

**October 05, 2020**

**BSE Limited**

Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai 400001  
Scrip code: **541770**

**National Stock Exchange of India Limited**

The Exchange Plaza  
Bandra Kurla Complex Bandra  
(East) Mumbai 400051  
Scrip code: **CREDITACC**

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**Dear Sir/Madam,**

**Sub: Qualified institutions placement of equity shares of face value ₹10 each (the "Equity Shares") by CreditAccess Grameen Limited (the "Company") under the provisions of Chapter VI of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations"), and Sections 42 and 62 of the Companies Act, 2013, as amended, including the rules made thereunder (the "Issue").**

- 1) We wish to inform you that pursuant to the approval accorded by the board of directors of the Company (the "**Board**"), at its meeting held on September 3, 2020 and the special resolution passed by the members of the Company by way of remote e-voting and e-voting at the Extraordinary General Meeting (EGM) held on September 26, 2020, the Capital Raise Committee of the Board (the "**CRC Committee**") has, at its meeting held today i.e. October 05, 2020, *inter alia*, passed resolutions for the following:
  - a. Authorised the opening of the Issue today, i.e. Monday, October 05, 2020;
  - b. Approved and adopted the preliminary placement document dated October 05, 2020 and the application form dated October 05, 2020 in connection with the Issue;
  - c. Approved the floor price for the Issue as prescribed under SEBI ICDR Regulations; and
  - d. Approval of unaudited pro-forma consolidated statement of profit and loss of the Company and its subsidiaries for the year ended March 31, 2020, which is enclosed herewith.

In this relation we have filed the preliminary placement document dated October 05, 2020 with your office on October 05, 2020.
- 2) We further wish to inform you that the 'Relevant Date' for the purpose of the Issue, in terms of Regulation 171 of the SEBI ICDR Regulations, is October 05, 2020 and accordingly the floor price in respect of the aforesaid Issue, based on the pricing formula as prescribed under Regulation 176(1) of the SEBI ICDR Regulations is ₹ 707.69 (Rupees Seven Hundred and Seven and Paise Six Nine Only) per Equity Share. Pursuant to Regulation 176(1) of the SEBI ICDR Regulations, the Company may offer a discount of not more than 5% on the floor price so calculated for the Issue.

**Our Financial Products**

The meeting of the CRC Committee of the Board commenced at 6:30 pm (IST) and concluded at 7.20 pm (IST).

Further, in terms of Regulation 29(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "**SEBI LODR Regulations**"), we wish to inform you that a meeting of the CRC Committee of the board of the directors of the Company is scheduled to be held on October 8, 2020 to *inter alia* consider and approve the issue price, including a discount, if any thereto as permitted under the SEBI ICDR Regulations, for the Equity Shares to be issued, pursuant to the Issue.

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We request you to take the above on record and the same be treated as compliance under the applicable provisions of the SEBI LODR Regulations.

**Thanking you,**

**Yours sincerely,**

**For CreditAccess Grameen Limited**

MATADA  
JAYAKUMAR  
MAHADEV  
PRAKASH

Digitally signed by  
MATADA  
JAYAKUMAR  
MAHADEV PRAKASH  
Date: 2020.10.05  
19:26:49 +05'30'

**M J Mahadev Prakash**  
**Head- Compliance, Legal & Company Secretary**  
**Membership No: A16350**

**Our Financial Products**



**INDEPENDENT AUDITORS' ASSURANCE REPORT ON THE COMPILATION OF  
UNAUDITED PROFORMA CONSOLIDATED CONDENSED FINANCIAL INFORMATION**

The Board of Directors,  
CreditAccess Grameen Limited,  
#49, 46<sup>th</sup> Cross, 8<sup>th</sup> Block, Jayanagar,  
Bangalore – 560070

