

Walker Chandiook & Co LLP

Walker Chandiook & Co LLP
16th Floor, Tower II
Indiabulls Finance Centre
S B Marg, Elphinstone (W)
Mumbai 400013
India

T +91 22 6626 2600
F +91 22 6626 2601

Independent Auditor's Review Report on Consolidated Quarterly Financial Results of the Company 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 consolidated financial results (the 'Statement') of **Motilal Oswal Financial Services Limited** (the 'Company') and its subsidiaries (the Company and its subsidiaries together referred to as the 'Group'), and its associates (Refer Annexure 1 for the list of subsidiaries and associates included in the Statement) for the quarter ended 30 June 2018, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Attention is drawn to the fact that the figures for the corresponding quarter ended 30 June 2017, including the reconciliation of net profit under Indian Accounting Standards (Ind AS) of the corresponding quarter with net profit reported under previous GAAP, as included in the Statement have been approved by the Board of Directors but have not been subject to review or audit. 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 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 and upon consideration of the review reports of the other auditors, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable Indian Accounting Standards 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.



Motilal Oswal Financial Services Limited

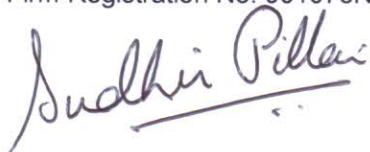
Independent Auditor's Review Report on Consolidated Quarterly Financial Results - QE 30 June 2018

4. We did not review the financial results of six subsidiaries included in the Statement whose financial results (before eliminating inter Company transactions) reflect total revenues of ₹20,119 lakhs for the quarter ended 30 June 2018 and net loss (including other comprehensive income) of ₹326 lakhs for the quarter ended 30 June 2018. These financial results have been reviewed by other auditors whose review reports have been furnished to us by the management and our report in respect thereof is based solely on the review reports of such other auditors. Our review report is not modified in respect of this matter.
5. We did not review the financial results of four subsidiaries included in the Statement whose financial results reflect total revenues of ₹530 lakhs for the quarter ended 30 June 2018 and net profit (including other comprehensive income) of ₹133 lakhs for the quarter ended 30 June 2018. The Statement also includes the Group's share of net profit (including other comprehensive income) of ₹76 lacs for the quarter ended 30 June 2018 as considered in the Statement, in respect of one associate whose financial results have not been reviewed by us. These financial results have not been reviewed and have been furnished to us by the management and our report in respect thereof is based solely on the management certified accounts.

Further, of these subsidiaries, four subsidiaries are located outside India whose financial results have been prepared in accordance with accounting principles generally accepted in their respective countries and which are not reviewed and have been furnished to us by the management. The Company's management has converted the financial results of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Company's management. Our report in so far as it relates to the financial results of such subsidiaries located outside India is based on the management certified accounts furnished to us by the management and the conversion adjustments prepared by the management of the Company and reviewed by us. Our review report is not modified in respect of this matter.

6. The review of unaudited consolidated financial results for the quarter ended 30 June 2017, included in this Statement, prepared in accordance with applicable Accounting standards prescribed earlier under section 133 of the Companies Act 2013, read with rule 7 of the Companies (Accounts) Rules, 2014 were reviewed by Haribhakti & Co. LLP, Chartered Accountants, the predecessor auditors, who vide their review report dated 27 July 2017, expressed an unmodified opinion and whose report have been furnished to us by the management and which have been relied upon by us for the purpose of our review of the Statement. The management has carried out adjustments to these results, in order to restate the results as per Ind AS to make them comparable which have not been subjected to our review or audit. Our report is not modified in respect of this matter.

For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm Registration No: 001076N/N500013



Sudhir N. Pillai
Partner
Membership No. 105782

Place: Mumbai
Date: 21 August 2018

Walker ChandioK & Co LLP

Motilal Oswal Financial Services Limited
Independent Auditor's Review Report on Consolidated Quarterly Financial Results - QE 30 June 2018

Annexure 1

List of entities included in the Statement

(A) List of subsidiaries:

Name of the Company
Motilal Oswal Commodities Broker Private Limited
Motilal Oswal Investment Advisors Limited (Formerly known as Motilal Oswal Investment Advisors Private Limited)
MOPE Investment Advisors Private Limited
Motilal Oswal Fincap Private Limited (Formerly known as Motilal Oswal Insurance Brokers Private Limited)
Motilal Oswal Capital Markets Limited
Motilal Oswal Wealth Management Limited
Motilal Oswal Asset Management Company Limited
Motilal Oswal Trustee Company Limited
Motilal Oswal Securities International Private Limited
Motilal Oswal Capital Markets (Hongkong) Private Limited
Motilal Oswal Capital Markets (Singapore) Pte. Limited
Motilal Oswal Real Estate Investment Advisors Private Limited
Motilal Oswal Real Estate Investment Advisors II Private Limited
Aspire Home Finance Corporation Limited
India Business Excellence Management Company
Motilal Oswal Asset Management (Mauritius) Private Limited
Motilal Oswal Capital Limited

(B) List of associate:

India Reality Excellence Fund II LLP



This space has been intentionally left blank.

