

SREI INFRASTRUCTURE FINANCE LTD.

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UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2007

(Rupees in lacs)

Particulars	Quarter ended		Half Year ended		Accounting Year ended
	30-Sep-07 (Reviewed)	30-Sep-06 (Unaudited)	30-Sep-07 (Reviewed)	30-Sep-06 (Unaudited)	31-Mar-07 (Audited)
Income					
From Operating Activities	16246	10004	29001	18778	41829
Other Income	153	31	182	43	240
Total Income	16399	10035	29183	18821	42069
Expenditure					
- Employees Cost	900	756	1720	1246	2773
- Depreciation	1196	685	2374	1350	3345
- Operating & Other Expenses	1215	881	2300	1595	3932
- Bad Debts and Provisions for Bad Debts	391	-	670	2	1146
- Total	3702	2322	7064	4193	11196
Financial Expenses	8845	5273	15759	10130	21747
Profit Before Tax	3852	2440	6360	4498	9126
Tax expenses					
- Current Tax	500	193	666	380	552
- Deferred Tax	(23)	627	(22)	1036	(2)
- Income Tax in respect of earlier years	-	-	-	-	120
Profit After Tax (before adjustment for Minority Interest & profit/(loss) of Associate)	3375	1620	5716	3082	8456
Less: Share of Profit/(loss) of Minority Interest	(12)	(7)	(29)	(18)	(17)
Add: Share of Profit/(loss) of Associate	(69)	1	(95)	31	(43)
Profit After Tax	3318	1628	5650	3131	8430
Paid-up equity share capital (Face Value Rs.10/- each)	10909	10909	10909	10909	10909
Reserves excluding Revaluation Reserves as per Balance Sheet of previous accounting year	-	-	-	-	39715
Earnings per share (EPS) (Rs.)					
- Basic EPS	3.05*	1.49*	5.19*	2.87*	7.76
- Diluted EPS	3.05*	1.49*	5.19*	2.87*	7.76
Public shareholding					
- Number of Shares	86388369	86514113	86388369	86514113	86910613
- Percentage of Shareholding	79.30	79.41	79.30	79.41	79.78

* Not annualised

Segment wise Revenue, Result and Capital Employed as per Clause 41 of Listing Agreement

Particulars	Quarter ended		Half Year ended		Accounting Year ended
	30-Sep-07 (Reviewed)	30-Sep-06 (Unaudited)	30-Sep-07 (Reviewed)	30-Sep-06 (Unaudited)	31-Mar-07 (Audited)
1. Segment Revenue					
(a) Assets Finance	14926	9543	27061	18106	39799
(b) Others	1473	492	2122	715	2270
Total	16399	10035	29183	18821	42069
Less: Inter Segment Revenue	-	-	-	-	-
Net Income from Operations	16399	10035	29183	18821	42069
2. Segment Results					
(a) Assets Finance	11940	7531	21221	14494	30133
(b) Others	757	182	898	134	740
Total	12697	7713	22119	14628	30873
Add/ (Less):					
Interest	8845	5273	15759	10130	21747
Other Un-allocable Expenditure (Net)	-	-	-	-	-
Un-allocable Income	-	-	-	-	-
Total Profit Before Tax	3852	2440	6360	4498	9126
3. Capital Employed					
(Segment Assets-Segment Liabilities)					
(a) Assets Finance	52327	43438	52327	43438	46627
(b) Others	3588	799	3588	799	2967
Total	55915	44237	55915	44237	49594

Notes:

1. Pursuant to the recent amendments to the Clause 41 of the Listing Agreement, the Company opted to publish only the consolidated financial results of the group. Investors can view the standalone financial results of the Company on the Company's website www.srei.com or on the websites of BSE (www.bseindia.com) or NSE (www.nseindia.com).
2. The above published consolidated financial results have been extracted from consolidated financial statements prepared in accordance with principles and procedures as set out in the Accounting Standard-21 on 'Consolidated Financial Statements' and Accounting Standard-23 on 'Accounting for Investments in Associates in Consolidated Financial Statements' issued by the Institute of Chartered Accountants of India.
3. During the quarter ended 30th September, 2007, two new Companies namely Hyderabad Information Technology Venture Enterprises Ltd. and Cyberabad Trustee Company Pvt. Ltd. has been acquired through a subsidiary 'SREI Venture Capital Ltd'.
4. The Accounts of a foreign subsidiary (including its subsidiary) have been prepared as per IFRS, generally followed in the country of their incorporation.
5. The name of Company's subsidiary 'SREI Insurance Services Limited' has been changed to 'SREI Insurance Broking Limited' w.e.f. 27.08.07. 'SREI Infrastructure Development Finance Limited' was also converted into a Private Limited Company and consequently the name of the said Company has been changed to 'SREI Infrastructure Development Finance Private Limited' w.e.f. 28.09.07.
6. Certain subsidiaries and sub subsidiaries have been considered for consolidation based on management accounts.
7. The financial results of the group were reviewed by the Audit Committee at its meeting held on 29th October, 2007 and approved by the Board of Directors at their meeting held on the same date. The Statutory Auditors of the Company have carried out a 'Limited Review' of the said results for the period ended 30th September, 2007.
8. 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 S.A.). The Scheme of Arrangement under Sections 391 to 394 of the Companies Act, 1956 between the Company and its wholly owned subsidiary SREI Infrastructure Development Finance Private Ltd. has been filed with the Hon'ble High Court at Calcutta. The Scheme of Arrangement has also been approved by the shareholders in the Extraordinary General Meeting held on 27th August, 2007.
9. The Company has implemented the Accounting Standard AS-15 (Revised) on "Employee Benefits" issued by the Institute of Chartered Accountants of India. However, with respect to subsidiaries, sub subsidiaries and associate adjustments on account of transitional provisions against the general reserve will be done at the year end. Charge for the quarter and period ended 30th September, 2007 on account of revised AS-15 with respect to these subsidiaries, sub subsidiaries and associate will be determined at the year end.
10. The Company (including certain subsidiaries, sub subsidiaries and associate) has challenged constitutional validity of Fringe Benefit Tax before the Hon'ble Kolkata High Court and the Hon'ble Court has granted interim stay on levy of such Fringe Benefits Tax. In view of this, the Company (including certain subsidiaries and sub subsidiaries) has not provided for any liability against Fringe Benefit Tax.
11. 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 for the quarter and period ended 30th September, 2007 by the Company. Deferred Tax indicated above for the quarter and period ended 30th September, 2007 relates to subsidiary, sub subsidiaries and associate.
12. The Board of Directors of the Company has decided to issue upto 2,50,00,000 Warrants convertible into Equity shares within a period of 18 months from the date of allotment in one or more tranches at a price of Rs.100/- per share to the Promoters' Group on Preferential basis in terms of relevant SEBI Guidelines for Preferential Issue and the shareholders of the Company have approved the same at the Extraordinary General Meeting held on 15th October, 2007.
13. Information on Investor complaints for the quarter ended 30th September, 2007 - (Nos.): Opening Balance - Nil, New - 5, Disposal - 5 and Closing Balance - Nil.
14. Figures pertaining to previous periods have been rearranged/regrouped, reclassified and restated, wherever considered necessary, to conform to the classification adopted in the current quarter.

For and on behalf of the Board of Directors



M. S. Verma
Chairman

Place: Kolkata
Date: 29th October, 2007