



MOTILAL OSWAL FINANCIAL SERVICES LIMITED

(CIN: L67190MH2005PLC153397)

Registered Office: Motilal Oswal Tower, Rahimtullah Sayani Road,

Opposite Parel ST Depot, Prabhadevi, Mumbai - 400025.

Tel : +91 22 3980 4200; Fax: +91 22 3312 4997

Website: www.motilaloswalgroup.com; Email: shareholders@motilaloswal.com

NOTICE TO EQUITY SHAREHOLDERS

NATIONAL COMPANY LAW TRIBUNAL CONVENED MEETING OF THE EQUITY SHAREHOLDERS OF MOTILAL OSWAL FINANCIAL SERVICES LIMITED

Day	Tuesday
Date	20 th February, 2018
Time	4:00 p.m.
Venue	Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai - 400025.

POSTAL BALLOT AND REMOTE E-VOTING

Commencing on	Sunday – 21 st January, 2018 at 9:30 a.m. (IST)
Ending on	Monday – 19 th February, 2018 at 5:00 p.m. (IST)

Sr. No.	Contents	Page No.
1.	Notice convening meeting of the equity shareholders of Motilal Oswal Financial Services Limited	2
2.	Explanatory Statement under Section 230(3) read with Section 232(2) and Section 102 of the Companies Act, 2013 and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016	7
3.	Annexure A Scheme of Amalgamation of Motilal Oswal Securities Limited (“Transferor Company”) with Motilal Oswal Financial Services Limited (“Transferee Company”) and their respective shareholders	16
4.	Annexure B Independent Chartered Accountant’s Certificate for non-applicability of Valuation Report	31
5.	Annexure C Reports adopted by the Board of Directors of the respective companies explaining the effect of the Scheme on each of the shareholders, key managerial personnel, promoters and non-promoter shareholders	32
6.	Annexure D Supplementary Accounting statement of both the Transferor Company and Transferee Company for the period ended 30 th September, 2017	34
7.	Route Map to the venue of the Meeting	42
8.	Attendance Slip	43
9.	Proxy Form	45
10.	Postal Ballot Form with instructions and postage-prepaid self-addressed Business Reply Envelope (in loose leaf form)	

NOTICE TO EQUITY SHAREHOLDERS

IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH COMPANY APPLICATION NO. 1049 OF 2017

IN THE MATTER OF SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013

AND

IN THE MATTER OF THE SCHEME OF AMALGAMATION OF MOTILAL OSWAL SECURITIES LIMITED WITH MOTILAL OSWAL FINANCIAL SERVICES LIMITED AND THEIR RESPECTIVE SHAREHOLDERS

MOTILAL OSWAL FINANCIAL SERVICES LIMITED, a Company incorporated under the provisions of the Companies Act, 1956 and having its Registered Office at Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai 400025, Maharashtra.

APPLICANT / TRANSFEREE COMPANY

NOTICE CONVENING THE MEETING OF THE EQUITY SHAREHOLDERS OF THE COMPANY PURSUANT TO THE ORDER DATED 22ND DECEMBER, 2017 OF THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH

To,

The equity shareholders of Motilal Oswal Financial Services Limited ("**Company**").

Notice is hereby given that by an Order dated 22nd December, 2017, the National Company Law Tribunal, Mumbai Bench ("**Tribunal**") has directed a meeting to be held of the equity shareholders of the Company, for the purpose of considering, and if thought fit, approving with or without modifications, the scheme of amalgamation of Motilal Oswal Securities Limited ("**Transferor Company**") with the Company and their respective shareholders ("**Scheme**").

In pursuance of the said Order and as directed therein, a meeting of the equity shareholders of the Company will be held at Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai - 400025 on 20th February, 2018 at 04:00 p.m. at which time and place the said equity shareholders of the Company are requested to attend to consider and, if thought fit, approve with or without modification(s), the following resolution under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 with requisite majority:

*"RESOLVED THAT pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, the rules, circulars and notifications made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), subject to the provisions of the Memorandum and Articles of Association of the Company and subject to the approval of Hon'ble National Company Law Tribunal, Mumbai Bench ("**Tribunal**") and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by the Tribunal or by any regulatory or other authorities, while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "**Board**", which term shall be deemed to mean and include one or more Committee(s) constituted / to be constituted by the Board or any person(s) which the Board may nominate to exercise its powers including the powers conferred by this Resolution), the arrangement embodied in the Scheme of Amalgamation of Motilal Oswal Securities Limited with Motilal Oswal Financial Services Limited and their respective shareholders ("**Scheme**") placed before this Meeting and initialed by the Chairman of the Meeting for the purpose of identification, be and is hereby approved.*

NOTICE TO EQUITY SHAREHOLDERS (Contd..)

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this Resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and / or conditions, if any, which may be required and / or imposed by the Tribunal while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise including passing of such accounting entries and / or making such adjustments in the books of accounts as considered necessary in giving effect to the Scheme, as the Board may deem fit and proper”.

TAKE FURTHER NOTICE that you may attend and vote at the said Meeting in person or by proxy provided that a proxy in the prescribed form, signed by you or your authorised representatives, is deposited with the Registered Office of the Company not later than 48 hours before the commencement of the Meeting.

TAKE FURTHER NOTICE in accordance with the applicable regulatory provisions, as an alternative to casting of votes by the equity shareholders at the venue of the Meeting through Ballot Paper, the Company has provided the facility for casting votes either by way of Postal Ballot Form or by availing Remote e-voting facility offered by Central Depository Services (India) Limited (“CDSL”). The voting rights shall be reckoned based on the paid-up value of equity shares registered in the name of the equity shareholders as on cut-off date i.e. Friday, 5th January, 2018. The equity shareholders may refer to Notes to this Notice for further details on Postal Ballot and Remote e-voting.

It is clarified that casting of votes by Postal Ballot Form or Remote e-voting does not disentitle an equity shareholder as on the cut-off date from attending the Meeting.

The Tribunal has appointed Mr. Motilal Oswal, Chairman & Managing Director of the Company or in his absence, Mr. Raamdeo Agarawal, Joint Managing Director of the Company to be the Chairman of the Meeting. The above Scheme, if approved by the equity shareholders, will be subject to the subsequent approval of the Tribunal.

Explanatory Statement under Section 230(3) read with Section 232(2) and Section 102 of the Companies Act, 2013 along with copy of the Scheme and other annexures including Attendance Slip, Proxy Form and Postal Ballot Form are enclosed herewith. Copies of the Scheme and Explanatory Statement can be obtained free of charge at the Registered Office of the Company during office hours on all working days, up to the date of the Meeting.

Sd/-

Motilal Oswal
Chairman appointed for the Meeting
(DIN: 00024503)

Place: Mumbai

Date: 10th January, 2018

Registered Office: Motilal Oswal Tower, Rahimtullah Sayani Road,
Opposite Parel ST Depot, Prabhadevi, Mumbai - 400025.

Notes:

1. The Board of Directors of the Company at its meeting held on 4th November, 2017 had approved the Scheme, subject to the sanction of the Tribunal and of such other authorities as may be necessary.
2. An equity shareholder of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a Member of the Company. The Proxy Form duly completed should, however, be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting. A person can act as proxy on behalf of equity shareholders not exceeding fifty (50) in number and / or holding in aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by equity shareholder(s) holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder. Further, the proxy holder shall carry a valid proof of identity at the Meeting.
3. In compliance with the provisions of the Section 108 and 110 of the Companies Act, 2013 read with the Rules made thereunder and other applicable provisions of the Companies Act, 2013 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”), the Company has also provided the facility to

NOTICE TO EQUITY SHAREHOLDERS (Contd..)

the equity shareholders to cast their votes either by way of Postal Ballot Form or alternatively through Remote e-voting (e-voting from a place other than venue of the Meeting) facility. Necessary arrangements have been made by the Company with Central Depository Services (India) Limited (“CDSL”) to facilitate Remote e-voting. The instructions for the process to be followed for Remote e-voting are annexed to this Notice.

4. This Notice is being sent to the equity shareholders whose name appear in the Register of Members / Beneficial Owners maintained by the Depositories as on cut-off date i.e. Friday, 5th January, 2018. The Notice (along with Postal Ballot Form) is being sent to equity shareholders in electronic form to the email addresses registered with their Depository Participants (in case of electronic shareholding) / the Company’s Registrar and Share Transfer Agents (in case of physical shareholding). For equity shareholders whose email IDs are not registered, physical copies of the Notice (along with Postal Ballot Form and postage-prepaid self-addressed Business Reply Envelope) are being sent by permitted mode. This Notice may also be accessed on the website of the Company at www.motilaloswalgroup.com and website of CDSL at www.evotingindia.com.
5. In case an equity shareholder is desirous of obtaining a printed Postal Ballot Form or a duplicate, he or she may send an email to Company at shareholders@motilaloswal.com. The Registrar and Share Transfer Agent / Company shall forward the same along with the postage-prepaid self-addressed Business Reply Envelope to the equity shareholder.
6. An equity shareholder desiring to exercise his vote by Postal Ballot Form are requested to carefully read the instructions printed in the Postal Ballot Form and return the form duly completed and signed, in the enclosed postage-prepaid self-addressed Business Reply Envelope to the Scrutinizer, so that it reaches the Scrutinizer on or before 5:00 p.m. (IST) on Monday, 19th February, 2018. The postage will be borne by the Company. However, envelopes containing Postal Ballot Form, if sent by courier or registered / speed post at the expense of the equity shareholders will also be accepted. Postal Ballot Form(s) received after said time and date shall be deemed invalid.
7. An equity shareholder cannot exercise his / her vote through proxy on Postal Ballot.
8. An Equity shareholder whose name appears on the Register of Members / Beneficial Owners maintained by the Depositories as on cut-off date i.e. Friday, 5th January, 2018 will only be considered for the purpose of voting (i.e. either through Postal Ballot Form or Remote e-voting or voting at the Meeting through Ballot Paper).
9. The equity shareholders attending the Meeting who are entitled to vote but have not exercised their right to vote either by Postal Ballot Form or Remote e-voting, may vote at the Meeting through Ballot Paper for resolution specified in the Notice. The equity shareholders who have exercised their right to vote either by Postal Ballot Form or Remote e-voting may attend the Meeting but shall not vote at the Meeting.
10. An equity shareholder can opt only for one mode of voting. If an equity shareholder has opted for Remote e-voting, then he / she should not vote by Postal Ballot Form and vice-versa. However, in case an equity shareholder casts his vote both via Postal Ballot Form and Remote e-voting, then voting through Remote e-voting shall prevail and voting done by Postal Ballot Form shall be treated as invalid.
11. Voting rights shall be reckoned based on the paid-up value of equity shares registered in the name of the equity shareholders as on cut-off date i.e. Friday, 5th January, 2018.
12. Any person who acquires shares of the Company and becomes the equity shareholder of the Company after the cut-off date i.e. Friday, 5th January, 2018 shall not be eligible to vote through any mode. Any recipient of this Notice who has no voting rights as on the cut-off date should treat the same as intimation only.
13. The voting period for Postal Ballot and Remote e-voting shall commence at 9:30 a.m. (IST) on Sunday, 21st January, 2018 and end at 5:00 p.m. (IST) on Monday, 19th February, 2018.
The Remote e-voting module shall be disabled by CDSL after aforesaid period.
14. Only registered equity shareholders of the Company may attend and vote (either in person or by proxy or by authorised representative under Section 113 of the Companies Act, 2013) at the Meeting. The authorised representative of a body corporate which is a registered equity shareholder of the Company may attend and vote at the Meeting, provided a certified true copy of the resolution of the board of directors or other governing body of the body corporate is deposited at the Registered Office of the Company not later than 48 hours before the Meeting authorising such representative to attend and vote at the Meeting.
15. In case of joint holders attending the Meeting, only such joint holder whose name stands first in the Register of Members / Beneficial Owners as maintained by Depositories of the Company, in respect of such joint holding will be entitled to vote.
16. An equity shareholder or his / her Proxy is requested to bring the copy of the Notice to the Meeting and produce the Attendance Slip, duly completed and signed, at the entrance of the Meeting venue. Equity shareholders who hold shares

NOTICE TO EQUITY SHAREHOLDERS (Contd..)

in dematerialized form are requested to bring in their Client ID and DP ID numbers for easy identification of the attendance at the Meeting.

17. As directed by Tribunal, the Scrutinizer for Meeting shall be Mr. Umashankar K. Hegde, Practicing Company Secretary, to scrutinize votes cast either by Postal Ballot Form or Remote e-voting or through Ballot Paper at the venue of the Meeting and submitting a report on votes cast, to the Chairman of the Meeting within 48 hours from the conclusion of the Meeting.
18. The Scrutinizer shall after the conclusion of the Meeting submit the Consolidated Scrutinizer's Report (i.e. votes cast through Postal Ballot Form or Remote e-voting or Ballot Paper) of the total votes cast in favour or against the resolution and invalid votes, to the Chairman of the Meeting, who shall countersign the same and declare the result of the voting forthwith.
19. Based on the Scrutinizer's Report, the Company will submit within 48 hours of the conclusion of the Meeting to the Stock Exchanges, details of the voting results as required under Regulation 44(3) of the Listing Regulations.
20. The result declared along with Scrutinizer's Report will be placed on the website of the Company at www.motilaloswalgroup.com and on the website of CDSL at www.evotingindia.com and shall also be displayed on the Notice Board of the Company.
21. The documents referred to in the Explanatory Statement will be available for inspection by the equity shareholders at the Registered Office of the Company during office hours on all working days, up to the date of the Meeting.
22. In the event of any grievance relating to remote e-voting, the equity shareholders may contact the following: Mr. Rakesh Dalvi, Deputy Manager, CDSL, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N. M. Joshi Marg, Lower Parel (East), Mumbai - 400013, E-mail: helpdesk.evoting@cdslindia.com, Helpdesk: 1800225533.

INSTRUCTIONS FOR REMOTE E-VOTING:

The Company is pleased to offer Remote e-voting facility for its equity shareholders to enable them to cast their votes electronically. The Company has engaged CDSL as the agency to provide Remote e-voting facility. The detailed process, instructions and manner for availing Remote e-voting facility are provided herein below:-

- (i) The Remote e-voting period commences at 9:30 a.m. (IST) on Sunday, 21st January, 2018 and ends at 5:00 p.m. (IST) on Monday, 19th February, 2018. During this period equity shareholders of the Company holding shares either in Physical Form or in Demat Form, as on the cut-off date i.e. Friday, 5th January, 2018, may cast their vote electronically. The Remote e-voting module shall be disabled by CDSL after aforesaid period.
- (ii) The equity shareholders should log on to the Remote e-voting website at www.evotingindia.com
- (iii) Click on "Shareholders / Members" tab to cast your votes.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Equity shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in Demat Form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Equity Shareholders holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both i.e. for equity shareholders holding shares in Demat Form and Physical Form) <ul style="list-style-type: none">• Equity shareholders who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number which is printed on Postal Ballot Form indicated in the PAN field.

NOTICE TO EQUITY SHAREHOLDERS (Contd..)

Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. <ul style="list-style-type: none">If both the details are not recorded with the Company / Depository Participant, please enter the DP ID and Client ID / Folio number in the Dividend Bank details field as mentioned in instruction (iv).
---	---

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Equity shareholders holding shares in Physical Form will then reach directly to the Company selection screen. However, equity shareholders holding shares in Demat Form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolution(s) of any other company on which they are eligible to vote, provided that company opts for Remote e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For equity shareholders holding shares in Physical Form, the details can be used only for Remote e-voting on the resolution(s) contained in this Notice.
- (xi) Click on the Electronic Voting Sequence Number (“**EVSN**”) of “MOTILAL OSWAL FINANCIAL SERVICES LIMITED” on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES / NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution(s) details.
- (xiv) After selecting the Resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the Resolution, you will not be allowed to modify your vote.
- (xvi) You can also take print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Equity shareholders can also cast their vote using CDSL’s mobile app m-Voting. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store, respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) **Note for Non-Individual Equity Shareholders and Custodians:**
- Non-Individual Equity Shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporate(s).
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (“POA”) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding Remote e-voting, you may refer the Frequently Asked Questions (“FAQs”) and Remote e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH

COMPANY APPLICATION NO. 1049 OF 2017

**IN THE MATTER OF SECTIONS 230 TO 232 AND OTHER APPLICABLE
PROVISIONS OF THE COMPANIES ACT, 2013**

AND

**IN THE MATTER OF THE SCHEME OF AMALGAMATION OF
MOTILAL OSWAL SECURITIES LIMITED WITH MOTILAL OSWAL
FINANCIAL SERVICES LIMITED AND THEIR RESPECTIVE SHAREHOLDERS**

MOTILAL OSWAL FINANCIAL SERVICES LIMITED, a Company incorporated under the provisions of the Companies Act, 1956 and having its Registered Office at Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai 400025, Maharashtra.

APPLICANT / TRANSFeree COMPANY

EXPLANATORY STATEMENT UNDER SECTION 230(3) READ WITH SECTION 232(2) AND 102 OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016

- 1.** In this statement Motilal Oswal Financial Services Limited is referred to as the **“Transferee Company”** and Motilal Oswal Securities Limited is referred to as the **“Transferor Company”**. The other definitions contained in the Scheme of Amalgamation between the Transferor Company and the Transferee Company and their respective shareholders (**“Scheme”**) will also apply to this statement under Section 230 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (**“Explanatory Statement”**).
- 2.** This is a Statement accompanying the Notice convening the Meeting of the Equity Shareholders of the Transferee Company.
- 3.** A copy of the Scheme between the Transferor Company and the Transferee Company setting out the terms and conditions of the Scheme is annexed to this Notice as Annexure A.
- 4.** Pursuant to an order dated 22nd December, 2017 passed by the National Company Law Tribunal, Mumbai Bench (**“Tribunal”**) in the Company Scheme Application No. 1049 of 2017 referred to hereinabove, a Meeting of the equity shareholders of the Company is being convened and held on 20th February, 2018 at 4:00 p.m. at Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai - 400025 for the purpose of considering and, if thought fit, approving with or without modification(s), the arrangement embodied in the Scheme.
- 5. Background**
 - 5.1 Details of the Transferor Company**
 - (a) The Transferor Company is a public limited company. It was incorporated under the name “Deo Securities Private Limited” on 5th July, 1994 under the Companies Act, 1956 and was subsequently converted into a Public Limited Company and accordingly name was changed to “Deo Securities Limited” on 14th November, 2000. The name of the Transferor Company i.e. Deo Securities Limited was further changed to Motilal Oswal Securities Limited on 30th November, 2000. The name of the Transferor Company is Motilal Oswal Securities Limited with effect from 30th November, 2000. Thus, there has been no change in the name of the Transferor Company in the last five years. The non-convertible debentures of the Transferor Company are listed on BSE Limited.

NOTICE TO EQUITY SHAREHOLDERS (Contd..)

- (b) Corporate Identification Number (CIN): U65990MH1994PLC079418
- (c) Permanent Account Number (PAN): AAACD3654Q
- (d) Registered Office address and e-mail address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025.

Email address: support@motilaloswal.com

The Registered Office of the Transferor Company changed from Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai - 400064 to Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai - 400025 w.e.f. 1st July, 2014.

- (e) The Transferor Company is a wholly owned subsidiary of the Transferee Company.
- (f) The main objects of the Transferor Company as set out in its Memorandum of Association are as follows:

"1-a) To become member of stock exchange(s) and to carry on the business as Stock broker, sub-broker, finance broker, sponsor broker, underwriters, sub-underwriters, merchant banker, lead manager, manager to issues and offers whether by way of public offer or otherwise, portfolio manager for investment, adviser, and to act as issue house, financial consultant, registrar to issue for securities, transfer agent, custodian and to sale, purchase or otherwise deal in all kinds of securities, in spot, futures and derivatives as permitted under the laws of India, for self or others and to act as sponsorer and trustee of mutual fund or growth fund and investment in various avenues like growth fund, income fund, risk fund and mutual fund and to solicit and procure the insurance business as corporate agent, to undertake Depository Participant activities, functions and responsibilities, to undertake activities relating to Margin Funding, Distribution of Third Party Securities and act as Research Analyst and Investment Advisors and to do such other activities which are incidental or ancillary to the same.

1-b) To become a member of commodity exchange/s and / or to carry on business as Commodity brokers, sub-brokers, Authorised Persons, market makers, traders, arbitrageurs, investors and / or hedgers in all kinds of commodities including agricultural produce, metals, gold, silver, platinum, precious stones, diamonds, petroleum, energy products and commodities in spot, futures and derivatives, commodity futures & options / options on commodity futures as permitted under the laws of India and to act as clearing and forwarding agent for providing support for statutory compliances related to deliveries of commodities and to provide services of every kind in connection with dealing and trading in commodities."

The board of directors of the Transferor Company approved the addition of clause 1-b) to the object clause in its Meeting held on 4th November, 2017 and the same was also approved by the shareholders of the Transferor Company on 7th November, 2017. Post filing of requisite forms by the Transferor Company, the Registrar of Companies, Mumbai issued a certificate of registration with respect to the same on 20th November, 2017.

- (g) The Transferor Company is a member of BSE Limited, National Stock Exchange of India Limited and Metropolitan Stock Exchange of India Limited and acts as a stock broker to execute trades on behalf of its clients which include retail customers (including high net worth individuals), mutual funds, foreign institutional investors, financial institutions and corporate clients. It is registered with SEBI in the capacity of Depository Participant, Research Analyst and Investment Advisor and with various other Authorities like AMFI, CERSAI, KRA Agencies (CVL, Dotex, NDML, CAMS and Karvy).
- (h) The authorised, issued, subscribed and paid-up share capital of the Transferor Company as on 31st December, 2017 is as under:

Share Capital	Amount (INR)
Authorised Share Capital	
55,00,000 equity shares of INR 10 each	5,50,00,000
65,00,000 preference shares of INR 10 each	6,50,00,000
Total	12,00,00,000
Issued, Subscribed and Paid-up Share Capital	
13,18,830 equity shares of INR 10 each	1,31,88,300
Total	1,31,88,300

NOTICE TO EQUITY SHAREHOLDERS (Contd..)

- (i) Names of the promoters and directors along with their addresses:

Details of Promoters

Name of the Promoter	Address
Motilal Oswal Financial Services Limited	Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai - 400 025.

Details of Directors

Name of the Director	Designation	Address
Mr. Ajay Menon	Chairman & Managing Director	B-404 Uranus, Vasant Galaxy, Bangur Nagar, Goregaon (West), Mumbai - 400 090.
Mr. Harsh Joshi	Whole-Time Director	Geeta Bhavan, C - Building, Ground Floor, Warden, Road, Mumbai - 400 036.
Mr. Sudhir Dhar	Non-Executive Director	Building No.15, Wing 'B', Flat No. B-502, Bhakti Park, Next to Imax Theatre, Wadala (East), Mumbai – 400 037.
Mr. Praveen Tripathi	Independent Director	Row House No 5, Gokul Concorde, Thakur Village, Kandivali (East), Mumbai - 400 101.
Ms. Rekha Shah	Independent Director	10, Jolly Friends CHS, Plot 409, 15th Road, TPS-III, Bandra (West), Mumbai – 400 050.

5.2 Details of the Transferee Company

- (a) The Transferee Company is a listed public limited company incorporated on 18th May, 2005 under the provisions of the Companies Act, 1956 under the name "Motilal Oswal Financial Services Limited". There has been no change in the name of the Transferee Company in the last five years. The shares of the Transferee Company are listed on the BSE Limited and National Stock Exchange of India Limited. The Transferee Company is primarily engaged in lending and investment activities. The Transferee Company along with its subsidiaries, offers a diversified range of financial products and services such as Loan against shares, Investment activities, Private wealth management, Broking and distribution, Asset management business, Housing finance, Institutional equities, Private equity and Investment banking.
- (b) Corporate Identification Number (CIN): L67190MH2005PLC153397
- (c) Permanent Account Number (PAN): AAECM2876P
- (d) Registered Office address and e-mail address:
Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025
Email address: shareholders@motilaloswal.com
The Registered Office of the Transferee Company changed from Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai - 400064 to Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai - 400025 w.e.f. 1st July, 2014.
- (e) The Transferee Company is a holding company of the Transferor Company within the meaning of Section 2(46) of the Companies Act, 2013.
- (f) The main objects of the Transferee Company as set out in its Memorandum of Association are as follows:
"1-a To carry on the business as financiers, underwriters, finance and guarantee brokers, portfolio managers, investment advisers, and to undertake, carry on and execute all kinds of financial business whatsoever including but not restricted to lend, advance the money with or without security, carrying on mutual fund activities in India or abroad , acting as a sponsor in a mutual fund, incorporating or causing

NOTICE TO EQUITY SHAREHOLDERS (Contd..)

the incorporation of and / or acquiring and holding shares in an asset management company and / or trustee company to a mutual fund and to engage in such other activities relating to the mutual fund business as permitted under the applicable laws.

1-b To make investments in shares and securities, movable or Immovable properties and all other investment related activities.”

There has been no change in the main object clause of the Transferee Company in the last five years.

- (g) The authorised, issued, subscribed and paid-up share capital of the Transferee Company as on 31st December, 2017 is as under:

Share Capital	Amount (INR)
Authorised Share Capital	
87,00,00,000 equity shares of INR 1 each	87,00,00,000
50,00,00,000 preference shares of INR 100 each	50,00,00,000
Total	137,00,00,000
Issued, Subscribed and Paid-up Share Capital	
14,47,20,783 equity shares of INR 1 each	14,47,20,783
Total	14,47,20,783

- (h) Names of the promoters and directors along with their addresses:

Details of Promoters

Name of the Promoter	Address
Passionate Investment Management Private Limited	Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai - 400 025.
Mr. Motilal Oswal	10-Mount Unique, Peddar Road, Mumbai - 400 026.
Mr. Raamdeo Agarawal	218-Samudra Mahal, Dr. Annie Besant Road, Worli, Mumbai – 400 018.

Details of Directors

Name of the Director	Designation	Address
Mr. Motilal Oswal	Chairman & Managing Director	10-Mount Unique, Peddar Road, Mumbai - 400 026.
Mr. Raamdeo Agarawal	Joint Managing Director	218-Samudra Mahal, Dr. Annie Besant Road, Worli, Mumbai – 400 018.
Mr. Navin Agarwal	Non-Executive Director	2402, 24th Floor, Building No. 1, Sumer Trinity Tower Behind Chaitanya Tower, Near Samna Press, Prabhadevi, Mumbai – 400 025.
Mr. Praveen Tripathi	Independent Director	Row House No. 5, Ashirwad Gokul Concorde CHS, Surya Village, W. E. Highway, Kandivali (East), Mumbai - 400 101.
Mr. Vivek Paranjpe	Independent Director	1701, Tower 2 Aqua Planet Godrej 30, Keshavrao Khadye Marg, Mahalaxmi, Mumbai – 400 011.
Ms. Sharda Agarwal	Independent Director	1301, Marathon Heights, P. B. Marg, Worli, Mumbai - 400 013.

NOTICE TO EQUITY SHAREHOLDERS (Contd..)

6. Board Approval

The Board of Directors of the Transferor Company and the Transferee Company at their respective Board Meetings held on 4th November, 2017 had approved the proposed Scheme of Amalgamation, after taking on record Certificate for non-applicability of Valuation Report dated 1st November, 2017 issued by M/s. Aneel Lasod and Associates, Independent Chartered Accountant. The same is annexed to this Notice as Annexure B.

A copy of the Scheme setting out in detail the terms and conditions of the arrangement that has been approved by Board of Directors of the Transferor Company and the Transferee Company at their respective Board Meetings is annexed to this Notice as Annexure A and forms part of this Statement.

A copy of the Scheme setting out in detail the terms and conditions of the arrangement that has been approved by Board of Directors of the Transferor Company and the Transferee Company at their respective Board Meetings is annexed to this Notice as Annexure A and forms part of this Statement.

Names of the directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate in such resolution:

(a) Transferor Company

Name of the Directors	Designation	Voted in Favour	Voted Against	Abstained from voting
Mr. Ajay Menon	Chairman & Managing Director	Yes	–	–
Mr. Harsh Joshi	Whole-Time Director	Yes	–	–
Mr. Sudhir Dhar	Non-Executive Director	Yes	–	–
Mr. Praveen Tripathi	Independent Director	Yes	–	–
Ms. Rekha Shah	Independent Director	Yes	–	–

(b) Transferee Company

Name of the Directors	Designation	Voted in Favour	Voted Against	Abstained from voting
Mr. Motilal Oswal	Chairman & Managing Director	Yes	–	–
Mr. Raamdeo Agarawal	Joint Managing Director	Yes	–	–
Mr. Navin Agarwal	Non-Executive Director	Yes	–	–
Mr. Praveen Tripathi	Independent Director	Yes	–	–
Mr. Vivek Paranjpe	Independent Director	Yes	–	–
Ms. Sharda Agarwal	Independent Director	Yes	–	–

7. Rationale for the Scheme

The Transferor Company is the flagship company of the Motilal Oswal Group (“Group”) and a wholly owned subsidiary of the Transferee Company. The Group is virtually a household name synonymous with broking services. These services are provided by the Group through the Transferor Company, which in turn is the biggest revenue driver and the largest contributor to the profit of the Group as on 31st March, 2017.

The Scheme provides for the amalgamation of the Transferor Company with the Transferee Company and will result in the following benefits:

- Consolidation of operations within the Transferee Company leading to greater synergies;
- Stronger balance sheet and net worth to meet capital needs of subsidiaries for future growth and expansion;
- Free flow of funds and ease limits of investments / loans by the Transferee Company for expansion of business activities;
- Board of Transferee Company to have greater oversight over the consolidated business operations of subsidiaries;
- Merger and consolidation of fund based investment activities of the Group into one entity;
- Exposure of shareholders of the Transferee Company to the larger business activities of the flagship broking and related business activities of the Group; and
- Cost savings through legal entity rationalisation and elimination of intra group transactions.

NOTICE TO EQUITY SHAREHOLDERS (Contd..)

Thus, the amalgamation is in the interest of the shareholders, creditors and all other stakeholders of the companies and is not prejudicial to the interests of the concerned shareholders, creditors or the public at large.

8. Description of the Scheme

- (A) The Scheme envisages the merger of the Transferor Company into the Transferee Company in accordance with the provisions of Sections 230 to 232 of the Companies Act, 2013.
- (B) **Appointed Date:** means 1st April, 2017 or such other date as may be agreed by the Boards of the Transferor Company and the Transferee Company.
- (C) **Effective Date:** means the last of the dates on which the conditions specified in Clause 21 of this Scheme are complied with or are waived by the Board of both the Transferor Company and the Transferee Company. References in this scheme to the date of “coming into effect of this Scheme” or “upon the Scheme being effective” shall mean the Effective Date.
- (D) **Share Exchange Ratio:**
- The Transferor Company is wholly owned by the Transferee Company and therefore there shall be no issue of shares by the Transferee Company in this regard.
 - Upon the Scheme becoming effective, all equity shares of the Transferor Company held by the Transferee Company (held either directly or through its nominees) shall stand cancelled without any further application, act or deed.
 - There is therefore no share exchange ratio for the Scheme.
- (E) Subject to the sanction of the Scheme, with effect from the Appointed Date, the Transferor Company shall, pursuant to the provisions contained in Sections 230 to 232 of the Companies Act, 2013, and all other applicable provisions, if any, without any further act, deed, matter or thing, be merged with the Transferee Company, or be deemed to have been merged with the Transferee Company, as a going concern so as to become the estate, assets, rights, title, interest and authorities of the Transferee Company.
- (F) Upon this Scheme becoming effective, the authorised share capital of the Transferor Company shall be deemed to be added to the authorised share capital of the Transferee Company without any further act, instrument or deed or procedure or payment of any stamp duty and registration fees.

