

PRESS RELEASE

**SREI and BNP Paribas Lease Group announce
commencement of operations of their joint venture**

Kolkata, Paris, 3rd April 2008 - The Joint Venture (“JV”) between SREI Infrastructure Finance Limited (“SREI”) and BNP Paribas Lease Group which was announced last year, will start operations as of today. SREI, one of the leading equipment finance companies in India, specialized in the infrastructure sector, had entered with BNP Paribas Lease Group, a 100% BNP Paribas subsidiary focused on equipment financing – related services, into an agreement wherein the asset finance division of SREI is brought in a newly formed JV. The operation has been made through a reserved capital increase for BNP Paribas Lease Group towards its acquisition of a 50% stake in the JV whilst SREI remains holder of the remaining 50% of the equity capital.

BNP Paribas Lease Group brings to the JV its specialized equipment finance skills, its international experience combined with the global strength of BNP Paribas. The JV will also benefit from the significant brand value that SREI has already created in the Indian infrastructure equipment sector.

SREI is already the largest player in the financing of infrastructure equipment in India and the partnership with BNP Paribas Lease Group is aimed at increasing further the leadership of the business in its core market whilst expanding the product line further into financing of agriculture, information technology and medical and other equipment. Furthermore, this partnership is also expected to result in a reduction in the cost of funding the operations.

The JV has received all necessary legal and statutory clearances.

Speaking on this occasion, Hemant Kanoria, Vice Chairman & Managing Director of SREI said “This joint venture between BNP Paribas, one of the largest global banking institutions, and SREI will result in strengthening one of the strongest equipment financing institutions which would immensely benefit all stakeholders. In SREI’s journey towards being the largest infrastructure financial institution with all financial products and services, it is an important milestone. With this, our asset base as a group will multiply into billions of dollars.”

Bertrand Gousset, member of the Executive Committee of BNP Paribas Lease Group, said, “We are delighted to be associated in this new Joint Venture with SREI which is an experienced and powerful partner having a pan-India coverage. It is critical for BNP Paribas Lease Group to be in India, to serve our clients in their own development projects. This partnership further evidences the willingness of the BNP Paribas Group to expand its presence in India in activities where it has a strong expertise and therefore to participate in the financing of the development of the Indian economy.

About SREI Infrastructure Finance Limited

SREI is one of India's leading private sector infrastructure equipment finance, project finance & project advisory and development services companies. The company has also developed strong expertise in areas of investment banking and venture funds, besides insurance broking. SREI operates across the country with a network of 51 offices and has expanded its operations overseas in Russia. SREI is the first Indian Infrastructure Financing Company to be listed on the London Stock Exchange (LSE). International Finance Corporation (IFC) Washington (World Bank Group), KfW Germany & DEG Germany (Financial Institutions owned by the Government of Germany), FMO the Netherlands (Financial Institution owned by the Government of Netherlands), BIO Belgium (Financial Institutions owned by the Government of Belgium) and FINFUND Finland (Financial Institution owned by the Government of Finland) are among the large stakeholders in the Company.

About BNP Paribas Lease Group

BNP Paribas Lease Group (www.bnpparibas-leasegroup.com) is the BNP Paribas subsidiary specialized in financing equipment for businesses and professionals, either directly or through its partners, the equipment manufacturers, distributors and software editors. Organized in two business lines – logistics and IT equipment, it works to provide leasing and credit solutions, as well as a range of financing-related services.

BNP Paribas Lease Group has been in this market for over 50 years and is the French and European market leader. It offers manufacturers, importers and distributors of logistics and software editors a comprehensive service to finance their sales and, with them, develops local, national and international partnerships, which range from advisory agreements to joint financing companies. BNP Paribas Lease Group also provides and manages the asset and real estate lease-financing services that the BNP Paribas banking network offers its customers.

BNP Paribas Lease Group operates in 17 countries: directly in Austria, Belgium, France, Germany, Hungary, Italy, Netherlands, Poland, Portugal, Spain and the UK, and through BNP Paribas Group entities in Algeria, Greece, Morocco (BMCI Leasing), Turkey (TEB Leasing), Ukraine (ULC) and USA (Trinity Vendor Finance).

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