



SIFL/SECT/FA/23-24/57

July 29, 2023

The Secretary
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai - 400 001
Fax: 022-2272 2037/2039/2041/3121
BSE Scrip Code: 523756

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
Fax: 022-2659 8237/38; 2659 8347/48
NSE Symbol: SREINFRA

Dear Sirs,

Sub: Intimation of Outcome pursuant to Regulation 30, 33, 50, 52 and 54(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015

As intimated earlier to the Exchanges, the Reserve Bank of India ("**RBI**") has superseded the Board of Directors of Srei Infrastructure Finance Limited (SIFL) and Srei Equipment Finance Limited (SEFL) (a wholly owned subsidiary of Srei Infrastructure Finance Limited) (collectively "**Companies**") on 4th October, 2021 and appointed Mr. Rajneesh Sharma as the Administrator of the Companies in terms of Section 45-IE of the Reserve Bank of India Act, 1934 ("**RBI Act**") and accordingly the powers of the Board are vested in the Administrator. The RBI, in exercise of powers conferred under section 45-IE 5(a) of the RBI Act, had constituted a three member Advisory Committee to assist the Administrator of the Company in discharge of his duties. Further, pursuant to orders dated October 08, 2021 of the National Company Law Tribunal, Kolkata Bench ("**NCLT**"), Corporate Insolvency Resolution Process ("**CIRP**") has been initiated against the Companies as per the provisions of the Insolvency and Bankruptcy Code, 2016 ("**Code**").

Pursuant to the above, we wish to inform you that the Administrator (assisted by the Advisory Committee), at the Advisory Committee Meeting held today i.e. on 29th July, 2023, which commenced at 4:00 P.M. and concluded at 6:30 P.M., have inter-alia, considered and taken on record the Unaudited Standalone and Consolidated Financial Results of the Company for the Quarter ended on June 30, 2023 along with notes thereto and the Limited Review Report thereon furnished by the Statutory Auditors of the Company, as per Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws.

A copy of the Unaudited Standalone and Consolidated Financial Results of the Company for the for the Quarter ended on June 30, 2023 together with a copy of the Auditors' Limited Review Report thereon is enclosed for your information.

We are also arranging to upload the aforesaid Financial Results on the Company's website www.srei.com and publish the Consolidated Financial Results in the newspapers in the format prescribed under Regulation 47 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Srei Infrastructure Finance Limited

CIN: L29219WB1985PLC055352

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

Tel: +91 33 2285 0112-15, 6160 7734 Fax: +91 33 2285 8501/7542

Email: corporate@srei.com Website: www.srei.com



Further, the details as per Regulation 54(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are marked as 'Annexure 2' in the enclosed Financial Results.

This is for your information and record.

Thanking you.

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

Manoj Kumar
Company Secretary and Chief Financial Officer
FCS 6698

Encl. as above

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Email: corporate@srei.com Website: www.srei.com

(A Company under Corporate Insolvency Resolution Process vide NCLT Order dated October 08, 2021)

Independent Auditor's Review Report on quarterly Unaudited Standalone Financial Results of Srei Infrastructure Finance Limited pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To The Administrator
Srei Infrastructure Finance Limited

1. We were engaged to review the accompanying Statement of Unaudited Standalone Financial Results of Srei Infrastructure Finance Limited ("the Company") for the quarter ended June 30, 2023 ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
2. The Reserve Bank of India ('RBI') vide press release dated October 4, 2021 in exercise of the powers conferred under Section 45-IE (1) of the Reserve Bank of India Act, 1934 ('RBI Act') superseded the Board of Directors of the Company and appointed an Administrator under Section 45-IE (2) of the RBI Act. Further, RBI, in exercise of powers conferred under section 45-IE (5) (a) of the RBI Act, has constituted a three-member Committee of Advisors for advising the Administrator.

The RBI had also filed application for initiation of Corporate Insolvency Resolution Process ('CIRP') against the Company under Section 227 read with clause (zk) of sub-section (2) of Section 239 of the Insolvency and Bankruptcy Code (IBC), 2016 ('the Code') read with Rules 5 and 6 of the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019 ('FSP Insolvency Rules') before the Hon'ble National Company Law Tribunal, Kolkata Bench (Hon'ble NCLT'). Hon'ble NCLT vide its order dated October 8, 2021 admitted the application made by RBI for initiation of CIRP against the Company. Further, Hon'ble NCLT gave orders for appointment of Mr. Rajneesh Sharma, as the Administrator to carry out the functions of Resolution Professional as per the Code and that the management of the Company shall vest in the Administrator.

3. We refer to Note No. 2 to the Statement which states that the Statement has been taken on record by the Administrator while discharging the powers of the Board of Directors of the Company which were conferred upon him by the RBI and subsequently by the Hon'ble NCLT vide its order dated October 8, 2021. The Statement has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on this Statement based on our review.
4. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of the Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.



5. Basis for Disclaimer of Conclusion

- a) We draw reference to Note No. 2 to the Statement which explains that since the Administrator has taken charge of the affairs of the Company on October 4, 2021, the Administrator is not liable or responsible for any actions prior to his appointment and regarding the information pertaining to the period prior to October 4, 2021, he has relied upon the explanations, clarifications, certifications, representations and statements made by the Company management team ('the existing officials of the Company'), who were also part of the Company prior to the appointment of the Administrator. Note No. 2 to the Statement explains that the Administrator got conducted audits/reviews relating to the processes and compliances of the Company and has also appointed professionals for conducting transaction audit as per Section 43, 45, 50 and 66 of the Code. The transaction audit has been completed and necessary impact of the same have been incorporated in the financial results of the Company's subsidiary, Srei Equipment Finance limited (SEFL). However, the said transaction audit reports have not been made available to us and accordingly, we are not able to comment whether or not all impact of the same has been incorporated in the financial results of SEFL. Further, as stated in Note no. 2, the Administrator had appointed two (2) independent valuers to conduct the valuation of the assets of the Company as required under the provisions of the Code. The valuation reports of the same have been submitted to the Consolidated Committee of Creditors (CoC) members, however, impact of such valuation, if any, on the Statement is subject to the outcome of the CIRP. Since such valuation reports have not been made available to us on grounds of confidentiality, we are unable to comment on the impact of the same, if any, on the Statement.
- b) We draw reference to Note No. 3 to the Statement which explains that during the financial year 2019-20, the Company accounted for the slump exchange transaction and consequently recognized the relevant assets and liabilities in its books of account, pursuant to the Business Transfer Agreement ('BTA') with SEFL, with effect from October 1, 2019, subject to necessary approvals. The superseded Board of Directors and erstwhile management of the Company obtained expert legal and accounting opinions in relation to the accounting of BTA which confirmed that the accounting treatment so given is in accordance with the relevant Ind AS and the underlying guidance and framework. The Note further explains that during the financial year 2020-2021, the Company had filed two separate applications under Section 230 of the Act before the Hon'ble NCLT proposing Schemes of Arrangement (the Schemes) with all its secured and unsecured lenders. Since applications/appeals in connection with the Scheme were pending before Hon'ble NCLT/NCLAT, the superseded Board of Directors and erstwhile management had maintained status quo on the Scheme including accounting of BTA. Both the schemes of arrangement were rejected by majority of the creditors and an application of withdrawal was filed by the Administrator in this matter which has been allowed by the Tribunal vide order dated February 11, 2022. As stated in the said Note, the Company is in the process of consolidated resolution of SIFL and SEFL and hence no further action is being contemplated regarding establishing the validity of BTA or otherwise, consequent upon the withdrawal of Schemes. Accordingly, the status quo regarding BTA, as it existed on the date of commencement of CIRP, has been maintained. In view of the uncertainties that exist in the matter of BTA, we are unable to comment on the accounting of BTA, as aforesaid, done by the Company and accordingly on the impact of the same, if any, on the Statement.
- c) We draw reference to Note No. 5 to the Statement which explains that the Administrator has invited the financial/operational/other creditors to file their respective claims as on October 8, 2021. As per the said Note, admission of claims of the financial/ operational/ other creditors received by the Administrator is completed and the effect of the same has been given in the books of account. However, the figures of the claims admitted in the books of account might undergo change in the subsequent periods before the resolution plan is approved by Adjudicating Authority in case the Administrator comes across any additional information warranting such revision of claim amounts of the financial/ operational/ other



creditors. Hence, adjustments, if any, arising out of such additional information, will be given effect in subsequent periods. We are unable to comment on the impact of the same, if any, on the Statement.

- d) We draw reference to Note No. 6 (iii) to the Statement which explains the valuation of investment in the equity shares of India Power Corporation Limited (IPCL) and units in Infra Construction Fund (ICF) where ICF has made investments in equity shares of IPCL. Since the allotment of these equity shares of IPCL is pending due to non-compliance of SEBI Regulations by IPCL, the consequent change in fair value, if any, is not ascertainable at this stage. Accordingly, we are unable to comment on the impact on valuation of such investment on the Statement.
- e) We draw reference to Note No. 7 to the Statement which states that pursuant to its admission under the CIRP, the Company has not provided for Rs. 1468 lakhs for the quarter ended June 30, 2023, Rs. 1468 lakhs for the quarter ended March 31, 2023, Rs. 1468 lakhs for the quarter ended June 30, 2022 and Rs. 5874 lakhs for the year ended March 31, 2023 in respect of its obligations for interest on Inter Corporate Deposit and non-convertible perpetual bond since the Insolvency commencement date i.e., October 8, 2021. Had the Company provided its obligation for interest, as aforesaid, the standalone loss before tax for the quarter ended June 30, 2023 would have resulted in standalone loss before tax of Rs. 1598 lakhs, the standalone loss before tax for the quarter ended March 31, 2023 would have resulted in standalone loss before tax of Rs. 1499 lakhs, the standalone loss before tax for the quarter ended June 30, 2022 would have resulted in standalone loss before tax of Rs. 1818 lakhs and standalone loss before tax for the year ended March 31, 2023 would have resulted in standalone loss before tax of Rs. 6150 lakhs.
- f) We draw reference to Note No. 8 to the Statement which explains the reasons owing to which the Company was not able to comply with the requirements of Section 135 of the Act in relation to depositing unspent amount of CSR. As stated, in the said note, the Company has written to the Ministry of Corporate Affairs ('MCA') seeking exemption from the obligations of the Company under provisions of Section 135(5) and Section 135(7) of the Act. We are unable to comment on the impact of the same, if any or any other consequences arising out of such non-compliance on the Statement.
- g) We draw reference to Note No. 10 to the Statement which explains that the erstwhile management, as per the specific directions from RBI in relation to certain borrowers referred to as 'probable connected parties/related parties', was advised to re-assess and re-evaluate the relationship with the said borrowers to assess whether they are related parties to the Company or to SEFL and also whether these were in line with arm's length principles. The erstwhile management obtained legal and accounting views on the matter which stated that the said transactions were not related party transactions. As stated in the said Note, the Administrator is not in a position to comment on the views adopted by the erstwhile management in relation to the RBI's directions since these pertain to the period prior to the Administrator's appointment. As stated in paragraph (a) above, the Administrator got conducted transaction audit/review relating to the process and compliance of the Company and had also appointed professionals for conducting transaction audit as per section 43, 45, 50 and 66 of the Code. Out of Accounts referred by the RBI in the directions, the Administrator has received certain account wise transaction audit reports, which has identified some of the transactions as fraudulent in nature under section 66 of the Code, including undervalued transactions. In respect of such accounts, the Administrator has filed applications under section 60(5) and section 66 of the Code before the Kolkata bench of the Hon'ble NCLT on various dates till May 05, 2023 for adjudication. Further, the Note also states that the entire loan portfolio was transferred by SIFL to SEFL under BTA and the afore-mentioned transactions are appearing in the books of SEFL as on date. The transaction audit has been completed and the necessary impact of the same has been incorporated by SEFL in their financial results. Since, the



said transaction audit reports have not been made available to us, we are not able to comment whether or not all impact of the same have been incorporated in the Statement. Accordingly, the Statement is subject to such impact, if any.

- h) We draw reference to Note No. 11 to the Statement which explains the reasons owing to which the Company was not able to comply with the requirements of Section 125 of the Act in relation to transfer of certain amounts lying unpaid for 07 years to Investor Education and Protection Fund ('IEPF'). As stated, in the said note, the Company has written to IEPF authorities and requested guidance in the matter. We are unable to comment on the impact of the same, if any, or any other consequences arising out of such non-compliance on the Statement.
- i) We draw reference to Note No. 12 to the Statement which explains the reasons owing to which the Company is not able to comply with the requirements of Section 124 of the Act in relation to transfer of shares, due for transfer to the IEPF. We are unable to comment on the impact of the same, if any, or any other consequences arising out of such non-compliance on the Statement.
- j) The Company has not filed the Annual GST Reconciliation Statement - GSTR 9C for the financial year 2021-22. The GST liabilities arising thereon including the amount of interest and penalty on the above is not ascertainable and accordingly, we are unable to comment on the impact of the same on the Statement.
- k) We have been informed that certain information including the minutes of meetings of the Committee of Creditors, Advisory Committee and Joint Lenders and transaction audit reports are confidential in nature and have not been shared with us. Accordingly, we are unable to comment on the possible financial effects on the Statement, including on presentation and disclosures, if any, that may have arisen if we had been provided access to that information.
- l) In view of the possible effects of the matters described in paragraph 5(a) to 5(k) above, we are unable to comment on the Company's compliance on various regulatory ratios/other ratios and consequential implications including disclosures, if any.
- m) In view of the possible effects of the matters described in paragraph 5(a) to 5(l) above, we are also unable to comment on the ratios disclosed by the Company in Annexure 1 to the Statement.

6. Disclaimer of Conclusion

In view of the significance of the matters described in paragraph 5 above and the uncertainties involved, we have not been able to obtain sufficient and appropriate evidence and therefore, unable to conclude as to whether the Statement has been prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India or state whether the Statement has disclosed the information required to be disclosed, including the manner in which it is to be disclosed, or that it contains any material misstatement.

We had also issued a Disclaimer of Opinion Report basis the observations forming part of the report for the year ended March 31, 2023 and Disclaimer of Conclusion Report for the quarter ended June 30, 2022.



7. Material uncertainty related to Going Concern

We draw attention to Note No. 9 to the Statement which states that the Company has been admitted to CIRP and that the Company has reported net loss during the quarter ended June 30, 2023 and earlier year / periods as well. As a result, the Company's net worth has fully eroded and it has not been able to comply with various regulatory ratios/other ratios etc. All these have impacted the Company's ability to continue its operations in normal course in future. These events or conditions, along with other matters as set forth in the aforesaid Note, indicate that there is a material uncertainty which casts significant doubt about the Company's ability to continue as a 'going concern' in the foreseeable future. However, for the reasons stated in the said note, the Company has considered it appropriate to prepare the Statement on a going concern basis.

8. We draw attention to the following matters in the notes to the Statement:

- a) Note No. 4 to the Statement which explains that in view of the impracticability for preparing the resolution plan on individual basis in the case of the Company and its subsidiary, SEFL, the Administrator, after adopting proper procedure, has filed applications before the Hon'ble NCLT, Kolkata Bench, seeking, amongst other things, consolidation of the corporate insolvency processes of the Company and SEFL. The application in the matter was admitted and the final order was received on February 14, 2022 wherein the Hon'ble NCLT approved the consolidation of the corporate insolvency of SIFL and SEFL. The Consolidated CoC took on record three Resolution Plans received from Prospective Resolution Applicants (PRAs) on January 18, 2023. The three Resolution Plans received by the Consolidated CoC were put to e-voting. The Consolidated CoC took on record the results of the e-voting in the CoC meeting held on February 15, 2023 and the resolution plan submitted by National Asset Reconstruction Company Limited (NARCL) was duly approved by the Consolidated CoC by majority voting under section 30(4) of the IBC read with Regulation 39(3) of CIRP Regulations, 2016, thereby, declaring NARCL as Successful Resolution Applicant (SRA). The approved resolution plan of NARCL was filed before Adjudicating Authority on February 18, 2023 for its approval. The Administrator has also filed all the necessary legal and regulatory approvals before the Adjudicating Authority. The approval of the resolution plan is awaited from the Adjudicating Authority pending certain litigations.
- b) Note No. 14 to the Statement which explains that SEBI vide its Adjudication Order No. Order/DS/DK/ 2022-23 /20903- 20964 dated October 31, 2022 ('Order'), in the matter of Religare Enterprises Limited had imposed a penalty of Rs. 35 lakhs on the Company payable within 45 days from the date of receipt of the Order. However, vide its Corrigendum to Order dated November 30, 2022, SEBI has clarified that the said period of 45 days shall not be applicable in respect of the Company due to the CIRP proceedings pending against it. The said penalty is payable subject to the provisions of IBC and outcome of the appeal filed by SEBI in the Dewan Housing Finance Limited case matter in the Hon'ble Supreme Court (Appeal No. 206 of 2020). Hence, no provision has been made in the books of account.
- c) Note No. 15 to the Statement which states that based on the information available in the public domain, forensic audit was conducted on the Company and few lenders have declared the bank account of the Company as fraud. However, in case of one of the lenders, on the basis of petition filed by the ex-promoter before the Hon'ble High Court of Delhi, the Hon'ble Court has passed interim relief to the petitioner vide order dated April 22, 2022, restraining the said lender from taking any further steps or action prejudicial to the petitioner on the basis of the order declaring the bank account as fraud. Thereafter, vide order dated May 15, 2023, the petition was disposed off and the Order declaring the account of the Company as fraud was set aside. Further, liberty was granted to the banks to proceed ahead in accordance with the direction given in the aforesaid Order.



- d) Note No. 16 to the Statement which states that the Enforcement Directorate (ED) on January 31, 2023 conducted simultaneous investigations on office premises of the Company and SEFL. The outcome of the same is pending.
- e) Note No. 17 to the Statement which states that the Ministry of Corporate Affairs (MCA) vide its letter dated April 18, 2023 has initiated inspection in to the affairs of the Company under Section 206(5) of the Act and the same is in progress.

For D. K. Chhajer & Co.
Chartered Accountants
FRN: 304138E



Manoj Kumar Roongta
Partner

Membership No.: 057761

UDIN: 23057761BQZDZL8767



Place: Kolkata

Date: July 29, 2023

SREI INFRASTRUCTURE FINANCE LIMITED

Regd Office: 'Vishwakarma', 86C, Topsia Road (South), Kolkata - 700 046, Website: www.srei.com, Email for Investors: investor.relations@srei.com
(CIN): L29219WB1985PLC05352

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2023

(₹ in Lakhs)

	Particulars	Quarter ended			Year ended
		30-Jun-23	31-Mar-23	30-Jun-22	31-Mar-23
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
	Revenue from Operations				
	Interest Income	72	46	8	139
	Dividend Income	-	-	-	100
	Rental Income	105	105	96	403
	Fees and Commission Income	96	355	436	1,290
(I)	Total Revenue from Operations	273	506	540	1,932
(II)	Other Income	-	207	-	211
(III)	Total Income (I+II)	273	713	540	2,143
	Expenses				
	Finance Costs	-	18	-	19
	Fees and Commission Expense	68	222	309	764
	Impairment on Financial Instruments (Net)	42	13	227	194
	Employee Benefits Expenses	66	50	95	276
	Depreciation, Amortisation and Impairment	58	58	59	235
	Administrative and Other Expenses	169	383	200	931
(IV)	Total Expenses	403	744	890	2,419
(V)	Profit / (Loss) Before Tax (III-IV)	(130)	(31)	(350)	(276)
(VI)	Tax Expense:				
	(a) Income Tax in respect of earlier year	-	5	-	5
(VII)	Profit / (Loss) after tax (V-VI)	(130)	(36)	(350)	(281)
(VIII)	Other Comprehensive Income				
	Items that will not be reclassified to Profit or Loss				
	- Remeasurement Gains/ (Losses) on Defined Benefit Plan	6	21	6	24
	- Gains/ (Losses) on Equity Instruments through Other Comprehensive Income	1,896	(5,927)	(1,015)	15,602
	- Tax related to above	-	-	-	-
	Total Other Comprehensive Income	1,902	(5,906)	(1,009)	15,626
(IX)	Total Comprehensive Income for the period (VII+VIII)	1,772	(5,942)	(1,359)	15,345
	Paid-up Equity Share Capital (Par Value Rs. 10/- per Equity Share)	50,309	50,309	50,309	50,309
	Other Equity excluding Revaluation Reserves				(62,376)
	Earnings per Equity share (Basic and Diluted) (in Rs.)				
	(*Not annualised) (Par Value Rs. 10/- per Equity Share)	*(0.03)	*(0.01)	*(0.07)	*(0.06)

For Srei Infrastructure Finance Limited

(a Company under Corporate Insolvency Resolution Process by an order dated October 8, 2021 passed by Hon'ble NCLT, Kolkata)



Place: Kolkata
Date: July 29, 2023

RAJNEESH SHARMA
ADMINISTRATOR APPOINTED UNDER IBC

The Administrator has been appointed under Rule 5(a)(iii) of the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019 under the Insolvency and Bankruptcy Code, 2016 (IBC). The affairs, business and property of Srei Infrastructure Finance Limited are being managed by the Administrator, Mr. Rajneesh Sharma, who acts as agent of the Company only and without any personal liability.

Address for Correspondence - Vishwakarma 86C, Topsia Road (South), Kolkata, West Bengal, 700046
Email ID for Correspondence - sreadministrator@srei.com



Notes:

1. Supersession of Board of Directors and Implementation of Corporate Insolvency Resolution Process

The Reserve Bank of India ('RBI') vide press release dated October 4, 2021 in exercise of the powers conferred under Section 45-IE (1) of the Reserve Bank of India Act, 1934 ('RBI Act') superseded the Board of Directors of Srei Infrastructure Finance Limited ('the Company' or 'SIFL') and its wholly owned subsidiary, Srei Equipment Finance Ltd. ('SEFL') and appointed an Administrator under Section 45-IE (2) of the RBI Act. Further, the RBI in exercise of powers conferred under section 45-IE (5) (a) of the RBI Act, constituted a three-member Advisory Committee to assist the Administrator in discharge of his duties. Thereafter, the RBI filed applications for initiation of Corporate Insolvency Resolution Process ('CIRP') against the Company under section 227 read with clause (zk) of sub-section (2) of Section 239 of the Insolvency and Bankruptcy Code (IBC), 2016 ('the Code') read with Rules 5 and 6 of the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019 ('FSP Insolvency Rules') before Kolkata Bench of the Hon'ble National Company Law Tribunal ('Hon'ble NCLT'). Hon'ble NCLT vide its order dated October 8, 2021 admitted the application made by the RBI for initiation of CIRP against the Company. Further, Hon'ble NCLT gave orders for appointment of Mr. Rajneesh Sharma, as the Administrator to carry out the functions as per the Code and that the management of the Company shall vest in the Administrator. Further, Hon'ble NCLT also retained the three-member Advisory Committee, as aforesaid, for advising the Administrator in the operations of the Company during the CIRP. There have been changes in the composition of the Advisory Committee on June 22, 2022 and January 31, 2023. The Consolidated Committee of Creditors (CoC) took on record three Resolution Plans received from Prospective Resolution Applicants (PRAs) on January 18, 2023. The three Resolution Plans received by the Consolidated CoC were put to e-voting. The Consolidated CoC took on record the results of the e-voting in CoC meeting held on February 15, 2023, and the resolution plan submitted by National Asset Reconstruction Company Limited (NARCL) was duly approved by CoC by majority voting under section 30(4) of the IBC read with Regulation 39(3) of CIRP Regulations, 2016, thereby, declaring NARCL as Successful Resolution Applicant (SRA).

The approved resolution plan of NARCL was filed before Adjudicating Authority i.e., Hon'ble NCLT, Kolkata on February 18, 2023 for its approval. The Administrator has also filed all the necessary legal and regulatory approvals before the Adjudicating Authority. The approval of the resolution plan is awaited from the Adjudicating Authority pending certain litigations.

2. The unaudited financial results of the Company for the quarter ended June 30, 2023 have been taken on record by the Administrator on July 29, 2023 while discharging the powers of the Board of Directors of the Company which were conferred upon him by the RBI press release dated October 4, 2021 and subsequently, powers conferred upon him in accordance with Hon'ble NCLT order dated October 8, 2021. It is also incumbent upon the Resolution Professional, under Section 20 of the Code, to manage the operations of the Company as a going concern.

Since the Administrator has taken charge of the affairs of the Company on October 4, 2021, the Administrator is not liable or responsible for any actions and has no personal knowledge of any such actions of the Company prior to his appointment and has relied on the position of the financial results of the Company as they existed on October 4, 2021. Regarding information pertaining to period prior to October 4, 2021 the Administrator has relied upon the explanations, clarifications, certifications, representations and statements made by the Company management team ('the existing officials of the Company'), who were also part of the Company prior to the appointment of the Administrator.

As a part of the CIRP, the Administrator got conducted audits/reviews relating to the processes and compliances of the Company and has also appointed professionals for conducting transaction audit as per section 43, 45, 50 and 66 of the Code. The transaction audit has been completed and necessary impact of the same have been incorporated in the financial results of SEFL.

As a part of the CIRP, the Administrator has appointed, two (2) independent valuers to conduct the valuation of the assets of the Company as required under the provisions of the Code. The valuation reports of the same have been submitted to the Consolidated CoC members. Accordingly, impact of such valuation on the Standalone financial results is subject to the outcome of the CIRP.

The above financial results for the quarter ended June 30, 2023 were subjected to limited review by the Statutory Auditors, D.K. Chhajer & Co., Chartered Accountants of the Company as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('Listing Regulations').

