



Together We Make Tomorrow Happen

# **SREI INFRASTRUCTURE FINANCE LIMITED**

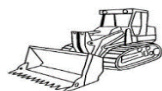
INVESTOR PRESENTATION – MARCH 2017

# DISCUSSION SUMMARY

- **HIGHLIGHTS - Q4 FY17**
- **INDUSTRY OVERVIEW – INDIA OPPORTUNITY**
- **FINANCIAL HIGHLIGHTS**
- **KEY BUSINESSES AND STRATEGY**
- **KEY INVESTMENT HIGHLIGHTS**

## CONSOLIDATED

|             |   |      |             |      |           |
|-------------|---|------|-------------|------|-----------|
| <b>PAT</b>  | ▶ | 206% | ↑ Q-o-Q     | 236% | ↑ Y-o-Y   |
| <b>ROE*</b> | ▶ | 8.8% | ↑ In Mar'17 | 2.7% | In Mar'16 |



## ASSET FINANCE

|                          |   |                |                |                |             |
|--------------------------|---|----------------|----------------|----------------|-------------|
| <b>DISBURSEMENT</b>      | ▶ | 25 %           | ↑ Trailing Qtr | 28%            | ↑ Y-o-Y     |
| <b>BUSINES PORTFOLIO</b> | ▶ | 2%             | ↑ Trailing Qtr | 12%            | ↑ Y-o-Y     |
| <b>PAT</b>               | ▶ | 45%            | ↑ Q-o-Q        | 29%            | ↑ Y-o-Y     |
| <b>NET NPA</b>           | ▶ | 1.7% in Mar'17 | ↓              | 1.9% in Mar'16 |             |
| <b>ROE</b>               | ▶ | 6.2%           | ↑ In Mar'17    | 5.1%           | ↑ In Mar'16 |
| <b>COR</b>               | ▶ | 1.6%           | ↓ In Mar'17    | 2.4%           | In Mar'16   |



## INFRA FINANCE

|                           |   |                |                |                |         |
|---------------------------|---|----------------|----------------|----------------|---------|
| <b>BUSINESS PORTFOLIO</b> | ▶ | 4%             | ↓ Trailing Qtr | 4%             | ↓ Y-o-Y |
| <b>PAT</b>                | ▶ | 43%            | ↑ Q-o-Q        | 67%            | ↑ Y-o-Y |
| <b>NET NPA</b>            | ▶ | 2.1% in Mar'17 | ↓              | 3.4% in Mar'16 |         |

\*Calculated on Standalone Net Worth

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# INDUSTRY OVERVIEW – INDIA OPPORTUNITY

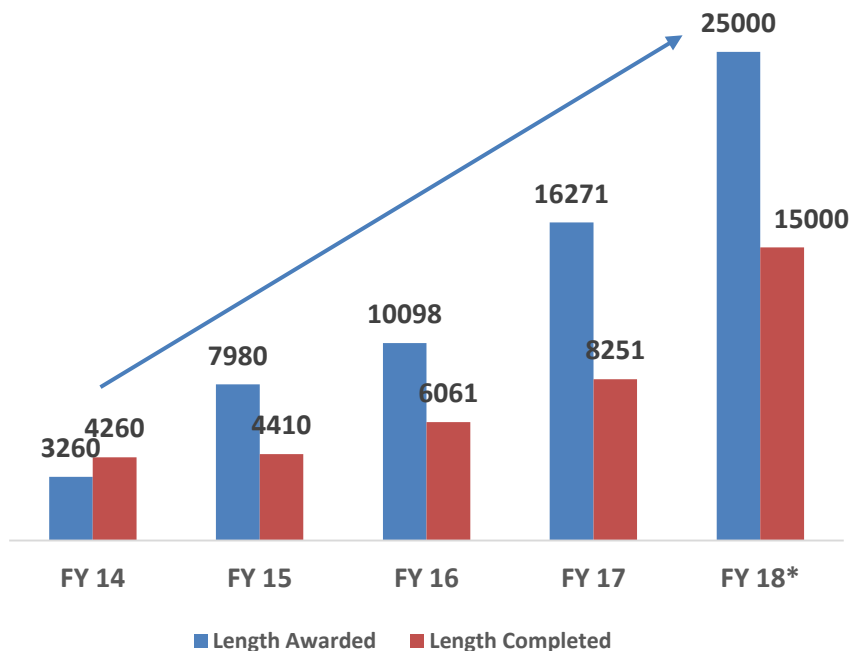
## PROPOSED GOVERNMENT EXPENDITURE TO BOOST GROWTH



FY18 Infra budget allocation of INR 3,961 Bn against planned allocation of INR 2,214 Bn in FY17

### Govt. providing significant push to infra development across segments

Highways (in Kms.)



FY18 budget allocation of **INR 2,413 bn** for transportation Infra vs planned allocation of INR **2,180 bn** in FY17

#### Roads

- Allocation in FY2018 budget for highways INR 649 Bn
- Budgetary allocation for the PMGSY Yojna maintained at INR 190 Bn in FY18 budget

#### Airports

- Under Regional Connectivity Scheme 414 airports can be revived at a cost of INR 50-100 crs each. As of Mar-17, 43 airports received bids under RCS
- Airport Authority of India has capex of INR 25 Bn for FY18

#### Smart Cities

- 100 smart cities to be developed in the next 5 yrs

#### Railways

- 400 A/A1 category stations identified for re-development, 25 for FY18
- 3500 kms of new railway lines in FY18 against 2800 kms in FY17
- INR 3.3 Lakh Crores for setting up three new arms of DFC, in the next 8 years (announced in 2016)

#### Ports

- Budget allocation in FY17-18 for Ports, Inland Waterways and Sagarmala INR 56 Bn
- The planned cost for Sagarmala project is expected at INR 4 Bn; over 150 projects

#### Affordable Housing

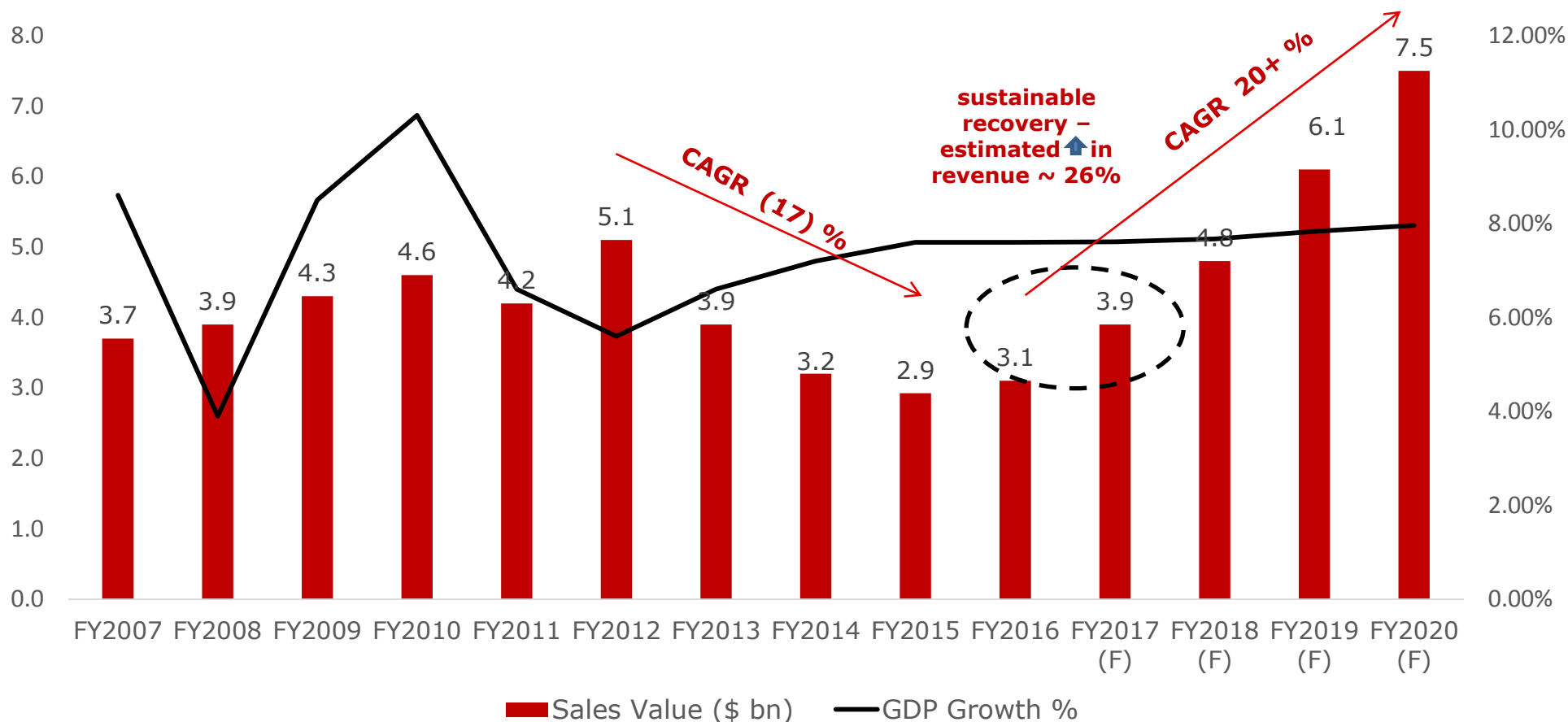
- FY18 budget allocation of INR 230 Bn against planned allocation of INR 150 Bn in FY17

# INDUSTRY OVERVIEW – INDIA OPPORTUNITY

## INDIAN CE MARKET – SUSTAINED RECOVERY



**WHILE GROWTH HAD BEEN SLUGGISH IN THE RECENT PAST, SIGNIFICANT TURNAROUND SEEN AS THE ECONOMY PICKS UP**



Source: ICEMA Vision 2020 (2010-2016); ICEMA research Global construction equipment industry, Feb 2013 (2000-2009)  
 IBEF Report on Indian CE, Nov 2016  
 Forecasted GDP growth rate taken from www. statista.com

# INDUSTRY OVERVIEW – INDIA OPPORTUNITY

## PROPOSED GOVERNMENT EXPENDITURE TO BOOST GROWTH



| Sector                           | Investment (in Rs. bn) | Equipment Intensity | Opportunity (in Rs. bn) | Comment   |
|----------------------------------|------------------------|---------------------|-------------------------|---|
| <b>Roads - National Highways</b> | 3900                   | ~15%-20%            | 780                     | Investment in National Highways (FY 18 – FY 22) |
| <b>Roads - State Highways</b>    | 4772                   | ~15%-20%            | 955                     | Investment in State Highways (FY 18 – FY 22)    |
| <b>Roads - Rural Roads</b>       | 1630                   | ~15%-20%            | 326                     | Investment in Rural Roads (FY 18 – FY 22)       |
| <b>Coal Mining</b>               | 626                    | ~37%                | 232                     | Coal India Limited Expected Capex (till FY2020) |
| <b>Railways</b>                  | 6700                   | ~3%                 | 201                     | Railways Expected Capex (2016-2020)             |
| <b>Power</b>                     | 8500-9000              | ~1%                 | 85-90                   | Expected Investments Over FY17-FY21             |
| <b>Ports</b>                     | 325-375                | ~16%                | 52-60                   | Expected Investments upto FY2021                |

- Basis the above table, sales of CE can go upto \$ 39bn in next 5 years as against \$ 17bn achieved over the last 5 financial year
- Key projects to drive incremental investments – PMGSY, Smart City, AMRUT, Sagarmala, Swacch Bharat and Ganga clean-up project.

