

SREI EQUIPMENT FINANCE LIMITED

Regd Office: 'Vishwakarma', 86C, Topsia Road (South), Kolkata- 700 046, Website: www.sreiequipment.com

CIN: U70101WB2006PLC109898

Statement of Profit and Loss for the six months ended 30th September, 2018

(₹ in Lakhs)

	Particulars	Six Months ended	
		September 30, 2018 (Unaudited)	September 30, 2017 (Unaudited)
(I)	Revenue from operations		
	Interest Income	1,33,659	1,11,458
	Rental Income	58,875	33,937
	Fees and commission Income	2,790	1,193
	Net gain on fair value changes	18,087	1,104
	Net gain on derecognition of financial instruments under amortised cost category	4,099	5,257
	Others	10,532	5,976
	Total Revenue from operations (I)	2,28,042	1,58,925
(II)	Other Income	(18,954)	(2,256)
(III)	Total Income (I+II)	2,09,088	1,56,669
(IV)	Expenses		
	Finance Costs	1,02,566	73,389
	Fees and commission expense	1,798	1,190
	Net loss on fair value changes	545	2,337
	Net loss on derecognition of financial instruments under amortised cost category	3,572	5,619
	Impairment on financial instruments	8,215	10,502
	Loss/write-off on assets held for sale	4,920	4,839
	Employee Benefits Expenses	10,654	8,517
	Depreciation, amortization and impairment	37,028	25,615
	Others expenses	9,675	8,592
	Total Expenses (IV)	1,78,973	1,40,600
(V)	Profit before tax (III- IV)	30,115	16,069
(VI)	Tax Expense:		
	(1) Current Tax	12,665	3,423
	(2) Mat Credit Entitlement	-	(3,423)
	(3) Deferred Tax	(2,451)	5,349
(VII)	Profit for the period (V-VI)	19,901	10,720
(VIII)	Other Comprehensive Income		
	A (i) Items that will not be reclassified to profit or loss		
	(a). Remeasurements of the defined benefit plans;	(204)	644
	(ii). Income tax relating to items that will not be reclassified to profit or loss	71	(223)
	B (i) Items that will be reclassified to profit or loss		
	(a) The effective portion of gains and loss on hedging instruments in a cash flow hedge;	229	-
	(ii). Income tax relating to items that will be reclassified to profit or loss	(80)	-
	Other Comprehensive Income [A(i+ii) + B(i+ii)]	16	421
(IX)	Total Comprehensive Income for the period (VII+VIII)	19,917	11,141
(X)	Earnings per equity share (Face value of Rs. 10/- each)		
	Basic (Rs.) *	33.36	17.97
	Diluted (Rs.) *	33.36	17.97

* Not Annualised



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1. The Company has adopted Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, from 1 April, 2018 and the effective date of such transition is 1 April, 2017. Such transition has been carried out from the erstwhile Accounting Standards notified under the Act, read with relevant rules issued thereunder and guidelines issued by the Reserve Bank of India (Collectively referred to as "the Previous GAAP").
2. These financial results have been drawn up on the basis of Ind AS that are applicable to the Company as at 30 September 2018, in pursuant to Ind AS 34 "Interim Financial Reporting", based on the notification issued by the Ministry of Corporate Affairs ("MCA") on 30 March, 2016. Any application guidance/ clarifications/ directions issued by Reserve Bank of India ("RBI") or other regulators are implemented as and when they are issued/applicable.
There is a possibility that these financial results for the current and previous periods may require adjustments due to changes in financial reporting requirements arising from new standards, modifications to the existing standards, guidelines issued by the Ministry of Corporate Affairs and RBI or changes in the use of one or more optional exemptions from full retrospective application of certain Ind AS permitted under Ind AS 101 which may arise upon finalisation of the financial statements as at and for the year ending 31 March 2019 prepared under Ind AS.
3. In accordance with Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has prepared unaudited financial results for the six months ended 30th September, 2018. The above unaudited financial results were reviewed by the Audit Committee at its meeting held on 15th November, 2018 and approved by the Board of Directors at its meeting held on the same date. This result have been subjected to limited review by the statutory auditors.
4. As required by paragraph 32 of Ind AS 101, net profit reconciliation between the figures reported under Previous GAAP and Ind AS is as under:

