



SEFL\SECT\AA\19-20\47

November 9, 2019

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

**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

Dear Sir,

**Sub: Outcome of the Board Meeting held on 9th November, 2019 and disclosure under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

This is to inform you that the Board of Directors of the Company at its meeting held today, i.e. 9th November, 2019, inter alia, has, approved the following:

**Unaudited Financial Results**

- i. Unaudited Financial Results for the Half Year ended on 30th September, 2019;
- ii. Limited Review Report on the Unaudited Financial Results for the Half Year ended on 30th September, 2019 provided by Messrs G. P. Agrawal & Co., Chartered Accountants, Statutory Auditors of the Company pursuant to Regulation 52(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and

**Statutory Auditor**

- iii. In view of the Company entering into a Business Transfer Agreement dated 16th August, 2019 for transfer of the Lending Business, Interest Earning Business & Lease Business together with associated employees, assets and liabilities of Srei Infrastructure Finance Limited resulting in significant increase in the audit work requiring substantially higher manpower and partners' time for audit, M/s G. P. Agrawal & Co., Chartered Accountants, having Firm Registration No. 302082E, has informed that the strength of their audit team is not adequate to take up such increased work load. Therefore, M/s G. P.

**Srei Equipment Finance Limited**

CIN: U70101WB2006PLC109898

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

Email: sefpl@srei.com Website: www.sreiequipment.com

Registered Office : 'Vishwakarma' 86C, Topsia Road (South), Kolkata-700046



Agrawal & Co., Chartered Accountants, have resigned as the Statutory Auditors of the Company w.e.f. 10th November, 2019. In this respect, copy of the letter furnished by M/s G. P. Agrawal & Co., Chartered Accountants, along with the detailed information vide SEBI Circular No. CIR/CFD/CMD1/114/2019 dated 18th October, 2019 is enclosed herewith.

Therefore, M/s L. B. Jha & Co., Chartered Accountants, having Firm Registration No. 301088E, is being appointed as the Statutory Auditors of the Company w.e.f. 10th November, 2019 to fill in the casual vacancy, subject to the approval of the Members of the Company.

This is for your information and record.

Thanking you.

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

**Ritu Bhojak**  
**Company Secretary**  
**FCS 8532**

Encl: as above

## **Srei Equipment Finance Limited**

CIN: U70101WB2006PLC109898

Head Office : Plot No. Y-10, Block EP, Sector-V, Salt Lake City, Kolkata-700091  
Tel: +91 33 6639 4700 / 6602 2000 Fax: +91 33 6602 2200 / 2600 / 18002667734 (Toll Free)  
Email: sefpl@srei.com Website: www.sreiequipment.com  
Registered Office : 'Vishwakarma' 86C, Topsia Road (South), Kolkata-700046

**SREI EQUIPMENT FINANCE LIMITED**  
 Regd Office: 'Vishwakarma', 86C, Topsia Road (South), Kolkata- 700 046,  
 Website: www.sreiequipment.com  
 CIN: U70101WB2006PLC109898  
 Balance Sheet as at September 30th, 2019

(₹ in Lakhs)

	Particulars	As at September 30, 2019	As at March 31, 2019
		Unaudited	Audited
	<b>ASSETS</b>		
(1)	<b>Financial assets</b>		
(a)	Cash and cash equivalents	9,744	21,624
(b)	Bank Balance other than (a) above	1,54,068	1,57,472
(c)	Derivative financial instruments	12,909	5,717
(d)	Receivables		
	i) Trade receivables	12,179	10,664
(e)	Loans	18,15,773	18,61,487
(f)	Investments	10,153	10,341
(g)	Other financial assets	34,135	49,773
(2)	<b>Non-financial assets</b>		
(a)	Current tax assets (Net)	575	-
(b)	Property, Plant and Equipment	4,15,974	4,51,238
(c)	Right-of-use assets	2,251	-
(d)	Other Intangible assets	486	535
(e)	Other non-financial assets	93,863	91,623
	<b>Total Assets</b>	<b>25,62,110</b>	<b>26,60,474</b>
	<b>LIABILITIES AND EQUITY</b>		
	<b>LIABILITIES</b>		
(1)	<b>Financial Liabilities</b>		
(a)	Derivative financial instruments	4,484	5,302
(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	1,18,065	1,67,258
(c)	Debt Securities	1,75,305	1,84,735
(d)	Borrowings (Other than Debt Securities)	16,85,971	17,28,634
(e)	Subordinated Liabilities	1,78,495	1,83,380
(f)	Other financial liabilities	69,922	68,044
2	<b>Non-Financial Liabilities</b>		
(a)	Current Tax Liabilities (Net)	-	93
(b)	Provisions	1,589	1,373
(c)	Deferred tax liabilities (Net)	20,464	18,490
(d)	Other non-financial liabilities	10,972	12,731
3	<b>EQUITY</b>		
(a)	Equity Share capital	5,966	5,966
(b)	Other Equity	2,90,877	2,84,468
	<b>Total Liabilities and Equity</b>	<b>25,62,110</b>	<b>26,60,474</b>