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 consolidated financial results for the quarter ended 30 June 2018		
(Rs. in Lakhs, unless otherwise stated)		
Particulars	For the quarter ended	
	30 June 2018 (Unaudited)	30 June 2017 (Unaudited)
1) Income		
Revenue from operations	64,647	58,825
Other income	133	1,071
Total Income (1)	64,780	59,896
2) Expenses		
Employee benefits expenses	11,905	10,695
Finance cost	13,049	12,745
Depreciation and amortisation expenses	604	768
Operating expenses	14,448	12,419
Administrative and other expenses	10,346	7,454
Total Expenses (2)	50,352	44,081
3) Profit before tax (3) = (1)-(2)	14,428	15,815
4) Tax expense/(credit)		
Current tax	4,797	3,183
Deferred tax liability/(asset)	(1,913)	339
Minimum alternate tax credit (utilised)/writeoff	1,184	(234)
Short/(excess) provision for earlier years	-	215
Total tax expenses (4)	4,068	3,503
5) Net profit for the period (5) = (3)-(4)	10,360	12,312
6) Share of profit from associates (net of taxes)	76	341
7) Profit after tax and share in profit of associates (7) = (5)+(6)	10,436	12,653
8) Other comprehensive income		
(i) Items that will not be reclassified to profit or loss		
- Actuarial gain/(losses) on post retirement benefit plans	95	221
- Gain on fair valuation of investments through FVOCI	1,237	1,935
(ii) Deferred tax on above	(177)	(66)
Total other comprehensive income (8)	1,155	2,090
9) Total comprehensive income	11,591	14,743
10) Net profit attributable to:		
Owners of parent	10,383	12,587
Non-controlling interests	53	66
11) Other comprehensive income attributable to:		
Owners of parent	1,154	2,089
Non-controlling interests	1	1
12) Total comprehensive income attributable to:		
Owners of parent	11,537	14,676
Non-controlling interests	54	67
13) Paid up equity share capital (Face value Re.1 per share)		
14) Earning per share (EPS) (not annualised)		
Basic EPS (Amount in Rs.)	7.95	10.15
Diluted EPS (Amount in Rs.)	7.84	10.04



[Handwritten Signature]



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 consolidated financial results for the quarter ended 30 June 2018

Consolidated Notes:

1) Pursuant to receipt of Order dated July 30, 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 August 21, 2018, inter-alia, has made the Scheme effective from August 21, 2018. The Appointed date is April 1, 2017.

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 Capital Markets Limited ("MOCML") as contemplated in the Business Transfer Agreement ("BTA") dated August 20, 2018 at a consideration of Rs. 50 Crores (subject to usual post completion adjustments).

2) The unaudited consolidated financial results have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at its meeting held on 21 August 2018, in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

3) The Group has adopted Indian Accounting Standards (Ind AS) with effect from 1 April 2018 with comparative figures being restated to make them comparable. The above financial results have been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 - Interim Financial Reporting prescribed under section 133 of Companies Act, 2013 read with relevant Rules issued thereunder and other accounting principles generally accepted in India.

Reconciliation of net profit for the previous year's quarter ended 30 June 2017 between the erstwhile Indian GAAP (IGAAP) and Ind AS is as under:

(Rs. in Lakhs)

Particulars	For the quarter ended 30 June 2017
Net profit as per the erstwhile Indian GAAP (IGAAP) after non-controlling interest	10,159
Increase in Interest income pursuant to application of effective interest rate method	54
Decrease in Borrowing cost pursuant to application of effective interest rate method	10
(Increase) in provision due to expected credit loss	(1,881)
Gain on fair valuation of investments	3,348
Decrease in employee benefit expenses due to fair valuation of employee stock options	961
Changes in non-controlling interest on above adjustments	29
Tax impact on above adjustments	(93)
Net profit after tax (before OCI) as per Ind AS	12,587
(i) Other comprehensive income after tax	
- Actuarial gain on post retirement benefit plans	221
- Gain on fair valuation of investments through FVOCI	1,935
(ii) Deferred tax on above	(67)
Total comprehensive income attributable to owners of parent	14,676

