

**Independent Auditor's Limited Review Report on the Unaudited Standalone Financial Results of Motilal Oswal Financial Services Limited for the quarter ended June 30, 2024, 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 ended June 30, 2024 (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.

**For Singhi & Co.**

Chartered Accountants

Firm Registration No: 302049E



**Amit Hundia**

Partner

Membership No. 120761

UDIN: 24120761BKCMRF5673



Place: Mumbai

Date: July 25, 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 ended 30 June 2024**

(Rs. in lakhs, unless otherwise stated)

Particulars	For the quarter ended			For the year ended
	30 June 2024	31 March 2024	30 June 2023	31 March 2024
	(Unaudited)	(Audited)#	(Unaudited)	(Audited)
<b>Revenue from operations</b>				
(i) Interest income	35,362	32,210	16,755	93,255
(ii) Dividend income	51	14,299	24	14,565
(iii) Rent income	522	512	498	1,969
(iv) Fees and commission income				
-Brokerage and fees income	71,635	70,822	46,997	2,34,852
-Other commission income	6,392	10,504	4,294	25,534
(v) Net gain/(loss) on fair value changes	36,877	18,844	18,720	79,867
(vi) Other operating revenue	917	1,114	1,121	3,999
<b>(I) Total revenue from operations</b>	<b>1,51,756</b>	<b>1,48,305</b>	<b>88,409</b>	<b>4,54,041</b>
<b>(II) Other income</b>	<b>1,301</b>	<b>1,221</b>	<b>3,403</b>	<b>5,629</b>
<b>(III) Total income (I+II)</b>	<b>1,53,057</b>	<b>1,49,526</b>	<b>91,812</b>	<b>4,59,670</b>
<b>Expenses</b>				
(i) Finance cost	18,309	15,283	7,070	44,152
(ii) Fees and commission expense	33,953	34,677	20,597	1,07,001
(iii) Impairment on financial instruments	517	2,263	519	3,791
(iv) Employee benefit expenses	25,420	24,225	19,623	81,536
(v) Depreciation and amortisation expense	1,941	2,132	1,457	7,203
(vi) Other expenses	11,063	10,027	8,056	36,761
<b>(IV) Total expenses (IV)</b>	<b>91,203</b>	<b>88,607</b>	<b>57,322</b>	<b>2,80,444</b>
<b>(V) Profit before tax (III-IV)</b>	<b>61,854</b>	<b>60,919</b>	<b>34,490</b>	<b>1,79,226</b>
<b>Tax expense/(credit)</b>				
(i) Current tax	6,826	8,649	4,359	23,271
(ii) Deferred tax/(credit)	3,168	901	1,427	7,197
(iii) (Excess)/ short provision for earlier years	-	(280)	-	(280)
<b>(VI) Total tax expenses / (credit)</b>	<b>9,994</b>	<b>9,270</b>	<b>5,786</b>	<b>30,188</b>
<b>(VII) Profit after tax (V-VI)</b>	<b>51,860</b>	<b>51,649</b>	<b>28,704</b>	<b>1,49,038</b>
<b>Other comprehensive income</b>				
(i) Items that will not be reclassified to profit or loss:				
(a) Remeasurement of the defined employee benefit plans	(860)	(296)	(168)	(381)
(b) Changes in fair value gain/(loss) of FVOCI equity instruments	14,289	(11,789)	13,040	12,657
(c) Tax related to items that will not be reclassified to profit and loss account	(1,418)	1,423	495	592
<b>(VIII) Other comprehensive income/(loss)</b>	<b>12,011</b>	<b>(10,662)</b>	<b>13,367</b>	<b>12,868</b>
<b>(IX) Total comprehensive income/(loss) (VII+VIII)</b>	<b>63,871</b>	<b>40,987</b>	<b>42,071</b>	<b>1,61,906</b>
<b>(X) (a) Paid-up equity share capital (Face value of Re. 1)</b>	<b>5,970</b>	<b>1,490</b>	<b>1,480</b>	<b>1,490</b>
<b>(b) Other equity</b>				<b>5,90,104</b>
<b>Earnings per share (EPS)*</b>				
<b>(Face value Re. 1 per equity share)</b>				
Basic (amount in Rs.)	8.69	8.68	4.85	25.13
Diluted (amount in Rs.)	8.57	8.60	4.84	24.87

# Refer Note 12

\* EPS for the quarters is not annualized. Also refer note 6.