3. Business Transfer Agreement and Scheme of Arrangement

During the year 2019-20, the Company and its Subsidiary Company, Srei Equipment Finance Limited ('SEFL') entered into a Business Transfer Agreement ('BTA') to transfer the Lending Business, Interest Earning Business and Lease Business of the Company together with associated employees, assets and liabilities (including liabilities towards issued and outstanding non - convertible debentures) (Transferred Undertaking), as a going concern by way of slump exchange to SEFL pursuant to the BTA, subject to all necessary approvals. Accordingly, the Company and SEFL passed the relevant accounting entries in their respective books of account to reflect the slump exchange w.e.f. October 1, 2019 while allotment of shares by SEFL was made on December 31, 2019. The superseded Board of directors and erstwhile management of the Company, as existed prior to the appointment of the Administrator, had obtained external expert legal and accounting opinions in relation to the accounting of BTA which confirmed that the accounting treatment so given is in accordance with the relevant Indian Accounting Standard (Ind AS) and the underlying guidance and framework.



[Handwritten signatures]



During the year 2020-2021, SEFL had filed two (2) separate applications under Sec. 230 of Companies Act, 2013 ('the Act') before the Hon'ble NCLT, Kolkata vide applications no. CA 1106/KB/2020 and CA 1492/KB/2020 proposing Schemes of Arrangement (the Schemes) with all its secured and unsecured lenders (Creditors). BTA constituted an integral part of the Schemes.

The first scheme (i.e. CA 1106/KB/2020) sought for amongst other things "formal consent to be obtained from the required majority of the creditors of SEFL to the completed acquisition by way of slump exchange of the Transferred Undertaking from SIFL in terms of the BTA and consequential formal novation of the loans and securities already forming part of SEFL's liabilities and outstanding to the creditor."

The second scheme (i.e. CA 1492/KB/2020) sought for amongst other things restructuring of the debt due to certain creditors of the Company and SEFL including secured debenture holders, unsecured debenture holders, perpetual debt instrument holders, secured ECB lenders and unsecured ECB lenders and individual debenture holders.

Pursuant to the directions of Hon'ble NCLT vide order dated October 21, 2020, the superseded Board of directors and erstwhile management had maintained status quo on the Scheme including accounting of BTA. The final order/s in connection with the Schemes was awaited from Hon'ble NCLT at that time.

Both the schemes of arrangement were rejected by the majority of the creditors during the meetings held pursuant to the Hon'ble NCLT's directions dated October 21, 2020 and December 30, 2020 respectively. Further, certain appeals were filed by rating agencies in the matter relating to the second scheme of arrangement (i.e. CA 1492/KB/2020). An application of withdrawal was filed by the Administrator in this matter in National Company Law Appellate Tribunal (NCLAT) which has been allowed by NCLAT by an order dated February 11, 2022. As stated in Note-4 below, the Company is in the process of consolidated resolution of SEFL and SIFL and hence no further action is being contemplated regarding establishing the validity of BTA or otherwise, consequent upon the withdrawal of Schemes as stated above. Accordingly, the status quo regarding BTA, as it existed on the date of commencement of CIRP, has been maintained.

4. Consolidated Resolution under CIRP

In view of the impracticability for preparing the resolution plan on individual basis in the case of the Company and SEFL, the Administrator, after adopting proper procedure, had filed applications before the Kolkata Bench of the Hon'ble NCLT in the insolvency resolution processes of SIFL and SEFL (IA No. 1099 of 2021 under CP.294/KB/2021 and IA No. 1100 of 2021 under CP.295/KB/2021).

The application in this matter was admitted and the final order received on February 14, 2022 wherein the Hon'ble NCLT approved the consolidation of the corporate insolvency of SIFL and SEFL. The Consolidated CoC took on record three Resolution Plans received from PRAs on January 18, 2023. The three Resolution Plans received by the Consolidated CoC were put to e-voting. The Consolidated CoC took on record the results of the e-voting in CoC meeting held on February 15, 2023 and the resolution plan submitted by National Asset Reconstruction Company Limited (NARCL) was duly approved by CoC by majority voting under section 30(4) of the IBC read with Regulation 39(3) of CIRP Regulations, 2016, thereby, declaring NARCL as Successful Resolution Applicant (SRA). The resolution plan of NARCL approved by the CoC was filed before Adjudicating Authority on February 18, 2023 for its approval. The Administrator has also filed all the necessary legal and regulatory approvals before the Adjudicating Authority.

The approval of the resolution plan is awaited from the Adjudicating Authority pending certain litigations.

5. Payment to lenders/others and claims under CIRP

CIRP has been initiated against the Company, as stated in Note No. 1 and accordingly, as per the Code, the Administrator has invited the financial/operational/other creditors to file their respective claims as on October 8, 2021 (i.e. date of commencement of CIRP). As per the Code, the Administrator has to receive, collate and verify all the claims submitted by the creditors of the Company.

Admission of claims of the financial/ operational/ other creditors received by the Administrator is completed and the effect of the same have been given in the books of account. However, the figures of the claims admitted in the books of account might undergo change in the subsequent periods before the resolution plan is approved by Adjudicating Authority in case the Administrator comes across any additional information warranting such revision of claim amounts of the financial/ operational/ other creditors.

6. Fair value of Investment

- i. Trinity is managing various funds in which the Company has invested. As per Clause 23 (I) of AIF Regulations, 2012, Investment Managers are mandated to provide NAV at least once in every six months. However, despite of several follow-ups, Trinity had not provided NAV of two Funds (Vision India Fund and India Growth Opportunities Fund) out of five funds in which SIFL had investments as on March 31, 2023. The Company continued to value the investments in remaining two Funds at the NAV provided as on September 30, 2022 amounting to ₹ 3900 lakhs as on March 31, 2023. During the current quarter, Trinity has provided NAV of those two funds as on March 31, 2023. Consequently, fair market value of investment in those two funds have been reduced by ₹304 lakhs during the quarter ended June 30, 2023.



ii. **Fair value on units of Infra Construction Fund**

The Company is holding 18,80,333 units in Infra Construction Fund (ICF), managed by Trinity Alternative Investments Managers Limited (Trinity). The Company arrives at the fair valuation of units of ICF based on the NAV of the units provided by Trinity. ICF has made investments in equity shares of India Power Corporation Limited (IPCL) which are pending allotment. As on June 30, 2023, Trinity has considered the weighted average of market value, profit earning capacity value and book value of shares of IPCL as on March 31, 2023 for arriving at the NAV of ICF.

iii. As on June 30, 2023, based on amalgamation process of DPSC Ltd with erstwhile IPCL, the Company is entitled to an allotment of 10,55,24,100 equity shares of India Power Corporation Limited (IPCL). However, allotment of the Company's holdings is pending since 2013 as the matter relating to the allotment of equity shares of IPCL is pending due to non-compliance of SEBI Regulations by IPCL. The market value of IPCL shares as on June 30, 2023 i.e., ₹ 12,083 lakhs have been considered as Fair value in the books of account of the Company. The matter relating to the allotment of equity shares of IPCL to the Company and ICF is pending due to non-compliance of SEBI Regulations by IPCL.

7. **Non provisioning of Interest**

Pursuant to the admission of the Company under the CIRP, SIFL has not provided for interest amount for ₹ 1468 lakhs for the quarter ended June 30, 2023, ₹ 1468 lakhs for the quarter ended March 31, 2022, ₹ 1468 lakhs for the quarter ended June 30, 2022 and ₹ 5874 lakhs for the year ended March 31, 2023 in respect of SIFL's obligation for interest on Intercompany Deposit (ICD) and Non-convertible Perpetual Bond. Under the Code, the treatment of creditors under the resolution plan is as per debts due as on insolvency commencement date and therefore no interest is accrued and payable after this date.

Had the interest been accrued on borrowings, as aforesaid the loss before tax for the quarter ended June 30, 2023 would have resulted in a loss before tax of ₹ 1598 lakhs, the loss before tax for the quarter ended March 31, 2023 would have resulted in a loss before tax of ₹ 1499 lakhs, the loss before tax for the quarter ended June 30, 22 would have resulted in a loss before tax of ₹ 1818 lakhs and loss before tax for the year ended March 31, 2023 would have resulted in a loss before tax of ₹ 6150 lakhs.

8. As at March 31, 2021 the Company was having funds amounting to ₹ 53 lakhs in relation to the Corporate Social Responsibility ('CSR') which were unspent. These unspent amounts as per the requirements of Section 135 of the Act were to be transferred to funds specified under Schedule VII to the Act within a period of 6 months. However, the domestic lenders of the Company had stipulated TRA mechanism effective November 24, 2020, pursuant to which all the payments being made by the Company were being approved/released based on the TRA mechanism. The Company was not able to transfer the aforesaid unspent CSR amount as per the requirements of Section 135 of the Act. The Company has written letter to the Ministry of Corporate Affairs ('MCA') seeking exemptions from the obligations of the Company under provisions of Section 135(5) and Section 135(7) of the Act. The reply from MCA in this regard is still awaited.

9. **Going Concern**

The Company has reported losses for the quarter ended June 30, 2023 and earlier year / periods as well. Hence, the net worth of the Company has fully eroded.

There is persistent strain on the working capital and operations of the Company and it is undergoing significant financial stress. As stated in Note No. 1, CIRP was initiated in respect of the Company w.e.f. October 8, 2021. The Company has assessed that the use of the going concern assumption is appropriate in the circumstances and hence, these financial results has been prepared on a going concern assumption basis as per below:

- i) The Code requires the Administrator to, among other things, run the Company as a going concern during CIRP.
- i) The Administrator, in consultation with the Consolidated CoC of the Company, in accordance with the provisions of the IBC, is making all endeavours to run the Company as a going concern. Considering the future business outlook, SIFL is hopeful of improvement in its cash flows in due course of time.

CIRP is undergoing and as per the process, the Consolidated CoC took on record three Resolution Plans received from PRAs on January 18, 2023. The three Resolution Plans received by the Consolidated CoC were put to e-voting. The Consolidated CoC took on record the results of the e-voting in CoC meeting held on February 15, 2023 and the resolution plan submitted by National Asset Reconstruction Company Limited was duly approved by the consolidated CoC by majority voting under section 30(4) of the IBC read with Regulation 39(3) of CIRP Regulations, 2016, thereby, declaring NARCL as Successful Resolution Applicant (SRA).

The resolution plan of NARCL approved by Consolidated CoC was filed before Adjudicating Authority i.e., Hon'ble NCLT, Kolkata on February 18, 2023 for its approval. The Administrator has also filed all the necessary legal and regulatory approvals before the Adjudicating Authority. The approval of the resolution plan is awaited from the Adjudicating Authority pending certain litigations.

Pending the completion of the said process under CIRP, these financial results have been prepared on a going concern basis.



10. Probable Connected / Related Companies

The RBI in its inspection report and risk assessment report (the directions) for the year ended March 31, 2020 had identified 'certain borrowers' as probable connected/ related companies. In the directions, the Company and SEFL have been advised to re-assess and re-evaluate the relationship with the said borrowers to assess whether they are related parties to the Company or to SEFL and also whether transactions with these connected parties are on arm's length basis.

It has been brought to the Administrator's notice that the superseded Board of Directors and the erstwhile management had taken legal view to determine whether such borrowers are related parties to the Company or SEFL. Based on the legal view, the erstwhile management was advised and had therefore come to the conclusion that the Company or SEFL have no direct or indirect control or significant influence (as per Companies Act, 2013, Ind AS) over such borrowers and are not under common control and accordingly, are not a related party of the Company or SEFL. The erstwhile management had also obtained an assessment report on the review and verification of the transactions with the aforesaid probable connected / related parties from an independent Chartered Accountant firm, which states that the transactions of the Company / SEFL with probable connected parties were done at arm's length principles and are in the ordinary course of business and that such parties are not related parties of the Company / SEFL under the Act or Ind AS 24.

However, the Administrator is not in a position to comment on the views adopted by the erstwhile management of the Company in relation to the findings of the directions since these pertain to the period prior to the Administrator's appointment. As a part of the CIRP, the Administrator got conducted transaction audits/reviews relating to the process and compliances of the Company and has also appointed professionals for conducting transaction audit as per section 43, 45, 50 and 66 of the Code.

Out of Accounts referred by the RBI in the directions, the Administrator has received account wise transaction audit reports, which has identified certain transactions as fraudulent in nature under section 66 of the Code, including undervalued transactions. In respect of such accounts, the Administrator has filed applications under section 60(5) and section 66 of the Code before the Kolkata bench of the Hon'ble National Company Law Tribunal (NCLT) on various dates till May 5, 2023 for adjudication. Since, the entire loan portfolio was transferred by SIFL to SEFL under BTA (referred in note 3 above), the afore-mentioned transactions are appearing in the books of SEFL currently. SEFL has also made 100 % impairment on such accounts. The transaction audit has been completed and the necessary impact of the same has been incorporated by SEFL in their financial results.

11. As per section 125 of the Act, a Company is required to transfer certain amount lying unpaid, for 7 years, to Investor Education and Protection Fund ("IEPF"). Post commencement of CIRP, an amount of ₹ 4,84,877/- payable by the Company pertaining to unpaid dividend was transferable to IEPF in terms of section 125 of the Act till June 30, 2023.

The Company is unable to comply with the provision of Section 125 of the Act as the Company needs to comply with the General Circular No. 08/ 2020 issued by the Ministry of Corporate Affairs (MCA) dated March 6, 2020 captioned "Filing of forms in the Registry (MCA-21) by the Insolvency Professional (Interim Resolution Professional (IRP) or Resolution Professional (RP) or Liquidator) appointed under Insolvency Bankruptcy Code, 2016 (IBC, 2016)" which states that in respect of companies which are marked under CIRP in the Registry, Annual Return (e-form No.MGT-7) and Financial Statement (e-form AOC-4) and other documents under the provisions of the Act, in accordance with directions issued by the NCLT/ NCLAT / Courts, shall be filed as attachments with e-form GNL-2 against the payment of one time normal fee only, till such time the Company remains under CIRP. Separate GNL-2 forms shall be filed for each such document, by the IRP/ RP. However, since the GNL -2 form is not linked with IEPF -1 the Company is unable to generate SRN for payment to IEPF authorities. Due to the said technical difficulty, the Company could not comply with the provisions of Section 125 & other applicable provisions of the Act. The Company has requested for guidance from IEPF authorities and also requested them to file claim for pre CIRP amount. The revert on the same is awaited.

12. The Company is unable to transfer 66,215 Equity shares pertaining to the Financial Year 2014-15, due for transfer to the Investor Education and Protection Fund in accordance with the applicable provisions of section 124 of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 because of inability of the Company to file GNL -2 form due to the technical reasons as stated in Note no. 11 above. The Company has requested for guidance from IEPF authorities and also requested them to file claim for pre CIRP amount. The revert on the same is awaited.
13. During the quarter and year ended March 31, 2022, the Company on behalf of SEFL had invoked 49% equity shares of Sanjvik Terminals Private Limited ('STPL'), which were pledged as security against the loan availed by one of the borrowers of SEFL. As at March 31, 2023, these shares appeared in the demat statement of the Company, whereas the loan was transferred to SEFL pursuant to BTA, as stated in Note No. 3 above. Further, the entire shares have been sold on April 11, 2023 and the same have been transferred to the demat account of purchaser on April 26, 2023.
14. SEBI vide its Adjudication Order No. Order/DS/DK/ 2022-23 /20903- 20964 dated October 31, 2022 ('Order'), in the matter of Religare Enterprises Limited had imposed a penalty of ₹ 35 lakhs on the Company payable within 45 days from the date of receipt of the Order. However, vide its Corrigendum to Order dated 30th November, 2022, SEBI has clarified that the said period of 45 days shall not be applicable in respect of the Company due to the CIRP proceedings pending against it. The said penalty is payable subject to the provisions of IBC and outcome of the appeal filed by SEBI in the Diwan Housing Finance Limited case matter in the Hon'ble Supreme Court (Appeal No. 206 of 2020). Hence, no provision has been made in the books of account.



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15. Based on the information available in the public domain, some of the lenders have declared the bank account of the Company as fraud. However, in case of one of the lenders, on the basis of petition filed by the ex-promoter before the Hon'ble High Court of Delhi, the Hon'ble Court has passed interim relief to the petitioner vide order dated April 22, 2022, restraining the said lender from taking any further steps or action prejudicial to the petitioner on the basis of the order declaring the bank account as fraud. Thereafter vide order dated May 15, 2023, the application was disposed off and the Order declaring the account of the Company as fraud was set aside. Further, liberty was granted to the banks to proceed ahead in accordance with the direction given in the aforesaid Order.
16. The Enforcement Directorate (ED) on January 31, 2023 conducted simultaneous investigation on office premises of the Company and its subsidiary, Srei Equipment Finance Ltd. The Company and its officials are co-operating and providing the required information/ documents as available.
17. The Ministry of Corporate Affairs (MCA) vide its letter dated April 18, 2023 has initiated inspection into the affairs of the Company and has sought information and documents under Section 206(5) of the Act. The Company has provided necessary documents as required by MCA.
18. In accordance to Ind AS 108 - "Operating Segments", the required disclosure is done in the Consolidated Financial Results of the Company.
19. Information as required pursuant to Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended, has been given in Annexure 1.
20. Since, the Company does not have Listed Secured Non-Convertible Debentures as on March 31, 2023, the Security Cover for Secured debt securities, in terms of Regulations 54(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) is not applicable. The Security Cover Certificate, pursuant to Regulations 54(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), is attached in Annexure 2.
21. Figures for the quarter ended March 31, 2023 represents the difference between the audited figures in respect of the full financial year and the unaudited figures of nine months ended December 31, 2022.
22. Previous period/year figures have been regrouped/rearranged, wherever considered necessary, to conform to the classification of the current period / year.

For Srei Infrastructure Finance Ltd.
(A Company under Corporate Insolvency
Resolution Process vide NCLT Order dated October 08, 2021)




RAJNEESH SHARMA
ADMINISTRATOR APPOINTED UNDER IBC

Place: Kolkata
Date : July 29, 2023

SREI INFRASTRUCTURE FINANCE LIMITED
 Regd Office: 'Vishwakarma', 86C, Topsia Road (South), Kolkata- 700 046, Website: www.srei.com
 CIN: U70101WB2006PLC109898

Annexure 1

Ratios disclosed w.r.t. Srei Infrastructure Finance Ltd. pursuant to regulation 52(4) of SEBI(Listing Obligation and Disclosure Requirements) Regulations 2015, as amended

	Particulars	Quarter ended			Year ended
		30-Jun-23	31-Mar-23	30-Jun-22	31-Mar-23
		Unaudited	Audited	Unaudited	Audited
1	Debt equity ratio (No. of times) (Note 1)	N.A.	N.A.	N.A.	N.A.
2	Debt service coverage ratio (Note 6)	N.A.	N.A.	N.A.	N.A.
3	Interest service coverage ratio (Note 6)	N.A.	N.A.	N.A.	N.A.
4	Outstanding redeemable preference shares (Nos. in Lakhs)	-	-	-	-
5	Outstanding redeemable preference shares (Values)	-	-	-	-
6	Capital redemption reserve	-	-	-	-
7	Debenture redemption reserve (₹ in Lakhs)	NIL	NIL	NIL	NIL
8	Networth (₹ in Lakhs) (Note 2)	(4,719)	(4,595)	(4,788)	(4,595)
9	Net Profit/(Loss) after tax (₹ in Lakhs)	(130)	(36)	(350)	(281)
10	Earnings per share (in ₹)	*(0.03)	*(0.01)	*(0.07)	*(0.06)
11	Current ratio (Note 6)	N.A.	N.A.	N.A.	N.A.
12	Long term debt to working capital (Note 6)	N.A.	N.A.	N.A.	N.A.
13	Bad debts to account receivable ratio (Note 6)	N.A.	N.A.	N.A.	N.A.
14	Current liability ratio (Note 6)	N.A.	N.A.	N.A.	N.A.
15	Total debts to total assets (%) (Note 3)	86.81%	92.53%	122.83%	92.53%
16	Debtor turnover ratio (Note 6)	N.A.	N.A.	N.A.	N.A.
17	Inventory turnover (Note 6)	N.A.	N.A.	N.A.	N.A.
18	Operating margin (%) (Note 6)	N.A.	N.A.	N.A.	N.A.
19	Net profit/(loss) margin(%) (Note 4)	(47.62)%	(7.11)%	(64.81)%	(14.54)%
Sector Specific Ratios					
20	Gross Non Performing Assets % ("GNPA") (Note 5)	N.A.	N.A.	N.A.	N.A.
21	Net Non Performing Assets % ("NNPA")(Excl. impairment Reserve)	N.A.	N.A.	N.A.	N.A.
22	Net Non Performing Assets % ("NNPA")(Incl. impairment Reserve)	N.A.	N.A.	N.A.	N.A.
23	Provision Coverage Ratio % ("PCR")(Excl. impairment Reserve)(Note 5)	N.A.	N.A.	N.A.	N.A.
24	Provision Coverage Ratio % ("PCR")(Incl. impairment Reserve) (Note 5)	N.A.	N.A.	N.A.	N.A.

* Not Annualised

Note:


Information as required pursuant to Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

Formulae for Computation of Ratios are as follows :

1. Debt equity ratio is not determinable as equity is negative.
2. Net worth has been calculated as defined in Section 2(57) of the Companies Act, 2013.
3. Total debts to total assets (%) = (Debt Securities + Borrowings (other than debt securities) + Subordinated Liabilities) / Total Assets.
4. Net profit/(loss) margin (%) = Profit/(loss) after Tax / Total Revenue from Operations.
5. The Company does not have any lending business presently, hence not applicable.
6. The Company is Non Banking Financial Company registered under the Reserve Bank of India Act 1934. Hence these Ratios are generally not applicable.



Srei Infrastructure Finance Ltd.
 (a Company under Corporate Insolvency Resolution Process by an order dated October 8, 2021 passed by Hon'ble NCLT, Kolkata)


Rajneesh Sharma
 Administrator appointed under IBC

Place: Kolkata
 Date: July 29, 2023

The Administrator has been appointed under Rule 5(a)(iii) of the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019 under the Insolvency and Bankruptcy Code, 2016 (IBC). The affairs, business and property of Srei Equipment Finance Limited are being managed by the Administrator, Mr. Rajneesh Sharma, who acts as agent of the Company only and without any personal liability.

Address for Correspondence - Vishwakarma 86C, Topsia Road (South), Kolkata, West Bengal, 700046

Email ID for Correspondence - sreiaadministrator@srei.com



SREI INFRASTRUCTURE FINANCE LIMITED

Regd Office: 'Vishwakarma', 86C, Topsia Road (South), Kolkata - 700 046, Website: www.srei.com, Email for Investors: investor.relations@srei.com
(CIN): L29219WB1985PLC055352

Annexure 2

Security Cover Certificate pursuant to regulations 54(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (amended)

Column A	Column B	Column C (i)	Column D(ii)	Column E(iii)	Column F(iv)	Column G(v)	Column H(vi)	Column J	Column K	Column L	Column M	Column N	Column O	
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari- Passu Charge	Pari- Passu Charge	Pari- Passu Charge	Assets not offered as Security**	Elimination (amount in negative)	Debt amount considered more than once (due to exclusive plus pari passu charge)	[Total C to H]	***Related to only those items covered by this certificate			
		Debt for which this certificate being issued*	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder [includes debt for which this certificate is issued & other debt with pari-passu charge]	Other assets on which there is pari- Passu charge [excluding items covered in column F]					Market Value for Assets charged on Exclusive basis	Carrying /book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari passu charge Assets**	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)
		Book Value	Book Value	Yes/ No	Book Value	Book Value					Relating to Column F			
ASSETS														
Property, Plant and Equipment		-	-	-	-	-	9,130.00			9,130.00				
Capital Work-in- Progress		-	-	-	-	-	-			-				
Right of Use Assets		-	-	-	-	-	1.00			1.00				
Goodwill		-	-	-	-	-	-			-				
Intangible Assets		-	-	-	-	-	1.00			1.00				
Intangible Assets under Development		-	-	-	-	-	-			-				
Investments		-	-	-	-	-	45,945.00			45,945.00				
Loans (ECL SEFL & SIFL EXPOSURE)		-	-	-	-	-	-			-				
Inventories		-	-	-	-	-	-			-				
Trade Receivables		-	-	-	-	-	595.00			595.00				
Cash and Cash Equivalents		-	-	-	-	-	6,124.00			6,124.00				
Bank Balances other than Cash and Cash Equivalents		-	-	-	-	-	268.00			268.00				
Others (Other financial assets+current tax assets+other non financial assets)		-	-	-	-	-	5,518.00			5,518.00				
Total		-	-	-	-	-	67,582.00			67,582.00				



For Srei Infrastructure Finance Limited

(a Company under Corporate Insolvency Resolution Process by an order dated October 8, 2022 passed by Hon'ble NCLT, Kolkata)

(Signature)
RAJNEESH SHARMA

ADMINISTRATOR APPOINTED UNDER IBC

Place: Kolkata
Date: July 29, 2023

The Administrator has been appointed under Rule 5(a)(iii) of the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019 under the Insolvency and Bankruptcy Code, 2016 (IBC). The affairs, business and property of Srei Infrastructure Finance Limited are being managed by the Administrator, Mr. Rajneesh Sharma, who acts as agent of the Company only and without any personal liability.

