

Independent Auditor's Limited Review Report on the Unaudited Standalone Financial Results of Motilal Oswal Financial Services Limited for the quarter and nine months ended December 31, 2023, pursuant to the Regulation 33 and 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (as amended)

To the Board of Directors of Motilal Oswal Financial Services Limited

1. We have reviewed the accompanying Statement of Unaudited Standalone financial results of **Motilal Oswal Financial Services Limited** ("the Company") for the quarter and nine months ended December 31, 2023 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"), including relevant circulars issued by the SEBI from time to time.
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors of the Company, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 as amended, read with the relevant rules issued thereunder ("the Act") and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 and Regulation 52 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 and Regulation 52 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Emphasis of Matter

5. Attention is invited to:

Note. 7 of the Unaudited Standalone financial results of the Company, regarding the Scheme of Arrangement to restructure the business of the Company w.e.f. April 1, 2023, for which subsequent to the approval of its Board, the Company has initiated the process of obtaining necessary statutory and regulatory approvals and approval of its Shareholders. Post receipt of the required approvals and on completion of the related procedural aspects towards the scheme, effect of such scheme will be given in the books of account.

Our conclusion is not modified in respect of this matter.



Singhi & Co.
Chartered Accountants

Other Matter

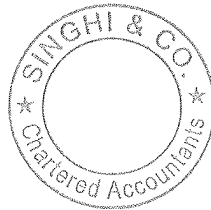
6. Share of profit/ (loss) from investment in a limited liability partnership aggregating to Rs. (25) lakhs and Rs.(1) lakhs for the quarter and nine months ended December 31, 2023 respectively included in the Statement, is based on the management accounts of such entity. These accounts have been furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts, is based solely on the report of such management accounts.

Our conclusion is not modified in respect of this matter.

For Singhi & Co.
Chartered Accountants
Firm Registration No: 302049E



Amit Hundia
Partner
Membership No. 120761
UDIN: 24120761BKCMPB8903



Place: Mumbai
Date: January 24, 2024

MOTILAL OSWAL FINANCIAL SERVICES LIMITED

Registered office:- Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025
Tel: +91-22-71934200, Fax: +91-22-50362365 Email:shareholders@motilaloswal.com, Website : www.motilaloswalgroup.com
CIN: L67190MH2005PLC153397

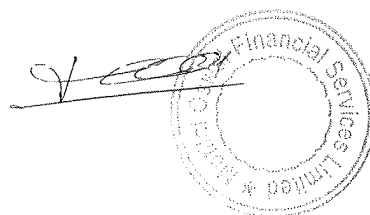
Statement of Standalone Financial Results for the quarter and nine months ended 31 December 2023

(Rs. in lakhs, unless otherwise stated)

Particulars	For the quarter ended			Nine months ended		For the year ended
	31 December 2023	30 September 2023	31 December 2022	31 December 2023	31 December 2022	31 March 2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Revenue from operations						
(i) Interest income	24,630	20,464	13,227	61,529	33,055	47,291
(ii) Dividend income	19	222	24	266	115	591
(iii) Rent income	469	490	470	1,457	1,432	1,900
(iv) Fees and commission income						
- Brokerage and fees income	56,472	60,561	45,958	1,64,030	1,33,119	1,75,649
- Other commission income	5,467	4,294	4,933	13,873	13,071	18,449
(v) Net gain/(loss) on fair value changes	23,501	18,803	4,189	61,023	19,946	17,546
(vi) Other operating revenue	1,337	1,402	1,321	4,042	3,468	5,200
(I) Total revenue from operations	1,11,895	1,06,236	70,122	3,06,220	2,04,206	2,66,626
(II) Other Income	752	252	615	4,407	1,938	2,645
(III) Total Income (I+II)	1,12,647	1,06,488	70,737	3,10,627	2,06,144	2,69,271
Expenses						
(i) Finance cost	11,825	9,974	6,162	28,869	15,510	21,733
(ii) Fees and commission expense	25,831	26,700	20,022	72,808	58,685	77,886
(iii) Impairment on financial instruments	282	727	400	1,528	1,523	1,548
(iv) Employee benefit expenses	18,286	19,402	15,590	57,310	45,342	61,095
(v) Depreciation and amortisation expense	2,146	1,467	1,420	5,071	3,836	5,006
(vi) Other expenses	8,165	10,513	7,194	26,734	21,815	29,473
(IV) Total expenses (IV)	66,535	68,783	50,788	1,92,320	1,46,711	1,96,741
(V) Profit before tax (III-IV)	46,112	37,705	19,949	1,18,307	59,433	72,530
Tax expense/(credit)						
(i) Current tax	5,855	4,409	4,693	14,623	12,034	15,829
(ii) Deferred tax/(credit)	2,369	2,500	72	6,296	(531)	35
(iii) (Excess)/ short provision for earlier years	-	-	-	-	-	(225)
(VI) Total tax expenses / (credit)	8,224	6,909	4,765	20,919	11,503	15,639
(VII) Profit after tax (V-VI)	37,888	30,796	15,184	97,388	47,930	56,891
Other comprehensive income						
(i) Items that will not be reclassified to profit or loss:						
(a) Remeasurement of the defined employee benefit plans	97	(14)	(27)	(85)	(4)	64
(b) Changes in fair value gain/(loss) of FVOCI equity instruments	10,365	1,041	1,003	24,446	103	(3,976)
(c) Tax related to items that will not be reclassified to profit and loss account	(1,210)	(116)	(108)	(831)	(74)	446
(VIII) Other comprehensive income/(loss)	9,252	911	868	23,530	25	(3,466)
(IX) Total comprehensive income/(loss) (VII+VIII)	47,140	31,707	16,052	1,20,918	47,955	53,425
(X) (a) Paid-up equity share capital (Face value of Re. 1)	1,485	1,482	1,479	1,485	1,479	1,479
(b) Other equity						4,43,875
Earnings per share (EPS)*						
(Face value Re. 1 per equity share)						
Basic (amount in Rs.)	25.54	20.80	10.36	65.75	32.34	38.40
Diluted (amount in Rs.)	25.44	20.76	10.28	65.47	32.07	38.26

