

#### **SIFL/SECT/RS/22-23/93**

November 18, 2022

The Secretary **BSE Limited**Phiroze Jeejeebhoy Towers

Dalal Street

Mumbai – 400 001

The Secretary

National Stock Exchange of India Limited

Exchange Plaza, 5th Floor, Plot no. C/1, G Block

Bandra - Kurla Complex

Bandra (E), Mumbai – 400 051

Dear Sir/Madam,

<u>Disclosure pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Policy for determination of Materiality of any Event/Information of Srei Infrastructure Finance Limited.</u>

Please find attached herewith a copy of the intimations made to the Stock Exchanges by Srei Equipment Finance Limited (SEFL), material wholly owned subsidiary of the Company.

This is for your information and record.

Thanking you,

Yours faithfully, For **Srei Infrastructure Finance Limited** 

Manoj Kumar Company Secretary & Chief Financial Officer FCS6698

Encl: as above

## **Srei Infrastructure Finance Limited**



November 18, 2022

The Secretary **BSE Limited**Phiroze Jeejeebhoy Towers

Dalal Street

Mumbai – 400 001

The Secretary

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot no. C/1,
G Block Bandra - Kurla Complex
Bandra (E), Mumbai – 400 051

## Sub: <u>Intimation under Regulation 51 of the Securities and Exchange Board of India</u> (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

- 1. With reference to the above, this disclosure is being made pursuant to Part B of Schedule III under Regulation 51(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 issued by the Securities and Exchange Board of India.
- 2. We may inform you that the Administrator of Srei Equipment Finance Limited ("the Company"), appointed under the Insolvency and Bankruptcy Code, 2016 ("the Code"), to carry out the duties under Code, obtained assistance from a reputed professional agency, BDO India LLP (BDO or Transaction Auditor) to conduct investigation of the affairs of the Company in respect of transactions qualified under sections 43 to 51, and sections 65 and 66 of the Code.
- 3. Accordingly, the Administrator of the Company received a report from the professional agency appointed as the transaction auditor, indicating that there are certain transactions which are fraudulent in nature, as per Section 66 of the Code. Basis the investigation and observations of the transaction auditor, the Administrator has filed an application in respect of fraudulent activities with respect to certain securitized loan assets of the Company which were assigned to lenders of the Company ("Pool Loans") before the Kolkata bench of the National Company Law Tribunal ("NCLT") under Section 60(5) and Section 66 of the Code on November 16, 2022 against Mr. Hemant Kanoria, and Mr. Sunil Kanoria ("Application"). It is to be noted that this is a filing based on the report submitted by the transaction auditor and further filings may be undertaken, in due course.
- 4. In accordance with Clause 6.1 of the Circular, please find below the relevant information regarding the concerned transactions:

## **Srei Equipment Finance Limited**



- (a) **Nature of the fraud:** The Application *inter alia* impugns fraudulent activity with respect to the Pool Loans under the erstwhile management, including shortfall in payment of receivables to the Company's lenders, non-cash collection entries from customers whose loans formed part of the Pool Loans, double assignment of Pool Loan contracts, non-compliance with RBI guidelines and terms of assignment agreements with the Company's lenders, and rebates given to customers (whose loans formed part of the Pool Loans), without permission of the Company's lenders. The same is subject to adjudication by the NCLT.
- (b) **Estimated impact on the listed entity**: As per the transaction auditor report shared with the Administrator, the monetary impact of the above transactions covered under the Application amounts to:
  - (i) INR 847.87 Crores, being the net shortfall in payments to the Company's lenders who were assigned the Pool Loans as on September 30, 2021.

Thus, the total impact of the transaction amounts to approximately INR 847.87 Crores.