Particulars	(₹ in Lakhs)
	Six Months ended
	30-Sep-17 (Unaudited)
Net Profit after tax as per Previous GAAP	10,951
Adjustments on account of:	
a. Interest income and expenses recognition using EIR on financial assets and liabilities at amortised cost*	4,669
b. Expected credit loss	(4,466)
c. Gain from excess interest spread on assignment transactions	2,799
d. Fair valuation of loans and other financial assets	848
e. Fair valuation of derivatives	(3,565)
f. Actuarial gains/loss on employee benefit plan	(644)
g. Deferred tax on above adjustments	128
Net Profit after tax as per Ind AS	10,720
Other comprehensive income, net of tax	421
Total Comprehensive Income as per Ind AS	11,141

* Including interest upto 90 days reinstated for non performing assets

5. The financial results for the six months ended 30 September 2017 have not been subjected to limited review or audit. However, the management has exercised necessary due diligence to ensure that the financial results for the six months ended 30 September, 2017 provide a true and fair view of the Company's affairs.
6. The Company is primarily engaged in providing asset finance to customers in India. Consequently, there are no separate reportable segments as per 'Ind AS 108'.
7. Previous period figures have been regrouped/rearranged, wherever considered necessary, to conform to the classification/disclosure adopted in the current period.

For and on behalf of the Board of Directors

Place : Kolkata
Date: 15th November, 2018

Sunil Kanoria
Sunil Kanoria
Vice Chairman



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 Balance Sheet as at 30th September, 2018

(₹ in Lakhs)

	Particulars	As at 30th September, 2018
		Unaudited
	ASSETS	
(1)	Financial assets	
(a)	Cash and cash equivalents	23,439
(b)	Bank Balance other than (a) above	1,38,239
(c)	Derivative financial instruments	18,526
(d)	Receivables	
	i) Trade receivables	8,031
(e)	Loans	19,68,272
(f)	Investments	10,652
(g)	Other financial assets	55,131
(2)	Non-financial assets	
(a)	Current tax assets (Net)	1,613
(b)	Property, Plant and Equipment	4,60,730
(c)	Other Intangible assets	856
(d)	Other non-financial assets	1,13,757
	Total Assets	27,99,246
	LIABILITIES AND EQUITY	
	LIABILITIES	
(1)	Financial Liabilities	
(a)	Derivative financial instruments	88
(b)	Payables	
	(I) Trade Payables	
	(i) total outstanding dues of micro enterprises and small enterprises	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	2,00,867
(c)	Debt Securities	1,37,603
(d)	Borrowings (Other than Debt Securities)	19,17,866
(e)	Subordinated Liabilities	1,70,835
(f)	Other financial liabilities	63,191
2	Non-Financial Liabilities	
(a)	Provisions	1,879
(b)	Deferred tax liabilities (Net)	17,693
(c)	Other non-financial liabilities	13,177
3	EQUITY	
(a)	Equity Share capital	5,966
(b)	Other Equity	2,70,081
	Total Liabilities and Equity	27,99,246

For and on behalf of the Board of Directors

Place : Kolkata
 Date: 15th November, 2018



Sunil Kanoria
 Sunil Kanoria
 Vice Chairman

INDEPENDENT AUDITORS' REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

**TO THE BOARD OF DIRECTORS OF
SREI EQUIPMENT FINANCE LIMITED**

1. We have reviewed the accompanying Statement of Unaudited Interim Financial Results of **SREI EQUIPMENT FINANCE LIMITED** (the "Company"), for the six months ended 30 September, 2018 (the "Statement"), being submitted by the Company pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/IMD/DF1/69/2016 dated 10 August, 2016 read with Circular No. CIR/CFD/FAC/62/2016 dated 5 July, 2016. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
2. 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 require 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 Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/IMD/DF1/69/2016 dated 10 August, 2016 read with Circular No. CIR/CFD/FAC/62/2016 dated 5 July, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.



4. The comparative financial results of the Company for the six months ended 30 September, 2017 included in these Interim Financial Results, prepared in accordance with the Companies (Accounting Standards) Rules, 2006 and adjusted to comply with Indian Accounting Standard, have not been reviewed by us.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 302009E)



Shrenik Bald
Partner
(Membership No. 103884)

Mumbai, 15 November, 2018