4) The consolidated results of the Company include the results of the subsidiaries – Motilal Oswal Investment Advisors Limited (100%), MOPE Investment Advisors Private Limited (85%), Motilal Oswal Commodities Broker Private Limited (100%), Motilal Oswal Capital Markets Limited (100%), Motilal Oswal Wealth Management Limited (100%), Motilal Oswal Fincap Private Limited (formerly known as Motilal Oswal Insurance Brokers Private Limited) (100%), Motilal Oswal Asset Management Company Limited (98.23%), Motilal Oswal Trustee Company Limited (100%), Motilal Oswal Securities International Private Limited (100%), Motilal Oswal Capital Markets (Singapore) Pte. Limited (100%), Motilal Oswal Capital Markets (Hongkong) Private Limited (100%), Motilal Oswal Real Estate Investment Advisors Private Limited (85%), Motilal Oswal Real Estate Investment Advisors II Private Limited (76.50%), Aspire Home Finance Corporation Ltd (96.59%), India Business Excellence Management Co. (85.00%), Motilal Oswal Asset Management (Mauritius) Private Limited (98.23%), Motilal Oswal Capital Limited (98.23%) and an Associate India Realty Excellence Fund II LLP (20.44%).

5) During the quarter, Crisil Limited and India Rating and Research Private Limited reaffirmed the Credit Rating of "CRISIL A1+" and "IND A1+" to the Commercial Paper Programme of Rs. 1,30,000 lakhs of Motilal Oswal Financial Services Limited. Further ICRA has reaffirmed the rating of "ICRA AA" rating with stable outlook to the long term debt programme of the Motilal Oswal Financial Services Limited for Rs.20,000 lakhs.

6) As per IndAS 109 the group has unrealised gain/(loss) of Rs (74) lakhs and Rs. 3,348 for the quarter ended 30 June 2018 and 30 June 2017 respectively which has been classified under 'Income 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. 1,237 and Rs. 1,935 for the quarter ended 30 June 2018 and 30 June 2017 respectively.



A

[Handwritten Signature]



7) Consolidated segment results for the quarter ended 30 June 2018 is as follows:

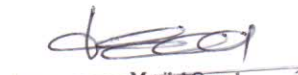
Particulars	Rs. in Lakhs	
	For the quarter ended	
	30 June 2018 (Unaudited)	30 June 2017 (Unaudited)
1. Segment revenue		
(a) Broking and other related activities	28,812	23,642
(b) Fund based activities	699	6,232
(c) Asset management and advisory	23,115	16,081
(d) Investment banking	1,509	2,301
(e) Home finance	16,026	15,807
(f) Unallocated	60	86
Total	70,221	64,149
Less: Inter segment revenue	(5,323)	(3,716)
Total segment revenue (Inclusive of revenue from associate)	64,898	60,433
2. Segment results		
(a) Broking and other related activities	7,558	4,372
(b) Fund based activities	501	5,884
(c) Asset management and advisory	7,379	4,387
(d) Investment banking	936	1,652
(e) Home finance	(1,673)	618
(f) Unallocated	(155)	(561)
Total segment results (Inclusive of share of profit from associate)	14,546	16,352
3. Segment assets		
(a) Broking and other related activities	3,18,422	2,18,480
(b) Fund based activities	2,80,613	2,82,809
(c) Asset management and advisory	29,680	22,065
(d) Investment banking	1,544	6,805
(e) Home finance	4,88,996	4,83,074
(f) Unallocated	10,846	8,618
Less : Inter segment assets	(97,139)	(91,039)
Total segment assets	10,32,962	9,30,812
4. Segment liabilities		
(a) Broking and other related activities	2,76,558	2,01,376
(b) Fund based activities	12,787	59,752
(c) Asset management and advisory	14,998	10,326
(d) Investment banking	718	1,096
(e) Home finance	4,20,117	4,19,023
(f) Unallocated	23,186	16,091
Less : Inter segment liabilities	(17,641)	(15,017)
Total segment liabilities	7,30,723	6,92,647

The group has reported segment information as per Indian Accounting Standard 108 on 'Operating Segments'. As per Ind AS 108, segments are identified based on management's evaluation of financial information for allocating resources and assessing performance. Accordingly, the Group has identified five reportable segments, namely i) Broking and other related activities, ii) Fund Based activities, iii) Asset Management and Advisory, iv) Investment banking and v) Home Finance. The balance is shown as unallocated items.

8) The Ind AS-compliant corresponding figures in the previous year have not been subjected to review/audit. However, the Company's management has exercised necessary due diligence to ensure that such financial results provide a true and fair view of its affairs.

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

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


Motilal Oswal
Chairman & Managing Director
(DIN - 00024503)

Mumbai, 21 August 2018