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# FINANCIAL HIGHLIGHTS

## CONSOLIDATED – BALANCE SHEET



| <b>Balance Sheet Summary (Rs crs)</b> | <b>FY17</b>   | <b>FY16</b>   |
|---------------------------------------|---------------|---------------|
| Net Worth                             | 4,531         | 3,231         |
| Borrowings                            | 26,204        | 20,673        |
| Interest Earning Assets               | 29,634        | 22,075        |
| Investments                           | 1,282         | 2,170         |
| <b>Key Ratios</b>                     | <b>Mar-17</b> | <b>Mar-16</b> |
| Return on Avg. Net Worth*             | 8.8%          | 2.7%          |
| Return on Avg. Assets                 | 0.8%          | 0.3%          |
| Leverage                              | 5.8           | 6.4           |
| EPS (Rs)                              | 4.8           | 1.4           |
| Book value (Rs)                       | 90.1          | 64.2          |

\*Calculated on Standalone Net Worth

# FINANCIAL HIGHLIGHTS

## CONSOLIDATED – INCOME STATEMENT



| Income Statement (Rs crs)                  | FY17         | FY16         | Q4FY17     | Q4FY16     | Q3FY17     |
|--|--------------|--------------|------------|------------|------------|
| <b>Income from Finance Activities</b>      | <b>3,528</b> | <b>2,934</b> | <b>923</b> | <b>736</b> | <b>962</b> |
| Income from equip. financing               | 1,909        | 1,153        | 541        | 290        | 540        |
| Income from Infra financing                | 1,620        | 1,781        | 381        | 446        | 422        |
| <b>Finance charges (excl Forex Impact)</b> | <b>2,633</b> | <b>2,294</b> | <b>707</b> | <b>580</b> | <b>709</b> |
| <b>NII</b>                                 | <b>896</b>   | <b>640</b>   | <b>215</b> | <b>156</b> | <b>253</b> |
| <b>Non Interest Income</b>                 |              |              |            |            |            |
| Income from Fee Based Activities           | 33           | 50           | 13         | 8          | 7          |
| Income from Equipment Rental               | 165          | 34           | 40         | 18         | 55         |
| Income from Investments*                   | 529          | 2            | 191        | 1          | 6          |
| Others                                     | 50           | 53           | 8          | 20         | 10         |
| <b>Net Income</b>                          | <b>1,673</b> | <b>780</b>   | <b>467</b> | <b>202</b> | <b>331</b> |
| Operating Expenditure                      | 546          | 384          | 122        | 109        | 167        |
| Provisions & Write offs                    | 772          | 272          | 250        | 69         | 65         |
| <b>PBT before Forex M2M</b>                | <b>355</b>   | <b>123</b>   | <b>94</b>  | <b>24</b>  | <b>99</b>  |
| Forex M2M                                  | (5)          | 17           | (5)        | (1)        | 1          |
| <b>PBT</b>                                 | <b>360</b>   | <b>106</b>   | <b>99</b>  | <b>25</b>  | <b>99</b>  |
| <b>PAT (after Minority)</b>                | <b>243</b>   | <b>73</b>    | <b>63</b>  | <b>21</b>  | <b>67</b>  |

\*Include Non Complete Fee from Viom Sale

| <b>Balance Sheet Summary (Rs crs)</b>       | <b>FY17</b>   | <b>FY16</b>   |
|---|---------------|---------------|
| Interest Earning Assets (incl. securitised) | 20,994        | 18,766        |
| Securitised Assets                          | 4,002         | 2,936         |
| Net Worth                                   | 2,473         | 2,322         |
| Borrowings                                  | 12,932        | 11,854        |
| <b>Key Ratios</b>                           | <b>Mar-17</b> | <b>Mar-16</b> |
| Return on Avg. Net Worth                    | 6.2%          | 5.1%          |
| Return on Avg. Assets on Books              | 0.9%          | 0.7%          |
| Leverage                                    | 5.2           | 5.1           |
| CRAR  | 18.7%         | 19.6%         |

# FINANCIAL HIGHLIGHTS

## SREI EQUIPMENT FINANCE LTD – INCOME STATEMENT



| Income Statement (Rs crs)                       | FY17          | FY16         | Q4FY17       | Q4FY16       | Q3 FY17      |
|---|---------------|--------------|--------------|--------------|--------------|
| Disbursement                                    | <b>11,715</b> | <b>9,158</b> | <b>3,538</b> | <b>2,547</b> | <b>2,822</b> |
| Income from finance activities (Net of OL Dep.) | 2,151         | 2,306        | 541          | 580          | 541          |
| Finance charges (excl Forex Impact)             | 1,335         | 1,417        | 335          | 349          | 337          |
| <b>NII</b>                                      | <b>817</b>    | <b>888</b>   | <b>206</b>   | <b>232</b>   | <b>204</b>   |
| NPA Provision & Write off                       | 253           | 396          | 49           | 113          | 59           |
| Other Income                                    | 2             | 1            | 1            | 0            | 0            |
| Operating Expenditure                           | 352           | 333          | 96           | 83           | 90           |
| PBT before Forex M2M                            | 214           | 161          | 62           | 36           | 55           |
| Forex M2M                                       | (2)           | 0            | (1)          | (2)          | (2)          |
| <b>PBT</b>                                      | <b>216</b>    | <b>160</b>   | <b>63</b>    | <b>38</b>    | <b>57</b>    |
| <b>PAT</b>                                      | <b>149</b>    | <b>115</b>   | <b>40</b>    | <b>27</b>    | <b>40</b>    |
| Key Ratios                                      | Mar-17        | Mar-16       | Dec-16       |              |              |
| Yield on Avg. Funds                             | 13.3%         | 13.9%        | 13.4%        |              |              |
| Cost of Funds                                   | 10.3%         | 10.8%        | 10.3%        |              |              |
| Interest Spreads                                | 3.0%          | 3.1%         | 3.1%         |              |              |
| NIM   | 5.0%          | 5.3%         | 5.1%         |              |              |
| Gross NPA*                                      | 2.4%          | 2.8%         | 2.6%         |              |              |
| Net NPA*  | 1.7%          | 1.9%         | 1.8%         |              |              |

\* On Total Assets

| <b>Balance Sheet Summary (Rs crs)</b> | <b>FY17</b>   | <b>FY16</b>   |
|---------------------------------------|---------------|---------------|
| Interest Earning Assets               | 13,725        | 14,321        |
| Net Worth                             | 2,811         | 2,701         |
| Borrowings                            | 13,184        | 14,599        |
| Investments                           | 2,037         | 2,769         |
| <b>Key Ratios</b>                     | <b>Mar-17</b> | <b>Mar-16</b> |
| Return on Avg. Net Worth              | 3.5%          | 2.1%          |
| Leverage                              | 4.7           | 5.4           |
| CRAR                                  | 18.9%         | 17.5%         |

# FINANCIAL HIGHLIGHTS

## SREI INFRA FINANCE LTD – INCOME STATEMENT



| Income Statement (Rs crs)                       | FY17         | FY16         | Q4FY17       | Q4FY16       | Q3 FY17      |
|---|--------------|--------------|--------------|--------------|--------------|
| Disbursement                                    | <b>5,889</b> | <b>5,374</b> | <b>1,964</b> | <b>1,446</b> | <b>1,990</b> |
| Income from finance activities (Net of OL Dep.) | 1,685        | 1,788        | 431          | 449          | 431          |
| Finance charges (excl Forex Impact)             | 1,439        | 1,574        | 374          | 403          | 368          |
| <b>NII</b>                                      | <b>247</b>   | <b>214</b>   | <b>57</b>    | <b>46</b>    | <b>63</b>    |
| NPA Provision & Write off                       | 547          | 57           | 201          | 5            | 5            |
| Fee Based Income                                | 14           | 34           | 7            | 3            | 2            |
| Income from Investment#                         | 524          | 1            | 190          | 1            | 1            |
| Other Income                                    | 43           | 39           | 9            | 9            | 14           |
| Operating Expenditure                           | 134          | 138          | 34           | 34           | 33           |
| PBT before Forex M2M                            | 147          | 93           | 29           | 20           | 43           |
| Forex M2M                                       | (2)          | 12           | (5)          | 0            | 2            |
| <b>PBT</b>                                      | <b>148</b>   | <b>81</b>    | <b>33</b>    | <b>19</b>    | <b>40</b>    |
| <b>PAT</b>                                      | <b>96</b>    | <b>57</b>    | <b>21</b>    | <b>14</b>    | <b>26</b>    |
| Key Ratios                                      | Mar-17       | Mar-16       | Dec-16       |              |              |
| Yield on Avg. Funds                             | 12.2%        | 13.4%        | 12.1%        |              |              |
| Cost of Funds                                   | 10.6%        | 11.3%        | 10.4%        |              |              |
| Interest Spreads                                | 1.6%         | 2.0%         | 1.7%         |              |              |
| Gross NPA*                                      | 3.2%         | 4.5%         | 3.1%         |              |              |
| Net NPA *                                       | 2.0%         | 3.4%         | 2.1%         |              |              |

\* On Total Assets

#Includes non compete fee from Viom sale

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# KEY BUSINESSES AND STRATEGY RECAP