Address for Correspondence - Vishwakarma 86C, Topsia Road (South), Kolkata, West Bengal, 700046
Email ID for Correspondence - sreiaministrator@srei.com

(Handwritten initials)

SREI INFRASTRUCTURE FINANCE LIMITED

Regd Office: 'Vishwakarma', 86C, Topsia Road (South), Kolkata - 700 046, Website: www.srei.com, Email for Investors: investor.relations@srei.com
(CIN: L29219WB1985PLC055352)

Annexure 2 Security Cover Certificate pursuant to regulations 54(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (amended)														
Column A	Column B	Column C (i)	Column D(ii)	Column E(iii)	Column F(iv)	Column G(v)	Column H(vi)	Column I(vii)	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari- Passu Charge	Pari- Passu Charge	Pari- Passu Charge	Assets not offered as Security**	Elimination (amount in negative)	(Total C to H)	***Related to only those items covered by this certificate				
		Debt for which this certificate being issued*	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge)	Other assets on which there is pari- Passu charge (excluding items covered in column F)		Debt amount considered more than once (due to exclusive plus pari passu charge)		Market Value for Assets charged on Exclusive basis	Carrying /book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari passu charge Assets**	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value(=K+L+M + N)
		Book Value	Book Value	Yes/ No	Book Value	Book Value			Relating to Column F					
LIABILITIES														
Debt securities to which this certificate pertains (Subordinated Perpetual debentures/bonds (tier I Capital))		-	-	-	-	-	1,000.00	-	1,000.00	-	-	-	-	-
Other debt sharing pari-passu charge with above debt		-	-	-	-	-	-	-	-	-	-	-	-	-
Other Debt		-	-	-	-	-	-	-	-	-	-	-	-	-
Subordinated debt (Subordinated Perpetual debentures/bonds (tier I Capital) + Rupee subordinated term loan)		-	-	-	-	-	32,000.00	-	32,000.00	-	-	-	-	-
Borrowings		-	-	-	-	-	-	-	-	-	-	-	-	-
Bank		-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Securities		-	-	-	-	-	-	-	-	-	-	-	-	-
Others (Inter Corporate Deposits)		-	-	-	-	-	25,671.00	-	25,671.00	-	-	-	-	-
Trade payables		-	-	-	-	-	620.00	-	620.00	-	-	-	-	-
Lease Liabilities		-	-	-	-	-	2.00	-	2.00	-	-	-	-	-
Provisions		-	-	-	-	-	7.00	-	7.00	-	-	-	-	-
Others (Other financial & Non financial liabilities)		-	-	-	-	-	18,577.00	-	18,577.00	-	-	-	-	-
Total		-	-	-	-	-	77,877.00	-	77,877.00	-	-	-	-	-
Cover on Market Value*		NA			NA									
		Exclusive Security Cover Ratio			Pari-Passu Security Cover Ratio									

NOTE

* Listed unsecured subordinate ncds (Perpetual) of principal outstanding of Rs. 1000 lacs for which this Certificate is being issued are given in Column H
 ** Includes listed unsecured subordinate ncds (Perpetual) of principal outstanding of Rs. 1000 lacs for which this Certificate is being issued
 *** Srei Infrastructure Finance Limited had acquired borrowings (including secured borrowing and NCDs) from SIFL and charges Created with ROC in relation to such borrowings were to be transferred in the name of SEFL. In relation to the above, cases where the novation agreements are signed by the lenders /trustees pursuant to Slump Exchange Transaction between SIFL to SEFL necessary e-forms w.r.t. charges were filed by SEFL with the Registrar of Companies, Kolkata (ROC) except for one ISIN whereby principal outstanding is Rs. 0.70 crores only. However, above charges filed by SEFL, have not been approved by the ROC. Hence, the charges which were originally created in the name of SIFL for such secured borrowings are still continuing so in the records of ROC.



For Srei Infrastructure Finance Limited

(a Company under Corporate Insolvency Resolution Process by an order dated October 8, 2021 passed by Hon'ble NCLT, Kolkata)

(Handwritten Signature)

R.VINEESH SHARMA

ADMINISTRATOR APPOINTED UNDER IBC

Place: Kolkata
Date: July 29, 2023

(Handwritten Signatures)

SREI INFRASTRUCTURE FINANCE LIMITED

Regd Office: 'Vishwakarma', 86C, Topsia Road (South), Kolkata - 700 046, Website: www.srei.com, Email for Investors: investor.relations@srei.com
(CIN): L29219WB1985PLC05352

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2023

(₹ in Lakhs)

	Particulars	Quarter ended			Year ended
		30-Jun-23	31-Mar-23	30-Jun-22	31-Mar-23
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
	Revenue from Operations				
	Interest Income	72	46	8	139
	Dividend Income	-	-	-	100
	Rental Income	105	105	96	403
	Fees and Commission Income	96	355	436	1,290
(I)	Total Revenue from Operations	273	506	540	1,932
(II)	Other Income	-	207	-	211
(III)	Total Income (I+II)	273	713	540	2,143
	Expenses				
	Finance Costs	-	18	-	19
	Fees and Commission Expense	68	222	309	764
	Impairment on Financial Instruments (Net)	42	13	227	194
	Employee Benefits Expenses	66	50	95	276
	Depreciation, Amortisation and Impairment	58	58	59	235
	Administrative and Other Expenses	169	383	200	931
(IV)	Total Expenses	403	744	890	2,419
(V)	Profit / (Loss) Before Tax (III-IV)	(130)	(31)	(350)	(276)
(VI)	Tax Expense:				
	(a) Income Tax in respect of earlier year	-	5	-	5
(VII)	Profit / (Loss) after tax (V-VI)	(130)	(36)	(350)	(281)
(VIII)	Other Comprehensive Income				
	Items that will not be reclassified to Profit or Loss				
	- Remeasurement Gains/ (Losses) on Defined Benefit Plan	6	21	6	24
	- Gains/ (Losses) on Equity Instruments through Other Comprehensive Income	1,896	(5,927)	(1,015)	15,602
	- Tax related to above	-	-	-	-
	Total Other Comprehensive Income	1,902	(5,906)	(1,009)	15,626
(IX)	Total Comprehensive Income for the period (VII+VIII)	1,772	(5,942)	(1,359)	15,345
	Paid-up Equity Share Capital (Par Value Rs. 10/- per Equity Share)	50,309	50,309	50,309	50,309
	Other Equity excluding Revaluation Reserves				(62,376)
	Earnings per Equity share (Basic and Diluted) (in Rs.)				
	(*Not annualised) (Par Value Rs. 10/- per Equity Share)	*(0.03)	*(0.01)	*(0.07)	*(0.06)

For Srei Infrastructure Finance Limited

(a Company under Corporate Insolvency Resolution Process by an order dated October 8, 2021 passed by Hon'ble NCLT, Kolkata)



Place: Kolkata
Date: July 29, 2023

RAJNEESH SHARMA
ADMINISTRATOR APPOINTED UNDER IBC

The Administrator has been appointed under Rule 5(a)(iii) of the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019 under the Insolvency and Bankruptcy Code, 2016 (IBC). The affairs, business and property of Srei Infrastructure Finance Limited are being managed by the Administrator, Mr. Rajneesh Sharma, who acts as agent of the Company only and without any personal liability.

Address for Correspondence - Vishwakarma 86C, Topsia Road (South), Kolkata, West Bengal, 700046
Email ID for Correspondence - sreiaadministrator@srei.com



Notes:

1. Supersession of Board of Directors and Implementation of Corporate Insolvency Resolution Process

The Reserve Bank of India ('RBI') vide press release dated October 4, 2021 in exercise of the powers conferred under Section 45-IE (1) of the Reserve Bank of India Act, 1934 ('RBI Act') superseded the Board of Directors of Srei Infrastructure Finance Limited ('the Company' or 'SIFL') and its wholly owned subsidiary, Srei Equipment Finance Ltd. ('SEFL') and appointed an Administrator under Section 45-IE (2) of the RBI Act. Further, the RBI in exercise of powers conferred under section 45-IE (5) (a) of the RBI Act, constituted a three-member Advisory Committee to assist the Administrator in discharge of his duties. Thereafter, the RBI filed applications for initiation of Corporate Insolvency Resolution Process ('CIRP') against the Company under section 227 read with clause (zk) of sub-section (2) of Section 239 of the Insolvency and Bankruptcy Code (IBC), 2016 ('the Code') read with Rules 5 and 6 of the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019 ('FSP Insolvency Rules') before Kolkata Bench of the Hon'ble National Company Law Tribunal ('Hon'ble NCLT'). Hon'ble NCLT vide its order dated October 8, 2021 admitted the application made by the RBI for initiation of CIRP against the Company. Further, Hon'ble NCLT gave orders for appointment of Mr. Rajneesh Sharma, as the Administrator to carry out the functions as per the Code and that the management of the Company shall vest in the Administrator. Further, Hon'ble NCLT also retained the three-member Advisory Committee, as aforesaid, for advising the Administrator in the operations of the Company during the CIRP. There have been changes in the composition of the Advisory Committee on June 22, 2022 and January 31, 2023. The Consolidated Committee of Creditors (CoC) took on record three Resolution Plans received from Prospective Resolution Applicants (PRAs) on January 18, 2023. The three Resolution Plans received by the Consolidated CoC were put to e-voting. The Consolidated CoC took on record the results of the e-voting in CoC meeting held on February 15, 2023, and the resolution plan submitted by National Asset Reconstruction Company Limited (NARCL) was duly approved by CoC by majority voting under section 30(4) of the IBC read with Regulation 39(3) of CIRP Regulations, 2016, thereby, declaring NARCL as Successful Resolution Applicant (SRA).

The approved resolution plan of NARCL was filed before Adjudicating Authority i.e., Hon'ble NCLT, Kolkata on February 18, 2023 for its approval. The Administrator has also filed all the necessary legal and regulatory approvals before the Adjudicating Authority. The approval of the resolution plan is awaited from the Adjudicating Authority pending certain litigations.

2. The unaudited financial results of the Company for the quarter ended June 30, 2023 have been taken on record by the Administrator on July 29, 2023 while discharging the powers of the Board of Directors of the Company which were conferred upon him by the RBI press release dated October 4, 2021 and subsequently, powers conferred upon him in accordance with Hon'ble NCLT order dated October 8, 2021. It is also incumbent upon the Resolution Professional, under Section 20 of the Code, to manage the operations of the Company as a going concern.

Since the Administrator has taken charge of the affairs of the Company on October 4, 2021, the Administrator is not liable or responsible for any actions and has no personal knowledge of any such actions of the Company prior to his appointment and has relied on the position of the financial results of the Company as they existed on October 4, 2021. Regarding information pertaining to period prior to October 4, 2021 the Administrator has relied upon the explanations, clarifications, certifications, representations and statements made by the Company management team ('the existing officials of the Company'), who were also part of the Company prior to the appointment of the Administrator.

As a part of the CIRP, the Administrator got conducted audits/reviews relating to the processes and compliances of the Company and has also appointed professionals for conducting transaction audit as per section 43, 45, 50 and 66 of the Code. The transaction audit has been completed and necessary impact of the same have been incorporated in the financial results of SEFL.

As a part of the CIRP, the Administrator has appointed, two (2) independent valuers to conduct the valuation of the assets of the Company as required under the provisions of the Code. The valuation reports of the same have been submitted to the Consolidated CoC members. Accordingly, impact of such valuation on the Standalone financial results is subject to the outcome of the CIRP.

The above financial results for the quarter ended June 30, 2023 were subjected to limited review by the Statutory Auditors, D.K. Chhajer & Co., Chartered Accountants of the Company as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('Listing Regulations').

3. Business Transfer Agreement and Scheme of Arrangement

During the year 2019-20, the Company and its Subsidiary Company, Srei Equipment Finance Limited ('SEFL') entered into a Business Transfer Agreement ('BTA') to transfer the Lending Business, Interest Earning Business and Lease Business of the Company together with associated employees, assets and liabilities (including liabilities towards issued and outstanding non - convertible debentures) (Transferred Undertaking), as a going concern by way of slump exchange to SEFL pursuant to the BTA, subject to all necessary approvals. Accordingly, the Company and SEFL passed the relevant accounting entries in their respective books of account to reflect the slump exchange w.e.f. October 1, 2019 while allotment of shares by SEFL was made on December 31, 2019. The superseded Board of directors and erstwhile management of the Company, as existed prior to the appointment of the Administrator, had obtained external expert legal and accounting opinions in relation to the accounting of BTA which confirmed that the accounting treatment so given is in accordance with the relevant Indian Accounting Standard (Ind AS) and the underlying guidance and framework.



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During the year 2020-2021, SEFL had filed two (2) separate applications under Sec. 230 of Companies Act, 2013 ('the Act') before the Hon'ble NCLT, Kolkata vide applications no. CA 1106/KB/2020 and CA 1492/KB/2020 proposing Schemes of Arrangement (the Schemes) with all its secured and unsecured lenders (Creditors). BTA constituted an integral part of the Schemes.

The first scheme (i.e. CA 1106/KB/2020) sought for amongst other things "formal consent to be obtained from the required majority of the creditors of SEFL to the completed acquisition by way of slump exchange of the Transferred Undertaking from SIFL in terms of the BTA and consequential formal novation of the loans and securities already forming part of SEFL's liabilities and outstanding to the creditor."

The second scheme (i.e. CA 1492/KB/2020) sought for amongst other things restructuring of the debt due to certain creditors of the Company and SEFL including secured debenture holders, unsecured debenture holders, perpetual debt instrument holders, secured ECB lenders and unsecured ECB lenders and individual debenture holders.

Pursuant to the directions of Hon'ble NCLT vide order dated October 21, 2020, the superseded Board of directors and erstwhile management had maintained status quo on the Scheme including accounting of BTA. The final order/s in connection with the Schemes was awaited from Hon'ble NCLT at that time.

Both the schemes of arrangement were rejected by the majority of the creditors during the meetings held pursuant to the Hon'ble NCLT's directions dated October 21, 2020 and December 30, 2020 respectively. Further, certain appeals were filed by rating agencies in the matter relating to the second scheme of arrangement (i.e. CA 1492/KB/2020). An application of withdrawal was filed by the Administrator in this matter in National Company Law Appellate Tribunal (NCLAT) which has been allowed by NCLAT by an order dated February 11, 2022. As stated in Note-4 below, the Company is in the process of consolidated resolution of SEFL and SIFL and hence no further action is being contemplated regarding establishing the validity of BTA or otherwise, consequent upon the withdrawal of Schemes as stated above. Accordingly, the status quo regarding BTA, as it existed on the date of commencement of CIRP, has been maintained.

4. Consolidated Resolution under CIRP

In view of the impracticability for preparing the resolution plan on individual basis in the case of the Company and SEFL, the Administrator, after adopting proper procedure, had filed applications before the Kolkata Bench of the Hon'ble NCLT in the insolvency resolution processes of SIFL and SEFL (IA No. 1099 of 2021 under CP.294/KB/2021 and IA No. 1100 of 2021 under CP.295/KB/2021).

The application in this matter was admitted and the final order received on February 14, 2022 wherein the Hon'ble NCLT approved the consolidation of the corporate insolvency of SIFL and SEFL. The Consolidated CoC took on record three Resolution Plans received from PRAs on January 18, 2023. The three Resolution Plans received by the Consolidated CoC were put to e-voting. The Consolidated CoC took on record the results of the e-voting in CoC meeting held on February 15, 2023 and the resolution plan submitted by National Asset Reconstruction Company Limited (NARCL) was duly approved by CoC by majority voting under section 30(4) of the IBC read with Regulation 39(3) of CIRP Regulations, 2016, thereby, declaring NARCL as Successful Resolution Applicant (SRA). The resolution plan of NARCL approved by the CoC was filed before Adjudicating Authority on February 18, 2023 for its approval. The Administrator has also filed all the necessary legal and regulatory approvals before the Adjudicating Authority.

The approval of the resolution plan is awaited from the Adjudicating Authority pending certain litigations.

5. Payment to lenders/others and claims under CIRP

CIRP has been initiated against the Company, as stated in Note No. 1 and accordingly, as per the Code, the Administrator has invited the financial/operational/other creditors to file their respective claims as on October 8, 2021 (i.e. date of commencement of CIRP). As per the Code, the Administrator has to receive, collate and verify all the claims submitted by the creditors of the Company.

Admission of claims of the financial/ operational/ other creditors received by the Administrator is completed and the effect of the same have been given in the books of account. However, the figures of the claims admitted in the books of account might undergo change in the subsequent periods before the resolution plan is approved by Adjudicating Authority in case the Administrator comes across any additional information warranting such revision of claim amounts of the financial/ operational/ other creditors.

6. Fair value of Investment

- i. Trinity is managing various funds in which the Company has invested. As per Clause 23 (I) of AIF Regulations, 2012, Investment Managers are mandated to provide NAV at least once in every six months. However, despite of several follow-ups, Trinity had not provided NAV of two Funds (Vision India Fund and India Growth Opportunities Fund) out of five funds in which SIFL had investments as on March 31, 2023. The Company continued to value the investments in remaining two Funds at the NAV provided as on September 30, 2022 amounting to ₹ 3900 lakhs as on March 31, 2023. During the current quarter, Trinity has provided NAV of those two funds as on March 31, 2023. Consequently, fair market value of investment in those two funds have been reduced by ₹304 lakhs during the quarter ended June 30, 2023.



ii. **Fair value on units of Infra Construction Fund**

The Company is holding 18,80,333 units in Infra Construction Fund (ICF), managed by Trinity Alternative Investments Managers Limited (Trinity). The Company arrives at the fair valuation of units of ICF based on the NAV of the units provided by Trinity. ICF has made investments in equity shares of India Power Corporation Limited (IPCL) which are pending allotment. As on June 30, 2023, Trinity has considered the weighted average of market value, profit earning capacity value and book value of shares of IPCL as on March 31, 2023 for arriving at the NAV of ICF.

- iii. As on June 30, 2023, based on amalgamation process of DPSC Ltd with erstwhile IPCL, the Company is entitled to an allotment of 10,55,24,100 equity shares of India Power Corporation Limited (IPCL). However, allotment of the Company's holdings is pending since 2013 as the matter relating to the allotment of equity shares of IPCL is pending due to non-compliance of SEBI Regulations by IPCL. The market value of IPCL shares as on June 30, 2023 i.e., ₹ 12,083 lakhs have been considered as Fair value in the books of account of the Company. The matter relating to the allotment of equity shares of IPCL to the Company and ICF is pending due to non-compliance of SEBI Regulations by IPCL.

7. **Non provisioning of Interest**

Pursuant to the admission of the Company under the CIRP, SIFL has not provided for interest amount for ₹ 1468 lakhs for the quarter ended June 30, 2023, ₹ 1468 lakhs for the quarter ended March 31, 2022, ₹ 1468 lakhs for the quarter ended June 30, 2022 and ₹ 5874 lakhs for the year ended March 31, 2023 in respect of SIFL's obligation for interest on Intercompany Deposit (ICD) and Non-convertible Perpetual Bond. Under the Code, the treatment of creditors under the resolution plan is as per debts due as on insolvency commencement date and therefore no interest is accrued and payable after this date.

Had the interest been accrued on borrowings, as aforesaid the loss before tax for the quarter ended June 30, 2023 would have resulted in a loss before tax of ₹ 1598 lakhs, the loss before tax for the quarter ended March 31, 2023 would have resulted in a loss before tax of ₹ 1499 lakhs, the loss before tax for the quarter ended June 30, 22 would have resulted in a loss before tax of ₹ 1818 lakhs and loss before tax for the year ended March 31, 2023 would have resulted in a loss before tax of ₹ 6150 lakhs.

8. As at March 31, 2021 the Company was having funds amounting to ₹ 53 lakhs in relation to the Corporate Social Responsibility ('CSR') which were unspent. These unspent amounts as per the requirements of Section 135 of the Act were to be transferred to funds specified under Schedule VII to the Act within a period of 6 months. However, the domestic lenders of the Company had stipulated TRA mechanism effective November 24, 2020, pursuant to which all the payments being made by the Company were being approved/released based on the TRA mechanism. The Company was not able to transfer the aforesaid unspent CSR amount as per the requirements of Section 135 of the Act. The Company has written letter to the Ministry of Corporate Affairs ('MCA') seeking exemptions from the obligations of the Company under provisions of Section 135(5) and Section 135(7) of the Act. The reply from MCA in this regard is still awaited.

9. **Going Concern**

The Company has reported losses for the quarter ended June 30, 2023 and earlier year / periods as well. Hence, the net worth of the Company has fully eroded.

There is persistent strain on the working capital and operations of the Company and it is undergoing significant financial stress. As stated in Note No. 1, CIRP was initiated in respect of the Company w.e.f. October 8, 2021. The Company has assessed that the use of the going concern assumption is appropriate in the circumstances and hence, these financial results has been prepared on a going concern assumption basis as per below:

- i) The Code requires the Administrator to, among other things, run the Company as a going concern during CIRP.
ii) The Administrator, in consultation with the Consolidated CoC of the Company, in accordance with the provisions of the IBC, is making all endeavours to run the Company as a going concern. Considering the future business outlook, SIFL is hopeful of improvement in its cash flows in due course of time.

CIRP is undergoing and as per the process, the Consolidated CoC took on record three Resolution Plans received from PRAs on January 18, 2023. The three Resolution Plans received by the Consolidated CoC were put to e-voting. The Consolidated CoC took on record the results of the e-voting in CoC meeting held on February 15, 2023 and the resolution plan submitted by National Asset Reconstruction Company Limited was duly approved by the consolidated CoC by majority voting under section 30(4) of the IBC read with Regulation 39(3) of CIRP Regulations, 2016, thereby, declaring NARCL as Successful Resolution Applicant (SRA).

The resolution plan of NARCL approved by Consolidated CoC was filed before Adjudicating Authority i.e., Hon'ble NCLT, Kolkata on February 18, 2023 for its approval. The Administrator has also filed all the necessary legal and regulatory approvals before the Adjudicating Authority. The approval of the resolution plan is awaited from the Adjudicating Authority pending certain litigations.

Pending the completion of the said process under CIRP, these financial results have been prepared on a going concern basis.



10. Probable Connected / Related Companies

The RBI in its inspection report and risk assessment report (the directions) for the year ended March 31, 2020 had identified 'certain borrowers' as probable connected/ related companies. In the directions, the Company and SEFL have been advised to re-assess and re-evaluate the relationship with the said borrowers to assess whether they are related parties to the Company or to SEFL and also whether transactions with these connected parties are on arm's length basis.

It has been brought to the Administrator's notice that the superseded Board of Directors and the erstwhile management had taken legal view to determine whether such borrowers are related parties to the Company or SEFL. Based on the legal view, the erstwhile management was advised and had therefore come to the conclusion that the Company or SEFL have no direct or indirect control or significant influence (as per Companies Act, 2013, Ind AS) over such borrowers and are not under common control and accordingly, are not a related party of the Company or SEFL. The erstwhile management had also obtained an assessment report on the review and verification of the transactions with the aforesaid probable connected / related parties from an independent Chartered Accountant firm, which states that the transactions of the Company / SEFL with probable connected parties were done at arm's length principles and are in the ordinary course of business and that such parties are not related parties of the Company / SEFL under the Act or Ind AS 24.

However, the Administrator is not in a position to comment on the views adopted by the erstwhile management of the Company in relation to the findings of the directions since these pertain to the period prior to the Administrator's appointment. As a part of the CIRP, the Administrator got conducted transaction audits/reviews relating to the process and compliances of the Company and has also appointed professionals for conducting transaction audit as per section 43, 45, 50 and 66 of the Code.

Out of Accounts referred by the RBI in the directions, the Administrator has received account wise transaction audit reports, which has identified certain transactions as fraudulent in nature under section 66 of the Code, including undervalued transactions. In respect of such accounts, the Administrator has filed applications under section 60(5) and section 66 of the Code before the Kolkata bench of the Hon'ble National Company Law Tribunal (NCLT) on various dates till May 5, 2023 for adjudication. Since, the entire loan portfolio was transferred by SIFL to SEFL under BTA (referred in note 3 above), the afore-mentioned transactions are appearing in the books of SEFL currently. SEFL has also made 100 % impairment on such accounts. The transaction audit has been completed and the necessary impact of the same has been incorporated by SEFL in their financial results.

11. As per section 125 of the Act, a Company is required to transfer certain amount lying unpaid, for 7 years, to Investor Education and Protection Fund ("IEPF"). Post commencement of CIRP, an amount of ₹ 4,84,877/- payable by the Company pertaining to unpaid dividend was transferable to IEPF in terms of section 125 of the Act till June 30, 2023.

The Company is unable to comply with the provision of Section 125 of the Act as the Company needs to comply with the General Circular No. 08/ 2020 issued by the Ministry of Corporate Affairs (MCA) dated March 6, 2020 captioned "Filing of forms in the Registry (MCA-21) by the Insolvency Professional (Interim Resolution Professional (IRP) or Resolution Professional (RP) or Liquidator) appointed under Insolvency Bankruptcy Code, 2016 (IBC, 2016)" which states that in respect of companies which are marked under CIRP in the Registry, Annual Return (e-form No.MGT-7) and Financial Statement (e-form AOC-4) and other documents under the provisions of the Act, in accordance with directions issued by the NCLT/ NCLAT / Courts, shall be filed as attachments with e-form GNL-2 against the payment of one time normal fee only, till such time the Company remains under CIRP. Separate GNL-2 forms shall be filed for each such document, by the IRP/ RP. However, since the GNL -2 form is not linked with IEPF -1 the Company is unable to generate SRN for payment to IEPF authorities. Due to the said technical difficulty, the Company could not comply with the provisions of Section 125 & other applicable provisions of the Act. The Company has requested for guidance from IEPF authorities and also requested them to file claim for pre CIRP amount. The revert on the same is awaited.

