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Prospectus
April 9, 2024

MOTILAL OSWAL FINANCIAL SERVICES LIMITED

Our Company was incorporated as a public limited company under the name of 'Motilal Oswal Financial Services Limited' under the Companies Act, 1956, pursuant to a certificate of incorporation issued by the Registrar of Companies, Maharashtra at Mumbai ("**RoC**") on May 18, 2005. Our Company commenced its business pursuant to a certificate of commencement of business dated June 3, 2005 issued by the RoC. For details regarding changes to our Registered Office, see "*History and Certain Corporate Matters*" on page 163.

Corporate Identity Number: L67190MH2005PLC153397; **PAN:** AAECM2876P
Registered and Corporate Office: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai 400 025, Maharashtra, India
Tel: +91 22 7193 4200; **Website**: www.motilaloswalgroup.com; **Email**: shareholders@motilaloswal.com
Compliance Officer for the Issue and Company Secretary: Kailash Purohit; **Tel:** +91 22 7193 4200; **Email**: shareholders@motilaloswal.com
Chief Financial Officer: Shalibhadra Shah **Tel**: +91 22 7193 4200; **Email**: shareholders@motilaloswal.com

PUBLIC ISSUE BY OUR COMPANY OF SECURED, RATED, LISTED, REDEEMABLE NON-CONVERTIBLE DEBENTURES OF FACE VALUE OF ₹ 1,000 EACH ("NCDs") FOR AN AMOUNT AGGREGATING UP TO ₹500 CRORES ("BASE ISSUE SIZE") WITH AN OPTION TO RETAIN OVERSUBSCRIPTION UP TO ₹500 CRORES ("GREEN SHOE OPTION") AGGREGATING UP TO 1,00,00,000 NCDS FOR AN AMOUNT UP TO ₹1,000 CRORES ("ISSUE SIZE" OR "ISSUE LIMIT") (HEREINAFTER REFERRED TO AS THE "ISSUE") THROUGH THIS PROSPECTUS ("OFFER DOCUMENT").
THIS ISSUE IS BEING MADE PURSUANT TO THE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON - CONVERTIBLE SECURITIES) REGULATIONS, 2021, AS AMENDED (THE "SEBI NCS REGULATIONS"), THE COMPANIES ACT, 2013 AND RULES MADE THEREUNDER, EACH AS AMENDED (THE "COMPANIES ACT, 2013") TO THE EXTENT NOTIFIED AND THE SEBI MASTER CIRCULAR.

OUR PROMOTERS

Our Promoters are Motilal Oswal, Raamdeo Agarawal and Motilal Oswal Family Trust; **Tel**: +91 22 7193 4200; **Email**: corpsec@motilaloswal.com. For further details, see "*Our Promoters*" on page 189.

GENERAL RISKS

Investment in debt securities is risky and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it. Specific attention of investors is invited to statement of risk factors contained under "*Risk Factors*" and "*Material Developments*" on pages 17 and 215, respectively. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the debt securities or investor's decision to purchase such securities. This Prospectus has not been and will not be approved by any regulatory authority in India, including the Securities and Exchange Board of India ("**SEBI**"), RoC or any stock exchange in India nor do they guarantee the accuracy or adequacy of this document.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus, contains and will contain all information with regard to our Company and the Issue, which is material in the context of this Issue. The information contained in this Prospectus, is true and correct in all material aspects and is not misleading in any material respect and that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

CREDIT RATING

The NCDs proposed to be issued have been rated "CRISIL AA/Stable" (pronounced as CRISIL double A rating with Stable outlook) by CRISIL Ratings Limited for an amount of ₹1,200 crores *vide* their rating letter dated February 9, 2024 further revalidated *vide* their letters dated March 14, 2024 and March 19, 2024 with rating rationale dated February 9, 2024 and "IND AA/Stable" by India Ratings and Research Private Limited for an amount of ₹1,071.60 crores *vide* their rating letters dated January 29, 2024 further revalidated *vide* their letters dated February 23, 2024, March 14, 2024 and March 18, 2024 with rating rational dated January 29, 2024. Ratings issued by CRISIL and India Ratings will continue to be valid for the life of the instrument unless withdrawn or reviewed. Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk. The rating provided by CRISIL and India Ratings may be suspended, withdrawn or revised at any time by the assigning rating agency and should be evaluated independently of any other rating. This rating is not a recommendation to buy, sell or hold securities and investors should take their own decisions. There are no unaccepted ratings and any other ratings other than as specified in this Prospectus. For the rationale and press release for the rating, see "*General Information*" and "**Annexure B**" of this Prospectus, on pages 48 and 336, respectively.

PUBLIC COMMENTS

The Draft Prospectus dated March 26, 2024 was filed with BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**" along with BSE, the "**Stock Exchanges**"), pursuant to Regulation 27(2) of the SEBI NCS Regulations and was open for public comments for a period of seven Working Days (i.e., until 5:00 p.m.) from the date of filing of the Draft Prospectus with the Stock Exchanges. No comments were received on the Draft Prospectus until 5:00 PM (Indian Standard Time) on April 4, 2024.

LISTING

The NCDs offered through this Prospectus are proposed to be listed on BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**" along with BSE, the "**Stock Exchanges**"). Our Company has received an 'in-principle' approval from BSE by way of its letter bearing reference number DCS/BM/PI-BOND/02/24-25 dated April 5, 2024 and from NSE by way of its letter bearing reference number NSE/LIST/D/2024/0137 dated April 5, 2024. For the purposes of this Issue, BSE shall be the Designated Stock Exchange.

COUPON RATE, COUPON PAYMENT FREQUENCY, REDEMPTION DATE, REDEMPTION AMOUNT AND ELIGIBLE INVESTORS

For details pertaining to Coupon Rate, Coupon Payment Frequency, Redemption Date and Redemption Amount of the NCDs, see "*Terms of the Issue*" on page 225. For details relating to eligible investors, see "*Issue Structure*" on page 217. The Issue is not underwritten.

LEAD MANAGERS TO THE ISSUE			REGISTRAR TO THE ISSUE
Trust Investment Advisors Private Limited 109/110, Balarama, Bandra Kurla Complex Bandra (East), Mumbai 400 051 Maharashtra, India **Tel:** +91 22 4084 5000 **Facsimile:** +91 22 4084 5066 **Email:** mosl.ncd@trustgroup.in **Investor Grievance Email:** customercare@trustgroup.in **Website:** www.trustgroup.in **Contact Person:** Hani Jalan	**Motilal Oswal Investment Advisors Limited**[(1)] Motilal Oswal Tower, 10th Floor Rahimtullah Sayani Road, Prabhadevi, Mumbai 400 025 Maharashtra, India **Tel:** +91 22 7193 4380 **Email:** debt@motilaloswal.com **Investor Grievance Email:** moiaplredressal@motilaloswalgroup.com **Website:** www.motilaloswalgroup.com **Contact Person:** Subodh Mallya	**Nuvama Wealth Management Limited** *(formerly known as Edelweiss Securities Limited)* 801-804, Wing A, Building No 3, Inspire BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai 400 051 **Tel:** +91 22 4009 4400 **Email:** mofsl.ncd@nuvama.com **Investor Grievance Email:** customerservice.mb@nuvama.com **Website:** www.nuvama.com **Contact Person:** Saili Dave	**Link Intime India Private Limited** C-101, 1st Floor, 247 Park L.B.S. Marg, Vikhroli (West) Mumbai 400 083, Maharashtra, India **Tel:** +91 810 811 4949 **Facsimile:** +91 22 4918 6195 **Email:** motilaloswal.ncd2024@linkintime.co.in **Investor Grievance Email:** motilaloswal.ncd2024@linkintime.co.in **Website:** www.linkintime.co.in **Contact Person:** Shanti Gopalkrishnan

CREDIT RATING AGENCIES		DEBENTURE TRUSTEE[(2)]	STATUTORY AUDITOR
CRISIL Ratings Limited (*subsidiary of Crisil Limited*) CRISIL House, Central Avenue Hiranandani Business Park Powai, Mumbai 400 076 Maharashtra, India **Tel:** +91 22 3342 3000 **Email:** crisilratingdesk@crisil.com **Website:** www.crisil.com **Contact Person:** Ajit Velonie **SEBI Registration No:** IN/CRA/001/1999 **CIN:** U67100MH2019PLC326247	**India Ratings and Research Private Limited** Wockhardt Towers, 4th Floor, West Wing Bandra Kurla Complex Bandra East, Mumbai 400 051 Maharashtra, India **Tel:** +91 22 4000 1700 **Email:** infogrp@indiaratings.co.in **Website:** www.indiaratings.co.in **Contact Person**: Amit Rane **SEBI Registration No.**: IN/CRA/002/1999 **CIN**: U67100MH1995FTC140049	**Beacon Trusteeship Limited**[(2)] 7 A & B, Siddhivinayak Chambers Opp. MIG Cricket Club, Gandhi Nagar Bandra East, Mumbai 400 051, Maharashtra, India **Tel:** +91 22 4606 0278 **Email:** contact@beacontrustee.co.in **Investor Grievance Email:** investorgrievances@becontrustee.co.in **Website:** www.beacontrustee.co.in **Contact Person:** Kaustubh Kulkarni **Compliance Officer:** Kaustubh Kulkarni **SEBI Registration No**.: IND000000569 **CIN:** U74999MH2015PLC271288	**Singhi & Co., Chartered Accountants** B2, 402B, Marathon Innova off Ganpatrao Kadam Marg opposite Peninsula Corporate Park, Lower Parel Mumbai 400 013, Maharashtra, India **Tel:** +91 22 6662 5537 **Firm Registration No.:** 302049E **Email:** amithundia@singhico.com **Peer Review Certificate No.:** 014484 **Contact Person:** Amit Hundia

ISSUE PROGRAMME[(3)]

ISSUE OPENS ON: April 23, 2024	**ISSUE CLOSES ON:** May 7, 2024

*(1) Motilal Oswal Investment Advisors Limited is deemed to be an associate of the Company as per the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended ("**Merchant Bankers Regulations**"). Further, in compliance with the provisions of Regulation 21A and explanation to Regulation 21A of the Merchant Bankers Regulations, Motilal Oswal Investment Advisors Limited would only be involved in marketing of the Issue and as per Regulation 25 (3) of SEBI NCS Regulations shall not issue a due diligence certificate.*

(2) Beacon Trusteeship Limited pursuant to Regulation 8 of the SEBI NCS Regulations and by way of letter dated March 26, 2024 has given its consent for its appointment as Debenture Trustee to the Issue and for its name to be included in this Prospectus and in all the subsequent periodical communications sent to the holders of the Debentures issued pursuant to this Issue.

(3) This Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m. (IST) during the period indicated above, except that this Issue may close on such earlier date or extended date (subject to a minimum period of three Working Days and a maximum period of 10 working days from the date of opening of the Issue and subject to not exceeding thirty days from filing this Prospectus with ROC) as may be decided by the Board of Directors of our Company or Finance Committee subject to compliance with Regulation 33A of the SEBI NCS Regulations. In the event of an early closure or extension of this Issue our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in all the newspapers in which pre-issue advertisement for opening of this Issue has been given on or before such earlier or initial date of Issue closure. Applications Forms for the Issue will be accepted only from 10:00 a.m. to 5:00 p.m. (IST) or such extended time as may be permitted by the Stock Exchanges, on Working Days during the Issue Period. On the Issue Closing Date, the Application Forms will be accepted only between 10:00 a.m. and 3:00 p.m. (IST) and uploaded until 5:00 p.m. or such extended time as may be permitted by the Stock Exchanges. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5:00 p.m. (IST) on one Working Day after the Issue Closing Date. For further details please refer to the chapter titled "Issue Related Information" on page 217 of this Prospectus.

A copy of this Prospectus shall be filed with the RoC, in terms of Section 26 of the Companies Act, 2013, along with the certified copies of all requisite documents. For further details, see "Material Contracts and Documents for Inspection" on page 332.

TABLE OF CONTENTS

SECTION I: GENERAL **1**

DEFINITIONS AND ABBREVIATIONS 1
FORWARD-LOOKING STATEMENTS 12
CERTAIN CONVENTIONS, USE OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY PRESENTATION 14

SECTION II: RISK FACTORS **17**

SECTION III: INTRODUCTION **48**

GENERAL INFORMATION 48
CAPITAL STRUCTURE 58
OBJECTS OF THE ISSUE 85

STATEMENT OF POSSIBLE TAX BENEFITS **91**

SECTION IV: ABOUT THE ISSUER AND INDUSTRY OVERVIEW **107**

INDUSTRY OVERVIEW 107
OUR BUSINESS 143
HISTORY AND CERTAIN CORPORATE MATTERS 163
OUR MANAGEMENT 170
OUR PROMOTERS 189
PROPOSED SCHEME OF ARRANGEMENT 192

SECTION V: FINANCIAL INFORMATION **193**

DISCLOSURES ON EXISTING FINANCIAL INDEBTEDNESS 193
MATERIAL DEVELOPMENTS 215
RELATED PARTY TRANSACTIONS 216

SECTION VI: ISSUE RELATED INFORMATION **217**

ISSUE STRUCTURE 217
TERMS OF THE ISSUE 225
ISSUE PROCEDURE 242

SECTION VII: LEGAL AND OTHER INFORMATION **274**

OUTSTANDING LITIGATIONS AND DEFAULTS 274
OTHER REGULATORY AND STATUTORY DISCLOSURES 284
REGULATIONS AND POLICIES 304
PROVISIONS OF ARTICLES OF ASSOCIATION 311
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION 332
DECLARATION 334

ANNEXURE A FINANCIAL INFORMATION **335**

ANNEXURE B **336**

ANNEXURE B1 CRISIL LETTER, RATING RATIONALE AND PRESS RELEASE **336**

ANNEXURE B2 INDIA RATINGS LETTER, RATING RATIONALE AND PRESS RELEASE **3 9**

ANNEXURE C CONSENT OF THE DEBENTURE TRUSTEE **370**

ANNEXURE D - ILLUSTRATIVE CASHFLOWS **376**

SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

This Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning ascribed to such definitions and abbreviations set forth. References to any legislation, act, regulation, rules, guidelines, clarifications or policies shall be to such legislation, act, regulation, rules, guidelines, clarifications or policies as amended, supplemented or re-enacted from time to time until the date of this Prospectus, and any reference to a statutory provision shall include any subordinate legislation notified from time to time pursuant to such provision.

The words and expressions used in this Prospectus but not defined herein shall have, to the extent applicable, the same meaning ascribed to such words and expressions under the SEBI NCS Regulations, the Companies Act, 2013, the SCRA, the Depositories Act, and the rules and regulations notified thereunder.

Notwithstanding the foregoing, the terms defined as part of "Risk Factors", "Our Business" "Industry Overview", "Regulations and Policies", "Statement of Possible Tax Benefits" and "Provisions of Articles of Association" on pages 17, 143, 107, 304, 91 and 311, respectively shall have the meaning ascribed to them as part of the aforementioned sections. Terms not defined as part of "Industry Overview" and "Regulations and Policies", on pages 107 and 304, shall have the meaning ascribed to them hereunder.

General Terms

Term	Description
Company / Issuer	Motilal Oswal Financial Services Limited, a public limited company incorporated under the provisions of the Companies Act, 1956, having its Registered Office at Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai 400 025, Maharashtra, India
We / us / our	Unless the context otherwise indicates or implies, refers to our Company

Company related terms:

Term	Description
Articles / Articles of Association / AoA	Articles of association of our Company, as amended
Audit Committee	Audit committee of Board of Directors of our Company, constituted in accordance with applicable laws
Audited Consolidated Financial Statement FY 2021	The consolidated balance sheet as at March 31, 2021 and the consolidated statement of profit and loss for the year ended March 31, 2021 and the consolidated statement of cash flows for the year ended March 31, 2021 and the consolidated statement of changes in equity for the year ended March 31, 2021 of the Issuer prepared in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended
Audited Consolidated Financial Statement FY 2022	The annual consolidated balance sheet as at March 31, 2022 and the annual consolidated statement of profit and loss for the year ended 2022 and the annual consolidated statement of cash flows for the year ended 2022 and the annual consolidated statement of changes in equity for the year ended 2022 of the Issuer prepared in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended
Audited Consolidated Financial Statement FY 2023	The annual consolidated balance sheet as at March 31, 2023 and the annual consolidated statement of profit and loss for the year ended 2023 and the annual consolidated statement of cash flows for the year ended 2023 and the annual consolidated statement of changes in equity for the year ended 2023 of the Issuer prepared in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended
Audited Standalone Financial Statement FY 2021	The annual standalone balance sheet as at March 31, 2021 and the annual standalone statement of profit and loss for the year ended 2021 and the annual standalone statement of cash flows for the year ended 2021 and the annual standalone statement of changes in equity for the year ended 2021 of the Issuer prepared in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended
Audited Standalone Financial Statement FY 2022	The annual standalone balance sheet as at March 31, 2022 and the annual standalone statement of profit and loss for the year ended 2022 and the annual standalone statement of cash flows for the year ended 2022 and the annual standalone statement of changes in equity for the year ended 2022 of the Issuer prepared in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended
Audited Standalone Financial Statement FY 2023	The annual standalone balance sheet as at March 31, 2023 and the annual standalone statement of profit and loss for the year ended 2023 and the annual standalone statement of cash flows for the year ended 2023 and the annual standalone statement of changes in equity for the year ended 2023 of the Issuer