THE FEATURES / DETAILS SET OUT ABOVE BEING ONLY THE SALIENT FEATURES OF THE SCHEME OF AMALGAMATION, THE EQUITY SHAREHOLDERS OF THE COMPANY ARE REQUESTED TO READ THE ENTIRE TEXT OF THE SCHEME OF AMALGAMATION TO GET THEMSELVES FULLY ACQUAINTED WITH THE PROVISIONS THEREOF.

9. Summary of Valuation Reports including basis of valuation and fairness opinions

There is no valuation report for the Scheme. As no consideration is being paid, the shareholding pattern of the Transferee Company does not change and therefore the rights of the shareholders of the Transferee Company are not affected. It is for this reason that no valuation report is required for the Scheme.

A certificate from an independent Chartered Accountant confirming that no valuation report is required is annexed to this Notice as Annexure B.

10. Amounts due to unsecured creditors as on 30th November, 2017

Transferor Company		Transferee Company	
Number	Amount (INR)	Number	Amount (INR)
321,660	20,313,682,405	98	2,26,14,70,666

11. Effect of the Scheme on various parties

(a) Key Managerial Personnel (KMPs) and Directors

The Directors or KMPs or their relatives of the Transferor Company or the Transferee Company do not have any other interest in the Scheme otherwise than that as shareholders in any of the companies involved in the Scheme. Further, none of the Managers, KMPs and / or relatives of the Directors / KMPs of respective companies is concerned or interested, financially or otherwise, in the proposed Scheme. Save as aforesaid, none of the Directors of respective companies has any material interest in the proposed Scheme. The Directors and KMPs of

NOTICE TO EQUITY SHAREHOLDERS (Contd..)

the Transferor Company shall cease to be Directors and / or KMPs consequent to dissolution of the Transferor upon amalgamation with the Transferee as detailed in the Scheme.

Details of shares held by the present Directors and KMPs of the Transferor Company and the Transferee Company either individually or jointly as a first holder or second holder or as a nominee, in the respective companies are as under:

Transferor Company

Sr. No.	Name of the Director / KMPs	Designation	Number of equity shares held as on 31 st December, 2017	
			Transferor Company	Transferee Company
1.	Mr. Ajay Menon	Chairman & Managing Director	12*	4,10,000
2.	Mr. Harsh Joshi	Whole-Time Director	–	3,47,842
3.	Mr. Sudhir Dhar	Non-Executive Director	–	72,405
4.	Mr. Praveen Tripathi	Independent Director	–	–
5.	Ms. Rekha Shah	Independent Director	–	–
6.	Mr. Shalibhadra Shah	Chief Financial Officer	–	63,001
7.	Ms. Vidhi Gala	Company Secretary	–	6

* Nominee of Motilal Oswal Financial Services Limited

Transferee Company

Sr. No.	Name of the Director / KMPs	Designation	Number of equity shares held as on 31 st December, 2017	
			Transferor Company	Transferee Company
1.	Mr. Motilal Oswal	Chairman & Managing Director	100*	11,760,476
2.	Mr. Raamdeo Agarawal	Joint Managing Director	100*	11,376,000
3.	Mr. Navin Agarwal	Non-Executive Director	100*	70,04,010
4.	Mr. Praveen Tripathi	Independent Director	–	–
5.	Mr. Vivek Paranjpe	Independent Director	–	–
6.	Ms. Sharda Agarwal	Independent Director	–	–
7.	Mr. Shalibhadra Shah	Chief Financial Officer	–	63,001
8.	Mr. Kailash Purohit	Company Secretary	–	–

* Nominee of Motilal Oswal Financial Services Limited

(b) Promoter and Non-Promoter Equity Shareholders of the Transferor Company and Transferee Company

The rights and interest of the Promoters and Non-Promoter Shareholders of companies involved in the Scheme will not be prejudicially affected by the Scheme.

Transferor Company:

Since the Transferor Company is a wholly owned subsidiary of the Transferee Company, upon the Scheme coming into effect, all equity shares of the Transferor Company held by the Transferee Company (directly and / or through nominees) shall stand cancelled without any further application, act or deed.

Transferee Company:

Since the Transferor Company is a wholly owned subsidiary of the Transferee Company, upon the Scheme coming into effect, all equity shares of the Transferor Company held by the Transferee Company (directly and / or through nominees) shall stand cancelled without any further application, act or deed. It is clarified that no new shares shall be issued or payment made in cash or in kind whatsoever by the Transferee Company in lieu of such shares of the Transferor Company. Consequently, there would be no change in the shareholding pattern of the Transferee Company arising out of the Scheme.

NOTICE TO EQUITY SHAREHOLDERS (Contd..)

(c) Depositors

Neither the Transferor Company nor the Transferee Company has accepted any deposit.

(d) Creditors & Debenture-Holders

Since the proposed Scheme does not involve any compromise or arrangement with the creditors, debenture holders or debenture trustee, the rights of the creditors, debenture holders or debenture trustee shall not be affected by the Scheme. There will be no reduction in their claims on account of the Scheme. The creditors will be paid in the ordinary course of business as and when their dues are payable. There is no likelihood that the creditors would be prejudiced in any manner as a result of the Scheme being sanctioned.

(e) Employees

There shall be no change in the terms of employment of the employees of the Transferor Company, to their prejudice, and such employees of the Transferor Company shall be deemed to be employees of Transferee Company, without any break in service.

12. Capital Structure pre and post amalgamation

Pre and Post Scheme capital structure of the Transferor Company and the Transferee Company consequent to combination of authorised share capital will be as follows:

Transferee Company

Share Capital	Pre amalgamation		Post amalgamation	
	No. of shares	Amount (INR)	No. of shares	Amount (INR)
Authorised Share Capital				
Equity shares of INR 1 each	87,00,00,000	87,00,00,000	92,50,00,000	92,50,00,000
Preference shares of INR 100 each	50,00,000	50,00,00,000	56,50,000	56,50,00,000
Total	87,50,00,000	137,00,00,000	93,06,50,000	1,49,00,00,000
Issued, Subscribed and Paid-up Share Capital				
Equity shares of INR 1 each	14,47,20,783	14,47,20,783	14,47,20,783	14,47,20,783
Total	14,47,20,783	14,47,20,783	14,47,20,783	14,47,20,783

Note: Since no shares are being issued, there will be no change in the issued, subscribed and paid up equity share capital of the Transferee Company pursuant to the Scheme.

Transferor Company

Share Capital	Pre amalgamation	
	No. of shares	Amount (INR)
Authorised Share Capital		
Equity shares of INR 10 each	55,00,000	5,50,00,000
Preference shares of INR 10 each	65,00,000	6,50,00,000
Total	1,20,00,000	12,00,00,000
Issued, Subscribed and Paid-up Share Capital		
Equity shares of INR 10 each	13,18,830	1,31,88,300
Total	13,18,830	1,31,88,300

Post Scheme Share Capital of the Transferor Company

The entire pre Scheme capital of the Transferor Company, held by the Transferee Company and its nominees will be cancelled pursuant to the Scheme.

13. Investigation or proceedings, if any, pending against the Company under the Companies Act, 2013

There are no investigation proceedings under the provisions of Chapter XIV of the Companies Act, 2013 and no winding up proceedings instituted and / or pending against the Transferor Company and / or the Transferee Company.

NOTICE TO EQUITY SHAREHOLDERS (Contd..)

14. The Scheme does not involve any debt restructuring and therefore the requirement to disclose details of debt restructuring is not applicable.
15. In compliance with Section 232(2) of the Companies Act, 2013, a supplementary accounting statement for the quarter ended 30th September, 2017, extracted from the Financial Statements of the Transferor Company and the Transferee Company has been annexed to this Notice as Annexure D. For brevity's sake notes to Balance Sheet and Statement of Profit and Loss have not been annexed to this Notice. The same are available on the website of the Transferor Company at www.motilaloswal.com and the Transferee Company at www.motilaloswalgroup.com.
16. In compliance with the provisions of Section 232(2) of the Companies Act, 2013, the Board of Directors of the Transferor Company and Transferee Company, at their meeting held on 4th November, 2017, has adopted a report, inter alia, explaining the effect of the Scheme on each class of shareholders, key managerial personnel, promoter and non-promoter shareholders.

A copy of the report adopted by the Board of Directors of the Transferor Company and the Transferee Company is annexed to this Notice as Annexure C.

17. Approvals / Sanctions / No Objections from Regulatory or any Governmental Authorities

Unless otherwise decided by the Board of the Transferor Company and the Transferee Company, this Scheme shall be conditional upon and subject to:

- 17.1 The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective equity shareholders and / or creditors of the Transferor Company and the Transferee Company as may be directed by the Tribunal.
- 17.2 Approval by the shareholders of the Transferee Company by requisite majority for the transfer of existing lending business of the Transferee Company.
- 17.3 Approval by the Reserve Bank of India for the transfer of the existing lending business of the Transferee Company.
- 17.4 The sanction and order of the Tribunal, under Sections 230 to 232 of the Companies Act, 2013 being obtained by the Transferor Company and the Transferee Company;
- 17.5 Certified copy/(ies) of the Order of the Tribunal sanctioning the Scheme being filed with the RoC by the Transferor Company and the Transferee Company; and
- 17.6 The requisite consent, approval or permission of Appropriate Authority including SEBI, Stock Exchanges, depositories etc. or any other Person which by applicable law or contract, agreement may be necessary for the implementation of this Scheme.

18. Inspection

The following documents will be open for inspection at the Registered Office of the Transferor and Transferee Company, during business hours on all working days prior to the date of the Meeting:

- 18.1 Certified copy of the order dated 22nd December, 2017, passed by the National Company Law Tribunal, Mumbai Bench in Company Scheme Application No. 1049 of 2017 in respect of the Transferee Company;
- 18.2 Certified copy of the order 22nd December, 2017, passed by the National Company Law Tribunal, Mumbai Bench in Company Scheme Application No. 1048 of 2017 in respect of the Transferor Company;
- 18.3 Copies of the Memorandum and Articles of Association of the Transferee and Transferor Companies;
- 18.4 Copies of the annual reports for the year ended 31st March, 2017 of the Transferor and Transferee Companies;
- 18.5 Copies of the unaudited financial statements of the Transferor and Transferee Companies for the period ended 30th September, 2017;
- 18.6 Copy of the scheme;
- 18.7 The certificate issued by Auditor of the Transferee Company to the effect that the accounting treatment proposed in the Scheme is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013; and
- 18.8 Such other information or documents as the Board or Management believes necessary and relevant for making decision for or against the Scheme.

**SCHEME OF AMALGAMATION
OF
MOTILAL OSWAL SECURITIES LIMITED
WITH
MOTILAL OSWAL FINANCIAL SERVICES LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS
(UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013 AND
OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013)**

(A) PREAMBLE

This scheme of amalgamation ("**Scheme**" as defined hereinafter) provides for the amalgamation of Motilal Oswal Securities Limited (Corporate Identification Number: U65990MH1994PLC079418) with Motilal Oswal Financial Services Limited (Corporate Identification Number: L67190MH2005PLC153397) pursuant to provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013. This Scheme also provides for various other matters consequential thereto or otherwise integrally connected therewith.

(B) DESCRIPTION OF COMPANIES

1. Motilal Oswal Securities Limited (herein after referred to as "**Transferor Company**") is a wholly owned subsidiary of the Transferee Company (as defined herein under). The Transferor Company acts as a stock broker and executes stock trades on behalf of its clients which include retail customers (including high net worth individuals), mutual funds, foreign institutional investors, financial institutions and corporate clients. Besides stock broking, it also offers a bouquet of financial products and services to its client base. It is also one of the leading distributors of portfolio management schemes, mutual funds, private equity and systematic investment plans. Further, the Transferor Company is one of the pioneers in the financial industry to launch mobile based application, target based investment plan and E-KYC service. The Transferor Company is a member of BSE Limited ("**BSE**"), National Stock Exchange of India Limited ("**NSE**") and Metropolitan Stock Exchange of India Limited ("**MSE**"). The Transferor Company is registered with the Securities and Exchange Board of India ("**SEBI**") as a broker, depository participant, research analyst and investment advisor and with various other bodies / agencies like AMFI, CERSAI, KRA agencies (CVL, Dotex, NDML, CAMS and Karvy) etc. The non-convertible debentures of the Transferor Company are listed on the wholesale debt segment of BSE.
2. Motilal Oswal Financial Services Limited (herein after referred to as "**Transferee Company**") is a public limited company listed on BSE and NSE. The Transferee Company is a Non-Deposit taking Systemically Important Non-Banking Finance Company registered with the Reserve Bank of India ("**RBI**") under section 45-IA of the Reserve Bank of India Act, 1934 and engaged in lending and investment related activities. The Transferee Company received the certificate of registration from the RBI on 5th April 2006, enabling the Company to carry on business as a Non-Banking Finance Company. The Transferee Company, along with its subsidiaries, offer a diversified range of financial products and services such as loan against shares, investment activities, private wealth management, broking and distribution, asset management business, housing finance, institutional equities, private equity and investment banking.

(C) RATIONALE FOR THE SCHEME

The Transferor Company is the flagship company of the Motilal Oswal Group ("**Group**") and a wholly owned subsidiary of the Transferee Company. The Group is virtually a household name synonymous with broking services. These services

are provided by the Group through the Transferor Company, which in turn is the biggest revenue driver and the largest contributor to the profit of the Group as on 31st March, 2017.

The Scheme provides for the amalgamation of the Transferor Company with the Transferee Company and will result in the following benefits:

- Consolidation of operations within the Transferee Company leading to greater synergies;
- Stronger balance sheet and net worth to meet capital needs of subsidiaries for future growth and expansion;
- Free flow of funds and ease limits of investments / loans by the Transferee Company for expansion of business activities;
- Board of Transferee Company to have greater oversight over the consolidated business operations of subsidiaries;
- Merger and consolidation of fund based investment activities of the Group into one entity;
- Exposure of shareholders of the Transferee Company to the larger business activities of the flagship broking and related business activities of the Group; and
- Cost savings through legal entity rationalisation and elimination of intra group transactions.

Thus, the amalgamation is in the interest of the shareholders, creditors and all other stakeholders of the companies and is not prejudicial to the interests of the concerned shareholders, creditors or the public at large.

(D) OPERATION OF THE SCHEME

The amalgamation of the Transferor Company with the Transferee Company will combine their business activities and operations into a single company with effect from the Appointed Date (defined herein after) and shall be in compliance with the provisions of the Income-tax Act, 1961, including Section 2(1B) or any amendments thereto.

The shares of the Transferor Company shall be cancelled and no shares shall be issued by the Transferee Company pursuant to the amalgamation.

(E) PARTS OF THE SCHEME:

This Scheme is divided into the following parts:

PART I deals with the definitions, interpretations and share capital of the Transferor Company and the Transferee Company;

PART II deals with the amalgamation of the Transferor Company with the Transferee Company and other related matters; and

PART III deals with general terms and conditions applicable to this Scheme and the dissolution of the Transferor Company.