12. The Company is unable to transfer 66,215 Equity shares pertaining to the Financial Year 2014-15, due for transfer to the Investor Education and Protection Fund in accordance with the applicable provisions of section 124 of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 because of inability of the Company to file GNL -2 form due to the technical reasons as stated in Note no. 11 above. The Company has requested for guidance from IEPF authorities and also requested them to file claim for pre CIRP amount. The revert on the same is awaited.
13. During the quarter and year ended March 31, 2022, the Company on behalf of SEFL had invoked 49% equity shares of Sanjvik Terminals Private Limited ('STPL'), which were pledged as security against the loan availed by one of the borrowers of SEFL. As at March 31, 2023, these shares appeared in the demat statement of the Company, whereas the loan was transferred to SEFL pursuant to BTA, as stated in Note No. 3 above. Further, the entire shares have been sold on April 11, 2023 and the same have been transferred to the demat account of purchaser on April 26, 2023.
14. SEBI vide its Adjudication Order No. Order/DS/DK/ 2022-23 /20903- 20964 dated October 31, 2022 ('Order'), in the matter of Religare Enterprises Limited had imposed a penalty of ₹ 35 lakhs on the Company payable within 45 days from the date of receipt of the Order. However, vide its Corrigendum to Order dated 30th November, 2022, SEBI has clarified that the said period of 45 days shall not be applicable in respect of the Company due to the CIRP proceedings pending against it. The said penalty is payable subject to the provisions of IBC and outcome of the appeal filed by SEBI in the Diwan Housing Finance Limited case matter in the Hon'ble Supreme Court (Appeal No. 206 of 2020). Hence, no provision has been made in the books of account.



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15. Based on the information available in the public domain, some of the lenders have declared the bank account of the Company as fraud. However, in case of one of the lenders, on the basis of petition filed by the ex-promoter before the Hon'ble High Court of Delhi, the Hon'ble Court has passed interim relief to the petitioner vide order dated April 22, 2022, restraining the said lender from taking any further steps or action prejudicial to the petitioner on the basis of the order declaring the bank account as fraud. Thereafter vide order dated May 15, 2023, the application was disposed off and the Order declaring the account of the Company as fraud was set aside. Further, liberty was granted to the banks to proceed ahead in accordance with the direction given in the aforesaid Order.
16. The Enforcement Directorate (ED) on January 31, 2023 conducted simultaneous investigation on office premises of the Company and its subsidiary, Srei Equipment Finance Ltd. The Company and its officials are co-operating and providing the required information/ documents as available.
17. The Ministry of Corporate Affairs (MCA) vide its letter dated April 18, 2023 has initiated inspection into the affairs of the Company and has sought information and documents under Section 206(5) of the Act. The Company has provided necessary documents as required by MCA.
18. In accordance to Ind AS 108 - "Operating Segments", the required disclosure is done in the Consolidated Financial Results of the Company.
19. Information as required pursuant to Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended, has been given in Annexure 1.
20. Since, the Company does not have Listed Secured Non-Convertible Debentures as on March 31, 2023, the Security Cover for Secured debt securities, in terms of Regulations 54(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) is not applicable. The Security Cover Certificate, pursuant to Regulations 54(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), is attached in Annexure 2.
21. Figures for the quarter ended March 31, 2023 represents the difference between the audited figures in respect of the full financial year and the unaudited figures of nine months ended December 31, 2022.
22. Previous period/year figures have been regrouped/rearranged, wherever considered necessary, to conform to the classification of the current period / year.

For Srei Infrastructure Finance Ltd.
(A Company under Corporate Insolvency
Resolution Process vide NCLT Order dated October 08, 2021)




RAJNEESH SHARMA
ADMINISTRATOR APPOINTED UNDER IBC

Place: Kolkata
Date : July 29, 2023

SREI INFRASTRUCTURE FINANCE LIMITED
 Regd Office: 'Vishwakarma', 86C, Topsia Road (South), Kolkata- 700 046, Website: www.srei.com
 CIN: U70101WB2006PLC109898

Annexure 1
 Ratios disclosed w.r.t. Srei Infrastructure Finance Ltd. pursuant to regulation 52(4) of SEBI(Listing Obligation and Disclosure Requirements) Regulations 2015, as amended

	Particulars	Quarter ended			Year ended
		30-Jun-23	31-Mar-23	30-Jun-22	31-Mar-23
		Unaudited	Audited	Unaudited	Audited
1	Debt equity ratio (No. of times) (Note 1)	N.A.	N.A.	N.A.	N.A.
2	Debt service coverage ratio (Note 6)	N.A.	N.A.	N.A.	N.A.
3	Interest service coverage ratio (Note 6)	N.A.	N.A.	N.A.	N.A.
4	Outstanding redeemable preference shares (Nos. in Lakhs)	-	-	-	-
5	Outstanding redeemable preference shares (Values)	-	-	-	-
6	Capital redemption reserve	-	-	-	-
7	Debenture redemption reserve (₹ in Lakhs)	NIL	NIL	NIL	NIL
8	Networth (₹ in Lakhs) (Note 2)	(4,719)	(4,595)	(4,788)	(4,595)
9	Net Profit/(Loss) after tax (₹ in Lakhs)	(130)	(36)	(350)	(281)
10	Earnings per share (in ₹)	*(0.03)	*(0.01)	*(0.07)	*(0.06)
11	Current ratio (Note 6)	N.A.	N.A.	N.A.	N.A.
12	Long term debt to working capital (Note 6)	N.A.	N.A.	N.A.	N.A.
13	Bad debts to account receivable ratio (Note 6)	N.A.	N.A.	N.A.	N.A.
14	Current liability ratio (Note 6)	N.A.	N.A.	N.A.	N.A.
15	Total debts to total assets (%) (Note 3)	86.81%	92.53%	122.83%	92.53%
16	Debtor turnover ratio (Note 6)	N.A.	N.A.	N.A.	N.A.
17	Inventory turnover (Note 6)	N.A.	N.A.	N.A.	N.A.
18	Operating margin (%) (Note 6)	N.A.	N.A.	N.A.	N.A.
19	Net profit/(loss) margin(%) (Note 4)	(47.62)%	(7.11)%	(64.81)%	(14.54)%
Sector Specific Ratios					
20	Gross Non Performing Assets % ("GNPA") (Note 5)	N.A.	N.A.	N.A.	N.A.
21	Net Non Performing Assets % ("NNPA")(Excl. impairment Reserve)	N.A.	N.A.	N.A.	N.A.
22	Net Non Performing Assets % ("NNPA")(Incl. impairment Reserve)	N.A.	N.A.	N.A.	N.A.
23	Provision Coverage Ratio % ("PCR")(Excl. impairment Reserve)(Note 5)	N.A.	N.A.	N.A.	N.A.
24	Provision Coverage Ratio % ("PCR")(Incl. impairment Reserve) (Note 5)	N.A.	N.A.	N.A.	N.A.

* Not Annualised

Note:

Information as required pursuant to Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015
 Formulae for Computation of Ratios are as follows :

1. Debt equity ratio is not determinable as equity is negative.
2. Net worth has been calculated as defined in Section 2(57) of the Companies Act, 2013.
3. Total debts to total assets (%) = (Debt Securities + Borrowings (other than debt securities) + Subordinated Liabilities) / Total Assets.
4. Net profit/(loss) margin (%) = Profit/(loss) after Tax / Total Revenue from Operations.
5. The Company does not have any lending business presently, hence not applicable.
6. The Company is Non Banking Financial Company registered under the Reserve Bank of India Act 1934. Hence these Ratios are generally not applicable.



Srei Infrastructure Finance Ltd.
 (a Company under Corporate Insolvency Resolution Process by an order dated October 8, 2021 passed by Hon'ble NCLT, Kolkata)



Rajneesh Sharma
 Administrator appointed under IBC

Place: Kolkata
 Date: July 29, 2023

The Administrator has been appointed under Rule 5(a)(iii) of the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019 under the Insolvency and Bankruptcy Code, 2016 (IBC). The affairs, business and property of Srei Equipment Finance Limited are being managed by the Administrator, Mr. Rajneesh Sharma, who acts as agent of the Company only and without any personal liability.

Address for Correspondence - Vishwakarma 86C, Topsia Road (South), Kolkata, West Bengal, 700046

Email ID for Correspondence - sreiaadministrator@srei.com



SREI INFRASTRUCTURE FINANCE LIMITED

Regd Office: 'Vishwakarma', 86C, Topsia Road (South), Kolkata - 700 046, Website: www.srei.com, Email for Investors: investor.relations@srei.com
(CIN): L29219WB1985PLC055352

Annexure 2

Security Cover Certificate pursuant to regulations 54(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (amended)

Column A	Column B	Column C (i)	Column D(ii)	Column E(iii)	Column F(iv)	Column G(v)	Column H(vi)	Column J	Column K	Column L	Column M	Column N	Column O	
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari- Passu Charge	Pari- Passu Charge	Pari- Passu Charge	Assets not offered as Security**	Elimination (amount in negative)	Debt amount considered more than once (due to exclusive plus pari passu charge)	[Total C to H]	***Related to only those items covered by this certificate			
		Debt for which this certificate being issued*	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder [includes debt for which this certificate is issued & other debt with pari-passu charge]	Other assets on which there is pari- Passu charge [excluding items covered in column F]					Market Value for Assets charged on Exclusive basis	Carrying /book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari passu charge Assets**	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)
		Book Value	Book Value	Yes/ No	Book Value	Book Value					Relating to Column F			
ASSETS														
Property, Plant and Equipment		-	-	-	-	-	9,130.00			9,130.00				
Capital Work-in- Progress		-	-	-	-	-	-			-				
Right of Use Assets		-	-	-	-	-	1.00			1.00				
Goodwill		-	-	-	-	-	-			-				
Intangible Assets		-	-	-	-	-	1.00			1.00				
Intangible Assets under Development		-	-	-	-	-	-			-				
Investments		-	-	-	-	-	45,945.00			45,945.00				
Loans (ECL SEFL & SIFL EXPOSURE)		-	-	-	-	-	-			-				
Inventories		-	-	-	-	-	-			-				
Trade Receivables		-	-	-	-	-	595.00			595.00				
Cash and Cash Equivalents		-	-	-	-	-	6,124.00			6,124.00				
Bank Balances other than Cash and Cash Equivalents		-	-	-	-	-	268.00			268.00				
Others (Other financial assets+current tax assets+other non financial assets)		-	-	-	-	-	5,518.00			5,518.00				
Total		-	-	-	-	-	67,582.00			67,582.00				



For Srei Infrastructure Finance Limited

(a Company under Corporate Insolvency Resolution Process by an order dated October 8, 2022 passed by Hon'ble NCLT, Kolkata)

(Signature)
RAJNEESH SHARMA

ADMINISTRATOR APPOINTED UNDER IBC

Place: Kolkata
Date: July 29, 2023

The Administrator has been appointed under Rule 5(a)(iii) of the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019 under the Insolvency and Bankruptcy Code, 2016 (IBC). The affairs, business and property of Srei Infrastructure Finance Limited are being managed by the Administrator, Mr. Rajneesh Sharma, who acts as agent of the Company only and without any personal liability.

Address for Correspondence - Vishwakarma 86C, Topsia Road (South), Kolkata, West Bengal, 700046
Email ID for Correspondence - sreiaministrator@srei.com

(Handwritten initials)

SREI INFRASTRUCTURE FINANCE LIMITED

Regd Office: 'Vishwakarma', 86C, Topsia Road (South), Kolkata - 700 046, Website: www.srei.com, Email for Investors: investor.relations@srei.com
(CIN: L29219WB1985PLC055352)

Column A	Column B	Column C (i)	Column D(ii)	Column E(iii)	Column F(iv)	Column G(v)	Column H(vi)	Column I(vii)	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari- Passu Charge	Pari- Passu Charge	Pari- Passu Charge	Assets not offered as Security**	Elimination (amount in negative)	(Total C to H)	***Related to only those items covered by this certificate				
		Debt for which this certificate being issued*	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge)	Other assets on which there is pari- Passu charge (excluding items covered in column F)		Debt amount considered more than once (due to exclusive plus pari passu charge)		Market Value for Assets charged on Exclusive basis	Carrying /book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari passu charge Assets**	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value(=K+L+M+N)
		Book Value	Book Value	Yes/ No	Book Value	Book Value			Relating to Column F					
LIABILITIES														
Debt securities to which this certificate pertains (Subordinated Perpetual debentures/bonds (tier I Capital))		-	-	-	-	-	1,000.00	-	1,000.00	-	-	-	-	-
Other debt sharing pari-passu charge with above debt		-	-	-	-	-	-	-	-	-	-	-	-	-
Other Debt		-	-	-	-	-	-	-	-	-	-	-	-	-
Subordinated debt (Subordinated Perpetual debentures/bonds (tier I Capital) + Rupee subordinated term loan)		not to be filled	-	-	-	-	32,000.00	-	32,000.00	-	-	-	-	-
Borrowings		-	-	-	-	-	-	-	-	-	-	-	-	-
Bank		-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Securities		-	-	-	-	-	-	-	-	-	-	-	-	-
Others (Inter Corporate Deposits)		-	-	-	-	-	25,671.00	-	25,671.00	-	-	-	-	-
Trade payables		-	-	-	-	-	620.00	-	620.00	-	-	-	-	-
Lease Liabilities		-	-	-	-	-	2.00	-	2.00	-	-	-	-	-
Provisions		-	-	-	-	-	7.00	-	7.00	-	-	-	-	-
Others (Other financial & Non financial liabilities)		-	-	-	-	-	18,577.00	-	18,577.00	-	-	-	-	-
Total		-	-	-	-	-	77,877.00	-	77,877.00	-	-	-	-	-
Cover on Market Value*		NA	-	-	NA	-	-	-	-	-	-	-	-	-
		Exclusive Security Cover Ratio	-	-	Pari-Passu Security Cover Ratio	-	-	-	-	-	-	-	-	-

NOTE
 * Listed unsecured subordinate ncds (Perpetual) of principal outstanding of Rs. 1000 lacs for which this Certificate is being issued are given in Column H
 ** Includes listed unsecured subordinate ncds (Perpetual) of principal outstanding of Rs. 1000 lacs for which this Certificate is being issued
 *** Srei Equipment Finance Limited had acquired borrowings (including secured borrowing and NCDs) from SIFL and charges Created with ROC in relation to such borrowings were to be transferred in the name of SEFL. In relation to the above, cases where the novation agreements are signed by the lenders /trustees pursuant to Slump Exchange Transaction between SIFL to SEFL necessary e-forms w.r.t. charges were filed by SEFL with the Registrar of Companies, Kolkata (ROC) except for one ISIN whereby principal outstanding is Rs. 0.70 crores only. However, above charges filed by SEFL, have not been approved by the ROC. Hence, the charges which were originally created in the name of SIFL for such secured borrowings are still continuing so in the records of ROC.



For Srei Infrastructure Finance Limited
 (a Company under Corporate Insolvency Resolution Process by an order dated October 8, 2021 passed by Hon'ble NCLT, Kolkata)

(Signature)
 R. VINEESH SHARMA
 ADMINISTRATOR APPOINTED UNDER IBC

Place: Kolkata
 Date: July 29, 2023

(Signature)

Independent Auditor's Review Report on quarterly Unaudited Consolidated Financial Results of Srei Infrastructure Finance Limited pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Administrator
Srei Infrastructure Finance Limited

1. We were engaged to review the accompanying Statement of Unaudited Consolidated Financial Results of Srei Infrastructure Finance Limited ("the Holding Company/SIFL"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and trust for the quarter ended June 30, 2023 ("the Statement"), being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
2. The Reserve Bank of India ('RBI') vide press release dated October 4, 2021 in exercise of the powers conferred under Section 45-IE (1) of the Reserve Bank of India Act, 1934 ('RBI Act') superseded the Board of Directors of the Holding Company (SIFL) and its wholly owned subsidiary, Srei Equipment Finance Limited (SEFL) and appointed an Administrator under Section 45-IE (2) of the RBI Act. Further, RBI, in exercise of powers conferred under section 45-IE (5) (a) of the RBI Act, has constituted a three-member Committee of Advisors for advising the Administrator.

The RBI had also filed application for initiation of Corporate Insolvency Resolution Process ('CIRP') against SIFL and SEFL under Section 227 read with clause (zk) of sub-section (2) of Section 239 of the Insolvency and Bankruptcy Code (IBC), 2016 ('the Code') read with Rules 5 and 6 of the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019 ("FSP Insolvency Rules") before the Hon'ble National Company Law Tribunal, Kolkata Bench ("Hon'ble NCLT"). Hon'ble NCLT vide its order dated October 8, 2021 admitted the application made by RBI for initiation of CIRP against SIFL and SEFL. Further, Hon'ble NCLT gave orders for appointment of Mr. Rajneesh Sharma, as the Administrator to carry out the functions of Resolution Professional as per the Code and that the management of SIFL and SEFL shall vest in the Administrator.

3. We refer to Note No. 2 to the Statement which states that the Statement has been taken on record by the Administrator while discharging the powers of the Board of Directors of SIFL and SEFL which were conferred upon him by the RBI and subsequently by the Hon'ble NCLT vide its order dated October 8, 2021. The Statement has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 (the "Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on this Statement based on our review.
4. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free from material misstatements. A review is limited primarily to inquiries of the Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion



We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the SEBI under Regulation 33(8) of the Listing Regulations, to the extent applicable.

5. The Statement includes the results of the following entities:

S.No.	Name of the Entities	Relationship
1.	Srei Equipment Finance Limited (SEFL)	Wholly owned Subsidiary
2.	Srei Capital Markets Limited	Wholly owned Subsidiary
3.	Srei Asset Leasing Limited (Formerly Srei Finance Limited)	Wholly owned Subsidiary
4.	Controlla Electrotech Private Limited	Wholly owned Subsidiary
5.	Srei Mutual Fund Asset Management Private Limited	Wholly owned Subsidiary
6.	Srei Mutual Fund Trust Private Limited	Wholly owned Subsidiary
7.	Srei Insurance Broking Private Limited	Wholly owned Subsidiary
8.	Bengal Srei Infrastructure Development Limited	Subsidiary
9.	Srei Mutual Fund Trust	Trust

6. Basis for Disclaimer of Conclusion

a) We draw reference to Note No. 2 to the Statement which explains that since the Administrator has taken charge of the affairs of the Company and SEFL on October 4, 2021, the Administrator is not liable or responsible for any actions prior to his appointment and regarding the information pertaining to the period prior to October 4, 2021, he has relied upon the explanations, clarifications, certifications, representations and statements made by the existing management team ('the existing officials of SIFL and SEFL'), who were also part of SIFL and SEFL prior to the appointment of the Administrator. Note No. 2 to the Statement explains that the Administrator got conducted audits/reviews relating to the processes and compliances of SIFL and SEFL and has also appointed professionals for conducting transaction audit as per Section 43, 45, 50 and 66 of the Code.

Further as stated in Note No. 2, the Administrator of SIFL and SEFL received certain account wise transaction audit reports from the professional agency appointed as the transaction auditor indicating that there are certain transactions in SEFL which are fraudulent in nature under Section 66 of the Code including undervalued transactions. Accordingly, the Administrator has filed applications under section 60(5) and section 66 of the Code before the Kolkata bench of the Hon'ble NCLT on various dates till May 5, 2023 for adjudication. Further, as mentioned in the said Note, the transaction audit has been completed and the impact of the same has been incorporated in the financial results of SEFL. However, the said transaction audit reports have not been made available to us and accordingly, we are not able to comment on whether or not all impact of the same has been incorporated in the Statement.

As per Ind AS 109, for a financial asset that is credit-impaired at the reporting date, an entity shall measure the expected credit losses as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. Any adjustment is recognised in profit or loss as an impairment gain or loss. Note No. 2 to the Statement explains that SEFL has considered Impairment Reserve created in earlier periods as per RBI guidelines while calculating the impairment on such accounts which is not in accordance with Ind AS 109. Further, Note no. 4 to the Statement explains that basis revised ECL rates and the impairment reserve made in earlier periods in cases where they exceed gross exposure, SEFL made a lesser provision under the ECL, so as to restrict the net exposure at Nil, since no withdrawal from impairment reserve is permitted which is also not in accordance with Ind AS 109. If the loan loss provisioning would have been provided without considering the impairment reserve as mentioned above the loss before tax for the quarter ended June 30, 2023 would have



increased by Rs. 58 crores, and correspondingly impairment reserve of Rs. 58 crores would have been transferred to retained earnings, thereby having no impact on shareholders' fund. The transaction audit has been completed and necessary impact of the same have been incorporated in the financial results of SEFL. However, the said transaction audit reports have not been made available to us and accordingly, we are not able to comment whether or not all impact of the same has been incorporated in the financial results of SEFL.

- b) We draw reference to Note No. 3 to the Statement which states that SEFL adopted a policy, to not recognise interest income on accounts in which transactions are determined as fraudulent by them. Had SEFL recognized the interest income, as aforesaid, interest income would have been higher by Rs. 241 crores for the quarter ended June 30, 2023 and consequently, the ECL provision would also have been higher by Rs. 241 crores for the quarter ended June 30, 2023 resulting in no change in the loss for the quarter ended June 30, 2023.
- c) We draw reference to Note No. 4 to the Statement which explains that the Administrator, as part of the CIRP, had appointed, two (2) independent valuers to conduct valuation of the assets of the Holding Company and SEFL and assets/collateral held as securities as required under the provisions of the Code. The valuation reports of the same have been submitted to the Consolidated CoC members, however, impact of such valuation, if any, on the Statement is subject to the outcome of the CIRP. Since such valuation reports have not been made available to us on grounds of confidentiality, we are unable to comment on the impact of the same, if any, on the Statement.
- d) We draw reference to Note No. 5 to the Statement which states that pursuant to their admission under the CIRP, the Company and SEFL have not provided for Rs. 1271 crores for the quarter ended June 30, 2023, Rs. 1115 crores for the quarter ended June 30, 2022, Rs. 1217 crores for the quarter ended March 31, 2023 and Rs. 4677 crores for the year ended March 31, 2023 in respect of its obligations for interest on Borrowings since the Insolvency commencement date i.e., October 8, 2021. Had SIFL and SEFL provided their obligation for interest, as aforesaid, consolidated loss before tax for the quarter ended June 30, 2023 would have resulted in loss before tax of Rs. 1341 crores, the consolidated loss before tax for the quarter ended June 30, 2022 would have resulted in loss before tax of Rs. 5719 crores, the consolidated loss before tax for the quarter ended March 31, 2023 would have resulted in loss before tax of Rs. 1308 crores and the consolidated loss before tax for year ended March 31, 2023 would have resulted in consolidated loss before tax of Rs. 15,786 crores.
- e) We draw reference to Note No. 6 to the Statement which explains that during the financial year 2019-20, the Holding Company and SEFL accounted for slump exchange transaction and consequently recognized and derecognized the relevant assets and liabilities in their books of account, pursuant to the Business Transfer Agreement ('BTA') with SEFL, with effect from October 1, 2019, subject to necessary approvals. The superseded Board of Directors and erstwhile management of SIFL and SEFL obtained expert legal and accounting opinions in relation to the accounting of BTA which confirmed that the accounting treatment so given is in accordance with the relevant Ind AS and the underlying guidance and framework. The Note further explains that during the financial year 2020-2021, SEFL had filed two separate applications under Section 230 of the Act before the Hon'ble NCLT proposing Schemes of Arrangement (the Schemes) with all its secured and unsecured lenders. Since applications/appeals in connection with the Schemes were pending before Hon'ble NCLT/NCLAT, the superseded Board of Directors and erstwhile management had maintained status quo on the Scheme including accounting of BTA. Both the Schemes were rejected by majority of the creditors and an application of withdrawal was filed by the Administrator in this matter which has been allowed by the Tribunal vide order dated February 11, 2022.

As stated in the said Note, consolidated resolution of SEFL and SIFL is in process and hence no further action is being contemplated regarding establishing the validity of BTA or otherwise, consequent upon the withdrawal of Schemes. Accordingly, the status quo regarding BTA, as it existed on the date of



commencement of CIRP, has been maintained. In view of the uncertainties that exist in the matter of BTA, we are unable to comment on the accounting of BTA, as aforesaid, done by the Holding Company and SEFL and accordingly on the impact of the same, if any, on the Statement.

