SIFL/SECT/SP/21-22/46
July 01, 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 the Board Meeting held on 30th June, 2021

This is further to our letter dated 30th June, 2021, please be informed that the Board of Directors of the Company at its meeting held on Wednesday, 30th June, 2021, inter alia, has, approved the Audited Standalone and Consolidated Financial Results of the Company prepared in compliance with Indian Accounting Standards (IND AS) for the Financial Year ended on 31st March, 2021, pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") along with the Auditors' Report thereon.

A copy of the Audited Standalone and Consolidated Financial Results of the Company prepared in compliance with IND AS for the Financial Year ended on 31st March, 2021 along with the copy of the Auditors' Report thereon is enclosed for your information. We are also arranging to upload the aforesaid Financial Results on the Company's website www.srei.com and publish the Consolidated Financial Results in the newspapers in the format prescribed under Regulation 47 of the SEBI Listing Regulations.

Pursuant to Regulation 33 of SEBI Listing Regulations read with SEBI Circular No. CIR/CFD/CMD/56/2016 dated 27th May, 2016, the Company hereby declares that the Statutory Auditors, M/s. D. K. Chhajer, Chartered Accountants, have issued the Audit Reports on the Standalone and Consolidated Financial Results of the Company for the financial year ended on 31st March, 2021 with unmodified opinion.

This is for your information and record.

Thanking you.

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

Manoj Kumar
Company Secretary
FCS 6698

Encl.: a/a

D. K. CHHAJER & CO.
CHARTERED ACCOUNTANTS

NILHAT HOUSE
11, R. N. MUKHERJEE ROAD
GROUND FL., KOLKATA - 700 001
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One of the debenture holders of SEFL holding debentures amounting to Rs. 75 crores have objected to the slump exchange. The consent, or otherwise, of other lenders is still awaited. Pending the approvals, as stated above, the Company accounted BTA on 01 October, 2019, as stated above. The Company obtained expert legal and accounting opinions in relation to the accounting of BTA which confirmed that the accounting treatment so given is in accordance

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with

unaudited unaudited year to date figures up to the third quarter of the current financial year, which was subject to limited review by us.

R Jhunjhunwala

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

AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2021

(Rs. in Lakhs)

	Particulars	Quarter ended			Year ended	
		31-Mar-21 (Audited)	31-Dec-20 (Unaudited)	31-Mar-20 (Audited)	31-Mar-21 (Audited)	31-Mar-20 (Audited)
	Revenue from Operations					
	Interest Income	5	5	7	28	32
	Dividend Income	-	-	-	-	91
	Rental Income	328	356	355	1,391	1,436
	Fees and Commission Income	558	416	521	2,494	5,234
	Net gain on fair value changes	(1)	1	-	-	-
	Net gain on derecognition of financial instruments under fair value through profit or loss	-	1	-	3	2,128
	Net gain/ (loss) on derecognition of financial instruments	-	(1,500)	-	274	-
(I)	**Total Revenue from Operations**	**890**	**(721)**	**883**	**4,190**	**8,921**
(II)	Other Income	570	233	1,946	811	2,525
(III)	**Total Income (I+II)**	**1,460**	**(488)**	**2,829**	**5,001**	**11,446**
	Expenses					
	Finance Costs	649	824	1,924	3,282	8,681
	Fees and Commission Expense	401	201	364	1,178	1,059
	Net loss on derecognition of financial instruments under amortised cost	-	-	1,211	-	1,211
	Impairment on Financial Instruments (Net)	369	1,196	(1,570)	1,472	(217)
	Employee Benefits Expenses	283	269	75	813	586
	Depreciation, Amortisation and Impairment	193	192	194	773	800
	Administrative and Other Expenses	343	215	290	1,000	1,102
(IV)	**Total Expenses (IV)**	**2,238**	**2,897**	**2,488**	**8,518**	**13,222**
(V)	Profit / (Loss) Before Exceptional items and Tax from continuing operations (III-IV)	(778)	(3,385)	341	[illegible]	(1,776)

(Rs. in Lakhs)

Particulars	As at 31-Mar-21 (Audited)	As at 31-Mar-20 (Audited)
LIABILITIES AND EQUITY		
LIABILITIES		
1. Financial Liabilities		
(a) Derivative Financial Instruments	-	-
(b) Payables		
(I) Trade Payables		
(i) Total outstanding dues of micro enterprises and small enterprises	14	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	367	337
(c) Debt Securities	-	-
(d) Borrowings (Other than Debt Securities)	28,055	45,351
(e) Subordinated Liabilities	33,000	36,075
(f) Lease Liabilities	1,991	2,271
Other Financial Liabilities		

Notes:

1. The above audited 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 30th June, 2021 and subjected to audit by the Statutory Auditors, pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. **Business Transfer Agreement**
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 frame work.

