SREI

SIFL/SECT/KM/11-12/333
October 20, 2011

The Secretary
The Calcutta Stock Exchange Limited
7 Lyons Range
Kolkata 700 001
Fax: 033-2220 2514, 2221 4664, 2210 4492/4500/9606

Dear Sir,

Pursuant to Listing Agreement with your Exchange, we are enclosing herewith an advance copy of Media release to be issued by the Company for your record.

Thanking you,

Yours faithfully,
For Srei Infrastructure Finance Limited

Sandeep Kr. Lakhotia

Sandeep Lakhotia
Company Secretary

Encl: as above

cc: The Secretary

1. **Bombay Stock Exchange Limited**
   Phiroze Jeejeebhoy Towers
   Dalal Street
   Mumbai - 400 001
   Fax : 022-2272 2037, 2272 2039, 2272 2041

2. **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; 6641 8125/26

Srei Consolidated Disbursement Grows 31% in Q2, FY 12 to ₹ 4,401 Crore

Kolkata, October 20, 2011: Srei Infrastructure Finance Limited has recorded a 65% rise in its consolidated total income and 31% growth in its consolidated disbursement during the quarter ended September, 2011 to ₹ 588 crore and ₹ 4,401 crore respectively as compared to same quarter performance last fiscal. At the end of September, 2011 the total consolidated asset under management increased to ₹ 26,001 crore from ₹ 14,944 crore at the end of September, 2010, registering a growth of 74%.

The consolidated total income for the quarter ended September 30, 2011 was ₹ 588 crore as compared to ₹ 356 crore in the corresponding period of the previous fiscal year, recording a growth of 65%. Consolidated disbursement during the quarter was ₹ 4,401 crore as compared to ₹ 3,355 crore in the corresponding period last fiscal, a growth of 31%. The consolidated profit before tax for the quarter stood at ₹ 49.53 crore compared to ₹ 111.95 crore, during the same period last fiscal. The fall in profit before tax was mainly due to the notional foreign exchange loss of ₹ 38.95 crore during the quarter ended September 2011 as the Indian Rupee depreciated significantly against US Dollar. The consolidated profit before tax before considering the notional foreign exchange gain/ loss was ₹ 88.48 crore during the quarter ended September 2011 as compared to ₹ 91.78 crore in the corresponding quarter last fiscal. The operating profit during quarter ended September 2011 was ₹ 112.67 crore compared to ₹ 130.11 crore during the same period last fiscal.

The consolidated total income for the half year ended September 30, 2011 was ₹ 1,098 crore as compared to ₹ 680 crore in the corresponding period of the previous fiscal year, recording a growth of 62%. Consolidated disbursement during the first half year this fiscal was ₹ 9,550 crore as compared to ₹ 6,598 crore in the corresponding period last fiscal, a growth of 45%. The consolidated profit before tax for the first half year this fiscal stood at ₹ 139.17 crore compared to ₹ 186.56 crore, during the same period last fiscal.

Hemant Kanoria, Chairman and Managing Director, Srei Infrastructure Finance Limited, said, “There has been a good growth in the disbursement, both in Infrastructure Equipment and Project Financing for the Company. However, profits have declined due to the sudden and sharp depreciation of rupee against dollar and also continuous increase in interest rates. As the Company has taken ECB for long term, therefore, it is expected that there will no actual loss on currency fluctuation. The loss on account of foreign exchange is primarily due to provisions. The profits of the Company will steadily be growing.”

Financials at a glance

Quarter and Half Year Ended September 30, 2011

	Quarter Ended			Half Year Ended		
In ₹ Crore	30.09.11	30.09.10	Growth %	30.09.11	30.09.10	Growth %
AUM	26,001.45	14,944.31	74%	26,001.45	14,944.31	74%
Disbursements	4,401.46	3,354.66	31%	9,549.53	6,598.04	45%
Total Income	587.65	356.01	65%	1,098.48	679.85	62%
PBT before Forex MTM	88.48	91.78	(4%)	178.59	176.16	1%
Forex MTM (Gain) / Loss	38.95	(20.17)	N.A.	39.42	(10.40)	N.A.
PBT	49.53	111.95	(56)%	139.17	186.56	(25)%
PAT	24.60	78.15	(69)%	79.20	124.80	(37)%

Srei Infrastructure Business

Srei Infrastructure Project Finance Business has been able to keep the business momentum in spite of hardening of interest rates. The vertical disbursed ₹ 1,763 crore during the quarter by offering a diverse mix of financing solutions to its clients in various infrastructure segments like road, power, renewable energy and SEZ & industrial parks. This translates into a healthy and sustainable growth of 129% over the corresponding period in the last fiscal. Overall disbursement during first six months this fiscal is over ₹ 2,840 crore, a growth of 104% over disbursement done during corresponding period last fiscal. The vertical continued its diversification of the portfolio by increasing the exposure to infrastructure sectors like road, port and SEZ & industrial park.