## FY13 to FY16

**Business Environment**

Economic Slowdown

Weak Business Sentiment

High Volatility

**Operating Philosophy**

Balance Sheet Growth

Investment Book

**Business Impact**

RoE down from 16.5% to 5.1%

Gross NPA peaked all time high at 4.78%

Muted Portfolio Growth

## @ NOW

Improvement in economic activity

Investment cycle is started with road sector

Construction Equipment Industry to grow with CAGR @ 20%+

### **Strengthen Core Business**

- Asset Finance
- Wholesale Credit

Strong risk management, Focus on asset quality

Leverage Digitization for Customer Experience & Operational Efficiency

Sustainable Portfolio Growth

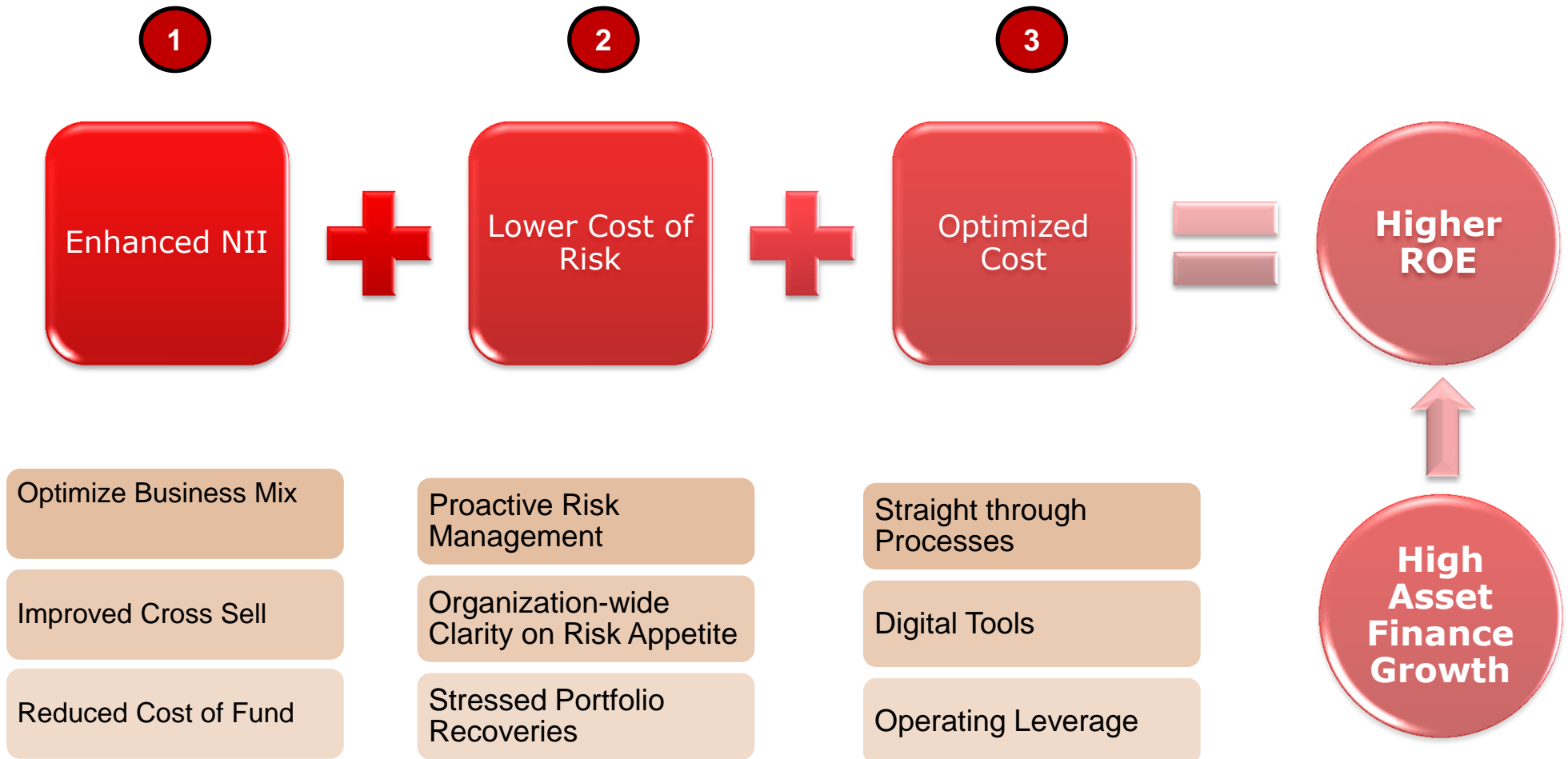
Better Asset Quality

Improved Profitability



# STRATEGY DRIVER

## PLAN TO DELIVER HIGHER ROE



# KEY BUSINESSES AND STRATEGY

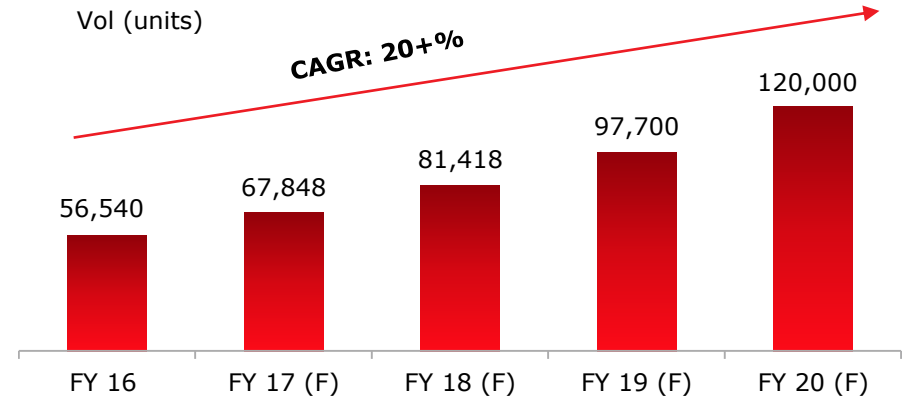
## ASSET FINANCE BUSINESS – INDUSTRY DYNAMICS



### Infrastructure Equipment Market Overview

- The allocated outlay for infrastructure increased by ~11% to USD 59 bn in the 2017 Budget
- Sale of key equipment – Excavators and Backhoes grew by around 30% FY17. The Indian Construction Equipment industry is expected to grow from current USD 3.1 bn to USD 7.5 bn by FY 2020
- Top 6 manufacturers contribute to ~ 70%-75% of the total sales
- 90% of total company portfolio is in Construction and Mining Equipment, placing SEFL in a strong position to reap the benefits of this expected growth

### Growth in Equipment Sales



### New Verticals

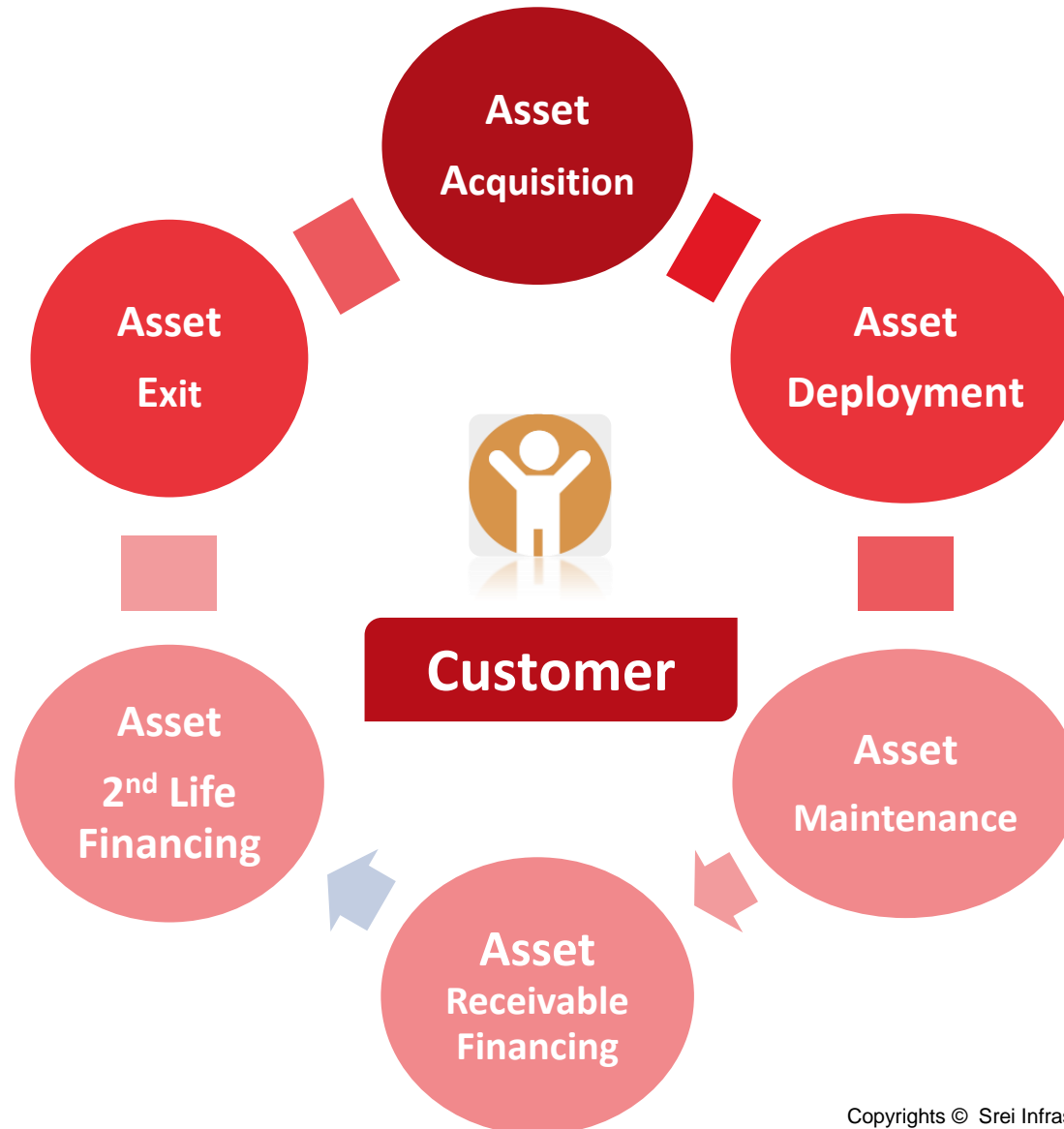
|                                    |                                    |   |  |   |
|------------------------------------|------------------------------------|---|--|---|
| <p><b>IT and IT Services</b></p>   | <p>Total Loan Assets</p> <p>4%</p> | <p><b>Global sourcing market: USD 239Bn*</b></p> <p>56%</p> <p><b>India's Share</b></p>   | <p>9.5% GDP</p> <p><b>Exports</b></p> <p>Total 45% of Services Export</p>                            | <ul style="list-style-type: none"> <li>Emerging technologies such as Social, Mobility, Analytics and Cloud (SMAC) computing set to offer USD 1 trn opportunity</li> </ul> |
| <p><b>Healthcare</b></p>           | <p>Total Loan Assets</p> <p>2%</p> | <p><b>Indian Healthcare Market</b></p> <p>US\$ 280Bn</p> <p>US\$ 100Bn Current</p> <p>CAGR: 22.9%</p> <p>2020</p>                               | <p><b>6 to 7 Lakh Beds Required Over Next 5 -6 Years</b></p> <p><b>Opportunity: US\$ 25-30Bn</b></p> | <ul style="list-style-type: none"> <li>These indicate significant opportunities for SREI revenue growth</li> </ul>  |
| <p><b>Rural Infrastructure</b></p> | <p>Total Loan Assets</p> <p>4%</p> | <p><b>Indian Agriculture Market</b></p> <p>3<sup>rd</sup> Largest farm &amp; agriculture output in the world</p> <p>18% share in GDP (2014)</p> | <p>9%-11% CAGR</p> <p><b>Tractor Sales</b></p> <p>FY16</p> <p>FY20</p>                               | <ul style="list-style-type: none"> <li>Increased mechanization, rise in farm profitability, rental model – to drive farm equipment sale</li> </ul>                        |