**Report on the Compilation of Unaudited Proforma Consolidated Condensed Financial Information**

We have completed our assurance engagement to report on the compilation of the Unaudited Proforma Consolidated Condensed Financial Information of CreditAccess Grameen Limited (“hereinafter referred to as the “Company” or “Holding Company”) and its subsidiaries (the Company and its subsidiaries constitute “the Group”), and its share of the profit / (loss) of its subsidiaries and its jointly controlled entities prepared by the Management of the Company (the “Management”). The Unaudited Proforma Consolidated Condensed Financial Information consists of the unaudited proforma consolidated condensed statement of profit and loss for the year ended March 31, 2020 and the related notes thereto. The applicable criteria on the basis of which the Management has compiled the Unaudited Proforma Consolidated Condensed Financial Information are described in Notes 1 and 2 to the Unaudited Proforma Consolidated Condensed Financial Information.

The Unaudited Proforma Consolidated Condensed Financial Information has been compiled by the Management to illustrate the impact of the transaction as set out in Notes 1 and 2 to the Unaudited Proforma Consolidated Condensed Financial Information for the financial year ended March 31, 2020.

The Unaudited Proforma Consolidated Statement of profit and loss is based on the historical audited standalone financial statements of the Holding Company for the year ended March 31, 2020 and MMFL's historical audited consolidated statement of profit and loss for the year ended March 31, 2020. The unaudited pro-forma consolidated statement of profit and loss for the year ended March 31, 2020 gives effect to the abovementioned MMFL acquisition as if it occurred on April 1, 2019.

The date on which the transaction described above are assumed to have been undertaken, are hereinafter collectively referred to as the “ Relevant Date”.

As part of this process, information about the Company’s consolidated condensed financial position consolidated condensed financial performance has been extracted by the Management from the Group’s historical financial statements for the year ended March 31, 2020.

***The Management’s Responsibility for the Unaudited Proforma Consolidated Condensed Financial Information***

The Management is responsible for compilation and preparation of the Unaudited Proforma Consolidated Condensed Financial Information on the basis of the applicable criteria described in Notes 1 and 2 to the Unaudited Proforma Consolidated Condensed Financial Information. This responsibility includes the responsibility for designing, implementing and maintaining internal control relevant for compiling the Unaudited Proforma Consolidated Condensed Financial Information on the basis of the applicable criteria described in Notes 1 and 2 to the Unaudited Proforma Consolidated Condensed Financial Information that is free from material misstatement, whether due to fraud or error. The Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities, including compliance with the provisions of the laws and regulations for the compilation of Unaudited Proforma Consolidated Condensed Financial Information.







## RAO ASSOCIATES CHARTERED ACCOUNTANTS

### *Auditors Responsibility*

Our responsibility is to express an opinion whether the Unaudited Proforma Consolidated Condensed Financial Information has been compiled, in all material respects, by the Management on the basis of the applicable criteria described in the Notes 1 and 2 to the Unaudited Proforma Consolidated Condensed Financial Information.

We conducted our engagement in accordance with Standard on Assurance Engagements (SAE) 3420, Assurance Engagements to Report on the Compilation of Proforma Consolidated Financial Information Included in a Prospectus, issued by the Institute of Chartered Accountants of India. This Standard requires that the practitioner comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Management has compiled, in all material respects, the Unaudited Proforma Consolidated Condensed Financial Information on the basis of the applicable criteria described in the Notes 1 and 2 to the Unaudited Proforma Consolidated Condensed Financial Information.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the unaudited proforma consolidated condensed financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Proforma Consolidated Condensed Financial Information.

The purpose of Unaudited Proforma Consolidated Condensed Financial Information is solely to illustrate the impact of a significant transaction on unadjusted financial information of the entity as if the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at Relevant Date would have been as presented.

