



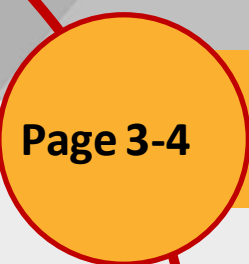
Motilal Oswal Financial Services Ltd

Earnings Presentation | Q1FY21

BUSINESSES BUILDING SCALE

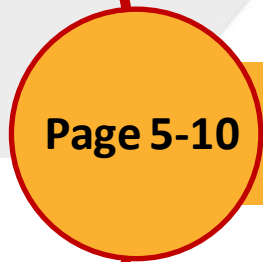
FOCUS ON PROFITABLE GROWTH

STRONG LIQUIDITY ON BALANCE SHEET



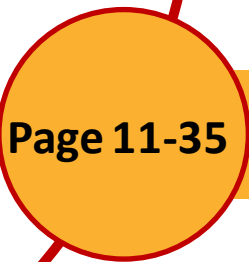
Page 3-4

Key Highlights



Page 5-10

Financials



Page 11-35

Businesses

Motilal Oswal Financial Services

CAPITAL MARKETS

- Market share improved by 40bps QoQ to 3.0%
- Market share in cash & derivative segment is at multi-quarter high
- Highest ever broking revenues in a quarter
- Accelerated pace of new clients addition. Up 166% YoY
- Strong liquidity on parent balance sheet with unutilised banking lines of Rs 12.8 bn and cash of Rs 4.9 bn.

ASSET MANAGEMENT

- AMC AUM stood at Rs 352 bn, +18% QoQ in Q1FY21
- AMC net sales gained traction in Q1FY21, +17% QoQ.
- Launched India's 1st digital NFO of S&P 500 fund
- Traction in direct and digital channel
- PE/RE Committed investment AUM till date stands at Rs 65 bn
- Wealth AUM: Rs 178 bn, +14% QoQ in Q1FY21

HOUSING FINANCE

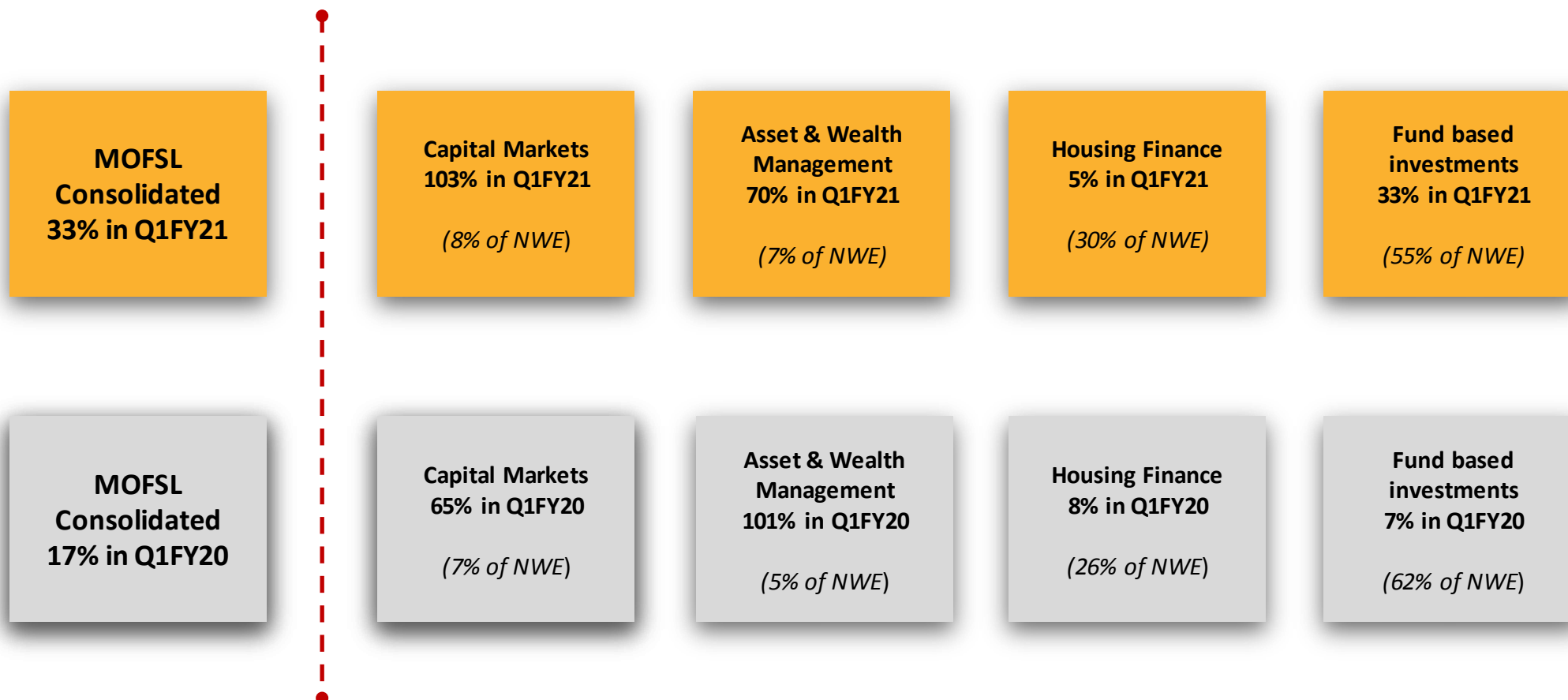
- CoF reduction by 50bps YoY led to margin expansion
- NPA 1.8%, 1+ DPD on falling trajectory.
- PCR increased to 87% (special Covid-19 related provisioning of Rs 210 mn)
- Strong traction in collection efficiency
- Cost to Income ratio improved to 36%
- Superior quality of new book underwritten
- Strong liquidity on balance sheet with undrawn sanction of Rs 7.4bn & cash of Rs 3bn.

FUND BASED INVESTMENTS

- Total quoted equity investment including MTM gains at Rs 12.7 bn
- Total investment on books including alternate investments stands at Rs 18.6 bn
- Cumulative XIRR of ~11.6% on total investments
- Company has initiated Buyback of equity shares upto Rs 1.5 bn (excluding tax).

Group RoE*

Segment-wise RoE, with % of net worth employed (NWE)



Note: * Excluding Other comprehensive income and exceptional item in Q1FY21

Consolidated Financials – Revenue Mix

Particulars (Rs mn)	Q1FY21	Q1FY20	YoY (%)	Q4FY20	QoQ (%)
Broking	3,434	2,778	24%	3,381	2%
Investment Banking	4	3	26%	9	-59%
Asset Management	1,036	1,443	-28%	1,316	-21%
Private Equity	219	240	-9%	283	-23%
Wealth Management	221	221	0%	255	-13%
Housing Finance	1,333	1,527	-13%	1,398	-5%
Fund Based (Ex-MTM)	82	70	17%	88	-7%
Total Revenues	6,328	6,282	1%	6,730	-6%
Total Revenues after Intercompany adjustments	5,909	5,850	1%	6,236	-5%
Operating Costs	3,287	2,997	10%	3,462	-5%
EBITDA	2,622	2,853	-8%	2,774	-5%
PBT	1,428	1,518	-6%	1,392	3%
Operating PAT (1)	1,030	994	4%	974	6%
MTM PAT (2)	1,305	301	334%	-3,511	-
Exceptional Item (3)	-666	-	-	-	-
Reported PAT(4) = (1)+(2)+(3)	1,669	1,295	29%	-2,537	-

- Operating PAT is excluding MTM on fund based investments and exceptional item
- MTM PAT includes profits/(loss) on account of Fund based investments made in Equity & Alternate Funds
- Exceptional item (post tax) comprises of provision made by the Company of Rs 666 mn on account of negative price settlement effected by MCX vide its circular dated April 21, 2020, in respect of Client positions entered by the company as a Commodity Broker. The Company has filed writ petition before the Bombay High court (BHC) against the MCX circular and the said writ petition is pending. Moreover the company has filed arbitration petition for interim relief before the BHC against the client where the court has directed the client not to dispose-off its assets; further the company has filed an arbitration claim for recovery of outstanding debits against the client. The company is hopeful of recovery as the client is reputed entity and has resources to pay, however pending the arbitration proceedings company has conservatively provided for the full outstanding amount in respect of its client positions in Q1 FY21.
- Reported PAT numbers are post minority and exceptional item

Consolidated Financials – PAT Mix

PAT (Rs mn)	Q1FY21	Q1FY20	YoY (%)	Q4FY20	QoQ (%)
Broking	613	401	53%	451	36%
Investment Banking	-39	-39	-	-37	-
Capital Markets	573	362	58%	414	38%
Asset Management	240	362	-34%	357	-33%
Private Equity	52	51	3%	48	10%
Wealth Management	0	6	-97%	14	-99%
Asset & Wealth	292	419	-30%	418	-30%
Home Finance	111	171	-35%	176	-37%
Fund Based (Ex-MTM)	-2	23	-	-11	-
Total Intercompany	58	23	151%	-21	-
Operating PAT (1)	1,030	994	4%	974	6%
MTM PAT (2)	1,305	301	334%	-3,511	-
Exceptional Item (3)	-666	-	-	-	-
Reported PAT(4) = (1)+ (2)+ (3)	1,669	1,295	29%	-2,537	-

1. Operating PAT is excluding MTM on fund based investments and exceptional item
2. MTM PAT includes profits/(loss) on account of Fund based investments made in Equity & Alternate Funds
4. Reported PAT numbers are post minority and exceptional item

Consolidated Balance Sheet

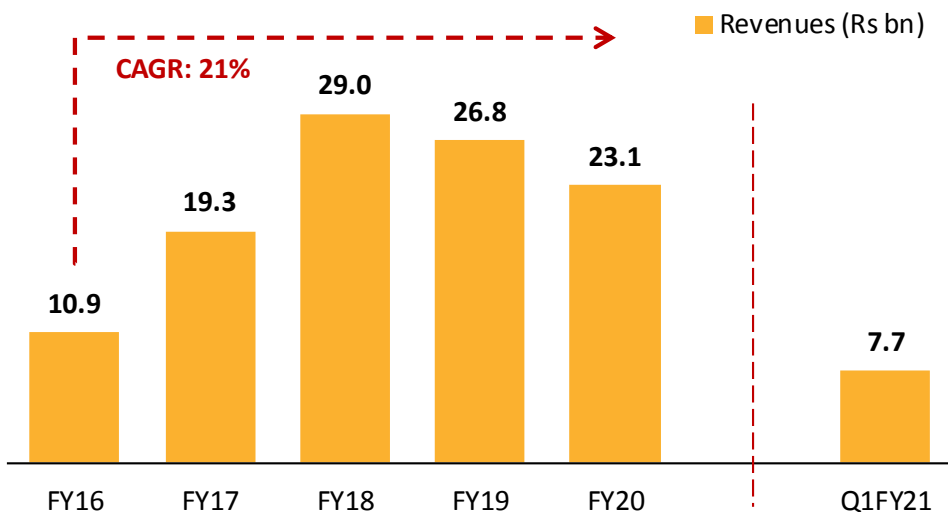
Particulars (Rs bn)	Q1FY21	FY20
Sources of Funds		
Net Worth	32.8	30.9
Borrowings (1)	45.9	46.3
Minority Interest	0.4	0.4
Total Liabilities	79.0	77.5
Application of Funds		
Fixed assets (net block)	3.3	3.3
Investments	33.2	30.9
Loans and Advances (2)	41.9	40.8
Net current assets	0.6	2.5
Total Assets	79.0	77.5

1 Borrowings are inclusive of MOHFL. Ex- MOHFL borrowings are Rs 14.8 bn in Jun-20.

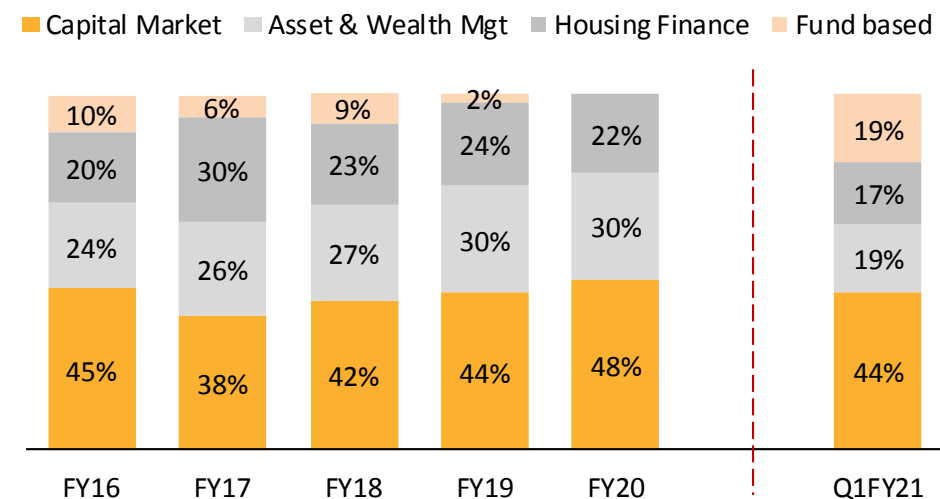
2 Loan & Advances include loan book of Motilal Oswal Home Finance and Margin Trading Facility book.

Financial Performance

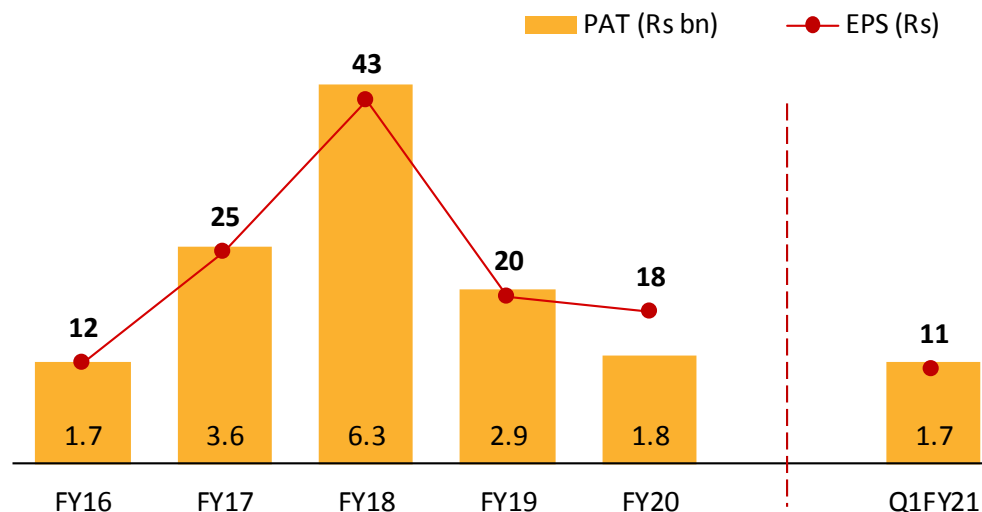
Revenue Trend



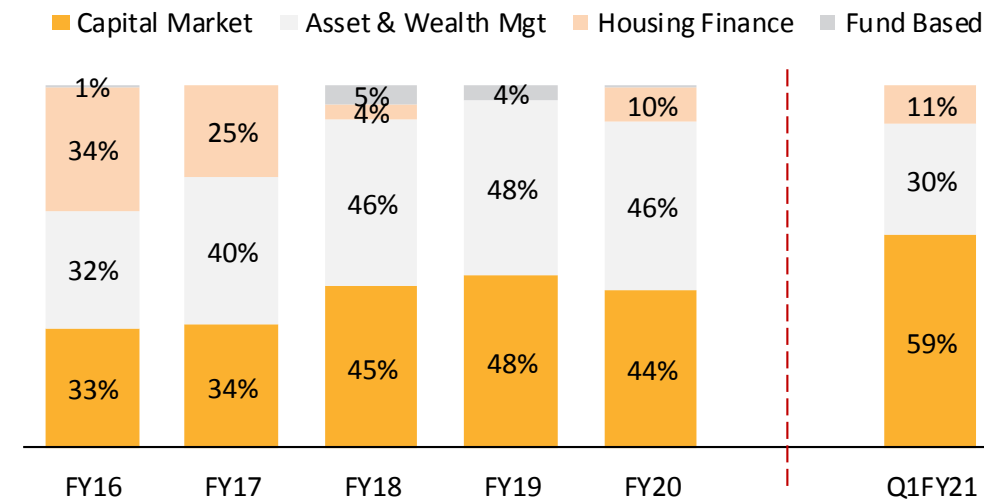
Revenue Mix



Profitability Trend

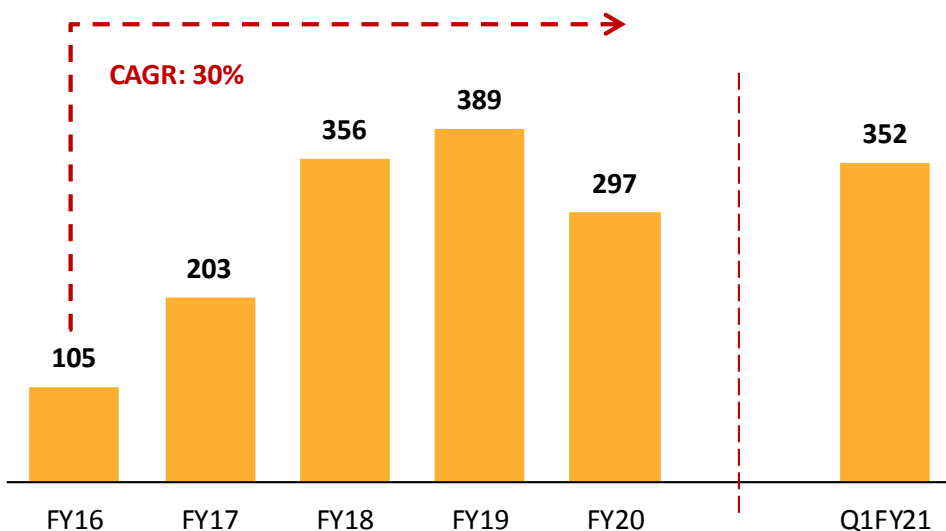


Operating Profit Mix

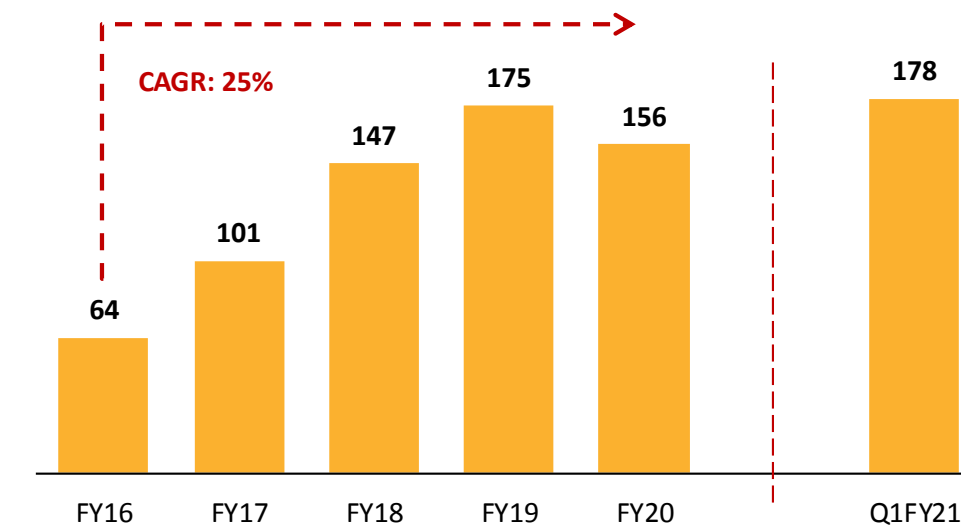


Note: Revenue and PAT are as per IGAAP for FY16 & FY17.

