

Walker Chandiook & Co LLP

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Independent Auditor's Review Report on Standalone Quarterly Financial Results and Year to Date Results of Motilal Oswal Financial Services Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of Motilal Oswal Financial Services Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results ('Statement') of Motilal Oswal Financial Services Limited ('the Company') for the quarter ended 31 December 2018 and the year to date results for the period 1 April 2018 to 31 December 2018, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of the Company personnel and analytical procedures, applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. 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 applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 and SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013



Sudhir N. Pillai

Partner

Membership No. 105782

Place : Mumbai

Date : 16 January 2019

MOTILAL OSWAL FINANCIAL SERVICES LIMITED

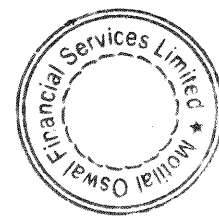
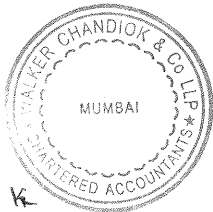
Registered office:- Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025
 Tel: +91-22-39804200/71934200, Fax: +91-22-38462365 Email: shareholders@motilaloswal.com Website: www.motilalgroup.com
 CIN: L67190MH2005PLC153397

Statement of unaudited standalone financial results for the quarter and nine months ended 31 December 2018

(Rs. in Lakhs, unless otherwise stated)

Particulars	Quarter ended			Nine months ended	
	31 December 2018	30 September 2018	31 December 2017	31 December 2018	31 December 2017
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
1) Income					
Revenue from operations	33,089	31,150	43,454	92,025	1,11,175
Other income	777	560	25	2,305	350
Total income (1)	33,866	31,710	43,479	94,330	1,11,525
2) Expenses					
Employee benefit expenses	7,145	6,678	6,895	20,390	19,504
Finance costs	2,624	2,734	2,402	8,120	6,516
Depreciation and amortisation expense	435	452	758	1,359	2,028
Operating expenses	7,373	8,244	9,045	23,442	23,604
Other expenses	6,777	9,422	3,663	19,153	9,143
Total expenses (2)	24,354	27,530	22,763	72,464	60,795
3) Profit before tax from continuing operations	9,512	4,180	20,716	21,866	50,730
4) Tax expense/(credit)					
Current tax	1,700	2,417	2,798	6,545	6,052
Deferred tax	(445)	(556)	1,422	(1,515)	3,690
Minimum alternate tax (credit)/write-off	-	-	82	-	1,020
Short/(excess) provision for earlier years	-	-	-	-	247
Total tax expenses / (credit)	1,255	1,861	4,302	5,030	11,009
5) Profit after tax continuing operations (3-4)	8,257	2,319	16,414	16,836	39,721
Loss from discontinuing operations before tax	-	(55)	(264)	(186)	(381)
Tax on discontinuing operations	-	(8)	(92)	(54)	(126)
6) Loss from discontinuing operations after tax	-	(47)	(172)	(132)	(255)
7) Profit after tax (5+6)	8,257	2,272	16,242	16,704	39,466
8) Other Comprehensive Income / (loss)					
i) Items that will not be reclassified to profit or loss					
Actuarial gain / (losses) on post retirement benefit plans	32	(40)	40	34	315
Fair value gain/(loss) of investment	1,569	(2,673)	3,223	133	12,069
ii) Deferred tax on above	(192)	323	(12)	(25)	(92)
Total other comprehensive income / (loss)	1,409	(2,390)	3,251	142	12,292
9) Total Comprehensive Income (7+8)	9,666	(118)	19,493	16,846	51,758
10) Paid-up equity share capital (Face value Re. 1 per equity share)	1,456	1,456	1,447	1,456	1,447
11) Earnings/ (loss) Per Share (EPS) from continuing operations (Face value Re. 1 per equity share) (not annualised)					
Basic (Amount in Rs.)	6.64	(0.05)	13.60	11.68	35.96
Diluted (Amount in Rs.)	6.58	(0.05)	13.39	11.55	35.39
12) Earnings/ (loss) Per Share (EPS) from discontinuing operations (Face value Re. 1 per equity share) (not annualised)					
Basic (Amount in Rs.)	-	(0.03)	(0.12)	(0.09)	(0.18)
Diluted (Amount in Rs.)	-	(0.03)	(0.12)	(0.09)	(0.17)

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MOTILAL OSWAL FINANCIAL SERVICES LIMITED

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

Tel: +91-22-39804200, Fax: +91-22-33124997 email:shareholders@motilaloswal.com Website: www.motilaloswalgroup.com

CIN: L67190MH2005PLC153397

Statement of unaudited standalone financial results for the quarter and nine months ended 31 December 2018

Standalone notes:

1) The unaudited standalone financial results have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at its meeting held on 16 January 2019, in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

2) The Company has adopted Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) read with the Companies (Indian Accounting Standards) Rules, 2015 from 01 April 2018 and the effective date of such transition is 01 April 2017.

