



PRESS RELEASE

Economic Survey rightly identifies the action areas, however the pace of implementation holds the key: Srei

Kolkata, 25th February, 2010: “The need to channelise India’s huge savings into the infrastructure sector and identifying the scope for private investments in agriculture are two key takeaways” said Mr. Hemant Kanoria, Chairman & Managing Director – Srei Infrastructure Finance Ltd. while opining on the Economic Survey FY10. Mr. Kanoria feels that infrastructure is one sector which calls for massive investments and India’s savings stand at 32.5% of GDP. At a time when risk appetite of foreign investors is limited, mobilising domestic resources for infrastructure building is an ideal option. He further added that the high food inflation is largely due to lack of agricultural reforms, low yields and supply-side bottlenecks. Thus, he felt, it is high time private sector investment in agriculture be encouraged. And for that government needs to come up with the right policy framework.

“The seriousness with which the government is approaching the implementation of GST will surely facilitate easy trade throughout the country seamlessly” felt Mr. Kanoria. To elaborate his point, he referred to the Finance Commission’s proposal of allocating additional grants in order to compensate for revenue losses as and when GST gets implemented.

Mr. Kanoria realises that the stimulus cannot continue forever. Thus, the proposed move of phasing out the stimulus in stages is the right approach, he feels. The high growth rates envisaged for next two years will help in acting as a cushion for the stimulus withdrawal.

“The survey, like every year, makes the right noises. The call for fiscal consolidation, the need to relax FDI norms for insurance and pension funds, opening up education and healthcare to foreign investment, the need to free up food and diesel prices, etc. are all well intentioned. To what extent and at what speed do these proposals get implemented hold the key” concluded Mr. Kanoria.

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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