

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION



SREI INFRASTRUCTURE FINANCE LIMITED

(Srei Infrastructure Finance Limited (the "Company"), with CINL29219WB1985PLC055352,

incorporated in the Republic of India with limited liability under the Companies Act, 1956, as amended (the "Companies Act"))

Registered Office: 'Vishwakarma', 86 C, Topsia Road (South), Kolkata 700 046; **Tel:** +91 33 6160 7734; **Fax:** +91 33 2285 7542; **Website:** www.srei.com

Compliance Officer and Contact Person: Mr. Sandeep Lakhota, Company Secretary, Srei Infrastructure Finance Limited, "Vishwakarma", 86 C Topsia Road (South), Kolkata - 700 046

Phone: +91 336160 7734, Fax: +91 33 2285 8501, Email-id: infrabonds2012@srei.com

Date: August 07, 2016

Dear Bond Holder(s),

**CONSENT FOR BUY-BACK ("BUYBACK PROGRAMME") OF SREI LONG TERM INFRASTRUCTURE BOND
(FOR PRIVATE CIRCULATION TO THE BONDHOLDERS OF THE COMPANY ONLY)
LONG TERM INFRASTRUCTURE BONDS ISSUED DURING THE FINANCIAL YEAR 2011-2012**

BUYBACK FACILITY - Offer of Buyback facility to the eligible holders of Long Term Infrastructure Bonds issued by Srei Infrastructure Finance Limited ("Company") of Face Value of ₹1,000/- each in the nature of Secured, Redeemable, Non-convertible Debentures of the Company ("Bonds"), having benefits under Section 80 CCF of the Income Tax Act 1961, for the financial year 2011-12 pursuant to Terms of Issue referred in Prospectus Tranche 1 dated December 28, 2011 filed with the Registrar of Companies, West Bengal (hereinafter referred as "the Tranche Prospectus"). For details, please refer to the Tranche Prospectus. The term "Bonds" used herein shall mean "Tranche 1 Bonds" as used in the Tranche Prospectus.

This is with reference to the buyback facility available to the Bondholders who had subscribed to the Bonds on the terms and conditions specified in the Tranche Prospectus. Brief terms and conditions of the buyback facility are set out below:

Series	1	2	3	4
Scrip Code (BSE)	961739	961740	96741	961742
ISIN	INE872A07PV5	INE872A07PY9	INE872A07PZ6	INE872A07QA7
Abbreviation Name	890SREI17A	890SREI17B	915SREI17A	915SREI17B
Face Value per Bond	₹ 1,000	₹ 1,000	₹ 1,000	₹ 1,000
Frequency of Interest Payment	Annual	Cumulative	Annual	Cumulative
Buyback Facility	Yes	Yes	Yes	Yes
Buyback Date	One date, being the date falling five years and one day from the Deemed Date of Allotment i.e. March 23, 2017			
Buyback Amount	₹ 1,000 per Bond and accrued interest calculated from the last interest payment date to the Buyback Date	₹ 1531.58 per Bond and interest on Application Interest compounded annually at the end of five years	₹ 1,000 per Bond and accrued interest calculated from the last interest payment date to the Buyback Date	₹ 1549.24 per Bond and interest on Application Interest compounded annually at the end of five years
Buyback Intimation Period	The period beginning not more than nine months prior to the Buyback Date and ending not later than six months prior to the Buyback Date			
Interest Rate (per annum) / Yield on Buyback	8.90% p.a.	8.90% p.a., compounded annually	9.15% p.a.	9.15% p.a., compounded annually
Redemption/Maturity Date (if buyback option not opted)	One date, being the date falling 120 months from the Deemed Date of Allotment	One date, being the date falling 120 months from the Deemed Date of Allotment	One date, being the date falling 180 months from the Deemed Date of Allotment	One date, being the date falling 180 months from the Deemed Date of Allotment
Redemption/Maturity Amount (if buyback option not opted)	₹ 1,000 per Bond and accrued interest calculated from the last interest payment date to the Maturity Date	₹ 2,346.73 per Bond and interest on Application Interest compounded annually at the end of ten years	₹ 1,000 per Bond and accrued interest calculated from the last interest payment date to the Maturity Date	₹ 3,718.40 per Bond and interest on Application Interest compounded annually at the end of fifteen years

