SIFL/SECT/KS/18-19/194
January 21, 2019

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 / Madam,

Sub: Disclosure under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, ("Listing Regulations") read with the Securities and Exchange Board of India ("SEBI") circular dated September 9, 2015, bearing reference no. CIR/CFD/CMD/4/2015 ("Disclosure Circular").

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**"), we wish to inform you that the Board of Directors ("**Board**") of Srei Infrastructure Finance Limited ("**Srei Infra**" or "**Company**"), at their meeting held on January 21, 2019 after considering the report of the Audit Committee of Srei Infra, have considered and approved a composite scheme of arrangement and amalgamation amongst the Company, Srei Equipment Finance Limited ("**Srei Equipment**") (a wholly owned subsidiary of Srei Infra), Srei Asset Reconstruction Private Limited ("**Srei Asset**") (a wholly owned subsidiary of Srei Infra) and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other rules and regulations framed thereunder ("**Scheme**").

The Scheme contemplates:

(i) The demerger of the '*Lease Business*' of Srei Equipment (the "**Demerged Undertaking 1**") to Srei Asset pursuant to which Srei Asset will issue shares to the shareholder of Srei Equipment, i.e. the Company ("**Demerger 1**"). There will be no change in the shareholding pattern of the Company.

(ii) On the completion of Demerger 1, as aforesaid, the remaining business undertakings of Srei Equipment (the "**Amalgamating Undertaking**") will amalgamate with and into the Company ("**Amalgamation**"). This being an amalgamation of a wholly owned subsidiary into its parent company, there will be no change in the shareholding pattern. On the transfer of the Amalgamating Undertaking becoming effective, Srei Equipment shall stand dissolved without being wound-up.

(iii) on the completion of Amalgamation, as aforesaid, the '*Lease Business*', '*Rental Business*' and '*Equipment Finance Business*' of the Company (the "**Demerged Undertaking 2**") will demerge into Srei Asset ("**Demerger 2**"), pursuant to which Srei Asset will issue shares to the shareholders of the Company. Pursuant to this, promoters and public shareholders of Srei Infra shall allotted shares in Srei Asset in their existing proportionate shareholding in Srei Infra;

The implementation of the Scheme is subject to the receipt of approval from the respective shareholders / creditors, and other statutory and regulatory approvals, including approvals from the Hon'ble National Company Law Tribunal, Kolkata, SEBI, BSE Limited ("**BSE**"), the National Stock Exchange of India Limited ("**NSE**"), the Reserve Bank of India and such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary.

The Appointed Date for the Scheme shall be March 31, 2017, and it is the date with effect from which the Scheme shall be operative.

Seri Asset has applied for a change of its name to "SREI Asset Finance Private Limited", and intends to subsequently convert itself into a public company, upon with it intends to be renamed as "SREI Asset Finance Limited". Pursuant to the Scheme and, on receipt of requisite approvals, Srei Asset (renamed to Srei Asset Finance Limited) will be listed.

The information required to be furnished pursuant to Regulation 30 of the Listing Regulations read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015 is set out herein below:

a) Brief details of companies involved in the scheme:

Name of Companies	Turnover (in INR Crores) as on March 31, 2018	Net-worth (in INR Crores) as on March 31, 2018
Srei Infra	1,768	2,887
Srei Equipment	3,310	2,704
Srei Asset	NIL	0.10

b) Nature of the transaction:

Transaction contemplated in the scheme is a related party transaction. The same shall be undertaken at an arm's length price.

c) Areas of business of entities/undertakings:

1. *Srei Infra* - The Company is a Systemically Important Non-deposit taking Non-Banking Financial Company ("**NBFC-ND-SI**") registered with the Reserve Bank of India ("**RBI**") under the category "*Infrastructure Finance Company*". The Company's group businesses include infrastructure project finance, advisory, infrastructure equipment finance, alternative investment funds, capital markets and insurance broking.

2. *Srei Equipment* - It is a wholly owned subsidiary of the Company and is a NBFC-ND-SI registered with the RBI under the category "*Asset Finance Company*". Srei Equipment is an industry leader in infrastructure and construction equipment financing.

3. *Srei Asset* – Srei Asset is a wholly owned subsidiary of the Company. Srei Asset was incorporated for engaging in the business of managing financial assets, and/or acquisition of any or all financial assets, property or secured assets.

