

# FUELLING A BILLION DREAMS

**N**ot many entrepreneurs survive the transition from start-up to conglomerate. Of those, very few go on to lead the company beyond the billion-dollar mark. But the Kanoria brothers, Hemant and Sunil, are not content with just being successful entrepreneurs leading the \$10-billion farm-to-finance conglomerate Kanoria Foundation.

The teachings of Swami Vivekananda and the Vedanta philosophy have had a profound impact on Hemant and Sunil from a very early age and have been instrumental in shaping their values and principles. The brothers have been performing their karma (work) with dedication and devotion imbued with spirituality. Thus, every business and social venture of Kanoria Foundation looks beyond the bottomline and aims to create an ecosystem where there is harmonious co-existence of every soul.

Kanoria Foundation, headquartered in Kolkata, is dedicated towards societal development and runs business and social enterprises with long-term and sustainable objectives. It ensures institutional continuity and safeguards the interest of key stakeholders, reputation and brand of different business entities.

Srei Infrastructure Finance Limited ("Srei"), the flagship entity of the Group, has emerged as one of India's largest holistic infrastructure institutions. Srei has been constantly and consistently delivering innovative solutions in the infrastructure sector and has been playing a significant role in nation-building for nearly three decades,

## Kanoria Foundation Trustees



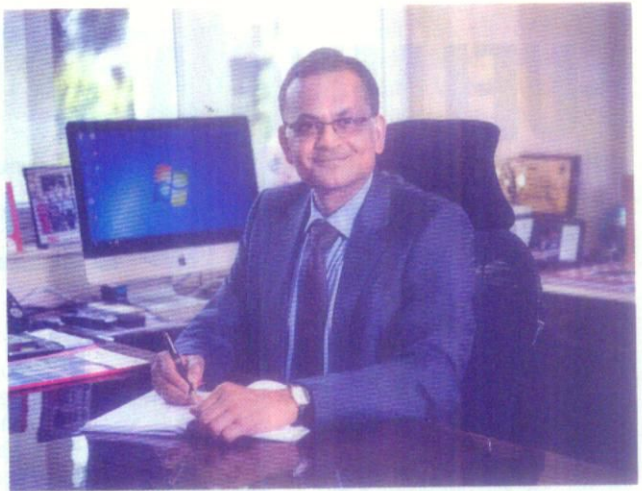


both in urban and rural India. Srei's businesses include Infrastructure Finance, Advisory and Development, Infrastructure Equipment Finance, Alternative Investment Funds, Capital Markets and Insurance Broking. Srei has presence across India and has also successfully replicated its business model in overseas markets.

However, when Srei started its journey the environment was rather challenging and difficult. India was still a closed-economy and quality investments in the infrastructure projects were unheard of. Better roads, more ports, uninterrupted power supply and rural development were critical for India's economic growth and welfare of its citizens. But the government did not have sufficient funds to finance the country's infrastructure requirement. The need for private investment in this space was more severe than ever.

Undaunted, Hemant and Sunil, under the guidance of their father Dr. Hari Prasad Kanoria, took the task of reshaping the country's infrastructure landscape. Their innovative ideas offered simple solutions to complex problems troubling the infrastructure sector. Srei's innovations and expertise in the infrastructure space gets clearly reflected from investors' confidence on the company. In 1992, the company launched its initial public offering ("IPO") and was listed on all major stock exchanges in India. Five years later, global investors including IFC, FMO and DEG invested in the company as strategic equity partners.

Being an innovator in nation-building, Srei quickly became the preferred partner in infrastructure financing. Both global and local corporations exploring opportunities in India's infrastructure industry wanted to partner Srei. One of Europe's largest banks, BNP Paribas Lease Group ("BPLG") formed a joint venture with Srei in 2008 in the business of leasing and financing construction equipment. Recently, BPLG has swapped its entire 50% stake in the joint venture company for 5% shares in Srei to play a larger role in the infrastructure space.



**HEMANT KANORIA** Chairman & Managing Director, Srei Infrastructure Finance Limited

Srei Equipment Finance Limited, the wholly-owned subsidiary of Srei, has emerged as the industry leader in infrastructure and construction equipment finance. The company finances every third infrastructure and construction equipment in the country. The company is run by an experienced management team having significant expertise in the financial services sector.

Hemant and Sunil understand the latent needs of the Indian economy and have been successfully converting several potential ideas into business reality. Several such ideas were first of its kind and created new business sectors.

The brothers conceptualised Quippo. Be it launching the country's largest equipment rental company or catering to the high growth verticals such as construction, telecom, energy, oil and gas, valuation and auctioning, Quippo has become the leader in equipment rental industry. Hemant and

Sunil had laid the foundations of independent telecom infrastructure industry in India under the aegis of Quippo Telecom more than a decade ago. It changed the Indian telecom tower landscape forever. A joint venture with Tata Teleservices was formed to create Viom Networks, which is now India's largest

telecom tower company. Recently, American Tower Corporation ("ATC") has acquired Srei's stake in Viom in one of the largest Foreign Direct Investment ("FDI") deals in the Indian telecom space.