- (c) **Time of occurrence**: As per the report prepared by the transaction auditor, the concerned transactions occurred during Financial Year 2015—2016 to 2020 -2021.
- (d) **Person(s) involved**: The Application has been filed against Mr. Hemant Kanoria, and Mr. Sunil Kanoria and the same is subject to adjudication by the NCLT.
- (e) **Estimate amount involved**: The preliminary estimation included in the Application places the monetary impact of the concerned transactions at approximately INR 847.87 Crores, on account of the net shortfall in payments to the Company's lenders who were assigned the Pool Loans, as on September 30, 2021; subject to the adjudication by the NCLT.
- (f) **Reporting to authorities**: The Application has been filed before the NCLT under Section 60(5) and Section 66 of the Code on November 16, 2022.

## **Srei Equipment Finance Limited**



5. All relevant details regarding these proceedings have been included in the application filed before the National Company Law Tribunal, Kolkata and is presently pending consideration.

Kindly take the above on record and acknowledge receipt.

Thanking you,

Yours faithfully,

For Srei Equipment Finance Limited

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Sumit Kumar Surana Company Secretary ACS 19243



November 18, 2022

The Secretary **BSE Limited**Phiroze Jeejeebhoy Towers

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National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot no. C/1,
G Block Bandra - Kurla Complex
Bandra (E), Mumbai – 400 051

# Sub: <u>Intimation under Regulation 51 of the Securities and Exchange Board of India</u> (<u>Listing Obligations and Disclosure Requirements</u>) Regulations, 2015

Dear Sir/Madam,

- 1. With reference to the above, this disclosure is being made pursuant to Part B of Schedule III under Regulation 51(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 issued by the Securities and Exchange Board of India.
- 2. We may inform you that the Administrator of Srei Equipment Finance Limited ("the Company"), appointed under the Insolvency and Bankruptcy Code, 2016 ("the Code"), to carry out the duties under Code, obtained assistance from a reputed professional agency, BDO India LLP (BDO or Transaction Auditor) to conduct investigation of the affairs of the Company in respect of transactions qualified under sections 43 to 51, and sections 65 and 66 of the Code.
- 3. Accordingly, the Administrator of the Company received a report from the professional agency appointed as the transaction auditor, indicating that there are certain transactions which are fraudulent in nature, as per Section 66 of the Code. Basis the investigation and observations of the transaction auditor, the Administrator has filed an application in respect of disbursements made to Quippo Oil and Gas Infrastructure Limited ("QOGIL") before the Kolkata bench of the National Company Law Tribunal ("NCLT") under Section 60(5) and Section 66 of the Code against QOGIL, Mr. Hemant Kanoria, and Mr. Sunil Kanoria ("Application"). It is to be noted that this is a filing based on the report submitted by the transaction auditor and further filings may be undertaken, in due course.
- 4. In accordance with Clause 6.1 of the Circular, please find below the relevant information regarding the concerned transactions:

## **Srei Equipment Finance Limited**



- (a) **Nature of the fraud:** The Application *inter alia* impugns certain loan disbursements made to QOGIL by the Company under the erstwhile management, which is subject to adjudication by the NCLT.
- (b) **Estimated impact on the listed entity**: As per the transaction auditor report shared with the Administrator, the monetary impact of the above transactions covered under the Application amounts to:
  - (i) INR 286.48 Crores, being the gross outstanding including principal and interest recoverable from the customer, as on September 30, 2021, on account of the suspect disbursement of loans.
  - (ii) INR 153.21 Crores, being the amount invested into preference shares as part of the restructuring of loans.
  - (iii) INR 24.19 Crores being amount in respect of the undervalued transaction component arising from the operating leases extended to QOGIL.

Thus, the total impact of the transaction (excluding interest payment calculations) amounts to approximately INR 463.88 Crores.