Srei Infrastructure Equipment Finance Business, industry leader with 33% market share in infrastructure and construction equipment financing sector, has disbursed ₹ 2,611 crore in this quarter as compared to ₹ 2,585 crore in the corresponding period last fiscal with total Asset Under Management going up to ₹ 15,343 crore as compared to ₹ 9,790 crore during the same period last fiscal recording a growth of 57 %. During the first six months of this fiscal, the vertical disbursed ₹ 6,611 crore as compared to ₹ 5,206. recording a growth of 27 %. Having gained a firm foothold in infrastructure equipment financing, Srei BNP Paribas has aggressive plans for the new equipment classes it has forayed into: Technology Solutions (IT

equipment, software and services), agriculture, healthcare, office automation and education sector equipment.

Srei Infrastructure Project Advisory Business has been relentlessly pursuing a series of projects in various Central Ministries as well as State Governments for making significant enroute in business development. It has made significant contribution in the technical analysis of the "Personal Rapid Transit System" (PRTS) project in Amritsar for which Srei has signed an agreement for the financing of the project. Moreover, the Department of Science and Industrial Research (DSIR), Ministry of Science & Technology, Government of India has awarded a prestigious assignment wherein a comprehensive **"**Study on identification of Innovative, Commercializable and Socially Relevant Technologies" is to be undertaken by the vertical.

Srei Infrastructure Project Development Business with its progress has made an indelible impression as a leading sponsor of PPP Business in Road sector in our country with a present portfolio of close to 5,000 lane km of Road entailing a total Capital Cost of over ₹ 13,000 crore which is already commissioned or under implementation in consortium with reputed domestic and acclaimed international partners under PPP framework. These projects are a diversified mix of annuity and toll-based projects and have been awarded by the National Highway Authority of India (NHAI) under National Highways Development Programme (NHDP), Ministry of Road Transport & Highways and various State Governments. This vertical is expanding its business from Road and Highways Infrastructure Concessions to other core infrastructure verticals of Port Development, Urban Infrastructure, Railways, Power Transmission & Distribution and Water Infrastructure projects in PPP space and continues to prequalify as selected bidder for bidding in the Mega Highway Projects (size ₹ 3,000 crore – ₹ 5,000 crore) under NHAI and is now steadily moving towards wresting the top spot in the Road Concession Business in the country.

Srei Sahaj e-Village Limited, an initiative aimed at bridging the urban – rural divide, saw strategic partnerships with UTI MF and Aptech Computer Education in the second quarter. The Sahaj - UTI MF alliance will help rural India avail micro pension services for just Rs. 200 per month. In addition, Sahaj e-Sikhsha courses which have been helping aspiring students in rural India get the best of IT education will now be certified by Aptech Computer Education, a global leader in learning solutions for developing IT talent. Sahaj has also collaborated with NIC to offer five G2C services (Caste Certificate, Resident Certificate, Land Ownership Certificate, Character Certificate and Income Certificate) in Bihar through the 101 Srei Sahaj CSCs in Jehanabad. Sahaj has tied up with Bihar State Electricity Board (BSEB) for the collection of energy bills through Sahaj CSCs in Bihar. Additionally, the Chief Electoral Officer, Government of India, has empanelled Srei Sahaj for the revision of electoral rolls and preparation of Electors photo identity cards for 147 Assembly Constituencies of the State of Orissa (30 districts).

About Srei Infrastructure Finance Limited

Srei is a Holistic Infrastructure Institution, constantly and consistently ideating to deliver innovative solutions in infrastructure space, thus playing a significant role in nation-building for over two decades, both in urban and rural India. Srei's businesses include Infrastructure Project Finance, Advisory and Development, Infrastructure Equipment Finance, Sahaj e-Village, Venture Capital, Capital Market, Quippo - Equipment Bank, Viom - Telecom Towers and Insurance Broking. Srei has a pan-India presence with a network of 82 offices and has also replicated its business model overseas with two offices in Russia. Srei is the first Indian infrastructure financing institution to get listed on the London Stock Exchange. Srei BNP Paribas (Registered name: Srei Equipment Finance Private Limited), a joint venture between Srei Infrastructure and BNP Paribas, France is a Srei Group company engaged in Infrastructure Equipment Leasing and Financing Business.

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