Fx rate: 1 USD = 67 INR

\*For 2015

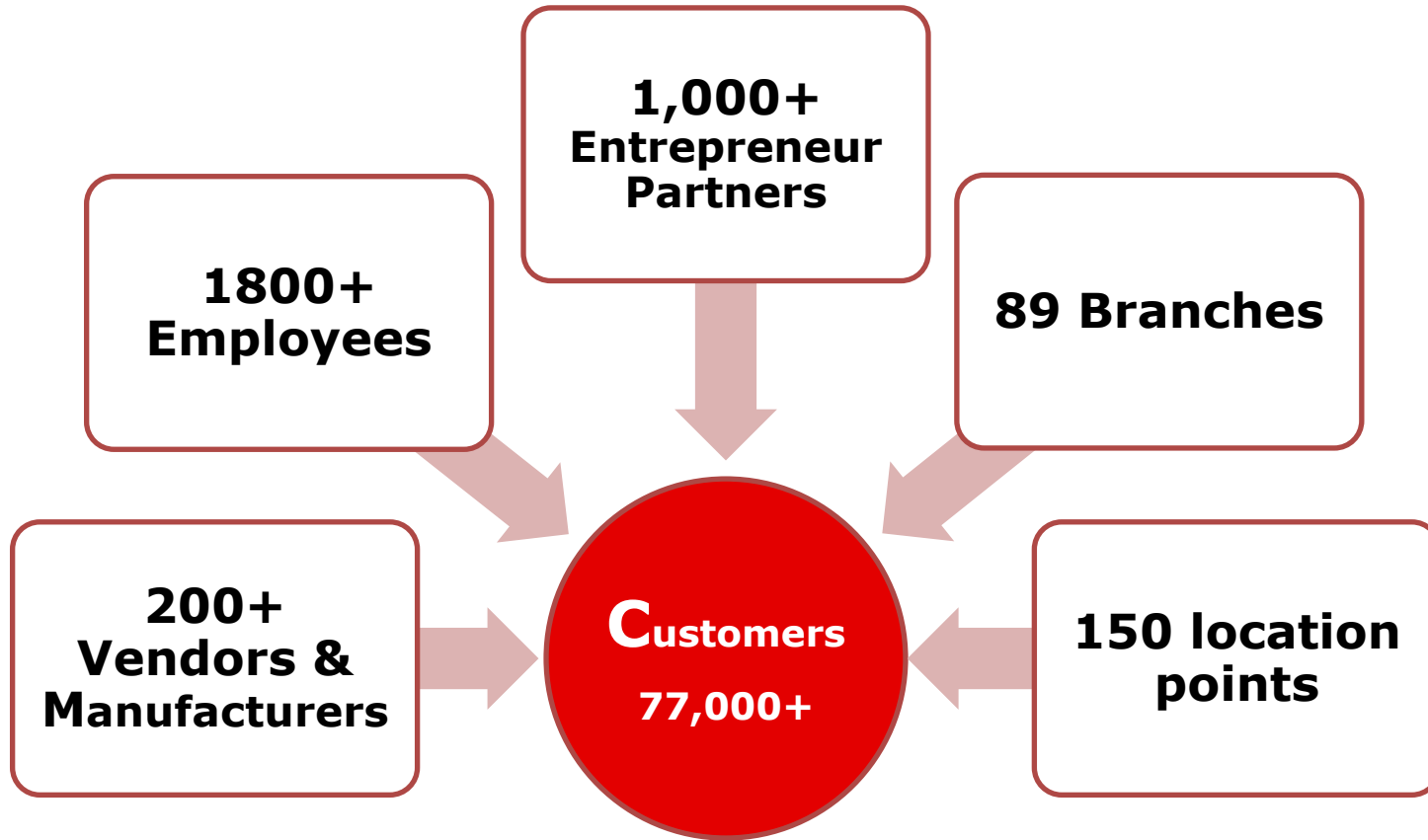
# KEY BUSINESSES AND STRATEGY

## ASSET FINANCE BUSINESS – OPPORTUNITY MAPPING

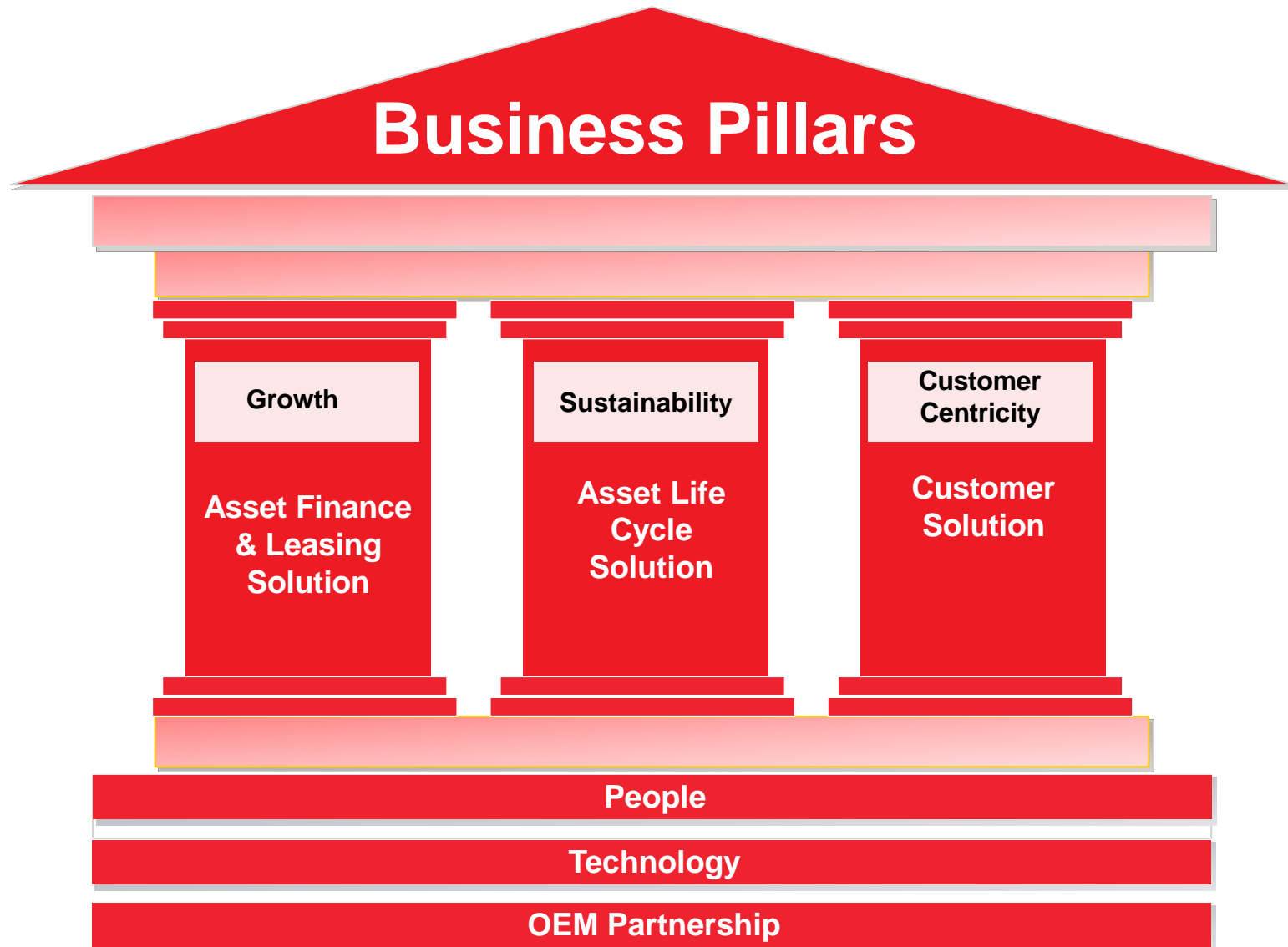


# KEY BUSINESSES AND STRATEGY

ASSET FINANCE BUSINESS – OUR STRENGTH



**27 Years of understanding of assets**



# KEY BUSINESSES AND STRATEGY

## ASSET FINANCE BUSINESS – STRATEGY



1

### **HIGH GROWTH in Asset Finance & Leasing Solution**

- Strengthen CORE-CME Business
- Expand Tipper & MHE
- Develop Healthcare
- Banking Partnership to provide holistic Financial Services

2

### **Asset Life Cycle Solution Through Digital Platform**

- Create Refurbished Asset Market
- Asset Life Expansion
  - Spare Parts
  - AMC/Warranty
  - Secondary Lease
  - Repo Asset Management
- 2<sup>nd</sup> Life Financing
- New Asset & Vendor Development

3

### **Customer Solution**

- Stress Resolution
  - Solution for Stressed Customers
- Solution for Loss Claim Customers

**People**

**Technology**

**OEM Partnership**

## Digitize Process Flows

| Customer Origination  | Acquisition / on-boarding  | Loan Disbursement  | Loan Collection   | Loyalty Financing   |
|---|--|--|---|---|
| <ul style="list-style-type: none"> <li>• <b>Lead management and information capture at source</b> with OEMs</li> <li>• <b>Credit scoring engine &amp; due diligence</b> interface</li> <li>• <b>Call center</b> with real time information on loan eligibility/ personalized offer</li> <li>• <b>Digital marketing</b></li> </ul> | <ul style="list-style-type: none"> <li>• <b>e-KYCs</b> <ul style="list-style-type: none"> <li>– Use of handheld device/ mobile app</li> </ul> </li> <li>• Online document scanning, verification and <b>digital approval</b> system</li> </ul> | <ul style="list-style-type: none"> <li>• <b>Automated</b> loan amount <b>transfer/ cheque</b> generation</li> <li>• Seamless integration with OEM interface to trigger transfer</li> <li>• SMS based <b>real time customer alert</b> system</li> </ul> | <ul style="list-style-type: none"> <li>• <b>App based fully</b> integrated collection system</li> <li>• <b>Collateral management</b> systems</li> <li>• <b>Managing sale/ auction of assets</b> through online portal</li> <li>• <b>Asset Recovery</b> through GPS / Asset Tracker</li> </ul> | <ul style="list-style-type: none"> <li>• <b>Real Time Risk Rating</b> Interface for customer rating</li> <li>• <b>Client history tracker</b> &amp; seamless integration for future use</li> </ul> |



### Sourcing

Customer / Vendor self-service portal (website, app)



RM App, handheld scanner



E-Serv Portal



### Sanctioning & Pricing

Parameterized credit sanctioning & pricing engine



Workflow Management



### Processing & Monitoring

Monitoring



Early warning system

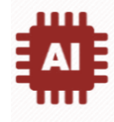


### Risk Management

Data Analytics



Machine Learning / Artificial Intelligence



Asset Management through GPS



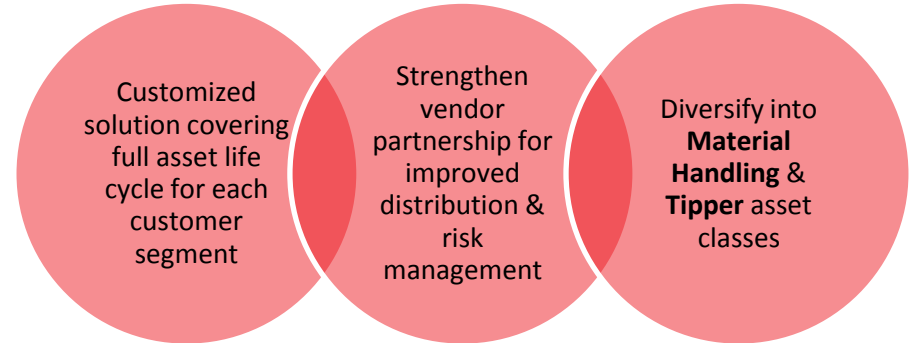
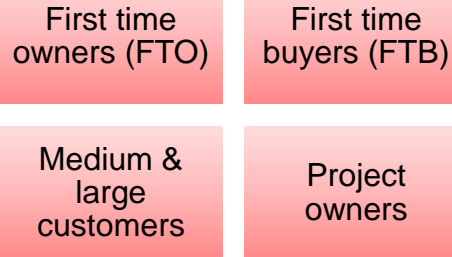


# KEY BUSINESSES AND STRATEGY

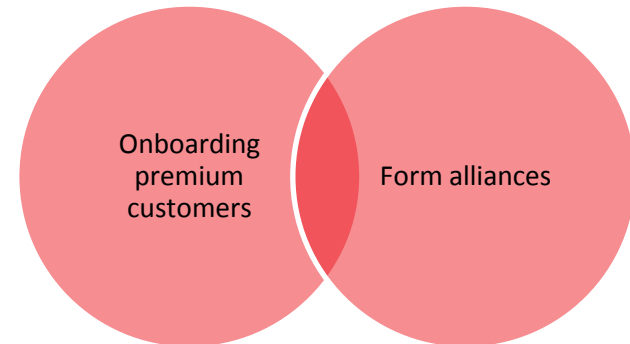
## CUSTOMER SEGMENTATION STRATEGY



### Construction & Mining



### Healthcare Infrastructure



GE Healthcare



# KEY BUSINESSES AND STRATEGY

## CUSTOMER SEGMENTATION STRATEGY

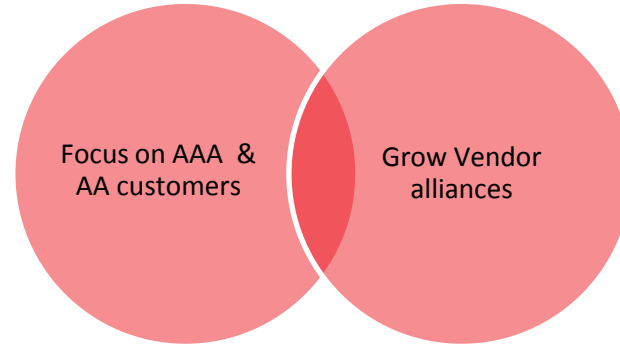


**IT Infrastructure**

Large corporates & IT companies

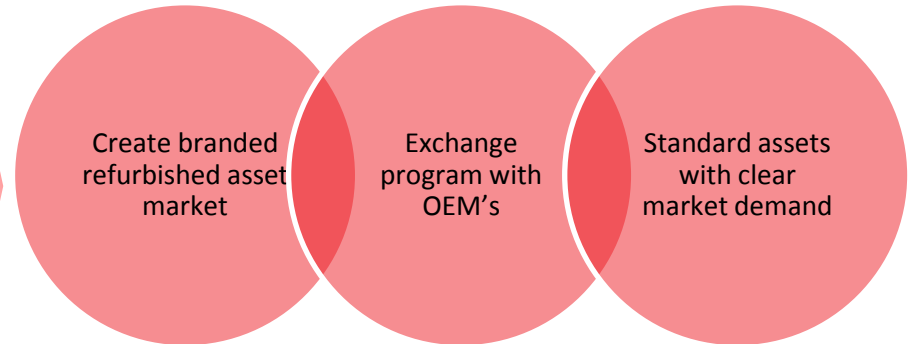
System integrators

OEM's, banking & financial institutions



**Used Equipment**

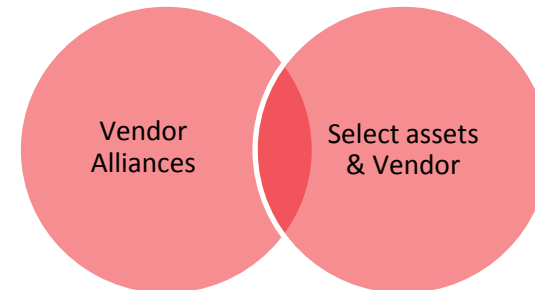
Retail, SME players (used for construction, mining equipment)