A reasonable assurance engagement to report on whether the Unaudited Proforma Consolidated Condensed Financial Information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Management in the compilation of the Unaudited Proforma Consolidated Condensed Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the transaction, and to obtain sufficient appropriate evidence about whether:

- i. The related Proforma adjustments give appropriate effect to those criteria; and
- ii. The Unaudited Proforma Consolidated Condensed Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the auditors' judgement, having regard to the auditors' understanding of the nature of the company, the transaction in respect of which the Unaudited Proforma Consolidated Condensed Financial Information has been compiled, and other relevant engagement circumstances. The engagement also involves evaluating the overall presentation of the Unaudited Proforma Consolidated Condensed Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.





**RAO ASSOCIATES  
CHARTERED ACCOUNTANTS**

***Opinion***

In our opinion, the Unaudited Proforma Consolidated Condensed Financial Information has been compiled, in all material respects, on the basis of applicable criteria described in Notes 1 and 2 to the Unaudited Proforma Consolidated Condensed Financial Information.

***Restriction of Use and Distribution***

This report has been prepared for inclusion in the preliminary placement document and placement document, prepared in connection with the proposed offering of equity shares of face value Rs.10 each by the Company in a Qualified Institutions Placement (the "Offering") in accordance with the provisions of Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations") and for no other purposes.

For **Rao Associates**,  
Chartered Accountants  
Firm Registration Number: **003080S**

Sandeep S Shekar  
Partner  
Membership Number: **232631**



Date: 29-09-2020

UDIN: 20232631AAAAGY2169



### Unaudited Pro-forma Consolidated Statement of Profit and Loss

During the year ended March 31, 2020, CreditAccess Grameen Limited (the "Holding Company") acquired controlling stake in Madura Micro Finance Limited ("MMFL") on March 18, 2020, followed by a purchase of additional stake on March 31, 2020, for an aggregate cash consideration of Rs. 661 Crores, resulting in an overall controlling interest of 76.08% as at March 31, 2020.

The following unaudited pro-forma consolidated statement of profit and loss is based on the historical audited standalone financial statements of the Holding Company for the year ended March 31, 2020 and MMFL's historical audited consolidated statement of profit and loss for the year ended March 31, 2020. The unaudited pro-forma consolidated statement of profit and loss for the year ended March 31, 2020 gives effect to the abovementioned MMFL acquisition as if it occurred on April 1, 2019.

The assumptions and estimates underlying the unaudited adjustments to the unaudited pro forma consolidated statement of profit and loss are described in the accompanying notes, which should be read together with the unaudited pro forma consolidated statement of profit and loss.

The unaudited pro-forma consolidated statement of profit and loss should be read together with the Holding Company's historical financial statements included in the