   As stated in Note No. 3 (Scheme of Arrangement), pending final decision in the matter and further based on a legal opinion, the Company has maintained status quo for BTA.

3. **Scheme of Arrangement**
SEFL has proposed the Schemes with its Creditors 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.

   Pursuant to the direction of Hon'ble NCLT, a meeting of a particular class of Creditors was held on December 16, 2020. In the meeting held on December 16, 2020, 86% of certain class of creditors who attended the meeting voted against the BTA. The matters covered in the Schemes are pending for final decision before Hon'ble NCLT/NCLAT.

4. **Impact of Covid-19 pandemic**
The outbreak of COVID-19 pandemic, extended lockdown 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 (including the ongoing second wave) and the extent to which the pandemic may further impact the operations of the Company and its subsidiaries depends on future developments, which are still unascertainable at this point in time.

5. **Impairment of Investment**
The investment of the Company in its material subsidiary Srei Equipment Finance Limited ("SEFL") has been impacted owing to COVID-19 pandemic. The collection of SEFL from the borrowers and the lessees were severely impacted during the year and which also adversely affected the cash flows of SEFL during the said period. Based on the overall assessment of financial stress being faced by the borrowers and the lessees and considering the overall economic and business uncertainty due to pandemic, as a prudent measure and out of abundant caution, SEFL has done accelerated ECL provision which is over and above normal ECL provision. SEFL has incurred losses during the year ended 31 March 2021 due to which its net worth has eroded.

   Considering the above facts, the Company has assessed the carrying amount of its investment in SEFL in compliance to Ind AS and has made an impairment of Rs. [redacted] during the quarter and year ended 31st March, 2021 bringing down the book value of its investment in SEFL to Re. 1 as prudent measure.

   [redacted] Company feels that with gradual improvement in the economy [redacted] COVID-19 on business activity, the Company had appropr[redacted]

D. K. CHHAJER & CO.

CHARTERED ACCOUNTANTS

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Independent Auditor's Report on the Audit of Annual Consolidated Financial Results

To the Board of Directors of Srei Infrastructure Finance Limited

(iii) gives a true and fair view in conformity with the applicable Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder, and other accounting principles generally accepted in India, of the consolidated net loss, total comprehensive income and other financial information of the Group, its associate and trust for the quarter and year ended 31 March, 2021.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Statement section of our report. We are

transaction and consequently recognized the relevant assets and liabilities in its books of account, pursuant to the Business Transfer Agreement ('BTA') with effect from October 1, 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. On the date of giving effect to BTA, the consent or otherwise, of other lenders was awaited. The note also explains that SEFL has filed Schemes under Section 230 of the Act with the Hon'ble National Company Law Tribunal (NCLT). Pending final decision on the matters covered in the Schemes, as stated in Note No 4 to the Statement, and based on a legal opinion , the Company has maintained status quo for BTA.

3. Note No. 4 to the Statement which explains that SEFL filed the Schemes under Section 230 of the Act with the Hon'ble NCLT and the final decision on the matters covered in the Schemes is pending as on date and hence, no impact/adjustment has been considered in the books of account. Necessary adjustments, if any, will be done as and when the matter is finally decided by Hon'ble NCLT/NCLAT.

4. Note No. 5 to the Statement explains that SEFL has, considering the interim orders of the Hon'ble NCLT and based on a legal opinion, not considered non-payment to Creditors as an event of default and SEFL's borrowings have been reflected in the accounts as per contractual term[illegible]

Management's Responsibilities for the Consolidated Financial Results:

This Statement has been prepared on the basis of the annual consolidated financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of this Statement that give a true and fair view of the consolidated net loss, total comprehensive income and other financial information of the Group including its associate and trust in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group and of its associate and the trustees of the trust

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial reporting in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Parent Company.