- f) We draw reference to Note No. 8 to the Statement which explains that the Administrator has invited the financial/ operational/other creditors to file their respective claims, as on October 8, 2021. As per the said Note, admission of claims of the financial/ operational/ other creditors received by the Administrator is completed and the effect of the same has been given in the books of account. However, the figures of the claims admitted in the books of account might undergo change in the subsequent periods before the resolution plan is approved by Adjudicating Authority in case the Administrator comes across any additional information warranting such revision of claim amounts of the financial/ operational/ other creditors. Hence, adjustments, if any, arising out of such additional information, will be given effect in subsequent periods. We are unable to comment on the impact of the same, if any, on the Statement.
Further Note No. 8 to the Statement also explains that SEFL as per the Code on the date of commencement of CIRP i.e., October 8, 2021 has converted foreign currency debt into INR and accordingly has not translated its foreign currency exposure as on June 30, 2023, as per requirements of Ind AS 21. We are unable to comment on the impact of the same, if any, on the Statement.
- g) We draw reference to Note No. 9 to the Statement which explains the reasons owing to which SEFL has not been able to comply with guidelines of RBI in relation to mandatory hedging of exposure in External Commercial Borrowings amounting to Rs. 273 crores as at June 30, 2023 as per contractual terms. As stated, in the said note, SEFL has reported the above fact to RBI and reply of the same is awaited from RBI. We are unable to comment on the impact of the same, if any, or any other consequences arising out of such non-compliance on the Statement.
- h) We draw reference to Note No. 10 to the Statement which explains that SIFL has not received Board approved financial results of 01 subsidiary, viz. Trinity Alternative Investment Managers Limited (Trinity) and 02 subsidiaries of Trinity (step down subsidiaries of SIFL), viz. Hyderabad Information Technology Venture Enterprises Limited and Cyberabad Trustee Company Private Limited for the quarter ended June 30, 2023 despite written request and follow ups and accordingly, the financial results of these companies have not been considered for consolidation as on June 30, 2023. We are unable to comment on the possible impact of the same on the consolidated financial results for the quarter ended June 30, 2023 or any other consequences arising out of such non-compliance on the Statement.
- i) We draw reference to Note No. 11(iii) to the Statement which explains the valuation of SIFL's investment in the equity shares of India Power Corporation Limited (IPCL) and units in Infra Construction Fund (ICF) where ICF has made investments in equity shares of IPCL. Since the allotment of these equity shares of IPCL is pending due to non-compliance of SEBI Regulations by IPCL, the consequent change in fair value, if any, is not ascertainable at this stage. Accordingly, we are unable to comment on the impact on valuation of such investment on the Statement.
- j) We draw reference to Note No. 13 to the Statement which explains that the erstwhile management of SIFL and SEFL, as per the specific directions from RBI in relation to certain borrowers referred to as 'probable connected parties/related parties', in line with arm's length principles, was in the process of re-assessing and re-evaluating the relationship with such borrowers and all other borrowers, who have been granted loans and at interest rate which is linked with the cash flows of the project. However, the same was not concluded and meanwhile SIFL and SEFL went into CIRP. The erstwhile management obtained legal and accounting views on the matter which stated that the said transactions were not related party transactions.
As stated in the said Note, the Administrator is not in a position to comment on the views adopted by the erstwhile management in relation to the RBI's directions since these pertain to the period prior to the



Administrator's appointment. As stated in paragraph (a) above, the Administrator got conducted transaction audit/review relating to the process and compliance of SIFL and SEFL and had also appointed professionals for conducting transaction audit as per section 43, 45, 50 and 66 of the Code. Out of Accounts referred by the RBI in the directions, the Administrator has received certain account-wise transaction audit reports, which has identified some of such accounts as fraudulent in nature under Section 66 of the Code, including undervalued transactions. In respect of such accounts, the Administrator has filed applications under section 60(5) and section 66 of the Code before the Kolkata bench of the Hon'ble NCLT on various dates till May 05, 2023 for adjudication. Further, the Note also states that the entire loan portfolio was transferred by SIFL to SEFL under BTA and the afore-mentioned transactions are appearing in the books of SEFL as on date. The transaction audit has been completed and the necessary impact of the same has been incorporated by SEFL in their financial results. Since, the said transaction audit reports have not been made available to us, we are not able to comment whether or not all impact of the same have been incorporated in the Statement. Accordingly, the Statement is subject to such impact, if any.

- k) We draw reference to Note No. 14 to the Statement which explains the reasons owing to which SIFL and SEFL are not able to comply with the requirements of Section 135 of the Act in relation to depositing unspent amount of CSR. As stated, in the said note, SIFL and SEFL have written to the Ministry of Corporate Affairs ('MCA') seeking exemptions from the obligations of SIFL and SEFL under provisions of Section 135(5) and Section 135(7) of the Act. We are unable to comment on the impact of the same, if any, or any other consequences arising out of such non-compliance, if any, on the Statement.
- l) We draw reference to Note No. 15 to the Statement which states that SEFL has not been able to maintain the security cover as stated in the Information Memorandum/Debenture Trust Deeds etc. which is sufficient to discharge the principal and interest amount at all times for the secured non-convertible debentures issued by SEFL. Further, as stated in the said Note and paragraph (c) above, the valuation reports of the same have been submitted to the Consolidated CoC members and the same have not been made available to us on grounds of confidentiality. Accordingly, impact of such valuation on the security cover is subject to the outcome of the CIRP and we are unable to comment on the impact of the same, if any, on the Statement.
- m) We draw reference to Note No. 16 to the Statement which explains that in relation to certain borrowings (including secured borrowings and NCDs) acquired by SEFL from SIFL pursuant to BTA as stated in Note No. 6 to the Statement, charges created on such borrowings are yet to be transferred in the name of SEFL and are still appearing in the name of the Holding Company for the reasons stated in the said Note. We are unable to comment on the impact of the same, if any, or any other consequences arising out of it on the Statement.
- n) We draw reference to Note No. 17 to the Statement which explains the reasons owing to which SIFL and SEFL are not able to comply with the requirements of Section 125 of the Act in relation to transfer of certain amounts lying unpaid for 07 years to Investor Education and Protection Fund ('IEPF'). As stated, in the said note, SIFL and SEFL have written to IEPF authorities and requested guidance in the matter. We are unable to comment on the impact of the same, if any, or any other consequences arising out of such non-compliance on the Statement.
- o) We draw reference to Note No. 18 to the Statement which explains the reasons owing to which the Holding Company is not able to comply with the requirements of Section 124 of the Act in relation to transfer of shares, due for transfer to the IEPF. We are unable to comment on the impact of the same, if any, or any other consequences arising out of such non-compliance, if any, on the Statement.



- p) We draw reference to Note No. 20 to the Statement which explains that, during the quarter ended September 30, 2021, based on the directions of RBI, SEFL has made provisions amounting to Rs. 98 crores and Rs. 50 crores, the balance of which is Rs. 98 crores and Rs. 50 crores as on June 30, 2023, in respect of direct tax cases and indirect tax cases respectively where SEFL was under various stages of appeal with the relevant tax authorities. The Note also states that during the quarter ended June 30, 2023, SEFL has received appellate order pertaining to entry tax demand, whereby SEFL has been granted relief to the extent of Rs. 0.17 crores from the original demand of Rs. 0.19 crores resulting in reduction of provision to such extent. However, SEFL has not assessed whether the outflow of resource embodying economic benefits is probable or not as per the requirements of Ind AS 37- 'Provisions, Contingent Liabilities and Contingent Assets'. Hence, in absence of such assessment, we are unable to comment on any non-compliance with Ind AS and the corresponding impact of the same, if any, on the Statement.
- q) In case of SEFL, the project progress report and the necessary documents for review from various parties are yet to be received. Hence, we are unable to comment on such balances and status and impact of the same, if any, on the Statement.
- r) SIFL has not filed its Annual GST Reconciliation Statement - GSTR 9C for the financial year 2021-22 and SEFL have not filed its Annual Return- GSTR 9C for the financial years 2020-21 and 2021-22. The GST liabilities arising thereon including the amount of interest and penalty on the above is not ascertainable and accordingly, we are unable to comment on the impact of the same on the Statement.
- s) We have been informed that certain information including the minutes of meetings of the Committee of Creditors, Advisory Committee and Joint Lenders and transaction audit reports are confidential in nature and have not been shared with us. Accordingly, we are unable to comment on the possible financial effects on the Statement, including on presentation and disclosures, if any, that may have arisen if we had been provided access to that information.
- t) Property, Plant and Equipment of SEFL includes assets having gross book value of Rs. 50.18 crores and written down value of Rs. 10.18 crores as on June 30, 2023 are either not traceable or are not in possession of SEFL. No provision for the same has been made in accounts. As informed by SEFL, the management has initiated legal proceedings for recovery of the same. Since proceedings for recovery are pending, we are unable to comment on the impact of the same, if any, on the Statement.
- u) In view of the possible effects of the matters described in paragraph 6(a) to 6(t) above, we are also unable to comment on SEFL's compliance of the covenants in respect of all borrowings (including creation of charges) and consequential implications including disclosures etc., if any.
- v) In view of the possible effects of the matters described in paragraph 6(a) to 6(u) above, we are also unable to comment on the Holding Company's and SEFL's compliance on various regulatory ratios/ other ratios/ limits and consequential implications including disclosures, if any.
- w) In view of the possible effects of the matters described in paragraph 6(a) to 6(v) above, we are also unable to comment on the ratios disclosed in Annexure 1 to the Statement.

7. Disclaimer of Conclusion

In view of the significance of the matters described in paragraph 6 above and the uncertainties involved, we have not been able to obtain sufficient and appropriate evidence and therefore, unable to conclude as to whether the Statement has been prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India or



state whether the Statement has disclosed the information required to be disclosed, including the manner in which it is to be disclosed, or that it contains any material misstatement.

We had issued a Disclaimer of Opinion Report basis the observations forming part of the report for the year ended March 31, 2023 and Disclaimer of Conclusion Report for the quarter ended June 30, 2022.

8. Material Uncertainty Related to Going Concern

We draw attention to Note No. 12 to the Statement which states that SIFL and SEFL have been admitted to CIRP and that both the Companies have reported net loss during the quarter ended June 30, 2023 and earlier year / periods as well. As a result, the Group's net worth has fully eroded and the Group has not been able to comply with various regulatory ratios/other ratios/ limits. All this have impacted the Group's ability to continue its operations in normal course in future. These events or conditions, along with other matters as set forth in the aforesaid Note, indicate that there is a material uncertainty which casts significant doubt about the Group's ability to continue as a 'going concern' in the foreseeable future. However, for the reasons stated in the said note, the Group have considered it appropriate to prepare their Statement on a going concern basis.

9. We draw attention to the following matters in the notes to the Statement:

- a) As stated in Note No. 4 to the Statement, SEFL on the basis of abundant prudence, has decided made provision to the extent of interest income recognized during the respective quarter on Net Stage – III Accounts.
- b) Note No. 7 to the Statement which explains that in view of the impracticability for preparing the resolution plan on individual basis in case of the Holding Company and SEFL, the Administrator, after adopting proper procedure, has filed applications before the Hon'ble NCLT, Kolkata Bench seeking, amongst other things, consolidation of the CIRP of the Holding Company and SEFL. The application in the matter is admitted and the final order was received on February 14, 2022 wherein the Hon'ble NCLT approved the consolidation of the corporate insolvency of the Holding Company and SEFL. The Consolidated CoC took on record three Resolution Plans received from Prospective Resolution Applicants (PRAs) on January 18, 2023. The three Resolution Plans received by the Consolidated CoC were put to e-voting. The Consolidated CoC took on record the results of the e-voting in the CoC meeting held on February 15, 2023 and the resolution plan submitted by National Asset Reconstruction Company Limited ('NARCL') was duly approved by CoC by majority voting under section 30(4) of the IBC read with Regulation 39(3) of CIRP Regulations, 2016, thereby, declaring NARCL as Successful Resolution Applicant ('SRA'). The approved resolution plan of NARCL was filed before Adjudicating Authority on February 18, 2023 for its approval. The Administrator has also filed all the necessary legal and regulatory approvals before the Adjudicating Authority. The approval of the resolution plan is awaited from the Adjudicating Authority pending certain litigations.
- c) Note No. 21 to the Statement which explains that SEBI vide its Adjudication Order No. Order/DS/DK/ 2022-23 /20903- 20964 dated October 31, 2022 ('Order'), in the matter of Religare Enterprises Limited had imposed a penalty of Rs. 35 lakhs on SIFL and Rs. 5 lakhs on SEFL payable within 45 days from the date of receipt of the Order. However, vide its Corrigendum to Order dated November 30, 2022, SEBI has clarified that the said period of 45 days shall not be applicable in respect of SIFL and SEFL due to the CIRP proceedings pending against it. The said penalty is payable subject to the provisions of IBC and outcome of the appeal filed by SEBI in the Dewan Housing Finance Limited case matter in the Hon'ble Supreme Court (Appeal No. 206 of 2020). Hence, no provision has been made in the respective books of account of the Companies.
- d) Note No. 23 to the Statement which states that based on the information available in the public domain, forensic audit was conducted on SIFL and SEFL and few lenders have declared the bank accounts of SIFL and SEFL as fraud. However, in case of one of the lenders, on the basis of petition filed by the ex-promoter



before the Hon'ble High Court of Delhi, the Hon'ble Court has passed interim relief to the petitioner vide order dated April 22, 2022, restraining the said lender from taking any further steps or action prejudicial to the petitioner on the basis of the order declaring the bank account as fraud. Thereafter, vide order dated May 15, 2023, the petition was disposed off and the Order declaring the accounts of SIFL and SEFL as fraud was set aside. Further, liberty was granted to the banks to proceed ahead in accordance with the direction given in the aforesaid Order.

- e) Note No. 24 to the Statement which states that the Enforcement Directorate (ED) on January 31, 2023 conducted simultaneous investigations on office premises of SIFL and SEFL. The outcome of the same is pending.
- f) Note No. 25 to the Statement which states that the Ministry of Corporate Affairs (MCA) vide its letter dated April 18, 2023 has initiated inspection in to the affairs of SIFL and SEFL under Section 206(5) of the Act and the same is in progress.

10. Other Matters

- a) The Statement includes the interim financial results of 01 subsidiary (SEFL) whose interim financial results reflect total revenues of Rs. 186 crores, net loss of Rs. 197 crores and total comprehensive income of Rs. 195 crores for the quarter ended June 30, 2023. The interim financial results of this subsidiary have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on the report of the other auditors and the procedures performed by us as stated in paragraph 4 above.
- b) The Statement includes the interim financial results of 07 subsidiaries and 01 Trust whose interim financial results reflect total revenues of Rs. 0.53 crores, net loss of Rs. 0.46 crores and total comprehensive income of Rs. (0.46) crores for the quarter ended June 30, 2023. These interim financial results have not been reviewed by the auditors of such subsidiaries and Trust and have been furnished to us by the Management of the Holding Company. Our reporting on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on such unreviewed interim financial results. According to the information and explanations given to us by the Management of the Holding Company, these interim financial results are not material to the Group.

For D. K. Chhajer & Co.
Chartered Accountants
FRN: 304138E


Manoj Kumar Roongta
Partner

Membership No.: 057761

UDIN: 23057761B4ZDZM3334



Place: Kolkata

Date: July 29, 2023

SREI INFRASTRUCTURE FINANCE LIMITED

Regd Office: 'Vishwakarma', 86C, Topsia Road (South), Kolkata - 700 046, Website: www.srei.com, Email for Investors: investor.relations@srei.com
(CIN): L29219WB1985PLC055352

UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2023

(₹ in Lakhs)

	Particulars	Quarter ended			Year ended
		30-Jun-23 (Unaudited)	31-Mar-23 (Audited)	30-Jun-22 (Unaudited)	31-Mar-23 (Audited)
	Revenue from Operations				
	Interest Income	13,224	20,519	50,692	128,418
	Rental Income	4,644	3,408	6,408	20,355
	Fees and Commission Income	400	583	1,554	2,969
	Net gain on derecognition of financial instruments under fair value through profit or loss	2	3	1	8
	Others	626	268	877	2,670
(I)	Total Revenue from Operations	18,896	24,781	59,532	154,420
(II)	Other Income	89	536	47	1,869
(III)	Total Income (I+II)	18,985	25,317	59,579	156,289
	Expenses				
	Finance Costs	88	448	5,906	7,624
	Fees and Commission Expense	350	1,205	309	1,781
	Net loss / (gain) on fair value changes	424	5,926	794	9,624
	Net loss on derecognition of financial instruments under amortised cost	60	2,904	329	5,567
	Impairment on Financial Instruments (Net)	13,000	3,311	47,809	142,216
	Employee Benefits Expenses	1,427	2,295	2,368	8,745
	Depreciation, Amortisation and Impairment	8,439	9,082	12,071	43,582
	Administrative and Other Expenses	2,265	2,866	4,051	19,158
	Loss / write-off / (gain) on Repossessed Assets & Assets acquired in satisfaction of debt	1,171	(358)	1,729	13,257
(IV)	Total Expenses	27,224	27,679	75,366	251,554
(V)	Profit before Exceptional Items & Tax (III-IV)	(8,239)	(2,362)	(15,787)	(95,265)
(VI)	Exceptional Items (Profit / (Loss))	1,260	(6,778)	(444,573)	(1,015,593)
(VII)	Profit/ (Loss) Before Tax (V+VI)	(6,979)	(9,140)	(460,360)	(1,110,858)
(VIII)	Tax Expense:				
	(a) Current Tax	-	13	28	49
	(b) Income Tax in respect of earlier year	-	5	1	6
	(c) Deferred Tax	(3)	-	(6)	(14)
(IX)	Profit/ (Loss) After Tax (VII-VIII)	(6,976)	(9,158)	(460,383)	(1,110,899)
(X)	Other Comprehensive Income/(Expense)				
	Items that will not be reclassified to Profit or Loss				
	- Remeasurement Gains/ (Losses) on Defined Benefit Plan	(39)	(182)	(5)	(163)
	- Gains/ (Losses) on Equity Instruments through Other Comprehensive Income	1,899	(5,929)	(1,017)	15,605
	- Tax related to above	-	-	1	(1)
	Items that will be reclassified to Profit or Loss				
	- Effective portion of gains and losses on hedging instruments in a cash flow hedge	-	-	-	-
	- Gains on fair valuation of loans	151	(44)	(552)	(719)
	- Tax related to above	-	-	-	-
	Total Other Comprehensive Income/(Expense)	2,011	(6,155)	(1,573)	14,722
(XI)	Total Comprehensive Income/(Expense) for the period (IX+X)	(4,965)	(15,313)	(461,956)	(1,096,177)
	Profit/ (Loss) for the period attributable to:				
	-Owners of the parent	(6,978)	(9,160)	(460,375)	(1,110,894)
	-Non-controlling interest	2	2	(8)	(5)
	Other Comprehensive Income/(Expense) for the period attributable to:				
	-Owners of the parent	2,011	(6,155)	(1,573)	14,722
	-Non-controlling interest	-	-	-	-
	Total Comprehensive Income/(Expense) for the period attributable to:				
	-Owners of the parent	(4,967)	(15,315)	(461,948)	(1,096,177)
	-Non-controlling interest	2	2	(8)	(5)
	Paid-up Equity Share Capital (Par Value Rs. 10/- per Equity Share)	50,309	50,309	50,309	50,309
	Other Equity excluding Revaluation Reserves	-	-	-	(1,752,299)
	Earnings per Equity share (Basic and Diluted) (in Rs.) (*Not annualised) (Par Value Rs. 10/- per Equity Share)	*(1.39)	*(1.82)	*(91.51)	(220.82)

For Srei Infrastructure Finance Limited
(a Company under Corporate Insolvency Resolution Process by an order dated October 8, 2021 passed by Hon'ble NCLT, Kolkata)


RAJNEESH SHARMA

ADMINISTRATOR APPOINTED UNDER IBC

Place: Kolkata
Date: July 29, 2023



The Administrator has been appointed under Rule 5(a)(iii) of the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019 under the Insolvency and Bankruptcy Code, 2016 (IBC). The affairs, business and property of Srei Infrastructure Finance Limited are being managed by the Administrator, Mr. Rajneesh Sharma, who acts as agent of the Company only and without any personal liability.

Address for Correspondence - Vishwakarma 86C, Topsia Road (South), Kolkata, West Bengal, 700046

Email ID for Correspondence - sreiaministrator@srei.com



Segment wise Revenue, Results, Assets and Liabilities

(₹ in Lakhs)

Particulars	Quarter ended			Year ended
	30-Jun-23 (Unaudited)	31-Mar-23 (Audited)	30-Jun-22 (Unaudited)	31-Mar-23 (Audited)
1. Segment Revenue				
(a) Financial Services	18,948	24,835	59,594	154,653
(b) Others	85	82	79	318
Total	19,033	24,917	59,673	154,971
Less: Inter Segment Revenue	137	136	141	551
Net Income from Operations	18,896	24,781	59,532	154,420
2. Segment Results				
(a) Financial Services	(8,229)	(2,350)	(15,772)	(95,213)
(b) Others	(10)	(12)	(15)	(52)
Profit Before Tax	(8,239)	(2,362)	(15,787)	(95,265)
3. Segment Assets				
(a) Financial Services	1,545,617	1,555,838	2,187,789	1,555,838
(b) Others	1,953	1,946	1,932	1,946
(c) Un-allocable	9,163	7,428	20,606	7,428
Total Segment Assets	1,556,733	1,565,212	2,210,327	1,565,212
4. Segment Liabilities				
(a) Financial Services	3,263,679	3,267,193	3,278,088	3,267,193
(b) Others	6	6	6	6
(c) Un-allocable	24	24	24	24
Total Segment Liabilities	3,263,709	3,267,223	3,278,118	3,267,223



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Notes:

1. Supersession of Board of Directors and Implementation of Corporate Insolvency Resolution Process

The Reserve Bank of India ('RBI') vide press release dated October 4, 2021 in exercise of the powers conferred under Section 45-IE (1) of the Reserve Bank of India Act, 1934 ('RBI Act') superseded the Board of Directors of Srei Infrastructure Finance Ltd, ('the Company' or 'SIFL') and its material wholly owned subsidiary, Srei Equipment Finance Ltd. ('SEFL') and appointed an Administrator under Section 45-IE (2) of the RBI Act. Further, the RBI in exercise of powers conferred under section 45-IE (5) (a) of the RBI Act, constituted a three-member Advisory Committee to assist the Administrator in discharge of his duties.

Thereafter, the RBI filed applications for initiation of Corporate Insolvency Resolution Process ('CIRP') against SIFL & SEFL under section 227 read with clause (zk) of sub-section (2) of Section 239 of the Insolvency and Bankruptcy Code (IBC), 2016 ('the Code') read with Rules 5 and 6 of the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019 ('FSP Insolvency Rules') before the Kolkata Bench of the Hon'ble National Company Law Tribunal, ('Hon'ble NCLT'). Hon'ble NCLT vide its order dated October 8, 2021 admitted the application made by the RBI for initiation of CIRP against SIFL & SEFL. Further, Hon'ble NCLT gave orders for appointment of Mr. Rajneesh Sharma, as the Administrator to carry out the functions as per the Code and that the management of SIFL & SEFL shall vest in the Administrator. Further, Hon'ble NCLT also retained the three-member Advisory Committee, as aforesaid, for advising the Administrator in the operations of the Company & SEFL during the CIRP. There have been changes in the composition of the Advisory Committee on June 22, 2022 and January 31, 2023. The Consolidated Committee of Creditors (CoC) took on record three Resolution Plans received from Prospective Resolution Applicants (PRAs) on January 18, 2023. The three Resolution Plans received by the Consolidated CoC were put to e-voting. The Consolidated CoC took on record the results of the e-voting in CoC meeting held on February 15, 2023, and the resolution plan submitted by National Asset Reconstruction Company Limited (NARCL) was duly approved by CoC by majority voting under section 30(4) of the IBC read with Regulation 39(3) of CIRP Regulations, 2016, thereby, declaring NARCL as Successful Resolution Applicant (SRA).

The approved resolution plan of NARCL was filed before Adjudicating Authority i.e., Hon'ble NCLT, Kolkata on February 18, 2023 for its approval. The Administrator has also filed all the necessary legal and regulatory approvals before the Adjudicating Authority. The approval of the resolution plan is awaited from the Adjudicating Authority pending certain litigations.

2. The above unaudited consolidated financial results of SIFL, its subsidiaries and trust together referred to as "the Group" for the quarter ended June 30, 2023 have been taken on record by the Administrator on July 29, 2023 while discharging the powers of the Board of Directors of the Company and SEFL which were conferred upon him by RBI press release dated October 4, 2021 and subsequently, powers conferred upon him in accordance with Hon'ble NCLT order dated October 8, 2021. It is also incumbent upon the Resolution Professional, under Section 20 of the Code, to manage the operations of the Company and SEFL as going concern. Since the Administrator has taken charge of the affairs of the Company and SEFL on October 4, 2021, the Administrator is not liable or responsible for any actions and has no personal knowledge of any such actions of the Company or SEFL prior to his appointment and has relied on the position of the financial results of the Company and SEFL as they existed on October 4, 2021. Regarding information pertaining to period prior to October 4, 2021 the Administrator has relied upon the explanations, clarifications, certifications, representations and statements made by the existing management team ('the existing officials of SIFL and SEFL'), who were / are also part of SIFL and SEFL prior to the appointment of the Administrator. As part of the CIRP, the Administrator has initiated audits/reviews relating to the processes and compliances of the SIFL and SEFL and has also appointed professionals for conducting transaction audit as per section 43, 45, 50 and 66 of the Code. The Administrator of the Company had received certain account wise transaction audit reports from the professional agency appointed as the transaction auditor indicating that in SEFL there are transactions amounting to ₹ 18,375 crores which are fraudulent in nature under section 66 of the Code including transactions amounting to ₹ 1,230 crores determined as undervalued transactions. Accordingly, the Administrator has filed applications under section 60(5) and section 66 of the Code before the Kolkata bench of the Hon'ble National Company Law Tribunal (NCLT) on various dates till May 5, 2023 for adjudication. The Company in the earlier periods had created provision and impairment reserve to the extent of 100% of gross exposure on such accounts, despite having some underlying securities as a matter of abundant prudence. As of June 30, 2023, the Company still maintained provision and impairment reserve to the extent of 100 % of gross exposure on such accounts, In addition to the above, basis the transaction audit reports from the professional agency appointed as the transaction auditor, the Administrator has filed an application under section 60(5) and section 66 of the Code before the Kolkata Bench of the Hon'ble NCLT on November 18, 2022 for an amount of ₹. 848 crores, being the net shortfall in payments to SEFL's lenders who were assigned the Pool Loans as on September 30, 2021 for adjudication.

The transaction audit has been completed and the necessary impact of the same has been incorporated in these consolidated financial results.