## Statement of Standalone Financial Results for the quarter ended 30 June 2024

## 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 Thursday July 25, 2024. The results for the quarter ended June 30, 2024 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 the provisions of Regulation 52(4) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (Listing Regulations) and SEBI's Master Circular No. SEBI/HO/DDHS/DDHS-PoD-1/P/CIR/2024/48 dated May 21, 2024 to the extent applicable to the Commercial Papers, information as required for the quarter ended June 30, 2024 in respect of Non-Convertible Debentures (NCDs) including Market Linked Debentures (MLDs) and Commercial Papers of the Company is enclosed as Annexure A.
- 4) Pursuant to the provisions of Regulation 54 of the Listing Regulations, we state that all secured Non-Convertible Debentures (NCDs) including Market Linked Debentures (MLDs) issued by the Company and outstanding as on June 30, 2024 are fully secured by pari-passu charge created over all present and future receivables (including margin trading facility) of the Company (with a minimum cover of 1 times of MLDs and 1.2 times of NCDs on outstanding amount). Accordingly, the Company is maintaining the asset cover of 1.2x or such higher asset cover required as per the terms & conditions given in the Offer Document(s)/Information Memorandum. The Details of Security Cover as per prescribed format under Regulation 54(3) of the Listing Regulations is enclosed as Annexure B.
- 5) ICRA Limited vide its rating letter dated July 22, 2024 has reaffirmed and revised its outlook from [ICRA]AA (Stable) to [ICRA]AA (Positive) on Bank Lines and from PP-MLD[ICRA]AA (Stable) to PP-MLD[ICRA]AA (Positive) on Long Term 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. CRISIL ratings and India Ratings have maintained their ratings unchanged at CRSILAA (stable) and IND AA/stable for the non-convertible debentures and CRSILA1+ and IND A1+ for commercial paper programme of the Company to previous quarter.
- 6) Pursuant to the approval of the Board of Directors and Shareholders of the Company vide their Resolutions dated April 26, 2024 and May 30, 2024, respectively, the Finance Committee of the Board of Directors of the Company at their Meeting held on June 11, 2024 had allotted 44,77,82,709 Bonus Equity Shares to the eligible Shareholders of the Company, in the ratio of 3:1 i.e. 3 (Three) new fully paid-up Equity Shares of Re. 1/- (Rupee One Only) each for every 1 (One) existing fully paid up Equity Share of Re. 1/- (Rupee One Only) each, whose names appeared in the Register of Members/List of Beneficial Owners maintain by the Company/Depositories as on the Record Date i.e. June 10, 2024. The said Bonus Equity Shares ranked pari-passu in all respects with the existing Equity Shares of the Company including dividend entitlement. After the Bonus Issue, the Paid-up Share Capital of the Company is increased to Rs.59,70,43,612/- from Rs.14,92,60,903/-. Consequent to the increase in the Paid-up Share Capital, the Earnings Per Share (Basic and Diluted) have been adjusted for all the comparative periods presented.
- 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 Listing Regulations, the Company has filed the Scheme along with necessary documents with the Stock Exchange(s). Post receipt of the 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) In accordance with the Prospectus dated April 09, 2024 in connection with the Public Issuance of Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of face value of Rs. 1,000/- (Rupees One Thousand Only) each ("NCDs") for an amount aggregating up to Rs. 500 Crore (Rupees Five Hundred Crore Only) ("Base Issue Size") with an option to retain oversubscription up to Rs. 500 Crore (Rupees Five Hundred Crore Only) ("Green Shoe Option") aggregating up to 1,00,00,000 NCDs for an amount up to Rs. 1,000 Crore (Rupees One Thousand Crore Only) ("Issue Size" or "Issue Limit") (hereinafter referred to as the "Issue"), the Finance Committee of the Board of Directors of the Company at their meeting held on May 09, 2024 had allotted 1,00,00,000 NCDs to the successful applicants in various series under respective categories as per the basis of allotment of the NCDs as approved by BSE on May 09, 2024.
- 9) The Finance Ministry, as part of its budget announcement on July 23, 2024, changed the tax rate on capital gains. Consequently, the impact would result into increase in deferred tax expense and liability for unrealised gains recognised over different periods through Profit & Loss & Other Comprehensive Income amounting to Rs.3,549 lakhs & Rs. 1,135 lakhs respectively.



