Public Issue of Secured Redeemable Non-Convertible Debentures

Issue Opens On: April 09, 2015 **Issue Closes On: April 30, 2105#**

*# The Issue shall remain open for subscription from 10 A.M. to 5 P.M. (Indian Standard Time) during the period indicated above, except that the Issue may close on such earlier date or extended date as may be decided by the Board/ Executive Committee of Directors, as the case maybe, subject to necessary approvals. In the event of an early closure or extension of the Issue, our Company shall ensure that notice of the same is provided to the prospective investors through advertisements in a leading national daily newspaper on or before such earlier date of Issue Closure or initial date of Issue closure, as the case may be. For further details please refer to "**General Information" on page 32 of the Prospectus***

Disclaimer

Capitalized term use and not define shall have the same meaning assigned to such terms in the Prospectus dated March 31, 2015.

Disclaimer Clause of BSE: "BSE LIMITED ("THE EXCHANGE") has given vide its letter dated March 30, 2015 permission to this Company to use the Exchange's name in the Offer Document as one of the Stock Exchanges on which this Company's securities are proposed to be listed. The Exchange has scrutinized this Offer Document for its internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:- a) Warrant, certify or endorse the correctness or completeness of any of the contents of this Offer Document; or b) warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or c) take any responsibility for the financial or other soundness of the Company, its Promoters, its management or any scheme or project of this Company; and it should not for any reason be deemed or construed that this Offer Document has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent or in connection with such subscription/acquisition whether by reason of any thing stated or omitted to be stated herein or for any other reason whatsoever.

Disclaimer Clause of NSE: It is to be distinctly understood that the permission given by NSE should not in any way be deemed or construed that the Offer Document has been cleared or approved by NSE nor does it certify the correctness or completeness of any of the contents of the Offer Document. The investors are advised to refer to the Offer Document for the full text of the 'Disclaimer Clause of NSE".

Disclaimer Clause of RBI: RBI HAS ISSUED CERTIFICATE OF REGISTRATION DATED JUNE 12, 2007 AND CERTIFICATE OF REGISTRATION DATED SEPTEMBER 3, 2008 RE-CLASSIFYING OUR COMPANY UNDER THE CATEGORY "ASSET FINANCE COMPANY – NON – DEPOSIT TAKING". IT MUST BE DISTINCTLY UNDERSTOOD THAT THE ISSUING OF THIS CERTIFICATE AND GRANTING A LICENSE AND APPROVAL BY RBI IN ANY OTHER MATTER SHOULD NOT IN ANY WAY, BE DEEMED OR CONSTRUED TO BE AN APPROVAL BY RBI TO THIS PROSPECTUS NOR SHOULD IT BE DEEMED THAT RBI HAS APPROVED IT AND THE RBI DOES NOT TAKE ANY RESPONSIBILITY OR GUARANTEE THE FINANCIAL SOUNDNESS OF OUR COMPANY OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS MADE OR OPINIONS EXPRESSED BY OUR COMPANY IN THIS CONNECTION AND FOR REPAYMENT OF DEPOSITS / DISCHARGE OF LIABILITIES BY OUR COMPANY.

Srei Equipment Finance Limited is subject to market conditions and other considerations, proposing a Public Issue of Secured Redeemable Non-Convertible Debentures ("NCDs") and has filed a Prospectus dated March 31, 2015 with Registrar of Companies, West Bengal, BSE, NSE and SEBI. The Prospectus is available on our website at www.srei.com, on the website of the stock exchange at www.bseindia.com and www.nseindia.com and also on the respective websites of the Lead Managers at www.edelweissfin.com and www.srei.com. Investors proposing to participate in the Issue should invest only on the basis of information contained in the Prospectus dated March 31, 2015.