Term	Description
	prepared in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended
Annual Financial Statements	Annual Consolidated Financial Statements and Annual Standalone Financial Statements
Annual Consolidated Financial Statements	Audited Consolidated Financial Statement FY 2021, Audited Consolidated Financial Statement FY 2022 and Audited Consolidated Financial Statement FY 2023
Annual Standalone Financial Statements	Audited Standalone Financial Statement FY 2021, Audited Standalone Financial Statement FY 2022 and Audited Standalone Financial Statement FY 2023
Board / Board of Directors	Board of directors of our Company and includes any committee constituted thereof
CEO	Chief Executive Officer
CFO	Chief Financial Officer
Committee	A committee constituted by the Board, from time to time
Compliance Officer for the Issue	The company secretary and compliance officer of our Company
Corporate Social Responsibility Committee	Corporate social responsibility committee of Board of Directors of our Company constituted in accordance with applicable laws
Director(s)	Director(s) of our Company
Equity Shares	Equity shares of face value ₹1 each of our Company
ESOP V	Motilal Oswal Financial Services Limited - Employees' Stock Option Scheme-V
ESOP VI	Motilal Oswal Financial Services Limited - Employees' Stock Option Scheme-VI
ESOP-VII	Motilal Oswal Financial Services Limited - Employees' Stock Option Scheme-VII
ESOP VIII	Motilal Oswal Financial Services Limited - Employees' Stock Option Scheme-VIII
ESOP IX	Motilal Oswal Financial Services Limited - Employees' Stock Option Scheme-IX
Finance Committee	Finance committee of Board of Directors of our Company, constituted in accordance with applicable laws
Group Companies	Such companies as identified as our group companies in terms of Regulation 2(1)(r) of SEBI NCS Regulations, for the Issue, namely Boundless Media Private Limited, Motilal Oswal Foundation and Textile Exports Private Limited
HY 2024 Unaudited Consolidated Financial Results	The unaudited consolidated financial information of the Issuer as at and for the half year period ended September 30, 2023 in the manner and format required by the SEBI Listing Regulations
HY 2024 Unaudited Standalone Financial Results	The unaudited standalone financial information of the of the Issuer as at and for the half year period ended September 30, 2023 in the manner and format required by SEBI Listing Regulations
HY 2024 Unaudited Financial Results	HY 2024 Unaudited Consolidated Financial Results and HY 2024 Unaudited Standalone Financial Results
IBEMC	India Business Excellence Management Company
Independent Directors(s)	Independent director(s) of our Company, as disclosed under "*Our Management*" on page 170
Key Managerial Personnel(s) / KMP(s)	Key managerial personnel(s) of our Company as disclosed under "*Our Management*" on page 170 and appointed in accordance with provisions of the Companies Act, 2013
Material Subsidiary(ies)	Together MOHFL, MOAMC and MOFL
Memorandum / Memorandum of Association/ MoA	Memorandum of association of our Company
MO Alternate	MO Alternate Investment Advisors Private Limited (formerly known as Motilal Oswal Fincap Private Limited)
MO Alternative IFSC	MO Alternative IFSC Private Limited
MO B&D	Motilal Oswal Broking and Distribution Limited (formerly Glide Tech Investment Advisory Private Limited)
MO Commodities Broker	Motilal Oswal Commodities Broker Private Limited
MO Finsec IFSC	Motilal Oswal Finsec IFSC Limited
MO Hongkong	Motilal Oswal Capital Markets (Hongkong) Private Limited
MO Investment Advisors	Motilal Oswal Investment Advisors Limited (formerly known as Motilal Oswal Investment Advisors Private Limited) Note: *Motilal Oswal Investment Advisors Limited is deemed to be an associate of the Company as per the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended ("**Merchant Bankers Regulations**"). Further, in compliance with the provisions of Regulation 21A and explanation to Regulation 21A of the Merchant Bankers Regulations, Motilal Oswal Investment Advisors Limited would only be involved in marketing of the Issue and as per Regulation 25 (3) of SEBI NCS Regulations shall not issue a due diligence certificate
MO Mauritius	Motilal Oswal Asset Management (Mauritius) Private Limited
MO Singapore	Motilal Oswal Capital Markets (Singapore) Pte. Limited

Term	Description
MO Trustee	Motilal Oswal Trustee Company Limited
MOAMC	Motilal Oswal Asset Management Company Limited
MOCL	Motilal Oswal Capital Limited
MOFL	Motilal Oswal Finvest Limited (formerly known as Motilal Oswal Capital Markets Limited)
MOHFL	Motilal Oswal Home Finance Limited (formerly known as Aspire Home Finance Corporation Limited)
MOSIPL	Motilal Oswal Securities International Private Limited
Motilal Oswal Group	Collectively, our Company and its Subsidiaries
MOWL	Motilal Oswal Wealth Limited (formerly Motilal Oswal Wealth Management Limited)
Nomination and Remuneration Committee/ NRC	Nomination and remuneration committee of Board of Directors of our Company, constituted in accordance with applicable laws
Non-Executive Chairman	The non-executive chairman of our Board of Directors
Non-Executive Director(s)	Non-executive director(s) of our Company, as disclosed under "*Our Management*" on page 170
Previous Statutory Auditor	Previous Statutory Auditor of our Company i.e., Walker Chandiok & Co LLP, Chartered Accountants
Promoter Group	Includes such persons and entities constituting the promoter group of our Company pursuant to Regulation 2 (1) (pp) of the SEBI ICDR Regulations, 2018, as amended
Promoters	Motilal Oswal, Raamdeo Agarawal and Motilal Oswal Family Trust
Proposed Scheme of Arrangement	Our Company, Motilal Oswal Broking and Distribution Limited (in its erstwhile name Glide Tech Investment Advisory Private Limited) ("**MO B&D**") and Motilal Oswal Wealth Limited (in its erstwhile name Motilal Oswal Wealth Management Limited) ("**MOWL**") are proposing to file a scheme of arrangement under Sections 230 to 232 of the Companies Act, 2013 before the National Company Law Tribunal, subject to approval from the Stock Exchanges, SEBI and Shareholders, to (i) transfer the broking and distribution undertaking of our Company, together with its assets, liabilities, contracts, arrangements, employees, permits, licences and approvals, as a going concern on a slump sale basis to MO B&D; and (ii) demerge the wealth business undertaking of MOWL, together with its assets, liabilities, contracts, arrangements, employees, permits, licences and approvals, as a going concern into our Company. For details, see "*Proposed Scheme of Arrangement*" on page 192
Q3 2024 Unaudited Consolidated Financial Results	The unaudited consolidated financial information of the Issuer for the quarter ended and 9 (nine) months ended December 31, 2023 prepared by the Issuer in the manner and format required by the SEBI Listing Regulations
Q3 2024 Unaudited Standalone Financial Results	The unaudited standalone financial information of the of the Issuer for the quarter ended and 9 (nine) months ended December 31, 2023 prepared by the Issuer in the manner and format required by SEBI Listing Regulations
Q3 2024 Unaudited Financial Results	Q3 2024 Unaudited Consolidated Financial Results and Q3 2024 Unaudited Standalone Financial Results
Registered and Corporate Office	Registered and Corporate office of our Company located at Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai 400 025, Maharashtra, India
Registrar of Companies / RoC	Registrar of Companies, Maharashtra at Mumbai
Scheme of Arrangement 2022	Scheme of Arrangement between Passionate Investment Management Private Limited ("**Transferor Company 1**") and MOPE Investment Advisors Private Limited ("**Transferee Company 2 or the Transferor Company 3**") and Motilal Oswal Real Estate Investment Advisors Private Limited ("**Transferor Company 2**") and Motilal Oswal Real Estate Investment Advisors II Private Limited ("**Transferor Company 4**") and MO Alternate Investment Advisors Private Limited ("**Resulting Company**") and our Company and their respective Shareholders as approved by the order dated March 11, 2022 passed by the National Company Law Tribunal, Mumbai bench. Pursuant to this scheme, (i) Transferor Company 1 amalgamated with our Company; (ii) Transferor Company 2 amalgamated with Transferee Company 2; (iii) post amalgamation in (ii), demerger of the fund management undertaking of Transferee Company 2 into the Resulting Company; (iv) post demerger in (iii), amalgamation of Transferee Company 2 with our company; (v) post amalgamation in (iv), demerger of the fund management undertaking of Transferor Company 4 into the Resulting company; and (vi) post the demerger at (v), amalgamation of Transferor Company 4 with our company The appointed date was April 1, 2020
Senior Management	Senior Managerial Personnel of our Company in accordance with Regulation 2 (1)(iia) of the SEBI NCS Regulations
Shareholders	Equity Shareholders of our Company from time to time
Statutory Auditor	Singhi & Co., Chartered Accountants
Subsidiary/ Subsidiaries	The direct and indirect subsidiaries of our Company, namely (i) MOAMC; (ii) MOHFL; (iii) MO Alternate; (iv) MO Alternative IFSC; (v) MOCL; (vi) MO Trustee; (vii) MOFL; (viii) MOWL; (ix) IBEMC; (x) MO Finsec IFSC; (xi) TMITPL; (xii) MOSIPL; (xiii) MO Singapore; (xiv) MO

Term	Description
	Mauritius; (xv) MO Hongkong; (xvi) MO Investment Advisors; (xvii) MO B&D; and (xviii) MO Commodities Broker
TMITPL	TM Investment Technologies Private Limited
Unaudited Financial Results	Q3 2024 Unaudited Financial Results and HY 2024 Unaudited Financial Results

Issue related terms

Term	Description
Abridged Prospectus	A memorandum accompanying the Application Form for a Public Issue containing the salient features of this Prospectus as specified by SEBI
Acknowledgement Slip/ TRS / Transaction Registration Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application Form
Allot/ Allotment / Allotted	Unless the context otherwise requires, the issue and allotment of the NCDs pursuant to this Issue to the Allottees
Allotment Advice	The communication sent to the Allottees conveying details of NCDs allotted to the Allottees in accordance with the Basis of Allotment
Allottee(s)	The successful Applicant to whom the NCDs are Allotted, either in full or in part in terms of this Issue
Applicant / Investor / ASBA Applicant	The person who applies for issuance and Allotment of NCDs through ASBA process or through UPI Mechanism pursuant to the terms of this Prospectus, Abridged Prospectus and Application Form
Application / ASBA Application	An application (whether physical or electronic) to subscribe to the NCDs offered pursuant to the Issue by submission of a valid Application Form and authorized an SCSB to block the Application Amount in the ASBA Account or to block the Application Amount using the UPI Mechanism, where the Bid Amount or an Application Amount of up to UPI Application Limit will be blocked upon acceptance of UPI Mandate Request by retail investors which will be considered as the application for Allotment in terms of this Prospectus
Application Amount / Bid Amount	The aggregate value of the NCDs applied for, as indicated in the Application Form for the Issue
Application Form / ASBA Form	The form in terms of which the Applicant shall make an offer to subscribe to the NCDs through the ASBA process or through the UPI Mechanism and which will be considered as the Application for Allotment of NCDs and in terms of this Prospectus
ASBA / Application Supported by Blocked Amount	The Application (whether physical or electronic) to subscribe to the NCDs offered pursuant to the Issue by submission of a valid Application by authorized SCSB to block the Application Amount in the specified bank account maintained with such SCSB or to block the Application Amount using the UPI Mechanism, where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by retail investors for an Application Amount of up to UPI Application Limit which will be considered as the application for Allotment in terms of this Prospectus
ASBA Account	A bank account maintained by an ASBA Bidder with an SCSB, as specified in the ASBA Form submitted by ASBA Applicants for blocking the Bid Amount mentioned in the ASBA Form, and will include a bank account of a retail individual investor linked with UPI, for retail individual investors submitting application value up to UPI Application Limit
ASBA Applicant	Any Applicant who applies for NCDs through the ASBA process
Bankers to the Issue	Collectively Public Issue Account Bank(s), Refund Bank and Sponsor Bank
Base Issue Size	Up to ₹500 crores
Basis of Allotment	The basis on which NCDs will be allotted to applicants as described in "*Issue Procedure – Basis of Allotment*" on page 267
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Application Forms, i.e., Designated Branches of SCSB, Specified Locations for Consortium, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Broker Centres	Broker centres notified by the Stock Exchanges where Applicants can submit the ASBA Forms (including ASBA Forms under UPI in case of UPI Investors) to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the website of the Stock Exchanges at www.bseindia.com and www.nseindia.com.
Category I Investor - Institutional Investors	• Public financial institutions, scheduled commercial banks, and Indian multilateral and bilateral development financial institutions which are authorized to invest in the NCDs; • Provident funds and pension funds each with a minimum corpus of ₹ 25 crore, superannuation funds and gratuity funds, which are authorized to invest in the NCDs; • Alternative Investment Funds, subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012; • Resident Venture Capital Funds registered with SEBI; • Insurance companies registered with the IRDAI; • State industrial development corporations;

Term	Description
	• Insurance funds set up and managed by the army, navy, or air force of the Union of India; • Insurance funds set up and managed by the Department of Posts, the Union of India; • Systemically Important Non-Banking Financial Company • National Investment Fund set up by resolution no. F.No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; and • Mutual funds registered with SEBI
Category II Investor - Non-Institutional Investors	• Companies within the meaning of Section 2(20) of the Companies Act, 2013; • Statutory bodies/ corporations and societies registered under the applicable laws in India and authorized to invest in the NCDs; • Co-operative banks and regional rural banks; • Trusts including public/private charitable/religious trusts which are authorized to invest in the NCDs; • Scientific and/or industrial research organisations, which are authorized to invest in the NCDs; • Partnership firms in the name of the partners; • Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009); • Educational institutions and associations of persons and/or bodies established pursuant to or registered under any central or state statutory enactment: which are authorised to invest in the NCDs; and • Any other incorporated and/ or unincorporated body of persons.
Category III Investor – High Net-Worth Individual Investors	Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating to above ₹ 10,00,000 across all options of NCDs in this Issue
Category IV Investor – Retail Individual Investors	Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating up to and including ₹10,00,000 across all options of NCDs in this Issue and shall include retail individual investors, who have submitted bid for an amount not more than UPI Application Limit in any of the bidding options in the Issue (including Hindu Undivided Families applying through their Karta and does not include NRIs) through UPI Mechanism
Client ID	Client identification number maintained with one of the Depositories in relation to the demat account
Collecting Depository Participants / CDPs	A depository participant, as defined under the Depositories Act, 1996 and registered with the SEBI Act and who is eligible to procure Applications at the Designated CDP Locations in terms of the SEBI Master Circular
Collecting Registrar and Share Transfer Agents or CRTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications, at the Designated RTA Locations
Consortium / Members of the Consortium / Members of Syndicate (each individually, a Member of the Consortium)	The Lead Managers and the Consortium Members
Consortium Agreement	Consortium Agreement dated April 8, 2024 entered between the Company, Lead Managers and Consortium Members to the Issue
Consortium Members	Trust Financial Consultancy Services Private Limited, Trust Securities Services Private Limited, and Nuvama Wealth and Investment Limited (*formerly known as Edelweiss Broking Limited*)
Coupon/ Interest Rate	The aggregate rate of interest payable in connection with the NCDs as specified in this Prospectus. For further details, see "*Issue Structure*" on page 217
Credit Rating Agencies	CRISIL and India Ratings
CRISIL	CRISIL Ratings Limited
CRISIL Limited	CRISIL Limited – CRISIL Market Intelligence & Analytics
CRISIL Report	Report titled 'Analysis of broking and wealth management industry in India' released in India in February 2024 by CRISIL Limited
Debenture Holder(s) / NCD Holder(s)	The holders of the Secured NCDs whose name appears in the database of the relevant Depository and/or the register of NCD Holders (if any) maintained by our Company if required under applicable law
Debenture Trust Deed	The trust deed to be entered between the Debenture Trustee and our Company which shall be executed in relation to the NCDs within the time limit prescribed by applicable statutory and/or regulatory requirements, including creation of appropriate security, in favour of the Debenture Trustee for the NCD Holders on the assets adequate to ensure at least 120% security cover for the outstanding amount of NCDs and the interest due thereon issued pursuant to the Issue. The contents of the Debenture Trust Deed shall be as prescribed by SEBI or any other applicable statutory/regulatory body from time to time
Debenture Trustee / Trustee	Trustee for the NCD holders in this case being Beacon Trusteeship Limited
Debenture Trustee Agreement	Agreement dated March 26, 2024 entered into between our Company and the Debenture Trustee

Term	Description
Deemed Date of Allotment	The date on which the Board of Directors or the Finance Committee authorised by the Board approves the Allotment of the NCDs for the Issue or such date as may be determined by the Board of Directors/ or the Finance Committee authorised by the Board thereof and notified to the Designated Stock Exchange. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs shall be available to the Debenture Holders from the Deemed Date of Allotment
Demographic Details	The demographic details of an Applicant such as his address, email, bank account details, MICR Code and UPI ID, category, PAN etc.
Depository(ies)	National Securities Depository Limited and /or Central Depository Services (India) Limited
Designated Branches	Such branches of the SCSBs which shall collect the Application Forms used by the ASBA Applicants and a list of which is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other weblink as may be prescribed by SEBI from time to time
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the ASBA Forms, a list of which, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com
Designated Date	The date on which the Registrar to the Issue issues instruction to SCSBs for transfer of funds from the ASBA Account to the Public Issue Account(s) or to the Refund Account, as appropriate, in terms of this Prospectus and the Public Issue Account and Sponsor Bank Agreement
Designated Intermediaries	Collectively, members of the Consortium, Sub-Consortium/agents, Trading Members, SCSBs, Registered Brokers, CDPs and RTAs, who are authorised to collect Application Forms from the Applicants in the Issue In relation to ASBA applicants authorising an SCSB to block the amount in the ASBA Account, Designated Intermediaries shall mean SCSBs In relation to ASBA applicants submitted by Retail Individual Investors where the amount was blocked upon acceptance of UPI Mandate Request using the UPI Mechanism, Designated Intermediaries shall mean the CDPs, RTAs, Lead Managers, Members of the Consortium, Trading Members and Stock Exchanges where applications have been submitted through the app/web interface as provided in the SEBI Master Circular
Designated RTA Locations	Such centres of the CRTAs where Applicants can submit the Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the RTAs eligible to accept ASBA Forms and Application Forms submitted using the UPI Mechanism as a payment option (for a maximum amount of UPI Application Limit) are available on the respective websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com and updated from time to time
Designated Stock Exchange	The designated stock exchange for the Issue, being BSE
Direct Online Application Mechanism	An online interface enabling direct applications through UPI by an app based/web interface, by investors to a public issue of debt securities with an online payment facility
DP / Depository Participant	A depository participant as defined under the Depositories Act
Draft Prospectus	The draft prospectus dated March 26, 2024, filed with the Stock Exchanges for receiving public comments and with SEBI in accordance with the provisions of the Companies Act, 2013 and the SEBI NCS Regulations 2021, as amended
Final Settlement Date / Maturity Date	The date on which all secured obligations (including all present and future obligations (whether actual or contingent and whether owed jointly or severally or in any capacity whatsoever) of the Company to the holders of the debentures or the debenture trustee under the Transaction Documents in respect of the debentures, including without limitation, the making of payment of any coupon, interest, redemption of principal amounts, the default interest, additional interest, liquidated damages, indemnity payments and all costs, charges, expenses and other amounts payable by the company in respect of the debentures) have been irrevocably and unconditionally paid and discharged in full to the satisfaction of the holders of the debentures
India Ratings	India Ratings and Research Private Limited
Issue	Public issue by our Company of secured, rated, listed, redeemable, non-convertible debentures of face value of ₹ 1,000 each, for an amount aggregating up to ₹500 crores ("**Base Issue Price**") with an option to retain oversubscription up to ₹500 crores ("**Green Shoe Option**") aggregating up to 1,00,00,000 NCDs for an amount up to ₹1,000 crores ("**Issue Size"** or "**Issue Limit**") pursuant to this Prospectus. The Issue is being made pursuant to the provisions of SEBI NCS Regulations, the Companies Act, 2013 and rules made thereunder as amended to the extent notified and the SEBI Master Circular
Issue Agreement	Agreement dated March 26, 2024 entered into by our Company and the Lead Managers
Issue Closing Date	May 7, 2024
Issue Opening Date	April 23, 2024
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days, during which prospective Applicants can submit their Application Forms
Lead Managers	Collectively, Trust Investment, MO Investment Advisors*, and Nuvama