PART I

DEFINITIONS, INTERPRETATIONS AND SHARE CAPITAL

1. DEFINITIONS

1.1. In this Scheme, unless inconsistent with the subject or context, in addition to the terms defined elsewhere in this Scheme, the following capitalised terms shall have the meaning set out below:

“Act” or “the Act” means the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof) and rules and regulations made thereunder, for the time being in force, and which may relate or are applicable to the arrangement;

“Appointed Date” means 1st April, 2017 or such other date as may be agreed by the Boards of the Transferor Company and the Transferee Company;

“Applicable Law” means any applicable central, provincial, local or other law including all applicable provisions of all (a) constitutions, decrees, treaties, statutes, laws (including the common law), codes, notifications, rules, regulations, policies, guidelines, circulars, directions, directives, ordinances or orders of any Appropriate Authority, statutory authority, court, tribunal having jurisdiction over the Parties; (b) Permits; and (c) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any Appropriate Authority having jurisdiction over the Parties and shall include, without limitation, the listing agreements executed with any of the Stock Exchanges by the Parties;

“Appropriate Authority” means:

- (a) the government of any jurisdiction (including any central, state, municipal or local government or any political or administrative subdivision thereof) and any department, ministry, agency, instrumentality, court, central bank, commission or other authority thereof;
- (b) any public international organisation or supranational body and its institutions, departments, agencies and instrumentalities;
- (c) any governmental, quasi-governmental or private body or agency lawfully exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, licensing, competition, tax, importing or other governmental or quasi-governmental authority including (without limitation) the Competition Commission of India, SEBI (as defined hereinafter), self-regulatory organisation, the Tribunal (as defined hereinafter); and
- (d) any Stock Exchange.

“Board” means the Board of Directors of the Transferor Company or the Transferee Company, as the context may require, and shall include a duly constituted committee thereof;

“Effective Date” means the last of the dates on which the conditions specified in Clause 21 of this Scheme are complied with or are waived by the Board of both the Transferor Company and the Transferee Company. References in this scheme to the date of **“coming into effect of this Scheme”** or **“upon the Scheme being effective”** shall mean the Effective Date;

“Encumbrance” means (i) any charge, lien (statutory or other), or mortgage, any easement, encroachment, right of way, right of first refusal or other encumbrance or security interest securing any obligation of any Person; (ii) pre-emption right, option, right to acquire, right to set off or other third party right or claim of any kind, including any restriction on use, voting, selling, assigning, pledging, hypothecating, or creating a security interest in, place in trust (voting or otherwise), receipt of income or exercise; or (iii) any equity, assignments, hypothecation, title retention, restriction, power of sale or other type of preferential arrangements; or (iv) any agreement to create any of the above; the term **“Encumber”** shall be construed accordingly;

“Employees” means all the employees of Transferor Company as on the Effective Date;

“INR” means Indian Rupee, the lawful currency of the Republic of India;

“Parties” shall mean collectively the Transferor Company and the Transferee Company and **“Party”** shall mean each of them, individually;

“Permits” means all consents, licences, permits, permissions, authorisations, rights, clarifications, approvals, clearances, confirmations, declarations, waivers, exemptions, registrations, filings, whether governmental,

statutory, regulatory under Applicable Law and includes approvals of Stock Exchanges, SEBI, depositories, Association of Mutual Funds in India (“AMFI”), Insurance Regulatory and Development Authority and such other authority or body for carrying out activities of stock broker, trading member, portfolio manager, depository participant, mutual fund distributor etc.;

“**Person**” means an individual, a partnership, a corporation, a limited liability partnership, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization or an Appropriate Authority;

“**RoC**” means the Registrar of Companies, Mumbai having jurisdiction over the Transferor Company and the Transferee Company;

“**Scheme**” or “**the Scheme**” or “**this Scheme**” means this scheme of amalgamation in its present form or this Scheme with such modification(s), if any made, as per Clause 20 of the Scheme from time to time, and wherever required with the appropriate approvals and sanction of the Tribunal and Appropriate Authority, as may be required under the Act, and / or under Applicable Law;

“**Stock Exchanges**” means BSE, NSE and MSE;

“**Taxation**” or “**Tax**” or “**Taxes**” means all forms of taxes and statutory, governmental, state, provincial, local governmental or municipal impositions, duties, contributions and levies and whether levied by reference to income, profits, book profits, gains, net wealth, asset values, turnover, added value or otherwise and shall further include payments in respect of or on account of Tax, whether by way of deduction at source, advance tax, goods and services tax, input tax credit, minimum alternate tax or otherwise or attributable directly or primarily to the Transferor Company or the Transferee Company or any other Person and all penalties, charges, costs and interest relating thereto;

“**Tax Laws**” means all Applicable Laws, acts, rules and regulations dealing with Taxes including but not limited to the income-tax, wealth tax, sales tax / value added tax, service tax, goods and services tax, excise duty, customs duty or any other levy of similar nature;

“**Transferee Company**” means Motilal Oswal Financial Services Limited, a company incorporated under the provisions of the Companies Act, 1956 having Corporate Identification Number: L67190MH2005PLC153397 and its registered office at Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025;

“**Transferor Company**” means Motilal Oswal Securities Limited, a company incorporated under the provisions of the Companies Act, 1956 having Corporate Identification Number: U65990MH1994PLC079418, and its registered office at Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025;

“**Tribunal**” means the Mumbai Bench of the National Company Law Tribunal having jurisdiction over the Transferor Company and the Transferee Company.

All terms and expressions which are used in this Scheme but not defined herein shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Income-tax Act, 1961, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 (as the case may be) or other applicable laws, rules, regulations, bye-laws, as the case may be, including any statutory amendment, modification or re-enactment thereof, from time to time.

1.2. Interpretation

In this Scheme, unless the context otherwise requires:

- 1.2.1. words denoting singular shall include plural and vice versa;
- 1.2.2. headings and bold typeface are only for convenience and shall be ignored for the purposes of interpretation;
- 1.2.3. references to the word “include” or “including” shall be construed without limitation;
- 1.2.4. a reference to an article, clause, section, paragraph or schedule is, unless indicated to the contrary, a reference to an article, clause, section, paragraph or schedule of this Scheme;
- 1.2.5. unless otherwise defined, the reference to the word “days” shall mean calendar days;
- 1.2.6. references to dates and times shall be construed to be references to Indian dates and times;

- 1.2.7. reference to a document includes an amendment or supplement to, or replacement or novation of, that document;
- 1.2.8. word(s) and expression(s) elsewhere defined in the Scheme will have the meaning(s) respectively ascribed to them; and
- 1.2.9. references to a person include any individual, firm, body corporate (whether incorporated), government, state or agency of a state or any joint venture, association, partnership, works council or employee representatives' body (whether or not having separate legal personality).

2. SHARE CAPITAL

- 2.1. The authorised, issued, subscribed and paid-up share capital of the Transferor Company as on 30th September, 2017 is as under:

Share Capital	INR
Authorised Share Capital	
55,00,000 equity shares of INR 10 each	5,50,00,000
65,00,000 preference shares of INR 10 each	6,50,00,000
Total	12,00,00,000
Issued, Subscribed and Paid-up Share Capital	
13,18,830 equity shares of INR 10 each	1,31,88,300
Total	1,31,88,300

Subsequent to the above date, there has been no change in the authorised, issued, subscribed and paid up share capital of the Transferor Company till the date of approval of the Scheme by the Board of the Transferor Company.

The Transferee Company has outstanding employee stock options under its existing stock option schemes, the exercise of which may result in an increase in the issued and paid-up share capital of the Transferee Company.

The entire share capital of the Transferor Company is held by the Transferee Company and its nominees.

- 2.2. The authorised, issued, subscribed and paid-up share capital of the Transferee Company as on 30th September, 2017 is as under:

Share Capital	INR
Authorised Share Capital	
87,00,00,000 equity shares of INR 1 each	87,00,00,000
50,00,000 preference shares of INR 100 each	50,00,00,000
Total	137,00,00,000
Issued, Subscribed and Paid-up Share Capital	
14,47,00,783 equity shares of INR 1 each	14,47,00,783
Total	14,47,00,783

Subsequent to the above date, there has been no change in the authorised, issued, subscribed and paid up share capital of the Transferee Company till the date of approval of the Scheme by the Board of the Transferee Company.

The shares of the Transferee Company are listed on BSE and NSE.

3. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme as set out herein in its present form or with any modification(s), as may be approved or imposed or directed by the Tribunal, or made as per Clause 20 of the Scheme, shall become effective from the Appointed Date, but shall be operative from the Effective Date.

PART II**AMALGAMATION OF THE TRANSFEROR COMPANY WITH
THE TRANSFEEE COMPANY AND OTHER RELATED MATTERS****4. AMALGAMATION AND VESTING OF ASSETS AND LIABILITIES AND ENTIRE BUSINESS OF THE TRANSFEROR COMPANY**

- 4.1 With effect from the opening of business hours of Appointed Date, and subject to the provisions of this Scheme and pursuant to Section 232 of the Act, the Transferor Company shall stand amalgamated with the Transferee Company as a going concern and all assets, liabilities, contracts, arrangements, employees, Permits, licences, records, approvals, etc. of the Transferor Company shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company, so as to become as and from the Appointed Date, the assets, liabilities, contracts, arrangements, employees, Permits, licences, records, approvals, etc. of the Transferee Company by virtue of, and in the manner provided in this Scheme.
- 4.2 Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein, with effect from the Appointed Date:
- 4.2.1 with respect to the assets of the Transferor Company that are movable in nature or are otherwise capable of being transferred by manual delivery or by paying over or endorsement and / or delivery, the same may be so transferred by the Transferor Company by operation of law without any further act or execution of an instrument with the intent of vesting such assets with the Transferee Company as on the Appointed Date;
- 4.2.2 subject to Clause 4.2.3 below, with respect to the assets of the Transferor Company, other than those referred to in Clause 4.2.1 above, including all rights, title and interests in the agreements (including agreements for lease or license of the properties), investment in shares of any body corporate, fixed deposits, mutual funds, bonds and any other securities, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances, earnest moneys and deposits, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons (including deposits as trading member of the Stock Exchanges and clearing corporations), whether or not the same is held in the name of the Transferor Company, shall, without any further act, instrument or deed, be transferred to and vested in and / or be deemed to be transferred to and vested in the Transferee Company, with effect from the Appointed Date by operation of law as transmission, as the case may be, in favour of Transferee Company. It is clarified that all client agreements and know your customer details, sub-broker / authorised person agreement, agreements with Exchanges, agreement with banks / clearing member, vendor agreements and power of attorneys would get transferred to and vested in the Transferee Company, with effect from the Appointed Date by operation of law as transmission, as the case may be, in favour of Transferee Company and shall have been deemed to have been entered into by the Transferee Company with such respective parties. With regard to the licenses of the properties, the Transferee Company will enter into novation agreements, if it is so required;
- 4.2.3 without prejudice to the aforesaid, all the immovable property (including but not limited to the land, buildings, offices, factories, sites, tenancy rights related thereto, and other immovable property, including accretions and appurtenances), whether or not included in the books of the Transferor Company, whether freehold or leasehold (including but not limited to any other document of title, rights, interest and easements in relation thereto, and any shares in cooperative housing societies associated with such immoveable property) shall stand transferred to and be vested in the Transferee Company, as successor to the Transferor Company, without any act or deed to be done or executed by the Transferor Company, as the case may be and / or the Transferee Company;
- 4.2.4 all debts, liabilities, duties and obligations (debentures, bonds, notes or other debt securities) of the Transferor Company shall, without any further act, instrument or deed be transferred to, and vested in, and / or deemed to have been transferred to, and vested in, the Transferee Company, so as to become on and from the Appointed Date, the debts, liabilities, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company, and it shall not be necessary to obtain the consent of any Person who is a party to contract or arrangement by virtue of which such liabilities have arisen in order to give effect to the provisions of this Clause 4;

- 4.2.5 all the brands and trademarks of the Transferor Company including registered and unregistered trademarks along with all rights of commercial nature including attached goodwill, title, interest, labels and brand registrations, copyrights trademarks and all such other industrial and intellectual property rights of whatsoever nature. The Transferee Company shall take such actions as may be necessary and permissible to get the same transferred and / or registered in the name of the Transferee Company.
- 4.2.6 The vesting of the entire undertaking of the Transferor Company, as aforesaid, shall be subject to the Encumbrances, if any, over or in respect of any of the assets or any part thereof, provided however that such Encumbrances shall be confined only to the relevant assets of Transferor Company or part thereof on or over which they are subsisting on and no such Encumbrances shall extend over or apply to any other asset(s) of Transferee Company. Any reference in any security documents or arrangements (to which Transferor Company is a party) related to any assets of Transferor Company shall be so construed to the end and intent that such security shall not extend, nor be deemed to extend, to any of the other asset(s) of Transferee Company. Similarly, Transferee Company shall not be required to create any additional security over assets vested under this Scheme for any loans, debentures, deposits or other financial assistance already availed of / to be availed of by it, and the Encumbrances in respect of such indebtedness of Transferee Company shall not extend or be deemed to extend or apply to the assets so vested;
- 4.2.7 On and from the Effective Date and till such time that the name of the bank accounts of the Transferor Company has been replaced with that of the Transferee Company, the Transferee Company shall be entitled to maintain and operate the bank accounts of the Transferor Company in the name of the Transferor Company and for such time as may be determined to be necessary by the Transferee Company. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company; and
- 4.2.8 without prejudice to the foregoing provisions of Clause 4.3, the Transferor Company and the Transferee Company shall be entitled to apply to the Appropriate Authorities as are necessary under any law for such consents, approvals and sanctions which the Transferee Company may require and execute any and all instruments or documents and do all the acts and deeds as may be required, including filing of necessary particulars and / or modification(s) of charge, with the concerned RoC or filing of necessary applications, notices, intimations or letters with any authority or Person, to give effect to the above provisions.
- 4.3 This Scheme has been drawn up to comply with the conditions relating to “Amalgamation” as specified under Section 2(1B) and other relevant provisions of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said section and other related provisions at a later date including resulting from a retrospective amendment of law or for any other reason whatsoever, till the time the Scheme becomes effective, the provisions of the said section and other related provisions of the Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) and other relevant provisions of the Income-tax Act, 1961.

5. EMPLOYEES

- 5.1 On the Scheme becoming effective, all employees of the Transferor Company in service on the Effective Date, shall be deemed to have become employees of the Transferee Company, without any break in their service and the terms and conditions of their employment with the Transferee Company shall not be less favourable than those applicable to them with reference to the Transferor Company on the Effective Date. The Transferee Company undertakes to continue to abide by any agreement / settlement, if any, validly entered into by the Transferor Company with any union / employee of the Transferor Company recognized by the Transferor Company. It is hereby clarified that the accumulated balances, if any, standing to the credit of the employees in the existing provident fund, gratuity fund and superannuation fund of which the employees of the Transferor Company are members shall be transferred to such provident fund, gratuity fund and superannuation fund of the Transferee Company or to be established and caused to be recognized by the appropriate authorities, by the Transferee Company.
- 5.2 Pending the transfer as aforesaid, the provident fund, gratuity fund and superannuation fund dues of the employees of the Transferor Company would be continued to be deposited in the existing provident fund, gratuity fund and superannuation fund respectively of the Transferor Company.

- 5.3 Upon transfer of the aforesaid funds to the respective funds of the Transferee Company, the existing trusts created for such funds by the Transferor Company shall stand dissolved and no further act or deed shall be required to this effect. It is further clarified that the services of the employees of the Transferor Company will be treated as having been continuous, uninterrupted and taken into account for the purpose of the said fund or funds.
- 5.4 Without prejudice to the aforesaid, the Board of the Transferee Company, if it deems fit and subject to applicable laws, shall be entitled to retain separate trusts or funds within the Transferee Company for the erstwhile fund(s) of the Transferor Company.
- 5.5 It is further clarified that the employees of the Transferor Company who are eligible for options under the employee stock option scheme(s) of the Transferee Company shall continue to be so eligible and their period of service in the Transferor Company shall also be considered for determining compliance with vesting or any other condition under the employee stock option scheme(s) of the Transferee Company.