Company Overview

Key Strengths & Strategies

Distribution

Financials

Issue Structure

Company Overview

Introduction of SREI Equipment Finance Limited "SEFL"

- Incorporated in 2006 as a construction equipment financing and leasing company
- In May 2008, Srei Infrastructure Finance Limited "SIFL" and BNP Paribas Lease Group "BPLG" formed a 50:50 joint venture
- Registered with RBI as an Asset Finance Company-Non-Deposit Taking under Section 45-IA of the RBI Act, 1934
- A leading asset finance company with an Asset Under Management of ` 1,80,514.20 milllion as on September 30, 2014
- SEFL provides financial products and services to companies operating in the construction, mining, technology and solutions, healthcare, ports and railways, oil and gas, agricultural and transportation sectors. The financial products and services comprise loans, leases, rentals and fee based services.
- A pan India distribution network of 74 branches and 11 regional branches approximately in 19 states
- Partnerships with leading domestic & international equipment manufacturers & dealers
- Full time employee base of 1,797 people as on September 30, 2014
- Diversified customer base of over 35,000

Promoter of the Company

Srei Infrastructure Finance Limited

- An Indian NBFCs in India with over 25 years experience in infrastructure sector
- Srei Infra has been a holistic infrastructure institution. SIFL equity shares are listed on the NSE, the BSE and the Calcutta Stock Exchange Limited ('CSE'). SIFL made a GDR issue (of USD 35 million) in 2005 and the GDR are listed on the London Stock Exchange ('LSE').
- Diversified businesses across all sectors in the infrastructure space.
- Classified as "Infrastructure Finance Company" (NBFC-NDSI) by RBI
- Notified as "Public Financial Institution" by Ministry of Corporate Affairs

BNP Paribas Lease Group

- BPLG is a well-established global lender in the equipment finance business.
- BPLG operates in the business lines of technology solutions, equipment and logistic solutions, bank leasing services and run down management.
- BPLG provides equipment leasing and rental solutions. BPLG offers medium and long-term financing solutions, including leasing with or without purchase options and with or without related services, operational and flexible leasing, long-term leasing solutions; and wholesale finance solutions to secure, finance and manage debts with distributors. It also offers leasing solutions for technological equipments IT, telecoms, security, and office equipment, as well as for rolling stock farming equipment, construction and public works, materials handling, commercial vehicles, and corporate and ultra-light vehicles.
- BPLG work closely with their partners, dealers, manufacturers and customers to ensure the most suitable package is offered.

Business Verticals

Infrastructure Equipment	▶ Finance/lease for purchase of infrastructure equipment
Technology and Solutions Financing	▶ Finance/lease for purchase of hardware, software and office equipment
Health care Equipment Financing	▶ Finance/lease for all major medical equipment used in medical industry
Agricultural and Farming Equipment	▶ Finance for purchase of major agricultural and farming equipment
Material Handling Equipment	▶ Finance/lease for purchase for wide range of material handling equipment
Used Equipment	▶ *Finance for used construction and mining equipment*

Board of Directors

Mr. Didier Chappet,
Chairman

- *A Polytechnique graduate with vast experience in the financial services industry. He is presently the CEO of BNP Paribas Lease Group SA (France), Chairman of UCB Enterprise SAS (France), and Managing Director of BNP Paribas Leasing Solutions SA (Luxembourg). He is having extensive knowledge in leasing business and solutions. Previously he has served in distinguished capacities in different organisations of different nations.*

Mr. Hemant Kanoria
Vice Chairman & MD

- *Over 34 years of experience in Industry, trade and financial services*
- *Presently Chairman of National Committee on Infrastructure of Federation of Indian Chambers of Commerce and Industry ("FICCI"), former President of the Calcutta Chamber of Commerce and former member of Board of Governors of Indian Institute of Management (IIM), Calcutta and Member of Regional Direct Taxes Advisory Committee, Government of India.*

Mr. Sunil Kanoria
Joint MD

- *Chartered Accountant with more than 26 years of experience in the financial service industry*
- *Presently the Director (Senior Vice President of the Managing Committee) of The Associated Chambers of Commerce & Industry of India (ASSOCHAM), Member of the Central Direct Taxes Advisory Committee and a Governing body member of the Construction Industry Development Council (CIDC).*