### Unaudited pro-forma consolidated statement of profit and loss for the year ended March 31, 2020

Rs. in Crores						
Sr. No.	Particulars	Historical audited standalone statement of profit and loss of CreditAccess Grameen Limited	Historical audited consolidated statement of profit and loss of Madura Micro Finance Limited	Pro-forma adjustments (Refer note 2)	Note No.	Unaudited pro-forma consolidated statement of profit and loss
I	<b>Revenue from operations</b>					
(a)	Interest income					
	- Interest on loans	1,588.80	414.98	-		2,003.78
	- Income on securitisation (re-recognised on balance sheet)	22.25	27.59	-		49.84
	- Income from portfolio purchased under assignment	-	7.36	-		7.36
	- Interest on deposits with banks and financial institutions	6.14	5.01	-		11.15
(b)	Fees and commission	4.95	0.26	-		5.21
(c)	Sale of Service	-	0.41	-		0.41
(d)	Dividend income	-	0.16	-		0.16
(e)	Net gain on fair value changes	56.15	2.51	-		58.66
(f)	Bad Debt Recovery	5.20	2.87	-		8.07
(g)	Others	-	10.36	-		10.36
	<b>Total revenue from operations (I)</b>	<b>1,683.49</b>	<b>471.51</b>	<b>-</b>		<b>2,155.00</b>
II	<b>Other income</b>	0.87	4.39	-		5.26
III	<b>Total income (I+II)</b>	<b>1,684.36</b>	<b>475.90</b>	<b>-</b>		<b>2,160.26</b>
IV	<b>Expenses</b>					
(a)	Finance costs					
	- On borrowings	563.89	185.53	-		749.42
	- On financial liability towards securitisation (re-recognised on balance sheet)	8.78	9.96	-		18.74
(b)	Impairment of financial instruments	238.98	57.14	-		296.12
(c)	Employee benefits expenses	259.64	67.41	-		327.05
(d)	Depreciation and amortisation expenses	19.64	5.11	16.28	2(a)	41.03
(e)	Other expenses	142.54	44.34	-	2(c)	186.88
	<b>Total expenses (IV)</b>	<b>1,233.47</b>	<b>369.49</b>	<b>16.28</b>		<b>1,619.24</b>
V	<b>Profit before tax (III-IV)</b>	<b>450.89</b>	<b>106.41</b>	<b>(16.28)</b>		<b>541.02</b>
VI	<b>Tax expense</b>					
(1)	Current tax					
	i. Current year	159.32	30.01	-		189.33
	ii. Pertaining to earlier years	-	(1.74)	-		(1.74)
(2)	Deferred tax	(35.93)	(1.53)	(4.10)	2(b)	(41.56)
	<b>Total tax expense (VI)</b>	<b>123.39</b>	<b>26.74</b>	<b>(4.10)</b>		<b>146.03</b>
VII	<b>Profit / (loss) for the year (V-VI)</b>	<b>327.50</b>	<b>79.67</b>	<b>(12.18)</b>		<b>394.99</b>
VIII	<b>Other comprehensive income</b>					
(a)	(1) Items that will not be reclassified to profit or loss					
	- Remeasurement (losses) and gains on defined benefit obligations (net)	0.05	(0.29)	-		(0.24)
	(2) Income tax relating to items that will not be reclassified to profit or loss	(0.01)	0.07	-		0.06
	<b>Subtotal (a)</b>	<b>0.04</b>	<b>(0.22)</b>	<b>-</b>		<b>(0.18)</b>
(b)	(1) Items that will be reclassified to profit or loss					
	- Net change in fair value of loans measured at fair value through other comprehensive income	(34.83)	-	-		(34.83)
	(2) Income tax relating to items that will be reclassified to profit or loss	7.46	-	-		7.46
	<b>Subtotal (b)</b>	<b>(27.37)</b>	<b>-</b>	<b>-</b>		<b>(27.37)</b>
	<b>Other comprehensive income (VIII = a+b)</b>	<b>(27.33)</b>	<b>(0.22)</b>	<b>-</b>		<b>(27.55)</b>
IX	<b>Total comprehensive income (VII+VIII) (comprising profit / (loss) and other comprehensive income for the year)</b>	<b>300.17</b>	<b>79.45</b>	<b>(12.18)</b>		<b>367.44</b>
X	<b>Profit is attributable to:</b>					
	Owners of the Company	327.50	-	51.34		378.85
	Non-controlling interest	-	-	16.14	2(d)	16.14
XI	<b>Other comprehensive income is attributable to:</b>					
	Owners of the Company	(27.33)	-	(0.17)		(27.50)
	Non-controlling interest	-	-	(0.05)	2(d)	(0.05)
XII	<b>Total comprehensive income is attributable to:</b>					
	Owners of the Company	300.17	-	51.18		351.35
	Non-controlling interest	-	-	16.09	2(d)	16.09
XIII	<b>Earnings per equity share (EPS)</b>					
	Basic EPS	22.78	110.74	-	2(f)	26.35
	Diluted DPS	22.59	110.74	-	2(f)	26.13
	Nominal value per share	10.00	10.00	-		10.00





## Notes to the unaudited pro-forma consolidated statement of profit and loss

### 1 Basis of Preparation

The unaudited pro-forma consolidated statement of profit and loss including the accompanying notes ('the unaudited pro-forma financial information') has been prepared by the management of the Holding Company on the basis of historical audited standalone statement of profit and loss of the Holding Company and historical audited consolidated statement of profit and loss of MMFL and its subsidiary for the year ended March 31, 2020, respectively, adjusted for the pro-forma adjustments to give effect to the events that are: (1) directly attributable to MMFL acquisition; (2) factually supportable; and (3) expected to have a continuing impact on the consolidated results of the Holding Company and its subsidiaries (collectively, the "Group") following the MMFL acquisition.