Buyback Facilities:

The Buyback Programme is in accordance with Tranche 1 Prospectus and has been authorised by the Board of Directors of the Company vide resolution dated August 06, 2016 Bondholders who wish to participate in the Buyback Programme should intimate the Company by filling up the Buyback Application Form after the Start Date and prior to the expiry of cut-off date as set out in this Notice and/or Buyback Application Form.

Payment on Redemption or Buyback

The manner of payment on Buyback is set out below:

Bonds held in electronic form:

On the Buyback Date as the case may be, the Buyback Amount as the case may be will be paid in a manner as detailed in "Terms of the Issue - Modes of Payment". These names will be as per the Depositories' records on the Record Date fixed for this purpose. The cheque for the Buyback Amount as the case may be will be dispatched by courier or hand delivery or registered post to the address provided in the Application Form or to the address as notified by the Bondholders or to the address as per the Depositories' record on the Record Date. No action is required on part of the Bondholders

Bonds held in physical form:

On the Buyback Date as the case may be, the Buyback Amount as the case may be will be paid in a manner as detailed in "Terms of the Issue - Modes of Payment". Dispatch of cheques or pay orders in respect of Buyback Amounts will be made on the Buyback Date or if the Consolidated Bond Certificate is requested by our Company in this regard, then within a period of 30 days from the date of receipt of the duly discharged Consolidated Bond Certificate.

Manner and Modes of Payment

Manner of Payment:

All payments to be made by our Company to the Bondholders shall be made in any of the following manners:

For Bonds applied or held in electronic form:

The bank details will be obtained from the Depositories for payments. Bondholders who have applied or who are holding the Bond in electronic form are advised to immediately update their bank account details as appearing on the record of Depository Participant. Please note that failure to do so could result in delays in credit of the payments to Bondholders at their sole risk and neither the Lead Managers and Co-Lead Managers nor our Company shall have any responsibility and undertake any liability for such delays on part of the Bondholders.

For Bonds held in physical form:

The bank details will be obtained from the Registrar for effecting payments.

Modes of Payment:

All payments to be made by our Company to the Bondholders shall be made through any of the following modes:

Cheques or Demand drafts

By cheques or demand drafts made in the name of the Bondholders whose names appear in the Register of Bondholders as maintained by our Company and/or as provided by the Depositories. All Cheques or demand drafts, as the case may be, shall be sent by registered/speed post at the Bondholder's sole risk.

National Electronic Clearing System ("NECS")

Through NECS for Applicants having an account at any of the centres notified by the RBI. This mode of payment will be subject to availability of complete bank account details including the Magnetic Ink Character Recognition ("MICR") code as appearing on a cheque leaf, from the Depositories.

Please note that our Company shall not be responsible for any delay to the Bondholder receiving credit of interest or refund or Buyback Amount so long as our Company has initiated the process in time.

Direct Credit

Bondholders having their bank account with the Refund Banks shall be eligible to receive refunds, if any, through direct credit. The refund amount, if any, would be credited directly to their bank account with the Refund Banker. We may enter into arrangement(s) with one or more banks in one or more cities for direct credit of interest to the account of the Bondholders. In such cases, interest, on the interest payment date(s), would be directly credited to the account of those Bondholders who have given their bank mandate for such banks.

NEFT

Through NEFT wherever the Applicants' bank has been assigned the Indian Financial System Code (IFSC), which can be linked to a Magnetic Ink Character Recognition (MICR), if any, available to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Applicants have registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment will be made to the Applicants through this method. In the event that NEFT is not operationally feasible, the payments would be made through any one of the other modes as discussed in this sections.