Board of Directors

Mr. Olivier DE RYCK

Director

- *He is a Postgraduate having experience in the relevant industry and is a nominee from BNP Paribas Lease Group, France. Currently, he holds directorship in eight Companies and has experience as International Director in several companies.*

Mr. Kora Ipe Puthenpurockal

Non- Executive and Independent Director

- *Over 36 years of experience in the field of Corporate Banking.*
- *Master Degree from IIT, Mumbai.*
- *Senior Advisor to the CEO & Country Manager of BNP Paribas, India.*

Mr. Shyamalendu Chatterjee

Non-Executive and Independent Director

- *Over 46 years of experience in Retail, Commercial, Investment Banking and NBFC, associated with SBI for 26 years*
- *Was the Executive Director with Axis Bank (formerly UTI Bank), had been instrumental in developing the bank's business model and strong business processes enabling it to evolve into a leading player in the industry*
- *Served as Member of the Board of Directors of Nabil Bank, Nepal*
- *Has extensive exposure in the area of International Banking at SBI, London and as the Chief Representative in Washington DC having worked closely with IFC, World Bank and IMF*

Company Overview

Key Strengths & Strategies

Distribution

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Our Key Strengths

Well positioned to access and appraise borrowers in the growing Indian infrastructure financing sector	▶ *Developed extensive infrastructure sector knowledge and relationships.* ▶ *Provide a broad spectrum of financial products and services.*
Strong Promoter relationship and brand	▶ *Srei Infra and BPLG are well established brands domestically and internationally in the banking and finance sectors.* ▶ *Synergies among the entities provides us with a significant competitive advantage in the domestic and international markets.*
Experience Board and Senior Management	▶ *Our senior and middle management team comprise officials with significant experience in the financial services sector.* ▶ *In-depth industry knowledge and loyalty of our management and professionals provide us with a distinct competitive advantage.*
Leading infrastructure equipment financing NBFC in India	▶ *Equipment finance business has grown at a CAGR of 18.88% from fiscal 2010 to 2014.* ▶ *Widespread branch network enables us to service and support our existing customers.*

Our Key Strengths

Pan-India set-up with a unique relationship based istribution network	► *Presence in approximately 19 states, including approximately 74 branch offices and 11 regional offices across India* ► *Developed a unique relationship based distribution network, which is managed by the relationship manager as entrepreneurs, and SEPs for our retail business which helps in commanding a better presence and penetration in markets*
Access to a range of cost effective funding sources	► *Diversified funding sources Extensive financial and legal due diligence of the potential debt financing opportunity, either in-house or by appointing third party experts*

Our Key Strategies

- *Continue to leverage on our experience and wide spread distribution network to capture the expected growth in infrastructure sector spending*
- *Further develop our relationships and partnerships with customers through our unique marketing initiatives*
- *Continue to expand and diversify our product portfolio*
- *Endeavour to reduce borrowings and explore alternate avenues of funding*
- *Continue to reinforce operational efficiency through advanced technology, processes & training*
- *Personnel development and training*