For and on behalf of the Board of Directors

Place : Kolkata  
 Date: November 9th, 2019



*Hemant Kanoria*

Hemant Kanoria  
 Chairman



**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 September 30th, 2019

(₹ in Lakhs)

Particulars	Six Months ended		Year ended
	September 30, 2019 (Unaudited)	September 30, 2018 (Unaudited)	March 31, 2019 (Audited)
<b>(I) Revenue from operations</b>			
Interest Income	1,24,892	1,33,659	2,78,002
Rental Income	64,783	60,514	1,27,435
Fees and commission Income	1,420	2,790	4,632
Net gain on fair value changes	12,774	18,087	5,977
Net gain on derecognition of financial instruments under amortised cost category	8,361	4,099	7,331
Others	1,093	10,532	16,908
<b>Total Revenue from operations (I)</b>	<b>2,13,323</b>	<b>2,29,681</b>	<b>4,40,285</b>
<b>(II) Other Income</b>	<b>(3,145)</b>	<b>(18,954)</b>	<b>(3,601)</b>
<b>(III) Total Income (I+II)</b>	<b>2,10,178</b>	<b>2,10,727</b>	<b>4,36,684</b>
<b>(IV) Expenses</b>			
Finance Costs	1,17,356	1,02,566	2,14,861
Fees and commission expense	1,098	1,798	2,722
Net loss on fair value changes	187	545	3,400
Net loss on derecognition of financial instruments under amortised cost category	15,328	6,498	14,939
Impairment on financial instruments	1,286	6,927	30,435
Loss/write-off on assets held for sale	4,247	4,920	7,544
Employee benefits expenses	8,667	10,654	20,238
Depreciation, amortization and impairment	38,084	37,028	76,510
Others expenses	10,131	9,675	20,362
<b>Total Expenses (IV)</b>	<b>1,96,384</b>	<b>1,80,611</b>	<b>3,91,011</b>
<b>(V) Profit before tax (III- IV)</b>	<b>13,794</b>	<b>30,116</b>	<b>45,673</b>
<b>(VI) Tax Expense:</b>			
(1) Current tax	2,278	12,665	15,072
(2) Deferred tax	3,066	(2,451)	(37)
<b>(VII) Profit for the period (V-VI)</b>	<b>8,450</b>	<b>19,902</b>	<b>30,638</b>
<b>(VIII) Other Comprehensive Income</b>			
<b>A (i) Items that will not be reclassified to profit or loss</b>			
(a) Remeasurements of the defined benefit plans	(63)	(204)	(11)
(b) Income tax relating to items that will not be reclassified to profit or loss	21	71	4
<b>SUBTOTAL (a+b)</b>	<b>(42)</b>	<b>(133)</b>	<b>(7)</b>
<b>B (i) Items that will be reclassified to profit or loss</b>			
(a) Effective portion of gains and losses on hedging instruments in a cash flow hedge:	(440)	229	(643)
(b) Loss on fair valuation of loans	(2,630)	3,522	6,290
(c) Income tax relating to items that will be reclassified to profit or loss	1,070	(1,311)	(1,973)
<b>SUBTOTAL (a+b+c)</b>	<b>(2,000)</b>	<b>2,440</b>	<b>3,674</b>
<b>Total Other Comprehensive Income for the period (VIII)</b>	<b>(2,042)</b>	<b>2,307</b>	<b>3,667</b>
<b>(IX) Total Comprehensive Income for the period (VII+VIII)</b>	<b>6,408</b>	<b>22,209</b>	<b>34,305</b>
<b>(X) Paid-up Equity Share Capital (Face value Rs. 10/- per Equity Share)</b>	<b>5,966</b>	<b>5,966</b>	<b>5,966</b>
<b>(XI) Other Equity</b>			<b>2,84,468</b>
<b>(XII) Earnings per equity share</b>			
Basic (Rs.)	14.16*	33.36*	51.35
Diluted (Rs.)	14.16*	33.36*	51.35
* Not Annualised			





1. 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 September 30, 2019. The above unaudited financial results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meeting held on November 9, 2019. This result have been subjected to limited review by the statutory auditors.
2. These financial results have been drawn up on the basis of Ind AS that are applicable to the Company as at September 30, 2019, in pursuant to Ind AS 34 "Interim Financial Reporting", based on the notification issued by the Ministry of Corporate Affairs ("MCA") on March 30, 2016.
3. Effective April 1, 2019 the company adopted Ind AS 116 "Leases", applied to all lease contracts existing on April 1, 2019 using the modified retrospective method, where in the right of use asset was created for an amount equal to lease liability. Accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted. The effect of this adoption is insignificant on profit for the period and earnings per share.
4. 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'.
5. Previous period/year 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: November 9th, 2019**