6. LEGAL PROCEEDINGS

- 6.1 Any suit, petition, appeal or other proceeding of whatsoever nature and any orders of court, judicial or quasi-judicial tribunal or other governmental authorities enforceable by or against the Transferor Company including without limitation any restraining orders (including order under section 281B of the Income-tax Act, 1961) pending before any court, judicial or quasi-judicial tribunal or any other forum, relating to the Transferor Company, whether by or against the Transferor Company, pending as on the Effective Date, shall not abate or be discontinued or in any way prejudicially affected by reason of the amalgamation of the Transferor Company or of any order of or direction passed or issued in the amalgamation proceedings or anything contained in this Scheme, but by virtue of the order sanctioning the Scheme, such legal proceedings shall be continued and any prosecution shall be enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued, prosecuted and / or enforced by or against the Transferor Company, as if this Scheme had not been implemented.
- 6.2 After the Appointed Date and until the Effective Date, the Transferor Company shall defend all legal proceedings, other than in the ordinary course of business, with the advice and instructions of the Transferee Company.
- 6.3 The transfer and vesting of the assets and liabilities under the Scheme and the continuance of the proceedings by or against the Transferee Company shall not affect any transaction or proceeding already completed by the Transferor Company between the Appointed Date and the Effective Date to the end and intent that the Transferee Company accepts all acts, deeds and things done and executed by and / or on behalf of the Transferor Company as acts, deeds and things done and executed by and on behalf of the Transferee Company.

7. PERMITS

With effect from the Appointed Date, all the Permits held or availed of by, and all rights and benefits that have accrued to, the Transferor Company, pursuant to the provisions of Section 232 of the Act, shall without any further act, instrument or deed, be transferred to, and vest in, or be deemed to have been transferred to, and vested in, and be available to, the Transferee Company so as to become as and from the Appointed Date, the Permits, estates, assets, rights, title, interests and authorities of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions to the extent permissible in Applicable Laws. Upon the Effective Date and until the Permits are transferred, vested, recorded, effected, and / or perfected, in the record of the Appropriate Authority, in favour of the Transferee Company, the Transferee Company is authorized to carry on business in the name and style of the Transferor Company, and under the relevant license and / or permit and / or approval, as the case may be, and the Transferee Company shall keep a record and / or account of such transactions.

8. CONTRACTS, DEEDS, ETC.

- 8.1 All contracts, deeds, bonds, agreements, indemnities, guarantees or other similar rights or entitlements whatsoever, schemes, arrangements and other instruments, permits, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies) for the purpose of carrying on the business of the Transferor Company, and in relation thereto, and those relating to tenancies, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Transferor Company, or to the benefit of which the Transferor Company may be eligible and which are subsisting or having effect immediately before this Scheme coming into effect, shall by endorsement, delivery or recordal or by operation of law pursuant to the order of the Authority sanctioning the Scheme, and on this Scheme becoming effective be deemed to be contracts,

deeds, bonds, Agreements, indemnities, guarantees or other similar rights or entitlements whatsoever, schemes, arrangements and other instruments, permits, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies) of the Transferee Company. It is clarified that all conditions, stipulations, pre-requisites, terms laid down under any Governmental, statutory or regulatory bodies, fulfilled by the Transferor Company prior to the Effective Date, shall be deemed to have been fulfilled and complied with by the Transferee Company, post the Effectiveness of the Scheme. The Transferee Company shall be entitled to the benefit of all qualification criteria, track-record, experience, goodwill and all other rights, claims and powers of whatsoever nature and whosoever situate belonging to or in the possession of or granted in favour of or enjoyed by the Transferor Company for all intents and purposes for its business. Such properties and rights described hereinabove shall stand vested in the Transferee Company and shall be deemed to be the property and become the property by operation of law as an integral part of the Transferee Company. Such contracts and properties described above shall continue to be in full force and continue as effective as hitherto in favour of or against the Transferee Company and shall be the legal and enforceable rights and interests of the Transferee Company, which can be enforced and acted upon as fully and effectually as if it were the Transferor Company. Upon this Scheme becoming effective, the rights, benefits, privileges, duties, liabilities, obligations and interest whatsoever, arising from or pertaining to contracts and properties, shall be deemed to have been entered into and stand assigned, vested and novated to the Transferee Company by operation of law and the Transferee Company shall be deemed to be the Transferor Company's substituted party or beneficiary or obligor thereto. It being always understood that the Transferee Company shall be the successor in the interest of the Transferor Company. In relation to the same, any procedural requirements required to be fulfilled solely by the Transferor Company (and not by any of its successors), shall be fulfilled by the Transferee Company as if it were the duly constituted attorney of the Transferor Company.

- 8.2 The Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall be deemed to be authorised to execute any such writings on behalf and in the name of the Transferor Company and to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of the Transferor Company.
- 8.3 Without prejudice to the provisions of this Scheme, with effect from the Appointed Date, all inter-party transactions between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes, from the Appointed Date. Any taxes (including tax deducted at source or dividend distribution tax) paid in relation to such transaction shall, to the extent permissible by applicable law, be claimed as a refund.
- 8.4 The Transferee Company shall be entitled to the benefit of all insurance policies which have been issued in respect of the Transferor Company and the name of the Transferee Company shall be substituted as "Insured" in the policies as if the Transferee Company was initially a party thereto.
- 8.5 Any inter-se contracts between the Transferor Company on the one hand and the Transferee Company on the other hand shall stand cancelled and cease to operate upon the coming into effect of this Scheme.

9. TAXES / DUTIES / CESS ETC.

Upon the Scheme becoming effective, by operation of law pursuant to the order of the Tribunal:

- 9.1 The unutilized credits relating to excise duties, sales tax, service tax, VAT, GST or any other Taxes by whatever name called as applicable which remain unutilised in the electronic ledger of the Transferor Company shall be transferred to and vest in the Transferee Company upon filing of requisite forms. Thereafter the unutilized credit so specified shall be credited to the electronic credit ledger of the Transferor Company and the input and capital goods shall be duly adjusted by the Transferee Company in its books of account.
- 9.2 Taxes of whatsoever nature including advance tax, self-assessment tax, regular assessment taxes, tax deducted at source, dividend distribution tax, minimum alternate tax, wealth tax, if any, paid by the Transferor Company shall be treated as paid by the Transferee Company and it shall be entitled to claim the credit, refund, adjustment for the same as may be applicable notwithstanding that challans or records may be in the name of Transferor company. Minimum Alternate Tax credit available to the Transferor Company under the Income-tax Act, 1961, if any, shall vest in and be available to the Transferee Company.

- 9.3 All the tax payments / compliances (including, but without limitation to income tax, service tax, excise duty, central sales tax, applicable state value added tax, etc.) whether by way of tax deducted at source, advance tax, all earnest monies, security deposits, provisional payments, payment under protest, or otherwise howsoever, by the Transferor Company after the Appointed Date, shall be deemed to be paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.
- 9.4 Further, any tax deducted at source by Transferor Company / Transferee Company on transactions with the Transferee Company / Transferor Company, if any (from Appointed Date to Effective Date) shall be deemed to be advance tax paid or tax deposited by the Transferee Company and shall, in all proceedings, be dealt with accordingly in the hands of Transferee company (including but not limited to grant of such tax deposited as credit against total tax payable by transferee company while filing consolidated return of income on or after Appointed Date).
- 9.5 Upon scheme becoming effective, the Transferor Company (if required) and the Transferee Company are expressly permitted to revise their financial statements and its income tax returns along with prescribed forms, filings and annexures under the Income-tax Act, 1961 and other statutory returns, including but not limited to tax deducted / collected at source returns, service tax returns, excise tax returns, sales tax / VAT / GST returns, as may be applicable. The Transferee company has expressly reserved the right to make such provision in its returns and to claim refunds, advance tax credits, credit of tax under Section 115JB of the Income-tax Act, 1961, i.e. credit of minimum alternate tax, credit of dividend distribution tax, credit of tax deducted at source, credit of foreign taxes paid / withheld, etc., etc. if any, as may be required for the purposes of / consequent to implementation of the Scheme. All compliances done by Transferor Company will be considered as compliances by Transferee Company.
- 9.6 It is hereby clarified that in case of any refunds, benefits, incentives, grants, subsidies, etc. under Income-tax Act, 1961, service tax laws, excise duty laws, central sales tax, applicable state value added tax laws, any incentive scheme or policies or any other applicable laws / regulations dealing with taxes / duties / levies due to Transferor Company shall stand vested to the Transferee Company upon this Scheme becoming effective.
- 9.7 All tax assessment proceedings / appeals of whatsoever nature by or against the Transferor Company pending and / or arising shall be continued and / or enforced until the Effective Date by the Transferor Company. In the event of the Transferor Company failing to continue or enforce any proceeding / appeal, the same may be continued or enforced by the Transferee Company, at the cost of the Transferee Company. As and from the Effective Date, the tax proceedings shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company.
- 9.8 Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Company with the Transferee Company or anything contained in the Scheme.

10. CONSIDERATION

- 10.1 The Transferor Company is wholly owned by the Transferee Company and therefore there shall be no issue of shares by the Transferee Company as consideration for the amalgamation of the Transferor Company with the Transferee Company.
- 10.2 Upon the Scheme becoming effective, all equity shares of the Transferor Company held by the Transferee Company (held either directly or through its nominees) shall stand cancelled without any further application, act or deed.

11. ACCOUNTING TREATMENT

On the Scheme becoming effective, the Transferee Company shall account for the amalgamation in its books as under:

- 11.1 On the Scheme becoming effective, the Transferee Company shall account for the amalgamation of the Transferor Company in its books of account with effect from the Appointed Date.
- 11.2 The amalgamation of the Transferor Company shall be accounted for in the books of account of the Transferee Company in accordance with "Pooling of Interests Method" of accounting as per the Accounting Standard (AS) 14, 'Accounting for Amalgamations' as prescribed under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
- 11.3 All assets and liabilities and reserves (whether capital or revenue or arising on revaluation), of the Transferor Company transferred to the Transferee Company under the Scheme shall be recorded in the books of account

of the Transferee Company at their existing carrying amounts and in the same form as recorded in the books of account of the Transferor Company.

- 11.4 The balance in the reserves and surplus account of the Transferor Company shall be transferred to the corresponding reserves in the Transferee Company. In other words, identity of reserves of Transferor Company shall be preserved and they would appear in the financial statements of the Transferee Company in the same form in which they appeared in the financial statements of the Transferor Company.
- 11.5 The balance of the profit and loss account of the Transferor Company shall be aggregated with the balance of the profit and loss account of the Transferee Company.
- 11.6 The difference between the share capital of the Transferor Company and the value of investment in the Transferor Company by the Transferee Company shall be adjusted accordingly in the reserves of the Transferee Company.
- 11.7 In case of any difference in accounting policy between the Transferor Company and the Transferee Company, the impact of the same till the Appointed Date will be quantified and adjusted in accordance with Accounting Standard (AS) 5 'Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies', in the books of the Transferee Company to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.
- 11.8 All inter-corporate deposits, loans, investments and advances, outstanding balances or other obligations between the Transferor Company and the Transferee Company shall be cancelled and there shall be no further obligation / outstanding in that behalf. For the removal of doubts, there would be no accrual of interest or other charges in respect of any such inter-company loans, advances or outstanding balances with effect from the Appointed Date.

12. CONDUCT OF BUSINESS FROM APPOINTED DATE UPTO THE EFFECTIVE DATE:

- 12.1 The Transferor Company with effect from the Appointed Date and up to and including the Effective Date:
 - 12.1.1 shall be deemed to have been carrying on and shall carry on its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of the assets for and on account of, and in trust for the Transferee Company;
 - 12.1.2 all profits or income arising or accruing to the Transferor Company and all taxes paid thereon (including but not limited to advance tax, tax deducted at source, minimum alternate tax, dividend distribution tax, securities transaction tax, taxes withheld / paid in a foreign country, etc.) or losses arising or incurred by the Transferor Company shall, for all purposes, be treated as and deemed to be the profits or income, taxes or losses, as the case may be, of the Transferee Company;
 - 12.1.3 all loans raised and all liabilities and obligations incurred by the Transferor Company after the Appointed Date and prior to the Effective Date, shall, subject to the terms of this Scheme, be deemed to have been raised, used or incurred for and on behalf of the Transferee Company in which the undertaking of the Transferor Company shall vest in terms of this Scheme and to the extent they are outstanding on the Effective Date, shall also, without any further act or deed be and be deemed to become the debts, liabilities, duties and obligations of the Transferee Company;
 - 12.1.4 shall carry on its business with reasonable diligence and business prudence and in the same manner as it had been doing hitherto, and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts or incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitment either for themselves or on behalf of its respective affiliates or associates or any third party, or sell, transfer, alienate, charge, mortgage or encumber or deal in any of its properties / assets, except:
 - (a) when the same is expressly provided in this Scheme; or
 - (b) when the same is in the ordinary course of business as carried on, as on the date of filing of this Scheme in the Authority; or
 - (c) when written consent of the Transferee Company has been obtained in this regard;
 - 12.1.5 except by consent of the Transferee Company, or except pursuant to any prior commitment, obligation or arrangement existing or undertaken by the Transferor Company as on the date of sanction of this Scheme by the Board, or except as contemplated in this Scheme, pending sanction of this Scheme, the Transferor Company shall not make any change in its capital structure either by way of any increase

(by issue of equity shares, bonus shares, convertible debentures or otherwise), decrease, reduction, reclassification, sub-division or consolidation, re-organisation or in any other manner, which would have the effect of re-organisation of capital of such company(ies); and

- 12.1.6 shall not alter or substantially expand its business, or undertake (i) any material decision in relation to its business and affairs and operations other than that in the ordinary course of business; (ii) any agreement or transaction (other than an agreement or transaction in the ordinary course of business); and (iii) any new business, or discontinue any existing business or change the capacity of facilities other than that in the ordinary course of business, except with the written concurrence of the Transferee Company;
- 12.2 From the Effective Date, the Transferee Company shall carry on and shall be entitled to carry on the business of the Transferor Company.
- 12.3 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Appropriate Authority and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which the Transferee Company may require to carry on the business of the Transferor Company and to give effect to the Scheme.
- 12.4 The Transferee Company shall be entitled to credit the tax paid including credit of the tax deducted at source in relation to the Transferor Company, for the period between the Appointed Date and the Effective Date.
- 12.5 For the purpose of giving effect to the amalgamation order passed under Sections 230 to 232 and other applicable provisions of the Act in respect of this Scheme by the Authority, the Transferee Company shall, at any time pursuant to the orders approving this Scheme, be entitled to get the recordal of the change in the legal right(s) upon the amalgamation of the Transferor Company, in accordance with the provisions of Sections 230 to 232 of the Act. The Transferee Company is and shall always be deemed to have been authorized to execute any pleadings, applications, forms, etc. as may be required to remove any difficulties and facilitate and carry out any formalities or compliances as are necessary for the implementation of this Scheme.

13. DECLARATION OF DIVIDEND, BONUS, ETC.

- 13.1 The Transferor Company and the Transferee Company shall be entitled to declare and pay dividends, whether interim and / or final, to their respective shareholders prior to the Effective Date. Any other dividend by the Transferor Company shall be recommended / declared by obtaining the consent of the Transferee Company.
- 13.2 It is clarified that the aforesaid provisions in respect of declaration of dividends, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on any member of the Transferor Company or Transferee Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the Board of the Transferor Company or Transferee Company and subject, wherever necessary, to the approval of the shareholders of the Transferor Company or Transferee Company.