Company Overview

Key Strengths & Strategies

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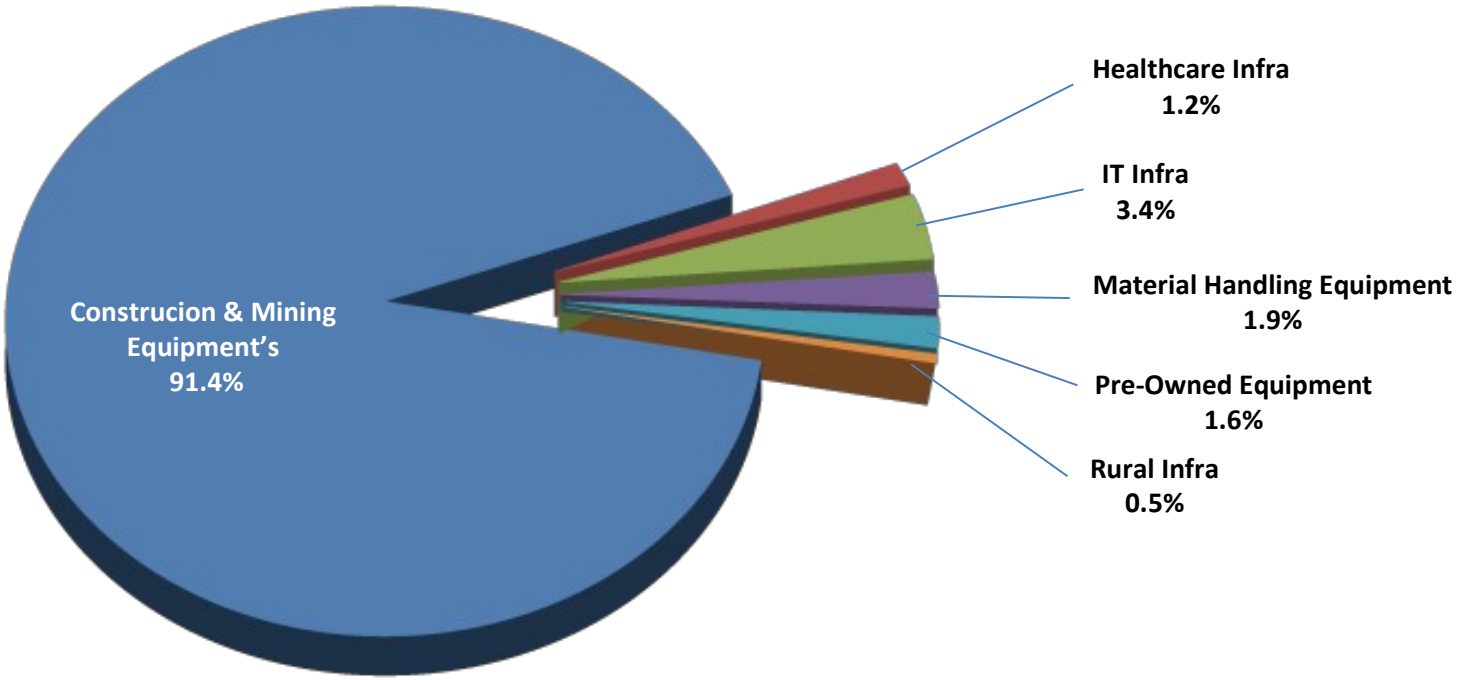
Wide Spread Distribution Network



As on March 31, 2014

Distribution Model

SEPs

- *Entrepreneurship driven business approach*
- *Originate business*
- *Facilitate in collection*
- *Maintain customer relationship*

RMs

- *Entrepreneurial focus and relationship based approach*
- *Responsible for profitability of portfolio*
- *Involved throughout the value chain of customers*
- *Responsible for business generation, monitoring, recovery*
- *Customer relationship management*

Help in maintaining long term relationships and garnering greater share of customers' spend

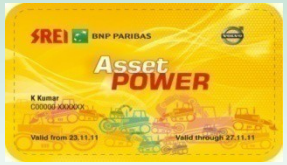
Marketing Innovations

Paison ki Nilami

17 Events in 5 yrs
Unique Dutch auction of interest rates

Khusiyon Ki Barish

Longer tenure for Backhoe Loaders & Excavators Reduced EMIs during monsoon months Upto 90% funding



Purchase of equipment by using pre approved closed loop card:

- Pre-documented
- Speed & Convenience

Paison ki Nilami

Business at Doorstep, new business, dispute resolution, relationship building

Khul ja Sim Sim

Unique game which could result in interest rates from 3-9%, free spare parts, free first year insurance, based on software programmed on probability for customers who came to the company stall
Over 600 delivery orders issued till date for deals sourced during the four day of event