4. Demerged Undertaking 1 – Demerged Undertaking 1 comprises of the lease business of Srei Equipment.

5. Demerged Undertaking 2 – Demerged Undertaking 2 comprises of lease business, rental business and equipment finance business of Srei Infra.

d) Rationale for the scheme of arrangement and amalgamation:

1. Consolidation of leasing & equipment finance business in Srei Asset, resulting in concentrated management focus, integration of business operations, greater financial strength and maximization of overall shareholders' value.
2. Operational synergies, greater productivity and economical operations for future growth on account of consolidation of businesses.
3. Unlocking of value through listing of shares of Srei Asset .
4. Enabling shareholders of Srei Infra to continue as shareholders of both Srei Infra and Srei Asset.
5. Focus by Srei Infra and enhancement of its remaining business operations by streamlining its operations.
6. Enabling Srei Asset to sharpen its competitiveness and development of long term internal and core competencies through cost savings and benefit of economies of scale unlocked to Srei Asset.

e) Share Exchange Ratio/Share Entitlement Ratio:

1. There is no cash consideration involved in the scheme.

2. In case of Demerger 1 : 10 (ten) fully paid up equity shares of Srei Asset of INR 10 each shall be issued for every 21 (twenty one shares) fully paid up equity shares of INR 10 each held in Srei Equipment.

3. In case of Demerger 2 : 1 (one) fully paid up equity shares of Srei Asset of INR 10 each shall be issued for every 5 (five shares) fully paid up equity shares of INR 10 each held in Srei Infra ("Share Entitlement Ratio").

The share entitlement ratio has been arrived at based on the valuation report submitted by Sharp & Tannan, Independent Chartered Accountants, supported by a fairness opinion submitted by ICICI Securities, Merchant Banker on the Share Entitlement Ratio.

f) Shareholding pattern of companies involved in the scheme:

1. There is no change in shareholding pattern of Srei Infra post scheme.

2. Pursuant to scheme coming into effect, Srei Equipment will be dissolved without being wound up.

3. Upon Demerger 1 becoming effective, Srei Asset will issue equity shares as mentioned in paragraph (e)(2) above, to the equity shareholders of Srei Equipment as on the record date.

4. Upon Demerger 2 becoming effective, Srei Asset will issue equity shares as mentioned in paragraph (e)(3) above, to the equity shareholders of Srei Infra as on the record date. Shareholding pattern of Srei Asset pre/post scheme is given below:

Shareholder	Pre scheme Shareholding pattern	Post scheme Shareholding pattern	Economic Ownership*
Promoter shareholders of SIFL	Nil	47.37%	Directly: 47.37% Indirectly through SIFL: 13.42%

Shareholder	Pre scheme Shareholding pattern	Post scheme Shareholding pattern	Economic Ownership*
			Aggregate (direct + indirect): 60.8%
SIFL	100%	22.08%	-
Total Promoter [A]	100%	69.45%	
Public shareholders of SIFL [B]	Nil	30.55%	Directly: 30.55% Indirectly through SIFL: 8.65% Aggregate (direct + indirect): 39.2%
Total [A+B]		100%	100%

* Economic ownership of shareholders of SIFL in SREI Assets post scheme remains same.

g) Turnover of the demerged division and as percentage to the total turnover of the listed entity:

In case of Demerger 2:

a. Turnover of Demerged Undertaking 2 for financial year 2017-2018 : INR 2,486.31 Crores.
b. Percentage of Demerged Undertaking 2 as a total turnover of Srei Infra (Since the Amalgamating Undertaking would become part of Srei Infra upon Amalgamation becoming effective, it is assumed that Amalgamating Undertaking is already a part of Srei Infra for the limited purpose of disclosure)– 59.17%

h) Listing of Resultant Company:

Resultant entity i.e. Srei Asset (renamed to Srei Asset Finance Limited) will seek listing in compliance with all applicable laws, including SEBI circular dated March 10, 2017, bearing reference no. CFD/DIL3/CIR/2017/21.

The meeting of the Board of Directors of the Company commenced at 11:00 A.M. and concluded at 1:00 P.M.

The above is for your information and record.

Thanking You,

Yours faithfully,

For **Srei Infrastructure Finance Limited**

Sandeep Lakhotia
Company Secretary
FCS 7671