  
**Hemant Kanoria**  
**Chairman**



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

**Statement of Cash Flows for the six months ended September 30th, 2019**

	(₹ in Lakhs)	
	Six months ended	
	September 30th, 2019	September 30th, 2018
<b>A. Cash Flows from Operating Activities</b>		
Profit Before Tax	13,794	30,116
<b>Adjustment for :</b>		
Depreciation, amortization and Impairment expenses	38,084	37,028
Impairment on financial instruments	1,286	6,927
Net loss on derecognition of financial instruments under amortised cost category	15,328	6,498
Loss/write-off on assets held for sale	4,247	4,920
Loss on sale of property, plant and equipment	97	448
Liabilities no longer required written back	1,517	(3,352)
Finance costs	1,17,356	1,02,566
Net unrealised loss on foreign currency transaction and translation	3,362	19,244
Net unrealised fair value gain	(12,587)	(17,929)
<b>Operating profit before working capital changes</b>	<b>1,82,484</b>	<b>1,86,466</b>
<b>Changes in working capital :</b>		
Increase in Trade Receivables and Others assets	(8,442)	(19,871)
Increase in Loans	45,196	(2,16,292)
Decrease in Trade Payables and Others liabilities	(51,355)	35,270
Increase in Fixed Deposit (Deposits with original maturity period of more than three months)	3,404	(57,989)
<b>Cash generated/(used) in operations</b>	<b>1,71,287</b>	<b>(72,415)</b>
Interest paid (net of foreign exchange fluctuation)	(1,18,268)	(99,792)
Advance taxes paid (including Tax deducted at Source)	(2,946)	(5,151)
<b>Net Cash used in Operating Activities</b>	<b>50,073</b>	<b>(1,77,358)</b>
<b>B. Cash flows from Investing Activities</b>		
Purchase of property, plant and equipment	(5,031)	(72,922)
Sale / (Purchase) of investments (net)	1	384
Proceeds from Sale of property, plant and equipment	3,418	18,439
<b>Net Cash used in Investing Activities</b>	<b>(1,612)</b>	<b>(54,099)</b>
<b>C. Cash Flows from Financing Activities</b>		
Proceeds from issuance of Debt securities (including subordinated debt securities)	-	57,390
Repayment on redemption of Debt securities (including subordinated debt securities)	(14,319)	(51,383)
Increase / (Decrease) in Working Capital facilities (net)	31,087	1,72,058
Increase in Other Borrowings (net)	(77,108)	74,303
<b>Net Cash generated from Financing Activities</b>	<b>(60,341)</b>	<b>2,52,367</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>(11,880)</b>	<b>20,910</b>
<b>Cash &amp; Cash Equivalents at the beginning of the period</b>	<b>21,624</b>	<b>2,529</b>
<b>Cash and Cash Equivalents at the end of the period (refer note 3)</b>	<b>9,744</b>	<b>23,439</b>
Note :		
Components of Cash and Cash Equivalents:		
Cash on hand	61	325
In Current Account	9,683	23,114
	<b>9,744</b>	<b>23,439</b>
Cash and Bank Balance are represented by :		
Cash and Cash Equivalents	9,744	23,439
Other Bank Balances	1,54,068	1,38,239
	<b>1,63,812</b>	<b>1,61,678</b>

**For and on behalf of the Board of Directors**

  
 Hemant Kanoria  
 Chairman

Place : Kolkata  
 Date: November 9th, 2019



## Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

### Review Report To The Board of Directors of SREI Equipment Finance Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of **SREI Equipment Finance Limited** ("the Company"), for the quarter ended 30<sup>th</sup> September, 2019 and year to date from 1<sup>st</sup> April, 2019 to 30<sup>th</sup> September, 2019 ("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 amended. Attention is drawn to the fact that the figures for net cash inflows for the corresponding period from 1<sup>st</sup> April, 2018 to 30<sup>th</sup> September, 2018, as reported in the unaudited financial results have been approved by the board of directors of the Company, but have not been subjected to review.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's 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 hereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on this Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (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 Statements free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we could become aware of all significant matters that might be identified in an audit. We have not performed an audit and accordingly, we do not express an audit opinion.



GSTN :  
19AACFG8964F1Z2

+9133 46012771  
+9133 46017361  
+9133 66076831

[www.gpaco.net](http://www.gpaco.net)

[mail@gpaco.net](mailto:mail@gpaco.net)

Head Office:  
Unit 606, 6th Floor  
Diamond Heritage  
16, Strand Road  
Kolkata - 700001 INDIA



4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in accordance with applicable Indian accounting standards and other recognized practices and policies has not disclosed the information required to be disclosed in terms of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. The figures for the six months ended September 30, 2018 and year ended March 31, 2019 were reviewed/audited by the predecessor auditor who expressed unmodified opinion vide their reports dated November 15, 2018 and May 17, 2019 respectively.