The above consolidated financial results for the quarter ended June 30, 2023 were subjected to limited review by the Statutory Auditor, D.K. Chhajer & Co., Chartered Accountants of the Company as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('Listing Regulations').



3. Non recognition of Interest Income on transactions reported under section 60(5) and section 66 of the Code

During the quarter ended September 30, 2022, as a matter of prudence, SEFL had adopted a policy in respect of the borrowers whose transactions with SEFL are determined as fraudulent, basis transaction audit reports, not to recognise the income on such accounts from the start of the quarter in which such transactions are reported as fraudulent by SEFL. Further, in case of transactions determined as fraudulent in previous periods prior to the adoption of this policy, no income is being recognised w.e.f. July 1, 2022 in all such cases. Had the policy not changed, the interest income would have been higher by ₹.241 crores for the quarter ended June 30, 2023. Consequently, the ECL provision would also have been higher by ₹ 241 crores for the quarter ended June 30, 2023, resulting in no change in the loss for the quarter ended June 30, 2023.

4. Loan loss provisioning

SEFL on the basis of abundant prudence, had decided to make provision to the extent of interest income recognised during the respective quarter on Net Stage - III accounts. Accordingly, the Company has made a total provision of ₹ 149 crores on such accounts for the quarter ended June 30, 2023. This has resulted in increase in Impairment on Financial Instruments (Net) by ₹ 149 crores and thereby increase in loss by ₹ 149 crores for the quarter ended June 30, 2023. Based on the ECL policy, the Company has made ECL provision aggregating to ₹ 56 crores for the quarter ended June 30, 2023.

Further, in terms of paragraph 2 (b) of Annex to the guidelines DOR (NBFC). CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 issued by RBI on Implementation of Indian Accounting Standards for Non-Banking Finance Companies and Asset Reconstruction Companies, SEFL has also considered provision amounting to ₹ Nil for the quarter ended June 30, 2023 under Income Recognition, Asset Classification and Provisioning Norms, considering the overall impairment reserve. Such provision is also over and above ECL provision as stated above and has been accounted as 'Impairment Reserve'. In cases where the ECL provision and the impairment reserve made in earlier periods was more than the gross exposure, the Company made a lesser provision under the ECL, so as to restrict the net exposure at ₹ Nil, since no withdrawal from such impairment reserve is permitted. If the loan loss provisioning would have been provided without considering the impairment reserve as mentioned above, the loss before tax for the quarter ended June 30, 2023 would have increased by ₹ 58 crores, and correspondingly impairment reserve of ₹ 58 crores would have been transferred to retained earnings, thereby having no impact on shareholders' fund.

As a part of the ongoing CIRP process, the Administrator has appointed two (2) independent valuers to conduct the valuation of the assets of the Company & SEFL and assets/collateral held as securities as required under the provisions of the Code. The valuation reports of the same have been submitted to the Consolidated CoC members. Accordingly, impact of such valuation on the Consolidated financial results is subject to the outcome of the CIRP.

5. Non provisioning of Interest

Pursuant to the admission of SIFL and SEFL under the CIRP, SIFL and SEFL have not provided for interest amount of ₹ 1271 crores for the quarter ended June 30, 2023, ₹ 1115 crores for the quarter ended June 30, 2022, ₹ 1217 crores for the quarter ended March 31, 2023 and ₹ 4677 crores for the year ended March 31, 2023 on Borrowings since insolvency commencement date i.e. October 8, 2021 in respect of the Company's obligation for interest and principal amount for all the borrowings. Under the Code, the treatment of creditors under the resolution plan is as per debts due as on insolvency commencement date and therefore no interest is accrued and payable after this date.

Had the interest been accrued on borrowings as aforesaid, the consolidated loss before tax for the quarter ended June 30, 2023 would have resulted in loss before tax of ₹ 1341 crores, for the quarter ended June 30, 2022 would have resulted in loss before tax of ₹ 5719 crores, for the quarter ended March 31, 2023 would have resulted in loss before tax of ₹1308 crores and for year ended March 31, 2023 would have resulted in a loss before tax of ₹ 15786 crores.

6. Business Transfer Agreement and Scheme of Arrangement

During the year 2019-20, SIFL and SEFL entered into a Business Transfer Agreement ('BTA') to transfer the Lending Business, Interest Earning Business and Lease Business of the Company together with associated employees, assets and liabilities (including liabilities towards issued and outstanding non - convertible debentures) (Transferred Undertaking), as a going concern by way of slump exchange to SEFL pursuant to the BTA, subject to all necessary approvals. Accordingly, the Company and SEFL passed the relevant accounting entries in their respective books of account to reflect the slump exchange w.e.f. October 1, 2019 while allotment of shares by SEFL was made on December 31, 2019. The superseded Board of directors and erstwhile management of the Company, as existed prior to the appointment of the Administrator, had obtained external expert legal and accounting opinions in relation to the accounting of BTA which confirmed that the accounting treatment so given is in accordance with the relevant Ind AS and the underlying guidance and framework.

During the year 2020-2021, SEFL had filed two (2) separate applications under Sec. 230 of the Companies Act, 2013 ('the Act') before the Hon'ble NCLT, Kolkata vide applications no. CA 1106/KB/2020 and CA 1492/KB/2020 proposing Schemes of Arrangement (the Schemes) with all its secured and unsecured lenders (Creditors). BTA, constituted an integral part of the Schemes.



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The first scheme (i.e. CA 1106/KB/2020) sought for amongst other things “formal consent to be obtained from the required majority of the creditors of SEFL to the completed acquisition by way of slump exchange of the Transferred Undertaking from SIFL in terms of the BTA and consequential formal novation of the loans and securities already forming part of SEFL’s liabilities and outstanding to the creditor.”

The second scheme (i.e. CA 1492/KB/2020) sought for amongst other things restructuring of the debt due to certain creditors of SEFL including secured debenture holders, unsecured debenture holders, perpetual debt instrument holders, secured ECB lenders and unsecured ECB lenders and individual debenture holders.

Pursuant to the directions of Hon’ble NCLT vide order dated October 21, 2020, the superseded Board of directors and erstwhile management of SIFL and SEFL had maintained status quo on the Scheme including accounting of BTA. The final order/s in connection with the Schemes was awaited from Hon’ble NCLT at that time.

Both the schemes of arrangement were rejected by the majority of the creditors during the meetings held pursuant to the Hon’ble NCLT’s directions dated October 21, 2020 and December 30, 2020 respectively. Further, certain appeals were filed by rating agencies in the matter relating to the second scheme of arrangement (i.e. CA 1492/KB/2020).

An application of withdrawal was filed by the Administrator in this matter in Hon’ble NCLAT which has been allowed by NCLAT by an order dated February 11, 2022. As stated in Note- 7 below, SIFL and SEFL are in the process of consolidated resolution of SEFL and SIFL and hence no further action is being contemplated regarding establishing the validity of BTA or otherwise, consequent upon the withdrawal of Schemes as stated above. Accordingly, the status quo regarding BTA, as it existed on the date of commencement of CIRP, has been maintained.

7. Consolidated Resolution under CIRP

In view of the impracticability for preparing the resolution plan on individual basis in the case of the Company and SEFL, the Administrator, after adopting proper procedure, had filed applications before the Hon’ble NCLT in the insolvency resolution processes of SIFL and SEFL (IA No. 1099 of 2021 under CP.294/KB/2021 and IA No. 1100 of 2021 under CP.295/KB/2021).

The application in this matter was admitted and the final order received on February 14, 2022 wherein the Hon’ble NCLT approved the consolidation of the corporate insolvency of SIFL and SEFL. The Consolidated CoC took on record three Resolution Plans received from PRAS on January 18, 2023. The three Resolution Plans received by the Consolidated CoC were put to e-voting. The Consolidated CoC took on record the results of the e-voting in CoC meeting held on February 15, 2023, and the resolution plan submitted by National Asset Reconstruction Company Limited (NARCL) was duly approved by CoC by majority voting under section 30(4) of the IBC read with Regulation 39(3) of CIRP Regulations, 2016, thereby, declaring NARCL as Successful Resolution Applicant (SRA). The resolution plan of NARCL approved by the Consolidated CoC was filed before Adjudicating Authority on February 18, 2023 for its approval. The Administrator has also filed all the necessary legal and regulatory approvals before the Adjudicating Authority.

The approval of the resolution plan is awaited from the Adjudicating Authority pending certain litigations.

8. Payment to lenders/others and claims under CIRP

CIRP has been initiated against SIFL and SEFL, as stated in Note No. 1 and accordingly, as per the Code, the Administrator has invited the financial/operational/other creditors to file their respective claims as on October 8, 2021 (i.e. date of commencement of CIRP). As per the Code, the Administrator has to receive, collate and verify all the claims submitted by the creditors of SIFL and SEFL.

Admission of claims of the financial/ operational/ other creditors received by the Administrator is completed and the effect of the same have been given in the books of account. However, the figures of the claims admitted in the books of account might undergo change in the subsequent periods before the resolution plan is approved by Adjudicating Authority in case the Administrator comes across any additional information warranting such revision of claim amounts of the financial/ operational/ other creditors.

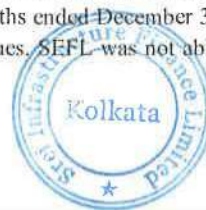
Further, the foreign currency debt of SEFL has been converted into INR as per the Code on the date of commencement of CIRP and accordingly, SEFL has not translated its foreign currency exposure as on June 30, 2023 as per the requirements of Ind AS 21 ‘The effects of changes in foreign exchange rates’.

9. Unhedged Foreign Currency Exposure / Trust and Retention Account

As per the requirements of RBI notification RBI/FED/2018-19/67 FED Master Direction No.5/2018-19 dated March 26, 2019, entities raising External Commercial Borrowings (‘ECB’) are required to mandatorily hedge 70 per cent of their ECB exposure in case the average maturity of ECB is less than 5 years, which SEFL complied on an ongoing basis till the nine months ended December 31, 2020. Thereafter, SEFL was not able to meet the requirements of the aforesaid RBI notification due to procedural issues. SEFL was not able to make payment of the hedging



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premium/cost to the concerned banks for keeping the ECB exposures hedged, as aforesaid. Therefore, the concerned banks unwound the currency risk hedges, which resulted in ECB exposures amounting to ₹ 273 crores as per contractual terms being not hedged as on June 30, 2023, in terms of the aforesaid RBI notification. SEFL has reported the above fact to RBI and reply from the same is still awaited.

10. The approved financial statements of Trinity Alternative Investment Managers Limited (Trinity) and its two subsidiaries, viz. Hyderabad Information Technology Venture Enterprises Limited and Cyberabad Trustee Company Private Limited for the quarter ended June 30, 2022 onwards have not been received from Trinity despite written request and follow ups and accordingly the same have not been considered for consolidation. SIFL Nominee Director (existing Shareholder Director) called the Board Meeting of Trinity, however, the management of Trinity did not provide the requisite document and infrastructure to hold the meeting and under constraint, the Board Meeting could not be conducted. The possible impact on the consolidated financial results with respect to the aforesaid subsidiaries is not ascertainable.

11. Fair value of Investment

i. Trinity is managing various funds in which the Company has invested. As per Clause 23 (1) of AIF Regulations, 2012, Investment Managers are mandated to provide NAV at least once in every six months. However, despite of several follow-ups, Trinity had not provided NAV of two Funds (Vision India Fund and India Growth Opportunities Fund) out of five funds in which SIFL had investments as on March 31, 2023. The Company continued to value the investments in remaining two Funds at the NAV provided as on September 30, 2022 amounting to ₹ 39 crores as on March 31, 2023. During the current quarter, Trinity has provided NAV of those two funds as on March 31, 2023. Consequently, fair market value of investment in those two funds have been reduced by ₹ 3 crores during the quarter ended June 30, 2023. The Company has considered the impact of NAV in its books inspite of not receiving accounts of Trinity as mentioned in point 10 above.

ii. Fair value on units of Infra Construction Fund

The Company is holding 18,80,333 units in Infra Construction Fund (ICF), managed by Trinity Alternative Investments Managers Limited (Trinity). The Company arrives at the fair valuation of units of ICF based on the NAV of the units provided by Trinity. ICF has made investments in equity shares of India Power Corporation Limited (IPCL) which are pending allotment. As on June 30, 2023, Trinity has considered the weighted average of market value, profit earning capacity value and book value of shares of IPCL as on March 31, 2023 for arriving at the NAV of ICF.

iii. As on March 31, 2023, based on amalgamation process of DPSC Ltd with erstwhile IPCL, the Company is entitled to an allotment of 10,55,24,100 equity shares of India Power Corporation Limited (IPCL). However, allotment of the Company's holdings is pending since 2013 as the matter relating to the allotment of the IPCL is pending due to non-compliance of SEBI Regulations by IPCL. The market value of IPCL shares as on June 30, 2023 i.e., ₹ 121 crores have been considered as Fair value in the books of account of the Company. The matter relating to the allotment of equity shares of IPCL to the Company and ICF is pending due to non-compliance of SEBI Regulations by IPCL.

12. Going Concern

The Group had reported net losses during the quarter ended June 30, 2023 and earlier year / periods as well. Hence, the net worth of the Group has fully eroded.

There is persistent severe strain on the working capital and operations of the Group and it is undergoing significant financial stress. As stated in Note No. 1, CIRP was initiated in respect of the SIFL and SEFL w.e.f. October 8, 2021. The Holding Company have assessed that the use of the going concern assumption is appropriate in the circumstances and hence, these financial results have been prepared on a going concern assumption basis as per below:

- i) The Code requires the Administrator to, among other things, run SIFL and SEFL as a going concern during CIRP.
- ii) The Administrator, in consultation with the Consolidated CoC of SIFL and SEFL, in accordance with the provisions of the IBC, is making all endeavors to run SIFL and SEFL as a going concern. Considering the future business outlook and with time bound recovery of its due from customers and monetization of assets / securities, SIFL and SEFL are hopeful of improvement in their cash flows in due course of time.
- iii) Reduction in overhead expenditure.
- iv) SEFL has also formed a dedicated focused collection team to increase the collection and is also exploring all possibilities to start new business with the launch of various schemes.

CIRP is undergoing and as per the process, the Consolidated CoC took on record three Resolution Plans received from PRAs on January 18, 2023. The three Resolution Plans received by the Consolidated CoC were put to e-voting. The Consolidated CoC took on record the results of the e-voting in CoC meeting held on February 15, 2023, and the resolution plan submitted by National Asset Reconstruction Company Limited (NARCL) was duly approved by the consolidated CoC by majority voting under section 30(4) of the IBC read with Regulation 39(3) of CIRP Regulations, 2016, thereby, declaring NARCL as Successful Resolution Applicant (SRA).



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The resolution plan of NARCL approved by the Consolidated CoC was filed before Adjudicating Authority i.e., Hon'ble NCLT, Kolkata on February 18, 2023 for its approval. The Administrator has also filed all the necessary legal and regulatory approvals before the Adjudicating Authority. The approval of the resolution plan is awaited from the Adjudicating Authority pending certain litigations.

Pending the completion of the said process under CIRP, these financial results have been prepared on a going concern basis.

13. Probable Connected / Related Companies

RBI in its inspection report and risk assessment report (the directions) for the year ended March 31, 2020 had identified 'certain borrowers' as probable connected/related companies. In the directions, SIFL and SEFL have been advised to re-assess and re-evaluate the relationship with the said borrowers to assess whether they are related parties to SIFL or to SEFL and also whether these are on arm's length basis.

It has been brought to the Administrator's notice that the erstwhile management of SIFL and SEFL had taken legal view to determine whether such borrowers are related parties to SIFL or SEFL. Based on the legal view, the erstwhile management was advised and had therefore come to the conclusion that the SIFL or to SEFL have no direct or indirect control or significant influence (as per the Companies Act, 2013 and Ind AS) over such borrowers and are not under common control and accordingly, are not a related party of SIFL or SEFL. The erstwhile management had also obtained an assessment report on the review & verification of the transactions with the aforesaid probable connected/related companies from an independent Chartered Accountant firm, which states that the transactions of SIFL or to SEFL with probable connected parties were done at arm's length principles and are in the ordinary course of business and that such parties are not related parties of SIFL or SEFL under the Act or Ind AS 24.

Further, in view of RBI directions, in line with arm's length principles, the erstwhile management of SEFL was in the process of re-assessing & re-negotiating terms and conditions with the aforesaid borrowers and all other borrowers, who have been granted loans with moratorium period and at interest rate which is linked with the cash flows of the project while ensuring that the overall yield is maintained. However, the same was not concluded and meanwhile SIFL and SEFL went into CIRP.

The total gross exposure towards such borrowers in SEFL is ₹ 11,148 crores and ₹ 11,150 crores as on June 30, 2023 and as on March 31, 2023 respectively and the total exposure (net of impairment) towards such borrowers is ₹ 538 crores and ₹ 532 crores as on June 30, 2023 and as on March 31, 2023 respectively.

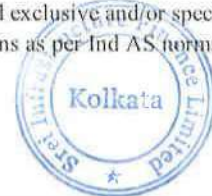
However, the Administrator is not in a position to comment on the views adopted by the erstwhile management of the Company in relation to the findings of the directions since these pertain to the period prior to the Administrator's appointment. As a part of the CIRP, the Administrator has initiated transaction audits/reviews relating to the process and compliances of the Company and has also appointed professionals for conducting transaction audit as per section 43, 45, 50 and 66 of the Code.

Out of Accounts referred by the RBI in the directions, the Administrator has received account wise transaction audit reports, which has identified certain transactions as fraudulent in nature under section 66 of the Code, including undervalued transactions, the gross exposure of such borrowers in SEFL amounts to ₹ 10,440 crores and ₹ 10,453 crores as on June 30, 2023 and as on March 31, 2023 respectively and the total exposure (net of impairment) towards such borrowers is ₹ Nil and ₹. Nil crores as on June 30, 2023 and as on March 31, 2023 respectively. In respect of such accounts, the Administrator has filed applications under section 60(5) and section 66 of the Code before the Kolkata bench of the Hon'ble NCLT on various dates till May 5, 2023 for adjudication. Since, the entire loan portfolio was transferred by SIFL to SEFL under BTA (referred in Note no. 7 above), the afore-mentioned transactions are appearing in the books of SEFL currently. SEFL has also made 100 % impairment on such accounts. The transaction audit has been completed and the necessary impact of the same have been incorporated in these consolidated financial results.

14. As on March 31, 2021, SIFL and SEFL were having funds amounting to ₹. 5.76 crores in relation to the Corporate Social Responsibility ('CSR') which were unspent. These unspent amounts as per the requirements of Section 135 of the Act were to be transferred to funds specified under Schedule VII to the Act within a period of 6 months. However, the domestic lenders of SIFL and SEFL had stipulated TRA mechanism effective November 24, 2020, pursuant to which all the payments being made by SIFL and SEFL were being approved/released based on the TRA mechanism. SIFL and SEFL are not able to transfer the aforesaid unspent CSR amount as per the requirements of Section 135 of the Act. SIFL and SEFL have written letters to the Ministry of Corporate Affairs ('MCA') seeking exemptions from the obligations of SIFL and SEFL under portions of Section 135(5) and Section 135(7) of the Act. The reply from MCA in this regard is still awaited.
15. As per Regulation 54(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the secured redeemable non-convertible debentures as on June 30, 2023 are secured by first pari-passu charge by mortgage of immovable property(ies) at West Bengal / Tamil Nadu. SEFL had filed necessary e-forms for Debenture Trust Deed (DTD) novated from SIFL with ROC but the same have not been approved as stated in Note no. 17 (except for one ISIN wherein principal outstanding is ₹. 0. 70 crores only, which was secured by immovable properties located at West Bengal and Delhi being in the books of Controlla Electrotech Private Limited and SIFL respectively for which necessary e-form post novation is not filed with ROC as stated in Note no. 17) and exclusive and/or specific charge on the specific & identified receivables of SEFL. Security cover available as on June 30, 2023, net of provisions as per Ind AS norms excluding provisions made



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under IRACP is 36.63% of the principal and interest amount of its secured redeemable non-convertible debentures. SEFL has not been able to maintain the security cover as stated in the Information Memorandum/Debenture Trust Deeds etc. As stated in Note No. 4 above, as part of the ongoing CIRP process the Administrator has appointed, two (2) independent valuers to conduct the valuation of the assets of SIFL & SEFL as required under the provisions of the Code and such valuation reports have been submitted to the Consolidated CoC members. Accordingly, impact of such valuation on the security cover is subject to the outcome of the CIRP.

16. As stated in Note no. 6, SEFL had acquired borrowings (including secured borrowings and NCDs) from SIFL and charges created with ROC in relation to such borrowings were to be transferred in the name of SEFL.

In relation to the above, cases where the novation agreements are signed by the lenders / trustees pursuant to Slump Exchange Transaction between SIFL to SEFL, necessary e-forms w.r.t. charges have been filed by SEFL with the Registrar of Companies, Kolkata (ROC) except for one ISIN whereby principal outstanding is ₹ 0.70 crores only.

However, above charges filed by SEFL have not been approved by the ROC. Hence, the charges which were originally created in the name of SIFL for such secured borrowings are still continuing so in the records of ROC.

Further, with respect to certain borrowings where, though borrowed facilities have been repaid in full, charge satisfactions are still pending. This pendency is mainly on account of non-receipt of NOC from lenders etc. / completion of satisfaction formalities.

17. As per section 125 of the Act, the Company and SEFL are required to transfer certain amount lying unpaid, for 7 years, to Investor Education Protection Fund ("IEPF"). Prior to the date of commencement of CIRP i.e. October 8, 2021 (CIRP commencement date) an amount of ₹. 18,574/- in SEFL and post commencement of CIRP, an amount of ₹ 7,70,634/- was transferable by SEFL and ₹ 4,84,877/- was transferable by SIFL to IEPF in terms of section 125 of the Act on different dates till the June 30, 2023.

The Company and SEFL are unable to comply with the provision of Section 125 of the Act as they need to comply with the General Circular No. 08/ 2020 issued by the Ministry of Corporate Affairs (MCA) dated March 6, 2020 captioned "Filing of forms in the Registry (MCA-21) by the Insolvency Professional (Interim Resolution Professional (IRP) or Resolution Professional (RP) or Liquidator) appointed under Insolvency Bankruptcy Code, 2016 (IBC, 2016)" which states that in respect of companies which are marked under CIRP in the Registry, Annual Return (e-form No.MGT-7) and Financial Statement (e-form AOC-4) and other documents under the provisions of the Companies Act, 2013. in accordance with directions issued by the NCLT/ NCLAT / Courts, shall be filed as attachments with e-form GNL-2 against the payment of one time normal fee only, till such time SIFL and SEFL remain under CIRP. Separate GNL-2 forms shall be filed for each such document, by the IRP/ RP. However, since the GNL -2 form is not linked with IEPF -1, the Company is unable to generate SRN for payment to IEPF authorities. Due to the said technical difficulty, SIFL and SEFL could not comply with the provisions of Section 125 & other applicable provisions of the Act. SIFL and SEFL have has requested for guidance from IEPF authorities. Revert on the same is awaited.

18. SIFL is unable to transfer 66,215 Equity shares pertaining to the Financial Year 2014-15, due for transfer to the Investor Education and Protection Fund in accordance with the applicable provisions of section 124 of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 because of inability of the Company to file GNL -2 form due to technical reasons as stated in Note no. 18 above. The Company has requested for guidance from IEPF authorities and also requested them to file claim for pre CIRP amount. The revert on the same is awaited.

19. During the quarter and year ended March 31, 2022, SIFL on behalf of SEFL had invoked 49% equity shares of Sanjvik Terminals Private Limited ('STPL'), which were pledged as security against the loan availed by one of the borrowers of SEFL. As at March 31, 2023, these shares appeared in the demat statement of SIFL, whereas the loan was transferred to SEFL pursuant to BTA, as stated in Note No. 6 above. Further, the entire shares have been sold on April 11, 2023 and the same have been transferred to the demat account of purchaser on April 26, 2023.

20. Based on the directions of RBI, during year ended March 31, 2022, SEFL had made provision amounting to ₹ 98 crores and ₹ 50 crores in respect of direct tax cases and indirect tax cases respectively where SEFL was under various stages of appeal with the relevant tax authorities. Further during the quarter ended June 30, 2023, SEFL has received appellate order pertaining to entry tax demand, whereby the Company has been granted relief to the extent of ₹. 0.17 crores from the original demand of ₹.0.19 crores. Accordingly, the provision has been reduced to such extent. These amounts which have been provided for were appearing under 'Contingent Liabilities' earlier. Since, the provision, as aforesaid, has been done on the directions of RBI, SEFL has not assessed whether the outflow of resource embodying economic benefits is probable or not as per the requirements of Ind AS 37- 'Provisions, Contingent Liabilities and Contingent Assets'.

21. SEBI vide its Adjudication Order No. Order/DS/DK/ 2022-23 /20903- 20964 dated October 31, 2022 ('Order'), in the matter of Religare Enterprises Limited had imposed a penalty of ₹. 35 lakhs on SIFL and ₹. 5 lakhs on SEFL payable within 45 days from the date of receipt of the Order. However, vide its Corrigendum to Order dated 30th November, 2022; SEBI has clarified that the said period of 45 days shall not be applicable in respect of SIFL and SEFL due to the CIRP proceedings pending against it. The said penalty is payable subject to the provisions of



IBC and outcome of the appeal filed by SEBI in the Diwan Housing Finance Limited case matter in the Hon'ble Supreme Court (Appeal No. 206 of 2020). Hence, no provision has been made in the respective books of account of both the Companies.

