



SIFL\SECT\EA\20-21\95

February 13, 2021

The Secretary

**BSE Limited**

Phiroze Jeejeebhoy Towers

Dalal Street, Mumbai - 400 001

Fax: 022-2272 2037/2039/2041/3121

**BSE Scrip Code: 523756**

**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

**NSE Symbol: SREINFRA**

Dear Sir,

**Sub: Outcome of Board Meeting held on 13th February, 2021**

This is to inform you that the Board of Directors of the Company at its meeting held today, i.e. 13th February, 2021, inter alia, has, approved the following:

**Unaudited Financial Results**

- (i) Unaudited Standalone and Consolidated Financial Results of the Company prepared in compliance with Indian Accounting Standards (IND AS) for the Quarter and Nine Months ended on 31st December, 2020, pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

A copy of the Unaudited Standalone and Consolidated Financial Results of the Company for the Quarter and Nine Months ended on 31st December, 2020 together with a copy of the Auditors' Limited Review Report thereon (with unmodified opinion) is enclosed for your information.

We are also arranging to upload the aforesaid Financial Results on the Company's website [www.srei.com](http://www.srei.com) and publish the Consolidated Financial Results in the newspapers in the format prescribed under Regulation 47 of the SEBI Listing Regulations.

The meeting of the Board of Directors of the Company commenced at 5:30 P.M. (IST) and concluded at 10:30 P.M. (IST).

This is for your information and record.

Thanking you.

Yours faithfully,

For **Srei Infrastructure Finance Limited**

**Sandeep Lakhota**

**Company Secretary**

**FCS 7671**

Encl.: a/a

**Srei Infrastructure Finance Limited**

CIN: L29219WB1985PLC055352

Registered Office : 'Vishwakarma' 86C, Topsia Road (South), Kolkata - 700 046

Tel.: +91 33 22850112-15, 61607734 Fax: +91 33 2285 8501/7542

Email: [corporate@srei.com](mailto:corporate@srei.com) Website: [www.srei.com](http://www.srei.com)

**Independent Auditor's Review Report on the Unaudited Standalone Quarterly and Year to date Financial Results**

**To the Board of Directors of Srei Infrastructure Finance Limited**

1. We have reviewed the accompanying statement of unaudited Standalone Financial Results of **Srei Infrastructure Finance Limited** ("the Company") for the quarter and nine months ended December 31<sup>st</sup>, 2020 ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
2. 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 Indian Accounting Standard 34 (Ind AS 34) "Interim Financial Reporting", prescribed under Section 133 of the Companies Act, 2013 as amended ("the Act"), read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the 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 Statement is free of material misstatements. 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.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to the following matters in the Notes to the Statement:
  - i. Note 2 to the Statement, which explains that the Company has transferred the business of lending, interest-earning and leasing along with its associated employees and related assets and liabilities by way of slump exchange pursuant to a Business Transfer Agreement (BTA) with its subsidiary, Srei Equipment Finance Limited (SEFL) with effect from October 01<sup>st</sup>, 2019 after receiving the approval of the shareholders, debenture trustees, few lenders, stock exchanges and in-principle approval from some of the domestic lenders including lead banks. The consent, or otherwise, of other lenders is still awaited. The Company has obtained expert legal and accounting opinions in relation



to the accounting of the slump exchange transaction which confirms that the accounting treatment so given is in accordance with the relevant Ind AS and the underlying guidance and frame work, and we have relied on the same.

The note also specifies that SEFL has proposed Schemes with its Creditors through approval from relevant authorities and the application to that effect has been filed with the Hon'ble National Company Law Tribunal (NCLT). BTA, inter alia, constitutes an integral part of the Scheme. Pending final decision in the matter, SEFL and the Company has maintained status quo for BTA as per the directions of Hon'ble NCLT.

- ii. Note 3 to the Statement, which explains that owing to COVID-19 pandemic, extended lockdown, extension of moratorium to the borrowers and operating lessees, non-availability of moratorium from lenders and loan loss provision, SEFL's business has incurred loss and cash flow mismatch during the nine months period ended December 31<sup>st</sup>, 2020 and its net worth has reduced. The financial results of SEFL were approved in their meeting of Board of Directors held on February 11<sup>th</sup>, 2021.

Considering the above facts, the Company is in the process of assessing the carrying amount of its investment in SEFL. Any Impact/ adjustment in the carrying amount of the said investment in SEFL, arising out of the assessment will be considered in the subsequent quarter.

- iii. Note 4 to the Statement, which explains the non-ascertainment of the impact of COVID-19 pandemic on the business of the Company, the investments in subsidiaries and the operations and business of its Subsidiaries. The extent to which COVID-19 pandemic will have impact on the Company's performance is dependent on future developments.

Our conclusion is not modified in respect of these matters.

6. The standalone financial results of the Company for the quarter and nine months ended December 31<sup>st</sup>, 2019 prepared in accordance with Companies (Indian Accounting Standards) Rules 2015, were reviewed by another firm of Chartered Accountants who, vide their report dated February 14<sup>th</sup>, 2020 issued a modified review report on those financial results and we have relied on the same. The standalone financial results for the year ended March 31<sup>st</sup>, 2020 was audited by the then Statutory auditors of the Company who have expressed an unmodified opinion vide their report dated July 28<sup>th</sup>, 2020 and we have relied on the same.