Company Overview

Key Strengths & Strategies

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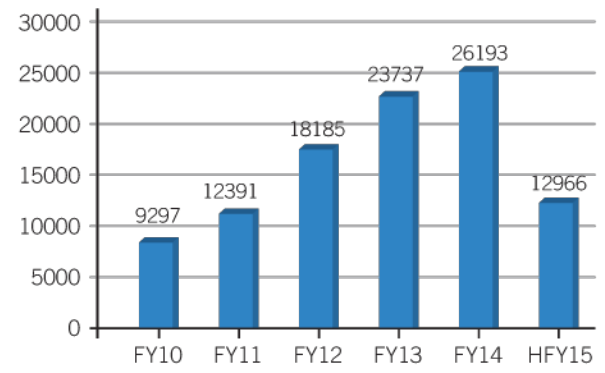
Sound Financial Position

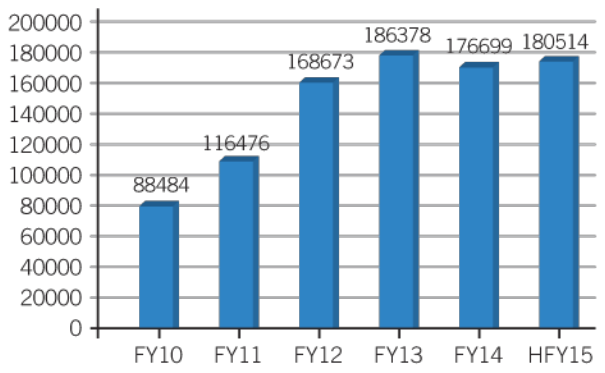
₹ In Mn

Total Income



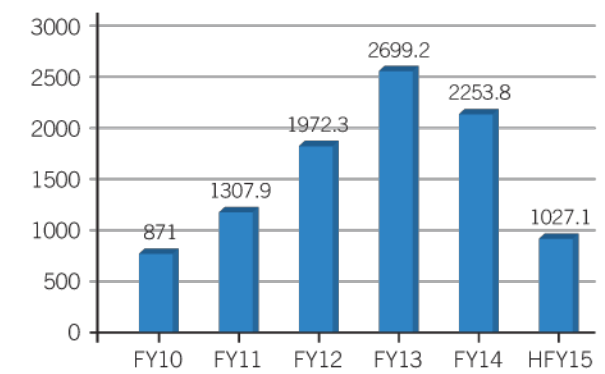
₹ In Mn

AUM



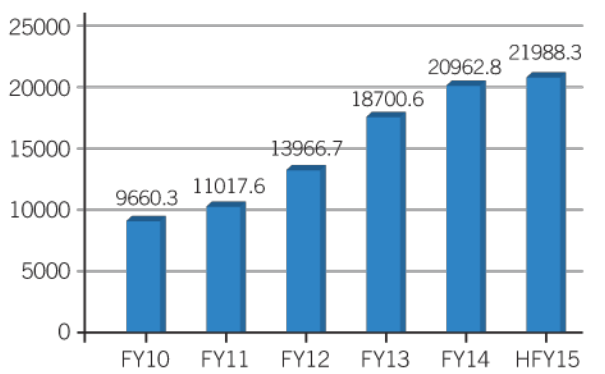
₹ In Mn

Profit After Tax



₹ In Mn

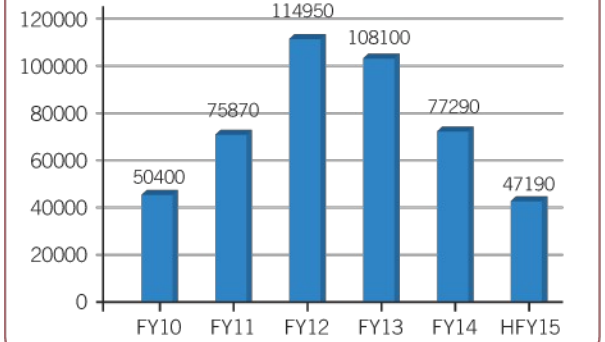
Net Worth



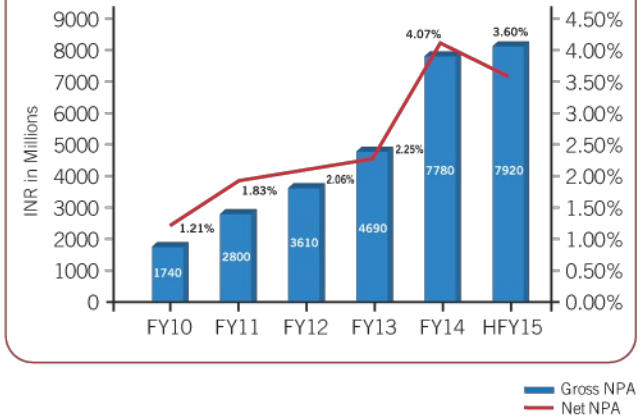
Sound Financial Position

₹ In Mn

Disbursement

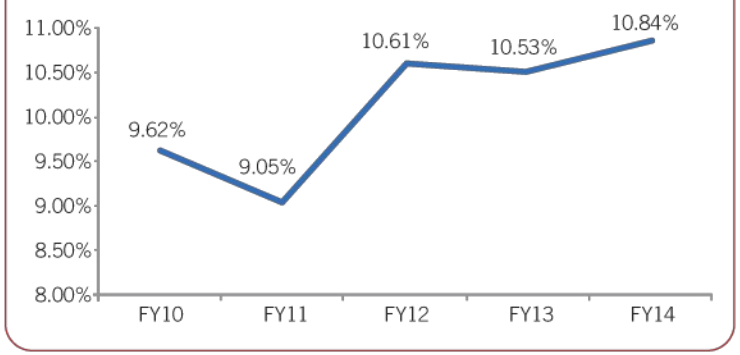


Gross Non-Performing Assets & Net NPA Margin



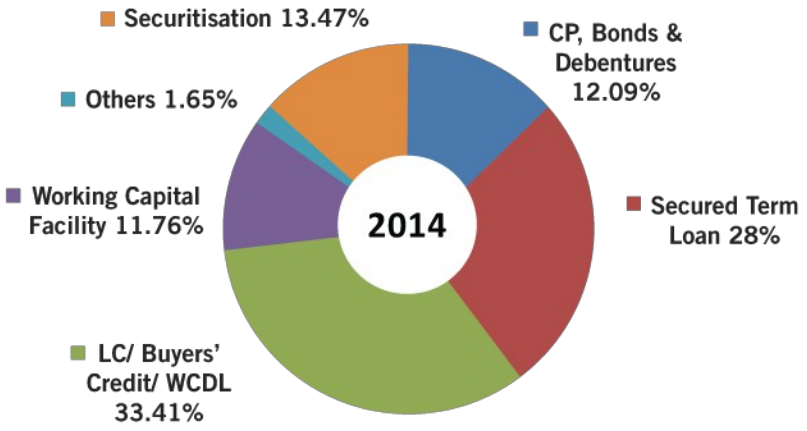
Capital Adequacy Ratio

Average Borrowing Cost



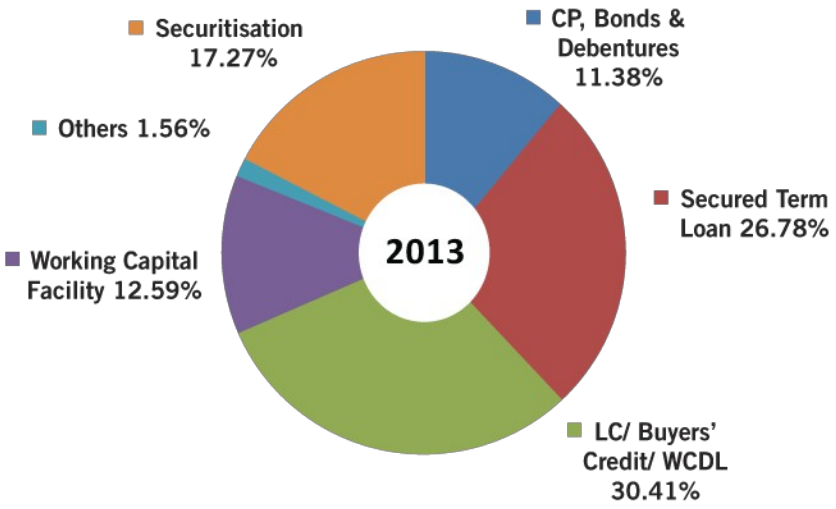
Funding Diversification

INR 15,135 Crs



As on March 31, 2014

INR 16,374 Crs



As on March 31, 2013

- Supported by a consortium of over 40 banks including leading public and private sector banks in India
- Proactive ALM management policy

Company Overview

Key Strengths & Strategies

Distribution

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Issue Structure

Issue Structure

Issuer	• Srei Equipment Finance Private Limited ("Company" or "Issuer")
Instrument & Issue size	• Public Issue of Secured Redeemable NCDs of face Value of ` 1000/- each, for an amount upto ` 2500 million ("Base Issue") with an option to retain oversubscription upto ` 5000 million ("Overall Issue Size")