Considering that MMFL acquisition took place prior to March 31, 2020 whereby the impact of such acquisition is considered in the historical audited consolidated financial position of the Group as at March 31, 2020, a separate pro-forma balance sheet as at March 31, 2020 has not been presented.

The unaudited pro-forma financial information of the Group has been prepared to give effect to the MMFL acquisition (including additional stake acquired on March 31, 2020) as if it occurred on April 1, 2019 i.e. beginning of the reporting period. This statement has been prepared for illustrative purpose only and because of its nature, the unaudited pro-forma financial information addresses a hypothetical situation and therefore, does not represent the Group's actual consolidated statement of profit and loss for the year ended March 31, 2020. Accordingly, the unaudited pro-forma financial information does not necessarily reflect what the Group's results of operations would have been had the effective date of the transaction been April 1, 2019 and is also not intended to be indicative of expected results of operations for future periods.

The Unaudited Proforma Consolidated Condensed Financial Information has been compiled in a manner consistent with the accounting policies adopted by the Company in the consolidated financial information of the Company for the year ended March 31, 2020.

The applicable criteria used by the Management in the compilation of the Unaudited Proforma Consolidated Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the acquisition by the Company of 76.08% of MMFL as on April 1, 2019.

The unaudited pro-forma consolidated statement of profit and loss has been prepared based on the audited standalone Financial Statements of the Holding Company and MMFL.

### 2 Pro-forma adjustments

- a. Represents full-year amortisation expense in respect of the intangible asset identified upon MMFL acquisition (viz. Customer Relationships). Such asset was not recognised by MMFL in its historical consolidated financial statements.
- b. Reflects tax effect of the above pro-forma adjustment on the unaudited pro-forma consolidated statement of profit and loss.
- c. Other expenses in the historical audited standalone statement of profit and loss of the Holding Company include directly attributable acquisition-related costs of Rs.15.23 crores. No adjustment in this regard is made in the unaudited pro-forma consolidated statement of profit and loss.
- d. Represents earnings attributable to non-controlling interests.
- e. Considering that there were no inter-company transactions during the year between the Holding Company and MMFL, affecting the statement of profit and loss, no adjustment is required towards inter-company eliminations in the unaudited pro-forma consolidated statement of profit and loss.
- f. Basic and diluted earnings per share have been adjusted to give effect of the above pro-forma adjustments.





**Unaudited Pro-forma Consolidated Statement of Profit and Loss**

During the year ended March 31, 2020, CreditAccess Grameen Limited (the "Holding Company") acquired controlling stake in Madura Micro Finance Limited ("MMFL") on March 18, 2020, followed by a purchase of additional stake on March 31, 2020, for an aggregate cash consideration of Rs. 661 Crores, resulting in an overall controlling interest of 76.08% as at March 31, 2020.

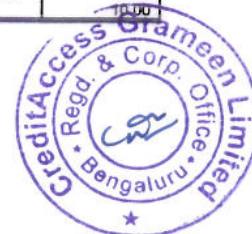
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The assumptions and estimates underlying the unaudited adjustments to the unaudited pro forma consolidated statement of profit and loss are described in the accompanying notes, which should be read together with the unaudited pro forma consolidated statement of profit and loss.