Our conclusion is not modified in respect of the aforesaid matter.

For **D. K. Chhajer & Co.**  
Chartered Accountants  
FRN: 304138E



**Dilip Kumar Saha**  
Partner  
Membership No: 014464  
UDIN: 21014464AAAAAI7761

Place: Kolkata  
Date: February 13<sup>th</sup>, 2021



**SREI INFRASTRUCTURE FINANCE LIMITED**

Regd Office: 'Vishwakarma', 86C, Topsia Road (South), Kolkata - 700 046, Website: www.srei.com, Email for Investors: investor.relations@srei.com  
(CIN): L29219WB1985PLC055352

**UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2020**

(Rs. in Lakhs)

	Particulars	Quarter ended			Nine Months ended		Year ended
		31-Dec-20 (Unaudited)	30-Sep-20 (Unaudited)	31-Dec-19 (Unaudited)	31-Dec-20 (Unaudited)	31-Dec-19 (Unaudited)	31-Mar-20 (Audited)
	<b>Revenue from Operations</b>						
	Interest Income	5	8	26	23	37	32
	Dividend Income	-	-	83	-	91	91
	Rental Income	356	352	355	1,063	1,081	1,436
	Fees and Commission Income	416	550	1,820	1,936	4,701	5,234
	Net gain on fair value changes	1	-	784	1	-	-
	Net gain on derecognition of financial instruments under fair value through profit or loss	1	2	409	3	2,128	2,128
	Net gain on derecognition of financial instruments	(1,500)	274	-	274	-	-
(I)	<b>Total Revenue from Operations</b>	<b>(721)</b>	<b>1,186</b>	<b>3,477</b>	<b>3,300</b>	<b>8,038</b>	<b>8,921</b>
(II)	Other Income	233	7	4	241	579	2,525
(III)	<b>Total Income (I+II)</b>	<b>(488)</b>	<b>1,193</b>	<b>3,481</b>	<b>3,541</b>	<b>8,617</b>	<b>11,446</b>
	<b>Expenses</b>						
	Finance Costs	824	99	1,909	2,633	6,757	8,681
	Fees and Commission Expense	201	357	289	777	695	1,059
	Net loss on fair value changes	-	-	-	-	-	-
	Net loss on derecognition of financial instruments under amortised cost	-	-	-	-	-	1,211
	Impairment on Financial Instruments (Net)	1,196	(52)	59	1,103	1,353	(217)
	Employee Benefits Expenses	269	155	300	530	511	586
	Depreciation, Amortisation and Impairment	192	194	197	580	606	800
	Administrative and Other Expenses	215	213	328	657	812	1,102
(IV)	<b>Total Expenses (IV)</b>	<b>2,897</b>	<b>966</b>	<b>3,082</b>	<b>6,280</b>	<b>10,734</b>	<b>13,222</b>
(V)	Profit / (Loss) Before Tax from continuing operations (III-IV)	(3,385)	227	399	(2,739)	(2,117)	(1,776)
(VI)	Tax Expense of continuing operation:						
	(a) Current Tax	-	-	-	-	-	-
	(b) Deferred Tax	(375)	65	(35)	(140)	(1,129)	(1,002)
(VII)	Profit / (Loss) after tax from continuing operations (V-VI)	(3,010)	162	434	(2,599)	(988)	(774)
(VIII)	Profit before Tax from discontinued operations	-	-	-	-	3,769	3,769
(IX)	Tax Expenses of discontinued operations:						
	(a) Current Tax	-	-	-	-	-	-
	(b) Deferred Tax	-	-	-	-	1,639	1,639
(X)	Profit after Tax from discontinued operations (VIII-IX)	-	-	-	-	2,130	2,130
(XI)	<b>Total Profit Before Tax for the period (V+VIII)</b>	<b>(3,385)</b>	<b>227</b>	<b>399</b>	<b>(2,739)</b>	<b>1,652</b>	<b>1,993</b>
(XII)	Total Tax for the period:						
	(a) Current Tax	-	-	-	-	-	-
	(b) Deferred Tax	(375)	65	(35)	(140)	510	637
(XIII)	<b>Total Profit/ (Loss) after Tax for the period (XI-XII)</b>	<b>(3,010)</b>	<b>162</b>	<b>434</b>	<b>(2,599)</b>	<b>1,142</b>	<b>1,356</b>
(XIV)	<b>Other Comprehensive Income/ (Expense)</b>						
	Items that will not be reclassified to Profit or Loss						
	- Remeasurement Gains/ (Losses) on Defined Benefit Plan	-	(33)	20	(21)	11	46
	- Gains/ (Losses) on Equity Instruments through Other Comprehensive Income	2,809	272	(1,969)	4,987	(7,951)	(20,621)
	- Tax related to above	(648)	10	454	(1,093)	1,961	4,778
	<b>Total Other Comprehensive Income/ (Expense) (XIV)</b>	<b>2,161</b>	<b>249</b>	<b>(1,495)</b>	<b>3,873</b>	<b>(5,979)</b>	<b>(15,797)</b>
(XV)	<b>Total Comprehensive Income/ (Expense) for the period (XIII+XIV)</b>	<b>(849)</b>	<b>411</b>	<b>(1,061)</b>	<b>1,274</b>	<b>(4,837)</b>	<b>(14,441)</b>
	Paid-up Equity Share Capital (Par Value Rs. 10/- per Equity Share)	50,309	50,309	50,309	50,309	50,309	50,309
	Other Equity excluding Revaluation Reserves	-	-	-	-	-	233,958
	<b>Earnings per Equity share for continuing operations (Basic and Diluted) (in Rs.) (*Not annualised) (Par Value Rs. 10/- per Equity Share)</b>	<b>*(0.60)</b>	<b>*0.03</b>	<b>*0.09</b>	<b>*(0.52)</b>	<b>*(0.20)</b>	<b>(0.15)</b>
	<b>Earnings per Equity share for discontinued operations (Basic and Diluted) (in Rs.) (*Not annualised) (Par Value Rs. 10/- per Equity Share)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>*0.42</b>	<b>0.42</b>
	<b>Earnings per Equity share for continuing and discontinued operations (Basic and Diluted) (in Rs.) (*Not annualised) (Par Value Rs. 10/- per Equity Share)</b>	<b>*(0.60)</b>	<b>*0.03</b>	<b>*0.09</b>	<b>*(0.52)</b>	<b>*0.23</b>	<b>0.27</b>