14. SAVING OF CONCLUDED TRANSACTIONS

The vesting of the undertaking of the Transferor Company as above and the continuance of proceedings by or against the Transferor Company shall not affect any transaction or proceedings already concluded on or after the Appointed Date till the Effective Date in accordance with this Scheme, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of the Transferee Company.

15. COMBINATION OF AUTHORISED CAPITAL

- 15.1 Upon the Scheme becoming effective, the authorised share capital of the Transferor Company will get amalgamated with that of the Transferee Company without payment of any additional fees and duties as the said fees have already been paid. The authorised share capital of the Transferee Company will automatically stand increased to that effect by simply filing the requisite forms with the Registrar of Companies and no separate procedure or instrument or deed or payment of any stamp duty and registration fees shall be required to be followed under the Act.
- 15.2 The existing capital clause V(a) contained in the Memorandum of Association of the Transferee Company shall without any act, instrument or deed be and stand altered, modified and amended pursuant to Sections 13, 61 and 64 of the Act and Section 232 and other applicable provisions of the Act, as set out below:

Memorandum of Association

“V(a). The Authorised Share Capital of the Company is INR 1,49,00,00,000 (Rupees One Hundred Forty Nine Crore Only) divided into 92,50,00,000 (Ninety Two Crore Fifty Lakhs) equity shares of INR 1/- (Rupee One only) each aggregating to INR 92,50,00,000 (Rupees Ninety Two Crore Fifty Lakhs Only) and 56,50,000 (Fifty Six Lakhs Fifty Thousand) preference shares of INR 100/- (Rupees Hundred only) each aggregating to Rs. 56,50,00,000 (Rupees Fifty Six Crore Fifty Lakhs only).”

- 15.3 It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent / approval also to the alteration of the Memorandum of Association of the Transferee Company and the Transferee Company shall not be required to seek separate consent / approval of its shareholders for the alteration of the Memorandum Association of the Transferee Company as required under Sections 13, 61 and 64 of the Act and other applicable provisions of the Act.

16. CHANGE IN OBJECT CLAUSE OF TRANSFEE COMPANY

- 16.1 With effect from the Appointed Date, the main object clause of the Memorandum of Association of the Transferee Company shall be deemed to be altered and amended, without any further act or deed, to include the objects as required for the purpose of carrying on the business activities of the Transferor Company pursuant to the applicable provisions of the Act. Accordingly, the Memorandum of Association of the Transferee Company shall be altered and amended and necessary revisions in numbering of the clauses inserted shall be carried out.

16.1.1 The following clauses shall replace Clause 1-a and 1-b of the main object clause and Clause 1-c shall be added to the Memorandum of Association of the Transferee Company and the revised main object clause of the Transferee Company shall read as under:

“1-a) To become member of stock exchange(s) and to carry on the business as Stock broker, sub-broker, finance broker, sponsor broker, underwriters, sub-underwriters, merchant banker, lead manager, manager to issues and offers whether by way of public offer or otherwise, portfolio manager for investment, adviser, and to act as issue house, financial consultant, registrar to issue for securities, transfer agent, custodian and to sale, purchase or otherwise deal in all kinds of securities, in spot, futures and derivatives as permitted under the laws of India, for self or others and to act as sponsorer and trustee of mutual fund or growth fund and investment in various avenues like growth fund, income fund, risk fund and mutual fund and to solicit and procure the insurance business as corporate agent, to undertake Depository Participant activities, functions and responsibilities, to undertake activities relating to Margin Funding, Distribution of Third Party Securities and act as Research Analyst and Investment Advisors and to do such other activities which are incidental or ancillary to the same.

1-b) To become a member of commodity exchange/s and / or to carry on business as Commodity brokers, sub-brokers, Authorised Persons, market makers, traders, arbitrageurs, investors and / or hedgers in all kinds of commodities including agricultural produce, metals, gold, silver, platinum, precious stones, diamonds, petroleum, energy products and commodities in spot, futures and derivatives, commodity futures & options / options on commodity futures as permitted under the laws of India and to act as clearing and forwarding agent for providing support for statutory compliances related to deliveries of commodities and to provide services of every kind in connection with dealing and trading in commodities.

1-c) To make investment in shares and securities, movable or immovable properties and all other investment related activities.”

- 16.2 For the purposes of the amendment in the Memorandum of Association of the Transferee Company as provided in this Clause, the consent / approval given by the members of the Transferee Company to this Scheme pursuant to Section 232 of the Act and any other applicable provisions of the Act shall be deemed to be sufficient and no further resolution of members of the Transferee Company as required under the applicable provisions of the Act shall be required to be passed for making such change / amendment in the Memorandum of Association of the Transferee Company and filing of the certified copy of this Scheme as sanctioned by the Tribunal, in terms of Section 230-232 of the Act and any other applicable provisions of the Act, together with the order of the Tribunal and a printed copy of the Memorandum of Association for the purposes of the applicable provisions of the Act and the RoC shall register the same and make the necessary alterations in the Memorandum of Association of the Transferee Company accordingly and shall certify the registration thereof in accordance with the applicable provisions of the Act.
- 16.3 The Transferee Company shall file with the RoC, all requisite forms and complete the compliance and procedural requirements under the Act, if any.

PART III

GENERAL TERMS AND CONDITIONS

17. DISSOLUTION OF THE TRANSFEROR COMPANY AND VALIDITY OF RESOLUTIONS

- 17.1 Upon the effectiveness of this Scheme, the Transferor Company shall be dissolved without winding up, and the Board and any committees thereof of the Transferor Company shall without any further act, instrument or deed be and stand discharged. The name of the Transferor Company shall be struck off from the records of the Registrar of Companies, Mumbai and the Transferee Company shall make necessary filings in this regard.
- 17.2 Upon the coming into effect of this Scheme, the resolutions, if any, of the Transferor Company, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

18. FACILITATION PROVISIONS

- 18.1 Notwithstanding the limits under Section 186 of the Act, the Board of the Transferee Company shall be deemed to have been authorised to give loans to any person or any body corporate(s) and / or to give any guarantee or provide security in connection with a loan to any person or any body corporate(s) and / or acquire by way of subscription, purchase or otherwise, the securities of any body corporate(s) up to an aggregate amount not exceeding INR 90,00,00,00,000 (Rupees Nine Thousand Crore only).
- 18.2 Notwithstanding the limits under Section 180(1)(c) of the Act, the Board of the Transferee Company shall be deemed to have been authorised to take loans up to an aggregate amount not exceeding INR 75,00,00,00,000 (Rupees Seven Thousand Five Hundred Crore only). In order to facilitate the borrowing by the Company, notwithstanding the limits under Section 180(1)(a) of the Act, the Board of the Transferee Company is authorised to pledge / hypothecate / mortgage and / or charge the assets, both movable and immovable up to an aggregate amount not exceeding INR 1,00,00,00,00,000 (Rupees Ten Thousand Crore only).
- 18.3 It is clarified that the approval of the Scheme by the shareholders of the Transferee Company under Sections 230 to 232 of the Act shall be deemed to have their approval under Section 186, 180(1)(c) and 180(1)(a) of the Act, as the case may be and any other applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and that no separate approval from the shareholders to that extent will be required to be sought by the Transferee Company.
- 18.4 Further, till such time and date the asset management companies make the requisite changes in their records, any and all distribution income accruing to the Transferor Company against its AMFI registration shall be deemed to have been accruing to the Transferee Company.

19. APPLICATION TO TRIBUNAL

The Transferor Company and the Transferee Company shall as may be required make applications and / or petitions under Sections 230 to 232 of the Act and other applicable provisions of the Act to the Authority for sanction of this Scheme and all matters ancillary or incidental thereto.

20. MODIFICATION OR AMENDMENTS TO THE SCHEME

- 20.1 On behalf of the Transferor Company and the Transferee Company, the Board of respective companies, may consent jointly but not individually, to any modifications or amendments of the Scheme and without prejudice to the generality of the foregoing, any modification to the Scheme involving withdrawal of any of the Parties to the Scheme at any time and for any reason whatsoever, or to any conditions or limitations that the Tribunal may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by both of them (i.e. the Boards of the Transferor Company and the Transferee Company) and solve all difficulties that may arise for carrying out the Scheme and do all acts, deeds and things necessary for putting the Scheme into effect.
- 20.2 For the purpose of giving effect to this Scheme or to any modification thereof the Boards of Directors of the Transferor Company and the Transferee Company may jointly but not individually, give and are jointly authorised

to give such directions including directions for settling any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.

- 20.3 The Transferor Company and the Transferee Company (by their respective Boards or such other person or persons, as the respective Board may authorise) shall each be at liberty to withdraw this Scheme, in entirety, in case any condition or alteration imposed by the Tribunal or Appropriate Authority is unacceptable to them or as may otherwise be deemed expedient or necessary.
- 20.4 In the event of revocation / withdrawal of the Scheme, no rights and liabilities whatsoever shall accrue to or be incurred inter-se the Transferor Company and the Transferee Company or their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or in accordance with the applicable law and as agreed between the Parties and in such case, each Party shall bear its own costs, unless otherwise mutually agreed.

21. CONDITIONALITY OF THE SCHEME

Unless otherwise decided by the Board of the Transferor Company and the Transferee Company, this Scheme shall be conditional upon and subject to:

- 21.1 The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members and / or creditors of the Transferor Company and the Transferee Company as may be directed by the Tribunal;
- 21.2 Approval by the shareholders of the Transferee Company by requisite majority for the transfer of existing lending business of the Transferee Company;
- 21.3 Approval by the Reserve Bank of India for the transfer of the existing lending business of the Transferee Company;
- 21.4 The sanction and order of the Tribunal, under Sections 230 to 232 of the Act being obtained by the Transferor Company and the Transferee Company;
- 21.5 Certified copy / (ies) of the Order of the Tribunal sanctioning the Scheme being filed with the RoC by the Transferor Company and the Transferee Company; and
- 21.6 The requisite consent, approval or permission of Appropriate Authority including SEBI, Stock Exchanges, depositories etc. or any other Person which by applicable law or contract, agreement may be necessary for the implementation of this Scheme.

22. EFFECT OF NON-RECEIPT OF APPROVALS

- 22.1 In the event of any of the said sanctions and approvals referred to in the preceding Clause 21 not being obtained and / or the Scheme not being sanctioned by the Authority within such period or periods as may be agreed upon between the Transferor Company and the Transferee Company, the Scheme shall become null and void save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as may otherwise arise in law and in such event each party shall bear and pay its respective costs, charges and expenses in connection with the Scheme.
- 22.2 If any provision of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Transferor Company and the Transferee Company through their respective Boards, affect the validity or implementation of the other provisions of this Scheme.

23. COSTS, CHARGES & EXPENSES

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) arising out of, or incurred in carrying out and implementing this Scheme and matters incidental thereto, (including stamp duty) shall be borne by the Transferee Company.

The Board of Directors

MOTILAL OSWAL FINANCIAL SERVICES LIMITED

MOTILAL OSWAL SECURITIES LIMITED

Motilal Oswal Tower,
Rahimtullah Sayani Road,
Opposite Parel ST Depot,
Prabhadevi, Mumbai - 400025

SUB: Requirement for obtaining valuation report for proposed Scheme of Amalgamation of Motilal Oswal Securities Limited with Motilal Oswal Financial Services Limited and their respective Shareholders (“Scheme”)

1. This Certificate is issued in accordance with the terms of the Letter of Engagement (“**Engagement Letter**”) dated 30.10.2017.
2. At the request of the management of Motilal Oswal Financial Services Limited (“**the Company**”), we have examined the Scheme of Amalgamation of Motilal Oswal Securities Limited (“**MOSL**”) with Motilal Oswal Financial Services Limited and their respective Shareholders (“Scheme”) pursuant to sections 230 to 232 of Companies Act, 2013 (“**Act**”). On basis of our review of the Scheme, we hereby confirm that since MOSL is a wholly owned subsidiary of the Company and no shares are proposed to be issued pursuant to the Scheme, as consideration for the amalgamation, the requirement to obtain valuation report under section 232(2) of the Companies Act, 2013, shall not arise and hence shall not be applicable.
3. A reasonable assurance engagement includes performing procedures to obtain sufficient appropriate evidence on the reporting criteria. Accordingly, we have performed the following procedures in relation to the Certificate:
 - a) Read the draft Scheme and Clause 10 (Consideration) specified therein.
 - b) Reviewed the shareholding pattern of MOSL.

For Aneel Lasod And Associates

Chartered Accountants

Firm Reg. No. 124609W

Sd/-

Aneel Lasod

(Partner)

Membership No. 040117

Place: Mumbai

Date: 1st November, 2017.

ANNEXURE C

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF MOTILAL OSWAL SECURITIES LIMITED AT ITS MEETING HELD ON 4TH NOVEMBER, 2017 EXPLAINING THE EFFECT OF THE SCHEME OF AMALGAMATION ON EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS

1. BACKGROUND

- 1.1. The Board of Directors (“**Board**”) of Motilal Oswal Securities Limited (“**Transferor Company**”) at its meeting held on 4th November, 2017 have approved the scheme of amalgamation of the Transferor Company with Motilal Oswal Financial Services Limited (“**Transferee Company**”) and their respective shareholders (“**Scheme**”).
- 1.2. Provisions of Section 232(2)(c) of the Companies Act, 2013 require the Directors to adopt a report explaining the effect of the arrangement on each class of shareholders, key managerial personnel (“**KMPs**”), promoters and non-promoter shareholders of the Transferee Company laying out in particular the share entitlement ratio and specifying any special valuation difficulties and the same is required to be circulated as part of the notice of the meeting(s) to be held for the purpose of approving the Scheme.
- 1.3. This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Companies Act, 2013.
- 1.4. Under the Scheme it is proposed to amalgamate the Transferor Company with the Transferee Company.
- 1.5. The following documents were, inter alia, placed before the Board:
 - 1.5.1. Draft Scheme duly initialled by the Chairman of Transferor Company for the purpose of identification;
 - 1.5.2. Certificate from Aneel Lasod and Associates, an Independent Chartered Accountant (“**Valuer**”) dated 1st November, 2017 (“**No Valuation Certificate**”) stating that there is no requirement to obtain valuation report for the proposed Scheme.

2. VALUATION REPORT | ENTITLEMENT RATIO | ISSUE OF SHARES ON AMALGAMATION

- 2.1. Considering the fact that the Transferor Company is a wholly owned subsidiary of the Transferee Company, the shares of the Transferor Company as held by the Transferee Company shall stand cancelled upon effectiveness of the Scheme and no shares shall be issued by the Transferee Company, as consideration for the amalgamation.
- 2.2. Since, there is no consideration for the aforementioned amalgamation, no valuation is required to be conducted for any instrument or asset. Therefore, the Board noted that there were no valuation difficulties.

3. EFFECT OF THE SCHEME ON THE EQUITY SHAREHOLDERS (PROMOTER AND NON-PROMOTER) OF THE COMPANIES

- 3.1. Considering the fact that the Transferor Company is a wholly owned subsidiary of the Transferee Company, the entire share capital of the Transferor Company as held by the Transferee Company shall stand cancelled upon effectiveness of the Scheme and no shares shall be issued by the Transferee Company, as consideration for the amalgamation.
- 3.2. The Transferor Company is a wholly owned subsidiary of the Transferee Company, therefore, pursuant to the Scheme, there shall be no effect on the shareholders (promoter and non-promoter) of the Transferee Company and on the Transferee Company itself.