Term	Description
	*Motilal Oswal Investment Advisors Limited is deemed to be an associate of the Company as per the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended ("**Merchant Bankers Regulations**"). Further, in compliance with the provisions of Regulation 21A and explanation to Regulation 21A of the Merchant Bankers Regulations, Motilal Oswal Investment Advisors Limited would only be involved in marketing of the Issue and as per Regulation 25 (3) of SEBI NCS Regulations shall not issue a due diligence certificate
Listing Agreement	The uniform listing agreement entered into between our Company and the Stock Exchanges in connection with the listing of debt securities of our Company
Market Lot	One (1) NCD
Minimum Security Cover	Minimum security cover of at least 1.20 times (1.20x) of the outstanding principal amounts of the NCDs and all interest due and payable thereon to be maintained at all times until the Maturity Date
NCD Holders/ Debenture Holder	Any debenture holder who holds the NCDs issued pursuant to this Issue and whose name appears on the beneficial owners list provided by the Depositories
NCDs / Debentures	Secured, rated, listed, redeemable, non-convertible debentures of face value of ₹ 1,000 each, aggregating up to ₹1,000 crores offered through this Prospectus
Nuvama	Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited)
OCB or Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% (sixty percent) by NRIs including overseas trusts, in which not less than 60% (sixty percent) of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under the FEMA. OCBs are not permitted to invest in the Issue
Offer Document	The Draft Prospectus, this Prospectus, the Abridged Prospectus, the Application Form and supplemental information, if any, read with any notices, corrigenda and addenda thereto
Option(s)/ Series	An option of NCDs which are identical in all respects including, but not limited to terms and conditions, listing and ISIN and as further stated to be an individual option in this Prospectus. Collectively, the options of NCDs being offered to the Applicants as stated in this Prospectus
Prospectus	This Prospectus dated April 9, 2024 filed with the RoC and submitted with SEBI, BSE and NSE in accordance with the provisions of the Companies Act, 2013 and the SEBI NCS Regulations
Public Issue Account	Account(s) to be opened with the Banker(s) to the Issue to receive monies from the ASBA Accounts maintained with the SCSBs (including under the UPI mechanism) on the Designated Date
Public Issue Account and Sponsor Bank Agreement	Agreement dated April 8, 2024 entered into amongst our Company, the Registrar to the Issue, the Public Issue Account Bank, the Refund Bank and Sponsor Bank, and the Lead Managers for the appointment of the Public Issue Bank, Refund Bank and Sponsor Bank in accordance with the SEBI Master Circular and for collection of the Application Amounts from ASBA Accounts under the UPI mechanism from the Applicants on the terms and conditions thereof and where applicable, refund of the amounts collected from the applicants
Public Issue Account Bank, Refund Bank and Sponsor Bank	ICICI Bank Limited and HDFC Bank Limited
Receivables	All present and future receivables of the Company including receivables from to capital market business meeting the below eligibility criteria: (a) the receivables on which charge is created for securing the NCDs, are free from encumbrances with no regulatory restriction for creating a charge on such assets and necessary permissions or consent to create a pari passu charge on such assets of the Issuer, required if any has been/will be obtained from the existing charge holders; (b) the receivables shall be Standard Asset (Not Overdue by more than 90 days) as on the reporting date at all times and should not have been restructured and/or rescheduled; and (c) the value of the receivables as reflected in the books of accounts of the Company shall be considered for asset cover calculations
Record Date	15 (fifteen) Days prior to the interest payment date, and/or Redemption Date for NCDs issued under this Prospectus. In case of redemption of NCDs, the trading in the NCDs shall remain suspended between the Record Date and the date of redemption. In case the Record Date falls on a day when the Stock Exchanges are having a trading holiday, the immediate subsequent trading day or a date notified by our Company to the Stock Exchanges, will be deemed as the Record Date
Recovery Expense Fund	Our Company has created a recovery expense fund in the manner as specified by SEBI Master Circular for Debenture Trustees and Regulation 11 of the SEBI NCS Regulations with the Designated Stock Exchange. The recovery expense fund may be utilised by Debenture Trustee, in the event of default by our Company under the terms of the Debenture Trust Deed, for taking appropriate legal action to enforce the security
Redemption Amount	The principal amount of the NCDs along with interest accrued on them, if any, as specified in this Prospectus
Redemption Date	The date on which our Company is liable to redeem the NCDs in full as specified in this Prospectus
Refund Account(s)	The account(s) to be opened by our Company with the Refund Bank(s), from which refunds of the whole or part of the Application Amounts (excluding for the successful ASBA Applicants), if any, shall be made
Register of NCD holder	A register of debenture holders maintained by our Company in accordance with the provisions of the Companies Act, 2013

Term	Description
Registered Brokers or Brokers	Stock brokers registered with SEBI under the SEBI Stock Broker Regulations, and the stock exchanges having nationwide terminals, other than the Consortium and eligible to procure Applications from Applicants
Registrar Agreement	Agreement dated March 26, 2024 entered into between our Company and the Registrar to the Issue, in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue
Registrar to the Issue	Link Intime India Private Limited
SCSBs / Self Certified Syndicate Banks	The banks registered with SEBI, offering services in relation to ASBA and UPI, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes for ASBA and https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 for UPI, updated from time to time and at such other websites as may be prescribed by SEBI from time to time
Secured borrowings	Debt securities and Borrowings (other than debt securities) secured by way of specific/pari-passu charge on loan assets. This also includes liabilities against securitised assets
Security	The principal amount of the NCDs to be issued in terms of this Prospectus together with all interest due and payable on the NCDs, thereof shall be secured by a first ranking pari passu charge by way of hypothecation on all present and future Receivables of the Company (except those specifically and exclusively charged in favour of existing charge holders as specifically set out, and fully described in the Debenture Trust Deed) such that a minimum security cover of at least 1.20 times (1.20x) of the outstanding principal amounts of the NCDs and all interest due and payable thereon is maintained at all times until the Maturity Date
Security Documents	The Deed of Hypothecation, powers of attorney and all such documents as may be required for creating and perfecting the Security interest as may be required to be created in terms of the Transaction Documents, in favour of the Debenture Trustee for the benefit of the NCD Holders and for enforcement of such Security
Specified Locations	Centers where the member of the Consortium shall accept ASBA Forms from Applicants a list of which is available on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time, and at such other websites as may be prescribed by SEBI from time to time
Stock Exchanges	BSE and NSE
Syndicate SCSB Branches	In relation to ASBA Applications submitted to a member of the Syndicate, such branches of the SCSBs at the Syndicate ASBA Centres named by the SCSBs to receive deposits of the Application Forms from the members of the Syndicate, and a list of which is available on http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time
Tenor	Tenor shall mean the tenor of the NCDs as specified in this Prospectus
Trading Members	Intermediaries registered with a broker or a sub-broker under the SEBI Stock Broker Regulations and/or with the Stock Exchanges under the applicable byelaws, rules, regulations, guidelines, circulars issued by Stock Exchanges from time to time and duly registered with the Stock Exchanges for collection and electronic upload of Application Forms on the electronic application platform provided by Stock Exchanges
Transaction Documents/ Offer Documents	Shall mean Draft Prospectus, Prospectus read with any notices, corrigenda, addenda thereto, Abridged Prospectus, the Issue Agreement, Registrar Agreement, Consortium Agreement, Debenture Trustee Agreement, Public Issue Account and Sponsor Bank Agreement, Tripartite Agreements, Application Form, the Debenture Trust Deed and Security Documents to be executed between our Company and the Debenture Trustee. For further details see, "*Material Contracts and Documents for Inspection*" on page 332
Tripartite Agreements	Tripartite Agreement dated July 6, 2007 entered into between our Company, Registrar to the Issue and NSDL and Tripartite Agreement dated June 11, 2007 entered into between our Company, Registrar to the Issue and CDSL
Trust Investment / Trust	Trust Investment Advisors Private Limited
UPI Application Limit	Maximum limit to utilize the UPI mechanism to block the funds for application value up to ₹500,000 for issues of debt securities pursuant to SEBI Master Circular or any other investment limit, as applicable and prescribed by SEBI from time to time
UPI ID	Identification created on the UPI for single-window mobile payment system developed by the National Payments Corporation of India
UPI Mandate Request / Mandate Request	A request initiated by the Sponsor Bank on the retail individual investor to authorize blocking of funds in the relevant ASBA Account through the UPI mobile app/web interface (using UPI Mechanism) equivalent to the bid amount (not exceeding UPI Application Limit) and subsequent debit of funds in case of allotment
UPI Mechanism / UPI	Unified Payments Interface mechanism in accordance with SEBI Master Circular as amended from time to time, to block funds for application value up to UPI Application Limit submitted through intermediaries
Wilful Defaulter	Includes wilful defaulters as defined under Regulation 2(1)(lll) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 which includes a Person or a company categorized as a wilful defaulter by any bank or financial institution (as defined under the

Term	Description
	Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI and includes a company whose director or promoter is categorized as a wilful defaulter
Working Day	Working day means all days on which commercial banks in Mumbai, are open for business. In respect of announcement or bid/issue period, working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. Further, in respect of the time period between the bid/ issue closing date and the listing of the NCDs on the Stock Exchanges, working day shall mean all trading days of the Stock Exchanges for NCD, excluding Saturdays, Sundays and bank holidays, as specified by SEBI

Technical/Industry Related Terms/Abbreviations

ADTO	Average daily turnover
ARPU(s)	Average revenue per user
AUM	Assets under management
BFSI	Banking, financial services and insurance
Borrowings	Includes debt securities and borrowings other than debt securities and subordinated liabilities
Business Associates	Our franchisee registered with SEBI
Business Locations	A single premise in which we and/or our Business Associates operate one or more of our business activities
DRA	Digital referral associate
ESG	Environmental, social, and governance
PAT	Profit after tax
RoA	Return on assets
XIRR	Extended internal rate of return
YoY	Year on year

Conventional and general terms

Term	Description
₹/ Rs. / INR/ Rupees	The lawful currency of the Republic of India
AGM	Annual general meeting
AIF	An alternative investment fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 as amended from time to time
AMFI	Association of Mutual Funds in India
AMFI Guidelines	Association of Mutual Funds in India Guidelines
AS	Accounting standard
AY	Assessment year
BSE	BSE Limited
CAGR	Compounded annual growth rate
CARE	CARE Ratings Limited
CDSL	Central Depository Services (India) Limited
CERSAI	Central Registry of Securitisation Asset Reconstruction and Security Interest
Companies Act	The Companies Act, 1956, or the Companies Act, 2013, as applicable
Companies Act, 2013	Companies Act, 2013, and rules made thereunder
Consumer Protection Act	Consumer Protection Act, 1986
COO	Chief Operating Officer
COVID-19	Pandemic caused due to the worldwide spread of the novel coronavirus disease
CrPc	Code of Criminal Procedure, 1973
CSR	Corporate social responsibility
Depositories Act	The Depositories Act, 1996
DRR	Debenture redemption reserve
ECGC	Export Credit Guarantee Corporation
EGM	Extraordinary general meeting
EPS	Earnings per share
FEMA	Foreign Exchange Management Act, 1999
Fiscal / Financial Year / FY	Financial year ending March 31
GDP	Gross domestic product
GoI	Government of India

Term	Description
HNI(s)	High net worth individuals
HUF	Hindu undivided family
IBC	Insolvency and Bankruptcy Code, 2016
IFRS	International financial reporting standards
IFSC	Indian financial system code
Ind AS	Indian Accounting Standards
Indian GAAP	Generally accepted accounting principles in India
IRDAI	Insurance Regulatory and Development Authority of India
ISIN	International securities identification number
IST	Indian standard time
IT	Information technology
IT Act	Income Tax Act, 1961
ITAT	Income Tax Appellate Tribunal
KYC	Know your customer
MCA	Ministry of Corporate Affairs, Government of India
MCX	Multi Commodity Exchange of India Limited
MICR	Magnetic ink character recognition
NACH	National automated clearing house
NCDEX	National Commodity & Derivatives Exchange Limited
NCDEX	National Commodity and Derivatives Exchange Limited
NEFT	National electronic funds transfer
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
PAN	Permanent account number
PMS	Portfolio management services
RBI	Reserve Bank of India
RERA	Real Estate Regulatory Authority
RTAs	Registrar and share transfer agents
RTGS	Real time gross settlement
SARFAESI Act	Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act 2002
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI Debenture Trustee Regulations	Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993
SEBI Depositories and Participants Regulations	Securities and Exchange Board of India (Depositories and Participants) Regulation, 2018
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI Intermediaries Circular on Conflicts	General Guidelines for dealing with Conflicts of Interest of Intermediaries, Recognised Stock Exchanges, Recognised Clearing Corporations, Depositories and their Associated Persons in Securities Market dated August 27, 2013, as amended
SEBI Intermediaries Regulations	Securities and Exchange Board of India (Intermediaries) Regulations, 2008, as amended
SEBI Investment Advisers Regulations	Securities and Exchange Board of India Investment Advisers Regulations, 2013, as amended
SEBI LODR Regulations/ SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Master Circular	Master Circular no. SEBI/HO/DDHS/PoD1/P/CIR/2023/119 dated August 10, 2021 issued by SEBI and as updated on July 7, 2023, as amended

Term	Description
SEBI Master Circular for Debenture Trustees	Circular no. SEBI/HO/DDHS-PoD1/P/CIR/2023/109 dated March 31, 2023 issued by SEBI and updated as on July 6, 2023, as amended
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended
SEBI Mutual Funds Regulations	SEBI (Mutual Funds) Regulations, 1996, as amended
SEBI NCS Regulations/ Debt Regulations	Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended
SEBI Portfolio Managers Regulations	Securities and Exchange Board of India Portfolio Managers Regulations, 2020, as amended
SEBI Research Analysts Regulations	SEBI (Research Analysts) Regulations, 2014, as amended
SEBI Stock Broker Regulations	Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Regulations, 1992, as amended
TDS	Tax deducted at source
USD/ U.S. Dollar	United States Dollars

FORWARD-LOOKING STATEMENTS

Certain statements in this Prospectus that are not statements of historical fact constitute "forward-looking statements". Investors can generally identify forward-looking statements by terminology such as *"aim", "anticipate", "believe", "continue", "could", "estimate", "expect", "intend", "may", "objective", "plan", "potential", "project", "pursue", "shall", "seek", "should", "will", "would",* or other words or phrases of similar import. Similarly, statements that describe strategies, objectives, plans or goals are also forward-looking statements.

All statements regarding expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to business strategy, revenue and profitability, new business and other matters discussed in this Prospectus that are not historical facts. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results, including financial conditions and results of operations to differ from expectations include, but are not limited to, the following:

1. We are subject to extensive statutory and regulatory requirements and supervision and operate in a highly regulated environment, which is subject to change, and existing and new laws, regulations and government policies affecting the sectors in which we operate could adversely affect our business, financial condition and results of operations.

2. Our Company and our Material Subsidiaries are subject to periodic inspections by various statutory and regulatory authorities. Non-compliance with the observations made during any such inspections could lead to penalties, adverse actions or issue of warning letters which may adversely impact our reputation, financial condition and results of operations.

3. The operation of our businesses is highly dependent on information technology and we are subject to risks arising from any failure of, or inadequacies in, our IT systems.

4. We rely on our broking, lending and related services business for a substantial share of our revenue and profitability. Any reduction in our brokerage fee and interest rate could have material adverse effect on our business, financial condition, cash flows, results of operations and prospectus.

5. Our Company proposes to file a Scheme of Arrangement before the Hon'ble National Company Law Tribunal, Mumbai Bench ("**NCLT**"), which may have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.

6. There are operational risks associated with the financial services industry which, if realised, may have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.

7. We may fail to detect money laundering and other illegal or improper activities in our business operations on a timely basis, which may have an adverse effect on our reputation, business operations, financial condition and results of operation.

8. We face significant competition in our businesses, which may limit our growth and prospects.

9. We may not be able to sustain our growth or expand our client and Business Associates' base.

10. Our Statutory Auditor have highlighted certain emphasis of matters to their audit reports relating to our audited standalone financial statements, which may affect our future financial results.

11. Performance of the financial and capital markets in India and globally, which may have an adverse impact on our results of operation and prospects.

For further discussion of factors that could cause our actual results to differ, see "*Risk Factors*" on page 17.

All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results and valuations to differ materially from those contemplated by the relevant statement. Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under the "*Industry Overview*", "*Our Business*" and *"Outstanding Litigations and Defaults"* on pages 107, 143 and 274, respectively.

The forward-looking statements contained in this Prospectus are based on the beliefs of our management, as well as the assumptions made by and information currently available to our management. Although our Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, it cannot assure investors that such expectations will prove to be correct or will hold good at all times. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialise, or if any of our Company's underlying assumptions prove to be incorrect, our actual results of operations or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to us are expressly qualified in their entirety by reference to these cautionary statements.

By their nature, certain market risk disclosures are only estimate(s) and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Neither our Company, our Directors, KMPs, Senior Management and officers, nor any of our respective affiliates or the Lead Managers have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI NCS Regulations, as amended, our Company and the Lead Managers will ensure that investors are informed of material developments between the date of filing this Prospectus with the RoC and the date of receipt of listing and trading permission being obtained from the Stock Exchanges for the NCDs.

CERTAIN CONVENTIONS, USE OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY PRESENTATION

General

In this Prospectus, unless the context otherwise requires, to *"you", "offeree", "purchaser", "subscriber", "recipient", "investors"* and *"potential investor"* are to the prospective investors in this Issue, references to *"we" or "us"* refer to Motilal Oswal Financial Services Limited along with our Subsidiaries and references to *"our", "the Company", "our Company" or "Issuer"* refer to Motilal Oswal Financial Services Limited.

In this Prospectus, references to *"Rupees", "₹", "Rs.", "INR"* are to the legal currency of India and references to *"USD", "US$"* are to the legal currency of the United States. All references herein to the *"U.S."* or the *"United States"* are to the United States of America and its territories and possessions and all references to *"India"* are to the Republic of India and its territories and possessions, and the *"Government",* the *"Central Government"* or the *"State Government"* are to the Government of India, central or state, as applicable.