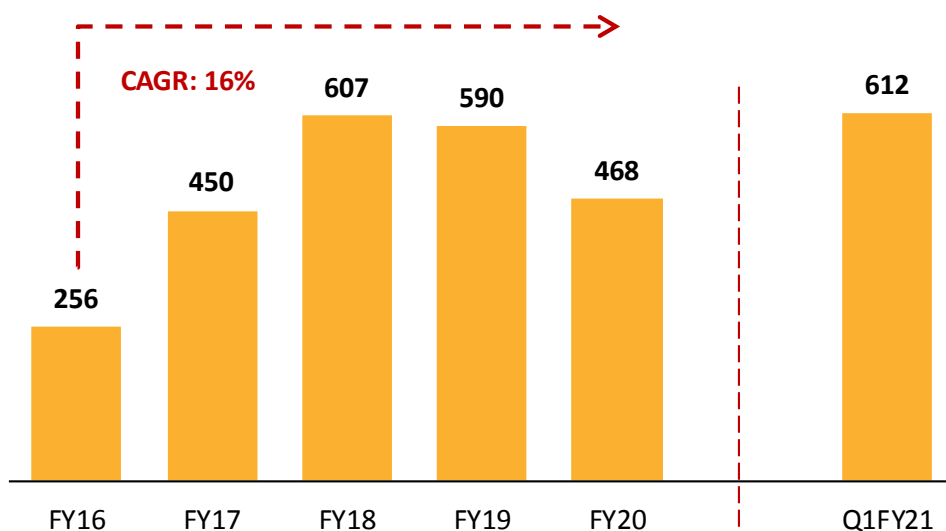
AMC AUM growth trend (Rs bn)



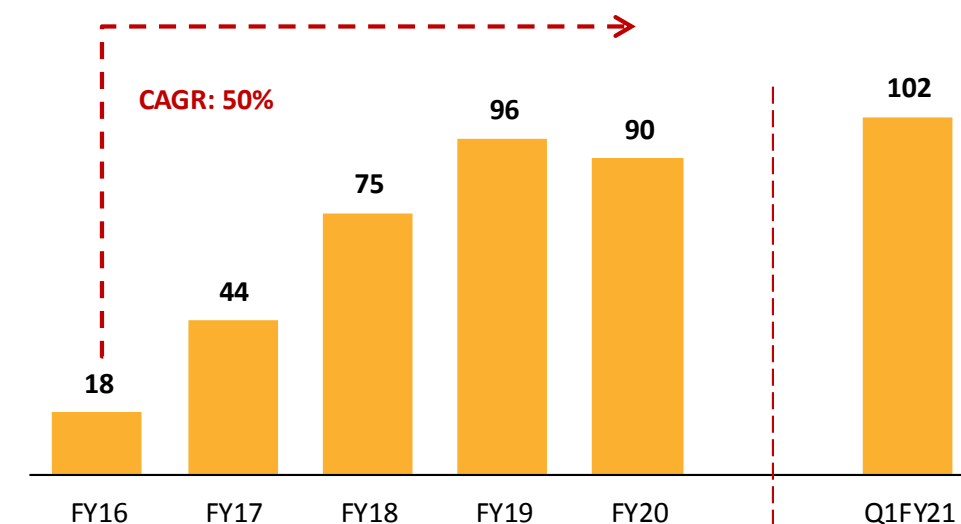
Wealth AUM growth trend (Rs bn)



DP AUM growth trend (Rs bn)



Distribution AUM growth trend (Rs bn)



Note - FY20 AUMs are impacted due to steep fall in equity market in March month due to Covid-19. However, full year average AUM for AMC was Rs 385 bn, PWM was Rs 184 bn and Distribution was Rs 100 bn.

GROWTH DRIVERS

BROKING & DISTRIBUTION

- ADTO grew 51% YoY with rise in cash market share
- Operating leverage continues to play
- Client acquisitions up by 166% YoY in Q1FY21
- Branch expansion underway
- Distribution business aiming big with newly added Insurance distribution.

ASSET MANAGEMENT

- Positive net flows for consecutive four quarters; industry seen moderating flows.
- Reduction in redemption market share.
- Expanding product offerings across passive category
- Traction in digital and direct channel

WEALTH MANAGEMENT

- Business continues to be under Investment mode.
- 67% of revenues are trail based revenues and covers 73% of fixed cost, to provide cushions to margin.
- Rise in RM productivity will aid margins in future.
- Client level engagement is all-time high with No. of families reaching 4375 +18% YoY

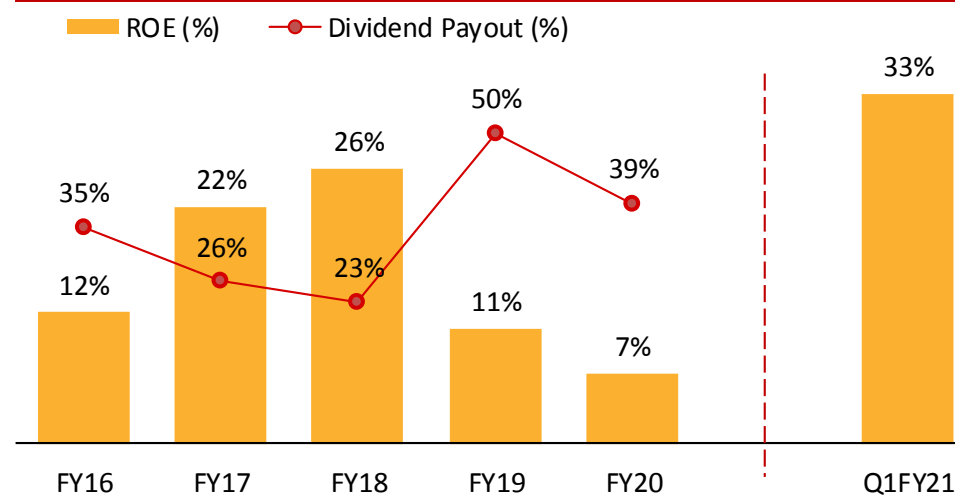
HOUSING FINANCE

- GNPA /NNPA at 1.8%/1.3% respectively
- Margins improvement to 5.8% led by higher yield & lower cost of funds
- Strong traction in collection efficiency
- Provisioning step-up to 87% with special Covid provisioning

Key Highlights

- Q1FY21 performance remains encouraging on most of the fronts. Our engagement level with clients across businesses is at its best.
- Despite of lockdown in Q1FY21, we have witnessed limited impact on our businesses, in fact we have seen surge in some of the businesses led by sharp recovery in market.
- Home Finance business has seen sharp reduction in CoF and has low moratorium on the book. Home Finance company is well capitalised with net gearing of 3.2x.
- Sizeable expansion in AMC and Broking distribution network will drive next leg of growth.
- Consolidated net worth stood at Rs 32.8 bn, net debt is Rs 37.4 bn. Excluding Home finance debt, net debt is Rs 9.3 bn. Overall debt is down by 4% YoY. Total D/E declined to 1.4x. Ex-MOHF D/E stood at 0.5x. Net of investments, we have net cash on balance sheet.

ROE trend



Note: ROE for FY18, FY19, FY20 & Q1FY21 are excluding OCI.

BROKING & DISTRIBUTION

Market share improved by 40bps QoQ to 3.0%; multi-quarter high

Highest ever gross brokerage achieved in June month

50% of active clients traded in month of June

Expanded operation in 88 cities and 18 states

Online business 56% of retail volume

Particulars (Rs mn)	Q1FY21	Q1FY20	YoY (%)	Q4FY20	QoQ (%)
Revenues	3,434	2,778	24%	3,381	2%
- Brokerage	2,397	1,663	44%	2,202	9%
- Distribution	166	216	-23%	263	-37%
Operating Costs	2,220	1,811	23%	2,197	1%
EBITDA	1,214	967	26%	1,185	2%
EBITDA Margin	35%	35%	-	35%	-
PBT	814	597	36%	629	29%
PAT	613	401	53%	451	36%
Exceptional Item (1)	-666	-	-	-	-
PAT incl. exceptional items	-53	401	-	451	-

1. Exceptional item comprises of full provision made by the company on account of negative price settlement of Crude Oil Derivative positions of the customers in Commodity Broking.

- Retail broking revenues are at all time high led by strong surge in volumes and market share gain across cash and derivative segment.
- In **Retail broking** business we have witnessed strong traction in new clients addition driven by franchisee and retail channel , total 86,900 clients acquired in Q1FY21, +166% YoY. Active clients have also registered 24% YoY growth at 0.41 mn as of June 2020.
- **Distribution** business AUM grew by 13% QoQ at Rs 102 bn. Current penetration of only ~15% on total client base, provides head-room for growth in AUM. We have started Insurance broking business a year back and have registered strong premium collection in first year of business envisaging future business potential.
- We are investing in talent and also expanding our reach with higher branch addition. We have hired ~500 employees and expanding our footprint in geographies like Southern and Northern part of the country. We believe that this will help us in new client acquisition and acquiring market share.
- MOFSL's overall ADTO grew 51% YoY to Rs 255 bn in Q1FY21. Overall market share (ex-prop) stood at 3.0% in FY21 supported by robust traction in high yield-cash market share.
- Broking business also runs a margin funding and LAS business, with total book size of ~Rs 5.4 bn as of Q1FY21.

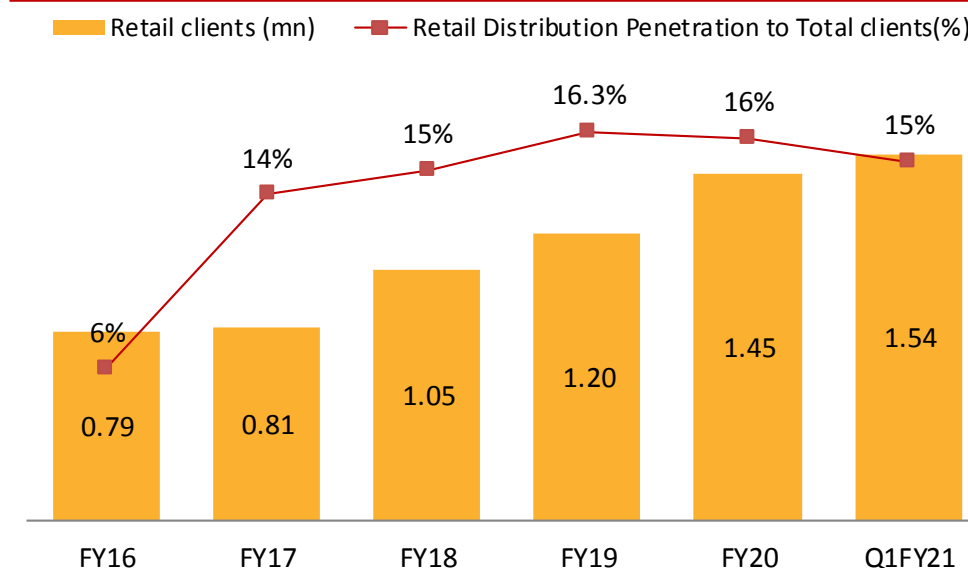
Retail Broking & Distribution

- During lockdown, a new peak of 64% clients traded online and this averaged at 57%.
- Single day number of trades executed crossed 1 million for the first time.
- Advisors are in touch with +16000 unique clients on daily basis and are able to activate +500 accounts per day digitally.
- Focus towards development and infusion of entrepreneurial spirit in new and existing franchisees has led strong growth in client base as well as franchisee base (+45% YoY).
- Focus on banking partnership. Tie-up with AU Small Finance Bank for 3 in 1 (banking + demat + trading) account.
- Events like MOCA and MOBIC received huge response among retail clients and franchisees.

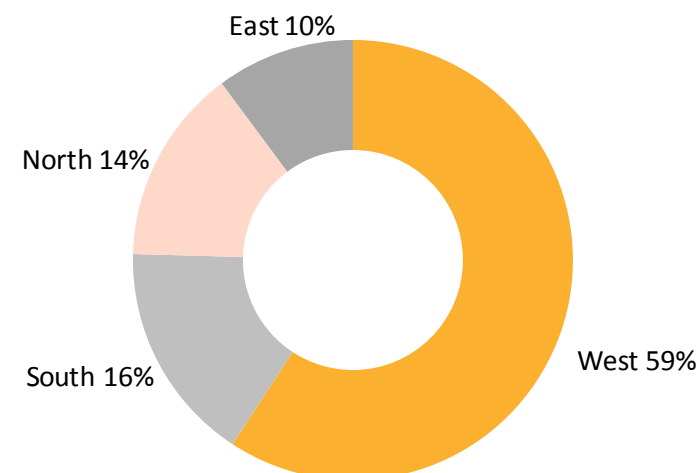
Institutional Broking

- Institutional team won big at ASIA MONEY BROKERS POLL 2019.
 - 1st Rank - Best Overall Sales, Sales Trading & Corporate Access
 - 2nd Rank – Best Local Brokerage
- This has been the result of focus driven differentiated research products with 250+ companies covering 21 sectors.
- Corporate access has always been a key focus area.
- We have also launched our 1st edition of virtual conference amid this lockdown period.
- During lockdown we are arranging expert / management calls on daily basis for clients. Number of notes are up by ~30% during this period.

Distribution business Penetration

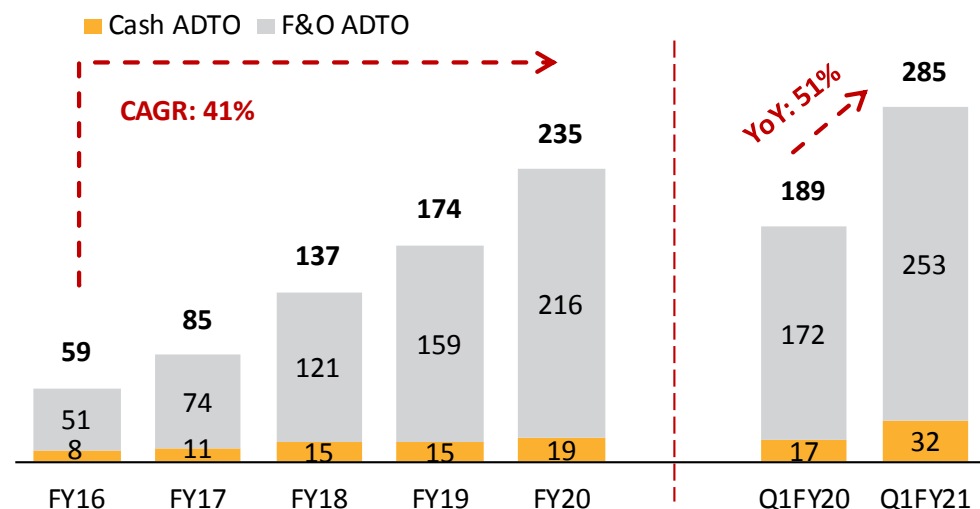


Geographic Distribution of Retail Active Clients (Cash)