4. EFFECT OF THE SCHEME ON THE KMPs OF THE TRANSFEROR COMPANY

There is no impact of the Scheme on the KMPs of the Transferor Company. The KMPs of the Transferor Company shall become employees of the Transferee Company on effectiveness of the Scheme.

Further none of the KMPs have any interest in the Scheme except to the extent of the equity shares held by them, if any, in Transferee Company.

For and on behalf of the Board
Motilal Oswal Securities Limited

Sd/-

Ajay Menon

Chairman and Managing Director

DIN: 00024589

Mumbai, 4th November, 2017

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF MOTILAL OSWAL FINANCIAL SERVICES LIMITED AT ITS MEETING HELD ON 4TH NOVEMBER, 2017 EXPLAINING THE EFFECT OF THE SCHEME OF AMALGAMATION ON EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS

1. BACKGROUND

- 1.1. The Board of Directors ("**Board**") of Motilal Oswal Financial Services Limited ("**Transferee Company**") at its meeting held on 4th November, 2017 have approved the scheme of amalgamation of Motilal Oswal Securities Limited ("**Transferor Company**") with the Transferee Company and their respective shareholders ("**Scheme**").
- 1.2. Provisions of Section 232(2)(c) of the Companies Act, 2013 require the Directors to adopt a report explaining the effect of the arrangement on each class of shareholders, key managerial personnel ("**KMPs**"), promoters and non-promoter shareholders of the Transferee Company laying out in particular the share entitlement ratio and specifying any special valuation difficulties and the same is required to be circulated as part of the notice of the meeting(s) to be held for the purpose of approving the Scheme.
- 1.3. This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Companies Act, 2013.
- 1.4. Under the Scheme it is proposed to amalgamate the Transferor Company with the Transferee Company.
- 1.5. The following documents were, inter alia, placed before the Board:
 - 1.5.1. Draft Scheme duly initialled by the Chairman of Transferee Company for the purpose of identification;
 - 1.5.2. Certificate from Aneel Lasod and Associates, an Independent Chartered Accountant ("**Valuer**") dated 1st November, 2017 ("**No Valuation Certificate**") stating that there is no requirement to obtain valuation report for the proposed Scheme.

2. VALUATION REPORT | ENTITLEMENT RATIO | ISSUE OF SHARES ON AMALGAMATION

- 2.1. Considering the fact that the Transferor Company is a wholly owned subsidiary of the Transferee Company, the shares of the Transferor Company as held by the Transferee Company shall stand cancelled upon effectiveness of the Scheme and no shares shall be issued by the Transferee Company, as consideration for the amalgamation.
- 2.2. Since, there is no consideration for the aforementioned amalgamation, no valuation is required to be conducted for any instrument or asset. Therefore, the Board noted that there were no valuation difficulties.

3. EFFECT OF THE SCHEME ON THE EQUITY SHAREHOLDERS (PROMOTER AND NON-PROMOTER) OF THE COMPANIES

- 3.1. Considering the fact that the Transferor Company is a wholly owned subsidiary of the Transferee Company, the entire share capital of the Transferor Company as held by the Transferee Company shall stand cancelled upon effectiveness of the Scheme and no shares shall be issued by the Transferee Company, as consideration for the amalgamation.
- 3.2. The Transferor Company is a wholly owned subsidiary of the Transferee Company, therefore, pursuant to the Scheme, there shall be no effect on the shareholders (promoter and non-promoter) of the Transferee Company.

4. EFFECT OF THE SCHEME ON THE KMPs OF THE TRANSFEE COMPANY

There is no impact of the Scheme on the KMPs of the Transferee Company.

Further none of the KMPs have any interest in the Scheme except to the extent of the equity shares held by them, if any, in Transferee Company.

For and on behalf of the Board
Motilal Oswal Financial Services Limited

Sd/-

Motilal Oswal
Chairman and Managing Director
DIN: 00024503

Mumbai, 4th November, 2017

ANNEXURE D

MOTILAL OSWAL SECURITIES LIMITED

UNAUDITED BALANCE SHEET AS AT 30TH SEPTEMBER, 2017

	Note*	As at 30-Sep-17 (Unaudited) (Rs. in Lakhs)	As at 31-Mar-17 (Audited) (Rs. in Lakhs)
I. LIABILITIES:			
(1) Shareholder's Funds:			
(a) Share Capital	1	131.88	131.88
(b) Reserves and Surplus	2	94,387.17	87,029.64
TOTAL (A)		94,519.05	87,161.52
(2) Non-Current Liabilities:			
(a) Long-term borrowings	3	20,000.00	15,000.00
(a) Deferred tax liabilities (Net)	4	651.94	883.74
(b) Long term liabilities	5	517.92	179.10
(c) Long term provisions	6	550.81	750.64
TOTAL (B)		21,720.67	16,813.48
(3) Current Liabilities:			
(a) Short-term borrowings	7	92,263.43	73,850.82
(b) Trade payables	8	68,103.29	71,890.17
(c) Other current liabilities	9	34,572.77	12,620.94
(d) Short-term provisions	10	7,624.59	5,140.22
TOTAL (C)		202,564.08	163,502.15
TOTAL (A+B+C)		318,803.80	267,477.15
II. ASSETS:			
(1) Non-Current Assets			
(a) Fixed assets	11		
(i) Tangible assets		10,106.03	9,823.61
(ii) Intangible assets		953.83	742.06
(b) Non-current investments	12	131,027.56	125,126.30
(c) Long term loans and advances	13	2,938.97	2,888.92
(d) Other non-current assets	14	–	250.00
TOTAL (D)		145,026.39	138,830.89
(2) Current Assets			
(a) Current investments	15	27,516.16	8,500.00
(b) Trade receivables	16	87,288.87	94,593.69
(c) Cash and bank balances	17	19,227.99	20,425.17
(d) Short-term loans and advances	18	38,291.76	3,613.71
(e) Other current assets	19	1,452.63	1,513.67
TOTAL (E)		173,777.41	128,646.25
TOTAL (D+E)		318,803.80	267,477.15
Significant Accounting Policies	27		

*Notes referred to above forms an integral part of the financial statements and are available on the website of the Company.

For and on behalf of the Board of Directors
Motilal Oswal Securities Ltd.

Sd/-
Ajay Menon
Chairman & Managing Director
DIN No. 00024589

Sd/-
Shalibhadra Shah
Chief Financial Officer
PAN - AAHPS6599P

Place : Mumbai
Date : 4th November, 2017

Sd/-
Harsh Joshi
Whole Time Director
DIN No. 02951058

Sd/-
Vidhi Gala
Company Secretary
ACS-38256

MOTILAL OSWAL SECURITIES LIMITED

**UNAUDITED STATEMENT OF PROFIT AND LOSS
FOR THE PERIOD ENDED 30TH SEPTEMBER, 2017**

	Note* No.	For the Period Ended 30-Sep-17 (Unaudited) (Rs. in Lakhs)	For the Period Ended 31-Mar-17 (Audited) (Rs. in Lakhs)
INCOME			
Income from operations	20	48,020.95	71,190.88
Other Income	21	696.27	775.34
TOTAL (A)		48,717.22	71,966.22
Employee benefits	22	13,244.58	18,246.14
Finance cost	23	4,181.88	6,433.20
Depreciation and amortization expenses	24	951.89	2,025.34
Operating expenses	25	14,548.40	21,374.68
Other expenses	26	5,618.27	9,597.49
TOTAL (B)		38,545.02	57,676.86
Profit before taxation and exceptional item (C) = (A) - (B)		10,172.20	14,289.37
Exceptional items (D)		—	—
Profit before taxation (E) = (C) + (D)		10,172.20	14,289.37
Less: Provision for taxation			
i) For current year			
Current tax		2,847.29	3,917.00
Deferred tax		(232.00)	(538.00)
Fringe Benefit Tax			
ii) For previous year(s) (Income tax)		199.39	29.78
Total Tax Expenses (F)		2,814.68	3,408.78
Profit after tax for the Period (E-F)		7,357.52	10,880.59
Earnings Per Share (Face Value Per Share Rs. 10/-)			
Basic		557.88	825.02
Diluted		557.88	825.02

*Notes referred to above forms an integral part of the financial statements and are available on the website of the Company.

For and on behalf of the Board of Directors
Motilal Oswal Securities Ltd.

Sd/-
Ajay Menon
Chairman & Managing Director
DIN No. 00024589

Sd/-
Shalibhadra Shah
Chief Financial Officer
PAN - AAHPS6599P

Place : Mumbai
Date : 4th November, 2017

Sd/-
Harsh Joshi
Whole Time Director
DIN No. 02951058

Sd/-
Vidhi Gala
Company Secretary
ACS-38256

ANNEXURE D (Contd.)

MOTILAL OSWAL SECURITIES LIMITED

UNAUDITED CASH FLOW STATEMENT AS AT 30TH SEPTEMBER, 2017

Particulars	For the period ended 30-Sep-17 (Unaudited) (Rs. in Lakhs)	For the year ended 31-Mar-17 (Audited) (Rs. in Lakhs)
<u>Cash Flow From Operating Activities</u>		
Profit Before Taxation	10,172.20	14,289.37
Add		
1) Depreciation	951.89	2,025.34
2) Interest Paid / Borrowing Cost	4,181.88	6,433.20
3) Bad debts w/off	(14.47)	170.84
4) Gratuity and other long term employee benefits	923.54	134.19
5) Leave Salary	30.74	31.58
6) Impairment of Non-current Investments	–	400.00
7) Provision for doubtful debts	506.30	190.24
	6,579.88	9,385.38
	16,752.08	23,674.75
Less		
1) Profit on Investments	(2,663.98)	(4,225.90)
2) Profit on Sale of Fixed Assets	(10.87)	1.84
3) Profit in Partnership	(682.64)	(674.38)
4) Dividend Income	(47.74)	(71.46)
5) Rent Income	(517.92)	(733.92)
6) Interest Income from Loans	(159.09)	(26.38)
7) Interest Income from investments	– (4,082.25)	(10.95) (5,741.16)
OPERATING PROFIT	12,669.83	17,933.59
Adjustments for:		
(Increase) / Decrease in Sundry Debtors	6,812.99	(49,467.21)
(Increase) / Decrease Short Term in Loans & Advances	(34,678.05)	(2,294.96)
(Increase) / Decrease in Long Term Loans & Advances	(50.04)	(181.00)
(Increase) / Decrease in Non Current Assets	250.00	10,000.00
(Increase) / Decrease in Fixed Deposits with banks	(1,129.92)	(2,409.81)
Increase / (Decrease) in Other Current Asset	61.04	(1,122.44)
Increase / (Decrease) in Trade payables	(3,786.88)	38,079.14
Increase / (Decrease) in Other Current Liabilities	11,896.71	(7,747.84)
Increase / (Decrease) in Short Term Provision	1,530.09	2,279.69
Increase / (Decrease) in Long Term Liabilities	338.82	78.56
Increase / (Decrease) in Long term provisions	(199.83)	220.99
	(18,955.07)	(12,564.88)
CASH GENERATED FROM OPERATIONS	(6,285.24)	5,368.71
Taxes Paid	(3,047.71)	(4,063.21)
NET CASH GENERATED FROM / (USED) FROM / IN OPERATING ACTIVITIES	(9,332.95)	1,305.50

ANNEXURE D (Contd..)

Particulars	For the period ended 30-Sep-17 (Unaudited) (Rs. in Lakhs)	For the year ended 31-Mar-17 (Audited) (Rs. in Lakhs)
<u>Cash Flow From Investing Activities</u>		
Purchase of Fixed Assets	(1,404.55)	(1,275.91)
Purchase of Non Current Investments	(25,039.41)	(74,520.67)
Loan to Holding Company	193,128.20	(226,930.54)
Repayment of loans from Holding Company	(194,202.00)	234,680.32
Interest received from investments	-	12.50
Proceeds from Sale of Investments	6,392.60	57,915.96
Investment in Subsidiary Company	(3,000.00)	(17,400.39)
Proceeds from Sale of Fixed Assets	46.60	8.23
Rent received	517.92	733.92
Dividend received	47.74	71.46
Interest Received from Loans	159.09	26.38
NET CASH GENERATED FROM / (USED) FROM/IN INVESTING ACTIVITIES	(23,353.81)	(26,678.73)
<u>Cash Flow From Financing Activities</u>		
Bank Overdraft (Net of repayment)	2,213.47	6,421.04
Loans & Advances from Related Parties	-	12,209.23
Repayment of loans to Related Parties	-	(13,483.73)
Loan from NBFC	5,000.00	15,000.00
Proceeds from issuance of Non Convertible Debentures	15,000.00	5,000.00
Commercial Paper Issued	294,500.00	250,500.00
Commercial Paper Redeemed	(282,227.06)	(235,502.36)
Interest Paid	(4,126.76)	(5,697.98)
	<u>30,359.66</u>	<u>34,446.21</u>
NET CASH GENERATED FROM / (USED) FROM / IN FINANCING ACTIVITIES	30,359.66	34,446.21
NET CASH FLOW GENERATED FOR THE PERIOD	(2,327.10)	9,072.98
Cash & Cash Equivalents as at beginning of period		
Cash on hand	26.62	37.95
Bank balance in current account	11,797.33	2,713.02
Total Cash & Cash Equivalents as at beginning of period	11,643.93	2,750.97
Cash & Cash Equivalents as at end of period		
Cash on hand	31.50	26.62
Bank balance in current account	9,465.33	11,797.33
Total Cash & Cash Equivalents as at end of period	9,496.83	11,823.94

Note: The above cash flow statement has been prepared under the "indirect method" as set out in Accounting Standard - 3 on cash flow statements.

For and on behalf of the Board of Directors
Motilal Oswal Securities Ltd.

Sd/-
Ajay Menon
Chairman & Managing Director
DIN No. 00024589

Sd/-
Shalibhadra Shah
Chief Financial Officer
PAN - AAHPS6599P

Place : Mumbai
Date : 4th November, 2017

Sd/-
Harsh Joshi
Whole Time Director
DIN No. 02951058

Sd/-
Vidhi Gala
Company Secretary
ACS-38256

ANNEXURE D (Contd..)

MOTILAL OSWAL FINANCIAL SERVICES LIMITED

UNAUDITED BALANCE SHEET AS AT 30TH SEPTEMBER, 2017

	Note*	As at 30-Sep-17 (Unaudited) (Rs. in Lakhs)	As at 31-Mar-17 (Audited) (Rs. in Lakhs)
I EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	1	1,447.01	1,444.57
Reserves and Surplus	2	68,997.62	65,472.96
	(A)	70,444.63	66,917.53
Non-Current Liabilities			
Long-term Borrowings	3	–	10,000.00
Deferred Tax Liabilities (Net)	4	441.96	426.56
Other Long-term liabilities	5	981.22	981.22
Long-term Provision	6	18.52	24.51
	(B)	1,441.70	11,432.29
Current Liabilities			
Short-term Borrowings	7	20,028.82	25,758.69
Other Current Liabilities	8	16,058.42	11,562.15
Short-term Provisions	9	1,035.23	252.88
	(C)	37,122.47	37,573.72
TOTAL	(A+B+C)	109,008.80	115,923.54
II ASSETS			
Non-Current Assets			
Fixed Assets			
Property, Plant & Equipment	10	13,453.68	13,762.93
Intangible Assets		7.33	2.33
Non Current Investments	11(a)	62,269.27	57,841.33
Long-term Loans and Advances	12	587.48	1,598.56
	(D)	76,317.76	73,205.15
Current Assets			
Current Investments	11(b)	–	8,000.00
Cash and bank balances	13	262.47	662.73
Short-term Loans & Advances	14	31,741.90	33,799.01
Other Current Assets	15	686.67	256.65
	(E)	32,691.04	42,718.39
TOTAL	(D+E)	109,008.80	115,923.54
Significant Accounting Policies	25		

*Notes referred to above forms an integral part of the financial statements and are available on the website of the Company.