Certain figures contained in this Prospectus, including financial information, have been subject to rounding adjustments. Unless set out otherwise, all figures in decimals, including percentage figures, have been rounded off to two decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Further, any figures sourced from third party industry sources may be rounded off to other than two decimal points to conform to their respective sources. India has decided to adopt the "Convergence of its existing standards with IFRS with some difference" referred to as the "Indian Accounting Standards" or "Ind AS". In terms of a notification released by the MCA, our Company is required to prepare its financial statements in accordance with Ind AS for accounting periods beginning on April 1, 2019.

In this Prospectus, any discrepancy in any table between total and the sum of the amounts listed are due to rounding off. Except otherwise specified, our Company has presented numerical information in this Prospectus in units of "crores". One crore represents 1,00,00,000, one million represents 1,000,000 and one billion represents 1,000,000,000. While the Financial Statements have denomination in lakhs, for the purpose of consistency the amounts in this Prospectus have been disclosed in rupees crores.

Unless otherwise stated, references in this Prospectus to a particular year are to the calendar year ended on December 31.

Unless stated otherwise all references to time in this Prospectus are to Indian standard time.

Presentation of Financial Information

The financial year of our Company commences on April 1 and ends on March 31 of the next year, so all references to particular "financial year", "fiscal year" and "fiscal" or "FY", unless stated otherwise, are to the 12 months period ended on March 31 of that year.

The Annual Financial Statements in this Prospectus consist of Annual Standalone Financial Statements and Annual Consolidated Financial Statements, and have been prepared in accordance with Ind AS, as applicable, applicable standards and guidance notes specified by the ICAI, applicable accounting standards prescribed by the ICAI, Companies Act, as applicable and other applicable statutory and/or regulatory requirements. The basis of presentation of the Annual Financial Statements is as follows:

- The Audited Standalone Financial Statement FY 2021 and Audited Consolidated Financial Statement FY 2021, have been prepared in accordance with the Ind AS specified under Section 133 of the Companies Act, 2013, the Companies (Indian Accounting Standards) Rules, 2015, each as amended from time to time, and other applicable provisions of the Companies Act, 2013 and have been audited by Previous Statutory Auditor and approved by the Board of Directors of our Company on April 29, 2021.

  Further, the NCLT order dated March 11, 2022 for the approval of Scheme of Arrangement came into effect after the Previous Statutory Auditor issued the audit reports dated April 29, 2021. The audited numbers as at and for the year ended March 31, 2021 as audited by the Previous Statutory Auditor does not contain the impact of the said order as the same came into effect after the Previous Statutory Auditor issued their audit reports dated April 29, 2021 and the said financial statements were approved by the shareholders in their Annual General meeting dated August 9, 2021.

- The Audited Standalone Financial Statement FY 2022 and Audited Consolidated Financial Statement FY 2022, have been prepared in accordance with the Ind AS specified under Section 133 of the Companies Act, 2013, the Companies (Indian Accounting Standards) Rules, 2015, each as amended from time to time, and other applicable provisions of the Companies Act, 2013 and have been audited by the Statutory Auditor and approved by the Board of Directors of our Company on April 28, 2022. The Audited Standalone Financial Statement FY 2022 and Audited Consolidated Financial Statement FY 2022 includes the restated comparative financial statements as at and for the year ended March 31, 2021, to give impact of the Scheme of Arrangement 2022 approved by the National Company Law Tribunal, Mumbai bench pursuant to order dated March 11, 2022. The restatement is based on the audited accounts of Passionate

Investment Management Private Limited, Motilal Oswal Real Estate Investment Advisors Private Limited and Motilal Oswal Real Estate Investment Advisors II Private Limited, which were audited by their respective statutory auditors during that period. Accordingly, the restated figures are neither audited nor reviewed by the Statutory Auditors and the Statutory Auditor do not express any opinion, on the restated figures of Financial Year 2021 as reported in the Audited Standalone Financial Statement FY 2022 and Audited Consolidated Financial Statement FY 2022.

- The Audited Standalone Financial Statement FY 2023 and Audited Consolidated Financial Statement FY 2023, have been prepared in accordance with the Ind AS specified under Section 133 of the Companies Act, 2013, the Companies (Indian Accounting Standards) Rules, 2015, each as amended from time to time, and other applicable provisions of the Companies Act, 2013 and have been audited by the Statutory Auditor and approved by the Board of Directors of our Company on April 27, 2023.

Q3 2024 Unaudited Financial Results for the quarter and nine months ended December 31, 2023 and the HY 2024 Unaudited Financial Results for the quarter and six months ended September 30, 2023 have been prepared in accordance with recognition and measurement principles laid down in Ind AS 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued there-under and other accounting principles generally accepted in India and Regulation 52 of the SEBI Listing Regulations. The Unaudited Financial Results are not indicative of full year results and are not comparable with annual financial information.

The Annual Financial Statements and the related audit reports, as issued by the Statutory Auditor and Previous Statutory Auditor, as the case maybe, and the Unaudited Financial Results along with limited review report, as issued by the Statutory Auditor of our Company, are included in this Prospectus in "*Financial Information*" on page 193.

Unless stated otherwise and unless the context requires otherwise, the financial data used in this Prospectus is on a consolidated basis.

Currency and Units of Presentation

All references to:

- "Rupees" or "₹" or "INR" or "Rs." are to Indian Rupee, the official currency of the Republic of India;
- "USD" or "US$" or "$" are to United States Dollar, the official currency of the United States of America.

Unless stated otherwise, our Company has presented all numerical information in this Prospectus in "crore" units or in whole numbers where the numbers have been too small to represent in crores. One crore represents 1,00,00,000, one million represents 1,000,000 and one billion represents 1,000,000,000.

Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance have been included in this Prospectus. We compute and disclose such non-GAAP financial measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance. These non-GAAP financial measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies.

Exchange Rates

This Prospectus contains conversion of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI NCS Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Rupee and USD (in Rupees per USD):

Currency	As at				
	March 31, 2024	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
1 USD	83.37	83.06	82.22	75.81	73.50
1 USD	73.30	75.59	82.16	83.18	83.34

Source: RBI reference rate, www.fbil.org.in and www.fxds-hcc.oanda.com

In case any date of any of the respective years/ period is a public holiday, the previous working day not being a public holiday has been considered.

Industry and Market Data

Unless stated otherwise, industry and market data used throughout this Prospectus has been obtained from various industry publications and sources, including (a) the report titled *'Analysis of broking and wealth management industry in India' released*

in India in February 2024 by CRISIL Limited (the **"Crisil Report"),** which has been paid for and commissioned by our Company for an agreed fee. CRISIL Limited has been commissioned by our Company for the purposes of confirming our understanding of the industry in which the Company operates, in connection with the Issue.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but accuracy, completeness and underlying assumptions of such third-party sources are not guaranteed. Although the industry and market data used in this Prospectus is reliable, the data used in these sources may have been re-classified by us for the purposes of presentation however, no material data in connection with the Issue has been omitted. Data from these sources may also not be comparable.

The extent to which the market and industry data used in this Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors*", on page 17. Accordingly, investment decisions should not be based solely on such information.

Disclaimer of CRISIL Limited

This Prospectus contains data and statistics from the CRISIL Report, which is subject to the following disclaimer:

"CRISIL Market Intelligence and Analytics (MI&A), a division of CRISIL Limited ("CRISIL") has taken due care and caution in preparing this report ("Report") based on the Information obtained by CRISIL from sources which it considers reliable ("Data"). This Report is not a recommendation to invest / disinvest in any entity covered in the Report and no part of this Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. Without limiting the generality of the foregoing, nothing in the Report is to be construed as CRISIL providing or intending to provide any services in jurisdictions where CRISIL does not have the necessary permission and/or registration to carry out its business activities in this regard. Motilal Oswal Financial Services Limited will be responsible for ensuring compliances and consequences of non-compliances for use of the Report or part thereof outside India. CRISIL MI&A operates independently of and does not have access to information obtained by CRISIL Ratings Limited which may, in their regular operations, obtain information of a confidential nature. The views expressed in this Report are that of CRISIL MI&A and not of CRISIL Ratings Limited. No part of this Report may be published/reproduced in any form without CRISIL's prior written approval."

Given that we have compiled, extracted and reproduced data from external sources, we accept responsibility for accurately reproducing such data. However, neither we nor the Lead Managers have independently verified this data and neither we nor the Lead Managers make any representation regarding the accuracy of such data.

General Risk

INVESTMENT IN NCDS IS RISKY, AND INVESTORS SHOULD NOT INVEST ANY FUNDS IN NCDS UNLESS THEY CAN AFFORD TO TAKE THE RISK ATTACHED TO SUCH INVESTMENTS. INVESTORS ARE ADVISED TO TAKE AN INFORMED DECISION AND TO READ THE RISK FACTORS CAREFULLY BEFORE INVESTING IN THIS OFFERING. FOR TAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR EXAMINATION OF THE ISSUE INCLUDING THE RISKS INVOLVED IN IT.

SPECIFIC ATTENTION OF INVESTORS IS INVITED TO STATEMENT OF RISK FACTORS CONTAINED UNDER SECTION "*RISK FACTORS*" ON PAGE 17. THESE RISKS ARE NOT, AND ARE NOT INTENDED TO BE, A COMPLETE LIST OF ALL RISKS AND CONSIDERATIONS RELEVANT TO THE NCDS OR INVESTOR'S DECISION TO PURCHASE SUCH SECURITIES.

SECTION II: RISK FACTORS

An investment in this type of security involves a certain degree of risk. Prospective investors should carefully consider the risks and uncertainties described below, in addition to the other information contained in this Prospectus including the section titled "Our Business" on page 143 and "Annexure A: Financial Information" on page 335, before making any investment decision relating to the NCDs. If any of the following risks or other risks that are not currently known or are now deemed immaterial, actually occur, our business, financial condition and results of operation could suffer, the trading price of the NCDs could decline and you may lose all or part of your interest and/or redemption amounts. The risks and uncertainties described in this section are not the only risks that we currently face. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations and financial condition.

The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risks that may arise in connection with our business or any decision to purchase, own or dispose of the NCDs. The market prices of the NCDs could decline due to such risks and you may lose all or part of your investment. More than one risk factor may have simultaneous affect with regard to the NCDs such that the effect of a particular risk factor may not be predictable. In addition, more than one risk factor may have a compounding effect which may not be predictable. No prediction can be made as to the effect that any combination of risk factors may have on the value of the NCDs and/or the Company's ability to meet its obligations in respect of the NCDs. Unless otherwise stated or unless the context requires otherwise in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated or unless context requires otherwise, the financial information used in this section is derived from and should be read in conjunction with the Financial Information as included in this Prospectus. For details, see "Certain Conventions, Use of Financial, Industry and Market Data and Currency Presentation" on page 14.

This Prospectus contains forward looking statements that involve risk and uncertainties. Our Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of several factors, including the considerations described below and elsewhere in this Prospectus.

In this section, unless the context otherwise requires, references to "we" or "us" refer to Motilal Oswal Financial Services Limited along with our Subsidiaries and references to "our", "the Company" or "our Company" refer to Motilal Oswal Financial Services Limited.

INTERNAL RISKS

1. We are subject to extensive statutory and regulatory requirements and supervision and operate in a highly regulated environment, which is subject to change, and existing and new laws, regulations and government policies affecting the sectors in which we operate could adversely affect our business, financial condition and results of operations.

We believe that significant regulatory changes in our industry are likely to continue, which is likely to subject industry participants to additional and generally more stringent regulations. The requirements imposed by our regulators are designed to ensure the integrity of the financial markets and to protect investors and other third parties who deal with us and may not always coincide with the interests of our shareholders. Consequently, these regulations may serve to limit our activities and/or increase our costs, including through investor protection, compliance management and market conduct requirements. We may also be adversely affected by changes in the interpretation or enforcement of existing laws and rules by various governmental authorities and self-regulatory organizations.

Our Company is registered with SEBI under the Stock Brokers and Sub Brokers Regulations, 1992 and is a member of BSE, NSE, MCX and NCDEX. Our Company is also registered with CDSL and NSDL in the capacity of depository participant and with SEBI in capacity of a research analyst. Further, we are also registered with other regulatory agencies including, *inter alia* IRDAI, Association of Mutual Funds in India, RERA, CERSAI, KYC Registration Agencies and NSDL Database Management Limited. For details of our business activities and registrations with various regulatory authorities, see *"Our Business"* and "*History and Certain Corporate Matters*" on pages 143 and 163, respectively. To undertake some of our business activities, including for the launch of new products, we may need to obtain registrations and approvals under, and comply with, regulations issued by various regulatory authorities, including, SEBI, IRDAI, NSDL CDSL, BSE, NSE, MCX and NCDEX from time to time. Such regulations include the SEBI Research Analysts Regulations, SEBI Depositories and Participants Regulations, SEBI Stock Brokers Regulations, SEBI Mutual Funds Regulations, AMFI Guidelines, IRDAI Registrations of Corporate Agents Regulations, 2015 and Real Estate (Regulation and Development) Act, 2016. Additionally, we need to ensure compliance with various statutes, such as the SCRA read with the SCRR, the SEBI Act, and various rules, regulations, notifications and circulars issued under such statutes. In addition, our business operations are subject to regulatory limits on brokerage fee rates and net worth requirements imposed by the Stock Exchanges. For instance, the SEBI Circular dated November 19, 2019 read with the SEBI Circulars dated July 31, 2020 and September 15, 2020 requires broking firms to collect margin upfront from clients for any sales in the equity segment by the clients and seeks to impose a penalty for non-collection or short-collection of upfront margin in the cash segment with effect from September 1, 2020. For details on penalties paid by our company for non-collection or short-collection of upfront margin, see "*Our Company and our Material Subsidiaries are subject to periodic inspections by various statutory and regulatory authorities. Non-compliance with the observations made during any such inspections could lead to penalties, adverse actions or issue of warning letters which may adversely impact our reputation, financial condition*

and results of operations" and "*Details of inquiries, inspections or investigations initiated or conducted under the Securities laws, Companies Act, 1956 or the Companies Act, 2013 against our Company and Subsidiaries in the last three years along with Section wise details of prosecutions filed (whether pending or not), fines imposed or compounding of offences against our Company and Material Subsidiaries in the last three years*" on pages 18 and 280, respectively.

We have adopted various policies and procedures for, among others, regulatory and statutory compliance and risk management, including a code of practices and procedures for fair disclosure of unpublished price sensitive information, a code of conduct for directors and senior management, an anti-bribery and anti-corruption policy, an investor grievance resolution policy, and vigil mechanism/ whistle blower policy. There is no assurance that such policies would be adequate for preventing all operational risks in a timely manner, or at all, or that a regulatory, governmental, statutory, or judicial authority would not deem such policies to be inadequate.

While we ensure compliance with applicable law including various acts, rules, regulations and circulars issued by SEBI and other applicable regulatory authorities relating to our activities including margin trading, we cannot assure you that the Government or the regulatory authorities will not take different interpretations regarding applicability of, or compliance with, the laws and regulatory framework governing our business. We may be unable to obtain, maintain or renew, or comply with the terms of, the regulatory approvals and registrations applicable to our business activities, and this may have adverse consequences for our business operations. In such an event, we may also be subject to regulatory action, including fines, suspension or termination of approvals or registrations, or restrictions on undertaking all or some of our business activities. For further details, see *"Regulations and Policies"* and *"Outstanding Litigation and Material Developments"* on pages 304 and 274, respectively.

Additionally, the laws applicable to our business continue to evolve and may be amended, revised, or replaced in the future by the Government or regulatory authorities, or due to judicial decisions. For example, SEBI, from time to time, may take additional risk management measures for derivative markets by increasing margin requirements for derivative trading. Such measures may affect our trading volumes and increase trading costs, which may affect our business, financial condition, and cash flows.

Due to the nature of business activities undertaken by us, our employees are also required to comply with various regulations, such as SEBI Insider Trading Regulations, SEBI Stock Brokers Regulations and SEBI Research Analysts Regulations. Even though we have established an internal framework to monitor the conduct of our employees, we cannot assure you that none of our employees will violate the provisions of applicable law in the course of their employment with us or that all such violations would be detected by us in a timely manner, or at all. Any violation of applicable laws by our employees related to their employment with us may affect our business operations or reputation or result in imposition of vicarious liability on us by the Government or regulatory authorities.

Further, we are subject to various laws relating to the prevention of insider trading, front running and other conflicts of interest. Conflicts of interest may exist between (i) our departments; (ii) us and our clients; (iii) different clients serviced by us; (iv) our employees and us; (v) our clients and our employees; (vi) our intermediaries and us; (vii) our intermediaries and our clients or (viii) the Company and our Subsidiaries. Although we have internal controls and measures in place, we cannot assure you that we or our agents, intermediaries or employees will always manage such conflicts of interest, including compliance with various applicable laws and regulations. Any future changes and related uncertainties with respect to the applicability, interpretation and implementation of any amendment to, or changes to governing laws, regulation or policy in the jurisdictions in which we operate may have a material adverse effect on our business, financial condition and results of operations. In addition, we may have to incur expenditures to comply with the requirements of any new regulations, which may also adversely affect our results of operations. Any unfavorable changes to the laws and regulations applicable to us could also subject us to additional liabilities.

2. Our Company and our Material Subsidiaries are subject to periodic inspections by various statutory and regulatory authorities. Non-compliance with the observations made during any such inspections could lead to penalties, adverse actions or issue of warning letters which may adversely impact our reputation, financial condition and results of operations.

Our business activities are subject to periodic inspection by various authorities, such as SEBI, IRDAI, CDSL, NSDL, BSE, NSE, MCX and NCDEX. In the past, SEBI and NSE have (a) identified certain deficiencies in our operations, (b) made certain observations in relation to our operations during its periodic inspections and (c) sought certain clarifications on our operations, including as follows:

- Non-maintenance of reconciliation statements;
- reported incorrect data towards segregation and monitoring of collateral at client level to clearing member/ clearing corporation;

- allotment of one 'unique client code' for two different PAN in different segment;
- reported incorrect client category in 'unique client code' for NRI client;
- incorrect reporting of margin collected from client to the stock exchanges;
- delayed/ non-settlement of client funds;
- mismatches in submission of data; and
- failure in obtaining standardization testing and quality certification for off-the shelf products.