Credit Rating & Security Cover	• "CARE AA (Double A Plus)" by CARE and "BWR AA (BWR Double A)" by BRICKWORK • 1.0 time of the total outstanding amount of NCDs and interest thereon
Use of Proceeds	• The Net Proceeds raised through this Issue will be utilized for following activities in the ratio provided as below: I. For the purpose of lending/ repayment of loan - minimum 75% of the Net Proceeds of the Issue. II. For General Corporate Purposes – up to 25% of the Net Proceeds of the Issue. The unutilized amount if any will be used for purpose of lending/ repayment of loan
Issue Period	• Issue Opens: 9th April. 2015 • Issue Closes: 30st April., 2015 (with an option for early closure or extension)
Listing & Depositories	• Proposed to be listed on BSE and NSE • NSDL and CDSL

Issue Structure

Lead Managers

Edelweiss Financial Services Limited

Srei Capital Markets Limited

Investor Category	Basis of allotment on a first come first serve basis
Category I (Institutional Portion)	20% of the Overall Issue Size
Category II (Non-Institutional Portion)	20% of the Overall Issue Size
Category III (Individual Category Portion)	60% of the Overall Issue Size

Issue Structure

Series	I#	II**	III	IV#	V	VI	VII#	VIII	IX
Frequency of Interest Payment	Monthly	Annual	Cumulative	Monthly	Annual	Cumulative	Monthly	Annual	Annual
Category of investor who can apply	All Categories of Investors								
Minimum Application	` 10000/- (10 NCDs) across all series of NCDs taken individually or collectively								