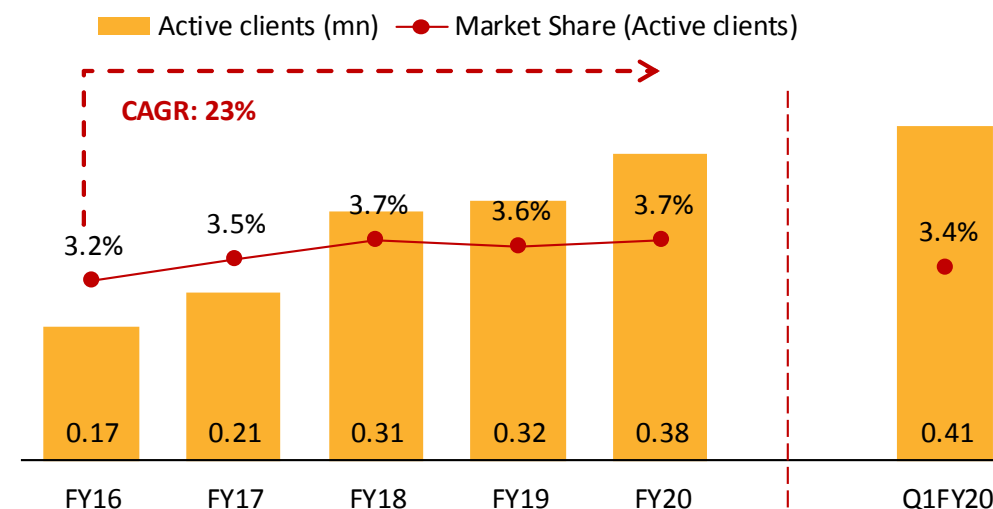


Broking & Distribution – Strong growth in Volume and Client acquisition

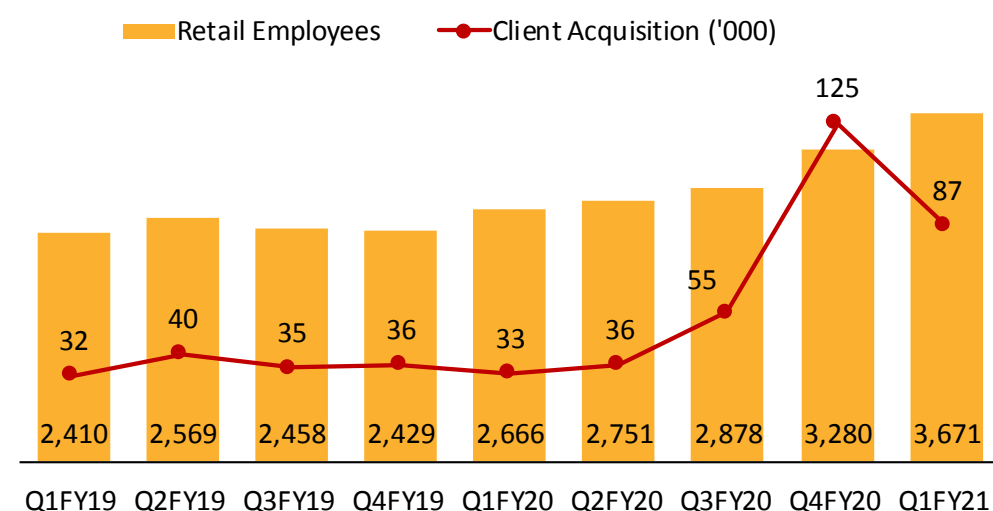
MOFSL Broking ADTO (Ex-prop, Rs bn)



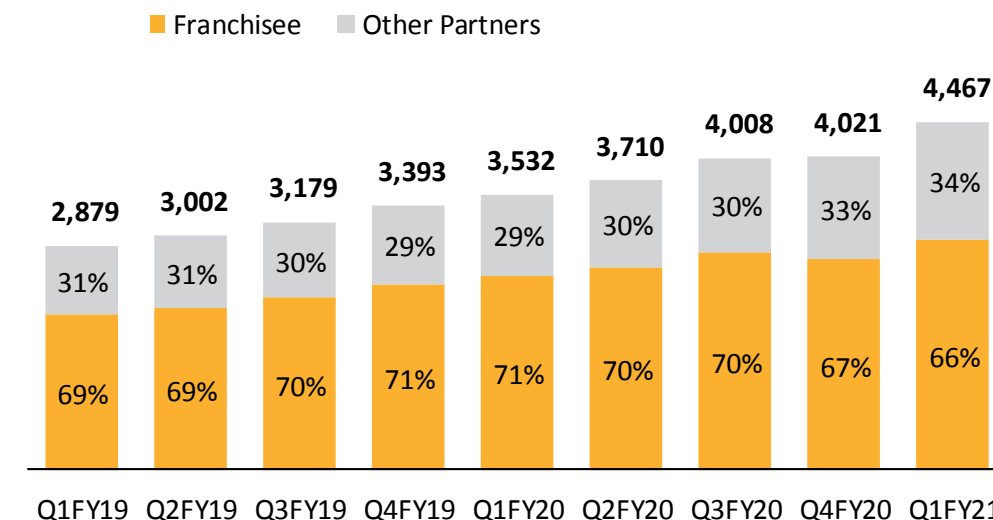
Rising share of Active Clients (mn)



Clients Acquisition and Retail Employees Trend

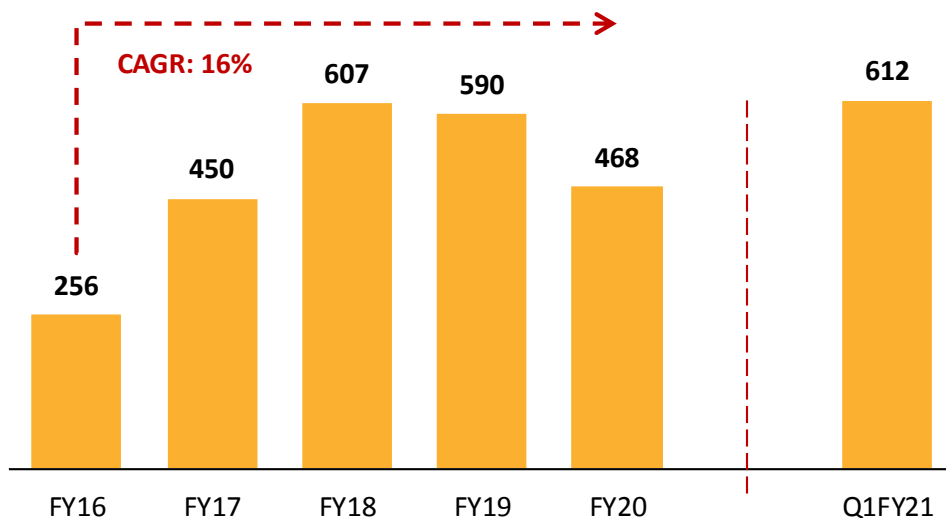


Acquisition Trend of Franchisees/Business Partners

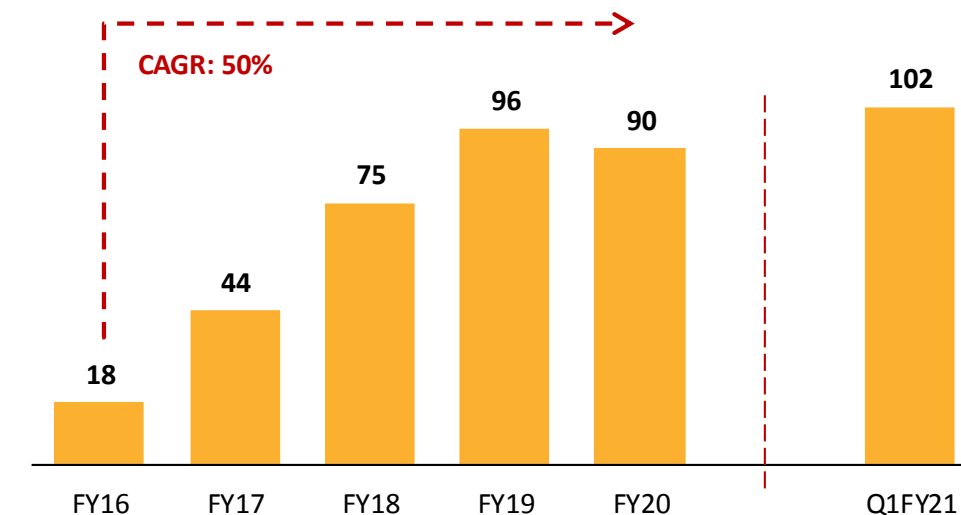


Broking & Distribution – Strong growth in Distribution AUM

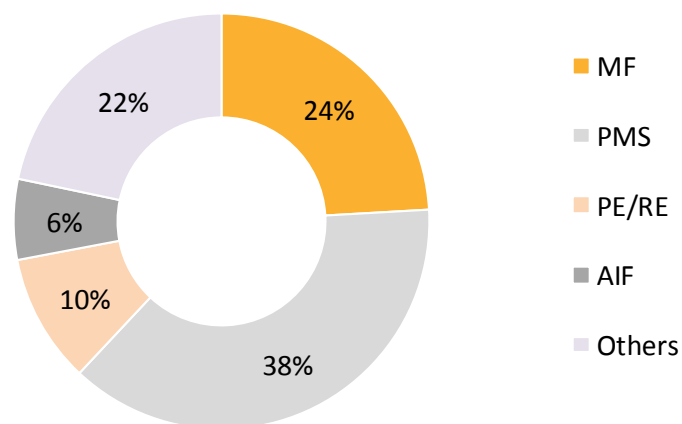
DP AUM growth trend (Rs bn)



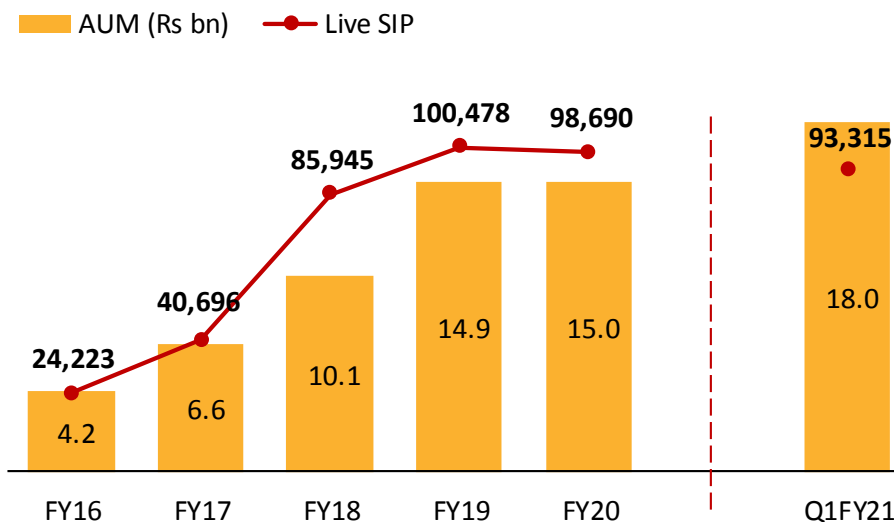
Rising Distribution AUM (Rs bn)



Distribution AUM Mix



SIP AUM and Live SIPs



DEALS



QIP - Rs 18.9 bn



QIP - Rs 28 bn



QIP - Rs 10 bn



QIP - Rs 49.9 bn



IPO - Rs 19.1 bn



IPO - Rs 4.6 bn

Particulars (Rs mn)	Q1FY21	Q1FY20	YoY (%)	Q4FY20	QoQ (%)
Revenues	4	3	26%	9	-59%
Operating Costs	54	56	-3%	55	-2%
EBITDA	-51	-53	-	-47	-
PBT	-52	-56	-	-48	-
PAT	-39	-39	-	-37	-

- Disruptions due to the Covid pandemic and consequent lockdown have caused disruptions in deal making activity.
- In the last quarter, we executed two buyback transactions, including a tender offer buyback.
- While the deal closures have been weak, our pipeline of deals went up further led by new mandates secured during the quarter.
- The team continues to engage on a wide cross-section of mandated transactions across capital markets and advisory. Sharp recovery in capital markets augur well for deal closures.

**AMC Closing AUM
Rs 352 bn,+18% QoQ
in Q1FY21**

**Rank 15 in Equity
AUM, as on June-20**

**One of the leading
player in PMS with
~12% AUM share**

**Traction in direct and
digital channel**

**Stable market share of
1.9% in MF Equity
AUM**

Particulars (Rs mn)	Q1FY21	Q1FY20	YoY (%)	Q4FY20	QoQ (%)
Avg. AUM (bn)	326	389	-16%	385	-15%
Total Revenues	1,036	1,443	-28%	1,316	-21%
-Mutual Fund (Net)	240	342	-30%	264	-9%
-Alternates (Net)	357	480	-26%	504	-29%
Other Costs	266	266	0%	316	-16%
EBITDA	335	565	-41%	456	-27%
EBITDA Margin	32%	39%	-	35%	-
PBT	330	561	-41%	445	-26%
PAT	240	362	-34%	357	-33%

- In Q1FY21, AMC's profit impacted on account of lower average AUM post market correction in March month. However, at the quarter end closing AUM has shown growth of 18% QoQ at Rs 352 bn and in July 2020 AUM has reached pre-Covid level.
- In Q1FY21, MF AUM stood at Rs 196 bn (+23% QoQ), while PMS and AIF AUM stood at Rs 132 bn (+13% QoQ) and Rs 22 bn (+17% QoQ) respectively. Gross and net sales of AMC gained traction in Q1FY20 . Net sales is up by 17% QoQ led by strong inflows in Mutual Fund.
- Improvement in performance of several products supported gross as well as net flows during the quarter. Several schemes rank top quartile in performance over 1 year and since inception as of June 20.
- Reduction in redemption market share from 2.5% in Q1FY20 to 1.7% in Q1FY21 .
- Launched India's digitally first NFO of MO S&P 500 index fund amid Covid-19 crisis. The fund provides Indian investors an exposure to the performance of leading 500 companies listed in United States.

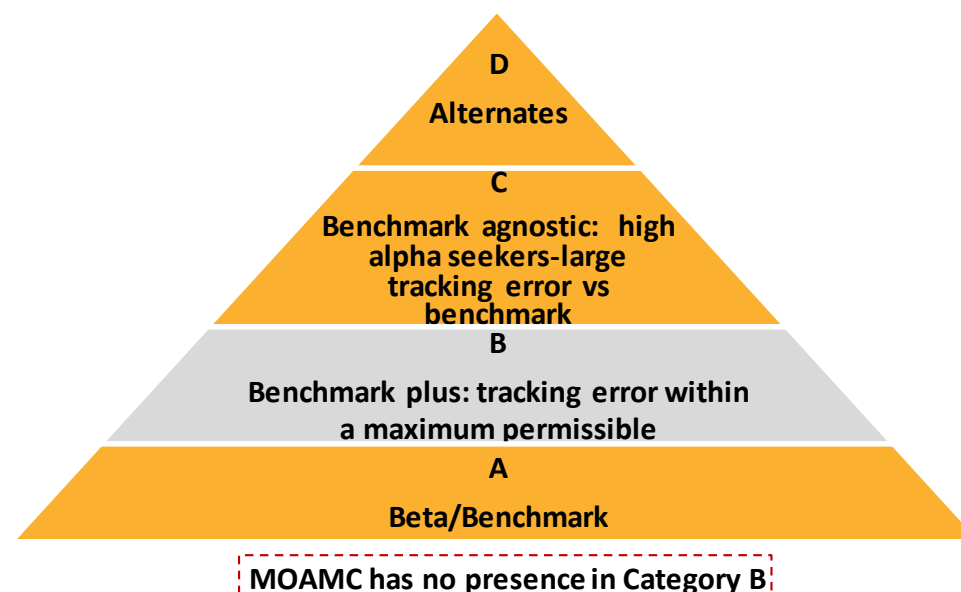
- SIP inflows in Q1FY21 was at Rs 3.85 bn (on realised basis). Average SIP ticket size at Rs 3,660 per month is higher than the industry average of Rs 2,550. Our SIP market share and proportion to total inflows are steady.
- Market share in MF Equity AUM continued to remain stable at 1.9% in Q1FY21. Overall industry witnessed a fall in equity flows owing to volatile equity market conditions.
- Efforts in offshore marketing have yielded modest results as of now. We remain committed to raise AUMs from offshore going forward.
- MOAMC launched Index funds which are India's 1st of its kind retail focused passive funds. These index funds provides easy, economical and effective way of investing to the customers.
- Our entry into passive category will help us to on-board clients from bottom of pyramid which are typically new to equity asset class or has lower risk appetite. Moreover, this has also ensured our presence in bottom as well as top of the equity product pyramid.
- MOAMC offers only passive international funds. That is because we are building an entire bouquet of passive funds in preparation for a world view where we believe that index funds will gain traction not for obvious reasons like alpha or lack of alpha, but because of simplicity, ease of choice and sticking to decisions, preferences of a minimalist thought process etc.

Performance across product and categories

Product	Strategy	Inception Date	Since Inception Return	Since Inception Alpha	1 year Alpha
PMS-Value	Large-Cap	25-Mar-03	20.5%	6.1%	4.8%
PMS-IOP	Mid-Cap	15-Feb-10	8.4%	5.6%	5.0%
PMS-NTDOP	Multi-Cap	11-Dec-07	13.5%	9.4%	-
MF – F-30	Mid-Cap	24-Feb-14	13.0%	1.1%	2.6%
MF – F-25	Large-Cap	13-May-13	11.4%	2.1%	8.0%
MF – F-35	Multi-Cap	28-Apr-14	14.5%	5.4%	-

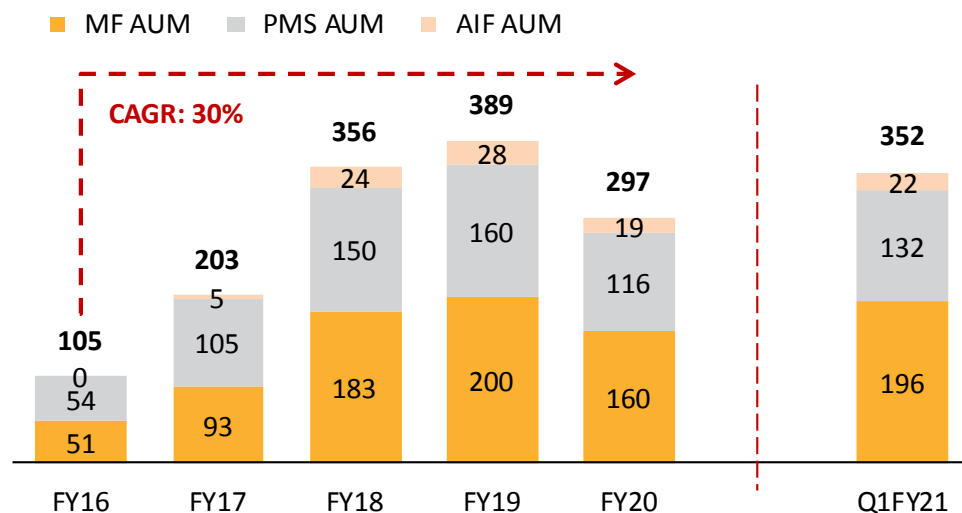
* Read above MF (direct) performances with their corresponding Disclaimers in the funds' Fact Sheets, which are available in www.motilaloswalmf.com.