3) Pursuant to receipt of Order dated 30 July 2018 from the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") approving the Scheme of Amalgamation of Motilal Oswal Securities Limited ("Transferor Company") with Motilal Oswal Financial Services Limited ("Transferee Company" or "Company") and their respective shareholders ("Scheme"), the Board of Directors ("Board") of the Company at its Meeting held on 21 August 2018, inter-alia, has made the Scheme effective from 21 August 2018. The Appointed date is 1 April 2017. Accordingly the unaudited figures for the quarter and nine month ended 31 December 2017 has been revised to give effect to the sanctioned Scheme.

The Company has transferred the lending business by way of a slump sale on a going concern basis, to its wholly owned subsidiary, Motilal Oswal Finvest Limited (MOFL) (formerly known as 'Motilal Oswal Capital Markets Limited') as contemplated in the Business Transfer Agreement ('BTA') dated August 20, 2018 at a consideration of Rs. 5,000 lakhs (subject to usual post completion adjustments).

4) In terms of Ind AS 105 on Non-current Assets Held for Sale and Discontinued operations, the details of discontinued operations as disclosed in the above results are as follows:

(Rs. in Lakhs, unless otherwise stated)

Particulars	Quarter ended			Nine months ended	
	31 December 2018	30 September 2018	31 December 2017	31 December 2018	31 December 2017
Total income	-	405	746	1,067	2,868
Total expenses	-	460	1,010	1,253	3,249
Profit/(Loss) before tax from discontinuing operations	-	(55)	(264)	(186)	(381)
tax charge/credit including deferred tax pertaining to discontinuing operations	-	(8)	(92)	(54)	(126)
Profit/(Loss) after tax from discontinuing operations	-	(47)	(172)	(132)	(255)

5) As required by paragraph 32 of Ind AS 101, net profit reconciliation between the figures reported under previous IGAAP and Ind AS is as under :

(Rs. in Lakhs, unless otherwise stated)

Particulars	Quarter ended	Nine months ended
	31 December 2017	31 December 2017
	(Unaudited)	(Unaudited)
Net profit after tax as per the previous GAAP	9,880	24,549
Add/(Less):	-	-
Gain on fair valuation of investments	8,143	18,518
Change in employee benefit expenses due to fair valuation of employee stock options	-	942
Actuarial (gain)/ loss on employee defined benefit plan recognised in 'Other Comprehensive Income' as per Ind AS 19	(40)	(315)
Deferred tax on all above	(1,741)	(4,228)
Total effect of transition to Ind AS	6,362	14,917
Net profit after tax as per Ind AS	16,242	39,466
Other comprehensive income on account of actuarial gain or (loss)	40	315
Other comprehensive income on account of gain/(loss) of equity instruments carried through FVTOCI	3,223	12,069
Deferred tax on above	(12)	(92)
Total Comprehensive Income as per Ind AS	19,493	51,758

6) 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.

7) As per Ind AS 109, the group has unrealised (loss)/gain of Rs. (2,819) lakhs and Rs. 8,143 lakhs for the quarter ended 31 December 2018 and 31 December 2017 respectively which has been classified under 'Other expenses/Revenue from Operations'. Further, the group has investment designated as 'Fair value through other comprehensive income' on which unrealised gain has been classified under 'Other comprehensive income' amounting to Rs. 1,569 lakhs and Rs. 3,223 lakhs for the quarter ended 31 December 2018 and 31 December 2017 respectively.

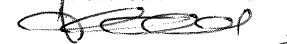
8) Pursuant to the exercise of Employee Stock Options under various Employee Stock Options Scheme, the Company has allotted 39,100 and 5,08,925 equity shares during the quarter and period ended 31 December 2018 respectively.

9) The Board of Directors at its meeting held on 16 January 2019 has declared an interim dividend of Rs. 4.00 per equity share (on face value of Re.1/- per equity share) for the Financial year 2018 -19.

10) Previous period figures have been regrouped/reclassified wherever necessary to confirm to the current period/quarter presentation.

For and on behalf of the Board of

Motilal Oswal Financial Services Limited



Motilal Oswal
Chairman & Managing Director
(DIN - 00024503)

Place : Mumbai
Date : 16 January 2019