The unaudited pro-forma consolidated statement of profit and loss should be read together with the Holding Company's historical financial statements included in the

**Unaudited pro-forma consolidated statement of profit and loss for the year ended March 31, 2020**

						Rs. in Crores
Sr. No.	Particulars	Historical audited standalone statement of profit and loss of CreditAccess Grameen Limited	Historical audited consolidated statement of profit and loss of Madura Micro Finance Limited	Pro-forma adjustments (Refer note 2)	Note No.	Unaudited pro-forma consolidated statement of profit and loss
<b>I</b>	<b>Revenue from operations</b>					
(a)	Interest income					
	- Interest on loans	1,588.80	414.98	-		2,003.78
	- Income on securitisation (re-recognised on balance sheet)	22.25	27.59	-		49.84
	- Income from portfolio purchased under assignment	-	7.36	-		7.36
	- Interest on deposits with banks and financial institutions	6.14	5.01	-		11.15
(b)	Fees and commission	4.95	0.26	-		5.21
(c)	Sale of Service	-	0.41	-		0.41
(d)	Dividend income	-	0.16	-		0.16
(e)	Net gain on fair value changes	56.15	2.51	-		58.66
(f)	Bad Debt Recovery	5.20	2.87	-		8.07
(g)	Others	-	10.36	-		10.36
	<b>Total revenue from operations (I)</b>	<b>1,683.49</b>	<b>471.51</b>	<b>-</b>		<b>2,155.00</b>
<b>II</b>	<b>Other income</b>	<b>0.87</b>	<b>4.39</b>	<b>-</b>		<b>5.26</b>
<b>III</b>	<b>Total income (I+II)</b>	<b>1,684.36</b>	<b>475.90</b>	<b>-</b>		<b>2,160.26</b>
<b>IV</b>	<b>Expenses</b>					
(a)	Finance costs					
	- On borrowings	563.89	185.53	-		749.42
	- On financial liability towards securitisation (re-recognised on balance sheet)	8.78	9.96	-		18.74
(b)	Impairment of financial instruments	238.98	57.14	-		296.12
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	<b>Total expenses (IV)</b>	<b>1,233.47</b>	<b>369.49</b>	<b>16.28</b>		<b>1,619.24</b>
<b>V</b>	<b>Profit before tax (III-IV)</b>	<b>450.89</b>	<b>106.41</b>	<b>(16.28)</b>		<b>541.02</b>
<b>VI</b>	<b>Tax expense</b>					
(1)	Current tax					
	i. Current year	159.32	30.01	-		189.33
	ii. Pertaining to earlier years	-	(1.74)	-		(1.74)
(2)	Deferred tax	(35.93)	(1.53)	(4.10)	2(b)	(41.56)
	<b>Total tax expense (VI)</b>	<b>123.39</b>	<b>26.74</b>	<b>(4.10)</b>		<b>146.03</b>
<b>VII</b>	<b>Profit / (loss) for the year (V-VI)</b>	<b>327.50</b>	<b>79.67</b>	<b>(12.18)</b>		<b>394.99</b>
<b>VIII</b>	<b>Other comprehensive income</b>					
(a)	(1) Items that will not be reclassified to profit or loss					
	- Remeasurement (losses) and gains on defined benefit obligations (net)	0.05	(0.29)	-		(0.24)
	(2) Income tax relating to items that will not be reclassified to profit or loss	(0.01)	0.07	-		0.06
	<b>Subtotal (a)</b>	<b>0.04</b>	<b>(0.22)</b>	<b>-</b>		<b>(0.18)</b>
(b)	(1) Items that will be reclassified to profit or loss					
	- Net change in fair value of loans measured at fair value through other comprehensive income	(34.83)	-	-		(34.83)
	(2) Income tax relating to items that will be reclassified to profit or loss	7.46	-	-		7.46
	<b>Subtotal (b)</b>	<b>(27.37)</b>	<b>-</b>	<b>-</b>		<b>(27.37)</b>
	<b>Other comprehensive income (VIII = a+b)</b>	<b>(27.33)</b>	<b>(0.22)</b>	<b>-</b>		<b>(27.55)</b>
<b>IX</b>	<b>Total comprehensive income (VII+VIII) (comprising profit / (loss) and other comprehensive income for the year)</b>	<b>300.17</b>	<b>79.45</b>	<b>(12.18)</b>		<b>367.44</b>
<b>X</b>	<b>Profit is attributable to:</b>					
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	Non-controlling interest			16.14	2(d)	16.14
<b>XI</b>	<b>Other comprehensive income is attributable to:</b>					
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<b>XII</b>	<b>Total comprehensive income is attributable to:</b>					
	Owners of the Company	300.17		51.18		351.35
	Non-controlling interest			16.09	2(d)	16.09
<b>XIII</b>	<b>Earnings per equity share (EPS)</b>					
	Basic EPS	22.78	110.74		2(f)	26.35
	Diluted DPS	22.59	110.74		2(f)	26.13
	Nominal value per share	10.00	10.00			10.00