* EPS for the quarters/period is not annualized

(Page 1 of 2)



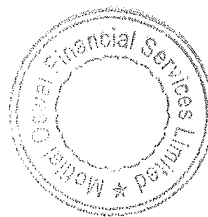
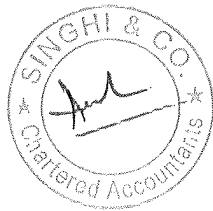
MOTILAL OSWAL FINANCIAL SERVICES LIMITED

Registered office:- Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025
Tel: +91-22-71934200, Fax: +91-22-50362365 Email:shareholders@motilaloswal.com, Website : www.motilaloswalgroup.com
CIN: L67190MH2005PLC153397

Statement of Standalone Financial Results for the quarter and nine months ended 31 December 2023

Standalone Notes:-

- 1) The standalone financial results have been reviewed by the Audit Committee and approved by the Board of Directors of the Motilal Oswal Financial Services Limited (the 'Company') at its Meeting held on Wednesday 24 January 2024. The results for the quarter and nine months ended 31 December 2023 have been reviewed by the Statutory Auditors, M/s. Singhi & Co., Chartered Accountants.
- 2) This statement has been prepared in accordance with recognition and measurement principles of the Companies (Indian Accounting Standards) Rules, 2015 ('IndAS') prescribed under Section 133 of the Companies Act, 2013.
- 3) Pursuant to Regulation 52(4) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (Listing Regulations), SEBI's Operational circular SEBI/HO/DDHS/P/CIR/2021 /613 dated 10 August 2021 to the extent applicable to Commercial Papers, information as required for nine months ended 31 December 2023 in respect of Non-convertible Debentures and Commercial Papers of the Company is enclosed as Annexure A.
- 4) Pursuant to Regulation 54 of Listing Regulations, we state that all secured Market Linked Debentures (MLDs) issued by the Company and outstanding as on 31 December 2023 are fully secured by first pari passu charge created over all present and future trade receivables and Margin Trading Facility receivables of the Company (with a minimum cover of 1 times of MLDs outstanding and interest due on MLDs). Accordingly, the Company is maintaining the asset cover of 1x or such higher asset cover required as per the terms & conditions given in the offer document/information memorandum. The Details of security cover as per prescribed format under Regulation 54(3) of Listing Regulation is enclosed as Annexure B.
- 5) CRISIL Limited has reaffirmed its ratings at CRISIL AA/Stable for Non-Convertible Debentures and CRISIL A1+ to the Commercial Paper Programme of the Company. ICRA Limited has reaffirmed [ICRA]AA (Stable) on Non-Convertible Debentures and [ICRA]AA (Stable) on Bank Lines of the Company and PP-MLD[ICRA]AA (Stable) on Principal Protected Market Linked Debentures of the Company. The ICRA Limited also reaffirmed and assigned for the enhanced amount [ICRA]A1+ to the Commercial Paper Programme of the Company. Further, India Ratings & Research Private Limited has assigned and affirmed credit rating of IND A1+ on Commercial Paper Programme of the Company. India Ratings & Research Private Limited has also affirmed IND AA/Stable on Non-Convertible Debentures and Bank Lines of the Company and IND PP-MLD AA/Stable on Principal Protected Market Linked Debentures of the Company.
- 6) The Board of Directors at its meeting held on 24 January 2024 has declared an interim dividend of Rs. 14/- per equity share (on face value of Rs.1/- per equity share) for the financial year 2023-24.
- 7) The Board of Directors of the Company at their Meeting held on July 27, 2023 has, inter-alia, subject to approval of Shareholders of the Company and other applicable statutory & regulatory approvals including the approval of the Hon'ble National Company Law Tribunal ("NCLT"), Mumbai Bench, approved the Scheme of Arrangement between Motilal Oswal Financial Services Limited ("the Transferor Company" or "the Resulting Company" or "MOFSL") and Motilal Oswal Broking and Distribution Limited (formerly Glide Tech Investment Advisory Private Limited & converted into Public Limited Company) ("the Transferee Company" or "MOBDL") and Motilal Oswal Wealth Limited ("the Demerged Company" or "MOWL") and their respective Shareholders ("the Scheme"), under Sections 230-232 of the Companies Act, 2013. The appointed date subject to approval of the NCLT is April 01, 2023. Further, pursuant to the provisions of Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has filed the Scheme along with necessary documents with Stock Exchange(s). Post receipt of shareholder's approval, this event will be considered as highly probable for the purposes of disclosure requirement under IND AS 105 "Non-Current Assets held for sale in discontinued operations".
- 8) The Board of Directors of the Company has considered and approved the proposal of issuance of Non-Convertible Debentures not exceeding Rs.3,000 crore by way of Public Issue in one or more tranches.
- 9) As per Ind AS 108 'Operating Segments', Segment has been disclosed in consolidated financial results, Hence no separate disclosure has been given in standalone financial results of the Company.
- 10) Pursuant to the exercise of Employee Stock Options under various Employee Stock Options Scheme, the Company has allotted 2,93,131 and 5,83,490 equity shares to the employees during the quarter ended 31 December 2023 and nine months ended 31 December 2023 respectively.
- 11) The amounts reflected as "0" in the Financial Information are values with less than rupees one lakhs.
- 12) The previous quarter/period figures have been regrouped/reclassified wherever necessary to confirm to the current quarter/period presentation.