RTGS

An Applicant having a bank account with a participating bank and whose refund / interest payment / redemption amount exceeds ₹ 0.2 million, has the option to receive the refund through RTGS. Such eligible applicant who indicates its preference to receive interest payment / refund / redemption through RTGS is required to provide the IFSC code in the Application Form or intimate our Company before the record date. In the event the same is not provided, interest payment / refund / redemption shall be made through ECS. Charges, if any, levied by the Applicant's bank receiving the credit would be borne by the Applicant.

Printing of Bank Particulars

As a matter of precaution against possible fraudulent encashment of Consolidated Bond Certificates due to loss or misplacement, the particulars of the Applicant's bank account are mandatorily required to be provided for printing on the Consolidated Bond Certificate. Applications without these details are liable to be rejected. However, in relation to applications for dematerialised Bonds, these particulars will be taken directly from the Depositories. In case of Bonds held in physical form either on account of rematerialisation or transfer, the Bondholders are advised to submit their bank account details with the Registrar before the Record Date failing which the amounts will be dispatched to the postal address of the Bondholders as held in the records of the Bank. Bank account particulars will be printed on the Consolidated Bond Certificates which can then be deposited only in the account specified.

Instruction

1. The Bondholders holding Bonds under demat must ensure that the demat account is in "Active" status failing which the buyback amount will be withheld till the time such demat account is inactive.
2. Bondholders holding Bonds under demat should provide the Application Form dully filled up and signed as per the records of the DP.
3. Bondholders holding Bonds in Physical Form, should provide the Application Form dully filled up and send the same along with Original Bond Certificates and cancelled cheques before the last date of submission, so that buyback amount can be transferred to the Bondholders directly to the account to avoid any delay in payment.
4. The Applicants are advised to consider the tax implications of their respective investment in Tranche -1 bonds. As per clause (ix) of Section 193 of the Income Tax Act, no income tax is required to be withheld on any interest payable on any security issued by a company, where such security is in dematerialised form and is listed on a recognised stock exchange in India in accordance with the SCRA, and the rules notified thereunder. Accordingly, no income tax will be deducted at source from the interest on Tranche 1 Bonds held in dematerialised form. As per clause (v) of Section 193 of the Income Tax Act, no income tax is required to be withheld on any interest payable on Tranche 1 bonds held in a physical form in case the interest does not exceed ₹ 5,000 in a financial year. Applicants are advised to submit form 15G or 15H under Section 197 of the Income Tax or other evidence for financial year to ensure non-deduction or lower deduction of tax at source from interest on bonds.
5. Those Bondholders who wish to continue with the said investment till the respective maturity in respect to individual Series, there is no requirement to submit the application form.

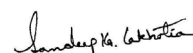
Accordingly, the Bondholders who are desirous to participate and wish to exit through this facility, shall have to give their consent in the Application Form to the Registrar (in addition to other documents as may be required) by January 31, 2017, 5 P.M. For any clarification, the Bondholders are requested to contact with any of the following persons:

ISSUER	REGISTRAR AND TRANSFER AGENT	DEBENTURE TRUSTEE
Srei Infrastructure Finance Limited 'Vishwakarma', 86 C, Topsia Road (South), Kolkata 700 046 Tel: +91 33 6160 7734 Fax: +91 33 2285 7542 Website: www.srei.com Compliance Officer and Contact Person: Mr. Sandeep Lakhotia, Company Secretary Email_id: infrabonds2012@srei.com/connect@sreibonds.com	M/s KarvyComputershare Private Limited, Unit: Srei Infra Bonds Tranche-1 (Series 1, Series 2, Series 3 & Series4), Karvy Selenium Tower B, Plot 31-32, Gachibowli, FinancialDistrict, Nanakramguda, Hyderabad- 500032 Andhra Pradesh, India Email_id: einward.ris@karvy.com Toll Free: 1800 419 7734	Axis Trustee Services Limited Axis House, 2nd Floor Bombay Dyeing Mills Compound Pandurang Budhkar Marg, Worli, Mumbai: 400 025 Tel: +91 22 2425 2525 / 4325 2525 Email_id: debenturetrustee@axistrustee.com

Thanking you

Yours sincerely

For Srei Infrastructure Finance Limited



Sandeep Lakhotia
Company Secretary