For and on behalf of the Board of Directors
Motilal Oswal Financial Services Limited

Sd/-
Motilal Oswal
Chairman & Managing Director
DIN : 00024503

Sd/-
Raamdeo Agarawal
Joint Managing Director
DIN : 00024533

Sd/-
Shalibhadra Shah
Chief Financial Officer
PAN : AAHPS6599P
Place : Mumbai
Date : 4th November, 2017

MOTILAL OSWAL FINANCIAL SERVICES LIMITED

**UNAUDITED STATEMENT OF PROFIT AND LOSS
FOR THE PERIOD ENDED 30TH SEPTEMBER, 2017**

	Note*	For the Period Ended 30-Sep-17 (Unaudited) (Rs. in Lakhs)	For the Year Ended 31-Mar-17 (Audited) (Rs. in Lakhs)
REVENUE			
Revenue from operations	16	11,523.26	17,544.16
Other Income	17	302.31	90.07
Total Revenue	(A)	11,825.57	17,634.23
EXPENSES			
Employee Benefits Expense	18	524.86	854.04
Finance Costs	19	1,809.37	3,638.08
Depreciation and Amortization	20	319.71	693.61
Other Operating Expenses	21	10.53	123.91
Other Expenses	22	474.30	965.68
Total Expenses	(B)	3,138.77	6,275.32
Profit before Exceptional Item and tax	(C) = (A) - (B)	8,686.80	11,358.91
Exceptional Item Income	(D) 23	–	(2,787.71)
Profit after Exceptional Item and before tax	(E) = (C)+(D)	8,686.80	8,571.20
Less: Tax Expenses			
Current Tax		864.35	662.81
Deferred Tax		15.41	354.86
Minimum Alternate Tax Credit Entitlement		1,020.19	(790.46)
(Excess) provision for earlier year(s)		47.21	(285.70)
Total Tax Expenses	(F)	1,947.16	(58.49)
Profit after Exceptional Item and after tax	(G) = (E) - (F)	6,739.64	8,629.69
Earnings per share (Rs.) (Face value of shares of Re. 1/- each, Previous Year Re. 1/- each)			
Equity share of par value Re. 1 each			
Basic		4.66	6.03
Diluted		4.60	5.94

*Notes referred to above forms an integral part of the financial statements and are available on the website of the Company.

For and on behalf of the Board of Directors
Motilal Oswal Financial Services Limited

Sd/-
Motilal Oswal
Chairman & Managing Director
DIN : 00024503

Sd/-
Raamdeo Agarawal
Joint Managing Director
DIN : 00024533

Sd/-
Shalibhadra Shah
Chief Financial Officer
PAN : AAHPS6599P
Place : Mumbai
Date : 4th November, 2017

MOTILAL OSWAL FINANCIAL SERVICES LIMITED

**UNAUDITED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 30TH SEPTEMBER, 2017**

	For the Period Ended 30-Sep-17 (Unaudited) (Rs. in Lakhs)	For the Year Ended 31-Mar-17 (Audited) (Rs. in Lakhs)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	8,686.84	8,571.20
Add / (Less):		
Adjustment for		
Stock Option	3.75	–
Depreciation and Amortization	319.71	693.61
Dividend Income	(4,716.04)	(4,852.80)
Profit on Sale of investment	(2,954.45)	(6,419.75)
Bad debts written off	–	2,916.54
Provision for diminution in value of Non-current Investments	29.48	102.10
Provision on Standard & Doubtful Assets	3.51	56.19
FDR Interest	(1.88)	(3.88)
Gratuity, Leave salary and Other long term benefits	21.39	9.31
Adjustment for working capital changes		
1) (Decrease) In Other long term provision	(27.38)	(3.29)
2) Increase / (Decrease) In Other Current Liabilities	(507.90)	673.94
3) Increase / (Decrease) In Short-term Provision	96.00	(870.19)
4) Increase In Other long term liabilities	–	297.21
5) (Increase) / Decrease In Long term Loans & Advances	10.70	(243.54)
6) (Increase) / Decrease In Short-term Loans & Advances	2,057.12	(10,049.38)
7) (Increase) / Decrease In Other Current Assets	1,162.91	(91.97)
CASH GENERATED / (USED) FROM OPERATIONS	4,183.76	(9,214.70)
Taxes Paid (Net of Refunds)	(248.52)	(512.42)
NET CASH GENERATED / (USED) FROM OPERATING ACTIVITIES (A)	3,935.24	(9,727.12)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Sale of investments	12,051.56	14,037.23
Purchase of investments	(2,062.90)	(22,860.00)
Sale of investment in subsidiary company	–	1,063.12
Purchase of investment in subsidiary company	(3,500.00)	(2,800.00)
Purchase of fixed assets	(7.09)	(24.63)
FDR Interest	1.88	4.00
Dividend Income	4,716.04	4,852.80
NET CASH GENERATED / (USED) FROM INVESTING ACTIVITIES (B)	11,199.49	(5,727.48)

	For the Period Ended 30-Sep-17 (Unaudited) (Rs. in Lakhs)	For the Year Ended 31-Mar-17 (Audited) (Rs. in Lakhs)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds In Share capital	2.43	22.83
Premium on issue of Equity Share Capital	412.19	3,234.47
Dividend paid (including DDT)	(5,223.91)	(4,318.60)
Proceeds of Long-Term Borrowings	–	10,000.00
(Repayment) of Long-Term Borrowings	(5,000.00)	(5,000.00)
Proceeds / (Repayment) of Short-Term Borrowings	(5,729.87)	952.54
NET CASH GENERATED / (USED) FROM FINANCING ACTIVITIES (C)	(15,539.16)	4,891.24
NET CASH FLOW FOR THE YEAR ENDED (A+B+C)	(404.43)	(10,563.36)
Cash & Cash Equivalents comprise of as at beginning of period		
Cash in Hand	1.90	1.04
Cheque on hand	173.37	10,780.70
Scheduled Bank - In Current Account	422.85	379.75
Total Cash & Cash Equivalents as at beginning of period	598.12	11,161.49
Cash & Cash Equivalents as at end of period :		
Cash in Hand	2.29	1.90
Cheque on Hand	–	173.37
Scheduled Bank - In Current Account	191.40	422.85
Total Cash & Cash Equivalents as at end of period	193.69	598.12

Note: The above cash flow statement has been prepared under the “indirect method” as set out in Accounting Standard - 3 on cash flow statements.

For and on behalf of the Board of Directors
Motilal Oswal Financial Services Limited

Sd/-
Motilal Oswal
Chairman & Managing Director
DIN : 00024503

Sd/-
Shalibhadra Shah
Chief Financial Officer
PAN : AAHPS6599P

Place : Mumbai
Date : 4th November, 2017

Sd/-
Raamdeo Agarawal
Joint Managing Director
DIN : 00024533

ROUTE MAP FOR THE MEETING VENUE





MOTILAL OSWAL FINANCIAL SERVICES LIMITED

(CIN: L67190MH2005PLC153397)

Registered Office: Motilal Oswal Tower, Rahimtullah Sayani Road,
Opposite Parel ST Depot, Prabhadevi, Mumbai - 400025.

Tel : +91 22 3980 4200; Fax: +91 22 3312 4997

Website: www.motilaloswalgroup.com; Email: shareholders@motilaloswal.com

ATTENDANCE SLIP (To be presented at the entrance)

Equity shareholders attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the Meeting hall.

Folio No. / DP ID & Client ID : _____

Name of the Shareholder: _____

Address : _____

No. of shares held : _____

I certify that I am a registered shareholder / proxy for the registered shareholder of the Company.

I hereby record my presence at the Meeting of the Company convened pursuant to the directions of the National Company Law Tribunal, Mumbai Bench at Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai – 400025 on Tuesday, 20th February, 2018 at 4:00 p.m.

Name of the Shareholder / Proxyholder

Signature of Shareholder / Proxy

Notes:

1. Only Shareholder / Proxyholder can attend the Meeting.
2. Shareholder / Proxyholder should bring his / her copy of the Notice for reference at the Meeting.
3. Those shareholders who have multiple folios with different joint holders may use copies of this Attendance Slip.

THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK



MOTILAL OSWAL FINANCIAL SERVICES LIMITED

(CIN: L67190MH2005PLC153397)

Registered Office: Motilal Oswal Tower, Rahimtullah Sayani Road,

Opposite Parel ST Depot, Prabhadevi, Mumbai - 400025.

Tel : +91 22 3980 4200; Fax: +91 22 3312 4997

Website: www.motilaloswalgroup.com; Email: shareholders@motilaloswal.com

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Shareholder(s)	
Registered Address	
E-mail ID	
Folio No. / DP ID & Client ID	

I / We, being the shareholder(s) of _____ equity shares of the Motilal Oswal Financial Services Limited, hereby appoint

Name		
Address		
E-mail ID		Signature

or failing him / her;

Name		
Address		
E-mail ID		Signature

or failing him / her;

Name		
Address		
E-mail ID		Signature

as my / our Proxy and whose signature(s) are appended below to attend and vote (on a poll) for me / us and on my / our behalf at the Meeting of the Equity Shareholders, convened pursuant to the direction of the National Company Law Tribunal, Mumbai Bench to be held on Tuesday, 20th February, 2018 at 4:00 p.m. at **Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai - 400025** and to vote for me / us and in my / our name(s) 'FOR' or 'AGAINST' (please put tick on appropriate box) on the Resolution for approving the Scheme of Amalgamation and of Motilal Oswal Securities Limited with Motilal Oswal Financial Services Limited as my / our proxy.

Signed this _____ day of _____ 2018

Signature of Shareholder _____

Signature of Proxyholder _____

Affix Revenue Stamp of Re. 1/-

Notes:

1. This Form in order to be effective should be duly completed and deposited at the Registered Office of the Company at Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai - 400025, not later than 48 hours before the commencement of the Meeting.
2. A Member may vote 'FOR' or 'AGAINST' the Resolution. If you leave the FOR or AGAINST box unticked, your Proxy will be entitled to vote in the manner as he / she thinks appropriate.
3. The Proxy Form should be signed across the Revenue Stamp as per specimen signature(s) registered with the Company / Depository Participant.
4. A Proxy need not be a Shareholder.

THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK

THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK

MOTILAL OSWAL FINANCIAL SERVICES LIMITED

(CIN: L67190MH2005PLC153397)

Registered Office: Motilal Oswal Tower, Rahimtullah Sayani Road,

Opposite Parel ST Depot, Prabhadevi, Mumbai 400025,

Telephone No: +91 22 3980 4200; Fax No: + 91 22 3312 4997

Website: www.motilaloswalgroup.com; Email: shareholders@motilaloswal.com

Postal Ballot Form**Serial No:**

1.	Name and Registered address of the Sole/ First Named Shareholder	
2.	Name of Joint Holders, if any	
3.	Registered Folio No/ *DP ID & Client ID (Applicable for investors holding shares in dematerialised form)	
4.	No of shares held	

I/ We hereby exercise my/ our vote(s) in respect of the Resolution as detailed in the Notice dated 10th January, 2018 National Company Law Tribunal Convened Meeting of the Equity Shareholders of Motilal Oswal Financial Services Limited to be held on Friday, 20th February, 2018 at 4:00 p.m. at Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai - 400025 by conveying my/ our assent or dissent to the said Scheme by placing a tick mark (✓) in the appropriate box below:

DESCRIPTION OF THE RESOLUTION	NO. OF SHARES	I/WE ASSENT TO THE RESOLUTION (FOR)	I/ WE DISSENT TO THE RESOLUTION (AGAINST)
Resolution approving the Scheme of Amalgamation of Motilal Oswal Securities Limited with Motilal Oswal Financial Services Limited and their respective shareholders pursuant to Sections 230 to 232 of the Companies Act, 2013			

Place:**Date:****(Signature of the shareholder)****ELECTRONIC VOTING (REMOTE E-VOTING) PARTICULARS**

The Remote e-voting facility is available at the link www.evotingindia.com. The electronic voting particulars are set out as follows:

EVSN (Electronic Voting Sequence Number)	*Default PAN

**Only equity shareholders who have not updated their PAN with the Company/Depository Participant shall use default PAN printed above.*

Note: Please read carefully the instructions printed overleaf before exercising the vote through this form and for Remote e-voting, please refer the "Instructions for Remote e-voting" given in the Notice.

Facility to exercise vote(s) by means of Postal Ballot Form, including voting through Remote e-voting will be available during the following period:

Commencement of voting	End of voting
From 9:30 a.m. (IST) on Sunday, 21 st January, 2018	Up to 5:00 p.m. (IST) on Monday, 19 th February, 2018

The voting will not be allowed beyond 5:00 p.m. (IST) on Monday, February 19, 2018 and the remote e-voting shall be disabled by Central Depository Services (India) Limited upon expiry of the aforesaid time and date.

INSTRUCTIONS

1. An equity shareholder can opt only for one mode of voting. If an equity shareholder has opted for Remote e-voting, then he/she should not vote by Postal Ballot Form and vice-versa. However, in case any of the equity shareholders cast their vote both via Postal Ballot Form and Remote e-voting, then voting through Remote e-voting shall prevail and voting done by Postal Ballot Form shall be treated as invalid.
2. The equity shareholders attending the Meeting should note that those who are entitled to vote but have not exercised their right to vote either by Postal Ballot Form or Remote e-voting, may vote at the Meeting through ballot paper for resolution specified in the accompanying Notice. The equity shareholders who have exercised their right to vote either by Postal Ballot Form or Remote e-voting may attend the Meeting but shall not vote at the Meeting.
3. An equity shareholder desiring to exercise vote by Postal Ballot should complete this Postal Ballot Form and send it to the Scrutinizer in the enclosed postage-prepaid self-addressed Business Reply Envelope properly sealed. An equity shareholders need not affix postal stamps since the postage will be paid by the Company. However, envelopes containing Postal Ballots, if sent by courier or by registered post at the expense of the equity shareholder will also be accepted.
4. The postage-prepaid self-addressed Business Reply Envelope bears the address of the Scrutinizer appointed by the Board of Directors of the Company.
5. This Postal Ballot Form should be completed and signed by the equity shareholder (as per the specimen signature registered with the Company/Depository Participant). In case of joint holding, this form should be completed and signed by the first named equity shareholder and in his/her absence, by the next named equity shareholder.
6. Incomplete or unsigned Postal Ballot Form will be rejected.
7. Duly completed Postal Ballot Form should reach the Scrutinizer on or before 5:00 p.m. (IST) on Monday, 19th February, 2018. Postal Ballot Forms received after this said time and date will be strictly treated as if the reply from the equity shareholder has not been received.
8. The Consent must be accorded by recording the assent in the Column "FOR" and dissent in the Column "AGAINST" by placing a tick mark (✓) in the appropriate column.
9. Voting rights shall be reckoned based on the paid-up value of equity shares registered in the name of the equity shareholders as on Friday, 5th January, 2018.
10. Corporate / Institutional Shareholders (that is, other than Individuals, HUF, NRI, etc.) opting for Postal Ballot Form are also required to send certified true copy of the Board Resolution / Power of Attorney / Authority Letter, etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer along with the Postal Ballot Form.
11. The equity shareholders are requested not to send any other document along with the Postal Ballot Form in the enclosed postage-prepaid self-addressed Business Reply Envelope as all such envelopes will be delivered to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer.
12. An equity shareholder may request duplicate Postal Ballot Form, if so required. However, the duly filled duplicate Postal Ballot Form should reach the Scrutinizer not later than the time and date specified above.
13. The Scrutinizer's decision on the validity of the Postal Ballot Form will be final.