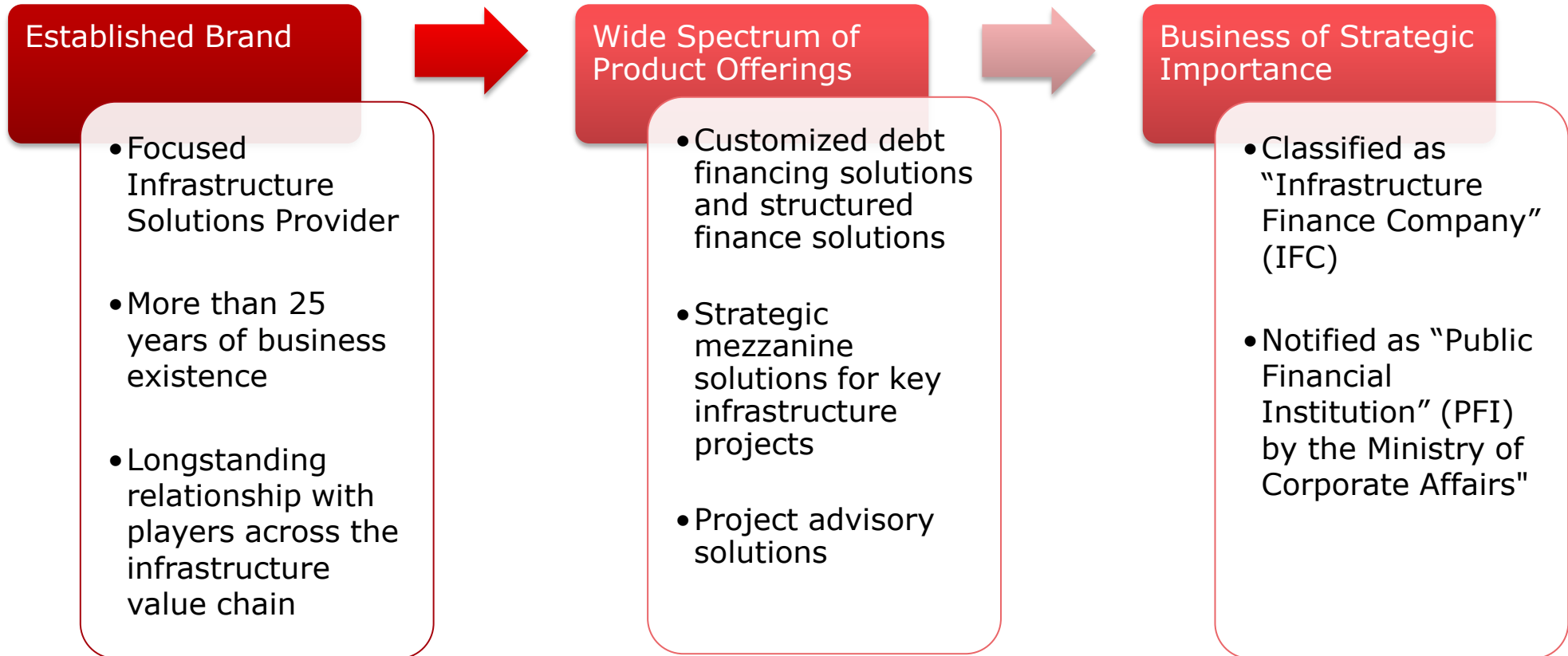


**Rural Infrastructure**

Tractor owners

Contract farmers



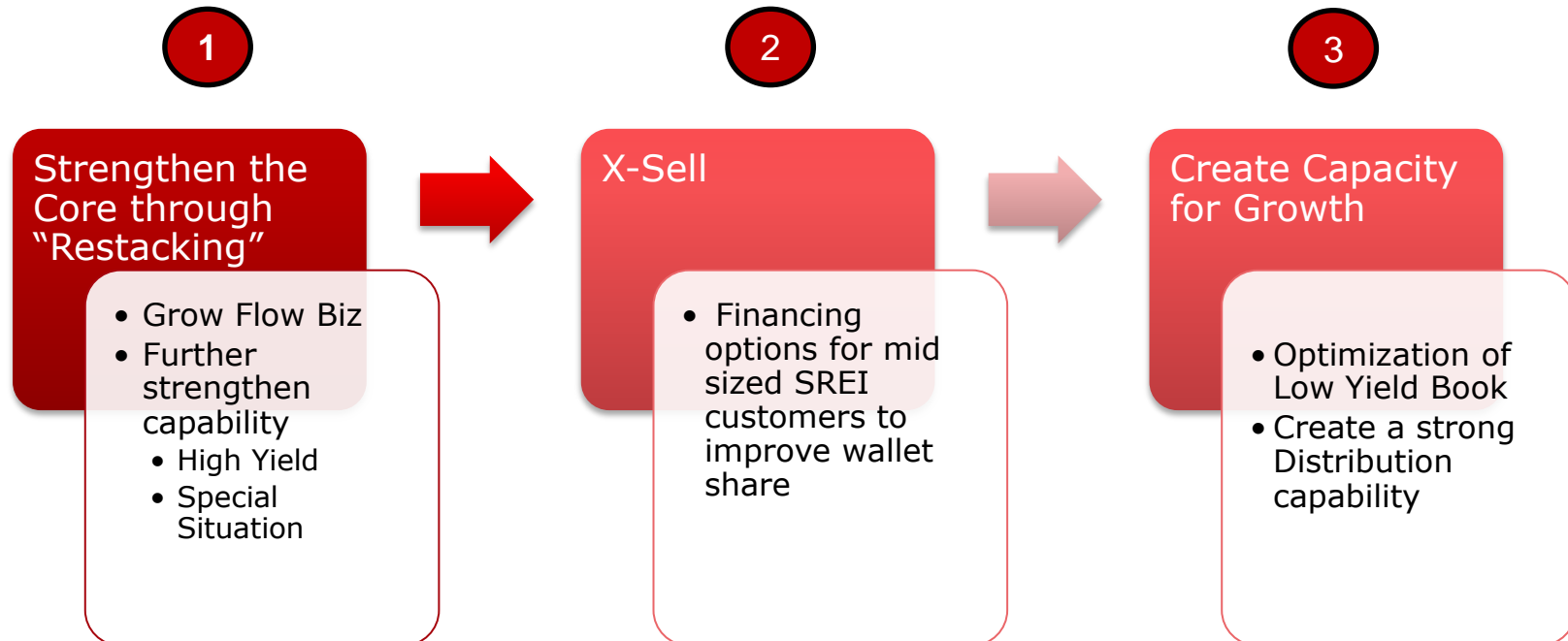


# KEY BUSINESSES AND STRATEGY

INFRA FINANCE BUSINESS – GROW REVENUE & IMPROVE YEILD

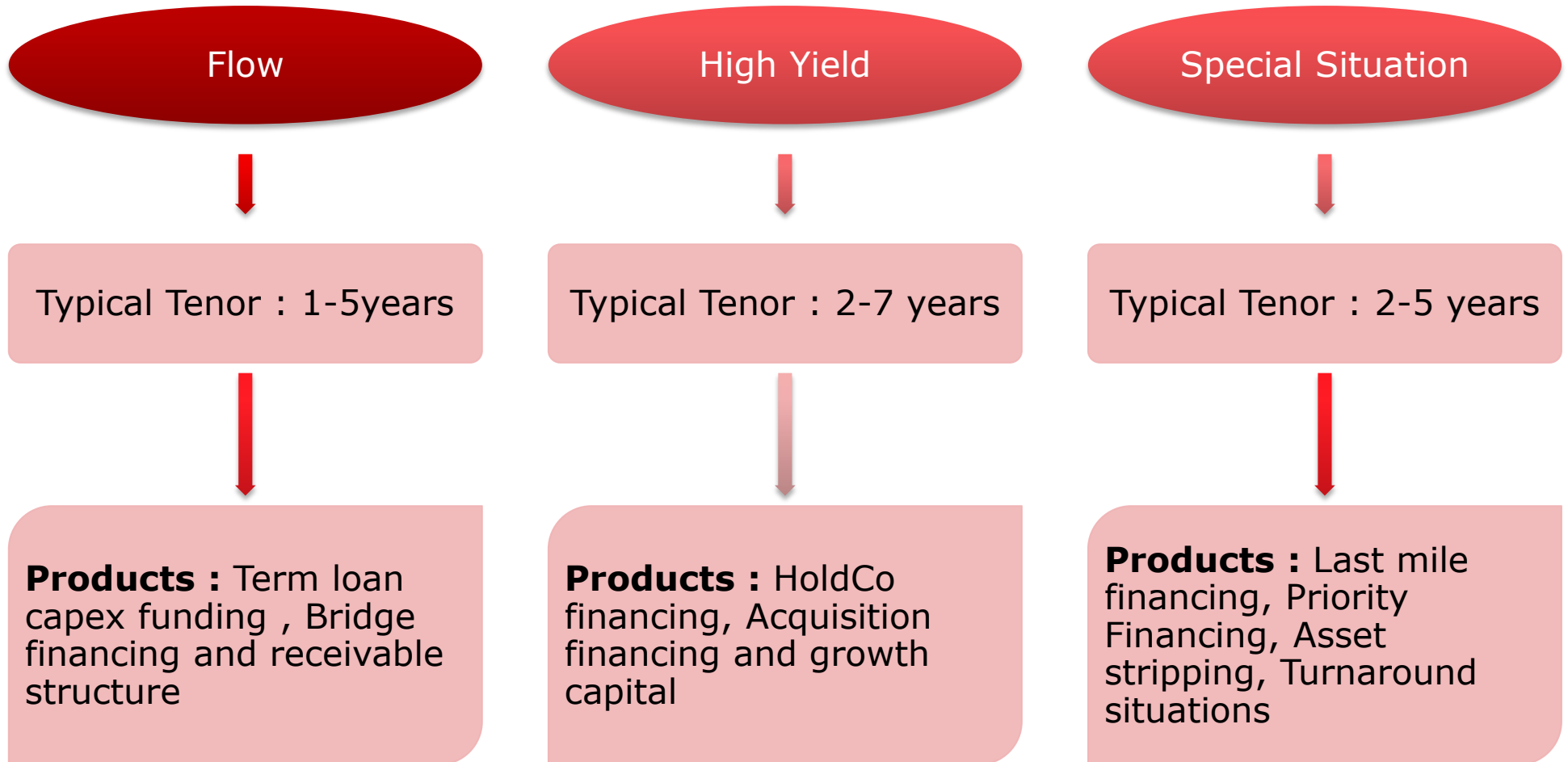


Strategy aimed at delivering sustainable growth aligned with market opportunity, playing to our strength & delivering some diversification with low / modest balance-sheet growth