Equity Product Pyramid

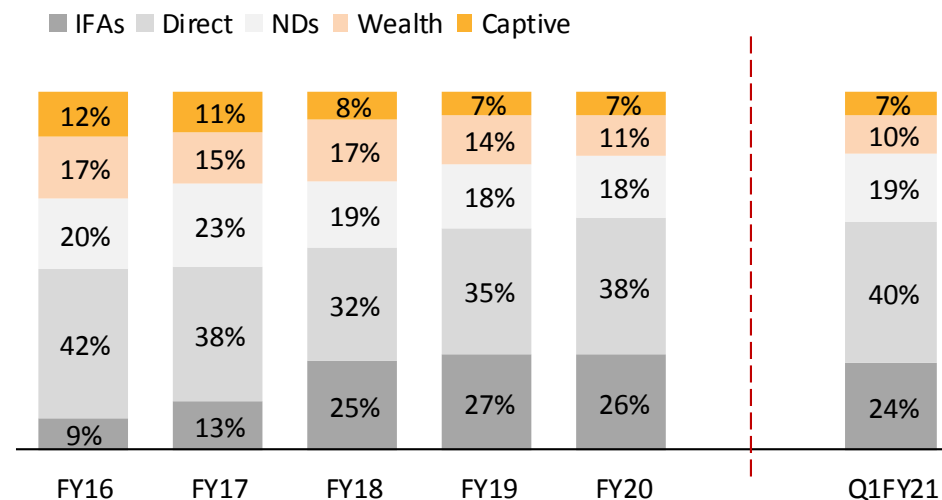


Asset Management – Potential levers to scale business

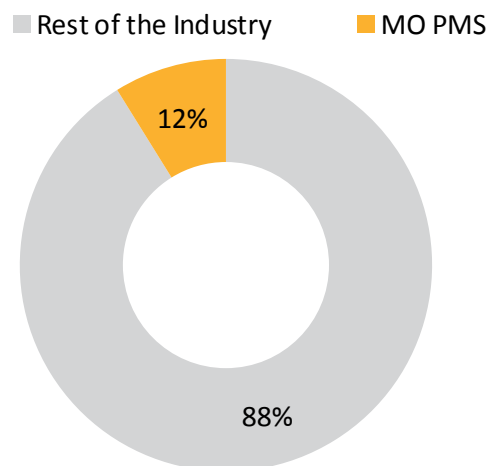
MOAMC AUM breakup and growth trend (Rs bn)



MOMF AUM sourcing mix

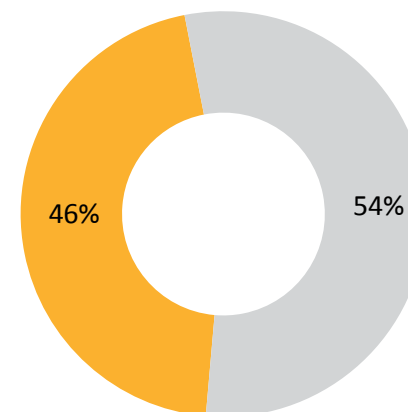


MOPMS market share



Alternatives share in MOAMC AUM

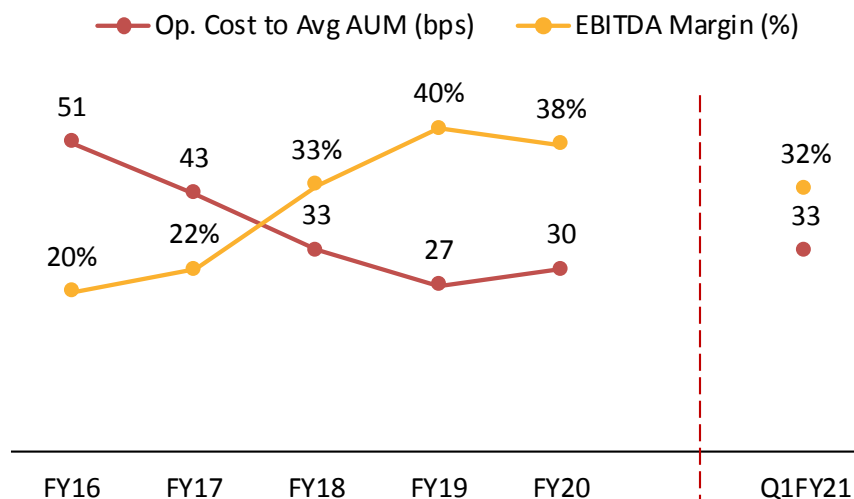
■ Alternatives share in MOAMC AUM ■ Mutual Fund share in MOAMC AUM



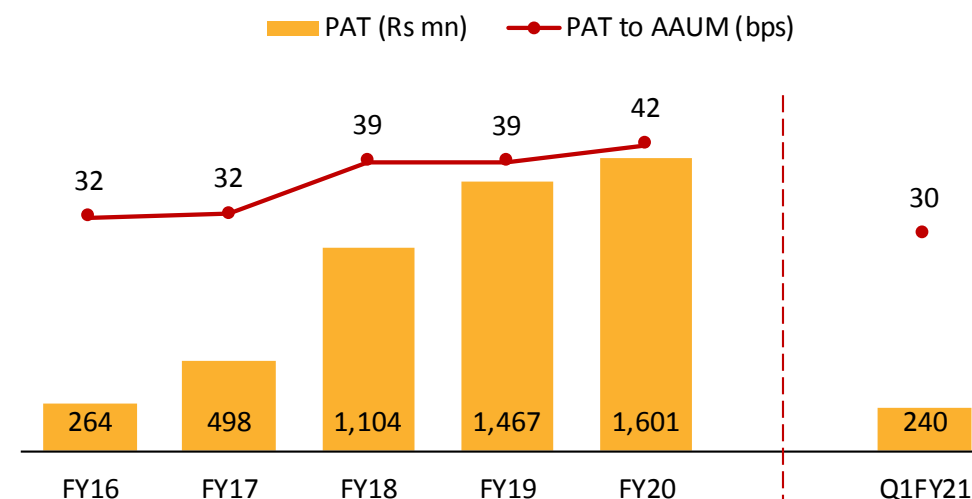
*Alternatives includes PMS and AIF

Asset Management – Potential levers to scale profitability

AMC EBITDA and Opex to AUM trend

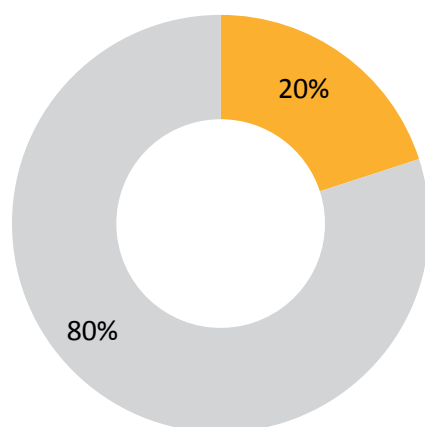


MOAMC profitability trend



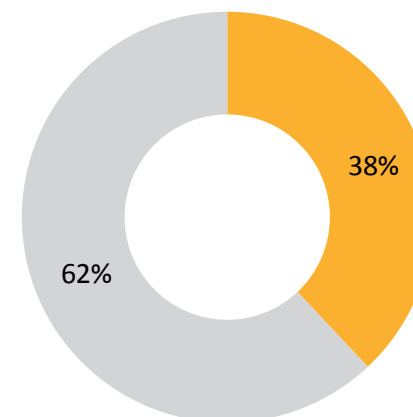
Share of performance linked AUM in alternatives

■ Alternatives AUM - Performace linked
 ■ Alternatives AUM - Fixed fee



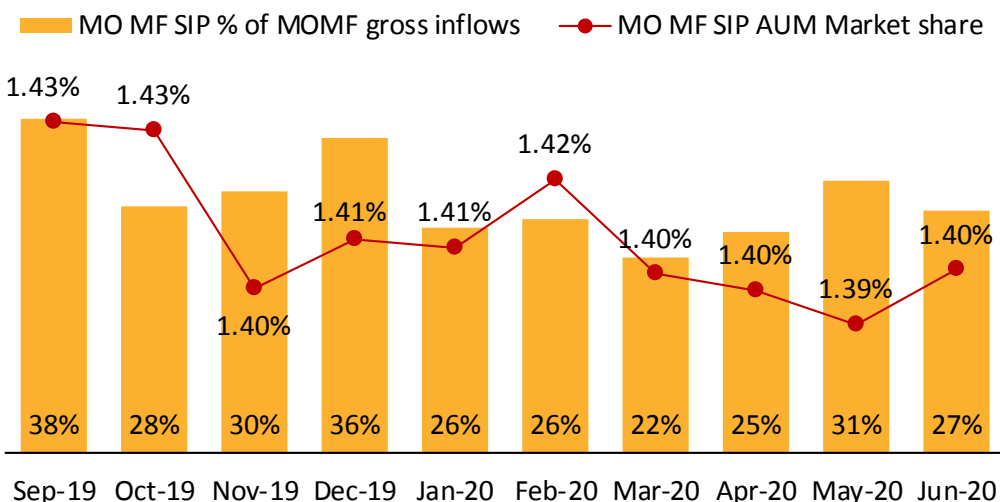
MOMF AUM Mix

■ Share of Direct in MF Eq AUM
 ■ Share of Regular in MF Eq AUM

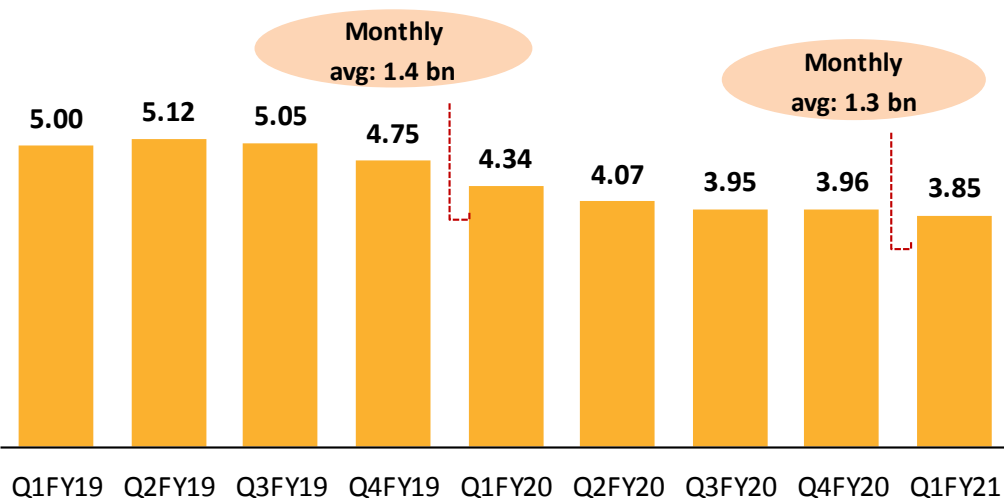


Asset Management – Granularity of MF AUM

MOMF SIP AUM of inflows and SIP market share

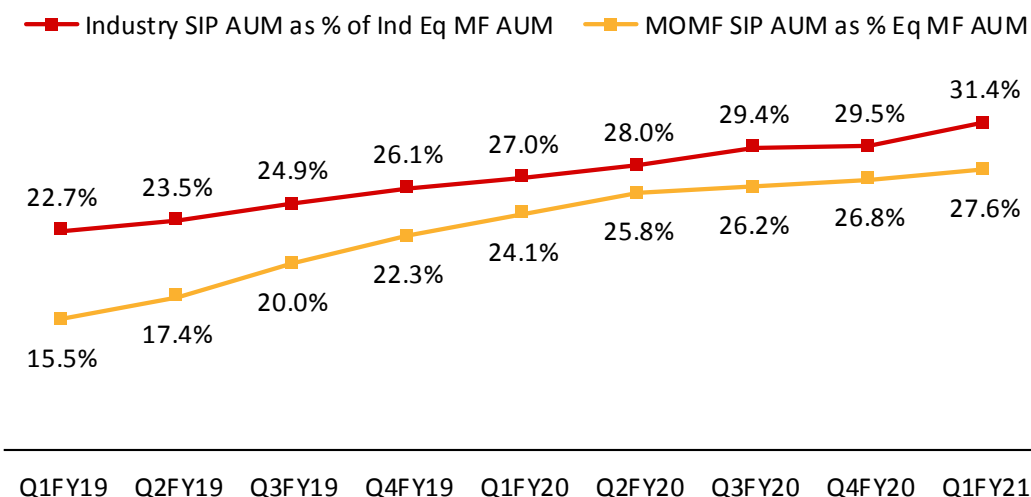


MOMF SIP flows (Rs bn)

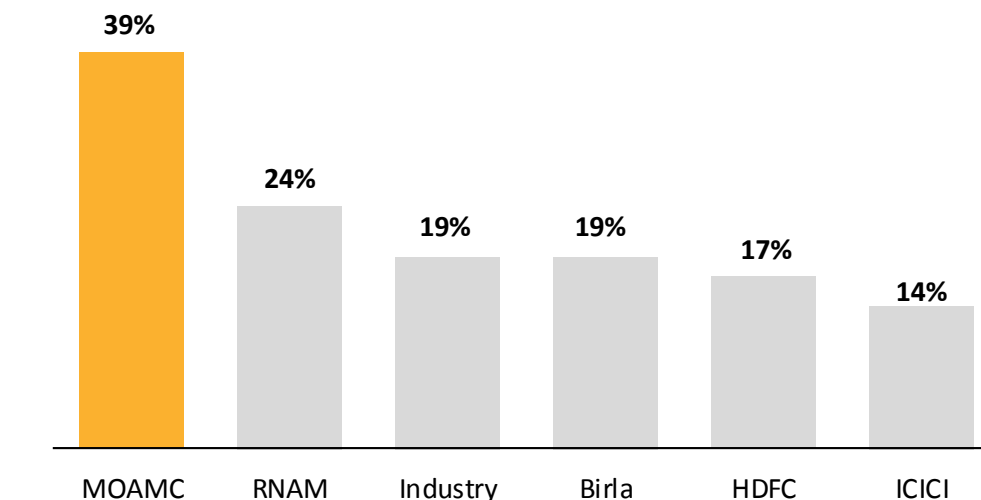


Note :SIP Flows amount are on realized basis

MOMF rising SIP proportion



Share of Retail AUM in total MF AUM



Source : AMFI

**Committed investment
AUM till date stands at
Rs 65 bn**

**Strong performance of
IREF II & III funds with
+21% IRR**

**IREF IV raised Rs 11.5 bn
in an environment of
uncertain market
conditions**

**IBEF I delivered a
portfolio of IRR of +27%
on exited investments**

Particulars (Rs mn)	Q1FY21	Q1FY20	YoY (%)	Q4FY20	QoQ (%)
Total Revenues	219	240	-9%	283	-23%
Operating Cost	144	142	2%	179	-19%
EBITDA	75	99	-24%	104	-28%
PBT	74	94	-21%	104	-29%
PAT	52	51	3%	48	10%

Note: In Q1FY21, revenues were lower on QoQ by Rs 60 mn on account of additional management fees received from IBEF III and IREF IV due to fund raised closures. Effective tax rate was higher in Q4FY20 on account of offshore profits dividend out to the PE parent company

Growth PE Funds

- India focused mid-market PE fund with global & domestic institutions, family office and HNI investors.
- MOPE Funds stand out with stellar performance. IBEF has delivered a portfolio IRR of 26.3%.
- Fund II has committed 100% across 11 investments so far after raising commitments from marquee institutions and exits from fund will contribute, going forward.
- IBEF III stands fully raised at ~Rs 23 bn and has already deployed ~Rs 13.2 bn across 7 investments; the Fund is extensively evaluating opportunities across its preferred sectors
- We are proud to share that one of our investee company namely **Molbio** is 2nd Indian company whose testing kits have been approved for COVID 19. They also got order to supply 1.2 mn kits.

Real Estate Funds

- Real Estate focused fund driving superior risk adjusted returns through debt related / structured equity instruments. Focuses on Mid-income housing projects.
- IREF II is fully deployed across 14 investments. The Fund has secured 10 complete exits and 1 structured exit and has returned money equalling 125.4% of the Fund Corpus back to the investors. Average IRR on exited investments is 21.4%
- IREF III has deployed Rs 13.54 bn including reinvestments across 24 investments. The Fund has secured 6 full exits and has returned money equalling 30.5% representing income earned & distributed to its investors. Average IRR on exited investments is 22.4%.
- IREF IV, launched in the third quarter of 2018 achieved its final close in February 2020 at Rs.11.48 bn. The fund has deployed Rs.5.3 bn across 9 investments.