## Notes to the unaudited pro-forma consolidated statement of profit and loss

### 1 Basis of Preparation

The unaudited pro-forma consolidated statement of profit and loss including the accompanying notes ('the unaudited pro-forma financial information') has been prepared by the management of the Holding Company on the basis of historical audited standalone statement of profit and loss of the Holding Company and historical audited consolidated statement of profit and loss of MMFL and its subsidiary for the year ended March 31, 2020, respectively, adjusted for the pro-forma adjustments to give effect to the events that are: (1) directly attributable to MMFL acquisition; (2) factually supportable; and (3) expected to have a continuing impact on the consolidated results of the Holding Company and its subsidiaries (collectively, the "Group") following the MMFL acquisition.

Considering that MMFL acquisition took place prior to March 31, 2020 whereby the impact of such acquisition is considered in the historical audited consolidated financial position of the Group as at March 31, 2020, a separate pro-forma balance sheet as at March 31, 2020 has not been presented.

The unaudited pro-forma financial information of the Group has been prepared to give effect to the MMFL acquisition (including additional stake acquired on March 31, 2020) as if it occurred on April 1, 2019 i.e. beginning of the reporting period. This statement has been prepared for illustrative purpose only and because of its nature, the unaudited pro-forma financial information addresses a hypothetical situation and therefore, does not represent the Group's actual consolidated statement of profit and loss for the year ended March 31, 2020. Accordingly, the unaudited pro-forma financial information does not necessarily reflect what the Group's results of operations would have been had the effective date of the transaction been April 1, 2019 and is also not intended to be indicative of expected results of operations for future periods.

The Unaudited Proforma Consolidated Condensed Financial Information has been compiled in a manner consistent with the accounting policies adopted by the Company in the consolidated financial information of the Company for the year ended March 31, 2020.

The applicable criteria used by the Management in the compilation of the Unaudited Proforma Consolidated Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the acquisition by the Company of 76.08% of MMFL as on April 1, 2019.

The unaudited pro-forma consolidated statement of profit and loss has been prepared based on the audited standalone Financial Statements of the Holding Company and MMFL.

### 2 Pro-forma adjustments

- a. Represents full-year amortisation expense in respect of the intangible asset identified upon MMFL acquisition (viz. Customer Relationships). Such asset was not recognised by MMFL in its historical consolidated financial statements.
- b. Reflects tax effect of the above pro-forma adjustment on the unaudited pro-forma consolidated statement of profit and loss.
- c. Other expenses in the historical audited standalone statement of profit and loss of the Holding Company include directly attributable acquisition-related costs of Rs. 15.23 crores. No adjustment in this regard is made in the unaudited pro-forma consolidated statement of profit and loss.
- d. Represents earnings attributable to non-controlling interests.
- e. Considering that there were no inter-company transactions during the year between the Holding Company and MMFL, affecting the statement of profit and loss, no adjustment is required towards inter-company eliminations in the unaudited pro-forma consolidated statement of profit and loss.
- f. Basic and diluted earnings per share have been adjusted to give effect of the above pro-forma adjustments.

