



SEFL/SECT/IM/2022-23/113

January 30, 2023

To,

The Secretary
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400 001

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

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

Dear Sir/Madam,

1. With reference to the above, this disclosure is being made pursuant to Para B of Schedule III under Regulation 51(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015” issued by the Securities and Exchange Board of India.
2. We may inform you that the Administrator of Srei Equipment Finance Limited (“**the Company**”), appointed under the Insolvency and Bankruptcy Code, 2016 (“**the Code**”), to carry out the duties under Code, obtained assistance from a reputed professional agency, BDO India LLP (BDO or Transaction Auditor) to conduct investigation of the affairs of the Company in respect of transactions qualified under sections 43 to 51, and sections 65 and 66 of the Code.
3. Accordingly, the Administrator of the Company received a report from the professional agency appointed as the transaction auditor, indicating that there are certain transactions which are fraudulent in nature, as per Section 66 of the Code. Basis the investigation and observations of the transaction auditor, the Administrator has filed an application in respect of disbursements made to Trinity Alternative Investment Managers Limited (“**Trinity**”), Mr. Hemant Kanoria and Mr. Sunil Kanoria before the Kolkata bench of the National Company Law Tribunal (“**NCLT**”) under Section 60(5) and Section 66 of the Code on January 28, 2023 against Trinity, Mr. Hemant Kanoria, and Mr. Sunil Kanoria (“**Application**”). It is to be noted that the this is a filing based on the

Srei Equipment Finance Limited

CIN: U70101WB2006PLC109898

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

Head Office: Plot No. Y-10, Block EP, Sector - V, Salt Lake City, Kolkata – 700091
Tel: +91 33 6639 4700 / 6602 2000 Fax: +81 33 6602 2200 / 2600 / 18002667734 (Toll Free)
Email: sefl@srei.com Website: www.srei.com

Registered Office: "Vlshwakarma", 86C Topsia Road (South), Kolkata - 700 046



report submitted by the transaction auditor and further filings may be undertaken, in due course.

4. In accordance with Clause 6.1 of the Circular, please find below the relevant information regarding the concerned transactions:

(a) **Nature of the fraud:** The Application *inter alia* impugns certain loan disbursements made to Trinity by the Company under the erstwhile management, which is subject to adjudication by the NCLT.

(b) **Estimated impact on the listed entity:** As per the transaction auditor report shared with the Administrator, the monetary impact of the above transactions covered under the Application amounts to:

(i) INR 29.24 Crores, being the gross outstanding including principal and interest recoverable from the customer, from October 1, 2021, on account of the suspect disbursement of loans.

(ai) INR 3.37 Crores on account of charging unreasonably favourable rate of interest and favourable interest payment terms along with further interest at the rate of 18% from October 1, 2021

Thus, the total impact of the transaction (excluding interest payment calculations) amounts to approximately INR 32.61 Crores.

(c) **Time of occurrence:** As per the report prepared by the transaction auditor, the concerned transactions occurred during Financial Year 2014 - 2015 to 2021 - 2022.

(d) **Person(s) involved:** The Application has been filed against Trinity, Mr. Hemant Kanoria, and Mr. Sunil Kanoria and the same is subject to adjudication by the NCLT.

(e) **Estimate amount involved:** The preliminary estimation included in the Application places the monetary impact of the concerned transactions at approximately INR 32.61 Crores, on account of the gross outstanding including principal and interest recoverable from the customer, as recoverable from October 1, 2021; subject to the adjudication by the NCLT.

Srei Equipment Finance Limited

CIN: U70101WB2006PLC109898

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

Head Office: Plot No. Y-10, Block EP, Sector - V, Salt Lake City, Kolkata – 700091
Tel: +91 33 6639 4700 / 6602 2000 Fax: +81 33 6602 2200 / 2600 / 18002667734 (Toll Free)
Email: sefl@srei.com Website: www.srei.com

Registered Office: "Vlshwakarma", 86C Topsia Road (South), Kolkata - 700 046



- (f) **Reporting to authorities:** The Application has been filed before the NCLT under Section 60(5) and Section 66 of the Code on January 28, 2023.
5. All relevant details regarding these proceedings have been included in the application filed before the National Company Law Tribunal, Kolkata and is presently pending consideration.

Kindly take the above on record and acknowledge receipt.

Thanking you,

Yours faithfully,

For Srei Equipment Finance Limited

Sumit Kumar Surana
Company Secretary
ACS 19243

Srei Equipment Finance Limited

CIN: U70101WB2006PLC109898

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

Head Office: Plot No. Y-10, Block EP, Sector - V, Salt Lake City, Kolkata – 700091
Tel: +91 33 6639 4700 / 6602 2000 Fax: +81 33 6602 2200 / 2600 / 18002667734 (Toll Free)
Email: sefl@srei.com Website: www.srei.com

Registered Office: "Vlshwakarma", 86C Topsia Road (South), Kolkata - 700 046