**Notes:**

1. The above unaudited standalone financial results have been reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company at their respective meetings held on 13th February, 2021 and subjected to Limited Review by the Statutory Auditors, pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. During the Financial Year 2019-20, the Board of Directors of the Company and its wholly-owned subsidiary, Srei Equipment Finance Limited ("SEFL") at their respective meetings held on 4th July, 2019 approved the transfer of Lending Business, Interest Earning Business & Lease Business of the Company together with associated employees, assets & liabilities (including liabilities towards issued & outstanding non-convertible debentures) (the "Transferred Undertaking"), as a going concern by way of slump exchange to SEFL through a Business Transfer Agreement ("BTA"), in exchange of fully paid up equity shares to be issued and allotted by SEFL, subject to all necessary approvals.

Pursuant to this, the Company signed BTA on 16th August, 2019 and an amendment to the aforesaid, BTA on 14th November, 2019 with SEFL, pursuant to which it has entered into various assignment agreements, in connection with the Transferred Undertaking, with SEFL to give effect of the slump exchange and accordingly the Company and SEFL has passed the relevant accounting entries in their respective books of account effective 1st October, 2019, after receiving the approval of the shareholders, debenture trustees, few lenders, stock exchanges and in-principle approval from some of the domestic lenders including lead banks. One of debenture holders of SEFL holding debentures amounting to Rs. 75 crores has objected to the slump exchange. The consent, or otherwise, of other lenders is still awaited. Pending the approvals as stated above, the Company had accounted for the slump exchange transaction on 1st October, 2019, as stated above. The Company has obtained expert legal and accounting opinions in relation to the accounting of the Slump Exchange Transaction which confirms that the accounting treatment so given is in accordance with the relevant Ind AS and the underlying guidance and framework.

Moreover, SEFL has also proposed the Schemes with its Creditors through approval from relevant authorities and the application to that effect has been filed with the Hon'ble National Company Law Tribunal (NCLT). BTA, inter alia, constitutes an integral part of the Scheme. Pending final decision in the matter, SEFL and the Company has maintained status quo for BTA as per the directions of Hon'ble NCLT.



- Owing to COVID-19 pandemic, extended lockdown, extension of moratorium to the borrowers and operating lessees, non-availability of moratorium from lenders and loan loss provision, SEFL business has incurred loss and cash flow mismatch during the nine months period ended December 31, 2020 and its net worth has reduced. The financial results of SEFL for the quarter and period ended 31st December, 2020 were approved by the Board of Directors of SEFL in their meeting held on 11th February, 2021.

Considering the above facts, the Company is in the process of assessing the carrying amount of its investment in SEFL. Any Impact/ adjustment in the carrying amount of the said investment in SEFL, arising out of the assessment will be considered in the subsequent quarter

- The outbreak of COVID-19 pandemic across the globe and in India has contributed to a significant impact and volatility in global and Indian financial markets and slowdown in economic activities. The impact of COVID-19 pandemic will be long lasting on the business of the Company, the investments in subsidiaries, and the operations and business of its subsidiaries is dependent on the future developments.
- Considering the significant impact of COVID-19 on business activity, the Company had approached Non-convertible Perpetual Bond holders for waiver of interest for F.Y. 2020-21. The Company has received their consent. Accordingly, the Company has not accrued interest on such bonds for nine months period ended 31st December, 2020 totalling to Rs. 2,405 lakhs. Further, interest accrued on such bonds for quarter ended 30th June, 2020 totalling to Rs.792 lakhs was reversed during the quarter ended 30th September, 2020 resulting lower finance costs in that quarter.
- The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment received Presidential assent in September, 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- The business of the Company falls within a single primary segment viz., 'Financial Services' and hence, the disclosure requirement of Ind AS 108 - "Operating Segments" is not applicable.
- Figures pertaining to the previous period have been rearranged/ regrouped, wherever considered necessary, to make them comparable with those of the current period.

