.m. or such extended time as may be permitted by the Stock Exchange. For further details please refer to "General Information" on page 50 of the Prospectus.

Disclaimer of the Issuer: Srei Equipment Finance Limited is, subject to market conditions and other considerations, proposing a public issue of Secured Redeemable Non-Convertible Debentures of Face Value of Rs.1,000/- each (the "Secured NCDs") and Unsecured Subordinated Redeemable Non-Convertible Debentures of Face Value of Rs.1,000/- each (the "Unsecured NCDs"), amounting to Rs.1,500 million ("Base Issue Size"), with an option to retain oversubscription for an amount up to Rs.1,500 million, aggregating to Rs.3,000 million ("Overall Issue Size"). The Secured NCDs and Unsecured NCDs together referred to as "Debentures/NCDs". The Unsecured NCDs will be in the nature of Subordinated Debt and will be eligible for inclusion as Tier II Capital and is being offered by way of the Prospectus dated December 11, 2018 (The "Prospectus"), has been filed with the Registrar of Companies, West Bengal, the Securities and Exchange Board of India and BSE. The Investors are advised to take any decision to invest in the NCDs pursuant to their examination of the Issuer and on the basis of the disclosures made in the Prospectus. Please see the section titled "Risk Factors" beginning on page 21 of the Prospectus for the risks in this regard.

Disclaimer Clause of BSE: "It is to be distinctly understood that the permission given by BSE Limited should not in any way be deemed or construed that the Prospectus has been cleared or approved by BSE Limited nor does it certify the correctness or completeness of any of the contents of the Prospectus. The investors are advised to refer to the Prospectus for the full text of the Disclaimer clause of BSE Limited".

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