Face Value of NCDs / Issue Price (` / NCD)	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Tenor from Deemed Date of Allotment	36 months	36 months	36 months	39 months	39 months	39 months	60 months	60 months	84 months
Coupon (per annum) for Individual, Institutional & Non Institutional Investor(s)	9.75%	10.20%	N.A.	9.75%	10.20%	N.A.	9.75%	10.25%	10.25%
Effective Yield (per annum) for Individual, Institutional & Non Institutional Investor)	10.19%	10.22%	10.21%	10.19%	10.24%	10.20%	10.19%	10.26%	10.26%

* Subject to applicable tax deducted at source, if any.
** Our Company shall allocate and allot Series II NCDs wherein the Applicants have not indicated their choice of the relevant NCD Series or have applied for wrong Series.
# Series I, IV and VII NCDs would be allotted compulsorily in dematerialized form to all categories of Investors.
Investors in the proposed NCD who fall under Category III and who are senior citizens and/or permanent resident employees of Srei Equipment Finance Limited, Srei Infrastructure Finance Limited and BNP Paribas Lease Group (Residents in India) on the Deemed Date Of Allotment shall be eligible for additional coupon of 0.25% p.a. provided the proposed NCDs are held by the investors on the relevant record date applicable for payment of respective coupon and/or redemption of NCDs across all series. The maturity amount at redemption for Series III and VI NCDs along with the additional coupon would be ` 1,348/- per NCD and ` 1,382/- per NCD respectively.

