



SREI BUSINESS GROWS BY 15.39 % TO Rs. 6,620 CRORE

Kolkata, 12th June 2009 : The Financial Year 2008-09 has been quite tumultuous for all companies globally. However, for Srei, the first six months of the year 2008-09 was extremely good recording a rapid growth in its business to Rs. 4,656.22 crore from Rs. 2,915 crore compared to the corresponding period in the previous year. The total consolidated income for the half year ended September 30, 2008 went up to Rs. 469.16 crore from Rs. 291.83 crore in the corresponding period of the previous fiscal year, recording a growth of 61%. The total consolidated asset under management increased to Rs. 9,697.67 crore from Rs. 6,202.27 crore during the same period last year, growing by 56%.

As the financial crisis hit India in October 2008, there had been a severe liquidity crisis in the entire country. Srei, therefore decided to slow down its disbursements and focus more on maintaining the quality of the portfolio by intensifying the relationship with the clients. The strategy was successful and the Company has been able to maintain its NPA percentage to 0.64% for the year ended March 2009 compared to 0.28% in the previous year.

Consolidated disbursements by Srei Group during the last financial year 2008 – 09 stood at a record Rs. 6,620 crore against Rs. 5,736.93 crore in the previous year, recording a growth of 15.39%. Consolidated Assets under Management went up to a record Rs. 10,096.42 crore, from Rs. 8,227 crore achieved the year before, registering an increase of 22.72%. Consolidated Net Worth rose by 55.53% to Rs. 1,140 crore for the year ended March 31, 2009 from Rs. 733 crore in the previous year.

The Board of Directors of the Company at its meeting today, approved the Company's audited financial accounts for the year ended March 31, 2009 and declared a dividend of 10 % to the shareholders.

Hemant Kanoria, Chairman and Managing Director, Srei, said, "In hindsight, our decision to go slow since the third quarter has turned out to be extremely beneficial for the Company as we have been able to avoid risky assets on our book. It also provided us ample time to revisit our customers to affirm our trust in them, especially in times of economic downturn."

The consolidated total income of the Company grew by 6.34% to Rs. 851.53 crore for the year 2008 - 09 from Rs. 800.73 crore the previous year. The consolidated profit before tax was Rs. 105 crore as against Rs. 89 crore in the previous year. Consolidated profit after tax was Rs. 82.57 crore as against Rs. 134.73 crore in the previous year.

Srei Equipment Finance has also successfully completed one year of partnership with BNP Paribas Lease Group. The equipment finance business has recorded a growth of 197.90% to Rs. 5,519 crore. The total assets under management as on March 31, 2009 rose to Rs. 8,019 crore from Rs. 6,928 crore, recording an increase of 15.75%. Total income has been Rs. 934.13 crore and profit before tax of Rs. 105.72 crore, with profit after tax being Rs. 62.5 crore.

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The Infrastructure Project Finance business has had a challenging year due to the global financial crisis. In addition to substantially reduced availability of bank credit, most infrastructure companies slowed down or halted their expansion plans. Despite the deteriorating market conditions, we have been able to maintain a high quality portfolio with almost no NPA's due to close relationship with clients, thorough risk assessment, and innovative structuring. The Infrastructure Project Finance division ended the year with good revenue and profit figures.

The Infrastructure Advisory business at Srei is working on a number of prestigious projects in the highway, port, metro, urban infrastructure, power, bus rapid transit system, healthcare, tourism and many other sectors. The projects are both in India and abroad.

Srei Sahaj e -Village is continuing its journey to bridge the digital divide and to create the world's largest network of entrepreneurs on an IT Kiosk Model. Today, in a span of mere two years, it has rolled out more than 11,000 Common Service Centres (CSC) with an aim to provide access to government services, e-commerce and e-learning along with many other new products towards broad based socio-economic growth in rural India.

About Srei Infrastructure Finance Limited

Srei is a Holistic Infrastructure Institution, constantly and consistently ideating to deliver innovative solutions in infrastructure space, thus playing a significant role in nation-building for over two decades, both in urban and rural India. Srei's businesses include Infrastructure Equipment Leasing & Finance, Infrastructure Project Finance, Advisory & Development, Insurance Broking, Venture Capital, Capital Market and Sahaj e -Village. Srei has a pan-India presence with a network of 63 offices and has also replicated its business model overseas with three offices in Russia. Srei is the first Indian infrastructure financing institution to get listed on the London Stock Exchange. Srei Equipment Finance Pvt. Ltd., a joint venture between Srei Infrastructure and BNP Paribas Lease Group, a wholly owned subsidiary of BNP Paribas, is a Srei Group company engaged in Infrastructure Equipment Leasing and Financing Business.

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