# KEY BUSINESSES AND STRATEGY

## INFRA FINANCE BUSINESS – KEY OPPORTUNITY VERTICALS

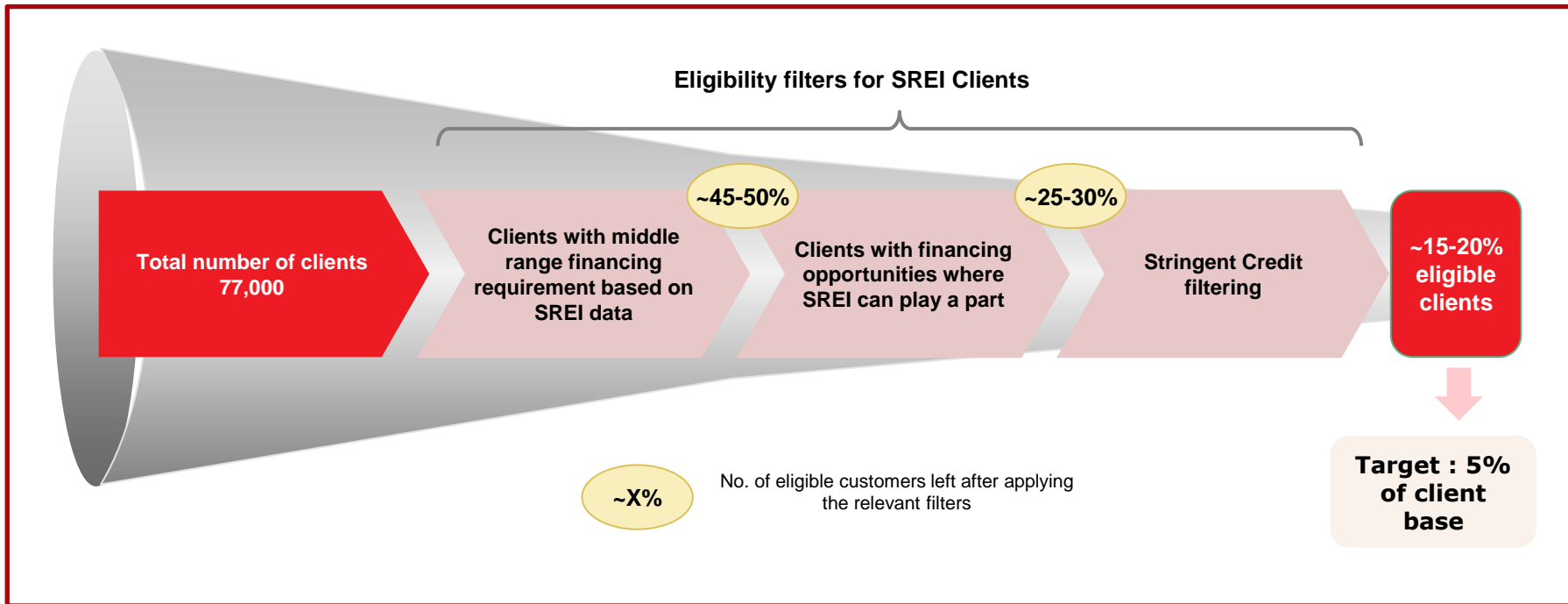


# KEY BUSINESSES AND STRATEGY

## INFRA FINANCE BUSINESS – X-SELL OPPORTUNITY



The Group is well placed to monetize relationship with the mid-sized Asset Finance customers leveraging on the enablers already in place and some investment.



### Marginal Cost Advantage over other newcomers

|         |   |       |   |           |   |                        |   |                |   |
|---------|---|-------|---|-----------|---|------------------------|---|----------------|---|
| Clients | ✓ | Brand | ✓ | Footprint | ✓ | Operational Capability | ✓ | Infrastructure | ✓ |
|---------|---|-------|---|-----------|---|------------------------|---|----------------|---|

# KEY BUSINESS AND STRATEGY

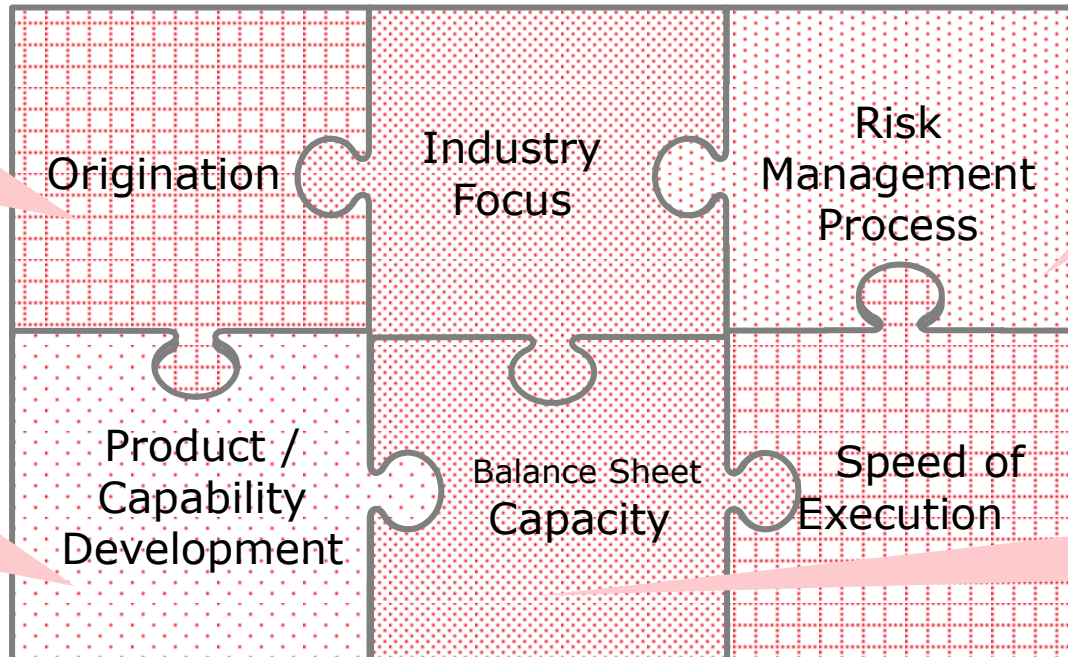
INFRA FINANCE BUSINESS- STRENGTHENING END TO END CAPABILITY



End to end capability re-tooling will determine our success in repositioning Wholesale Credit business in front of the market ...

Risk Appetite Statement to provide clarity...

- Industry Focus
- Relationship Strength
- Target List Approach



- Risk Appetite Statement
- Early Alert Mechanism
- Analytics

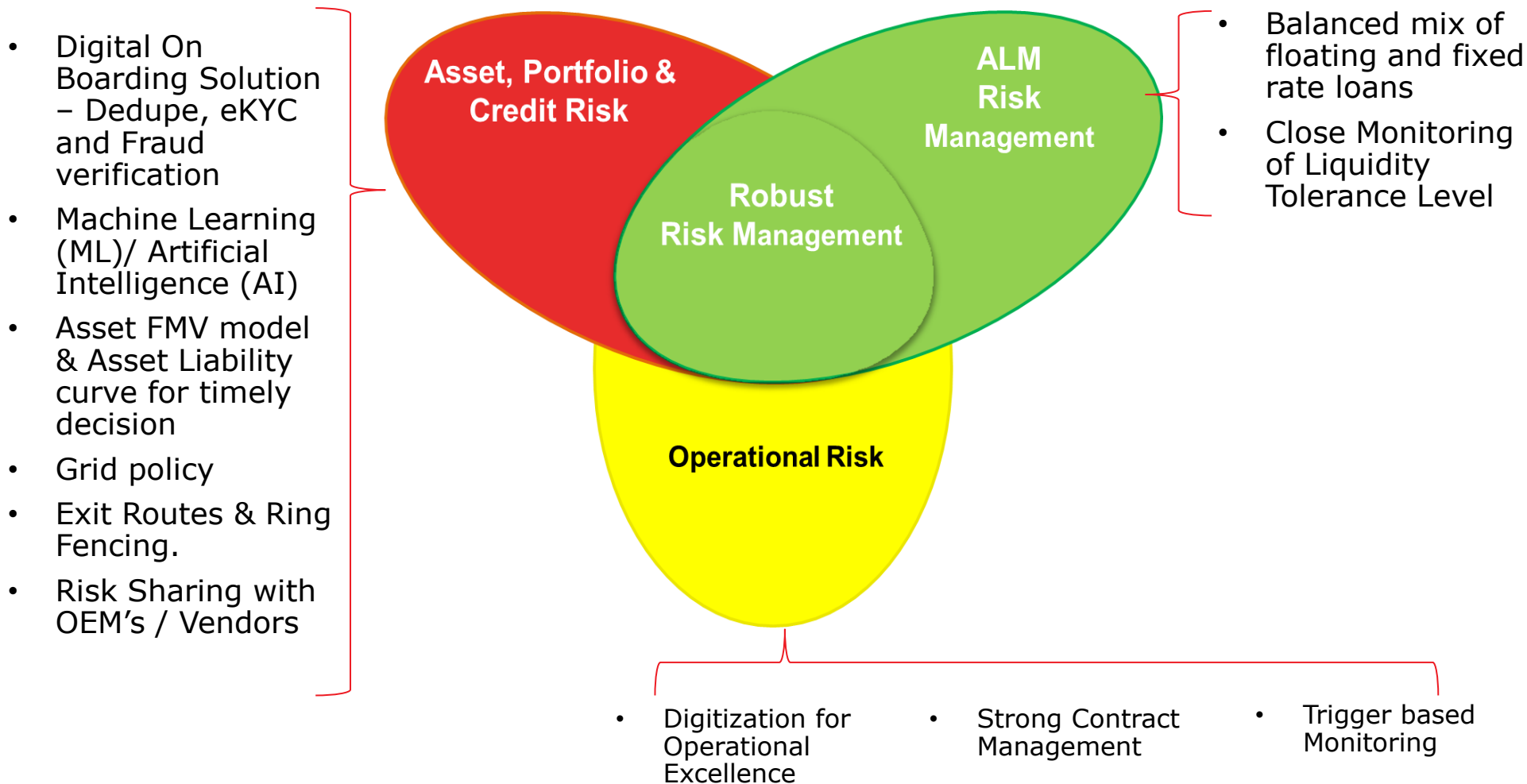
- High Yield
- Special Situations Structure & Stressed Asset structures