- (c) **Time of occurrence**: As per the report prepared by the transaction auditor, the concerned transactions occurred during Financial Year 2018—2019 to 2020 -2021.
- (d) **Person(s) involved**: The Application has been filed against QOGIL, Mr. Hemant Kanoria, and Mr. Sunil Kanoria and the same is subject to adjudication by the NCLT.
- (e) **Estimate amount involved**: The preliminary estimation included in the Application places the monetary impact of the concerned transactions at approximately (i) INR 286.48 Crores, being the gross outstanding including principal and interest recoverable from the customer, as on September 30, 2021, on account of the suspect disbursement of loans (ii) INR 153.21 Crores, being the amount invested into preference shares as part of the restructuring of loans.(iii) INR 24.19 Crores being amount in respect of the undervalued transaction component arising from the operating leases extended to QOGIL, subject to the adjudication by the NCLT.
- (f) **Reporting to authorities**: The Application has been filed before the NCLT under Section 60(5) and Sections 45 and 66 of the Code.

## **Srei Equipment Finance Limited**



5. All relevant details regarding these proceedings have been included in the application filed before the National Company Law Tribunal, Kolkata and is presently pending consideration.

Kindly take the above on record and acknowledge receipt.

Thanking you,

Yours faithfully,

For Srei Equipment Finance Limited

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Sumit Kumar Surana Company Secretary ACS 19243



November 18, 2022

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# Sub: <u>Intimation under Regulation 51 of the Securities and Exchange Board of India</u> (<u>Listing Obligations and Disclosure Requirements</u>) Regulations, 2015

Dear Sir/Madam,

- 1. With reference to the above, this disclosure is being made pursuant to Part B of Schedule III under Regulation 51(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 issued by the Securities and Exchange Board of India.
- 2. We may inform you that the Administrator of Srei Equipment Finance Limited ("the Company"), appointed under the Insolvency and Bankruptcy Code, 2016 ("the Code"), to carry out the duties under Code, obtained assistance from a reputed professional agency, BDO India LLP (BDO or Transaction Auditor) to conduct investigation of the affairs of the Company in respect of transactions qualified under sections 43 to 51, and sections 65 and 66 of the Code.
- 3. Accordingly, the Administrator of the Company received a report from the professional agency appointed as the transaction auditor, indicating that there are certain transactions which are fraudulent in nature, as per Section 66 of the Code. Basis the investigation and observations of the transaction auditor, the Administrator has filed an application in respect of disbursements made to Svayambhut Marketing Private Limited ("Svayambhut") before the Kolkata bench of the National Company Law Tribunal ("NCLT") under Section 60(5) and Section 66 of the Code on November 16, 2022 against Svayambhut, Sarga Hotel Private Limited ("Sarga"), Shristi Infrastructure Development Corporation Limited ("Shristi"), Mr. Hemant Kanoria, and Mr. Sunil Kanoria ("Application"). It is to be noted that this is a filing based on the report submitted by the transaction auditor and further filings may be undertaken, in due course.
- 4. In accordance with Clause 6.1 of the Circular, please find below the relevant information regarding the concerned transactions:

## **Srei Equipment Finance Limited**



- (a) **Nature of the fraud:** The Application *inter alia* impugns certain loan disbursements made to Svayambhut by the Company under the erstwhile management, which is subject to adjudication by the NCLT.
- (b) **Estimated impact on the listed entity**: As per the transaction auditor report shared with the Administrator, the monetary impact of the above transactions covered under the Application amounts to:
  - (i) INR 20.82 Crores, being the gross outstanding including principal and interest recoverable from the customer, as on September 30, 2021, on account of the suspect disbursement of loans.

Thus, the total impact of the transaction amounts to approximately INR 20.82 Crores.

- (c) **Time of occurrence**: As per the report prepared by the transaction auditor, the concerned transactions occurred during Financial Year 2020 2021.
- (d) **Person(s) involved**: The Application has been filed against Svayambhut, Sarga., Shristi, Mr. Hemant Kanoria, and Mr. Sunil Kanoria and the same is subject to adjudication by the NCLT.
- (e) **Estimate amount involved**: The preliminary estimation included in the Application places the monetary impact of the concerned transactions at approximately INR 20.82 Crores, on account of the gross outstanding including principal and interest recoverable from the customer, as on September 30, 2021; subject to the adjudication by the NCLT.
- (f) **Reporting to authorities**: The Application has been filed before the NCLT under Section 60(5) and Section 66 of the Code on November 16, 2022.
- 5. All relevant details regarding these proceedings have been included in the application filed before the National Company Law Tribunal, Kolkata and is presently pending consideration.