PE & RE – Fund performance and allocation

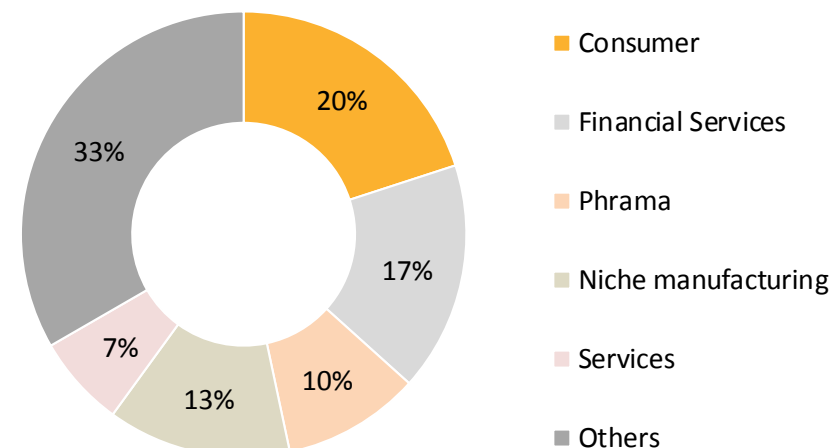
MOPE Funds Performance

No. of Investments	30
Investments Fully Exited	10
Drawdown	Rs 20.4 bn
Amount Invested	Rs 17.5 bn
Current Value of Investments*	Rs 24.2 bn
IBEF Fund IRR	27%+

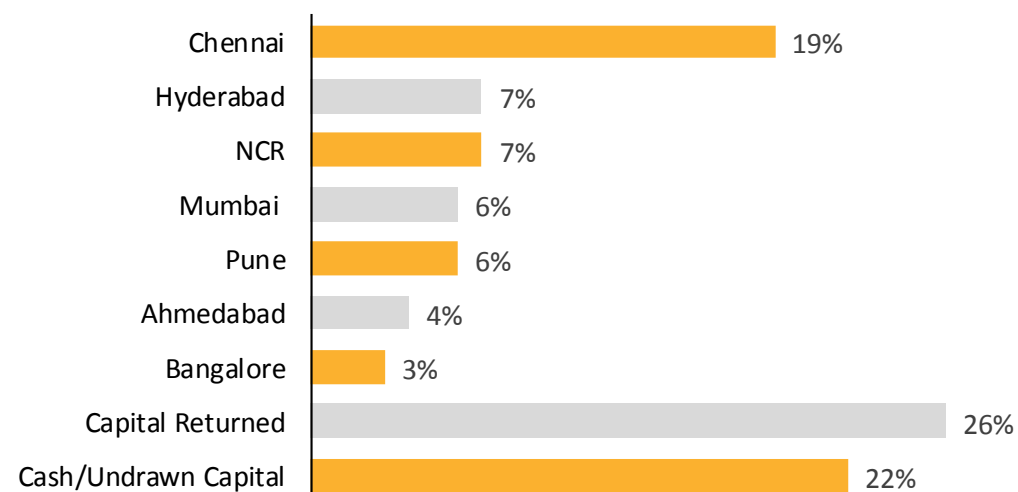
MORE Funds Performance

No. of Investments	55
Investments Fully Exited	29
Amount Invested	Rs 30.6 bn
Total Receipts	Rs 23.2 bn
Amount Distributed	Rs 15.5 bn
Average IRR of Fully Exited Investments (Fund II, III & IV)	21%+

MOPE Funds- Sector Allocation



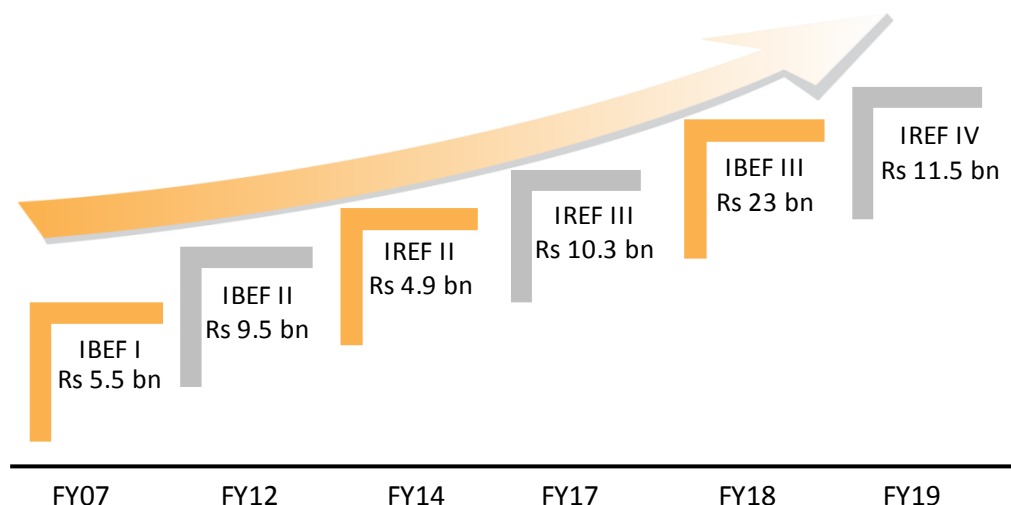
MORE Funds- City Allocation



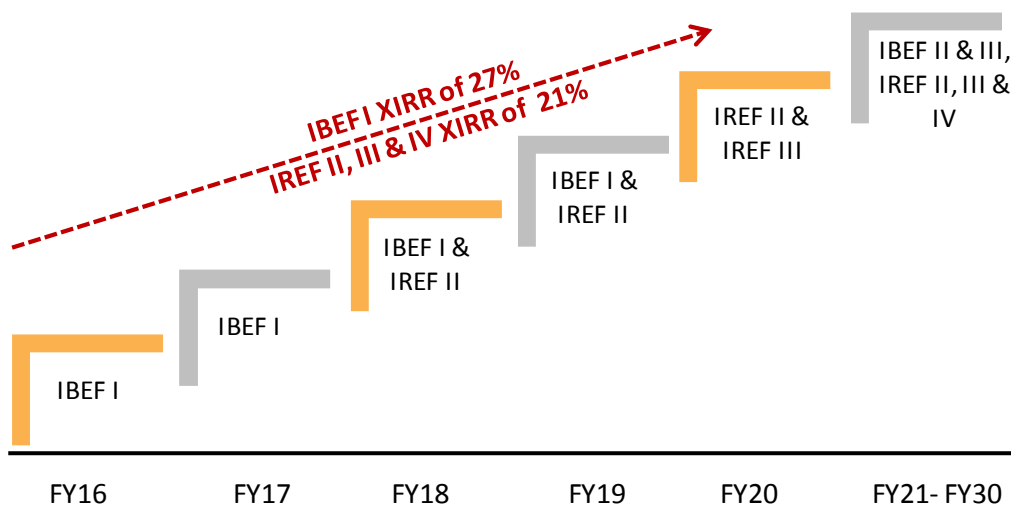
*Value of investments is based on the Valuation Report as on 31st March 2020 by Grant Thornton (GT), a leading global audit firm.

PE & RE– Exits from 7 funds provides strong visibility over next decade

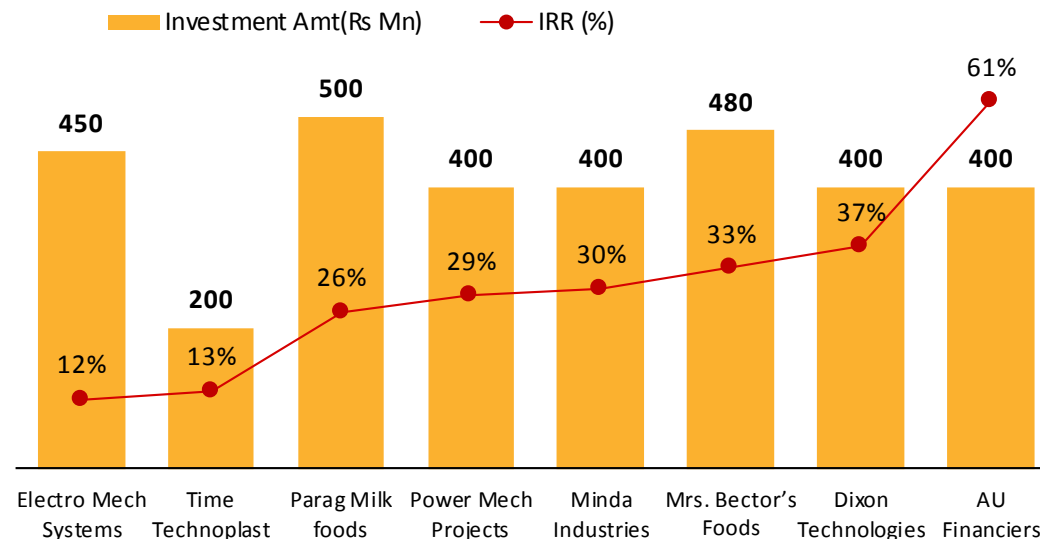
Launch period of PE & RE Funds



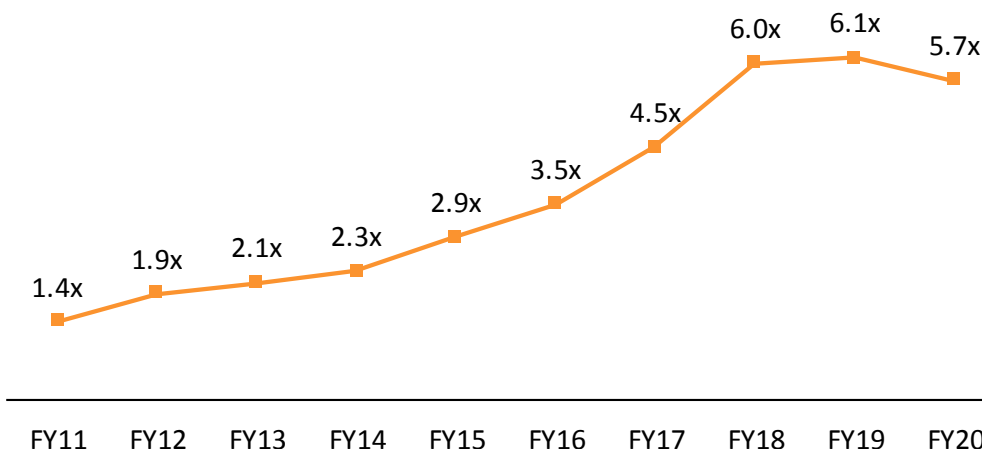
Exit period of PE & RE Funds



QGLP investments delivering higher IRR



IBEF I exits delivering 5.7x MoC



Wealth AUM
at Rs 178 bn, up 14%
QoQ

Strong traction in
Gross/Net sales with
multi-quarter high at Rs
8 bn

Intense client
engagement through 53
webinars covering
4000+ unique
clients/prospects.

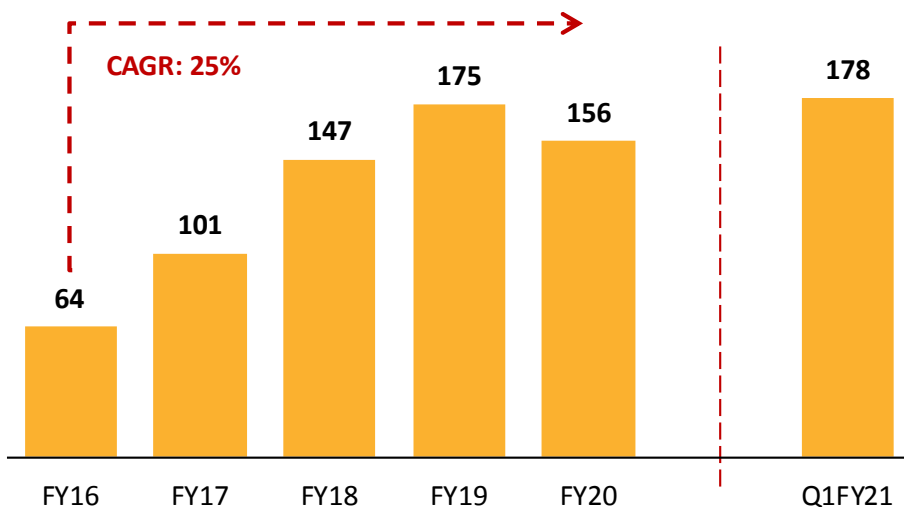
Client acquisition
growth rate at +18% YoY

Particulars (Rs mn)	Q1FY21	Q1FY20	YoY (%)	Q4FY20	QoQ (%)
AUM (bn)	178	180	-1%	156	14%
Revenues	221	221	0%	255	-13%
Operating Cost	217	211	3%	232	-7%
EBITDA	4	10	-57%	23	-81%
PBT	1	7	-80%	20	-93%
PAT	0	6	-97%	14	-99%

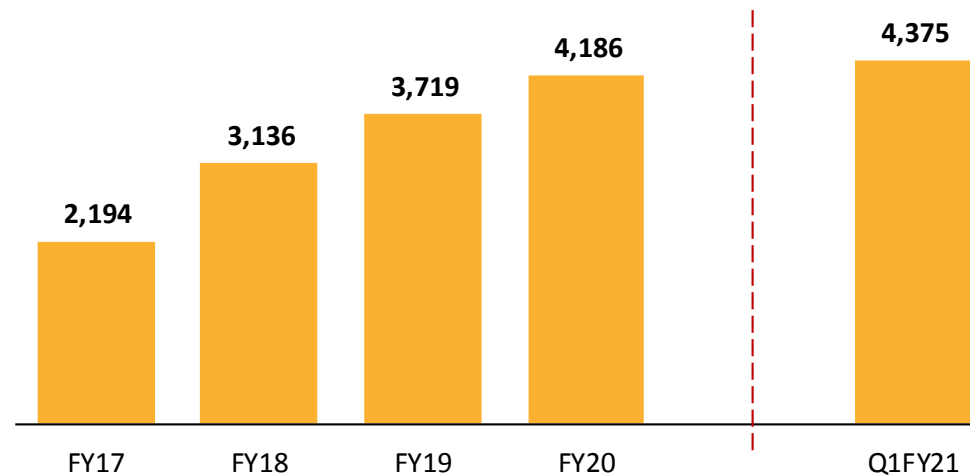
Note: Q1FY21 revenues are down QoQ on account of lower sale of high yielding alternate products.

- Wealth business revenue remained flat led by flattish AUM. However, sequential dip in revenue is on account of lower average AUM post market correction in March month. Also, challenging market conditions and adverse regulatory measures have impacted revenue stream.
- Opex remains elevated as business continues to be in investment phase .
- Currently, 44% of RMs are less than 2 years of vintage. RM productivity will pick up in line with their rising vintage. As existing RM vintage increases ,profitability of the business can improve commensurately.
- Trail based revenue model since inception has helped us to cover our fixed costs despite higher investment in RMs in recent past. Trail based revenues are ~67% of total revenues and covers ~73% of total fixed cost.
- Yield was at ~54 bps, with equity mix of ~62% in total AUM in Q1FY21.
- Open architecture model is enabling the incremental sales to be driven by non captive products, resulting in more diversified products offering.
- Focus on portfolio strategy implementation using Investment charters, technology solutions and higher yield.

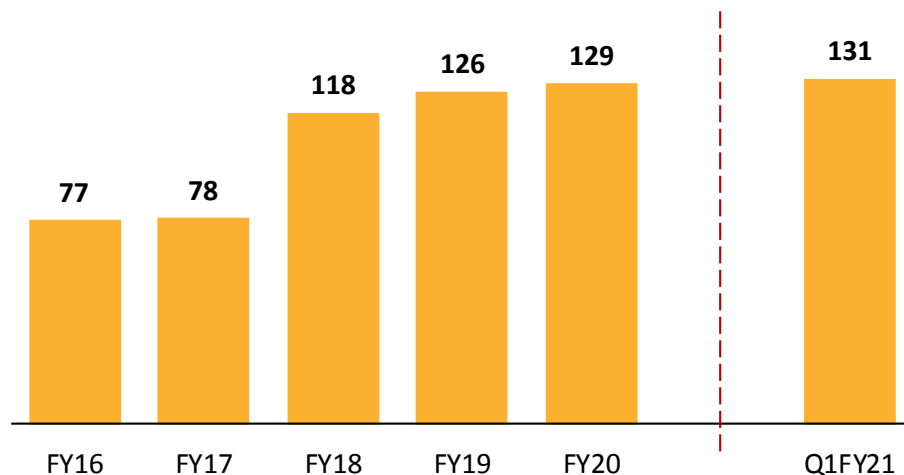
Wealth AUM (Rs bn)