In the past, basis findings of inspections conducted by various authorities, our Company has paid a penalty of (i) ₹0.25 crores to SEBI for violation of Section 23J of the SCRA and Section 15HB of the SEBI Act; (ii) ₹12,784 to the NCDEX for incorrect reporting of margin collection; (iii) ₹2,000 to MCX for, *inter alia*, not implementing the inactive client code policy; (iv) ₹1,07,900 to BSE for incorrectly entering client codes at the time of placing orders; and (v) a total of ₹1.09 crores to NSE for various non-compliances. Additionally, our Company has also been subject to fines and penalties for non-compliances arising out the alert-based inspections conducted by NSE on a month basis. For further details, see "*Outstanding Litigations and Defaults - Details of inquiries, inspections or investigations initiated or conducted under the Securities laws, Companies Act, 1956 or the Companies Act, 2013 against our Company and Subsidiaries in the last three years along with Section wise details of prosecutions filed (whether pending or not), fines imposed or compounding of offences against our Company and Material Subsidiaries in the last three years*" on page 280. Additionally, there are certain ongoing inspections being undertaken by the SEBI, NSDL and NSE (alert based inspections) on our Company. While we attempt to comply with all regulatory provisions, directions or observations applicable to us, including in connection with the inspection reports described above, we could be subject to penalties and restrictions which may be imposed by various statutory authorities. If we are unable to resolve such deficiencies to satisfaction of the regulators, our ability to conduct out business may be adversely affected.

Further, as a 'Reporting Entity' under the Prevention of Money Laundering Act, 2022 ("**PMLA**"), our Company is required to comply with the obligations set out under Chapter IV of the PMLA and the Prevention of Money Laundering (Maintenance of Records) Rules, 2005. The Financial Intelligence Unit - India, Ministry of Finance, Department of Revenue ("**FIU-IND**"), pursuant to orders each dated October 21, 2022 imposed a lumpsum penalty of ₹2,00,000 on our Company for, *inter alia*, breach of our obligation to maintain a robust mechanism to detect and report suspicious transaction reports to FIU-IND and the failure of our Company to raise an alert, properly investigate the alert and take further action as required under applicable law where income details of the client were at substantial variance with trading volumes. Further, the FIU-IND also warned and directed our Company to, *inter alia*, (i) ensure that all relevant alert scenarios red flag indicators, as prescribed, have been incorporated and rested within its internal detection and reporting systems; (ii) put in place a suitable policy and mechanism to ensure that robust and meaningful risk assessment or re-assessment of the customer is conducted; and (iii) arrange for the conduct of an audit by an external agency of the processes put in place to process/ investigate/ close suspicious transaction alerts. While our Company strives to ensure that a robust mechanism is put in place and it is in compliance with its requirements as a 'Reporting Entity', we cannot assure you if any suspicious transactions in the future will be caught by our systems and lead to non-compliances and payment of penalties which may adversely impact our results of operations, reputation or business.

Our Material Subsidiaries are also subject to periodic inspections by various authorities – MOAMC by SEBI, MOFL by RBI and MOHFL by National Housing Bank. Following observations have been made by the authorities during their inspections:

- Delay in settlement of client's funds, lack of controls over trading in stocks restricted by clients by MOAMC
- The risk management committee of MOFL did not discuss any risks emanating from Covid-19, MOFL did not have a compliance policy in place setting out the compliance philosophy, structure and role of the compliance function and the processes for identifying, assessing, monitoring, and reporting on compliance risk; and
- MOHFL has not included the 'segment-wise or product-wise performance' in the annual report, MOHFL has sanctioned loans with higher 'loan-to-value' than permitted under applicable law and MOHFL's investment policy does not fix the limits of investments.

We cannot assure you if any action may be taken against our Material Subsidiaries for past defaults or in the event our Material Subsidiaries are unable to comply with the regulations put in place by such authorities which may adversely impact our results of operations and cash flow. Further, in the past, SEBI has issued warning letters to MOAMC for, *inter alia*, non - compliance of SEBI Mutual Funds Regulations in relation to splitting of application to earn higher transaction charges and failing to participate in the voting of annual general meetings of certain companies.

Additionally, the NSE has in the past also issued several warnings/ advisory to our Company in relation to, *inter alia*, incorrect invocation of pledged securities of clients, incorrect data reported towards weekly client level cash and cash

equivalent balances and bank account balances and non-settlement of client funds. While the NSE did not levy any penalties in such instance, we cannot assure you if in the future NSE, or any other authority, would penalise our Company for such violations which may adversely impact our business and results of operations.

3. ***The operation of our businesses is highly dependent on information technology and we are subject to risks arising from any failure of, or inadequacies in, our IT systems.***

Our operations rely heavily on the effectiveness of our IT systems and their ability to record and process accurately a large number of transactions on a daily basis and in a timely manner to provide a seamless digital experience to our clients. While we are compliant with the circulars on 'Cyber Security & Cyber Resilience framework for Stock Brokers / Depository Participants' dated December 3, 2018, October 15, 2019 and June 7, 2022 issued by SEBI, we have recognised and continue to address the need to have sophisticated technology systems in place to meet our clients' requirements. A prolonged disruption of, or failure of, our information processing or communications systems would limit our ability to process transactions. For example, in December 2022, there was a latency on primary as well as secondary internet connection at our Company's data centre. As a result, mobile and internet users were facing login issues intermittently. In December 2023, there were two instances of failure of software, hardware, internet and intranet links. Further, in February 2024, our Company faced a ransomware cyber-attack through which the attacker claimed unauthorized access to our Company's confidential data. While these events did not materially impact the operations of our Company, any failure of, or inadequacies in our IT systems in the future may impair our ability to service our clients and execute trades on behalf of clients, which could materially and adversely affect our competitiveness, financial condition, cash flows and results of operations.

Our Company through its 'Business Continuity Planning & Disaster Recovery Policy' recognizes the criticality and need of its business and understands the importance of the availability of its information, information systems and processing facilities. In case of man-made or natural disaster, it is essential that our Company is prepared to re-establish business or services as swiftly and smoothly as possible, thus ensuring minimal loss or disruption. Our system for processing securities transactions is automated and we rely heavily on the ability of our trading system to handle a large number of transactions. While we regularly monitor and upgrade the capacity of our trading system, and conduct mock tests in anticipation of high volumes of transactions, we cannot assure you that we will be able to process all trading orders at a time of increased demand, including due to increased market volatility. If we are unable to efficiently process all trading orders received, we may lose clients, become subject to client complaints, litigation or regulatory action, face financial losses and may adversely affect our reputation. Although we back up our business data regularly and have a business continuity and disaster management policy, we cannot assure you that there will not be an unforeseen circumstance or that our disaster recovery planning is adequate for all eventualities.

The securities industry is characterized by rapidly changing technology and the future success of our business will depend in part on our ability to effectively adapt to technological advances and to emerging industry standards and practices on a cost-effective basis. Web platforms and mobile applications are popular among clients due to their convenience and user-friendliness. We rely heavily on technology and rely on our electronic brokerage platform and mobile apps to provide a wide range of brokerage and distribution services. Due to the rapid evolution in technology and AI, trades take place through machine-based algorithms within a few microseconds. This AI-based buying and selling system has changed the mechanism of supply and demand and it is now to estimate individualised pricing, based on individualised demand and supply. If we are unable to effectively compete on IT-enabled offerings, it could have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.

System failures or inadequacy and security breaches in computer systems may adversely affect our business. We face the threat of fraud and cyber-attacks, such as hacking, phishing, trojans and other threats, attempting to exploit our network to disrupt services to customers and/or theft of sensitive internal company data or customer information. This may cause damage to our reputation and adversely impact our business and financial results. Our technology operations are also vulnerable to disruptions from human error, catastrophic events including natural disasters, lack of capacity during peak trading times or times of unusual market volatility, power failure, computer viruses, spam attacks, ransom ware, distributed denial of services attacks, unauthorized access, data leakage and other similar events, and we may not be able to adapt to the evolving technology in the industry. Disruptions such as hacker attacks, frauds, virus or worm infestation of our IT systems, or an internal problem with information protection, such as failure to control access to sensitive systems, could materially interrupt our business operations or cause disclosure or modification of sensitive or confidential information and could harm our business, reputation and prospects.

The proper functioning of our internet-based trading system, order routing system, back office systems, settlement system, risk management system, financial controls, accounting, client database, client service and other data processing systems, together with the communications networks linking our IT systems with relevant exchanges, banks, depositories, registrar and transfer agents and client interfaces, is critical to our business and our ability to compete effectively. Our business activities would be materially disrupted in the event of a partial or complete failure of any of these IT systems, communication networks or their backup systems and procedures.

Please see "- *We face various risks due to our reliance on third-party intermediaries, Business Associates, vendors and service providers*" on page 29.

4. ***We rely on our broking and related services business for a substantial share of our revenue and profitability. Any reduction in our brokerage fee could have material adverse effect on our business, financial condition, cash flows, results of operations and prospectus.***

We rely on our brokerage and related services business for a substantial share of our total consolidated revenue and profitability. For the nine months period ended December 31, 2023 and for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021, our capital market income represented 59%, 68%, 59%, and 47% of our total income, respectively.

Our brokerage business depends on number of orders executed and trading volume, which is significantly affected by external factors, such as general economic conditions, macroeconomic and monetary policies, market conditions and fluctuations in interest rates, all of which are beyond our control. Our operating revenue is also affected by the size of our client base, and the frequency at which they do business through us. We earn brokerage fee based on, among other things, the number of orders executed, the volume of trades our clients undertake through us. If we fail to maintain and increase our client base, or fail to provide better services and products to retain and attract client activity, our brokerage income may be adversely affected.

Our brokerage fee levels are primarily driven by the competitive landscape our Company operates in. There is constant pressure on brokerage yields in the securities industry, especially as we have no exclusivity arrangements with our clients, our clients may use multiple brokerages simultaneously and the products are standardised and offered online. If we face increased competition on our brokerage fee levels, we may have to provide additional products and services in addition to lowering our brokerage fee, to attract clients. Additionally, on account of change in our business model, any reduction in the number of orders may adversely affect our business since the fee we charge is based on the number of orders executed by us. Further, there is no assurance that we will be able to attract such clients without having to reduce our fee, which could have a material adverse effect on our business, financial condition, cash flows and results of operations.

We also offer call and trade services to our retail clients. Transactions not authorized by the clients resulting in losses to client may too result in compensation claims from clients.

In addition, our brokerage business faces various additional risks, including, among others, significant changes in the technological environment, changes in client preference, restrictions or limitations on offering internet-based trading services, operational risks and regulatory changes, any of which could have a material adverse effect on our business, financial condition and results of operations. For further details, see *" - The operation of our businesses is highly dependent on information technology and we are subject to risks arising from any failure of, or inadequacies in, our IT systems", " - We are subject to extensive statutory and regulatory requirements and supervision and operate in a highly regulated environment, which is subject to change, and existing and new laws, regulations and government policies affecting the sectors in which we operate could adversely affect our business, financial condition and results of operations"* and *" - There are operational risks associated with the financial services industry which, if realised, may have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects*" on pages 20, 17 and 22 respectively.

5. ***Our Company proposes to file a Scheme of Arrangement before the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT"), which may have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.***

The Board of Directors of our Company ("**Transferor Company**" or "**Resulting Company**") at their meeting held on July 27, 2023 has approved the Scheme of Arrangement between our Company and Motilal Oswal Broking and Distribution Limited (*in its erstwhile name Glide Tech Investment Advisory Private Limited*) ("**Transferee Company**" or "**Glide**") and Motilal Oswal Wealth Limited ("**Demerged Company**" or "**MOWL**") and their respective shareholders ("**Proposed Scheme of Arrangement**") under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013. The proposed arrangement involves the following:

1. Transfer of the Broking and Distribution ("**B&D**") business/ undertaking of the Transferor Company into the Transferee Company by way of a slump sale (as defined in the Scheme) and consequent issue of equity shares by the Transferee Company to the Transferor Company;

2. Demerger of the wealth business/ undertaking of the Demerged Company into the Resulting Company (as defined in the Proposed Scheme of Arrangement); and

3. Various other matters consequential or otherwise integrally connected herewith.

The Scheme is subject to necessary statutory and regulatory Approvals including the approval of the NSE, BSE, SEBI and the National Company Law Tribunal, Mumbai Bench. While the necessary applications were made to the NSE and BSE, pursuant to letters dated February 19, 2024 and February 16, 2024 issued by the BSE and NSE, respectively, the applications made have been returned to our Company in light of the observations made by SEBI with respect to

the chargesheet filed by Economics Offence Wing, Mumbai against Ajay Menon, Whole-time Director of our Company. For details, see "*Outstanding Litigation and Defaults – Litigation involving our Company - Litigation against our Company – Actions taken by Regulatory and Statutory Authorities"* on page 274. For details, see "*Proposed Scheme of Arrangement*" on page 192. While the NSE and BSE have informed our Company that the Proposed Scheme of Arrangement maybe re-filed once complete information in relation to this matter is available, we cannot assure if we will be able to obtain required approvals in a timely manner or at all. Further, as on date of this Prospectus, we are unable to assess the exact impact and implications of the Proposed Scheme of Arrangement on the business and results of operations of our Company, if it is approved and made effective. The Proposed Scheme of Arrangement could impair our income and revenue which would have a material adverse effect on our business, financial condition, cash flows and results of operations.

The Board of Directors of our Company has approved sale of identified investments ("I**nvestments**") on July 23, 2023 from its investment portfolio which include investments in listed equity shares, equity mutual funds, alternative investments, etc. of our Company to Glide Tech Investment Advisory Private Limited*, a wholly-owned Subsidiary of our Company. On such sale of Investments, Glide Tech Investment Advisory Private Limited* will issue its equity and/or preference shares to our Company as a consideration equivalent to the fair value of the Investments as on the actual date of transfer.

**The name of 'Glide Tech Investment Advisory Private Limited' has been changed to 'Motilal Oswal Broking and Distribution Private Limited' w.e.f. August 18, 2023, vide certificate of incorporation for change of name dated August 18, 2023 issued by the ROC, Mumbai. Further, it has been converted to public limited Company with the name of 'Motilal Oswal Broking and Distribution Limited' vide certificate of incorporation for conversion dated October 5, 2023 issued by the ROC, Mumbai.*

6. There are operational risks associated with the financial services industry which, if realised, may have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.

We face various operational risks related to our business operations in the financial services industry, such as:

- human and systems errors, including in the confirmation, entry or settlement of transactions, due to the complexity and high volume of transactions;
- inadvertent deviations from defined processes and inadvertent errors due to the manual nature of processes;
- delay or failure to timely transfer, pledge or un-pledge securities to and from depository participants;
- failure to establish and maintain an effective controls and compliance oversight by our authorised persons' network;
- failure of technology in our processes, including risk management and settlement processes, causing errors or disrupting our operations;
- inadequate technology infrastructure or inappropriate systems architecture;
- failure to adequately monitor and control authorised persons and personnel at our dealer helpdesks;
- failure to implement sufficient information security, including cyber-security and controls;
- failure to maintain appropriate deposits with exchanges;
- fraud by employees, associates, authorised persons or through our digital and online platforms;
- fraud by authorised persons or personnel at our dealer helpdesks or our employees;
- delay or disruption in timely completion of obligations by market and other intermediaries including banks, exchanges, depositories and other participants;
- an interruption in services by our critical service providers;
- failure to timely report transactions to concerned intermediaries;
- damage to physical assets;
- failure of our complex automated risk management systems due to incorrect or inadequate algorithms;
- authorisation of direct market access system for non-institutional investors by SEBI; and

- inadequate due diligence, including client verification, non-adherence to anti-money laundering guidelines, KYC processes and client needs analysis, in the sales process.

If any of the foregoing were to occur, it could have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.

We also face the risk of regulatory penalties in our brokerage business from the exchanges or regulators for failures of routine operational processes. In the past, we have been, and in the future may be, penalised by the regulators and exchanges for non-compliance with regulatory rules and bye-laws relating to operational failure, including in connection with cases of operation failure beyond our control. For details, see "- *We are subject to periodic inspections by various statutory and regulatory authorities. Non-compliance with the observations made during any such inspections could adversely affect our reputation, financial condition and results of operations*" above.

We may also offer a broader and more diversified range of products, services or solutions. We may not be able to fully appreciate or identify operational risks related to the new products, services or solutions introduced by us from time to time. Accordingly, any risk management measures or controls implemented by us for such new products, services or solutions may not be adequate and we may be subject to liabilities arising therefrom. Further, any failure to change our risk management measures and controls to our developing business in a timely manner could have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.

7. We may fail to detect money laundering and other illegal or improper activities in our business operations on a timely basis, which may have an adverse effect on our reputation, business operations, financial condition and results of operation.

We are required to comply with applicable anti-money laundering laws and regulations. These laws and regulations require financial institutions to establish sound internal control policies and procedures with respect to anti -money laundering monitoring and reporting activities. Such policies and procedures require us to, among other things, establish or designate an anti-money laundering framework, conduct client identification in accordance with relevant rules, duly preserve client identity information and transaction records and report suspicious transactions to relevant authorities. Since, we handle large volumes of monetary transactions for a significant number of clients, the policies and procedures implemented by us for detecting and preventing the use of our brokerage platforms to facilitate money laundering activities may not comprehensively detect or eliminate instances of money laundering.

We are required to implement effective surveillance controls and measures for ensuring that our electronic brokerage platform is not misused by our clients, authorised persons, personnel at our dealer helpdesks or market participants to carry out manipulative trading activities. Failure of the surveillance control and measures implemented by us to detect illegal or improper activities undertaken through our platforms in a timely manner, or at all, could lead to regulatory actions against us and adversely affect our reputation.

If the controls and measures implemented for detecting or eliminating money laundering or other improper or illegal trading activities are considered inadequate under applicable laws and regulations by any regulatory, governmental or judicial authority, we may be subject to penal action, freezing or attachment of our assets, imposition of fines, or both. We cannot assure you that the controls and measures implemented by us are adequate to detect or eliminate every instance of money laundering or illegal trading activities in a timely manner or at all. Any such lapse may adversely affect our reputation, business operations, financial condition and results of operations.

8. We face significant competition in our businesses, which may limit our growth and prospects.

The Indian securities industry is fragmented and typified by low barriers to entry. Accordingly, we face significant competition from companies seeking to attract our clients' financial assets. We compete with, amongst others, Indian and foreign brokerage houses. We compete on the basis of a number of factors, including execution, depth of product and service offerings, innovation, reputation, price and convenience.