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

Motilal Oswal
Managing Director and Chief Executive Officer
(DIN 00024503)

Place: Mumbai,
Date: 24 January 2024

Annexure A

Pursuant to Regulation 52(4) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (Listing Regulations), SEBI's Operational circular SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 to the extent applicable to Commercial Papers, information as required for the nine months ended December 31, 2023 in respect of Non-convertible Debentures and Commercial Papers of the Company is as mentioned below:

Key Financial Information

Particulars	Nine months ended 31 December 2023	Year ended 31 March 2023
Debt Equity Ratio ¹	0.95	0.84
Debt Service Coverage Ratio ²	0.15	0.28
Interest Services Coverage Ratio ³	3.28	5.80
Net Worth ⁴ (Rs.in Lakhs)	5,33,703	4,35,434
Net Profit after tax (Rs.in Lakhs)	97,388	56,891
Earnings per share (Basic)	65.75	38.40
Earnings per share (Diluted)	65.47	38.26
Outstanding redeemable preference shares	Not Applicable	Not Applicable
Capital Redemption Reserve (Rs.in Lakhs)	104	104
Debenture Redemption Reserve	Nil	Nil
Current Ratio ⁵	1.01	1.01
Long Term Debt to Working Capital Ratio ⁶	0.28	0.47
Bad Debts to Accounts Receivables Ratio ⁷	0.40%	0.77%
Current Liability Ratio ⁸	0.98	0.99
Total Debts to Total Assets ⁹	0.26	0.27
Debtors Turnover Ratio ¹⁰	2.14	2.91
Inventory Turnover Ratio	Not Applicable	Not Applicable
Operating Margin (%) ¹¹	38.63%	27.20%
Net Profit Margin (%) ¹²	31.80%	21.34%

¹ Debt Equity Ratio = Debt (Borrowings + Accrued interest) / Equity (Equity share capital + Other Equity)

² Debt Service Coverage Ratio = Profit/Loss before exceptional items, interest and tax (excludes unrealized gains/losses and interest costs on leases as per IND AS 116 on Leases) / (Interest expenses(excludes interest costs on leases as per IND AS 116 on Leases)+Principal Repayments)

³ Interest Service Coverage Ratio = Profit/Loss before exceptional items, interest and tax (excludes unrealized gains/losses and interest costs on leases as per IND AS 116 on Leases)/Interest expenses(excludes interest costs on leases as per IND AS 116 on Leases)

⁴ Net Worth = As per Sec 2(57) of Companies Act, 2013

⁵ Current Ratio = Current Assets/Current Liabilities

⁶ Long Term Debt to Working Capital Ratio = Long Term Borrowing/Working Capital

⁷ Bad debt includes provision made on doubtful debts. Accounts receivable includes trade receivables and MTF

⁸ Current Liability Ratio= Current Liabilities/Total Liabilities

⁹ Total Debts to Total Assets= Total Debts(Borrowings+Debt Securities)/Total Assets

¹⁰ Debtors Turnover Ratio = Fee and Commission Income /Average Trade Receivables

¹¹ Operating Margin = Profit before tax / Total Revenue from operations

¹² Net Profit Margin= Profit after tax / Total Revenue from operations