Our report is not modified in respect of this matter.

For G. P. Agrawal & Co.  
Chartered Accountants  
Firm Regn. No. 302082E

  
(CA. Ajay Agrawal)

Partner

Membership No. 17643

**UDIN: 19017643AAAAHE8673**



Place: Kolkata

Dated: The 9<sup>th</sup> day of November, 2019



9<sup>th</sup> November, 2019

The Audit Committee,  
Srei Equipment Finance Limited,  
CIN: U70101WB2006PLC109898,  
Vishwakarma,  
86C, Topsia Road (South),  
Kolkata- 700 046.

Dear Sir,

This has reference to our letter dated 8<sup>th</sup> November, 2019 addressed to the Managing Director wherein we have mentioned the reasons for our inability to continue as statutory auditors of your Company and the reply dated 8<sup>th</sup> November, 2019 received by us in respect thereof.

We hereby tender our resignation as statutory auditors of your Company with effect from 10<sup>th</sup> November, 2019.

We may mention here that we have issued limited review report for the quarter and period ended 30 September, 2019 vide our report dated 9<sup>th</sup> November, 2019.

We are enclosing here with in Annexure A the information required as per format prescribed vide SEBI CIRCULAR CIR/CFD/CMD1/114/2019 dated October 18, 2019.

Thanking you.

Yours faithfully,

For G. P. Agrawal & Co.

Chartered Accountants

FRNo. 302082E



(CA. Ajay Agrawal)

Partner

CC to :

The Board of Directors,  
Srei Equipment Finance Limited,  
CIN: U70101WB2006PLC109898,  
Vishwakarma,  
86C, Topsia Road (South),  
Kolkata- 700 046.

Encl: As above



GSTN :  
19AACFG8964F1Z2

+9133 46012771  
+9133 46017361  
+9133 66076831

www.gpaco.net

mail@gpaco.net

Head Office:  
Unit 606, 6th Floor  
Diamond Heritage  
16, Strand Road  
Kolkata - 700001 INDIA



## Annexure A

1.	Name of the listed entity/material subsidiary:	Srei Equipment Finance Limited
2.	Details of the statutory auditor:	
a.	Name:	G. P. Agrawal & Co., Chartered Accountants
b.	Address:	Unit 606, Diamond heritage, 16, Strand Road, Kolkata – 700 001
c.	Phone number:	033-46017361 98300 25610
d.	Email:	<a href="mailto:ajay@gpaco.net">ajay@gpaco.net</a>
3.	Details of association with the listed entity/material subsidiary:	
a.	Date on which the statutory auditor was appointed:	20th June, 2019
b.	Date on which the term of the statutory auditor was scheduled to expire:	Upto the date of AGM in 2024
c.	Prior to resignation, the latest audit report/limited review report submitted by the auditor and date of its submission.	Limited review report for the quarter and period ended 30 September, 2019 submitted vide our report dated 9 <sup>th</sup> November, 2019.
4.	Detailed reasons for resignation:	After the transfer of the Lending Business, Interest Earning Business & Lease Business together with associated employees, assets and liabilities of Srei Infrastructure Finance Limited to the Company pursuant to a Business Transfer Agreement dated 16 <sup>th</sup> August, 2019, there will be significant increase in the audit work requiring substantially higher manpower and partners' time for this audit. However, the strength of our audit team is not adequate to take up such increased work load.
5.	In case of any concerns, efforts made by the auditor prior to resignation (including approaching the Audit Committee/Board of Directors along with the date of communication made to the Audit Committee/Board of Directors)	No concern
6.	In case the information requested by the auditor was not provided, then following shall be disclosed:	No such case
a.	Whether the inability to obtain sufficient appropriate audit evidence was due to a management-imposed limitation or circumstances beyond the control of the management.	



b.	Whether the lack of information would have significant impact on the financial statements/results.	
c.	Whether the auditor has performed alternative procedures to obtain appropriate evidence for the purposes of audit/limited review as laid down in SA 705 (Revised)	
d.	Whether the lack of information was prevalent in the previous reported financial statements/results. If yes, on what basis the previous audit/limited review reports were issued.	
7.	Any other facts relevant to the resignation:	None

**Declaration**

1. We hereby confirm that the information given in this letter and its attachments is correct and complete.
2. We hereby confirm that there is no other material reason other than those provided above for resignation of my firm.

Yours faithfully,  
 For G. P. Agrawal & Co.  
 Chartered Accountants  
 F.R.No. 302082E

  
 (CA. Ajay Agrawal)  
 Partner



Date: 9<sup>th</sup> November, 2019  
 Place: Kolkata