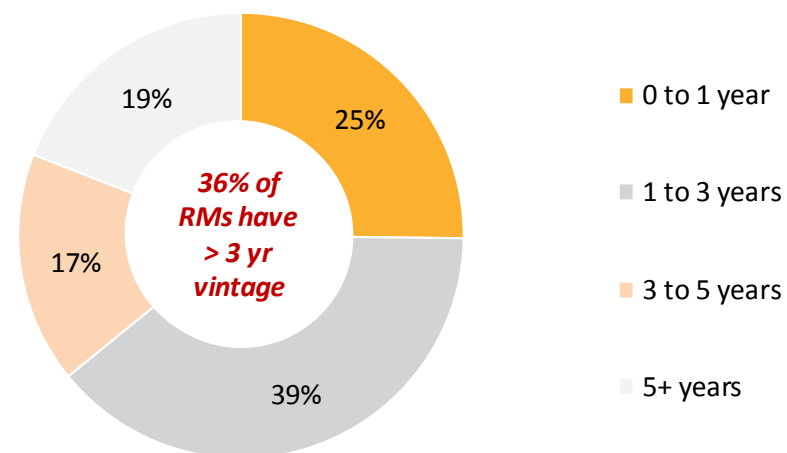
Wealth UHNI Family Clients



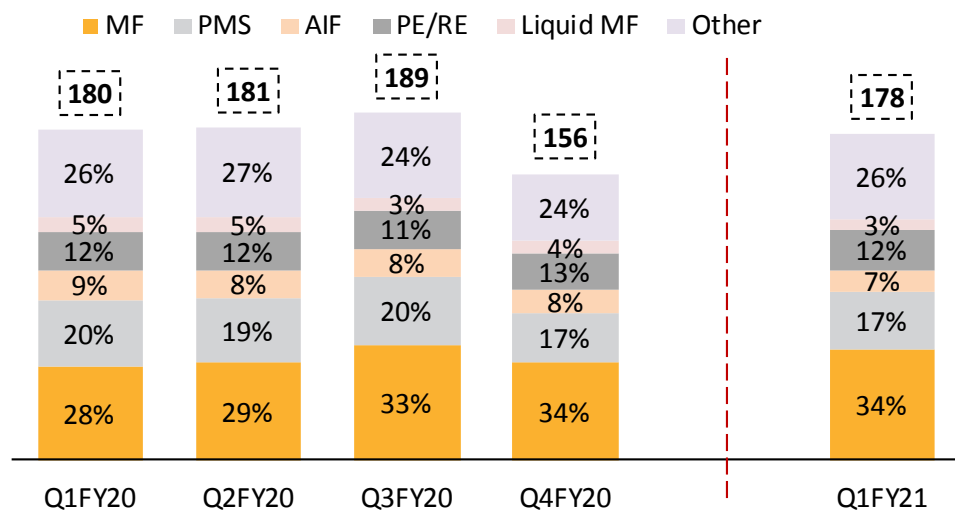
Wealth Sales RM



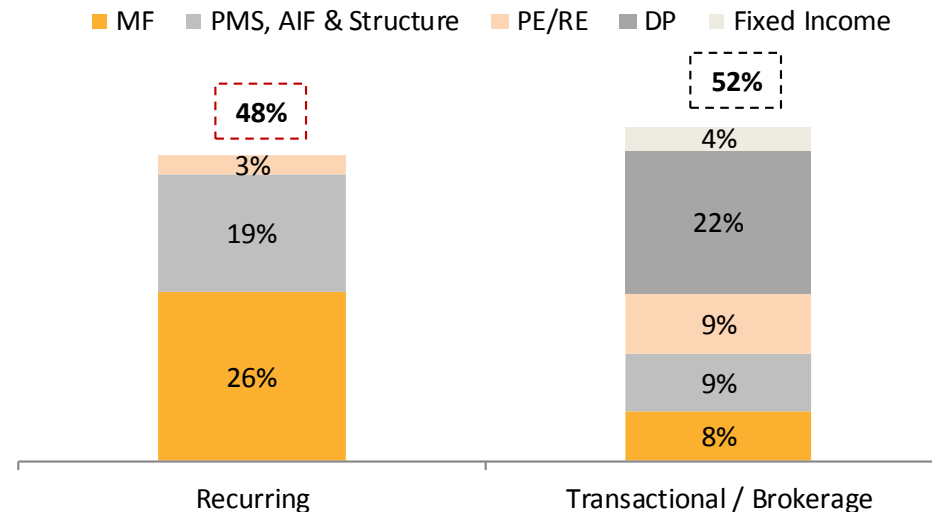
RM Vintage Analysis



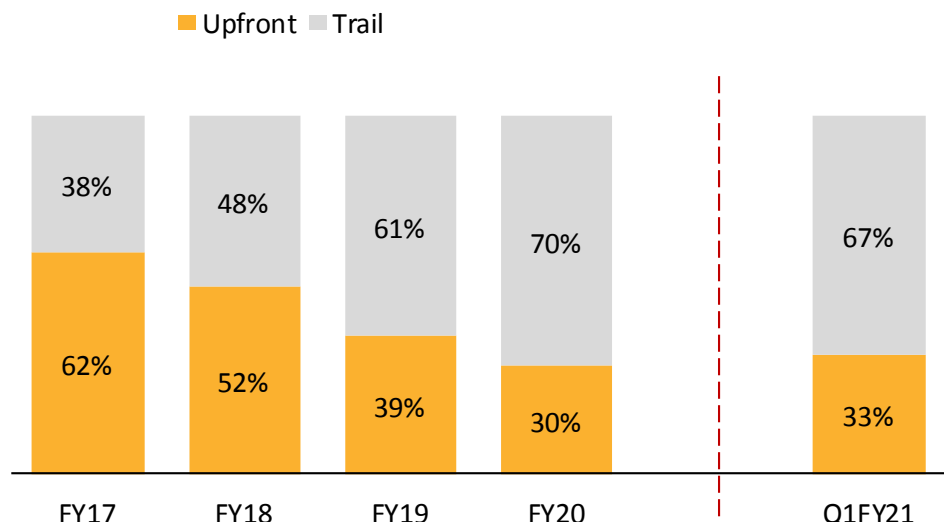
AUM Breakup (Rs bn)



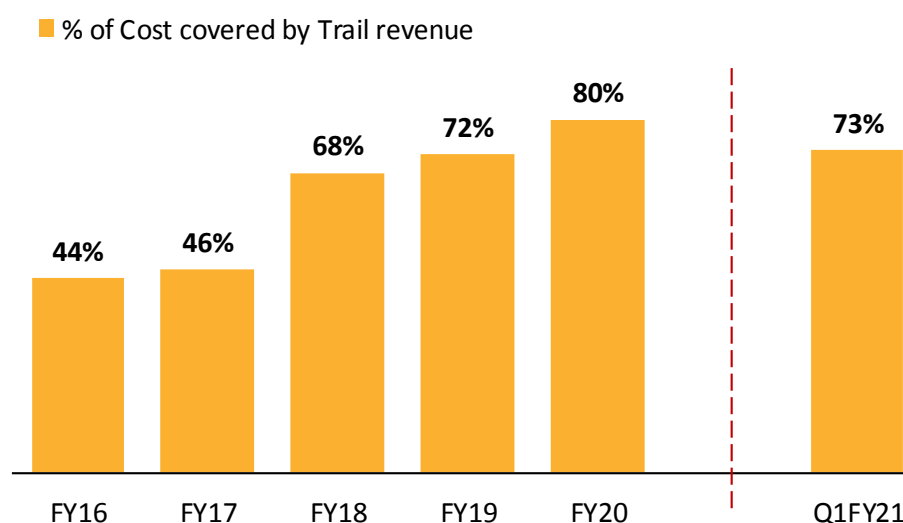
Recurring and Transactional AUM mix



Upfront and trail contribution in revenues (%)



Trail income will protect margin in downturn



Improvement in CoF led to margin expansion; Received 1st refinance from NHB

1+ DPD at 9% ; 90+ DPD at 1.8%.
PCR Increase to 87%

Strong performance of new loan book with negligible delinquency

Rating upgrade from CRISIL to AA-/Stable during FY20

Traction in Collection efficiency

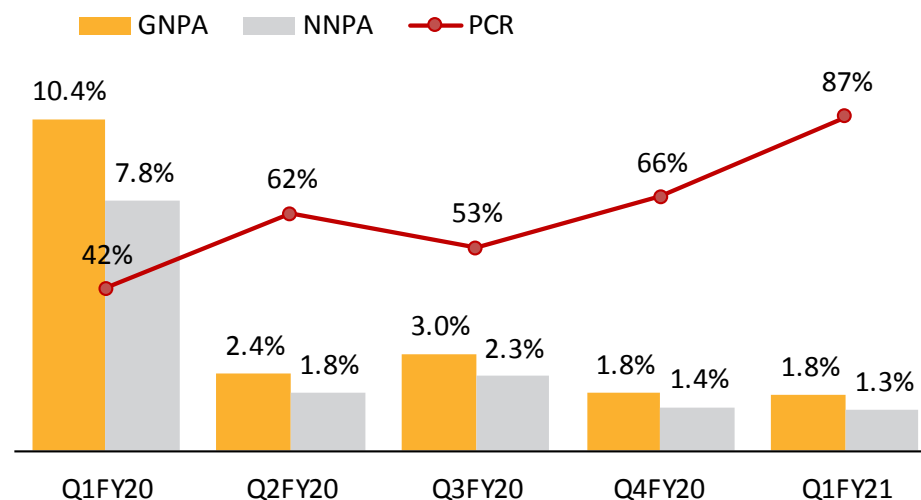
Particulars (Rs mn)	Q1FY21	Q1FY20	YoY (%)	Q4FY20	QoQ%
Net Interest Income (NII)	568	578	-2%	579	-2%
Total Income	578	599	-4%	632	-9%
Operating Cost	210	239	-12%	231	-9%
- Employee Cost	145	160	-9%	153	-5%
- Other Cost	65	79	-18%	78	-17%
Operating Profit (Pre-Prov.)	368	360	2%	401	-8%
Provisioning	127	111	20%	120	7%
PBT	240	250	-5%	281	-15%
PAT	111	171	-35%	176	-37%

- NII & PPOP declined marginally QoQ as the sale of NPA book to ARC in Q4FY20 drove loan book reduction. PAT decline YoY despite 2% growth in PPOP due to non-cash items - Covid Provision (Rs 130 mn) and impact of deferred Tax (Rs 70 mn) due to reinstatement of tax asset post migration to new regime. (Overall tax rate 54%, Cash Tax Nil).
- Yield on Advances improved by 40bps YoY to 14.3% in Q1FY21 while of Cost of Funds is down by 30 bps QoQ / 50bps YoY to 9.8%, resulting in expansion in Spread to 4.5% and NIM to 5.8% in Q1FY21.
- We have raised Rs 4 bn in Q1FY21 at average cost of 8.6%. We expect average CoF to trend lower over next 3 quarters.
- Opex was brought down to further Rs 210 mn in Q1FY21 and is down ~27% from the high. As a result, Cost to Income ratio is down to 36%.
- We have further enhanced provisioning in Q1FY21 by Rs 130 mn considering potential Covid-19 impact, this has resulted in increase in our PCR from 66% in Q4FY20 to 87% as of Q1FY21. Total provision towards Covid-19 impact stands at Rs 210 mn as of Q1FY21.
- We have provided moratorium facility to ~26% of customer base as of June 20 based on customers request.
- Net gearing is down to 3.2x, Tier 1 CAR remains robust at 42.6% and liquidity remains strong.

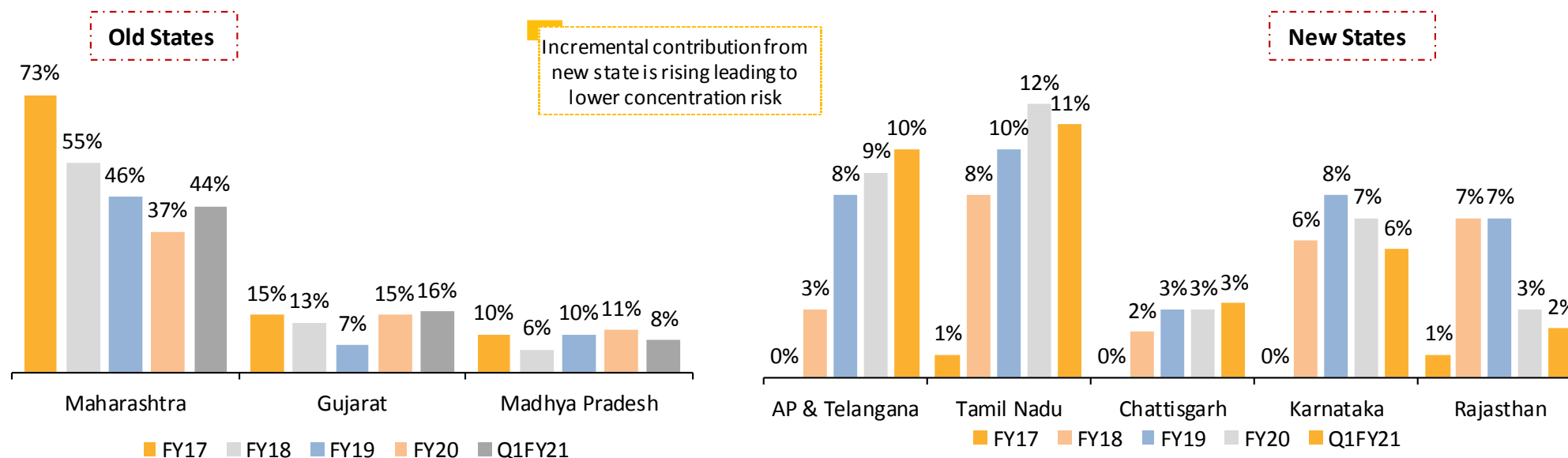
ECL Provisioning Details

Particulars (Rs mn)	Q1FY21
Stage 1 & 2	36,365
% portfolio in stage 1 & 2	98.26%
Stage 3	644
% portfolio in Stage 3	1.75%
ECL Provision % Stage 1 & 2	1.09%
Total Assets	36,863
ECL Provision	559
ECL Provision %	1.52%
Coverage Ratio % (incl. std. assets)	87%

MOHFL's GNPA and NNPA Trend

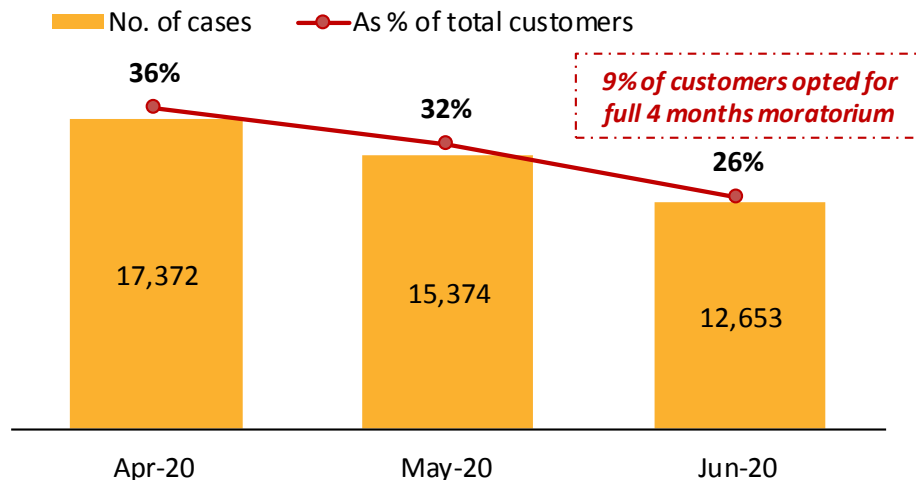


State Wise Disbursement– Rising new state contribution

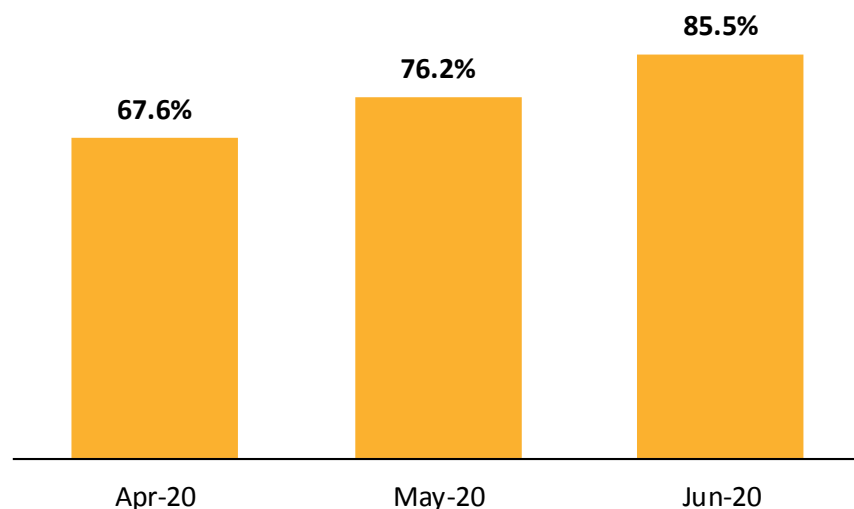


Home Finance - Asset quality trend

No. of moratorium cases

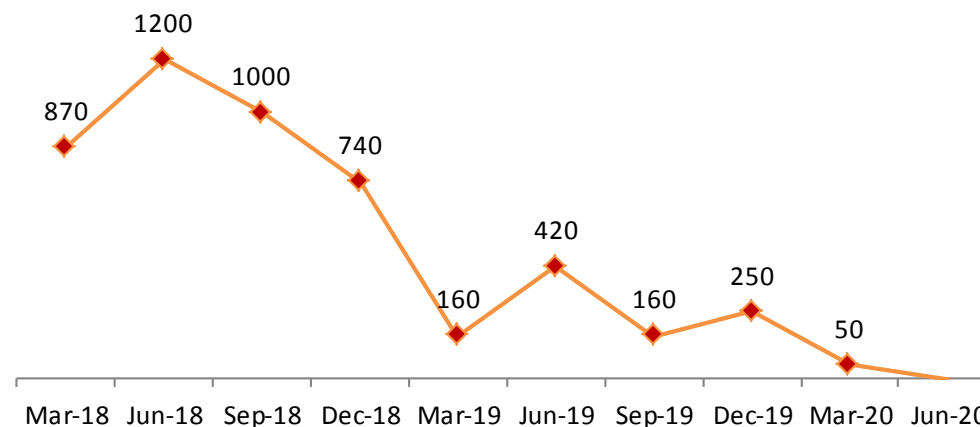


Collection efficiency trend

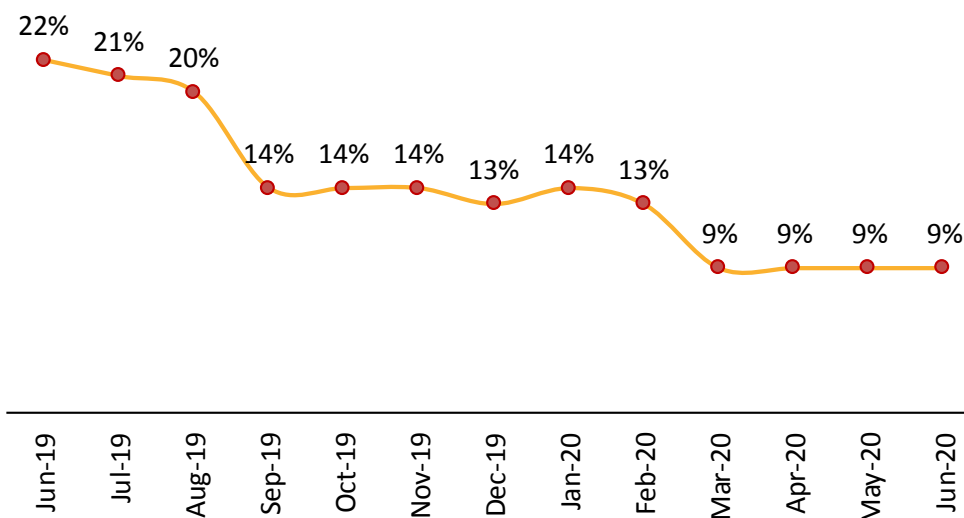


Collection efficiency is including moratorium

Net Slippages (Rs mn)