Place: Kolkata  
Date: 13th February, 2021

For and on behalf of the Board of Directors



Chairman  
DM: 00193015



**Independent Auditor's Review Report on the Unaudited Consolidated Quarterly and Year to date Financial Results**

**To The Board of Directors of Srei Infrastructure Finance Limited**

1. We have reviewed the accompanying Statement of unaudited Consolidated Financial Results of **Srei Infrastructure Finance Limited** ("the Holding Company") and its Subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") for the quarter and nine months ended December 31<sup>st</sup>, 2020 (the "Statement"), being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 (Ind AS 34) "Interim Financial Reporting", prescribed under Section 133 of the Companies Act, 2013 as amended ("the Act"), read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the 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 Statement is free of material misstatements. 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.
4. We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29<sup>th</sup>, 2019 issued by the SEBI under Regulation 33(8) of the Listing Regulations, to the extent applicable.
5. The Statement includes the results of the following entities:

S.No.	Name of the Entities	Relationship
1.	Srei Equipment Finance Limited	Wholly owned Subsidiary
2.	Srei Capital Markets Limited	Wholly owned Subsidiary
3.	Srei Asset Leasing Limited* (Formerly Srei Finance Limited)	Wholly owned Subsidiary
4.	Controlla Electrotech Private Limited	Wholly owned Subsidiary
5.	Srei Mutual Fund Asset Management Private Limited	Wholly owned Subsidiary
6.	Srei Mutual Fund Trust Private Limited	Wholly owned Subsidiary
7.	Srei Insurance Broking Private Limited	Wholly owned Subsidiary



8.	Bengal Srei Infrastructure Development Limited	Subsidiary
9.	Trinity Alternative Investment Managers Limited (Formerly Srei Alternative Investment Managers Limited)	Subsidiary
10.	Hyderabad Information Technology Venture Enterprises Limited	Step-down Subsidiary
11.	Cyberabad Trustee Company Private Limited	Step-down Subsidiary
12.	Srei Mutual Fund Trust	Trust

6. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review report of the other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

7. We draw attention to the following matters in the Notes to the Statement:

i. Note 2 to the Statement, which explains that Srei Equipment Finance Limited (SEFL) is still in the process of ascertaining the total impact on its operations and financial position owing to COVID-19 pandemic, extended lockdown in India and extension of moratorium/resolution to its borrowers/operating lessees. Pending completion of the above, we are unable to comment on any non-compliance of RBI guidelines, if any, and the consequential impact thereof on the financial results for the quarter and nine months ended on December 31<sup>st</sup>, 2020. SEFL, as a prudent measure, has made accelerated provision aggregating to Rs. 1,542.13 Crores during this quarter, which is over and above the normal ECL provision.

Moreover, the extent to which the COVID-19 pandemic may further impact the Group's operational and financial results will depend on the future developments, which are unascertainable at this point of time.

ii. Note 4 to the Statement, which explains that the Holding Company has transferred the business of lending, interest-earning and leasing along with its associated employees and related assets and liabilities by way of slump exchange pursuant to a Business Transfer Agreement (BTA) with its wholly owned subsidiary, Srei Equipment Finance Limited (SEFL) with effect from October 01<sup>st</sup>, 2019 after receiving the approval of the shareholders, debenture trustees, few lenders, stock exchanges and in-principle approval from some of the domestic lenders including lead banks. The consent, or otherwise, of other lenders is still awaited. The Company has obtained expert legal and accounting opinions in relation to the accounting of the slump exchange transaction which confirms that the accounting treatment so given is in accordance with the relevant Ind AS and the underlying guidance and frame work, and we have relied on the same.

The note also specifies that SEFL has proposed the Schemes with its Creditors through approval from relevant authorities and the application to that effect has been filed with the Hon'ble National Company Law Tribunal (NCLT). BTA, inter alia, constitutes an integral part of the Scheme. Pending final decision in the matter, SEFL and the Company has maintained status quo for BTA as per the directions of Hon'ble

NCLT.



iii. The following Emphasis of matter (as reproduced) has been communicated to us by the auditors of SEFL, vide their report dated February 11<sup>th</sup>, 2021:

(a) "We draw attention to Note No. 4 to the Statement which indicates the factors that have resulted into loss and cash flow mismatch during the nine months period ended December 31<sup>st</sup>, 2020 and reduction in the net worth of the Company and which may impact the Company's ability to meet its financial commitments. As stated in the said note, the Company's ability to meet its financial commitments is dependent on the final outcome of the said Scheme, which is under discussions. As the final outcome of the Scheme is uncertain at this time, it seems that there is a material uncertainty which casts significant doubt about the Company's ability to continue as a 'going concern' in foreseeable future. However, for the reasons stated in the said note, the Company has considered it appropriate to prepare the Statement on a going concern basis."

Refer Note 3 to the consolidated financial results in this regard.