- Conclude on the appropriateness of the Board of Directors' and Trustees respectively use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate and trust to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate and trust to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent[illegible] under

Other Matters

i. The Statement includes the audited financial results of 11 subsidiaries whose financial statements reflect Group's share of total assets of Rs. 28,81,971 lakhs as at 31 March, 2021, Group's share of total revenues of Rs. 53,904 lakhs and Rs. 3,43,049 lakhs and Group's share of total net loss after tax of Rs. 3,38,169 lakhs and Rs. 7,13,889 lakhs for the quarter and year ended 31 March, 2021 respectively and net cash inflows amounting to Rs. 4371.78 lakhs for the year ended 31 March, 2021, as considered in the Statement, which have been audited by their respective independent auditors. The independent auditors' reports on financial statements of these entities have been furnished to us by the management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the reports of the such auditors and the procedures performed by us are as stated in Auditor's Responsibilities section above.

ii. The Statement includes the unaudited financial statement of 01 trust whose financial results reflect Group's share of total assets of Rs. 1 lakhs as at 31 March, 2021, Group's share of total revenues of Rs. Nil and Rs. Nil and Group's share of total net profit after tax of Rs. Nil and Rs. Nil for the quarter and year ended 31 March, 2021 respectively and net cash inflows amounting to Rs. Nil for the year ended 31 March, 2021, as considered in the Statement. These unaudited financial statements have been furnished to us by the Board of Directors and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this trust is based solely on such unaudited financial statements / financial results. In our opinion and according to the information and explanations given to us by the Board of Directors, these financial statements / financial results are not material to the Group.

The financial statements of a foreign associate company of the Company had been prepared as per IFRS, generally followed in the country of incorporation of the foreign associate company. As explained by the Management, since there are no material differences between such financial statements as per IFRS and as per Ind AS, no adjustments have been considered necessary and it has been relied upon by us.

Our opinion on the Statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial results/ financial information certified by the Board of Directors.

iii. Attention is drawn to Note no. 16 to the Statement which states that the Statement includes the results for the quarter ended 31 March, 2021, being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subject to limited review by us.

iv. The Consolidated financial results for the quarter and year ended 31 March, 2020 were audited

For D. K. Chhajer& Co.

Membership No: 057170

AAAADU9641

Date: 30 June, 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

AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2021

(Rs. in Lakhs)

Particulars	Quarter ended			Year ended	
	31-Mar-21 (Audited)	31-Dec-20 (Unaudited)	31-Mar-20 (Audited)	31-Mar-21 (Audited)	31-Mar-20 (Audited)
Revenue from Operations					
Interest Income	58,049	44,377	107,489	285,318	386,823
Dividend Income	-	-	-	-	91
Rental Income	(2,665)	3,781	27,870	46,620	120,710
Fees and Commission Income	1,650	1,223	1,959	6,186	11,823
Net gain on fair value changes	-	-	13,716	-	37,108
Net gain on derecognition of financial instruments	-	(1,500)	9,049	274	30,370
Net gain on derecognition of financial instruments under fair value through pr[illegible]t or loss	(3)	[illegible]	[illegible]	[illegible]	[illegible]

(Rs. in Lakhs)

Particulars	As at 31-Mar-21 (Audited)	As at 31-Mar-20 (Audited)
LIABILITIES AND EQUITY		
LIABILITIES		
1. Financial Liabilities		
(a) Derivative Financial Instruments	1,151	4,146
(b) Payables		
(I) Trade Payables		
(i) Total outstanding dues of micro enterprises and small enterprises	14	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	9,248	113,491
(c) Debt Securities	244,148	262,725
(d) Borrowings (Other than Debt Securities)	2,647,553	2,684,523
(e) Subordinated Liabilities	278,531	284,811
(f) Lease Liabilities	3,136	3,563
(g) Other Financial Liabilities	24,486	30,010
	3,208,267	**3,383,269**
2. Non-Financial Liabilities		
(a) Provisions	1,384	2,015
(b) Other Non-Financial Liabilities	8,522	11,825
	9,906	**13,840**
3. Equity		

Segment wise Revenue, Results, Assets and Liabilities

(Rs. in Lakhs)

Particulars	Quarter ended			Year ended	
	31-Mar-21 (Audited)	31-Dec-20 (Unaudited)	31-Mar-20 (Audited)	31-Mar-21 (Audited)	31-Mar-20 (Audited)
1. Segment Revenue					
(a) Fin[redacted] Service[redacted]					

5. **Payment to lenders**
As stated in Note No. 2 (Impact of Covid-19 pandemic), while on one hand SEFL had to offer repayment moratorium/ resolution plan to its borrowers/lessees, on other hand SEFL was not allowed any relief from its lenders. This resulted in huge mismatch in its cash flows. SEFL, then filed Schemes of Arrangement with Hon'ble NCLT (refer Note No.4 - Scheme of Arrangement). The matters covered in the Scheme are pending for final decisions before Hon'ble NCLT/NCLAT.

