

SREI INFRASTRUCTURE FINANCE LTD.

Regd Office: 'Vishwakarma', 86C Topsia Road (South), Kolkata- 700 046

Website: www.srei.com

AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2007

(Rupees in Lacs)

Particulars	Quarter ended		Accounting year ended
	30-Jun-07 (Audited)	30-Jun-06 (Unaudited Reviewed)	31-Mar-07 (Audited)
Income			
From Operating Activities	12135	8563	39799
Other Income	31	10	208
Total	12166	8573	40007
Expenditure			
Staff Cost	575	396	2233
Operating & Other Expenses	880	600	3376
Financial Expenses	6753	4819	21466
Total	8208	5815	27075
Gross Profit	3958	2758	12932
Depreciation	1173	658	3324
Profit Before Bad Debts and Provisions	2785	2100	9608
Bad Debts written off	-	-	251
Provisions as per norms of Reserve Bank of India & Foreign Financial Institutions	279	-	778
Profit Before Tax	2506	2100	8579
Provision for Current Tax	178	189	534
Provision for Deferred Tax	-	409	-
Income Tax in respect of earlier years	-	-	120
Profit After Tax	2328	1502	7925
Equity Share Capital (Face Value Rs.10/- each)	10909	10909	10909
Reserves (excluding revaluation reserve)			36794
Earnings per share (Rs.) Basic	2.14*	1.38*	7.27
Earnings per share (Rs.) Diluted	2.14*	1.38*	7.27
Aggregate of public shareholding			
- Number of Shares	86385369	82653113	86910613
- Percentage of Shareholding	79.29	75.87	79.78

* Not Annualized

Notes:

- The above audited Quarterly financial results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 31st July, 2007 and approved for publication. The current quarterly financial results have been audited and there are no qualifications in the auditors' report issued for this period.
- The Board of Directors of the Company has on 31st May, 2007 approved the formation of a 50:50 joint venture with BNP Paribas Lease Group (a wholly owned subsidiary of BNP Paribas).
- In view of Accounting Standards (AS) 15 revised "Employee Benefits" issued by The Institute of Chartered Accountants of India, which is applicable from 01.04.07, adjustments on account of transitional provisions of Rs.40 lacs (Net of Deferred Tax) has been adjusted against General Reserves as at 1st April, 2007. Charge on account of Employee Benefits has been provided for in the current quarter.
- Provision as per norms of Reserve Bank of India & Foreign Financial Institutions has been made during the current quarter.
- The Company has raised Rs.11600/- during the quarter ended 30th June, 2007 by way of issue of 400 Equity Shares of Rs. 10/- each fully paid-up at a premium of Rs.19/- per share. The shares are issued pursuant to exercise of option at Seventh Determination date (25.02.2007) by the holders of detachable tradable warrants issued along with Unsecured Subordinated Bonds on 25th August, 2000.
- The number of shares used in computing basic and diluted earnings per share (EPS) is the weighted average number of shares outstanding for the respective periods.
- The Company has challenged constitutional validity of Fringe Benefits Tax before the Hon'ble Kolkata High Court and the Hon'ble Court has granted interim stay on levy of such Fringe Benefits Tax on the Company. In view of this, the Company has not provided for any liability against Fringe Benefits Tax.
- In view of sufficient existing provision for Deferred Tax liability as per Accounting Standard 22 issued by The Institute of Chartered Accountants of India, no provision for Deferred Tax liability has been made during the Quarter.
- The business of the Company falls within a single primary segment viz., "Asset Finance" and hence the disclosure requirement of Accounting Standard (AS 17) "Segment Reporting" is not applicable.
- Information on Investor Complaints for the quarter ended 30th June, 2007: (Nos.) Opening Balance = 0, New = 4, Disposed = 4, Closing Balance = 0.
- Figures of previous year/quarter have been rearranged /regrouped, wherever necessary.

For and on behalf of the Board of Directors


Hemant Kanoria
Vice Chairman & Managing DirectorPlace: Kolkata
Date : 31st July, 2007