- Recoveries
- Distribution
- Optimization of low return assets
- Fund Raising

... Enablement Tools to provide platform to succeed

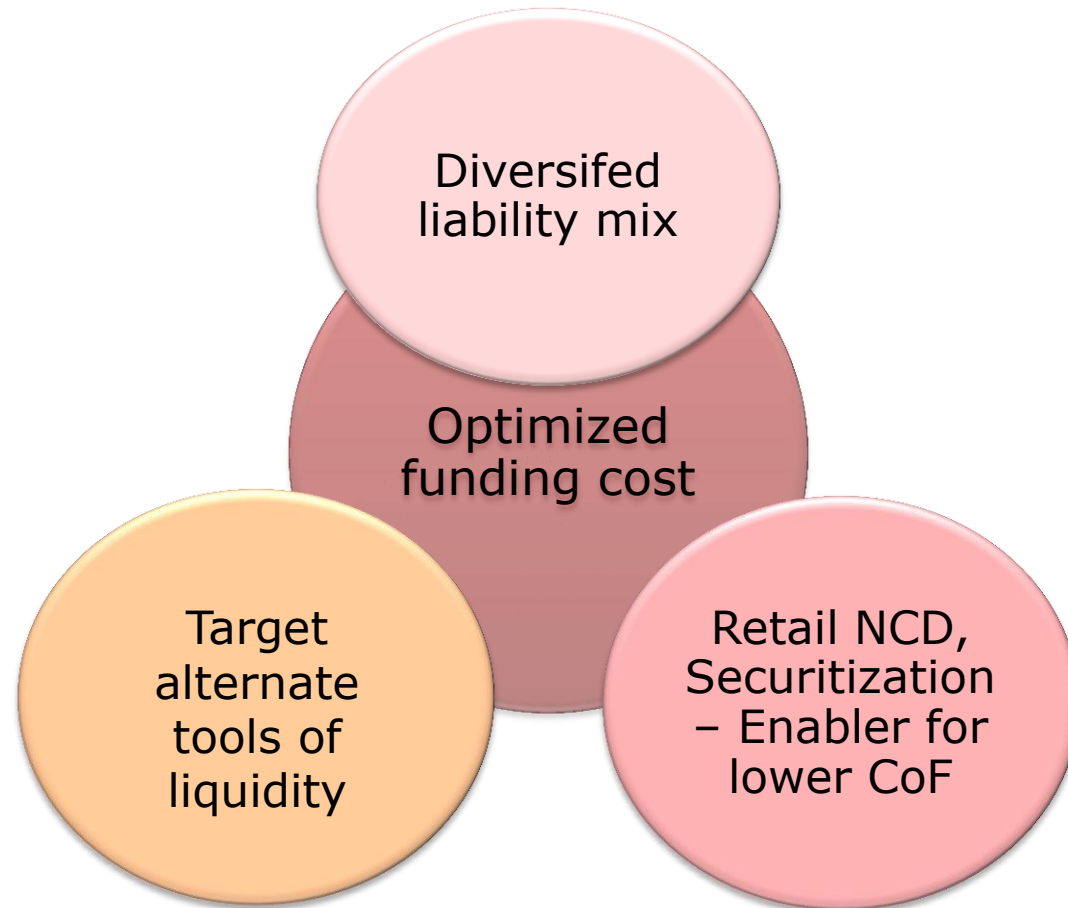
# KEY BUSINESSES AND STRATEGY

## RISK MANAGEMENT FRAMEWORK



... Developing underwriting principles, improvements in the credit process and enhancing Risk MIS are immediate priorities





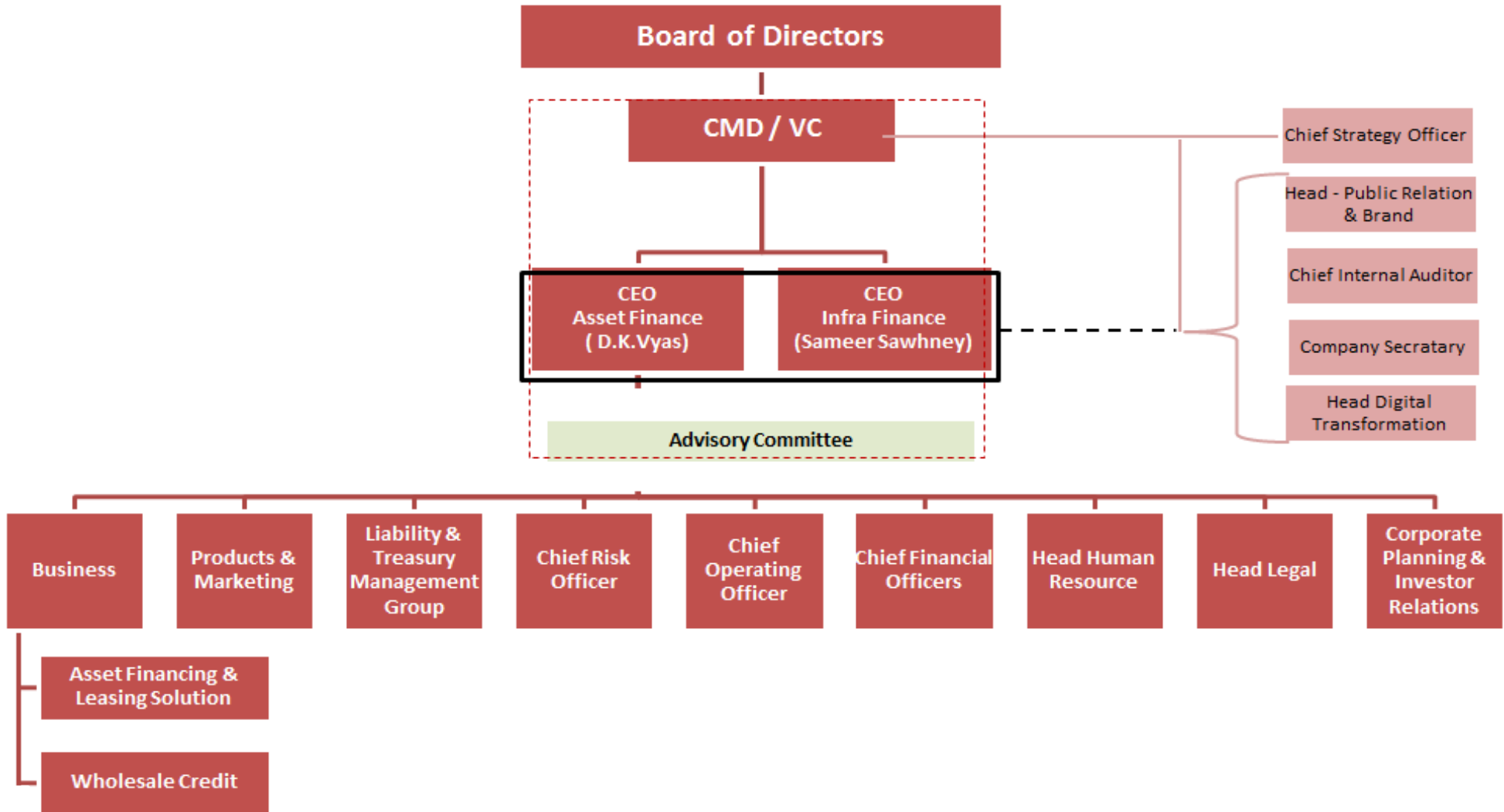
# BOARD OF DIRECTORS

## SREI INFRASTRUCTURE FINANCE LTD



|   |   |
|---|---|
| <b>Salil K Gupta</b><br>Chief Mentor                  | <ul style="list-style-type: none"> <li>Former Chairman, West Bengal Industrial Development Corporation Limited (WBIDC) – A leading State financial institution</li> <li>Former President, The Institute of Chartered Accountants of India (ICAI)</li> </ul>   |
| <b>Hemant Kanoria</b><br>Chairman & Managing Director | <ul style="list-style-type: none"> <li>Board Member in Indian Institute of Information Technology, Guwahati</li> <li>Board Member in New Delhi Institute of Management</li> <li>Board Member in Neotia University</li> <li>Former Chairman - FICCI National Committee on Infrastructure</li> <li>Former President - Calcutta Chamber of Commerce</li> <li>Served as Member in Regional Direct Taxes Advisory Committee, Government of India</li> <li>Former Member of Board of Governors, Indian Institute of Management, Calcutta (IIMC)</li> </ul>  |
| <b>Sunil Kanoria</b><br>Vice Chairman                 | <ul style="list-style-type: none"> <li>President - The Associated Chambers of Commerce &amp; Industry of India (ASSOCHAM)</li> <li>Governing Body Member of the Construction Industry Development Council (CIDC)</li> <li>Council Member of the Institute of Chartered Accountants of India (ICAI)</li> <li>Served as Member of the Working Group on Construction for the Tenth Five Year Plan (2002-07) of Planning Commission, Government of India</li> <li>Honorary Consul of Spain, Kolkata</li> </ul>  |
| <b>S. Rajagopal</b>                                   | <ul style="list-style-type: none"> <li>Over 41 years' of experience in Banking Industry</li> <li>Former CMD of both Bank of India &amp; Indian Bank</li> </ul>  |
| <b>S. Chatterjee</b>                                  | <ul style="list-style-type: none"> <li>Over 46 years of experience in Retail, Commercial &amp; Investment Banking and NBFC</li> <li>Former Executive Director, Axis Bank Limited, Mumbai</li> <li>Former member of the Board of Directors of Nabil Bank, Nepal</li> <li>Extensive exposure in the area of International Banking having worked in SBI, London and as the Chief Representative in Washington D.C having worked closely with IFC, World Bank and IMF</li> </ul>  |
| <b>Dr. Punita Kumar Sinha</b>                         | <ul style="list-style-type: none"> <li>27 years' of career in investment management and financial markets</li> <li>Former Chief Investment Officer (CIO), Blackstone Asia Advisors L.L.C. and also served as a Senior Managing Director in The Blackstone Group LP</li> <li>Served as CIO and Senior Portfolio Manager, NYSE listed India Fund Inc. and Asia Tigers Fund Inc.</li> <li>Founder and Managing Partner, Pacific Paradigm Advisors, an independent investment advisory and management firm focused on Asia</li> <li>Former MD and Senior PM at Oppenheimer Asset Management Inc., and CIBC World Markets</li> </ul>   |
| <b>T.C.A. Ranganathan</b>                             | <ul style="list-style-type: none"> <li>Over 38 years' of experience of spanning career with SBI, held diverse assignments in International Banking, Investment Banking, Corporate Finance, Corporate consultancy in addition to Domestic banking as Branch head / Branch Controller, held Board positions in various SBI subsidiaries in North America, Africa and Asia</li> <li>He has also served as Chairman of EXIM Bank of India and has been a Member of several Government of India overseas initiatives such as Indo-South Africa CEO Forum, Indo-Africa Business Council, Indo-Myanmar Joint Trade and Investment Forum etc.</li> <li>Associated with some U.N arms for overseas consultancy apart from working as an arbitrator through the panels of NSE/BSE/NCDEX/Indian Council of Arbitration.</li> </ul>   |
| <b>Dr. Tamali Sen Gupta</b>                           | <ul style="list-style-type: none"> <li>Over 30 years' experience in legal field and is a specialist in transnational legal transactions in media, real estate development, insurance and infrastructure</li> <li>Extensive experience in the structure of Projects implemented under project finance and on foreign participation in the privatization of Infrastructure, international joint-ventures, collaboration and licensing agreements, mergers and acquisitions</li> <li>Widely published author and a Fellow of the Centre of International Legal Studies at Salzburg</li> <li>Proprietor of T. Sengupta &amp; Associates, a corporate law practice based in New Delhi.</li> </ul>  |
| <b>R. K. Agarwal</b>                                  | <ul style="list-style-type: none"> <li>A qualified Chartered Accountant with over 40 years of experience in various fields like Audit, Taxation, Company Law, Consultancy etc.</li> <li>A Partner with S. R. Batliboi &amp; Co. (Member firm of Ernst &amp; Young in India) since 1978 and was the Managing Partner of the Firm at the time of his retirement in June,13</li> <li>Past President of The Institute of Internal Auditors, India and was a member of the Central Council of The Institute of Chartered Accountants of India during 1991-97.</li> <li>Connected with various Chambers of Commerce as the Committee Chairman / Executive Committee member, permanent invitee etc. and is a past Chairman of CII (Eastern Region)</li> <li>National Chairman of Direct Tax Sub-Committee of CII in the year 2013-14 and was also past Executive Committee Member of CII (Eastern Region)</li> </ul> |

# KEY BUSINESS AND STRATEGY ORGANIZATION STRUCTURE



## Summary of Investments

| Particulars  | Value | Value (Rs crs) |
|--|-------|----------------|
| <b>Total Investment in Subsidiaries / Associates</b> |       | <b>858</b>     |
| <b><u>Strategic Investment</u></b> <sup>*</sup>      |       |                |
| Transportation                                       | 911   |                |
| Energy   | 15    |                |
| Rural IT   | 13    |                |
| Others   | 229   |                |
| <b>Total Strategic Investment</b>                    |       | <b>1168</b>    |
| Equity Investment-Quoted                             | 1     |                |
| <b>Other Equity Investment</b>                       |       | <b>1</b>       |
| <b>Total Non- Current Investment</b>                 |       | <b>2026</b>    |