Our competitors may have, amongst others, the following advantages over us:

- substantially greater financial resources;
- ability to charge lower commissions/ brokerages;
- lower cost of capital;
- more diversified operations which allow utilisation of funds from profitable business activities to support business activities with lower, or no profitability;
- longer operating history than us in certain of our businesses;

- well-established network of Business Associates;
- Better technology and advanced infrastructure/applications;
- greater brand recognition among consumers;
- larger retail client base in India; and
- partnerships with various service providers and distribution platforms;

Further, many of our product and service offerings in the brokerage and distribution businesses are easy to replicate. This increases the risk of competition from commercial banks, service providers and distribution platforms to enter the market. Further, any consolidation in the Indian securities industry would also expose us to competitive pressures. These competitive pressures may affect our business, and our growth will largely depend on our ability to respond in an effective and timely manner to these competitive pressures. Our business, financial condition, cash flows, results of operations and prospects may be materially and adversely affected if we are not able to maintain our market position, sustain our growth, develop new products or target new markets. In addition, competitive pressures and regulatory changes may also lead to downward pressures on our brokerage commission rates, which could also affect our financial condition and results or operations.

Further, we use technology in almost every aspect of our business, including sales, risk management, fraud detection, compliance, client service and settlement. The Indian financial services industry (including securities industry) is undergoing rapid and significant technological and other changes. Our competitors could utilise technology, big data and innovation to simplify and improve the client experience, increase efficiencies, redesign products, improve client targeting, alter business models more effectively than or to effect disruptive changes in the Indian financial services industry. If we do not anticipate, innovate, keep pace with, and adapt to, technological and other changes impacting the Indian financial services industry, it could harm our ability to compete in the market, decrease the attractiveness of our products to clients and materially and adversely affect our business, financial condition and results of operations.

9. We may not be able to sustain our growth or expand our client and Business Associates' base.

We have experienced significant growth over the last few years, with the total number of clients increasing from 0.33 crores in Financial Year 2021 to 0.55 crores in Financial Year 2023 and from 0.55 crores in Financial Year 2023 to 0.70 crores for the period ended March 31, 2024. Our ability to sustain our growth depends on various factors, including our ability to manage our growth and expand our client and Business Associates base. We acquire small regional brokers and turn them into Business Associates which have resulted in significant expansion of our client base and enabled penetration into new geographies. These Business Associates have consistently been an important client acquisition channel for our Company and have contributed to 44.00% of our client base as of December 31, 2023. While our client base has expanded for the period ended December 31, 2023, there can be no assurance that we will be able to maintain our base of Business Associates and sustain this growth in the future.

We may not be able to sustain our growth in light of competitive pressure or other factors, such as not being able to implement business strategies and development plans effectively and efficiently. Sustained growth may place significant demands on our administrative, operational and financial resources, which we may be unable to handle. Any slowdown in our growth, whether in absolute terms or relative to industry trends could adversely affect our market position and a loss of our market position could adversely affect our ability to sustain our growth.

Our business is highly competitive and we need to maintain and attract new clients and Business Associates in order to maintain or grow our market share. We cannot assure you that we will succeed in further expanding our network due to changes in regulatory policies, difficulties in managing a large number of staff and other unforeseeable reasons. In addition, as a result of competition, we may face increased pressures on declining fee and commission rates, and will need to provide better and customized services and products to differentiate ourselves and to retain and attract clients and Business Associates.

If we are unable to address the needs of our clients and Business Associates by offering competitive rates, maintaining high quality client service, continuing product innovation and providing value added services, or if we otherwise fail to meet our clients' and Business Associates demands or expectations, we may not be able to sustain our historic growth or lose our existing base to our competitors, which may in turn have a material and adverse effect on our business, financial condition, cash flows, results of operations and prospects.

10. Our Statutory Auditor have highlighted certain emphasis of matters to their audit reports relating to our audited standalone financial statements, which may affect our future financial results.

Our Statutory Auditor have included an emphasis of matter in the reports on (i) Q3 2024 Unaudited Standalone Financial Results, with respect to the Scheme of Arrangement to restructure the business of our Company. 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 accounts; ii) Q3 2024 Unaudited Consolidated Financial Results, with respect to the Scheme of Arrangement to restructure the business of our Company and two of its wholly owned Subsidiaries.

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 respective books of account; and iii) Audited Standalone Financial Statement FY 2022, with respect to the note included in such audited standalone financial statements on the financial impact due to restrictions and conditions related to COVID-19 pandemic in respect of one of the Subsidiary of our Company. Further, our Previous Statutory Auditor have also included an emphasis of matter in the reports on our audited standalone financial statements as at and for the year ended March 31, 2021, with respect to the note included in such audited standalone financial statements on the impact of uncertainties relating to the effects of COVID-19 pandemic on expected credit loss recognised towards the housing loans to customers outstanding as at March 31, 2021. Our Previous Statutory Auditor have not modified their opinion in respect of this matter. For details, see "*Outstanding Litigation and Default*" and "*Financial Information*" on pages 274 and 193, respectively. There can be no assurance that our Statutory Auditor will not include further matters of emphasis or other similar comments in the audit reports to our audited financial statements in the future, or that such remarks or matters of emphasis will not affect our financial results in future financial years. Investors should consider the matters of emphasis and remark in evaluating our financial condition, results of operations and cash flows. Any such matter of emphasis or remark in the auditors' report on our financial statements in the future may also adversely affect the trading price of the NCDs.

11. A significant decrease in our liquidity could negatively affect our business and reduce client confidence in us.

Our liquidity and profitability are dependent upon our timely access to, and costs associated with, raising capital. Our funding requirements historically have been met from a combination of term loans, commercial papers and working capital facilities as well as equity contributions. As a financial services company, we face certain additional regulatory restrictions on our ability to obtain financing from banks. For further information, see *"Regulations and Policies"* on page 304.

Maintaining adequate liquidity is crucial to our brokerage operations, including key functions such as transaction settlement and margin funding and other business activities with substantial cash requirements. We place margins with clearing houses of respective exchanges, which may fluctuate significantly from time to time based on the nature and volume of our clients' trading activity. Although we meet our liquidity needs primarily through cash generated from operating activities, internal accruals and debt financing, we are not permitted to raise debt beyond a specific limit, specifically to fund our margin funding requirements. A reduction in our liquidity could affect our ability to trade on the exchanges, stunt the growth of our business and reduce the confidence of our clients in us, which may result in the loss of client accounts.

We provide broking services across the equity (cash-delivery, intra-day, futures and options), commodity and currency derivatives, for which we offer margin-based products on our brokerage platform, wherein clients are required to deposit the prescribed initial margin for the transaction executed by us on their behalf and thereafter pay the balance amount. Accordingly, if a client fails to pay the balance amount on or before the due date, then it may affect our liquidity. In case of high market volatility or adverse movements in share prices, it is possible that clients may not honour their commitment, and consequently, any inability on our part to pay the margins or honour the pay-in obligation to the exchanges, or both, may be detrimental to our business, reputation and profitability.

We use cash generated from our operating activities and external financing to meet our liquidity or regulatory capital requirements. During periods of disruption in the credit and capital markets or changes in the regulatory environment, potential sources of external financing could be limited and our borrowing costs could increase. External financing may not be available to us on commercially acceptable terms, or at all, due to disruptions in the credit and capital markets, changes in regulations relating to capital raising activities, general market conditions for capital raising activities, and other economic and political conditions outside our control.

Any of the risks highlighted above in relation to a decrease in our liquidity, could have a material adverse effect on our business, results of operation and prospects.

12. If we are unable to maintain and enhance the 'Motilal Oswal' brand equity, the sales of our products and services may suffer which would have a material adverse effect on our financial condition and results of operations.

We believe that the brand we have developed, has over the years, significantly contributed to the success of our business. We also believe that maintaining and enhancing the 'Motilal Oswal' brand and sub-brands, are critical to maintaining and expanding our client base. Maintaining and enhancing our brand and sub-brands may require us to make substantial investments in various areas, such as product development, marketing and brand building activities, and these investments may not be successful. Further, in the event that we are not able to maintain the quality of our service or our goodwill is affected for any reason, our business and results of operations may be adversely affected. There can be no assurance that consumers will continue to be receptive to our brand and sub-brands.

In particular, as we expand into new market segments, there can be no assurance that consumers in these market segments will accept our brand and sub-brands. Further, our brand and sub-brands may also be adversely affected if our public image or reputation is tarnished by any negative publicity. Maintaining and enhancing our brand and sub brands will depend largely on our ability to anticipate, gauge and respond in a timely manner to changing trends and

consumer demands and preferences, and to continue to provide high quality products and services, which we may not do successfully. If we are unable to maintain or enhance our brand image, our results of operations and our business may be affected. Further, any change in control of our Promoters on our Company may correspondingly adversely affect our goodwill, operations and profitability.

13. Our Company, Directors, Promoters and Subsidiaries are involved in certain legal and other proceedings. Any adverse outcome in such proceedings may have an adverse effect on our business, results of operations, financial condition and cash flows.

There are outstanding legal proceedings involving our Company, Directors, Promoters and Subsidiaries. These proceedings are pending at varying levels of adjudication before various courts, including certain taxation cases that have been filed against our Company. For details of the material legal proceedings that we, our Promoters, our Directors and our Subsidiaries are involved in, see "*Outstanding Litigations and Defaults*" on page 274. We cannot assure you that the outcome of these legal proceedings will be favourable, and any adverse decision in any of these cases may impact our business and financial condition. The disputed amount involved in certain matters may be large, and an adverse order against us on such matters may impact our financial resources. Litigations against our Company could also consume our financial resources in their defence or prosecution. Further, should any new developments arise, such as changes in Indian law or rulings against us by the regulators, appellate courts or tribunals, we may need to make provisions in our financial statements, which could increase our provisions, expenses and current liabilities. Further, our Company, Subsidiaries, Promoters and Directors are also involved in actions taken by regulatory authorities which are currently pending including ongoing investigations by SEBI and Economic Offence Wing. For details, see "*Outstanding Litigations and Defaults*" on page 274. A summary of number of the outstanding litigations as detailed in "*Outstanding Litigations and Defaults*" on page 274 is provided below:

Category of individuals / entities	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Disciplinary actions by SEBI or Stock Exchanges against our Promoters	Material civil litigation	Aggregate amount involved (₹ in crores*)
Company						
By the Company	15	-	-	-	-	1.74
Against the Company	3	11	2	-	1	119.85
Directors (excluding Promoters)						
By the Directors	-	-	-	-	-	-
Against the Directors	3	-	4	-	-	-
Promoters						
By Promoters	-	-	-	-	-	-
Against Promoters	4	-	-	-	-	-
Subsidiaries						
By Subsidiaries	5,479	-	-	-	473	481.44
Against the Subsidiaries	-	18	4	-	-	26.63
Group Companies						
By the Group Company	-	-	-	-	-	-
Against the Group Company	-	-	-	-	-	-

**To the extent ascertainable and quantifiable*

14. Our ability to assess, monitor and manage risks inherent in our business suffers from the standards of some of our counterparts. Inability to effectively manage our risk management systems can adversely affect our business, financial conditions, and results of operations.

We are exposed to a variety of risks, including credit risk, market risk, default risk, liquidity risk, operational risk and legal risk. The effectiveness of our risk management is limited by the quality and timeliness of available data. We are required to comply with the growing risk management requirements which are likely to be brought forth by SEBI on account of exponential growth in the derivatives segment. Management of operational, legal or regulatory risk requires, among other things, policies and procedures to properly record and verify the extent and the nature of risks.

We have established a system of risk management and internal controls consisting of a risk management enterprise framework, policies, risk management system tools and procedures that we consider to be appropriate for our business operations. Our risk assessment methods depend upon the extant regulatory requirements, historical market behaviour and statistics, the evaluation of information regarding financial markets, clients or other relevant matters that are

publicly available or otherwise accessible to us. Such information may not be accurate, complete, or properly evaluated. Moreover, the information and experience data that we rely on may quickly become obsolete as a result of market and regulatory developments, and our historical data may not be able to adequately reflect risks that may emerge from time to time. Inaccuracy in estimates of the level of margin to be maintained by our clients with us for the transactions undertaken by them could result in a shortfall in margins deposited by our clients with us. However, due to the inherent limitations in the design and implementation of risk management systems, including internal controls, risk identification and evaluation, effectiveness of risk control and information communication, our risk management systems and mitigation strategies may not be adequate or effective in identifying or mitigating our risk exposure in all market environments or against all types of risks in a timely manner, or at all. Further, we may not be able to completely avoid the occurrence of or timely detect any operational failure.

Regulatory risk is the most prominent in the broking industry. Risk management systems employed at our broking platform will need to ensure, safeguarding of investors and constant upgradation in view of regulations by SEBI, Stock Exchanges, and market movement. Our risk management techniques may not be fully effective in mitigating our risks in all market environments or against all types of risk, including risks that are unidentified or unanticipated. Other risk management methods depend upon an evaluation of information regarding markets, customers, or other matters. This information may not in all cases be accurate, complete, current, or properly evaluated. There can be no assurance that we will successfully implement risk management systems in a timely manner or adapt our risk management systems to customer requirements or evolving market standards and any failure to do so can adversely affect our business, financial conditions and results of operations.

15. We may extend credit to customers of our brokerage business for dealing in securities and any default by a customer coupled with a downturn in the market could result in substantial losses.

A significant portion of our revenues are derived from our brokerage business. Our revenues, level of operations and, consequently, our profitability are dependent on favourable capital market conditions, a conducive regulatory and political environment, investor sentiment, price levels of securities and other factors that affect the volume of stock trading in India.

We may allow our customers to trade in excess of the value of the cash and/ or securities deposited with us. Consequently, when there are insufficient funds in a client account on the settlement date, our Company may extend credit to such customer for securities and the customer is charged interest rates on the amount of credit extended. As such, our Company may be exposed to liquidity risks and require short-term funding to meet trade commitments of our customers. In the event of a volatile market or adverse movements in securities or commodities prices, it is possible that customers may not be able to honour their commitments, which may result in losses that they may not be able to support. We also follow internal risk management guidelines on procedures but no assurance can be given that if the financial markets witnessed a significant single-day or general downturn, our business, financial condition and results of operations would not be materially adversely affected.

16. We have contingent liabilities and our financial condition could be adversely affected if any of these contingent liabilities materialise.

The following table sets forth our Company's contingent liabilities as per IND AS 37 as of March 31, 2023 on a standalone basis:

(₹ in crores)

Particulars	As of March 31, 2023
Contingent Liabilities	
Guarantees/securities given	3,233.80
Demanded in respect of income tax matters for which appeal is pending	19.20
Claim against the Company	9.92
Capital & other commitments	
Estimated amount of contracts remaining to be executed on capital account (net of advances)	44.06
Uncalled liability on shares and other investments partly paid:	
1) India Business Excellence Fund IV	2.70
2) India Realty Excellence Fund V	1.30

We cannot assure you that we will not incur similar or increased levels of contingent liabilities in the future. If any of these contingent liabilities materialise, our financial condition and results of operation may be adversely affected.

17. Our financial performance is subject to interest rate risk, and an inability to manage our interest rate risk may have a material adverse effect on our business prospects, financial condition and results of operation.

Interest rates in India have been volatile in the past. They are highly sensitive and fluctuations thereof are dependent upon many factors which are beyond our control, including the monetary policies of the RBI, de-regulation of the financial services sector in India, domestic as well as international economic and political conditions, inflation and other factors.

Our results of operations, including our interest income from margin funding are dependent on our ability to manage our interest rate risk. Our finance costs (on a consolidated basis) were ₹719.41 crores, ₹595.83 crores, ₹474.77 crores and ₹430.28 crores for the nine months period ended December 31, 2023 and for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021, respectively. However, we charge interest at a fixed rate on our financing products, such as margin trade funding. Any volatility in interest rates may adversely affect our business due to, amongst others, reducing profitability margin on our financing products, or our financing products becoming commercially unattractive. Our net interest income from financing activities and net interest margin would be adversely impacted in case of any increase in interest rates, if the yield on our interest-earning assets does not increase simultaneously with or to the same extent as our cost of funds. In the event of a declining interest rate environment, if our cost of funds does not decline simultaneously or to the same extent as the yield on our interest-earning assets, it could adversely impact our interest income from financing activities and net interest margin. Additional risks arising from increasing interest rates, among others, include:

- increase in the rates of interest charged on certain financing products in our product portfolio, which may require us to extend repayment period for our clients or result in higher rates of default by our clients;
- increase in defaults resulting from extension of loan maturities and higher instalments due from borrowers;
- reduction in the volume of loan disbursements as a result of a client's inability to service high interest rate payments; and
- inability to raise low cost funds as compared to some of our competitors.

Further, interest rates may also affect our clients' investment profile and high interest rates may reduce the attractiveness of equity or equity-linked investments of our clients.

There can be no assurance that we will be able to adequately manage our interest rate risk. If we are unable to effectively manage our interest rate risks, it could have an adverse effect on our business prospects, financial condition and results of operations.

18. General economic and market conditions in India and globally could have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.

Our business is highly dependent on economic and market conditions in India. General economic and political conditions in India, such as macroeconomic and monetary policies, industry-specific trends, mergers and acquisitions activity, legislation and regulations relating to the financial and securities industries, household savings rate, investment in alternative financial instruments, upward and downward trends in the market, business and financial sectors, volatility in security prices, perceived lack of attractiveness of the Indian capital markets, inflation, consumer confidence, currency and interest rate fluctuations, availability of short-term and long-term market funding sources and cost of funding, could affect our business. Global economic and political conditions may also adversely affect the Indian economic conditions.

Our Company has grown significantly in the recent past, with our total revenues increasing from ₹2,224.62 crores in Financial Year 2021 to ₹2,692.71 crores in Financial Year 2023. This growth has been largely influenced by general macroeconomic conditions and rising capital markets in India. Any adverse change in the general macroeconomic conditions or in the Indian capital markets may adversely affect our future growth.

19. If research disseminated or advice provided by us contains errors, this could have a material adverse effect on our business, financial condition or results of operations.

Research and advisory services are an integrated part of our broking and distribution business. Our Company offer complementary in-house research and advisory service and has a dedicated research and advisory team. Our research team provides our clients with research covering recommendations on various quantitative and qualitative research requirements relating to the stock market such as equities, derivatives, and commodities in addition to macroeconomic or industry-related research. We have also recently launched the "Research 360" application, a website and a mobile-based application wherein any market investor may get an access to market research, stock and investment analysis without any charges. We are also required to comply with the SEBI (Research Analysts) Regulations, 2014 and SEBI 'Master Circular for Research Analysts' dated June 15, 2023 in relation to our research and advisory related services. Although due care and caution is taken in issuing research recommendations, the accuracy, adequacy or completeness of such information, which is based on information obtained from sources that we consider reliable, is not guaranteed.