Benefits of Investment in SEFL NCDs

Series	I	II**	III*	IV***	V**	VI#	VII	VIII**
Type of Instrument	Secured redeemable non-convertible Debentures							
Deemed Date of Allotment	The Deemed Date of Allotment for the NCDs shall be the date on which the Board of Directors or duly authorized committee thereof approves the allotment of NCDs or such date as may be determined by the Board of our Company and/or a duly authorized committee thereof and notified to the Stock Exchanges. All benefits under the NCDs including payment of interest will accrue to the NCD Holders from the Deemed Date of Allotment. The actual allotment of NCDs may take place on a date other than the Deemed Date of Allotment.							
Security	The principal amount of the NCDs to be issued in terms of the Prospectus together with all interest due on the NCDs in respect thereof shall be secured by way of first charge in favour of the Debenture Trustee on an identified immovable property and specific future receivables/assets of our Company as may be decided mutually by our Company and the Debenture Trustee. Our Company will create appropriate security in favour of the Debenture Trustee for the NCD Holders on the assets adequate to ensure 100% asset cover for the NCDs (along with the interest due thereon), which shall be free from any encumbrances.							
Interest on application of Money	The Company shall pay to the successful Applicants, interest at the rate of 9.75% p.a. on the Application Amount allotted, for the date of realization of the Application Amount, whichever is later, up to 1 (one) day prior to the Deemed Date of Allotment, subject to deductions under the provisions of the Income Tax Act or any other statutory modification or re-enactment thereof, as applicable.							

Benefits of Subscription in SEFL NCDs

Return	• 10.25% Highest coupon for all category of Investors in Series VIII & IX • Additional coupon of 0.25% p.a. for senior citizens on Deemed Date of Allotment under Individual Category investors only
Security	The principal amount of the NCDs to be issued in terms of the Prospectus together with all interest due on the NCDs in respect thereof shall be secured by way of first charge in favour of the Debenture Trustee on an identified immovable property and specific future receivables/assets of our Company as may be decided mutually by our Company and the Debenture Trustee. Our Company will create appropriate security in favour of the Debenture Trustee for the NCD Holders on the assets adequate to ensure 100% asset cover for the NCDs (along with the interest due thereon), which shall be free from any encumbrances.
Liquidity	• NCDs are proposed to be listed on BSE and NSE. • Trading will be in dematerialized form only.
Mode of Allotment	• The NCDs will be issued in physical as well as dematerialized form to Individual investors only and in dematerialized form to other categories of investors. • Series I, Series IV & Series VII NCDs would be allotted compulsorily in dematerialized formto all categories of Investors.

THANK YOU

srei.com

LET'S BUILD A BRIGHTER FUTURE.

UP TO 10.25%^ INTEREST ON 100% SECURED NCDs.

To Apply SMS 'SREI' to 56161

Public Issue of 100% Secured Redeemable Non-Convertible Debentures of Srei Equipment Finance Limited.
Issue opens on 9th April, 2015 and Issue closes on 30th April, 2015.

Credit Rating: 'CARE AA (Double A)' by CARE
"BWR AA" (BWR Double A) (Outlook Stable) by BRICKWORK

0.25% Extra for Senior Citizens^

SREI BNP PARIBAS

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^For details terms and conditions please refer to the Prospectus dated March 31, 2015 filed with Registrar of Companies, West Bengal.
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