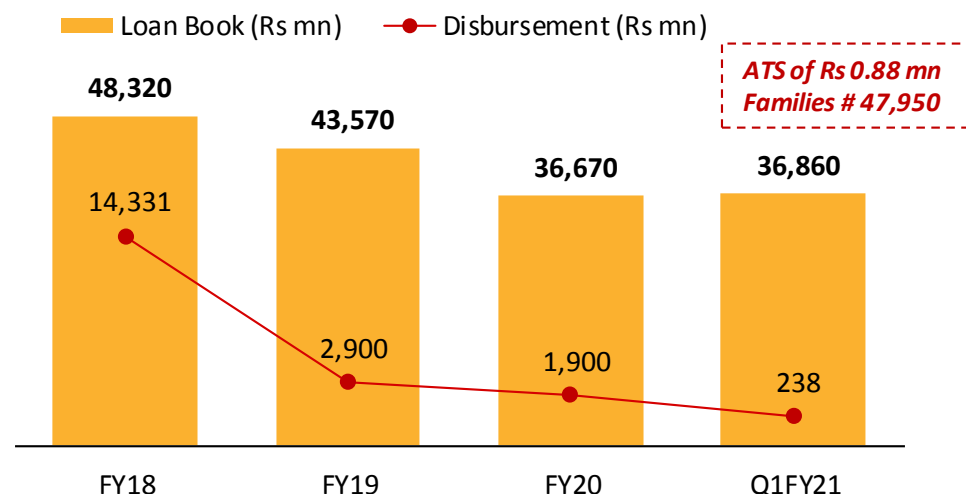


1+ DPD trend

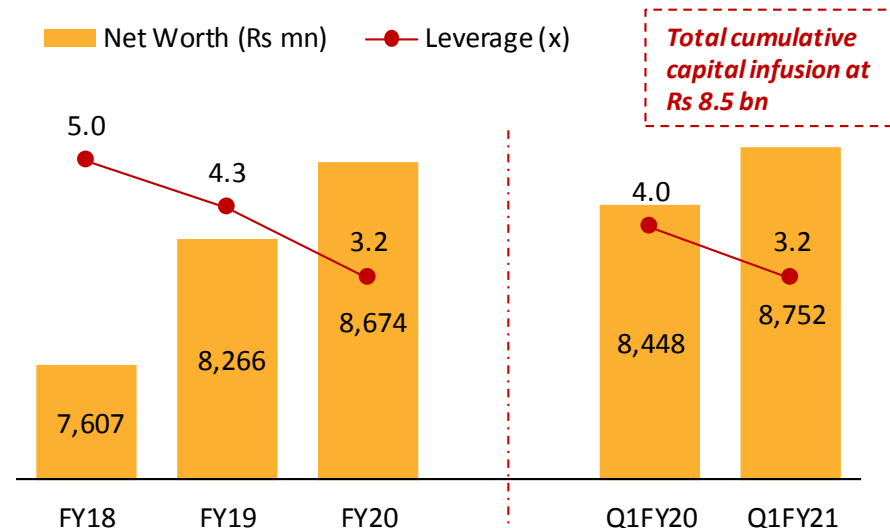


- Disbursements in Q1FY21 were Rs 238 mn. While we were planning to ramp up disbursements from Q1FY21, this has been pushed back by at least 2 quarters due to the pandemic.
- Encouraging performance of new book sourced from April'18. Only 10 cases in NPA pool out of ~6000 cases disbursed. In new book, ~93% of disbursement was in <Rs 1.5mn ticket size.
- Proactive cost measures, process automation and consolidation of branches resulted in lowering of total cost on YoY basis.. Centralised credit appraisal for salaried employees to improve efficiency and lower operational cost
- Filed Section-138 against 3000+ customers and filed SARFAESI against 1300+ customers. Under Section-138, ~110+ accounts have received non-bailable warrants and 700+ bailable warrants received, whereas under SARFAESI, ~75 accounts have received DM order and 80+ properties under possession.
- 71% of the book out of the total book is never delinquent and 29% of the book has never bounced & never Delinquent. More-over, ~66% of our total cases have shown very low risk behaviour off MOHFL's loan book on BUREAU scrubbing analysis.

Loan book and Disbursements trend

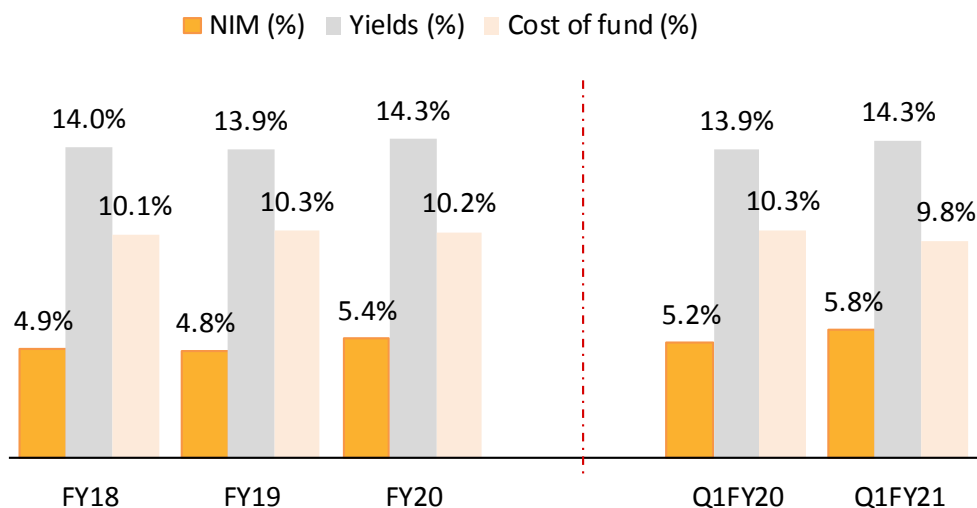


Net Worth (in mn) and D/E

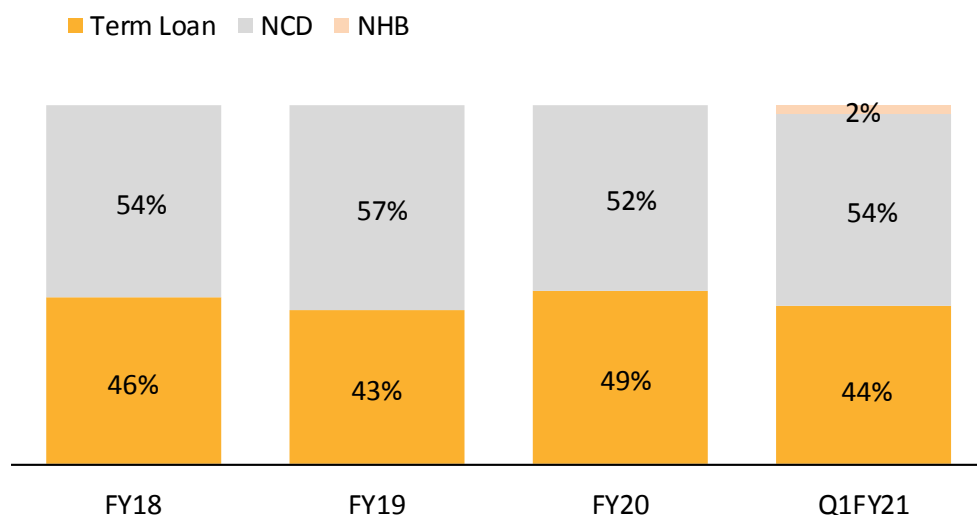


Home Finance – Strong liability management

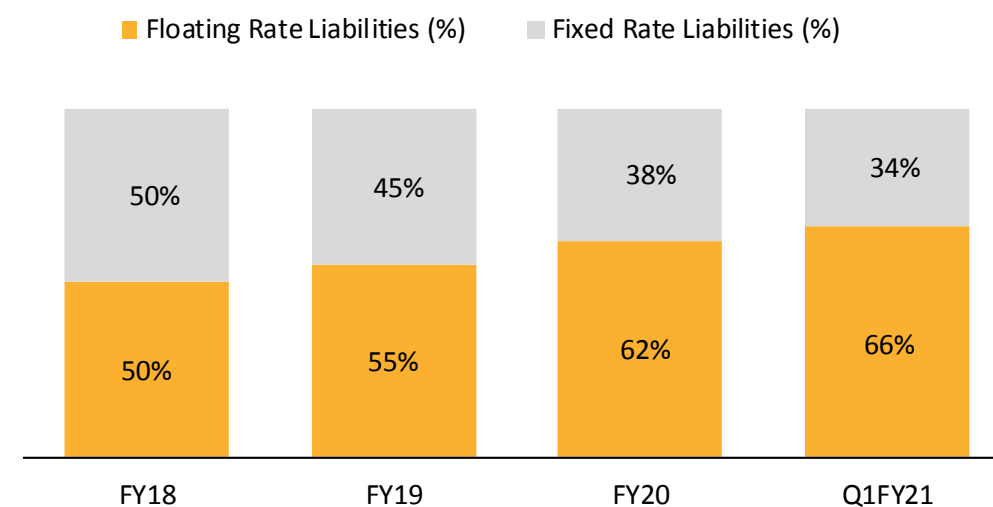
NIM expansion led by traction in CoF & Yields



Diversified liability mix

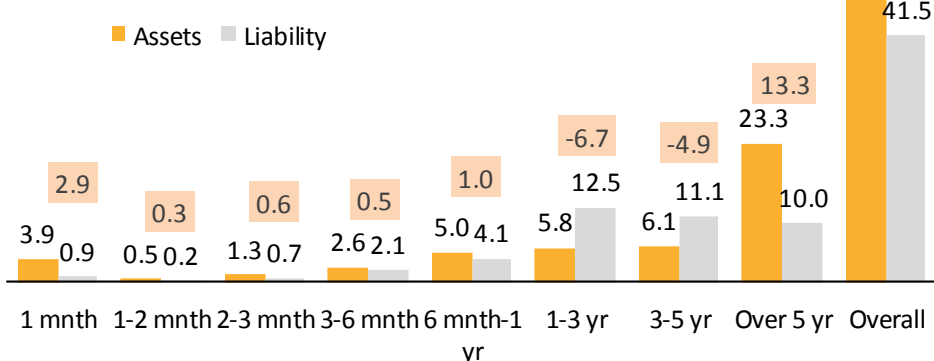


Liability mix based on rates (%)

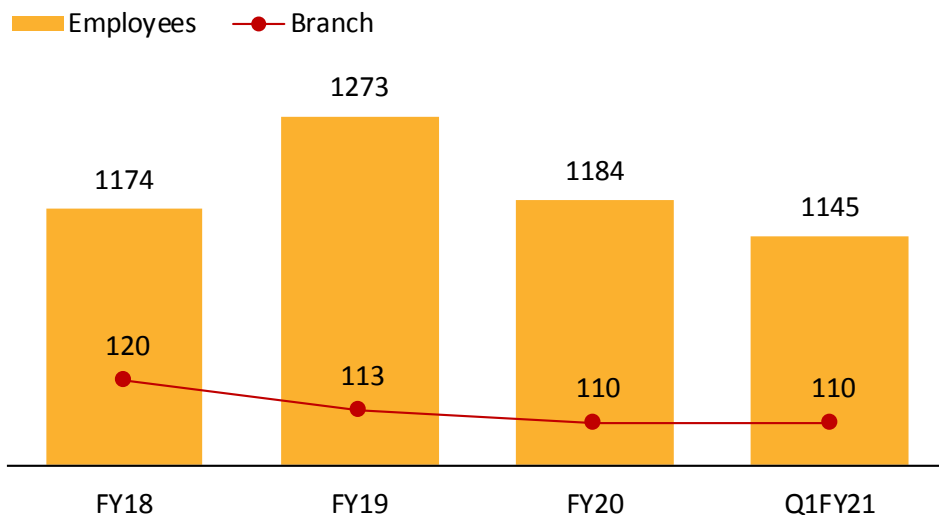


Positive ALM for 1 year (Rs bn)

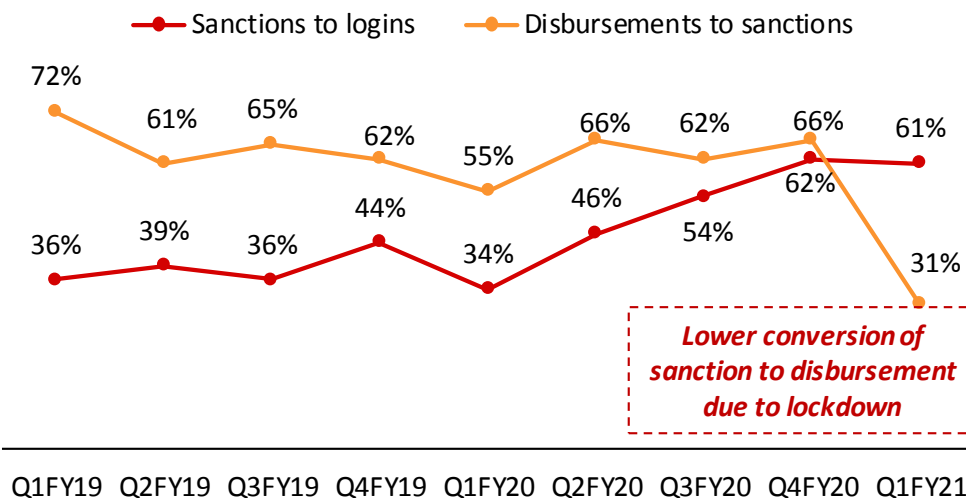
Limited borrowing repayments for next 1 year, strong undrawn borrowing lines (Rs 7.4 bn), places us in strong liquidity position.



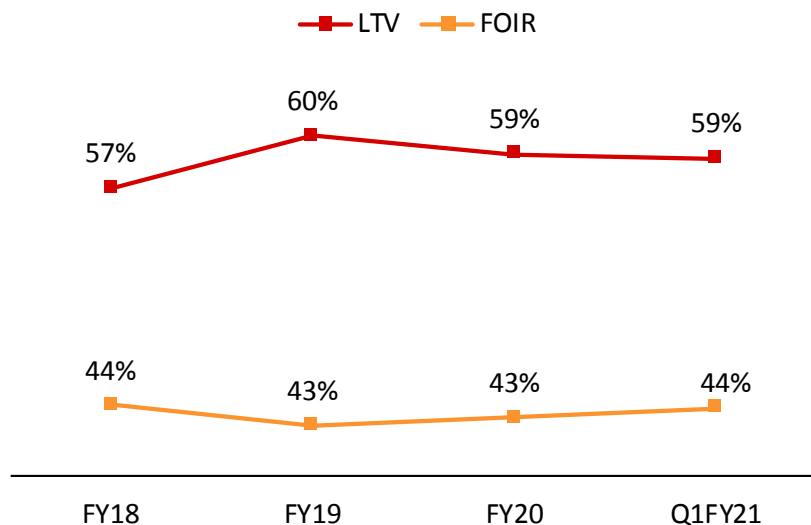
Infrastructure & Resources



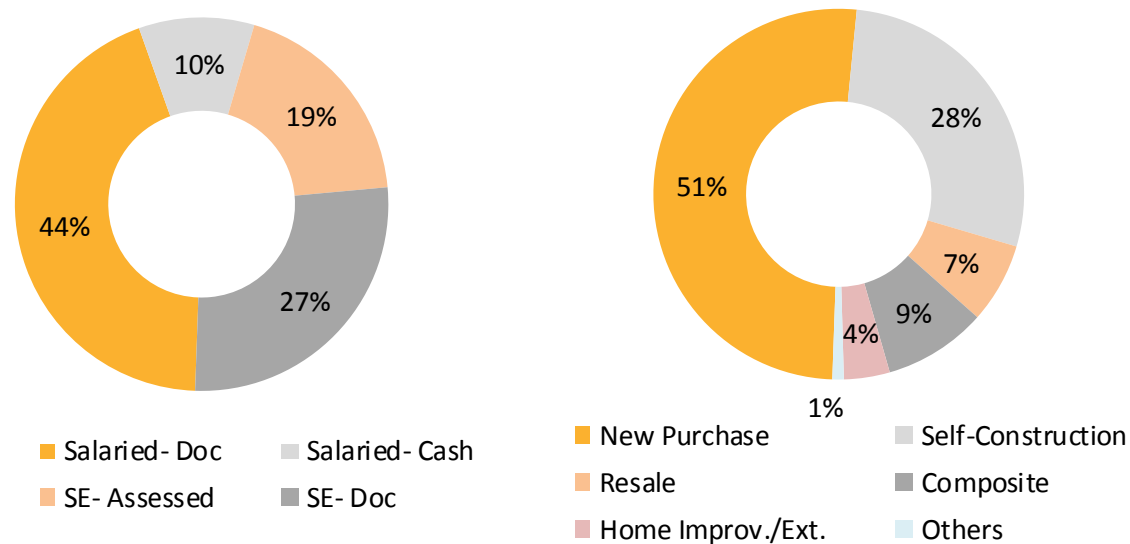
Login to Sanction & Sanction to Disbursement trend