(b) "Note No. 6 to the Statement which explains that the Company has applied for moratorium on borrowings to its lenders and that the Company is also in the process of entering into a Scheme of Arrangement with the lenders through approval from relevant authorities. As stated in the said Note the Company is in active discussion with the lenders in relation to the Scheme of Arrangement. Since, the discussion/process, as aforesaid, is still on, no impact/adjustments of the same has yet been given in the books of account and we are unable to comment on the consequential impact of the same, if any, on the financial results for the quarter and nine months ended December 31<sup>st</sup>, 2020."

Refer Note 5 to the consolidated financial results in this regard.

Our conclusion is not modified in respect of these matters.

8. We did not review the interim financial results of a subsidiary included in the Statement, whose interim financial results reflect total revenue of Rs. 48,637 lakhs and Rs. 2,86,651 lakhs for the quarter ended December 31<sup>st</sup>, 2020 and for nine months ended December 31<sup>st</sup>, 2020, respectively, total net profit after tax of Rs. (3,78,427) lakhs and Rs. (3,76,241) lakhs for the quarter ended December 31<sup>st</sup>, 2020 and for nine months ended December 31<sup>st</sup>, 2020, respectively and total comprehensive income of Rs. (3,77,373) lakhs and Rs. (3,73,362) lakhs, for the quarter and nine months ended December 31<sup>st</sup>, 2020, respectively, as considered in the Statement. The interim financial results of the subsidiary have been reviewed by other auditor whose report has been furnished to us by the Management and our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, is based solely on the reports of the other auditor and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of the above matter.

9. The Statement includes the unreviewed interim financial results of 10 subsidiaries and 01 trust included in the Statement whose interim financial results reflect total revenue of Rs. 921.17 lakhs and Rs. 1,995.17 lakhs for the quarter ended December 31<sup>st</sup>, 2020 and for nine months ended December 31<sup>st</sup>, 2020, respectively, total net profit after tax of Rs. 336.71 lakhs and Rs. 520.71 lakhs for the quarter ended December 31<sup>st</sup>, 2020 and for nine months ended December 31<sup>st</sup>, 2020, respectively and total comprehensive income of Rs. (687.38) lakhs and Rs. (572.38) lakhs for the quarter ended December 31<sup>st</sup>, 2020 and for nine





months ended December 31<sup>st</sup>, 2020, respectively, as considered in the Statement. These interim financial results have not been reviewed by the auditors of such subsidiaries and trust and have been furnished to us by the Management and our reporting on the Statement, in so far as it relates to the amounts and disclosures in respect of these subsidiaries and trust, is based solely on such unreviewed interim financial results. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group including its associates and trust.

Our conclusion on the Statement is not modified in respect of the aforesaid matters.

10. The consolidated financial results of the Company for the quarter and nine months ended December 31<sup>st</sup>, 2019 prepared in accordance with Companies (Indian Accounting Standards) Rules 2015, were reviewed by another firm of Chartered Accountants who, vide their report dated February 14<sup>th</sup>, 2020 issued a modified review report on those financial results and we have relied on the same. The consolidated financial results for the year ended March 31<sup>st</sup>, 2020 was audited by the then Statutory auditors of the Company who have expressed an unmodified opinion vide their report dated July 28<sup>th</sup>, 2020 and we have relied on the same.

Our conclusion is not modified in respect of the aforesaid matter.

**For D. K. Chhajer & Co**  
*Chartered Accountants*  
FRN: 304138E



**Dilip Kumar Saha**  
*Partner*  
Membership No: 014464  
UDIN: 21014464AAAAAJ2260

Place: Kolkata  
Date : February 13<sup>th</sup>, 2021



**SREI INFRASTRUCTURE FINANCE LIMITED**

Regd Office: 'Vishwakarma', 86C, Topsia Road (South), Kolkata - 700 046, Website: www.srei.com, Email for Investors: investor.relations@srei.com  
(CIN): L29219WB1985PLC055352

**UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2020**

	Particulars	Quarter ended			Nine Months ended		Year ended
		31-Dec-20	30-Sep-20	31-Dec-19	31-Dec-20	31-Dec-19	31-Mar-20
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	<b>Revenue from Operations</b>						
	Interest Income	44,363	91,539	93,066	226,770	280,619	386,823
	Dividend Income	-	-	83	-	91	91
	Rental Income	3,781	21,992	27,500	49,285	92,864	120,710
	Fees and Commission Income	1,223	1,554	2,785	4,536	8,600	11,579
	Net gain on fair value changes	-	-	6,561	-	23,392	37,119
	Net gain on derecognition of financial instruments	(1,500)	274	12,237	274	20,598	30,370
	Net gain on derecognition of financial instruments under fair value through profit or loss	5	2	409	7	18,049	18,049
	Others	1,164	902	2,408	3,292	3,500	6,741
(I)	<b>Total Revenue from Operations</b>	<b>49,036</b>	<b>116,263</b>	<b>145,049</b>	<b>284,164</b>	<b>447,713</b>	<b>611,482</b>
(II)	Other Income	(601)	3,927	(3,229)	6,016	(6,222)	(11,666)
(III)	<b>Total Income (I+II)</b>	<b>48,435</b>	<b>120,190</b>	<b>141,820</b>	<b>290,180</b>	<b>441,491</b>	<b>599,816</b>
	<b>Expenses</b>						
	Finance Costs	85,578	85,887	90,846	254,500	281,501	378,947
	Fees and Commission Expense	567	1,232	1,917	2,444	3,420	3,451
	Net loss on fair value changes	22,717	(412)	-	25,006	-	-
	Net loss on derecognition of financial instruments under amortised cost	2,748	2,863	5,125	6,895	20,453	28,597
	Impairment on Financial Instruments (Net)	283,266	3,445	2,619	293,417	12,962	41,235
	Employee Benefits Expenses	3,633	3,559	4,671	10,625	15,456	19,613
	Depreciation, Amortisation and Impairment	20,515	17,135	19,765	54,859	60,047	78,502
	Administrative and Other Expenses	4,830	5,647	5,774	13,533	16,579	24,468
	Loss / write-off on Repossessed Assets and Assets acquired in satisfaction of debt	7,650	-	1,914	7,650	6,160	12,054
(IV)	<b>Total Expenses (IV)</b>	<b>431,504</b>	<b>119,356</b>	<b>132,631</b>	<b>668,929</b>	<b>416,578</b>	<b>586,867</b>
(V)	<b>Profit before Exceptional Items &amp; Tax (III-IV)</b>	<b>(383,069)</b>	<b>834</b>	<b>9,189</b>	<b>(378,749)</b>	<b>24,913</b>	<b>12,949</b>
(VI)	Adjustment on disposal / cessation of Subsidiaries and Associate	-	-	-	-	-	1,222
(VII)	<b>Profit/ (Loss) Before Tax (V+VI)</b>	<b>(383,069)</b>	<b>834</b>	<b>9,189</b>	<b>(378,749)</b>	<b>24,913</b>	<b>14,171</b>
(VIII)	<b>Tax Expense:</b>						
	(a) Current Tax	(4,731)	2,768	(12,338)	179	(10,023)	4,347
	(b) Income Tax in respect of earlier year	(4,333)	-	-	(4,333)	-	-
	(c) Deferred Tax	7,088	(2,406)	15,527	3,725	19,132	949
(IX)	<b>Profit/ (Loss) After Tax but before Loss of Associates (VII-VIII)</b>	<b>(381,093)</b>	<b>472</b>	<b>6,000</b>	<b>(378,320)</b>	<b>15,804</b>	<b>8,875</b>
(X)	Share of Profit/ (Loss) of Associates	-	-	-	-	-	-
(XI)	<b>Profit/ (Loss) After Tax (IX+X)</b>	<b>(381,093)</b>	<b>472</b>	<b>6,000</b>	<b>(378,320)</b>	<b>15,804</b>	<b>8,875</b>
(XII)	<b>Other Comprehensive Income/(Expense)</b>						
	Items that will not be reclassified to Profit or Loss						
	- Remeasurement Gains/ (Losses) on Defined Benefit Plan	30	48	119	69	47	2
	- Gains/ (Losses) on Equity Instruments through Other Comprehensive Income	1,784	204	(913)	3,894	(6,829)	(20,300)
	- Tax related to above	(380)	(18)	(211)	(846)	1,317	4,724
	Items that will be reclassified to Profit or Loss						
	- Effective portion of gains and losses on hedging instruments in a cash flow hedge	691	180	120	854	(320)	(945)
	- Gains on fair valuation of loans	(1,695)	197	103	888	(2,527)	3,871
	- Tax related to above	1,760	(132)	(75)	800	995	(1,023)
	<b>Total Other Comprehensive Income/(Expense) (XII)</b>	<b>2,190</b>	<b>479</b>	<b>(857)</b>	<b>5,659</b>	<b>(7,317)</b>	<b>(13,671)</b>
(XIII)	<b>Total Comprehensive Income/(Expense) for the period (XI+XII)</b>	<b>(378,903)</b>	<b>951</b>	<b>5,143</b>	<b>(372,661)</b>	<b>8,487</b>	<b>(4,796)</b>
	<b>Profit/ (Loss) for the period attributable to:</b>						
	-Owners of the parent	(381,258)	475	6,003	(378,480)	15,812	8,884
	-Non-controlling interest	165	(3)	(3)	160	(8)	(9)
	<b>Other Comprehensive Income/(Expense) for the period attributable to:</b>						
	-Owners of the parent	2,692	479	(857)	6,161	(7,317)	(13,671)
	-Non-controlling interest	(502)	-	-	(502)	-	-
	<b>Total Comprehensive Income/(Expense) for the period attributable to:</b>						
	-Owners of the parent	(378,566)	954	5,146	(372,319)	8,495	(4,787)
	-Non-controlling interest	(337)	(3)	(3)	(342)	(8)	(9)
	Paid-up Equity Share Capital (Par Value Rs. 10/- per Equity Share)	50,309	50,309	50,309	50,309	50,309	50,309
	Other Equity excluding Revaluation Reserves	-	-	-	-	-	351,929
	<b>Earnings per Equity share (Basic and Diluted) (in Rs.) (*Not annualised)</b>	<b>*(75.75)</b>	<b>*0.09</b>	<b>*1.19</b>	<b>*(75.20)</b>	<b>*3.14</b>	<b>1.76</b>
	<b>(Par Value Rs. 10/- per Equity Share)</b>						