Errors or omissions in the information or for the results obtained from the use of such information may cause our research findings to be incorrect. Further, certain industry and market data may be subject to assumptions, and methodologies for assumptions vary widely among different data sources. Additionally, such assumptions may change due to various factors which are beyond our control. Accordingly, there is no assurance that our assumptions, or those relied upon by us, will be accurate or not change, which may affect our accuracy of our research findings. Further, if we fail to operate in compliance with applicable regulations, we could suffer reputational harm, which would likely cause a material adverse effect on our business, financial condition, cash flows, results of operations and prospects. In addition, incorrect research findings may expose us to client complaints, have a materially adverse effect on our brokerage and distribution businesses, and may subject us to regulatory action which may harm our reputation, which could subsequently have a material adverse effect on our business, financial condition or results of operations.

20. We may incur losses on our treasury investments from market volatility or our investment strategies.

In fiscals 2023, 2022 and 2021 and the nine months period ended December 31, 2023, the revenue we derived from our treasury investments amounted to ₹109.80 crores, ₹4,77.35 crores, ₹807.51 crores and ₹1,017.70 crores, respectively. We primarily invest in equity mutual funds, listed equity shares, alternate investment funds, unlisted equity shares and fixed-income securities for our own account. The performance of our proprietary treasury investments depends on market conditions and our investment decisions and judgments. We closely monitor the market value and financial performance of our portfolio, and actively adjust such portfolio to allocate assets based on market conditions, liquidity requirements and internal risk management guidelines. However, our investment decisions are based on human judgments, which involve discretion and assumptions. If our decision-making process fails to effectively control losses, or our forecasts do not conform to sudden changes in market conditions, or if we do not effectively manage our exposure to concentration risks from particular assets, our proprietary treasury investments may result in substantial losses.

In addition, we may suffer losses in an adverse market environment despite our active management of our investment portfolio. If any of the above happens, we could suffer material losses, which would materially and adversely affect our business, financial condition and results of operations.

21. We could be subject to claims by clients or actions by regulators or both for alleged mis-selling.

We sell third-party distribution products through employees as well as intermediaries including Business Associates, personnel at our dealer helpdesks and DRAs, as the case may be. Our employees and intermediaries aid our clients in choosing the correct product, explaining the benefits of such product, disclosing product features and advising clients on whether to continue with a particular product or change products.

Under certain circumstances, the above processes may be considered inadequate or there may be misconduct on part of our employees or intermediaries or both. Such misconduct could include activities such as making non-compliant or fraudulent promises of high returns on investments and recommending inappropriate products or fund management strategies. Any case of mis-selling, or recurring cases of mis-selling, could result in claims and fines against us and could have a material adverse effect on our business, financial condition, cash flows, results of operations and reputation.

It is also possible that a third party aggregates a number of individual complaints against us with the intention of obtaining increased negotiating power. Further, persons have in the past misrepresented, and in the future may misrepresent, themselves as our authorised intermediaries to defraud clients. Such aggrieved clients have filed and, in the future, may file complaints against us. This could result in significant financial losses as well as loss of our reputation.

22. We face various risks due to our reliance on third-party intermediaries, Business Associates and vendors

We rely on third parties, such as stock exchanges, clearing houses and other financial intermediaries to facilitate our financial transactions. In addition, we rely on our network of Business Associates, vendors, personnel at dealer helpdesks and DRAs, as may be applicable, to help distribute our products. We are exposed to various risks related to the business of such third parties, including the following:

- fraud or misconduct, including mis-selling, by such third parties, including authorised persons;
- operational failure of such third parties' systems;
- adverse change or termination in our relationship with such third parties;
- failures in legal or regulatory compliance, inadequate due diligence in sales process, or inadequate controls, including KYC checks, by such third parties;
- regulatory changes relating to the operations of such third parties;

- violation of laws and regulations, including those relating to licensing or registration of sales intermediaries, by such third parties; and

- regulatory actions due to improper business practices of such third parties.

Any of the above risks may result in litigation or regulatory action against us, which could have a material adverse effect on our business, reputation, financial condition and results of operations.

In addition, we compete with other financial institutions to attract and retain our network of Business Associates and personnel at our dealer helpdesks and our DRAs, to help distribute our products and our success depends upon factors such as the amount of sales commissions and fee we pay (including due to regulatory restrictions), the range of our product offerings, our reputation, our perceived stability, our financial strength, the marketing and services we provide to such intermediaries and the strength of our relationships with them. If we are unable to attract or retain our network of Business Associates and personnel at our dealer helpdesks and our DRAs, it could have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.

We also outsource certain of our operations to third-party service providers, including certain tasks relating to e-waste management, security vigilance and IT services. We cannot assure you that our third-party service providers will comply with regulatory requirements or meet their contractual obligations to us in a timely manner, or at all. Third-party service providers or service providers may breach agreements they have with us because of factors beyond our control. They may also terminate or refuse to renew their agreements because of their own financial difficulties or business priorities, potentially at a time that is costly or otherwise inconvenient for us. In addition, if our third-party service providers or providers fail to operate in compliance with regulations or corporate and societal standards, we could suffer reputational harm by association, which would likely cause a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.

We also rely on third parties to provide certain critical trading infrastructure and software. If the third parties upon which we rely cannot expand system capacity to handle increased demand, or if any of their systems otherwise fail to perform or experience interruptions, malfunctions, disruptions in service, slower response times or delays, then we could incur reputational damage, regulatory sanctions, litigation and loss of trading, any of which could materially adversely affect our business, financial condition and results of operations.

In addition, we license certain software and technology from third parties. Any premature termination of our license agreements or the loss of the ability to use such software or technology for any reason would have an adverse impact on our business and operations. Rapid changes in our industry or technology may also result in our licensed technologies being recalled or discontinuation of support for outdated products or services. Any deficiencies in the infrastructure used, or processes adopted, by such third parties could have a material adverse effect on our business, results of operations and prospects.

23. Direct investment in mutual funds by our existing as well as potential clients will have an adverse impact on our revenue from mutual fund distribution.

While we commenced the mutual fund distribution business with a business model based on upfront commission, given the larger proportion of equity mutual funds historically distributed by us, we moved to a trail commission model, which has provided us with a recurring commission based on the performance of such funds in the market. With growing technology and increase in the ease of investments in such funds, our existing, as well as potential clients may not see significance in choosing to make their investments through us, and may choose to invest in such funds directly, thereby reducing or eliminating our involvement in the process of investments. In the event that such existing or potential clients choose to invest in such funds directly, our growth may reduce which would have an adverse impact on our business and results of operations.

24. We depend on the accuracy and completeness of information about clients and counterparties for our business. Any misrepresentation, errors in or incompleteness of such information could adversely affect our business and financial performance.

We significantly rely on information furnished to us by, or on behalf of, clients (including in relation to their financial transactions and past credit history) for various aspects of our business operations, such as new client enrolment, appointing new Business Associates and servicing our clients. We may also rely on certain representations from our clients as to the accuracy and completeness of the information provided by them. We may receive inaccurate or incomplete information as a result of negligence or fraudulent misrepresentation. Our risk management measures may not be adequate to prevent such activities or detect inaccuracies in such information in a timely manner, or at all, which may expose us to regulatory action or other risks, and may adversely affect our reputation, business prospects, financial condition and results of operations.

Difficulties in assessing credit risks associated with our day-to-day lending operations may lead to an increase in the level of our non-performing and restructured assets, which could materially and adversely affect our business prospects, financial condition and results of operations. For further details, see *"- Credit risks in our day-to-day operations may expose us to significant losses"* on page 33.

25. Our Company's business requires substantial capital and any disruption in the sources of its funding or an increase in its average cost of borrowings could have a material adverse effect on its liquidity and financial condition.

Our Company's liquidity and ongoing profitability are, to a large extent, dependent upon its timely access to, and the costs associated with, raising capital. Our Company's funding requirements have historically been met through a combination of borrowings such as working capital limits from banks, issuance of commercial papers and non-convertible debentures. Thus, our Company's business growth, liquidity and profitability depends and will continue to depend on its ability to access diversified, relatively stable and low-cost funding sources as well as our Company's financial performance, credit ratings and relationships with lenders. Any adverse developments or changes in applicable laws and regulations which limit our Company's ability to raise funds through term loans, working capital limits from banks, issuance of commercial papers and non-convertible debentures can disrupt its sources of funding, and as a consequence, could have a material adverse effect on our Company's liquidity and financial condition. Our Company's total outstanding borrowing, comprising debt, debt securities and borrowing (other than debt securities) was ₹5,353.46 crores, ₹3,735.50 crores, ₹2,170.93 crores and ₹2,079.09 crores as at nine months period ended December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021. In order to make these payments, our Company will either need to refinance this debt, which may prove to be difficult in the event of volatility in the credit markets, or alternatively, raise equity capital or generate sufficient revenue to retire the debt. There can be no assurance that our Company's business will generate sufficient cash to enable it to service its existing debt or to fund its other liquidity needs. Our Company's ability to borrow funds and refinance existing debt may also be affected by a variety of factors, including liquidity in the credit markets, the strength of the lenders from which our Company borrows, the amount of eligible collateral and accounting changes that may impact calculations of covenants in our Company's financing agreements. An event of default, a significant negative ratings action by a rating agency, an adverse action by a regulatory authority or a general deterioration in prevailing economic conditions that constricts the availability of credit may increase our Company's cost of funds and make it difficult for our Company to access financing in a cost-effective manner. A disruption in sources of funds or increase in cost of funds as a result of any of these factors may have a material adverse effect on our Company's liquidity and financial condition.

26. Our housing finance business is vulnerable and may be impacted by any to interest rate volatility or volatility in the Indian real estate sector, which could cause our net interest margins or provisioning to decline and adversely affect our profitability. Further, any adverse development in the real estate sector would negatively affect our results of operations.

Our results of operations are substantially dependent upon our net interest income, which is a function of the amount of our credit book and net interest margin. The net interest income for our housing finance business, through our Subsidiary MOHFL for the below mentioned periods was as follows:

(₹ in crores)

Particulars	As of and for the nine months period ended December 31, 2023	As of and for the FY ended March 31, 2023	As of and for the FY ended March 31, 2022	As of and for the FY ended March 31, 2021
MOHFL				
Net interest income	231.54	294.87	270.62	240.49

MOHFL borrows and lends funds on both fixed and floating rates. While any reduction in interest rates at which MOHFL borrows may be passed on to our customers, MOHFL is unable to pass on any increase in interest rates to customers who have existing loans on fixed interest rates. In a rising interest rate environment, if the yield on our interest-earning assets does not increase simultaneously with or to the same extent as our cost of funds, and conversely, in a declining interest rate environment, if our cost of funds does not decline simultaneously or to the same extent as the yield on our interest-earning assets, our net interest income and net interest margin would be adversely impacted. Competitive pressure may also require us to reduce the interest rates at which MOHFL lend to our customers without a proportionate reduction in interest rates at which MOHFL raise funds. Our customers may also prepay their loans to take advantage of a declining interest rate environment. An increase in interest rates could result in our customers, particularly those with variable interest rate loans, prepaying their loans if less expensive loans are available from other sources. In a declining interest rate environment, especially if the decline is sudden or sharp, MOHFL could be adversely affected by a decline in the market value of fixed income securities, and this could reduce our earnings from liability management operations.

Accordingly, our operations are susceptible to fluctuations in interest rates. Interest rates are highly sensitive and volatility in interest rates could be a result of many factors, including the monetary policies of the RBI, inflationary pressures in the economy, de-regulation of the financial services sector in India, domestic and international economic and political conditions and inflation. An increase in inflation and consequent changes in bank rates, repo rates and reverse repo rates by the RBI have led to an increase in interest rates on loans provided by banks and financial institutions and consequently, interest rates in India have been volatile in recent financial periods. There can be no assurance that MOHFL will be able to adequately manage our interest rate risk in the future, which could have an adverse effect on our net interest income and net interest margins, which could in turn have a material adverse effect on our business, results of operations, cash flows and financial condition. Further, any negative events affecting the

Indian real estate sector could adversely affect the value of the collateral for our loans, our business and result of operations. If our provisioning requirements are insufficient to cover our existing or future levels of non- performing loans or if future regulation requires us to increase our provisions, our ability to raise additional capital and debt funds as well as our results of operations and financial condition could be adversely affected. Further, the growth of AUM of MOHFL may be affected due to the unavailability of appropriate investment opportunities at the right time or if we close or discontinue some of the schemes or services offered by MOHFL.

Our housing finance business exposed to the real estate sector and any significant decline in property prices can adversely affect our ability to realize the value of our collateral or fully recover principal and interest in the event of a default. Delay in completion of real estate developments may also affect the value of our collateral and our ability to enforce our rights. Failure to recover the expected value of collateral could expose the Issuer to losses and, in turn, result in a material adverse effect on our business, results of operations, cash flows and financial condition. Although the enactment of the SARFAESI Act has strengthened the rights of creditors by allowing expedited enforcement of security in an event of default, there is still no assurance that we will be able to realize the full value of our collateral, due to, among other things, delays on our part in taking action to secure the property, delays in bankruptcy foreclosure proceedings, stock market downturns, defects in the perfection of collateral and fraudulent transfers by borrowers.

Further, among the various regulatory developments, to ensure compliance with the requirements of the RERA Act, companies in the real estate sector may need to allocate additional resources, which may increase compliance and they may face regulatory actions or be required to undertake remedial steps, which may have an adverse effect the business, operations and financial condition of various companies in the sector leading to less than anticipated growth in the housing sector, resulting in adverse effect on our business.

27. There may be inadvertent discrepancies in our secretarial filings and/ or corporate records. We cannot assure you that no legal proceedings or regulatory actions will be initiated against our Company in the future in relation to any such discrepancies and we will not be subject to any penalty imposed by the competent authority in this regard.

We manage our internal compliance by monitoring and evaluating internal controls and ensuring all relevant statutory and regulatory compliances. However, there can be no assurance that deficiencies in our internal controls will not arise, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls, in a timely manner or at all. Accordingly, we cannot assure you that our Company will not be subject to any legal proceedings or regulatory actions, including monetary penalties by statutory authorities on account of any inadvertent discrepancies in our secretarial filings and/or corporate records in the future, which may adversely affect our business, financial condition and reputation.

28. There are outstanding legal proceedings against one of our directors, if determined, could have a material adverse impact on our business, results of operations and financial conditions.

There are outstanding legal proceedings against one of our Whole-time Director, Ajay Menon, pending at various levels of adjudication before courts and appellate authorities. Ajay Menon is one of the parties in the chargesheet dated December 2, 2022 filed by the Economic Offences Wing, Mumbai in their ongoing investigation into the irregularities at the National Spot Exchange Limited, pursuant to FIR dated September 30, 2013 filed by Pankaj Saraf at the MRA Marg Police Station, Mumbai. In connection to this, SEBI has also issued a notice dated June 19, 2023 ("**Notice**") to the Company seeking clarification on the Company's compliance with under Clause 6 of Schedule II of the SEBI (Intermediaries) Regulations, 2008 in relation to the 'fit and proper criteria' to be met by the registered intermediary and its principal officers, directors, compliance officer, KMPs, promoters, etc. in light of the Chargesheet filed against Ajay Menon which would entail his disqualification as per the Regulations. Our Company has responded to the Notice on July 5, 2023 requesting SEBI to keep the Notice in abeyance as the Company has filed a writ petition dated June 26, 2023 before the High Court of Bombay ("**Court**") challenging the constitutional validity of Clause 3 of Schedule II of the Regulations and any consequential actions taken by SEBI pursuant to the Regulations. For further details, please see "*Outstanding Litigations and Defaults*" on page 274.

There can be no assurance that these legal proceedings will be decided in favour of our Director. Decisions in any of such proceedings adverse to our interests may have a material adverse effect on our business, future financial performance and results of operations. If the courts or appellate authorities rule against our Director, we may face monetary and/ or reputational losses. Further, there can be no assurance that a significant portion of these disputes will not be determined against our Director or that our Company will not be required to pay all or a portion of the disputed amounts. There can be no assurance that similar proceedings will not be initiated against our Company in the future.

29. We may not be able to recover the full loan amount, and the value of the collateral may not be sufficient to cover the outstanding amounts due under defaulted loans. Failure to recover the value of the collateral could expose us to a potential loss, thereby adversely affect our financial condition and results of operations.

We extend loans secured by liquid marketable securities provided as collateral by the customer. An economic downturn or sharp downward movement could result in a fall in collateral value. In the event of any decrease collateral securing the loans may have decreased significantly in value, resulting in losses which we may not be able to support. Although we use a technology-based risk management system and follow strict internal risk management guidelines on portfolio monitoring, which include periodic assessment of loan to security value on the basis of conservative market price levels, limits on the amount of margin and pre-determined loan closure call thresholds, no assurance can be given that if the collateral value decreases significantly, our financial condition and results of operations would not be adversely affected. The impact on our financial position and results of operations of a decrease in collateral values cannot be reasonably estimated.

Additionally, we may not be able to realise the full value of our collateral. In the case of a default, we sell the collateral through public auctions and there can be no assurance that we will be able to sell such collateral at prices sufficient to cover the amounts under default. Moreover, there may be delays associated with such auction process. A failure to recover the expected value of collateral security could expose us to a potential loss. Any such losses could adversely affect our financial condition and results of operations.

We may also be affected by failure of employees to comply with internal procedures and inaccurate appraisal of credit or financial worth of our clients. Failure by our employees to properly appraise the value of the collateral provides us with no recourse against the borrower and the loan sanction may eventually result in a bad debt on our books of accounts. In the event we are unable to check the risks arising out of such lapses, our business and results of operations may be adversely affected.

30. If we are unable to recover the amounts due from customers to whom we have provided unsecured loans it could adversely affect our operations and profitability.

Our unsecured loan portfolio is ₹3,332.04 crores as on December 31, 2023. Since loans to these customers are unsecured, upon the occurrence of an event of default, our ability to realise the amounts due would be restricted to initiating legal proceedings for recovery. There can be no guarantee as to the length of time it could take to conclude such legal proceedings or for the legal proceedings to result in a favourable decision for us. Moreover, since these loans are securitized, there can be no assurance that we will be able to fully recover the outstanding due, or at all, even in the event of a favourable decision for us. With respect to some of our loans, we do not have any direct control over how the customer actually utilised the loan proceeds. Although our credit appraisal system conducts a due diligence during its securitization process and exercises caution in its lending, any use of loan proceeds for purposes outside those stated on the loan application form may negatively affect the repayment capacity of the borrowers to repay the loan. Any failure to repay such loans could have an adverse effect on our financial condition, results of operations and cash flows.

31. We extend margin funding loans, or loans against shares, to our clients, and any default by a client coupled with a downturn in the stock markets could result in substantial losses for us.