\* Investments held directly or through funds

# BOT ROAD ASSET PORTFOLIO SUMMARY



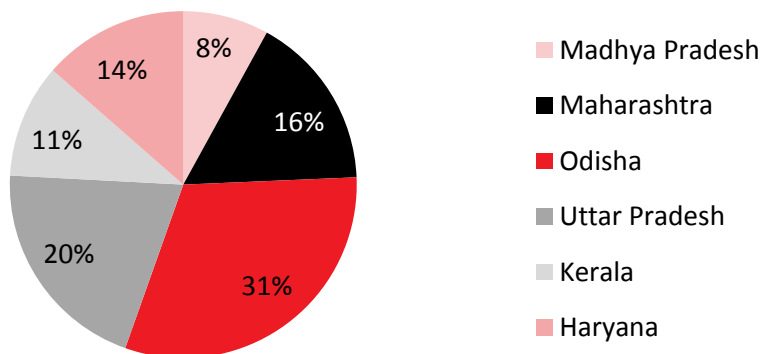
## WELL DIVERSIFIED PORTFOLIO

- Current portfolio consisting of six (7) BOT Projects, of which two (2) are Projects operational under Final COD, three (3) are Projects operational under Provisional COD and two (2) are Project under Construction
- Well diversified BOT Asset Portfolio spread across 6 states such as Madhya Pradesh, Maharashtra, Uttar Pradesh, Kerala, Odisha & Haryana
- Filed DRHP for IPO

## STRONG CASH FLOWS

- Out of 7 projects in portfolio, 5 projects are revenue generating assets
- Out of the operational projects, 2 BOT projects are expected to achieve full COD by end of this year, thus resulting into strong Revenue growth & further Improved Cash Flows

## % State Wise BOT Portfolio (Lane Km)



## Road BOT Asset Portfolio

|                                     |       |
|-------------------------------------|-------|
| Total No of Projects*               | 7     |
| No of Projects – Operational        | 5     |
| No of Projects - Under Construction | 2     |
| Total Lane Kms                      | 2,450 |
| Lane Km – Operational               | 1,690 |
| Lane Km – Under Construction        | 760   |

\* Projects where the Company has Significant stake

# SAHAJ – LARGEST RETAIL CHAIN IN THE COUNTRY FOCUSING ON DELIVERING PRODUCTS & SERVICES TO RURAL CUSTOMERS



## Largest Brick & Click Network in the country

- 65,185\* touch points across 23 states with strong presence in Central and East India
- Covering approx. 450 mn people (50% of India's rural population)

## Technology Leveraging Operating Model

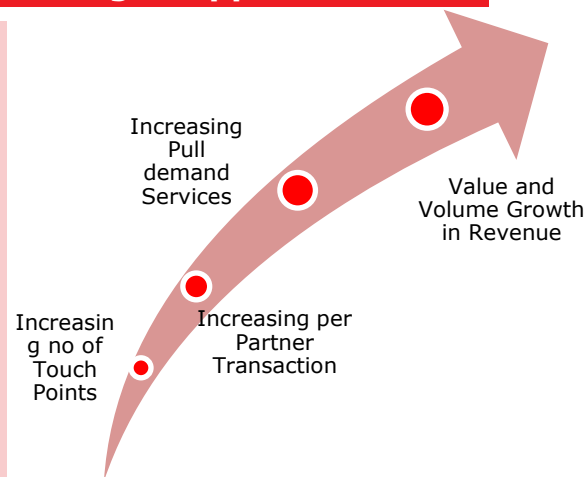
- Robust technology platform offering real-time connectivity, efficient & quick service delivery

## Wide offering of Products & Services

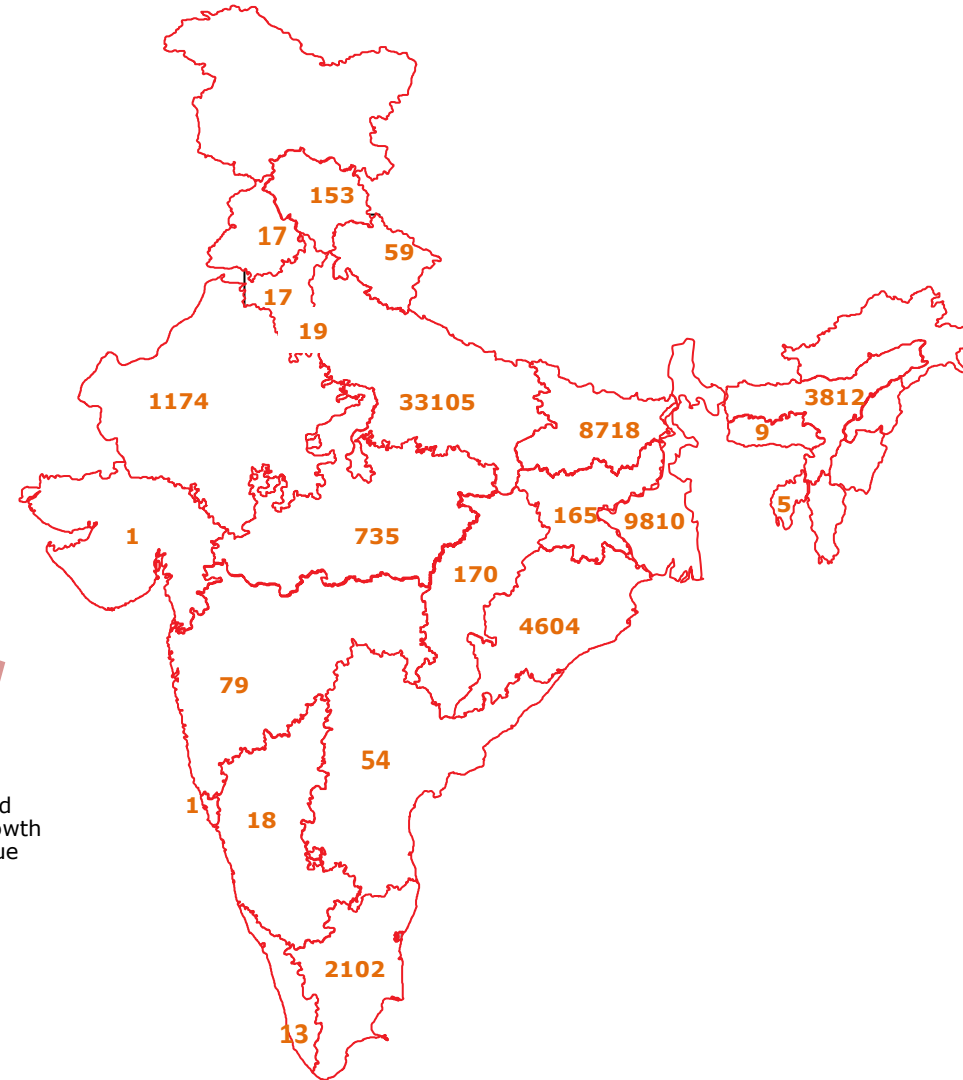
- Wide Bouquet of Products & Services across G2C, BFSI<sup>1</sup> (LI<sup>2</sup>, GI<sup>3</sup>, FI), B2C, Education Services, Product Sales & Distribution.
- The Gross Revenue for FY 16-17 is Rs 60 crs and Net Revenue is Rs 28 crs

## Operating Model for Growth- 3 Pronged Approach

- Existing business – add growth by width
- New business – for exponential growth
- Bouquet of Services:
  - ✓ e-Governance – G2C Services, UID, Fast Tag, Bill Collection etc.
  - ✓ e-Commerce – Insurance, Financial Inclusion (BC, Cash@PoS, Payments Bank), Mobile & DTH recharges, Product sale & distribution, E-Commerce etc.
  - ✓ e-Learning



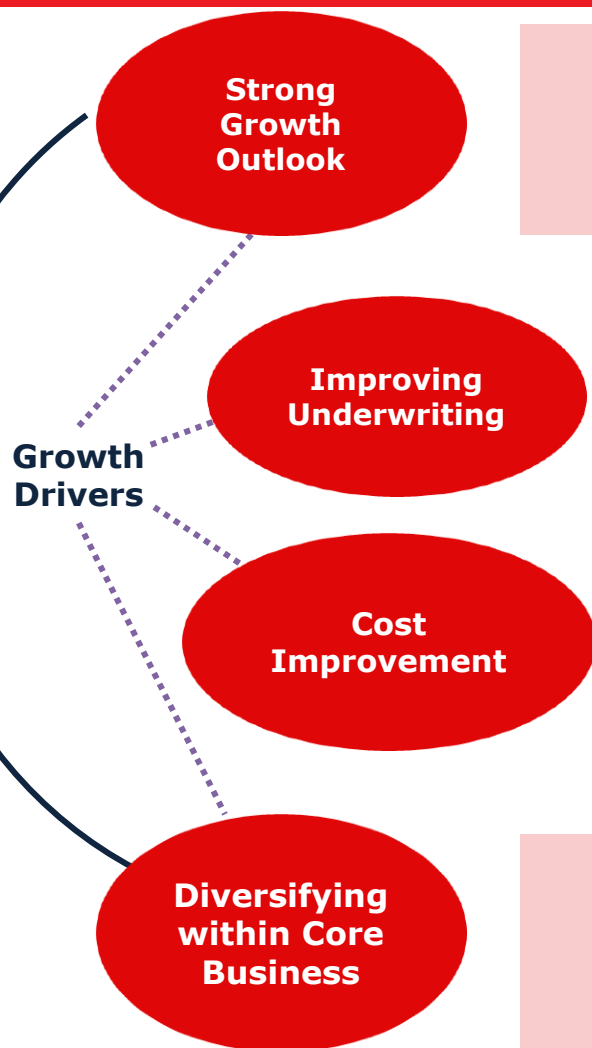
## EXTENSIVE RURAL DISTRIBUTION PLATFORM



\*as on March'17

1 – Banking, Financial Services & Insurance, 2 – Life Insurance, 3 – General Insurance, 5I – Financial Inclusion, 6 – Consumer Durables & Information Technology

- **HIGHLIGHTS: Q4 FY17**
- **INDUSTRY OVERVIEW – INDIA OPPORTUNITY**
- **FINANCIAL HIGHLIGHTS**
- **KEY BUSINESSES AND STRATEGY**
- **KEY INVESTMENT HIGHLIGHTS**



- Construction Equipment sales is poised to grow at a CAGR of ~ 25% upto FY20
- Increased outlay for Infrastructure & affordable housing will further boost demand for CME, specially in key equipment's like Backhoe loader and Excavator
- Srei being the market leader is best positioned to ride this growth

- Leverage experience of being into infra sector for the last 27 years
- Improved credit underwriting through better insight & data analytics through digitization
- Strategy beyond Asset writing - Down selling of portfolio to increase income through velocity

Maximize return through

- Re-pricing due to positive interest outlook
- Refinancing of loans
- Focus on PSL portfolio – Increase Securitization
- Improved Credit Rating
- Operating Leverage – Larger scale will optimize cost

- New Segment within CME i.e, Material Handling equipment, Tipper etc
- Expanding the Asset finance portfolio beyond the traditional CME segment i.e, Healthcare , IT , Farm, Used CME
- Provide Asset life cycle solution
- Moving towards complete digitized platform to enhance customer experience

## Maximise Return to Shareholders



**FOR ANY FURTHER QUERIES, PLEASE CONTACT:**



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We do not guarantee, warrant and/or recommend, express or implied, as to the accuracy or completeness of such assumptions and that these forward-looking statements will be realized, although we believe we have been prudent in assumptions which are subject to dynamic changes. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Prospective investors are recommended to take their decisions based on interpretations and assumption of such published forward looking statements. . We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise. Moreover, neither we or any other company or subsidiary of the Srei Group, nor any of its officers, directors or employees accept any liability or responsibility in respect to the information or any assumptions expressed herein.

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