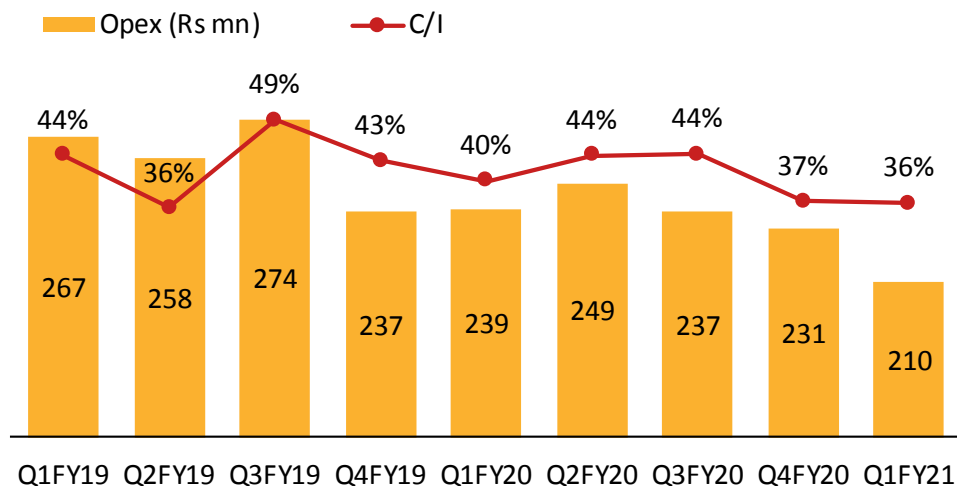
LTV of 59% and FOIR of 43%



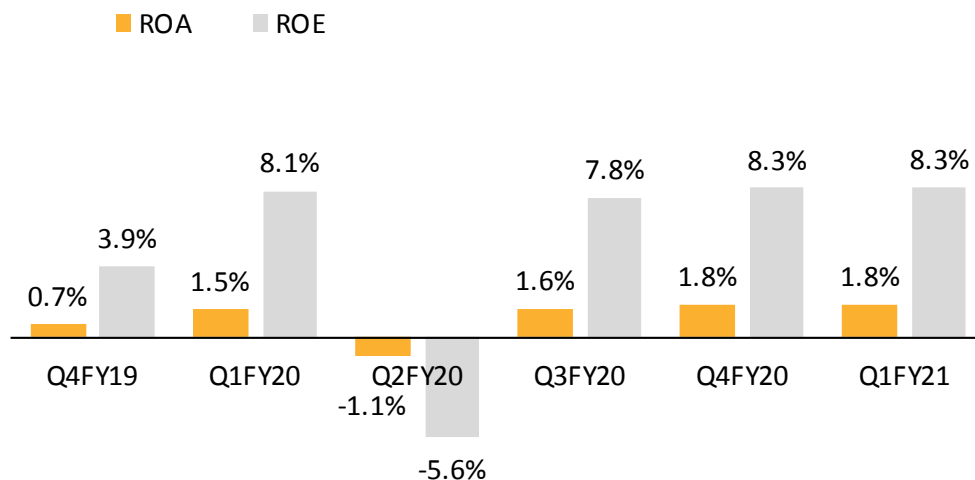
Customer segment mix and Product mix



Opex and Cost to Income

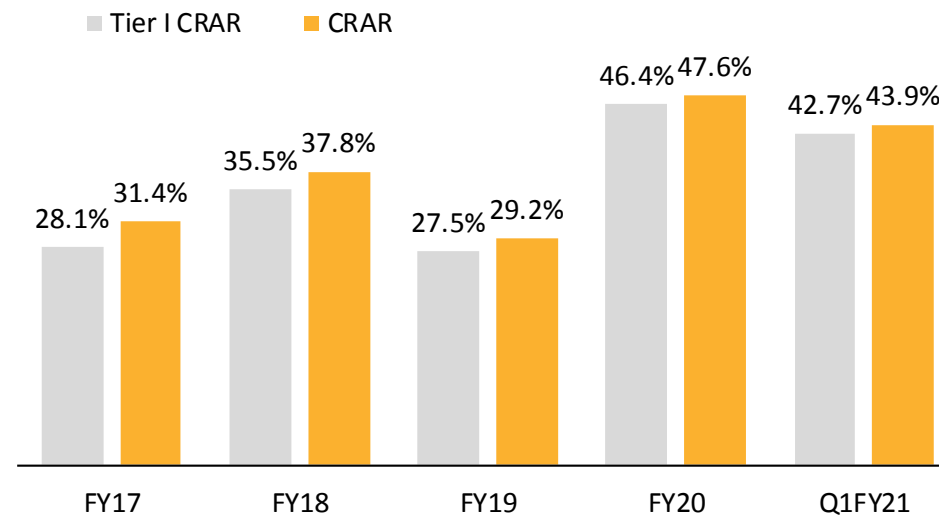


ROA and ROE

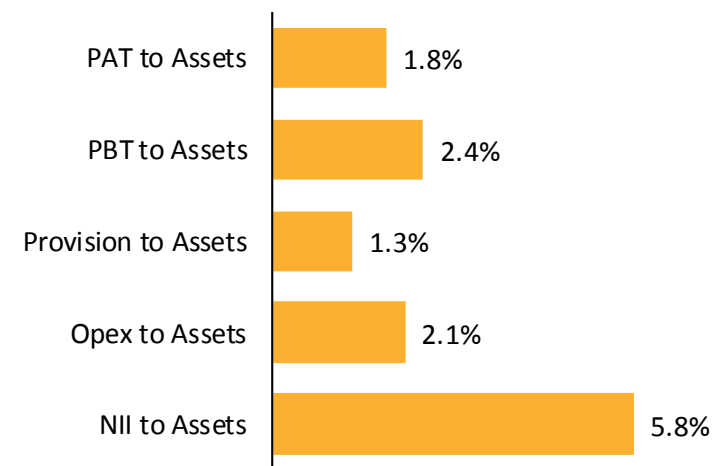


* Q1FY21 figures are excluding DTA impact of Rs 70 mn

Tier-I and Total CRAR



ROA Tree- Q1FY21



FUND BASED INVESTMENTS

Total quoted equity investment including MTM gains was Rs 12.7 bn as of Q1FY21.

Total unrealised gain on fund based investments at ~Rs 3.35 bn

Cumulative XIRR of ~11.6% on total investments

Particulars (Rs mn)	Q1FY21	Q1FY20	YoY (%)	Q4FY20	QoQ (%)
Revenues	1,485	339	338%	-3,754	-
PAT	1,303	324	302%	-3,522	-

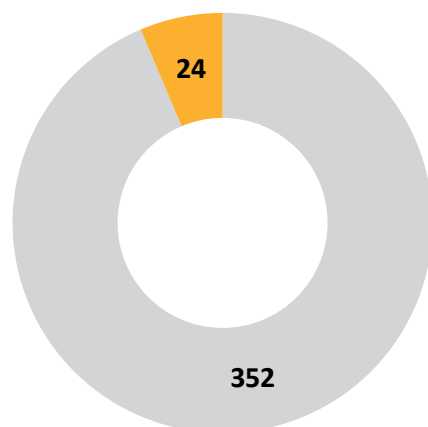
Note: Fund based revenues and PAT excludes Other Comprehensive Income

- Strong traction in fund based revenues are primarily on account of positive MTM during the quarter led by sharp improvement in market.
- Fund based book includes gains/loss on sponsor commitments cum investments in equity MF, PE funds, Real estate funds, AIF and strategic equity investments.
- Total equity investment including alternate funds was at Rs 18.6 bn as of Jun-20, since MTM of these gains are now included in earnings under Ind-AS reporting.
- Cumulative XIRR on total investments is ~11.6% (since inception).
- These investments have helped “seed” our new businesses, which are scalable, high-RoE opportunities. They also serve as highly liquid “resources” available for future investments in business, if required.

Fund Based investments – Skin in the game

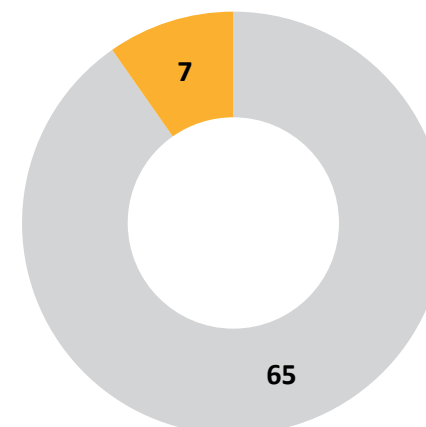
Skin in the game in AMC

■ AMC AUM (Rs bn) ■ Sponsor AUM in AMC (Rs bn)



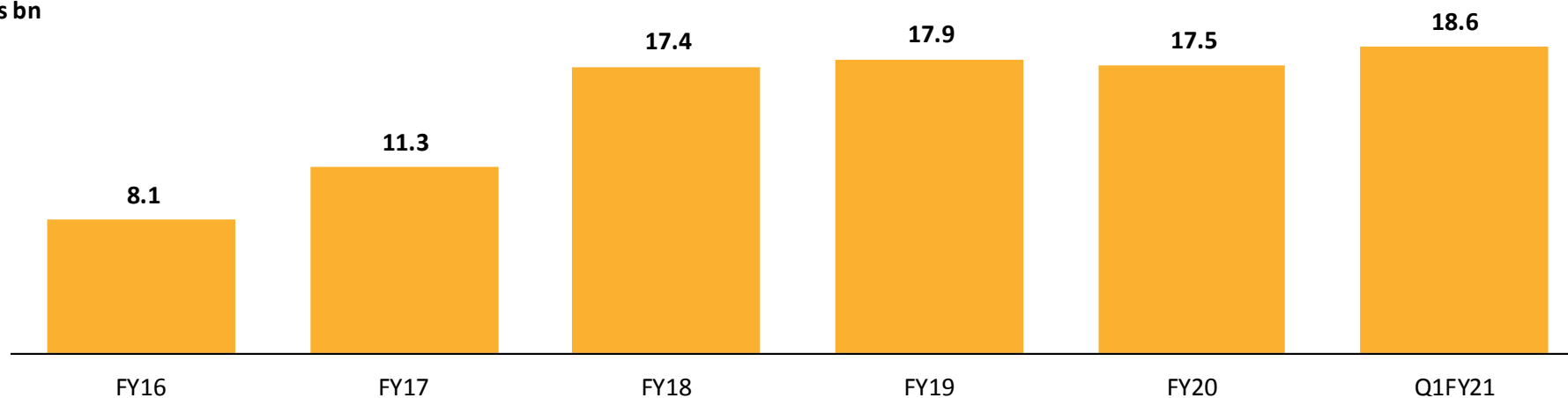
Skin in the game in PE

■ Committed investment AUM (Rs bn) ■ Sponsor Commitment in PE (Rs bn)



Growth in investments over the years

Rs bn



New Ad Campaign- “Skin in the Game”




Our “SKIN IN THE GAME” campaign being talked in various media




Awards & Accolades



Asia Money Brokers
Poll 2019
No. 2 Local Brokerage
No. 1 Overall Sales,
No. 1 Sales Trading
Team,
No. 1 Corporate
Access Team



MOFSL gets inducted
in the HALL OF FAME
at the 10th Financial
Advisor Awards



Motilal Oswal wins
Multiple Awards at
the PMS AIF World
Event -2020




MOPWM wins Excellent
in designing learning
content award at the
Transformance
Forums Awards
2020



Motilal Oswal wins
Best Creative for TV
at the E4M Prime
Time Awards 2019



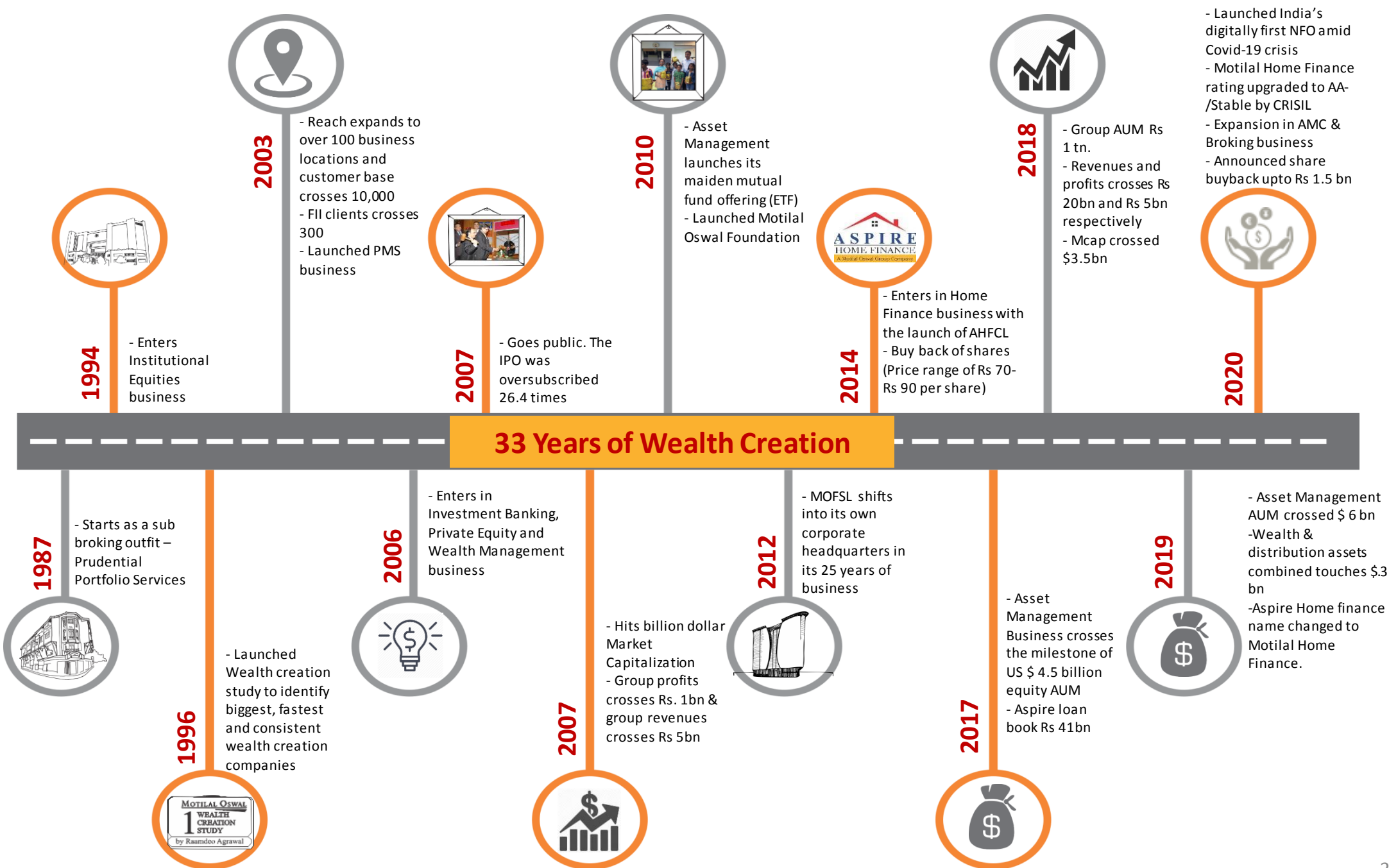
Motilal Oswal
wins Best Use of
Technology in Training &
Best Blended Learning
Strategy award at L&D
Innovation & TECH
Summit by
MERCER.



Gold for Best Use of
Video for the Think
Equity Think Motilal
Oswal Campaign at
ET BrandEquity Shark
Award



Motilal Oswal wins
award for Innovation
in Cross-Media
Marketing at the Asia
Pacific Stevie®
Awards.



This earning presentation may contain certain words or phrases that are forward - looking statements. These forward-looking statements are tentative, based on current analysis and anticipation of the management of MOFSL. Actual results may vary from the forward-looking statements contained in this presentations due to various risks and uncertainties involved. These risks and uncertainties include volatility in the securities market, economic and political conditions, new regulations, government policies and volatility in interest rates that may impact the businesses of MOFSL. MOFSL has got all market data and information from sources believed to be reliable or from its internal analysis estimates, although its accuracy can not be guaranteed. MOFSL undertakes no obligation to update forward-looking statements to reflect events or circumstances after the date thereof.

Covid-19 Impact

- The SARS-CoV-2 virus responsible for COVID -19 has spread across the globe and India, which has contributed to a significant decline in the economic activities. Government have introduced a variety of measures to contain the spread of the virus. On 24th March 2020 the Indian Government had announced nationwide lockdown which has been further extended till May 31, 2020 to contain the spread of virus. Further, In June month as well there was region specific lockdown implemented by states, thereby resulting in entire Q1 in lockdown. The primary services provided by the Company has been classified as an essential service and has been in operation consistently with minimal permitted staff. Given the digital business model and considering that the Company has not faced any material adversity of its financial position as at June 30, 2020 and considering other relevant facts and circumstances existing as of that date, the Company does not anticipate any material uncertainties which affects its liquidity position and also ability to continue as a going concern. The Company believes that it has taken into account the possible impact of known events arising out of COVID 19 pandemic in the preparation of financial results. The Company will continue to monitor for any material changes to future economic conditions.
- Further, as unlock begun in June month we gradually started opening all our branches and also resumed back normalcy in business.
- In our Home finance business, in accordance with the RBI guidelines relating to COVID-19 Regulatory Package, the Company granted a moratorium of three months on payments of instalments and/ or interest falling due between 1st March 2020 and 31st May 2020 to eligible borrowers. The period was further extended for 3 months till 31st August 2020 by RBI through its circular dated May 23, 2020. The Company has accordingly extended the moratorium option to its borrowers. For such accounts where the moratorium is granted, the asset /Stage-wise classification shall remain stand still during the moratorium period. (i.e. the number of days past-due shall exclude the moratorium period for the purposes of asset classification). The moratorium proportion has been continuously coming down month on month. The Company has recognised provisions as on 30th June 2020 towards its assets including loans based on the information available at this point of time including economic forecasts, in accordance with the Expected Credit Loss method. The Company believes that it has taken into account all the possible impact of known events arising out of COVID 19 pandemic in the preparation of financial results. The Company will continue to monitor for any material changes to future economic conditions. Moreover during Q1FY21, the company has made an additional Covid-19 related provision amounting to Rs 130 mn. At June 30, 2020, the company held Covid-19 related total provision of Rs 210 mn. This additional provision made by the Company is more than requirement as per the RBI guideline dated April 17, 2020.

Disclaimer: This report is for information purposes only & does not construe to be any investment, legal or taxation advice. It is not intended as an offer or solicitation for the purchase or sale of any financial instrument. Any action taken by you on the basis of the information contained herein is your responsibility alone and MOFSL and its subsidiaries or its employees or directors, associates will not be liable in any manner for the consequences of such action taken by you. We have exercised due diligence in checking the correctness and authenticity of information contained herein, but do not represent that it is accurate or complete. MOFSL or any of its subsidiaries or associates or employees shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this publication. The recipient of this report should rely on their own investigations. MOFSL and/or its subsidiaries and/or directors, employees or associates may have interests or positions, financial or otherwise in the securities mentioned in this report.



Thank You...

For any query, please contact :

Shalibhadra Shah

Chief Financial Officer

📞 91-22-71934917 / 9819060032

✉️ shalibhadrashah@motilaloswal.com

Rakesh Shinde

VP-Investor Relations

📞 91-22-71985510 / 9920309311

✉️ rakesh.shinde@motilaloswal.com