The brothers also disrupted the infrastructure industry with the launch of iQuippo, India's first and one-of-its-kind digital marketplace for construction equipment, machinery and services. The platform allows buyers and sellers to interact, negotiate and close transactions in a timely, transparent and cost-effective manner. iQuippo will consolidate and digitalise the extremely fragmented construction equipment industry in India, thereby aiding fair price discovery, higher asset utilisation rates, quicker payback period and transparent dealing.

Through its initiative Attivo, Srei has initiated development, management, and marketing of industrial parks, economic zones, SEZs and smart cities. Attivo is marketing a multi-

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product SEZ in Tamil Nadu and is actively exploring opportunities to develop, acquire and market similar projects in other parts of the country.

Bharat Road Network Limited ("BRNL"), another Srei initiative, owns and operates toll roads and highways comprising of 2,095 lane kilometres. The company plans to launch its IPO and will soon be listed on all major stock exchanges in India.

Another landmark and rural transformation initiative of Srei is Sahaj e-Village Limited ("Sahaj"). The unique business model, under the brand Sahaj, was created to bridge the urban-rural digital divide and make services like e-governance, e-commerce and e-learning accessible to millions in remote geographies at an affordable price. The initiative has also opened up revenue opportunities for thousands of village level entrepreneurs ("VLEs"). It has also turned potential job seekers into job creators, addressing one of India's biggest challenges: unemployment. Today, Sahaj is India's largest ICT enabled rural retail network with around 67,000 IT-backed centres in 23 states and union territories.

The company serves about a third of India's population, all of which is predominantly rural and primarily poor and asset-less. Through a holistic social inclusion approach, Sahaj has triggered a socio-economic transformation, encompassing financial

inclusion, education, healthcare, clean drinking water, alternate energy, skilling, and employment linkages. Sahaj's services include banking, insurance, pension, direct benefit transfer in the BFSI sector; a range of G2C services like UIDAI, certificate of birth, income and caste, land records, etc.; utility and consumer services; marketing of e-commerce products; e-learning and e-healthcare.

Kanoria Foundation's businesses, however, are not restricted to Srei and its various ventures and initiatives. India Power Corporation Limited ("India Power"), a Kanoria Foundation entity, has a 98-year long rich legacy in efficient power distribution and sustainable power generation. India Power is an integrated power utility, having 618 square kilometres of power distribution in Asansol, West Bengal. The company is setting up and commissioning a 36 MW solar power plant in Uttarakhand at an investment of Rs 225 crore. India Power also has a thermal power generation portfolio of 1,462 MW.

Shristi, also a Kanoria Foundation entity, is engaged in infrastructure development with a deep-rooted commitment to creating spaces for life in harmony with the elements of nature. The company, which has a pan India presence, develops affordable houses, luxury homes, townships, retail shopping malls, commercial office spaces and hotels. Shristi aims to evolve the paradigms of urban living and lifestyle that create a fusion of Indian wisdom blended with the cutting edge technology. The company currently handles projects worth \$1 billion.

Through Suasth, Kanoria Foundation aims to offer quality and healthcare services to citizens of India. Suasth Healthcare India Private Limited is currently setting up a 400-bed super speciality hospicity at Navi Mumbai in Maharashtra.

Vindhyachal Agro Farms ("Vindhyachal"), a Kanoria Foundation entity, is one-of-its-kind integrated agriculture business. The company has pioneered the concept of farm-to-factory-to-fork model by creating a unique agricultural

industrial hub in Uttar Pradesh. It has also set up the world's largest guava plantation over 500 acres besides other fruit crops like pomegranate, lemon, sweet lime and mango. The entire fruit plantation is a hi-tech horticulture and the company will continue to set up fruit orchards over 3,000 acres in next three to five years. Vindhyachal is quickly emerging as one of the largest private employers in the Mirzapur district of Uttar Pradesh where employment opportunities are rare.

Under the leadership of Hemant and Sunil, Kanoria Foundation has been focusing on several social initiatives along with its business ventures. The social initiatives of the Group are aimed to improve the human mind, develop a healthy body and enrich the human soul.

Kanoria Foundation supports the education of students from nursery to higher education and promotes several skill development initiatives. The Group also focuses on delivering equal and quality access to basic health and education needs to as many individuals as possible. Kanoria Foundation also

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promotes non-violence against women and emphasises on providing service to humanity through medical assistance, educational support, healthy sanitation and developing schools, hospitals and medical centres. The Group convenes an annual World Confluence of Humanity, Power and Spirituality wherein cross-sections of humanitarian, spiritual, public and administrative leaders congregate to inspire and reflect on social, ethical and spiritual issues.

Together, through its business ventures and social initiatives, Kanoria Foundation has successfully created socio-economic value, built communities and established sustainable livelihoods for millions. The focus of the Group has been development at the grass roots, empowering traditionally disadvantaged, ensuring inclusive growth and creating a better India with better Indians.

**SUNIL KANORIA** Vice Chairman, Srei Infrastructure Finance Limited.

