



SEFL/SECT/AA/22-23/17

June 13, 2022

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

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

Dear Sir/Madam,

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

1. This is to inform you that the Administrator of Srei Equipment Finance Limited (“SEFL”/“the Company”) appointed by 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 and vide Order dated October 8, 2021 of the Hon’ble National Company Law Tribunal, Kolkata Bench under Section 227 of the Insolvency and Bankruptcy Code, 2016 (“the Code”) read with Rule 5(a)(iii) of the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rule, 2019, to carry out the duties under the 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;
2. Accordingly, the Administrator of the Company received an initial 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 certain entities, referred to as the Power Trust group of entities, before the Kolkata bench of the National Company Law Tribunal (“NCLT”) under Section 60(5) and Section 66 of the Code on June 10, 2022 against Power Trust, M/s Kanoria Foundation and its trustees, India Power Corporation Limited, India Power Corporation (Bodhgaya) Limited, Tuticorin Electricity Supply Private Limited, Bhaskar Silicon Private Limited, Green Utility Private Limited, Environ Energy Corp India Private Limited, Meenakshi Energy Limited, Devi Trading and Holding Private Limited, and certain other entities (“Application”). It is to be noted that this is an initial filing based on the report submitted by the transaction auditor and further filings may be undertaken, in due course;
3. In accordance with the provisions of Regulation 51 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

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: "Vishwakarma", 86C Topsia Road (South), Kolkata - 700 046



read with Part B of Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find below the relevant information regarding the concerned transactions:

- (a) **Nature of fraud:** The Application is in relation to certain fraudulent transactions undertaken by the Company in the past.
- (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 amount to
- (i) INR 2,512.06 Crores, being the amount outstanding in the books of the Company as on October 08, 2021;
- (ii) INR 513.67 Crores being amount considered as due and outstanding towards notional loss to the Company on account of fraudulently charging lower rate of interest to certain entities referred to as the Power Trust group of entities.

Thus, the total impact of the transaction (excluding interest payment calculations) amounts to approximately INR 3,025.73 Crores.

- (c) **Time of occurrence:** As per the report prepared by the transaction auditor, the concerned transactions occurred during Financial Year 2019-2020 to 2020-2021.
- (d) **Person(s) involved:** The Application has been filed against 14 respondents, including Power Trust, M/s Kanoria Foundation and its trustees, India Power Corporation Limited, India Power Corporation (Bodhgaya) Limited, Tuticorin Electricity Supply Private Limited, Bhaskar Silicon Private Limited, Green Utility Private Limited, Environ Energy Corp. India Private Limited, Meenakshi Energy Limited, Devi Trading and Holding Private Limited and certain other entities as reported by the transaction auditor.
- (e) **Estimate amount involved:** The preliminary estimation included in the Application places the monetary impact of the concerned transactions at approximately INR 2,512.06 Crores, as being the amount outstanding in the books of the Company as on June 30, 2019 and additionally INR 513.67 Crores being the amount considered as due and outstanding towards notional loss to the Company on account of fraudulently charging lower rate of interest to certain entities referred to in the Application
- (f) **Reporting to authorities:** The Application has been filed before the NCLT under Section 60(5) and Section 66 of the Code on June 10, 2022.

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4. 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

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