**Segment wise Revenue, Results, Assets and Liabilities**

Particulars	Quarter ended			Nine Months ended		Year ended
	31-Dec-20	30-Sep-20	31-Dec-19	31-Dec-20	31-Dec-19	31-Mar-20
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>1. Segment Revenue</b>						
(a) Financial Services	49,093	116,328	145,165	284,349	447,954	611,805
(b) Others	83	76	80	238	240	320
<b>Total</b>	<b>49,176</b>	<b>116,404</b>	<b>145,245</b>	<b>284,587</b>	<b>448,194</b>	<b>612,125</b>
<b>Less: Inter Segment Revenue</b>	140	141	196	423	481	643
<b>Net Income from Operations</b>	<b>49,036</b>	<b>116,263</b>	<b>145,049</b>	<b>284,164</b>	<b>447,713</b>	<b>611,482</b>
<b>2. Segment Results</b>						
(a) Financial Services	(383,055)	857	9,203	(378,701)	24,958	14,232
(b) Others	(14)	(23)	(14)	(48)	(45)	(61)
<b>Profit Before Tax</b>	<b>(383,069)</b>	<b>834</b>	<b>9,189</b>	<b>(378,749)</b>	<b>24,913</b>	<b>14,171</b>
<b>3. Segment Assets</b>						
(a) Financial Services	3,200,059	3,665,892	3,831,942	3,200,059	3,831,942	3,776,638
(b) Others	1,964	2,020	1,974	1,964	1,974	1,929
(c) Un-allocable	40,622	20,898	14,039	40,622	14,039	20,758
<b>Total Segment Assets</b>	<b>3,242,645</b>	<b>3,688,810</b>	<b>3,847,955</b>	<b>3,242,645</b>	<b>3,847,955</b>	<b>3,799,325</b>
<b>4. Segment Liabilities</b>						
(a) Financial Services	3,213,013	3,280,253	3,428,299	3,213,013	3,428,299	3,397,038
(b) Others	6	19	7	6	7	9
(c) Un-allocable	30	30	36	30	36	36
<b>Total Segment Liabilities</b>	<b>3,213,049</b>	<b>3,280,302</b>	<b>3,428,342</b>	<b>3,213,049</b>	<b>3,428,342</b>	<b>3,397,083</b>



**Notes:**

1. The above unaudited consolidated financial results have been reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company at their respective meetings held on 13th February, 2021 and subjected to Limited Review by the Statutory Auditors, pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. The outbreak of COVID-19 pandemic across the globe and in India followed by lockdown extended from time to time across the globe and in India has contributed to a significant impact and volatility in global and Indian financial markets and slowdown in economic activities.

Consequently, Reserve Bank of India (RBI) issued guidelines relating to COVID-19 Regulatory Package on March 27, 2020, April 17, 2020 and May 23, 2020 and also relating to resolution framework for Micro, Small and Medium Enterprises (MSME) sector and other eligible borrowers on August 6, 2020, however NBFCs like Srei Equipment Finance Limited ("SEFL") were not included in the August 6, 2020 RBI Circular. In accordance therewith and on the basis of approval of the Board, SEFL has offered repayment moratorium/resolution plan to all eligible borrowers to whom loan has been granted (including cases of co-lending and loan assigned) (hereinafter referred to as 'borrowers') and to all eligible customers to whom assets are given on operating lease (hereinafter referred to as 'operating lessees').

Owing to the COVID-19 pandemic followed by extended lockdown, the collection and realisation from the borrowers and the operating lessees were severely impacted during nine months period ended on December 31, 2020. On the other hand, SEFL was not allowed moratorium by all its lenders. This has further severely impacted the cash flows of SEFL during the said period.

As reported in last quarter, SEFL is carrying out review and reconciliation of its borrowers/operating lessees under stress and to whom the moratorium/resolution plan was granted and the corresponding ECL/Regulatory provisioning as mandated by RBI. Based on the review, SEFL has, as a prudent measure, decided to make accelerated provision aggregating to ₹ 1,542.13 crores, which is over and above the normal ECL provision. Consequently, SEFL has reported loss after tax of ₹ 3,784.27 crores for the quarter and ₹ 3,762.41 crores for the nine months period ended on December 31, 2020. The aforesaid review/reconciliation process is still in progress. Any further adjustment/provisioning as may be required will be carried out on final completion of above stated review/ reconciliation process.

While overall situation seems to be returning to normalcy in India, the extent to which the COVID-19 pandemic may further impact the Group's operational and financial results will depend on the future developments, which are unascertainable at this point of time.

3. Owing to COVID-19 pandemic, extended lockdown, extension of moratorium to the borrowers and operating lessees, non-availability of moratorium from lenders and substantial loan loss provision, Srei Equipment Finance Limited ("SEFL") has incurred loss and cash flow mismatch during the nine months period ended December 31, 2020 and its net worth has reduced. This may impact SEFL's ability to meet its financial commitments in foreseeable future. Considering the overall situation, it seems that there is a material uncertainty which casts significant doubt about SEFL's ability to continue as a 'going concern'. SEFL filed applications under Sec. 230 of the Companies Act, 2013 before the Hon'ble National Company Law Tribunal (NCLT), Kolkata Bench (Hon'ble NCLT) proposing Schemes of Arrangement (Schemes) with all its secured and unsecured lenders (Creditors). The Hon'ble NCLT has passed orders dated October 21, 2020, and December 30, 2020, stating inter alia that Creditors, as mentioned in the Schemes, shall maintain status quo till further orders with respect to their contractual terms dues claims and rights and that the said Creditors and all governmental and regulatory authorities are estopped from taking any coercive steps including reporting in any form and/or changing the account status of SEFL and the Company from being a standard asset, which will prejudicially affect the implementation of the Schemes and render the same ineffective.