We would also like to inform that the Company has already made a declaration about the fraud detected against M/s. Svayambhut Marketing Private Limited and necessary FMR-1 being filed. This declaration is pursuant to application which has been filed before the NCLT under Section 60(5) and Section 66 of the Code on November 16, 2022

Kindly take the above on record and acknowledge receipt.

Thanking you,

Yours faithfully,

For Srei Equipment Finance Limited

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Sumit Kumar Surana Company Secretary ACS 19243



November 18, 2022

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Exchange Plaza, 5th Floor, Plot no. C/1,
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## Sub: <u>Intimation under Regulation 51 of the Securities and Exchange Board of India</u> (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

- 1. With reference to the above, this disclosure is being made pursuant to Part B of Schedule III under Regulation 51(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 issued by the Securities and Exchange Board of India.
- 2. We may inform you that the Administrator of Srei Equipment Finance Limited ("the Company"), appointed under the Insolvency and Bankruptcy Code, 2016 ("the Code"), to carry out the duties under Code, obtained assistance from a reputed professional agency, BDO India LLP (BDO or Transaction Auditor) to conduct investigation of the affairs of the Company in respect of transactions qualified under sections 43 to 51, and sections 65 and 66 of the Code.
- 3. Accordingly, the Administrator of the Company received a report from the professional agency appointed as the transaction auditor, indicating that there are certain transactions which are fraudulent in nature, as per Section 66 of the Code. Basis the investigation and observations of the transaction auditor, the Administrator has filed an application in respect of disbursements made to Tattva Valuers Private Limited ("Tattva") before the Kolkata bench of the National Company Law Tribunal ("NCLT") under Section 60(5) and Section 66 of the Code against Tattva, Mr. Hemant Kanoria, and Mr. Sunil Kanoria ("Application"). It is to be noted that this is a filing based on the report submitted by the transaction auditor and further filings may be undertaken, in due course.
- 4. In accordance with Clause 6.1 of the Circular, please find below the relevant information regarding the concerned transactions:

## **Srei Equipment Finance Limited**



- (a) **Nature of the fraud:** The Application *inter alia* impugns certain loan disbursements made to Tattva by the Company under the erstwhile management, which is subject to adjudication by the NCLT.
- (b) **Estimated impact on the listed entity**: As per the transaction auditor report shared with the Administrator, the monetary impact of the above transactions covered under the Application amounts to:
  - (i) INR 337.29 Crores, being the gross outstanding including principal and interest recoverable from the customer, as on September 30, 2021, on account of the suspect disbursement of loans.

Thus, the total impact of the transaction (excluding interest payment calculations) amounts to approximately INR 337.29 Crores.

- (c) **Time of occurrence**: As per the report prepared by the transaction auditor, the concerned transactions occurred during Financial Year 2018—2019 to 2020 -2021.
- (d) **Person(s) involved**: The Application has been filed against Tattva, Mr. Hemant Kanoria, and Mr. Sunil Kanoria and the same is subject to adjudication by the NCLT.
- (e) **Estimate amount involved**: The preliminary estimation included in the Application places the monetary impact of the concerned transactions at approximately INR 337.29 Crores, on account of the gross outstanding including principal and interest recoverable from the customer, as on September 30, 2021; subject to the adjudication by the NCLT.
- (f) **Reporting to authorities**: The Application has been filed before the NCLT under Section 60(5) and Section 66 of the Code.



5. All relevant details regarding these proceedings have been included in the application filed before the National Company Law Tribunal, Kolkata and is presently pending consideration.

Kindly take the above on record and acknowledge receipt.

Thanking you,

Yours faithfully,

For Srei Equipment Finance Limited

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Sumit Kumar Surana Company Secretary ACS 19243