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CIN: L67190MH2005PLC153397

**Statement of Standalone Financial Results for the quarter ended 30 June 2024**

**Standalone Notes:-**

- 10) 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.
- 11) Pursuant to the exercise of Employee Stock Options under various Employee Stock Options Scheme, the Company has allotted 2,53,612 equity shares to the employees during the quarter ended June 30, 2024.
- 12) The figures for the quarter ended March 31, 2024 reflect the differences between the audited amounts of the financial year and published unaudited accounts of the nine months period ended December 31, 2023.
- 13) The reviewed standalone financial results of Motilal Oswal Financial Services Limited are available on the Company's website, www.motilaloswalgroup.com and on the stock exchange website www.nseindia.com and www.bseindia.com
- 14) The amounts reflected as "0" in the Financial Information are values with less than rupees one lakhs.
- 15) The previous quarter/year figures have been regrouped/reclassified wherever necessary to confirm to the current quarter/year 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: 25 July 2024

(Page 3 of 3)

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**Statement of Standalone Financial Results for the quarter ended 30 June 2024**

**Annexure A**

Pursuant to the provisions of Regulation 52(4) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (Listing Regulations) and SEBI's Master Circular No. SEBI/HO/DDHS/DDHS-PoD-1/P/CIR/2024/48 dated May 21, 2024 to the extent applicable to the Commercial Papers, information as required for the quarter ended June 30, 2024 in respect of Non-Convertible Debentures (NCDs) including Market Linked Debentures (MLDs) and Commercial Papers of the Company is as mentioned below:

**Key Financial Information**

Particulars	Quarter ended 30 June 2024	Quarter ended 30 June 2023
Debt Equity Ratio <sup>1</sup>	1.35	0.76
Debt Service Coverage Ratio <sup>2</sup>	0.05	0.06
Interest Service Coverage Ratio <sup>3</sup>	2.56	3.70
Net Worth <sup>4</sup> (Rs.in Lakhs)	6,28,261	4,64,211
Net Profit after tax (Rs.in Lakhs)	51,860	28,704
Earnings per share (Basic) (Refer Note 6)	8.69	4.85
Earnings per share (Diluted) (Refer Note 6)	8.57	4.84
Outstanding redeemable preference shares	Not Applicable	Not Applicable
Capital Redemption Reserve (Rs.in Lakhs)	104	104
Debenture Redemption Reserve	Nil	Nil
Current Ratio <sup>5</sup>	1.06	1.01
Long Term Debt to Working Capital Ratio <sup>6</sup>	0.94	0.52
Bad Debts to Accounts Receivables Ratio <sup>7</sup>	0.08%	0.16%
Current Liability Ratio <sup>8</sup>	0.93	0.98
Total Debts to Total Assets <sup>9</sup>	0.34	0.21
Debtors Turnover Ratio <sup>10</sup>	0.52	0.44
Inventory Turnover Ratio	Not Applicable	Not Applicable
Operating Margin (%) <sup>11</sup>	40.76%	38.96%
Net Profit Margin (%) <sup>12</sup>	34.17%	32.43%

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

<sup>2</sup> 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)

<sup>3</sup> 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)

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

<sup>5</sup> Current Ratio = Current Assets / Current Liabilities

<sup>6</sup> Long Term Debt to Working Capital Ratio = Long Term Borrowing / Working Capital

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

<sup>8</sup> Current Liability Ratio = Current Liabilities / Total Liabilities

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

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

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

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