SEFL's ability to meet its financial commitments is dependent on the final outcome of the aforesaid Schemes. SEFL is in active discussions with the Creditors for the proposed Schemes and is hopeful of proper resolution of the matter. In view of the same and further considering the underlying strength of SEFL's business and its future growth outlook and with time bound monetization of assets, SEFL is of the opinion that it will be able to meet its financial commitments in due course of time. Accordingly, SEFL has considered it appropriate to prepare its financial results on a going concern basis.

4. During the Financial Year 2019-20, the Board of Directors of the Parent and its wholly-owned subsidiary, Srei Equipment Finance Limited ("SEFL") at their respective meetings held on 4th July, 2019 approved the transfer of Lending Business, Interest Earning Business & Lease Business of the Parent together with associated employees, assets & liabilities (including liabilities towards issued & outstanding non - convertible debentures) (the "Transferred Undertaking"), as a going concern by way of slump exchange to SEFL through a Business Transfer Agreement ("BTA"), in exchange of fully paid up equity shares to be issued and allotted by SEFL, subject to all necessary approvals.

Pursuant to this, the Parent signed BTA on 16th August, 2019 and an amendment to the, aforesaid, BTA on 14th November, 2019 with SEFL, pursuant to which it has entered into various assignment agreements, in connection with the Transferred Undertaking, with SEFL to give effect of the slump exchange and accordingly the Parent and SEFL has passed the relevant accounting entries in their respective books of account effective 1st October, 2019, after receiving the approval of the shareholders, debenture trustees, few lenders, stock exchanges and in-principle approval from some of the domestic lenders including lead banks. One of debenture holders of SEFL holding debentures amounting to Rs. 75 crores has objected to the slump exchange. The consent, or otherwise, of other lenders is still awaited. Pending the approvals as stated above, the Parent had accounted for the slump exchange transaction on 1st October, 2019, as stated above. The Parent has obtained expert legal and accounting opinions in relation to the accounting of the Slump Exchange Transaction which confirms that the accounting treatment so given is in accordance with the relevant Ind AS and the underlying guidance and frame work.

Moreover, as stated in Note No. 3 SEFL has also proposed the Schemes with its Creditors through approval from relevant authorities and the application to that effect has been filed with the Hon'ble National Company Law Tribunal (NCLT). BTA, inter alia, constitutes an integral part of the Scheme. Pending final decision in the matter, SEFL and the Company has maintained status quo for BTA as per the directions of Hon'ble NCLT.

5. As stated in Note No. 2, SEFL has granted moratorium to its borrowers and operating lessees and hence with a view to manage its cash flows, SEFL had applied for moratorium on borrowings from its lenders in accordance with COVID-19 Regulatory Package announced by RBI. Further, as stated in Note No. 3, SEFL has proposed the Schemes with its Creditors and is hopeful/confident about the positive outcome of the Schemes. Since, the discussion/process, as aforesaid, is still on, no impact/adjustments of the same has been given in the books of account. Necessary impact/adjustments, if any, will be done in subsequent quarters/period as and when the matter is finally resolved through Hon'ble NCLT.
6. The Honourable Supreme Court of India (Hon'ble SC), in a public interest litigation (Gajendra Sharma Vs. Union of India & Anr), vide an interim order dated September 03, 2020 ("Interim Order"), has directed that accounts which were not declared NPA till August 31, 2020 shall not be declared as NPA till further orders. Basis the said Interim order, SEFL has not classified any account which was not NPA as of August 31, 2020 as per the RBI IRAC norms, as NPA after August 31, 2020. Further, in light of the Interim Order, even accounts that would have otherwise been classified as NPA post August 31, 2020 have not been and will not be, classified as NPA till such time that the Hon'ble SC rules finally on the matter. However, SEFL has made requisite provision as per ECL policy for accounts affected by the aforesaid order.
7. Considering the significant impact of COVID-19 on business activity, the Company had approached Non-convertible Perpetual Bond holders for waiver of interest for F.Y. 2020-21. The Company has received their consent. Accordingly, the Company has not accrued interest on such bonds for nine months period ended 31st December, 2020 totalling to Rs. 2,405 lakhs. Further, interest accrued on such bonds for quarter ended 30th June, 2020 totalling to Rs.792 lakhs was reversed during the quarter ended 30th September, 2020 resulting lower finance costs in that quarter.
8. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment received Presidential assent in September, 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
9. Figures pertaining to the previous period have been rearranged/ regrouped, wherever considered necessary, to make them comparable with those of the current period.

For and on behalf of the Board of Directors

Place: Kolkata  
Date: 13th February, 2021



  
Chairman  
DIN: 00193015