22. Details of loan transferred / acquired by SEFL during the quarter ended June 30, 2023 pursuant to RBI Master Direction RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021 on Transfer of Loan Exposures are given below:

- (a) SEFL has not transferred or acquired any loans not in default during the quarter ended June 30, 2023.
 (b) SEFL has not transferred or acquired any stressed loan during the quarter ended June 30, 2023.
 (c) Details on recovery ratings assigned for Security Receipts as on June 30, 2023.

Recovery Ratings	Anticipated recovery as per recovery rating	Amount (₹. in crores)
RR1	100%-150%	169
RR2	75%- 100%	191
RR5*	0%- 25%	-

* The last available recovery rating is as at August 28, 2020.

23. Based on the information available in the public domain, some of the lenders have declared the bank account of SIFL and SEFL as fraud. However, in case of one of the lender, on the basis of petition filed by the ex-promoter before the Hon'ble High Court of Delhi, the Hon'ble Court has passed interim relief to the petitioner vide order dated April 22, 2022, restraining the said lender from taking any further steps or action prejudicial to the petitioner on the basis of the order declaring the bank account as fraud. Thereafter vide order dated May 15, 2023, the application was disposed off and the Order declaring the account of SIFL and SEFL as fraud was set aside. Further, liberty was granted to the banks to proceed ahead in accordance with the direction given in the aforesaid order.
24. The Enforcement Directorate (ED) on January 31, 2023 conducted simultaneous investigation on office premises of SIFL and SEFL. The Companies and their officials are co-operating and providing the required information/ documents as available.
25. The Ministry of Corporate Affairs (MCA) vide its letter April 18, 2023 has initiated inspection into the affairs of SIFL and SEFL and has sought information and documents under Section 206(5) of the Act. The Companies have provided necessary documents as required by MCA.
26. Information as required pursuant to Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended, has been given in Annexure 1.
27. Figures for the quarter ended March 31, 2023 represents the difference between the audited figures in respect of the full financial year and the unaudited figures of nine months ended December 31, 2022.
28. Previous period/year figures have been regrouped/rearranged, wherever considered necessary, to conform to the classification of the current period / year.



Place: Kolkata
 Date : July 29, 2023

For Srei Infrastructure Finance Ltd.
 (A Company under Corporate Insolvency
 Resolution Process vide NCLT Order dated October 08, 2021)


RAJNEESH SHARMA
 ADMINISTRATOR APPOINTED UNDER IBC



Annexure I

Ratios on Consolidated Financial disclosed pursuant to regulation 52(4) of SEBI(Listing Obligation and Disclosure Requirements) Regulations 2015, as amended

	Particulars	Quarter ended			Year ended	
		Jun 30,2023	Mar 31,2023	Jun 30,2022	Mar 31,2023	
		Unaudited	Audited	Unaudited	Audited	
1	Debt equity ratio (No. of times) (Note 1)	N.A.	N.A.	N.A.	N.A.	N.A.
2	Debt service coverage ratio (Note 8)	N.A.	N.A.	N.A.	N.A.	N.A.
3	Interest service coverage ratio (Note 8)	N.A.	N.A.	N.A.	N.A.	N.A.
4	Outstanding redeemable preference shares (Nos. in Lakhs)	-	-	-	-	-
5	Outstanding redeemable preference shares (Values)	-	-	-	-	-
6	Capital redemption reserve	-	-	-	-	-
7	Debt redemption reserve (₹ in Lakhs)	10,222	10,222	10,222		10,222
8	Networth (₹ in Lakhs) (Note 2)	(2,418,571)	(2,411,427)	(1,751,225)		(2,411,427)
9	Net Profit/(Loss) after tax (₹ in Lakhs)	(6,976)	(9,158)	(460,383)		(1,110,899)
10	Earnings per share (in ₹)	*(1.39)	*(1.82)	*(91.51)		(220.82)
11	Current ratio (Note 8)	N.A.	N.A.	N.A.		N.A.
12	Long term debt to working capital (Note 8)	N.A.	N.A.	N.A.		N.A.
13	Bad debts to account receivable ratio (Note 8)	N.A.	N.A.	N.A.		N.A.
14	Current liability ratio (Note 8)	N.A.	N.A.	N.A.		N.A.
15	Total debts to total assets (%) (Note 3)	207.06%	206.03%	146.25%		206.03%
16	Debtor turnover ratio (Note 8)	N.A.	N.A.	N.A.		N.A.
17	Inventory turnover (Note 8)	N.A.	N.A.	N.A.		N.A.
18	Operating margin (%) (Note 8)	N.A.	N.A.	N.A.		N.A.
19	Net profit/(loss) margin(%) (Note 4)	(36.92)%	(36.96)%	(773.34)%		(719.40)%
Sector Specific Ratios						
20	Gross Non Performing Assets % ("GNPA") (Note 5)	97.09%	96.92%	82.86%		96.92%
21	Net Non Performing Assets % ("NNPA")(Excl. impairment Reserve) (Note 6)	92.06%	91.80%	71.15%		91.80%
22	Net Non Performing Assets % ("NNPA")(Incl. impairment Reserve) (Note 6)	83.32%	83.48%	60.33%		83.48%
23	Provision Coverage Ratio % ("PCR")(Excl. impairment Reserve)(Note 7)	65.28%	64.38%	49.00%		64.38%
24	Provision Coverage Ratio % ("PCR")(Incl. impairment Reserve) (Note 7)	85.04%	83.91%	68.55%		83.91%

* Not Annualised

Note:
 Information as required pursuant to Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015
 Formulae for Computation of Ratios are as follows :

- Debt equity ratio is not determinable as equity is negative.
- Net worth has been calculated as defined in Section 2(57) of the Companies Act, 2013.
- Total debts to total assets (%) = (Debt Securities + Borrowings (other than debt securities) + Subordinated Liabilities) / Total Assets.
- Net profit/(loss) margin (%) = Profit/(loss) after Tax / Total Revenue from Operations.
- Gross Non Performing Assets ("GNPA") (%) = Gross Stage III / Gross Advances, where gross advances represents Loans, Trade Receivables and Net Block of Assets given on Operating Lease.
- Net Non Performing Assets ("NNPA") (%) = Net Stage III / Net Advances, where net advances represents Loans, Trade Receivables and Net Block of Assets given on Operating Lease.
- Provision Coverage Ratio ("PCR") (%) = NPA Provision / Gross NPAs.
- The Company is Non Banking Financial Company registered under the Reserve Bank of India Act 1934. Hence these Ratios are generally not applicable.



For SREI Infrastructure Finance Limited
 (a Company under Corporate Insolvency Resolution Process by an order dated October 8, 2021 passed by Hon'ble NCLT, Kolkata)


Rajneesh Sharma
 Administrator appointed under IBC

Place: Kolkata
 Date: July 29,2023

The Administrator has been appointed under Rule 5(a)(iii) of the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019 under the Insolvency and Bankruptcy Code, 2016 (IBC). The affairs, business and property of Srei Equipment Finance Limited are being managed by the Administrator, Mr. Rajneesh Sharma, who acts as agent of the Company only and without any personal liability.
 Address for Correspondence - Vishwakarma 86C, Topsia Road (South), Kolkata, West Bengal, 700046
 Email ID for Correspondence - sreiaministrator@srei.com

SREI INFRASTRUCTURE FINANCE LIMITED

Regd Office: 'Vishwakarma', 86C, Topsia Road (South), Kolkata - 700 046, Website: www.srei.com, Email for Investors: investor.relations@srei.com
(CIN): L29219WB1985PLC055352

UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2023

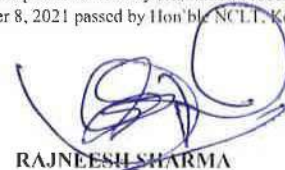
(' in Lakhs)

Particulars	Quarter ended			Year ended
	30-Jun-23 (Unaudited)	31-Mar-23 (Audited)	30-Jun-22 (Unaudited)	31-Mar-23 (Audited)
Revenue from Operations				
Interest Income	13,224	20,519	50,692	128,418
Rental Income	4,644	3,408	6,408	20,355
Fees and Commission Income	400	583	1,554	2,969
Net gain on derecognition of financial instruments under fair value through profit or loss	2	3	1	8
Others	626	268	877	2,670
(I) Total Revenue from Operations	18,896	24,781	59,532	154,420
(II) Other Income	89	536	47	1,869
(III) Total Income (I+II)	18,985	25,317	59,579	156,289
Expenses				
Finance Costs	88	448	5,906	7,624
Fees and Commission Expense	350	1,205	309	1,781
Net loss / (gain) on fair value changes	424	5,926	794	9,624
Net loss on derecognition of financial instruments under amortised cost	60	2,904	329	5,567
Impairment on Financial Instruments (Net)	13,000	3,311	47,809	142,216
Employee Benefits Expenses	1,427	2,295	2,368	8,745
Depreciation, Amortisation and Impairment	8,439	9,082	12,071	43,582
Administrative and Other Expenses	2,265	2,866	4,051	19,158
Loss / write-off / (gain) on Repossessed Assets & Assets acquired in satisfaction of debt	1,171	(358)	1,729	13,257
(IV) Total Expenses	27,224	27,679	75,366	251,554
(V) Profit before Exceptional Items & Tax (III-IV)	(8,239)	(2,362)	(15,787)	(95,265)
(VI) Exceptional Items (Profit / (Loss))	1,260	(6,778)	(444,573)	(1,015,593)
(VII) Profit/ (Loss) Before Tax (V+VI)	(6,979)	(9,140)	(460,360)	(1,110,858)
(VIII) Tax Expense:				
(a) Current Tax	-	13	28	49
(b) Income Tax in respect of earlier year	-	5	1	6
(c) Deferred Tax	(3)	-	(6)	(14)
(IX) Profit/ (Loss) After Tax (VII-VIII)	(6,976)	(9,158)	(460,383)	(1,110,899)
(X) Other Comprehensive Income/(Expense)				
Items that will not be reclassified to Profit or Loss				
- Remeasurement Gains/ (Losses) on Defined Benefit Plan	(39)	(182)	(5)	(163)
- Gains/ (Losses) on Equity Instruments through Other Comprehensive Income	1,899	(5,929)	(1,017)	15,605
- Tax related to above	-	-	1	(1)
Items that will be reclassified to Profit or Loss				
- Effective portion of gains and losses on hedging instruments in a cash flow hedge	-	-	-	-
- Gains on fair valuation of loans	151	(44)	(552)	(719)
- Tax related to above	-	-	-	-
Total Other Comprehensive Income/(Expense)	2,011	(6,155)	(1,573)	14,722
(XI) Total Comprehensive Income/(Expense) for the period (IX+X)	(4,965)	(15,313)	(461,956)	(1,096,177)
Profit/ (Loss) for the period attributable to:				
-Owners of the parent	(6,978)	(9,160)	(460,375)	(1,110,894)
-Non-controlling interest	2	2	(8)	(5)
Other Comprehensive Income/(Expense) for the period attributable to:				
-Owners of the parent	2,011	(6,155)	(1,573)	14,722
-Non-controlling interest	-	-	-	-
Total Comprehensive Income/(Expense) for the period attributable to:				
-Owners of the parent	(4,967)	(15,315)	(461,948)	(1,096,172)
-Non-controlling interest	2	2	(8)	(5)
Paid-up Equity Share Capital (Par Value Rs. 10/- per Equity Share)	50,309	50,309	50,309	50,309
Other Equity excluding Revaluation Reserves	-	-	-	(1,752,299)
Earnings per Equity share (Basic and Diluted) (in Rs.) (*Not annualised) (Par Value Rs. 10/- per Equity Share)	*(1.39)	*(1.82)	*(91.51)	(220.82)



Place: Kolkata
Date: July 29, 2023

For Srei Infrastructure Finance Limited
(a Company under Corporate Insolvency Resolution Process by an order dated October 8, 2021 passed by Hon'ble NCLT, Kolkata)


RAJNEESH SHARMA

ADMINISTRATOR APPOINTED UNDER IBC

The Administrator has been appointed under Rule 5(a)(iii) of the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019 under the Insolvency and Bankruptcy Code, 2016 (IBC). The affairs, business and property of Srei Infrastructure Finance Limited are being managed by the Administrator, Mr. Rajneesh Sharma, who acts as agent of the Company only and without any personal liability.

Address for Correspondence - Vishwakarma 86C, Topsia Road (South), Kolkata, West Bengal, 700046

Email ID for Correspondence - sreiaadministrator@srei.com



Segment wise Revenue, Results, Assets and Liabilities

(₹ in Lakhs)

Particulars	Quarter ended			Year ended
	30-Jun-23 (Unaudited)	31-Mar-23 (Audited)	30-Jun-22 (Unaudited)	31-Mar-23 (Audited)
1. Segment Revenue				
(a) Financial Services	18,948	24,835	59,594	154,653
(b) Others	85	82	79	318
Total	19,033	24,917	59,673	154,971
Less: Inter Segment Revenue	137	136	141	551
Net Income from Operations	18,896	24,781	59,532	154,420
2. Segment Results				
(a) Financial Services	(8,229)	(2,350)	(15,772)	(95,213)
(b) Others	(10)	(12)	(15)	(52)
Profit Before Tax	(8,239)	(2,362)	(15,787)	(95,265)
3. Segment Assets				
(a) Financial Services	1,545,617	1,555,838	2,187,789	1,555,838
(b) Others	1,953	1,946	1,932	1,946
(c) Un-allocable	9,163	7,428	20,606	7,428
Total Segment Assets	1,556,733	1,565,212	2,210,327	1,565,212
4. Segment Liabilities				
(a) Financial Services	3,263,679	3,267,193	3,278,088	3,267,193
(b) Others	6	6	6	6
(c) Un-allocable	24	24	24	24
Total Segment Liabilities	3,263,709	3,267,223	3,278,118	3,267,223






Notes:

1. **Supersession of Board of Directors and Implementation of Corporate Insolvency Resolution Process**
The Reserve Bank of India ('RBI') vide press release dated October 4, 2021 in exercise of the powers conferred under Section 45-IE (1) of the Reserve Bank of India Act, 1934 ('RBI Act') superseded the Board of Directors of Srei Infrastructure Finance Ltd. ('the Company' or 'SIFL') and its material wholly owned subsidiary, Srei Equipment Finance Ltd. ('SEFL') and appointed an Administrator under Section 45-IE (2) of the RBI Act. Further, the RBI in exercise of powers conferred under section 45-IE (5) (a) of the RBI Act, constituted a three-member Advisory Committee to assist the Administrator in discharge of his duties.

Thereafter, the RBI filed applications for initiation of Corporate Insolvency Resolution Process ('CIRP') against SIFL & SEFL under section 227 read with clause (zk) of sub-section (2) of Section 239 of the Insolvency and Bankruptcy Code (IBC), 2016 ('the Code') read with Rules 5 and 6 of the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019 ('FSP Insolvency Rules') before the Kolkata Bench of the Hon'ble National Company Law Tribunal, ('Hon'ble NCLT'). Hon'ble NCLT vide its order dated October 8, 2021 admitted the application made by the RBI for initiation of CIRP against SIFL & SEFL. Further, Hon'ble NCLT gave orders for appointment of Mr. Rajneesh Sharma, as the Administrator to carry out the functions as per the Code and that the management of SIFL & SEFL shall vest in the Administrator. Further, Hon'ble NCLT also retained the three-member Advisory Committee, as aforesaid, for advising the Administrator in the operations of the Company & SEFL during the CIRP. There have been changes in the composition of the Advisory Committee on June 22, 2022 and January 31, 2023. The Consolidated Committee of Creditors (CoC) took on record three Resolution Plans received from Prospective Resolution Applicants (PRAs) on January 18, 2023. The three Resolution Plans received by the Consolidated CoC were put to e-voting. The Consolidated CoC took on record the results of the e-voting in CoC meeting held on February 15, 2023, and the resolution plan submitted by National Asset Reconstruction Company Limited (NARCL) was duly approved by CoC by majority voting under section 30(4) of the IBC read with Regulation 39(3) of CIRP Regulations, 2016, thereby, declaring NARCL as Successful Resolution Applicant (SRA).

The approved resolution plan of NARCL was filed before Adjudicating Authority i.e., Hon'ble NCLT, Kolkata on February 18, 2023 for its approval. The Administrator has also filed all the necessary legal and regulatory approvals before the Adjudicating Authority. The approval of the resolution plan is awaited from the Adjudicating Authority pending certain litigations.

2. The above unaudited consolidated financial results of SIFL, its subsidiaries and trust together referred to as "the Group" for the quarter ended June 30, 2023 have been taken on record by the Administrator on July 29, 2023 while discharging the powers of the Board of Directors of the Company and SEFL which were conferred upon him by RBI press release dated October 4, 2021 and subsequently, powers conferred upon him in accordance with Hon'ble NCLT order dated October 8, 2021. It is also incumbent upon the Resolution Professional, under Section 20 of the Code, to manage the operations of the Company and SEFL as going concern. Since the Administrator has taken charge of the affairs of the Company and SEFL on October 4, 2021, the Administrator is not liable or responsible for any actions and has no personal knowledge of any such actions of the Company or SEFL prior to his appointment and has relied on the position of the financial results of the Company and SEFL as they existed on October 4, 2021. Regarding information pertaining to period prior to October 4, 2021 the Administrator has relied upon the explanations, clarifications, certifications, representations and statements made by the existing management team ('the existing officials of SIFL and SEFL'), who were / are also part of SIFL and SEFL prior to the appointment of the Administrator. As part of the CIRP, the Administrator has initiated audits/reviews relating to the processes and compliances of the SIFL and SEFL and has also appointed professionals for conducting transaction audit as per section 43, 45, 50 and 66 of the Code. The Administrator of the Company had received certain account wise transaction audit reports from the professional agency appointed as the transaction auditor indicating that in SEFL there are transactions amounting to ₹ 18,375 crores which are fraudulent in nature under section 66 of the Code including transactions amounting to ₹ 1,230 crores determined as undervalued transactions. Accordingly, the Administrator has filed applications under section 60(5) and section 66 of the Code before the Kolkata bench of the Hon'ble National Company Law Tribunal (NCLT) on various dates till May 5, 2023 for adjudication. The Company in the earlier periods had created provision and impairment reserve to the extent of 100% of gross exposure on such accounts, despite having some underlying securities as a matter of abundant prudence. As of June 30, 2023, the Company still maintained provision and impairment reserve to the extent of 100 % of gross exposure on such accounts, In addition to the above, basis the transaction audit reports from the professional agency appointed as the transaction auditor, the Administrator has filed an application under section 60(5) and section 66 of the Code before the Kolkata Bench of the Hon'ble NCLT on November 18, 2022 for an amount of ₹. 848 crores, being the net shortfall in payments to SEFL's lenders who were assigned the Pool Loans as on September 30, 2021 for adjudication.

The transaction audit has been completed and the necessary impact of the same has been incorporated in these consolidated financial results.

The above consolidated financial results for the quarter ended June 30, 2023 were subjected to limited review by the Statutory Auditor, D.K. Chhajer & Co., Chartered Accountants of the Company as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('Listing Regulations').



3. Non recognition of Interest Income on transactions reported under section 60(5) and section 66 of the Code

During the quarter ended September 30, 2022, as a matter of prudence, SEFL had adopted a policy in respect of the borrowers whose transactions with SEFL are determined as fraudulent, basis transaction audit reports, not to recognise the income on such accounts from the start of the quarter in which such transactions are reported as fraudulent by SEFL. Further, in case of transactions determined as fraudulent in previous periods prior to the adoption of this policy, no income is being recognised w.e.f. July 1, 2022 in all such cases. Had the policy not changed, the interest income would have been higher by ₹.241 crores for the quarter ended June 30, 2023. Consequently, the ECL provision would also have been higher by ₹ 241 crores for the quarter ended June 30, 2023, resulting in no change in the loss for the quarter ended June 30, 2023.

4. Loan loss provisioning

SEFL on the basis of abundant prudence, had decided to make provision to the extent of interest income recognised during the respective quarter on Net Stage - III accounts. Accordingly, the Company has made a total provision of ₹ 149 crores on such accounts for the quarter ended June 30, 2023. This has resulted in increase in Impairment on Financial Instruments (Net) by ₹ 149 crores and thereby increase in loss by ₹ 149 crores for the quarter ended June 30, 2023. Based on the ECL policy, the Company has made ECL provision aggregating to ₹ 56 crores for the quarter ended June 30, 2023.

Further, in terms of paragraph 2 (b) of Annex to the guidelines DOR (NBFC). CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 issued by RBI on Implementation of Indian Accounting Standards for Non-Banking Finance Companies and Asset Reconstruction Companies, SEFL has also considered provision amounting to ₹ Nil for the quarter ended June 30, 2023 under Income Recognition, Asset Classification and Provisioning Norms, considering the overall impairment reserve. Such provision is also over and above ECL provision as stated above and has been accounted as 'Impairment Reserve'. In cases where the ECL provision and the impairment reserve made in earlier periods was more than the gross exposure, the Company made a lesser provision under the ECL, so as to restrict the net exposure at ₹ Nil, since no withdrawal from such impairment reserve is permitted. If the loan loss provisioning would have been provided without considering the impairment reserve as mentioned above, the loss before tax for the quarter ended June 30, 2023 would have increased by ₹ 58 crores, and correspondingly impairment reserve of ₹ 58 crores would have been transferred to retained earnings, thereby having no impact on shareholders' fund.

As a part of the ongoing CIRP process, the Administrator has appointed two (2) independent valuers to conduct the valuation of the assets of the Company & SEFL and assets/collateral held as securities as required under the provisions of the Code. The valuation reports of the same have been submitted to the Consolidated CoC members. Accordingly, impact of such valuation on the Consolidated financial results is subject to the outcome of the CIRP.

5. Non provisioning of Interest

Pursuant to the admission of SIFL and SEFL under the CIRP, SIFL and SEFL have not provided for interest amount of ₹ 1271 crores for the quarter ended June 30, 2023, ₹ 1115 crores for the quarter ended June 30, 2022, ₹ 1217 crores for the quarter ended March 31, 2023 and ₹ 4677 crores for the year ended March 31, 2023 on Borrowings since insolvency commencement date i.e. October 8, 2021 in respect of the Company's obligation for interest and principal amount for all the borrowings. Under the Code, the treatment of creditors under the resolution plan is as per debts due as on insolvency commencement date and therefore no interest is accrued and payable after this date.

Had the interest been accrued on borrowings as aforesaid, the consolidated loss before tax for the quarter ended June 30, 2023 would have resulted in loss before tax of ₹ 1341 crores, for the quarter ended June 30, 2022 would have resulted in loss before tax of ₹ 5719 crores, for the quarter ended March 31, 2023 would have resulted in loss before tax of ₹ 1308 crores and for year ended March 31, 2023 would have resulted in a loss before tax of ₹ 15786 crores.

6. Business Transfer Agreement and Scheme of Arrangement

During the year 2019-20, SIFL and SEFL entered into a Business Transfer Agreement ('BTA') to transfer the Lending Business, Interest Earning Business and Lease Business of the Company together with associated employees, assets and liabilities (including liabilities towards issued and outstanding non - convertible debentures) (Transferred Undertaking), as a going concern by way of slump exchange to SEFL pursuant to the BTA, subject to all necessary approvals. Accordingly, the Company and SEFL passed the relevant accounting entries in their respective books of account to reflect the slump exchange w.e.f. October 1, 2019 while allotment of shares by SEFL was made on December 31, 2019. The superseded Board of directors and erstwhile management of the Company, as existed prior to the appointment of the Administrator, had obtained external expert legal and accounting opinions in relation to the accounting of BTA which confirmed that the accounting treatment so given is in accordance with the relevant Ind AS and the underlying guidance and framework.

During the year 2020-2021, SEFL had filed two (2) separate applications under Sec. 230 of the Companies Act, 2013 ('the Act') before the Hon'ble NCLT, Kolkata vide applications no. CA 1106/KB/2020 and CA 1492/KB/2020 proposing Schemes of Arrangement (the Schemes) with all its secured and unsecured lenders (Creditors). BTA, constituted an integral part of the Schemes.



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The first scheme (i.e. CA 1106/KB/2020) sought for amongst other things "formal consent to be obtained from the required majority of the creditors of SEFL to the completed acquisition by way of slump exchange of the Transferred Undertaking from SIFL in terms of the BTA and consequential formal novation of the loans and securities already forming part of SEFL's liabilities and outstanding to the creditor."

The second scheme (i.e. CA 1492/KB/2020) sought for amongst other things restructuring of the debt due to certain creditors of SEFL including secured debenture holders, unsecured debenture holders, perpetual debt instrument holders, secured ECB lenders and unsecured ECB lenders and individual debenture holders.

Pursuant to the directions of Hon'ble NCLT vide order dated October 21, 2020, the superseded Board of directors and erstwhile management of SIFL and SEFL had maintained status quo on the Scheme including accounting of BTA. The final order/s in connection with the Schemes was awaited from Hon'ble NCLT at that time.

Both the schemes of arrangement were rejected by the majority of the creditors during the meetings held pursuant to the Hon'ble NCLT's directions dated October 21, 2020 and December 30, 2020 respectively. Further, certain appeals were filed by rating agencies in the matter relating to the second scheme of arrangement (i.e. CA 1492/KB/2020).

An application of withdrawal was filed by the Administrator in this matter in Hon'ble NCLAT which has been allowed by NCLAT by an order dated February 11, 2022. As stated in Note- 7 below, SIFL and SEFL are in the process of consolidated resolution of SEFL and SIFL and hence no further action is being contemplated regarding establishing the validity of BTA or otherwise, consequent upon the withdrawal of Schemes as stated above. Accordingly, the status quo regarding BTA, as it existed on the date of commencement of CIRP, has been maintained.