In the meanwhile, SEFL has obtained legal opinion which states that till the time the above two interim orders dated October 21, 2020, and December 30, 2020 passed by Hon'ble NCLT continues to operate wherein all its secured and unsecured lenders (Creditors) are required to maintain status quo, the covenants/terms of the respective borrowing facilities availed by SEFL cannot trigger an event of default. Considering the Hon'ble NCLT order for status quo and based on legal opinion, non-payment to financial creditors are not considered as an event of default and SEFL borrowings have been reflected in the consolidated books of accounts as per contractual terms.

Necessary impact/adjustments, if any, arising in the above matter will be done as and when the matter is finally decided by Hon'ble NCLT/NCLAT.

6. **Unhedged Foreign Currency Exposure**
As per the requirements of RBI notification RBI/FED/2018-19/67 FED Master Direction No.5/2018-19 dated March 26, 2019, entities raising External Commercial Borrowings ('ECB') are required to mandatorily hedge 70 per cent of their ECB exposure in case the average maturity of ECB is less than 5 years, which SEFL complied on an ongoing basis till nine months ended 31st December 2020. However, as at 31st March, 2021, SEFL was not able to meet the requirements of the aforesaid RBI notification as domestic lenders of SEFL have stipulated Trust and Retention Account (TRA) mechanism effective November 24, 2020, pursuant to which all the payments being made by SEFL were being approved/released based on the TRA mechanism. This resulted in a lot of operational challenges including non-approval or delayed approval of various expenditure being incurred by SEFL. Hence, SEFL was not able to make payment of the hedging premium/cost to the concerned banks for keeping the ECB exposures hedged, as aforesaid. Therefore, the concerned banks have unilaterally unwound the currency risk hedges. This has resulted in ECB exposures amounting to Rs. 230 crores being not hedged, in terms of the aforesaid RBI notification, as at 31st March, 2021.

7. **Going Concern**
Owing to the impact of Covid-19 pandemic, as explained in Note No. 2 (Impact of Covid-19 pandemic), the Group has reported net loss after tax of Rs.3,555 crores for the quarter ended March 31, 2021 and Rs.7,338 crores for the year ended March 31, 2021 and due to which the net worth of the Group has eroded.

The Group's ability to meet its financial commitments is dependent on the final outcome of the Schemes pending before Hon'ble NCLT/NCLAT (refer Note No. 4 - Scheme of Arrangement)). The Group is also in active discussions with its Creditors for the Schemes and is hopeful for viable resolution of the matter.

Considering the underlying st[redacted]rs business and future business outlook and with time bound recove[redacted]its due from borrowers/lesse[redacted]

assessing & re-negotiating terms and conditions with the aforesaid borrowers and all
the cash flows of the project while ensuring that the overall yield is
e negotiations with the respective borrowers

ovisioning' in respect of SEFL is given below:

, in view of the directions, in line with arm's length principles, SEFL is in the process of re
other borrowers, who have been granted loans with moratorium period and at interest rate which is linked wi
maintained. Necessary disclosures/adjustments, if any, will be done upon completion of the re assessment of and the

9. Disclosures as required by RBI circular dated April 17, 2020 'COVID-19 Regulatory Package: Asset Classification and P
(Rs. In Crores)

As at

e of borrower

12. 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 3, 2020 ("Interim Order"), had directed banks and NBFC's 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, until December 31, 2020, SEFL did not classify any additional borrower account as NPA as per the Reserve Bank of India or other regulatory prescribed norms after August 31, 2020 which were not NPA as of August 31, 2020, However during such period SEFL has classified those accounts as stage 3 and provision has been made accordingly as per the ECL policy.

The interim order granted to not declare accounts as NPA stood vacated on March 23, 2021 vide the judgement of the Hon'ble SC in the matter of small scale industrial manufacturers Association vs UOI & Ors and other connected matters. In accordance with the instructions in paragraph 5 of the RBI circular no. RBI/2021-

ive mentioned asset classification benefit for accounting purpose, there is no change in asset classification on account of the interim order dated March 23, 2021

3.

August 31, 2020 to the eligible borrowers under the abovementioned circular and advisory. SEFL has estimated the benefit to be extended