7. Consolidated Resolution under CIRP

In view of the impracticability for preparing the resolution plan on individual basis in the case of the Company and SEFL, the Administrator, after adopting proper procedure, had filed applications before the Hon'ble NCLT in the insolvency resolution processes of SIFL and SEFL (IA No. 1099 of 2021 under CP.294/KB/2021 and IA No. 1100 of 2021 under CP.295/KB/2021).

The application in this matter was admitted and the final order received on February 14, 2022 wherein the Hon'ble NCLT approved the consolidation of the corporate insolvency of SIFL and SEFL. The Consolidated CoC took on record three Resolution Plans received from PRAs on January 18, 2023. The three Resolution Plans received by the Consolidated CoC were put to e-voting. The Consolidated CoC took on record the results of the e-voting in CoC meeting held on February 15, 2023, and the resolution plan submitted by National Asset Reconstruction Company Limited (NARCL) was duly approved by CoC by majority voting under section 30(4) of the IBC read with Regulation 39(3) of CIRP Regulations, 2016, thereby, declaring NARCL as Successful Resolution Applicant (SRA). The resolution plan of NARCL approved by the Consolidated CoC was filed before Adjudicating Authority on February 18, 2023 for its approval. The Administrator has also filed all the necessary legal and regulatory approvals before the Adjudicating Authority.

The approval of the resolution plan is awaited from the Adjudicating Authority pending certain litigations.

8. Payment to lenders/others and claims under CIRP

CIRP has been initiated against SIFL and SEFL, as stated in Note No. 1 and accordingly, as per the Code, the Administrator has invited the financial/operational/other creditors to file their respective claims as on October 8, 2021 (i.e. date of commencement of CIRP). As per the Code, the Administrator has to receive, collate and verify all the claims submitted by the creditors of SIFL and SEFL.

Admission of claims of the financial/ operational/ other creditors received by the Administrator is completed and the effect of the same have been given in the books of account. However, the figures of the claims admitted in the books of account might undergo change in the subsequent periods before the resolution plan is approved by Adjudicating Authority in case the Administrator comes across any additional information warranting such revision of claim amounts of the financial/ operational/ other creditors.

Further, the foreign currency debt of SEFL has been converted into INR as per the Code on the date of commencement of CIRP and accordingly, SEFL has not translated its foreign currency exposure as on June 30, 2023 as per the requirements of Ind AS 21 'The effects of changes in foreign exchange rates'.

9. Unhedged Foreign Currency Exposure / Trust and Retention Account

As per the requirements of RBI notification RBI/FED/2018-19/67 FED Master Direction No.5/2018-19 dated March 26, 2019, entities raising External Commercial Borrowings ('ECB') are required to mandatorily hedge 70 per cent of their ECB exposure in case the average maturity of ECB is less than 5 years, which SEFL complied on an ongoing basis till the nine months ended December 31, 2020. Thereafter, SEFL was not able to meet the requirements of the aforesaid RBI notification due to procedural issues. SEFL was not able to make payment of the hedging



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premium/cost to the concerned banks for keeping the ECB exposures hedged, as aforesaid. Therefore, the concerned banks unwound the currency risk hedges, which resulted in ECB exposures amounting to ₹ 273 crores as per contractual terms being not hedged as on June 30, 2023, in terms of the aforesaid RBI notification. SEFL has reported the above fact to RBI and reply from the same is still awaited.

10. The approved financial statements of Trinity Alternative Investment Managers Limited (Trinity) and its two subsidiaries, viz. Hyderabad Information Technology Venture Enterprises Limited and Cyberabad Trustee Company Private Limited for the quarter ended June 30, 2022 onwards have not been received from Trinity despite written request and follow ups and accordingly the same have not been considered for consolidation. SIFL Nominee Director (existing Shareholder Director) called the Board Meeting of Trinity, however, the management of Trinity did not provide the requisite document and infrastructure to hold the meeting and under constraint, the Board Meeting could not be conducted. The possible impact on the consolidated financial results with respect to the aforesaid subsidiaries is not ascertainable.

11. Fair value of Investment

- i. Trinity is managing various funds in which the Company has invested. As per Clause 23 (1) of AIF Regulations, 2012, Investment Managers are mandated to provide NAV at least once in every six months. However, despite of several follow-ups, Trinity had not provided NAV of two Funds (Vision India Fund and India Growth Opportunities Fund) out of five funds in which SIFL had investments as on March 31, 2023. The Company continued to value the investments in remaining two Funds at the NAV provided as on September 30, 2022 amounting to ₹ 39 crores as on March 31, 2023. During the current quarter, Trinity has provided NAV of those two funds as on March 31, 2023. Consequently, fair market value of investment in those two funds have been reduced by ₹ 3 crores during the quarter ended June 30, 2023. The Company has considered the impact of NAV in its books inspite of not receiving accounts of Trinity as mentioned in point 10 above.
- ii. **Fair value on units of Infra Construction Fund**
The Company is holding 18,80,333 units in Infra Construction Fund (ICF), managed by Trinity Alternative Investments Managers Limited (Trinity). The Company arrives at the fair valuation of units of ICF based on the NAV of the units provided by Trinity. ICF has made investments in equity shares of India Power Corporation Limited (IPCL) which are pending allotment. As on June 30, 2023, Trinity has considered the weighted average of market value, profit earning capacity value and book value of shares of IPCL as on March 31, 2023 for arriving at the NAV of ICF.
- iii. As on March 31, 2023, based on amalgamation process of DPSC Ltd with erstwhile IPCL, the Company is entitled to an allotment of 10,55,24,100 equity shares of India Power Corporation Limited (IPCL). However, allotment of the Company's holdings is pending since 2013 as the matter relating to the allotment of the IPCL is pending due to non-compliance of SEBI Regulations by IPCL. The market value of IPCL shares as on June 30, 2023 i.e., ₹ 121 crores have been considered as Fair value in the books of account of the Company. The matter relating to the allotment of equity shares of IPCL to the Company and ICF is pending due to non-compliance of SEBI Regulations by IPCL.

12. Going Concern

The Group had reported net losses during the quarter ended June 30, 2023 and earlier year / periods as well. Hence, the net worth of the Group has fully eroded.

There is persistent severe strain on the working capital and operations of the Group and it is undergoing significant financial stress. As stated in Note No. 1, CIRP was initiated in respect of the SIFL and SEFL w.e.f. October 8, 2021. The Holding Company have assessed that the use of the going concern assumption is appropriate in the circumstances and hence, these financial results have been prepared on a going concern assumption basis as per below:

- i) The Code requires the Administrator to, among other things, run SIFL and SEFL as a going concern during CIRP.
- ii) The Administrator, in consultation with the Consolidated CoC of SIFL and SEFL, in accordance with the provisions of the IBC, is making all endeavors to run SIFL and SEFL as a going concern. Considering the future business outlook and with time bound recovery of its due from customers and monetization of assets / securities, SIFL and SEFL are hopeful of improvement in their cash flows in due course of time.
- iii) Reduction in overhead expenditure.
- iv) SEFL has also formed a dedicated focused collection team to increase the collection and is also exploring all possibilities to start new business with the launch of various schemes.

CIRP is undergoing and as per the process, the Consolidated CoC took on record three Resolution Plans received from PRAs on January 18, 2023. The three Resolution Plans received by the Consolidated CoC were put to e-voting. The Consolidated CoC took on record the results of the e-voting in CoC meeting held on February 15, 2023, and the resolution plan submitted by National Asset Reconstruction Company Limited (NARCL) was duly approved by the consolidated CoC by majority voting under section 30(4) of the IBC read with Regulation 39(3) of CIRP Regulations, 2016, thereby, declaring NARCL as Successful Resolution Applicant (SRA).



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The resolution plan of NARCL approved by the Consolidated CoC was filed before Adjudicating Authority i.e., Hon'ble NCLT, Kolkata on February 18, 2023 for its approval. The Administrator has also filed all the necessary legal and regulatory approvals before the Adjudicating Authority. The approval of the resolution plan is awaited from the Adjudicating Authority pending certain litigations.

Pending the completion of the said process under CIRP, these financial results have been prepared on a going concern basis.

13. Probable Connected / Related Companies

RBI in its inspection report and risk assessment report (the directions) for the year ended March 31, 2020 had identified 'certain borrowers' as probable connected/related companies. In the directions, SIFL and SEFL have been advised to re-assess and re-evaluate the relationship with the said borrowers to assess whether they are related parties to SIFL or to SEFL and also whether these are on arm's length basis.

It has been brought to the Administrator's notice that the erstwhile management of SIFL and SEFL had taken legal view to determine whether such borrowers are related parties to SIFL or SEFL. Based on the legal view, the erstwhile management was advised and had therefore come to the conclusion that the SIFL or to SEFL have no direct or indirect control or significant influence (as per the Companies Act, 2013 and Ind AS) over such borrowers and are not under common control and accordingly, are not a related party of SIFL or SEFL. The erstwhile management had also obtained an assessment report on the review & verification of the transactions with the aforesaid probable connected/related companies from an independent Chartered Accountant firm, which states that the transactions of SIFL or to SEFL with probable connected parties were done at arm's length principles and are in the ordinary course of business and that such parties are not related parties of SIFL or SEFL under the Act or Ind AS 24.

Further, in view of RBI directions, in line with arm's length principles, the erstwhile management of SEFL was in the process of re-assessing & re-negotiating terms and conditions with the aforesaid borrowers and all other borrowers, who have been granted loans with moratorium period and at interest rate which is linked with the cash flows of the project while ensuring that the overall yield is maintained. However, the same was not concluded and meanwhile SIFL and SEFL went into CIRP.

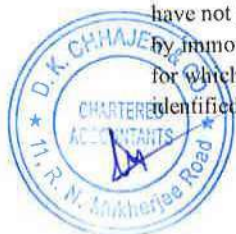
The total gross exposure towards such borrowers in SEFL is ₹ 11,148 crores and ₹ 11,150 crores as on June 30, 2023 and as on March 31, 2023 respectively and the total exposure (net of impairment) towards such borrowers is ₹ 538 crores and ₹ 532 crores as on June 30, 2023 and as on March 31, 2023 respectively.

However, the Administrator is not in a position to comment on the views adopted by the erstwhile management of the Company in relation to the findings of the directions since these pertain to the period prior to the Administrator's appointment. As a part of the CIRP, the Administrator has initiated transaction audits/reviews relating to the process and compliances of the Company and has also appointed professionals for conducting transaction audit as per section 43, 45, 50 and 66 of the Code.

Out of Accounts referred by the RBI in the directions, the Administrator has received account wise transaction audit reports, which has identified certain transactions as fraudulent in nature under section 66 of the Code, including undervalued transactions, the gross exposure of such borrowers in SEFL amounts to ₹ 10,440 crores and ₹ 10,453 crores as on June 30, 2023 and as on March 31, 2023 respectively and the total exposure (net of impairment) towards such borrowers is ₹ Nil and ₹. Nil crores as on June 30, 2023 and as on March 31, 2023 respectively. In respect of such accounts, the Administrator has filed applications under section 60(5) and section 66 of the Code before the Kolkata bench of the Hon'ble NCLT on various dates till May 5, 2023 for adjudication. Since, the entire loan portfolio was transferred by SIFL to SEFL under BTA (referred in Note no. 7 above), the afore-mentioned transactions are appearing in the books of SEFL currently. SEFL has also made 100 % impairment on such accounts. The transaction audit has been completed and the necessary impact of the same have been incorporated in these consolidated financial results.

14. As on March 31, 2021, SIFL and SEFL were having funds amounting to ₹. 5.76 crores in relation to the Corporate Social Responsibility ('CSR') which were unspent. These unspent amounts as per the requirements of Section 135 of the Act were to be transferred to funds specified under Schedule VII to the Act within a period of 6 months. However, the domestic lenders of SIFL and SEFL had stipulated TRA mechanism effective November 24, 2020, pursuant to which all the payments being made by SIFL and SEFL were being approved/released based on the TRA mechanism. SIFL and SEFL are not able to transfer the aforesaid unspent CSR amount as per the requirements of Section 135 of the Act. SIFL and SEFL have written letters to the Ministry of Corporate Affairs ('MCA') seeking exemptions from the obligations of SIFL and SEFL under portions of Section 135(5) and Section 135(7) of the Act. The reply from MCA in this regard is still awaited.

15. As per Regulation 54(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the secured redeemable non-convertible debentures as on June 30, 2023 are secured by first pari-passu charge by mortgage of immovable property(ies) at West Bengal / Tamil Nadu. SEFL had filed necessary e-forms for Debenture Trust Deed (DTD) novated from SIFL with ROC but the same have not been approved as stated in Note no. 17 (except for one ISIN wherein principal outstanding is ₹. 0. 70 crores only, which was secured by immovable properties located at West Bengal and Delhi being in the books of Controlla Electrotech Private Limited and SIFL respectively for which necessary e-form post novation is not filed with ROC as stated in Note no. 17) and exclusive and/or specific charge on the specific & identified receivables of SEFL. Security cover available as on June 30, 2023, net of provisions as per Ind AS norms excluding provisions made



under IRACP is 36.63% of the principal and interest amount of its secured redeemable non-convertible debentures. SEFL has not been able to maintain the security cover as stated in the Information Memorandum/Debenture Trust Deeds etc. As stated in Note No. 4 above, as part of the ongoing CIRP process the Administrator has appointed, two (2) independent valuers to conduct the valuation of the assets of SIFL & SEFL as required under the provisions of the Code and such valuation reports have been submitted to the Consolidated CoC members. Accordingly, impact of such valuation on the security cover is subject to the outcome of the CIRP.

16. As stated in Note no. 6, SEFL had acquired borrowings (including secured borrowings and NCDs) from SIFL and charges created with ROC in relation to such borrowings were to be transferred in the name of SEFL.

In relation to the above, cases where the novation agreements are signed by the lenders / trustees pursuant to Slump Exchange Transaction between SIFL to SEFL, necessary e-forms w.r.t. charges have been filed by SEFL with the Registrar of Companies, Kolkata (ROC) except for one ISIN whereby principal outstanding is ₹ 0.70 crores only.

However, above charges filed by SEFL have not been approved by the ROC. Hence, the charges which were originally created in the name of SIFL for such secured borrowings are still continuing so in the records of ROC.

Further, with respect to certain borrowings where, though borrowed facilities have been repaid in full, charge satisfactions are still pending. This pendency is mainly on account of non-receipt of NOC from lenders etc. / completion of satisfaction formalities.

17. As per section 125 of the Act, the Company and SEFL are required to transfer certain amount lying unpaid, for 7 years, to Investor Education Protection Fund ("IEPF"). Prior to the date of commencement of CIRP i.e. October 8, 2021 (CIRP commencement date) an amount of ₹. 18,574/- in SEFL and post commencement of CIRP, an amount of ₹ 7,70,634/- was transferable by SEFL and ₹ 4,84,877/- was transferable by SIFL to IEPF in terms of section 125 of the Act on different dates till the June 30, 2023.

The Company and SEFL are unable to comply with the provision of Section 125 of the Act as they need to comply with the General Circular No. 08/ 2020 issued by the Ministry of Corporate Affairs (MCA) dated March 6, 2020 captioned "Filing of forms in the Registry (MCA-21) by the Insolvency Professional (Interim Resolution Professional (IRP) or Resolution Professional (RP) or Liquidator) appointed under Insolvency Bankruptcy Code, 2016 (IBC, 2016)" which states that in respect of companies which are marked under CIRP in the Registry, Annual Return (e-form No.MGT-7) and Financial Statement (e-form AOC-4) and other documents under the provisions of the Companies Act, 2013, in accordance with directions issued by the NCLT/ NCLAT / Courts, shall be filed as attachments with e-form GNL-2 against the payment of one time normal fee only, till such time SIFL and SEFL remain under CIRP. Separate GNL-2 forms shall be filed for each such document, by the IRP/ RP. However, since the GNL -2 form is not linked with IEPF -1, the Company is unable to generate SRN for payment to IEPF authorities. Due to the said technical difficulty, SIFL and SEFL could not comply with the provisions of Section 125 & other applicable provisions of the Act. SIFL and SEFL have has requested for guidance from IEPF authorities. Revert on the same is awaited.

18. SIFL is unable to transfer 66,215 Equity shares pertaining to the Financial Year 2014-15, due for transfer to the Investor Education and Protection Fund in accordance with the applicable provisions of section 124 of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 because of inability of the Company to file GNL -2 form due to technical reasons as stated in Note no. 18 above. The Company has requested for guidance from IEPF authorities and also requested them to file claim for pre CIRP amount. The revert on the same is awaited.

19. During the quarter and year ended March 31, 2022, SIFL on behalf of SEFL had invoked 49% equity shares of Sanjvik Terminals Private Limited ('STPL'), which were pledged as security against the loan availed by one of the borrowers of SEFL. As at March 31, 2023, these shares appeared in the demat statement of SIFL, whereas the loan was transferred to SEFL pursuant to BTA, as stated in Note No. 6 above. Further, the entire shares have been sold on April 11, 2023 and the same have been transferred to the demat account of purchaser on April 26, 2023.

20. Based on the directions of RBI, during year ended March 31, 2022, SEFL had made provision amounting to ₹ 98 crores and ₹ 50 crores in respect of direct tax cases and indirect tax cases respectively where SEFL was under various stages of appeal with the relevant tax authorities. Further during the quarter ended June 30, 2023, SEFL has received appellate order pertaining to entry tax demand, whereby the Company has been granted relief to the extent of ₹. 0.17 crores from the original demand of ₹.0.19 crores. Accordingly, the provision has been reduced to such extent. These amounts which have been provided for were appearing under 'Contingent Liabilities' earlier. Since, the provision, as aforesaid, has been done on the directions of RBI, SEFL has not assessed whether the outflow of resource embodying economic benefits is probable or not as per the requirements of Ind AS 37- 'Provisions, Contingent Liabilities and Contingent Assets'.

21. SEBI vide its Adjudication Order No. Order/DS/DK/ 2022-23 /20903- 20964 dated October 31, 2022 ('Order'), in the matter of Religare Enterprises Limited had imposed a penalty of ₹. 35 lakhs on SIFL and ₹. 5 lakhs on SEFL payable within 45 days from the date of receipt of the Order. However, vide its Corrigendum to Order dated 30th November, 2022; SEBI has clarified that the said period of 45 days shall not be applicable in respect of SIFL and SEFL due to the CIRP proceedings pending against it. The said penalty is payable subject to the provisions of



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IBC and outcome of the appeal filed by SEBI in the Diwan Housing Finance Limited case matter in the Hon'ble Supreme Court (Appel No. 206 of 2020). Hence, no provision has been made in the respective books of account of both the Companies.

22. Details of loan transferred / acquired by SEFL during the quarter ended June 30, 2023 pursuant to RBI Master Direction RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021 on Transfer of Loan Exposures are given below:

- (a) SEFL has not transferred or acquired any loans not in default during the quarter ended June 30, 2023.
 (b) SEFL has not transferred or acquired any stressed loan during the quarter ended June 30, 2023.
 (c) Details on recovery ratings assigned for Security Receipts as on June 30, 2023.

Recovery Ratings	Anticipated recovery as per recovery rating	Amount (₹. in crores)
RR1	100%-150%	169
RR2	75%- 100%	191
RR5*	0%- 25%	-

* The last available recovery rating is as at August 28, 2020,

23. Based on the information available in the public domain, some of the lenders have declared the bank account of SIFL and SEFL as fraud. However, in case of one of the lender, on the basis of petition filed by the ex-promoter before the Hon'ble High Court of Delhi, the Hon'ble Court has passed interim relief to the petitioner vide order dated April 22, 2022, restraining the said lender from taking any further steps or action prejudicial to the petitioner on the basis of the order declaring the bank account as fraud. Thereafter vide order dated May 15, 2023, the application was disposed off and the Order declaring the account of SIFL and SEFL as fraud was set aside. Further, liberty was granted to the banks to proceed ahead in accordance with the direction given in the aforesaid order.
24. The Enforcement Directorate (ED) on January 31, 2023 conducted simultaneous investigation on office premises of SIFL and SEFL. The Companies and their officials are co-operating and providing the required information/ documents as available.
25. The Ministry of Corporate Affairs (MCA) vide its letter April 18, 2023 has initiated inspection into the affairs of SIFL and SEFL and has sought information and documents under Section 206(5) of the Act. The Companies have provided necessary documents as required by MCA.
26. Information as required pursuant to Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended, has been given in Annexure 1.
27. Figures for the quarter ended March 31, 2023 represents the difference between the audited figures in respect of the full financial year and the unaudited figures of nine months ended December 31, 2022.
28. Previous period/year figures have been regrouped/rearranged, wherever considered necessary, to conform to the classification of the current period / year.



Place: Kolkata
 Date : July 29, 2023

For Srei Infrastructure Finance Ltd.
 (A Company under Corporate Insolvency
 Resolution Process vide NCLT Order dated October 08, 2021)

RAJNEESH SHARMA
 ADMINISTRATOR APPOINTED UNDER IBC

(Handwritten signatures)

Annexure 1

Ratios on Consolidated Financial disclosed pursuant to regulation 52(4) of SEBI(Listing Obligation and Disclosure Requirements) Regulations 2015, as amended

	Particulars	Quarter ended			Year ended	
		Jun 30,2023	Mar 31,2023	Jun 30,2022	Mar 31,2023	
		Unaudited	Audited	Unaudited	Audited	
1	Debt equity ratio (No. of times) (Note 1)	N.A.	N.A.	N.A.	N.A.	
2	Debt service coverage ratio (Note 8)	N.A.	N.A.	N.A.	N.A.	
3	Interest service coverage ratio (Note 8)	N.A.	N.A.	N.A.	N.A.	
4	Outstanding redeemable preference shares (Nos. in Lakhs)	-	-	-	-	
5	Outstanding redeemable preference shares (Values)	-	-	-	-	
6	Capital redemption reserve	-	-	-	-	
7	Debt redemption reserve (₹ in Lakhs)	10,222	10,222	10,222	10,222	
8	Networth (₹ in Lakhs) (Note 2)	(2,418,571)	(2,411,427)	(1,751,225)	(2,411,427)	
9	Net Profit/(Loss) after tax (₹ in Lakhs)	(6,976)	(9,158)	(460,383)	(1,110,899)	
10	Earnings per share (in ₹)	*(1.39)	*(1.82)	*(91.51)	(220.82)	
11	Current ratio (Note 8)	N.A.	N.A.	N.A.	N.A.	
12	Long term debt to working capital (Note 8)	N.A.	N.A.	N.A.	N.A.	
13	Bad debts to account receivable ratio (Note 8)	N.A.	N.A.	N.A.	N.A.	
14	Current liability ratio (Note 8)	N.A.	N.A.	N.A.	N.A.	
15	Total debts to total assets (%) (Note 3)	207.06%	206.03%	146.25%	206.03%	
16	Debtor turnover ratio (Note 8)	N.A.	N.A.	N.A.	N.A.	
17	Inventory turnover (Note 8)	N.A.	N.A.	N.A.	N.A.	
18	Operating margin (%) (Note 8)	N.A.	N.A.	N.A.	N.A.	
19	Net profit/(loss) margin(%) (Note 4)	(36.92)%	(36.96)%	(773.34)%	(719.40)%	
Sector Specific Ratios						
20	Gross Non Performing Assets % ("GNPA") (Note 5)	97.09%	96.92%	82.86%	96.92%	
21	Net Non Performing Assets % ("NNPA")(Excl. impairment Reserve) (Note 6)	92.06%	91.80%	71.15%	91.80%	
22	Net Non Performing Assets % ("NNPA")(Incl. impairment Reserve) (Note 6)	83.32%	83.48%	60.33%	83.48%	
23	Provision Coverage Ratio % ("PCR")(Excl. impairment Reserve)(Note 7)	65.28%	64.38%	49.00%	64.38%	
24	Provision Coverage Ratio % ("PCR")(Incl. impairment Reserve) (Note 7)	85.04%	83.91%	68.55%	83.91%	

* Not Annualised

Note:

Information as required pursuant to Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

Formulae for Computation of Ratios are as follows :

- Debt equity ratio is not determinable as equity is negative.
- Net worth has been calculated as defined in Section 2(57) of the Companies Act, 2013.
- Total debts to total assets (%) = (Debt Securities + Borrowings (other than debt securities) + Subordinated Liabilities) / Total Assets.
- Net profit/(loss) margin (%) = Profit/(loss) after Tax / Total Revenue from Operations.
- Gross Non Performing Assets ("GNPA") (%) = Gross Stage III / Gross Advances, where gross advances represents Loans, Trade Receivables and Net Block of Assets given on Operating Lease.
- Net Non Performing Assets ("NNPA") (%) = Net Stage III / Net Advances, where net advances represents Loans, Trade Receivables and Net Block of Assets given on Operating Lease.
- Provision Coverage Ratio ("PCR") (%) = NPA Provision / Gross NPAs.
- The Company is Non Banking Financial Company registered under the Reserve Bank of India Act 1934. Hence these Ratios are generally not applicable.



For SREI Infrastructure Finance Limited
 (a Company under Corporate Insolvency Resolution Process by an order dated October 8, 2021 passed by Hon'ble NCLT, Kolkata)


Rajneesh Sharma
 Administrator appointed under IBC

Place: Kolkata
 Date: July 29, 2023

The Administrator has been appointed under Rule 5(a)(iii) of the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019 under the Insolvency and Bankruptcy Code, 2016 (IBC). The affairs, business and property of Srei Equipment Finance Limited are being managed by the Administrator, Mr. Rajneesh Sharma, who acts as agent of the Company only and without any personal liability.

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