We extend "loans against shares", or margin funding loans, which are secured by liquid, marketable securities at appropriate or pre-determined margin levels. In the event of a volatile stock market or adverse movements in stock prices, the collateral securing the loans may have decreased significantly in value, resulting in losses which we may not be able to support. Customers may default on their obligations to us as a result of various factors including bankruptcy, lack of liquidity, lack of business and operational failure. There is little financial information available about the creditworthiness of our customers. It is therefore difficult to carry out precise credit risk analysis on our clients. Although we use a technology-based risk management system and follow strict internal risk management guidelines on portfolio monitoring, which include limits on the amount of margin, the quality of collateral provided by the client and pre-determined margin call thresholds, no assurance can be given that if the financial markets witnessed a significant single-day or general downturn, our financial condition and results of operations would not be adversely affected.

32. We face certain risks related to our distribution business.

We distribute financial products issued by third-party institutions, through our electronic brokerage platform and mobile apps, physical distribution network, Business Associates and personnel at our dealer helpdesks and our DRAs. The structure of some third-party products that we distribute and services that we refer clients to may be complex and involve various risks, including credit risks, interest risks, liquidity risks and other risks.

Although as a third-party distributor, we are not directly liable for any investment loss from, or default of, the products we distribute to our clients, we may be subject to client complaints, litigation and regulatory investigation, which could have an adverse effect on our reputation and business. For example, we may not be able to identify and quantify the risks of these products, fail to identify fraudulent, inaccurate or misleading information from the third -party provider, and our sales employees may fail to disclose such risks to our clients, in which case, our clients may invest in financial

products that are too risky for their risk tolerance and investment preference, and may suffer a significant loss. This may also subject us to client complaints and litigation and negatively affect our reputation, client relationships, results of operations and business prospects. For further details, see *"Outstanding Litigation and Material Developments"* on page 274.

We face certain other risks in relation to our distribution business, including:

- decrease in distribution commissions which are generally set by the third-party providers whose products and services we distribute;
- our distribution arrangement with AMCs can be terminated without notice, or due to failure on our part to comply/ perform;
- regulatory changes affecting distribution arrangements, including commission levels;
- the clawback of payments from the third-party providers, which is permitted in a majority of our distribution agreements under certain situations, including returns or redemption of certain products by the clients;
- credit risk related to the third-party providers;
- changing client preferences with respect to products that we distribute;
- any adverse change in the relationship with a third-party provider; and
- transition of clients to purchase products directly from such third-party providers.

Any of the above risks could have a material adverse effect on our business, financial condition and results of operations.

Our housing finance business exposed to the real estate sector and any significant decline in property prices can adversely affect our ability to realise the value of our collateral or fully recover principal and interest in the event of a default. Delay in completion of real estate developments may also affect the value of our collateral and our ability to enforce our rights. Failure to recover the expected value of collateral could expose the Issuer to losses and, in turn, result in a material adverse effect on our business, results of operations, cash flows and financial condition. Although the enactment of the SARFAESI Act has strengthened the rights of creditors by allowing expedited enforcement of security in an event of default, there is still no assurance that we will be able to realize the full value of our collateral, due to, among other things, delays on our part in taking action to secure the property, delays in bankruptcy foreclosure proceedings, stock market downturns, defects in the perfection of collateral and fraudulent transfers by borrowers.

Further, among the various regulatory developments, to ensure compliance with the requirements of the RERA Act, companies in the real estate sector may need to allocate additional resources, which may increase compliance and they may face regulatory actions or be required to undertake remedial steps, which may have an adverse effect the business, operations and financial condition of various companies in the sector leading to less than anticipated growth in the housing sector, resulting in adverse effect on our business.

33. Our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures.

The amount of future dividend payments by our Company, if any, will depend upon a number of factors, including but not limited to our future earnings, financial condition, cash flows, working capital requirements, contractual obligations, applicable Indian legal restrictions and capital expenditures. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under the loan or financing agreements our Company may enter into to finance our fund requirements for our business activities. There can be no assurance that we will be able to pay dividends in the future. We may decide to retain all of our earnings to finance the development and expansion of our business and, therefore, may not declare dividends on our Equity Shares. Additionally, in the future, we may be restricted by the terms of our financing agreements in making dividend payments unless otherwise agreed with our lenders.

34. Credit risks in our day-to-day operations may expose us to significant losses.

We may suffer significant losses from credit exposures from our clients and counterparties. Our brokerage business is subject to the risk that a client or counterparty may fail to perform its obligations or that the value of any collateral held by us to secure the obligations might become inadequate.

We are exposed to limited credit risk arising out of receivables relating to sales of securities which the clients have traded but are not yet settled. However, in case of default in payments by clients, the securities traded will get transferred to the Client Unpaid Securities Pledgee Account as required under applicable law, and we square off and settle positions in client accounts through a trading system as per our risk management policies. We are dependent on

a number of parties like brokers, exchanges, banks, registrars and, clearing houses and other intermediaries for our transaction execution or for our day-to-day operations, or both.

If any of these counterparties do not perform their obligations due to bankruptcy, lack of liquidity, downturns in the economy, operational failure, fraud or other reasons, and any collateral or security they provide proves inadequate to cover their obligations at the time of the default, we could suffer significant losses and it would have an adverse effect on our financial condition, cash flows, results of operations and cash flows. We are also subject to the risk that our rights against these counterparties may not be enforceable in all circumstances. Further, we are also responsible for contracts entered into by us on behalf of our clients. For example, margin trading funding facility may expose our Company to credit risk. Although we attempt to minimize our exposure to specific clients, these measures may not be sufficient and may impact our results of operations and financial conditions.

35. Our Company is subject to certain restrictive covenants in our loan documents, which may restrict our operations and ability to grow and may adversely affect our business.

Our Company is subject to certain restrictive covenants under our credit facilities and the documents executed in relation to NCDs issued by us that limit our flexibility in managing our business. There are restrictive covenants in the agreements we have entered into with certain banks and financial institutions for our borrowings. These restrictive covenants require us to maintain certain financial ratios and our existing credit rating and seek the prior permission of these banks and financial institutions/ NCD holders/ Debenture Trustees for various activities, including, among others, (a) any scheme of merger, amalgamation or a buyback, and (b) permit any change in the general nature of business of the Company. Such restrictive covenants may restrict our operations or ability to expand and may adversely affect our business. Although we have received necessary approvals from our lenders for this Issue, these restrictive covenants may also affect some of the rights of our NCD holders, including the payment of the dividends in case of any default in debt to such lenders. For details of these restrictive covenants, see the section titled "*Financial Indebtedness*" on page 193.

36. Our business is dependent on relationships with our clients established through, amongst other our branches and through franchisee network. Closure of our branches or loss of our key branch personnel may lead to damage to these relationships and decline in our revenue and profits.

Our business is dependent on relationships with our clients established through, amongst others, our branches. Closure of branches or loss of our key branch personnel may lead to damage to these relationships and a decline in our revenue and profits. Our business is dependent on the key branch personnel who directly manage client relationships. We encourage dedicated branch personnel to service specific clients since we believe that this leads to long-term client relationships, a trust-based business environment and, over time, better cross-selling opportunities. While no branch manager or operating group of managers contributes a meaningful percentage of our business, our business may suffer materially if a substantial number of branch managers either become ineffective or leave our Company.

37. Underperformance of investment products in respect of which we provide asset management services and competition from existing and new markets participants, could lead to a loss of investors, reduction in AUM and adversely affect results of operations and reputation of our Company.

The investment products in respect of which we provide asset management services may not outperform either their relevant benchmarks, or similar investment products provided by our competitors. The investments held by the mutual funds for which we provide asset management services may be illiquid or volatile which may result in losses. Many other investments, including in particular investments in equity, are subject to potential capital losses. Other than our investment strategies, the performance of such investment products will depend on a number of factors, the majority of which are outside our control and include market, economic and other conditions. Further, certain of our investment management contracts contain restrictions relating to our investment policies, for example limiting exposure concentrations in respect of certain asset classes, issuers or industries. Such restrictions may prevent us from implementing what maybe the best investment strategies, which could restrict the performance of the investments.

Further, we also face significant competition from companies seeking to attract investors' financial assets, including traditional and online brokerage firms, other mutual fund companies and financial institutions. Our competitors may offer a wide range of financial products and services, at lower investment management fee, with a wider distribution network. Our competitors may receive investor referrals from their affiliates and other departments that provide other financial services. In addition, we rely on own branches or depend on our Business Associates, which may require higher investment and operating expenses as compared to our peers. This may adversely affect our market share and ability to grow our business.

Increased competition and underperformance of investment products may result either in a decrease in AUM market share, or force us to reduce our management fees so as to preserve such market share, either of which would decrease our revenue from operations.

38. *We may be subject to claims with respect to our intellectual property and our efforts to protect our intellectual property may not be sufficient.*

Our intellectual property includes trademarks associated with our business, *inter alia*, including, , , , , logos, and taglines *inter alia*, including, "*Most Money Magicians*", "*Knowledge First*". We have registered various trademarks associated with our business, which we regard as important to our success. Our Company has a total of 33 registered trademarks, in accordance with the Trademarks Act, 1999. While our trademarks are registered, third parties may copy or otherwise infringe on our rights, or we may also be susceptible to claims from third parties asserting infringement and other related claims. Any of the foregoing could have an adverse effect on our branding, business, results of operations and financial condition.

39. *We rely on the Indian exchanges for a significant portion of our business.*

Our brokerage business relies on the Indian exchanges, such as NSE, BSE, MCX, and NCDEX, and the clearing corporations to execute and settle all our clients' transactions. Our electronic brokerage platform and our systems for brokerage clients are connected to the exchanges and all orders placed by our clients are fulfilled through the exchanges. Any disruption in the functioning of the exchanges or a disruption to our connection with the exchanges could have a material adverse effect on our business and results of operations.

To use the services of the exchanges, we are required to be registered as their members. This registration subjects us to various stock exchange regulations and periodic inspections by such exchanges. We cannot assure you that we will be able to strictly comply with such regulations or that such inspections would not find any violations by us. Failure to comply with such regulations could lead to fines, penalties, suspension of our registrations, and in extreme circumstances, termination of our registration. If our registration with the exchanges is terminated, we will be unable to provide brokerage services, which will have a material adverse effect on our business, financial condition and results of operations. In addition, our business operations are subject to regulatory limits on brokerage fee rates and net worth requirements imposed by exchanges.

40. *We may face asset-liability mismatches, which could affect our liquidity and consequently may adversely affect our operations and profitability.*

Asset-liability mismatch represents a situation when financial terms of an institution's assets and liabilities do not match and is a key financial parameter. A significant portion of our funding requirements is met through short-term and medium-term funding sources such as bank loans, working capital demand loans, cash credit, short-term loans and commercial paper. However, significant portions of our assets (such as loans to our customers) have maturities with longer tenor than our borrowings. We may face potential liquidity risks due to varying periods over which our assets and liabilities mature. Moreover, raising long-term borrowings in India has historically been challenging. If we are unable to obtain additional credit facilities or renew our existing credit facilities in a timely and cost-effective manner to meet our maturing liabilities, or at all, this may lead to gaps and mismatches between our assets and liabilities, which in turn may adversely affect our liquidity position, and in turn, our operations and financial performance.

41. *We are required to maintain various licences and permits for our business from time to time. Any failure or delay in obtaining or renewing licences or permits may adversely affect our operations.*

Our business is subject to compliance with the rules, regulations, bye-laws and circulars prescribed by SEBI, IRDAI, RBI, NSDL, AMFI, CDSL and exchanges (including NSE, BSE, MCX and NCDEX), and other regulatory authorities, and the terms and conditions of the approvals, licences, registrations and permissions obtained for operating our business. Some of the approvals, licenses and registrations may elapse in the ordinary course of business and we make applications for renewal as and when practicable and in accordance with applicable law, while certain other registrations are valid until they are suspended or cancelled by the regulator but are subject to payment of registration fee at a periodic interval. Further, in accordance with the regulations formulated by SEBI and other regulatory authorities, we are required to intimate or obtain approvals, as the case may be, amongst others, for changes in our Board, changes in our shareholding pattern, and undertaking certain corporate actions. For further information, see "*Regulations and Policies*" on page 304.

Government and regulatory licences and approvals may also be tied to conditions, some of which may be onerous to us and require substantial expenditures. There is no assurance in the future that the licences, approvals and permits applied for or held by us will be issued, approved or renewed in a prompt manner, or at all, under applicable law. Our failure to renew or obtain such licences and approvals in a timely manner, or at all, and comply with the provisions of the applicable laws and regulations could lead to suspension or cancellation of our registration or imposition of sanctions by the relevant authorities, including penalties.

If we are unable to make applications and renew or obtain necessary permits, licences and approvals on acceptable terms, in a timely manner, at a reasonable cost, or at all, it could materially and adversely affect our financial condition and results of operations.

42. The success of our business operations is dependent on our senior management team and key management personnel as well as our ability to attract, train and retain such employees.

The success of our business operations is attributable to our senior management team and key management personnel. We believe that the experience of our senior management team has enabled us to experience consistent growth and profitability as well as a robust liquidity and capital position. Our ability to sustain our growth depends upon our ability to attract and retain key personnel, developing managerial experience to address emerging business and operating challenges and ensuring a high standard of customer service.

Hiring and retaining personnel qualified and experienced, in the broking and advisory segment, is particularly difficult. We also face attrition of our existing workforce as a result of increased competition or other factors relating to our businesses. The employee attrition rate for our Company, on a standalone basis, as percentage of average headcount is 49.98%, 74.12%, 64.27% and 54.03% for the for the financial years ended March 31, 2024, March 31, 2023, March 31, 2022 and March 31, 2021, respectively. If we cannot hire additional qualified personnel or retain them, our ability to expand our business will be impaired and our revenue could decline. We will need to recruit new employees, who will have to be trained and integrated into our operations. We will also have to train existing employees to adhere properly to internal controls and risk management procedures. Failure to train and motivate our employees properly may result in an increase in employee attrition rates, require additional hiring, erode the quality of customer service, divert management resources, increase our exposure to high-risk credit and impose significant costs on us. Any inability to attract and retain talented employees, or the resignation or loss of key management personnel, may have an adverse impact on our business and future financial performance.

43. We face additional risks as we expand our product and service offerings and grow our business.

We will continue to expand our product offerings and business as permitted by relevant regulatory authorities and market opportunities. New product offerings in our business are required to be compliant with the complex regulatory requirements and trading validation requirements of the exchanges. Failure to consider, identify and provide for all additional risks may result in adverse financial impact on our Company. In the last few years, we have introduced various new products and services including "Options Store" "Research 360", Super APP "RISE" and various mutual fund offerings. For further details, see "*Our Business*" on page 143.

These activities may expose us to new and increasingly challenging risks, including, but not limited to:

- we may not be successful in enhancing our risk management capabilities and IT systems to identify and mitigate the risks associated with these new products, services and businesses;
- we may be subject to stricter regulatory scrutiny, and increased credit, market, compliance and operational risks;
- we may be unable to obtain regulatory approvals for certain new products in a timely manner, or at all;
- we may have insufficient experience or expertise in offering new products and services and dealing with new counterparties and client;
- we may be unable to hire additional qualified personnel to support the offering of a broader range of products and services;
- our new products and services may not be accepted by clients or meet our profitability expectations; or
- we may be unable to obtain sufficient financing from internal and external sources to support our business expansion.

If we are unable to achieve the intended results with respect to our offering of new products and services, or manage the growth of our business, our business, financial condition, cash flows, results of operations and prospects could be materially adversely affected.

44. Our insurance coverage may not adequately protect us against losses.

We maintain insurance coverage that we believe is adequate for our operations. We have insurance policies providing coverage for our property against losses from fire, burglary and certain other risks. We also maintain a separate stock broker indemnity insurance. While we have obtained stock broker indemnity insurance as required under the guidelines of the various stock exchanges, we cannot assure you that the terms of our insurance policies will be adequate to cover any damage or loss suffered by us or that such coverage will continue to be available on reasonable terms or will be available in sufficient amounts to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim.

A successful assertion of one or more large claims against us that exceeds our available insurance coverage or changes in our insurance policies, including premium increases or the imposition of a larger deductible or coinsurance requirement, could adversely affect our business, financial condition, results of operations and cash flows.

45. Our Promoters and Promoter Group have significant control over us and have the ability to direct our business and affairs; their interests may conflict with the interests of the shareholders.

As of March 31, 2024, our Promoters and Promoter Group beneficially held 69.16% of our issued and outstanding Equity Shares. The Promoters have the ability to control our business, including matters relating to any sale of all or substantially all of our assets, timing and distribution of dividends, election of our officers and directors and change of control transactions. The Promoters' control could delay, defer or prevent a change in control of the Company, impede a merger, consolidation, takeover or other business combination involving our Company, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of our Company even if it is in the Company's best interest. The Promoters and members of the Promoter Group may influence the material policies of our Company in a manner that could conflict with the interests of our other shareholders.

46. We do not own all our branch offices. Any termination or failure by us to renew the lease agreements in a favorable and timely manner, or at all, could adversely affect our business and results of operations. Moreover, many of the lease and leave and license agreements entered into by us may not be duly registered or adequately stamped.

Majority of our branches are located on leased or licensed premises. The lease agreements can be terminated, and any such termination could result in any of our branches being shifted or shut down. Some of the lease and leave and license agreements may have expired in the ordinary course of business and we will renew such agreements basis discussions with the landlords. While we have not faced material issues renewing the leases of our branches in the three preceding Fiscals and have not faced any termination of lease except in the ordinary course by our lessors, if these lease and license agreements are not renewed or not renewed on terms favorable to us, we may suffer a disruption in our operations or increased costs, or both, which may affect our business and results of operations. Further, our lease and license agreements are required to be adequately stamped and duly registered. Unless such documents are adequately stamped or duly registered, such documents may be rendered inadmissible as evidence in a court in India or may not be authenticated by any public officer and the same may attract penalty as prescribed under applicable law or may impact our ability to enforce these agreements legally, which may result in an adverse effect on the continuance of our operations and business. For information in relation to our premises, see "*Our Business –Property*" on page 162.

47. Our Promoters, certain of our Directors and Key Management Personnel may be interested in us other than in terms of remuneration and reimbursement of expenses, and this may result in conflict of interest with us.

Our Promoter, certain of our Directors and Key Management Personnel are interested in us, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding, direct and indirect, and our stock options and benefits arising therefrom. We cannot assure you that our Promoters, certain of our Directors and Key Management Personnel will exercise their rights as shareholders to our benefit and best interest. Further, since our Promoters and Promoter Group hold Equity Shares in our Company and are therefore interested in our Company's performance in addition to their remuneration and reimbursement of expenses, it allows them to exercise significant influence over us.

48. Certain of our Directors are on the board of directors of companies engaged in a line of business similar to that of ours. Any conflict of interest that may occur as a result could adversely affect our business, financial condition, results of operations and cash flows.

One of our Independent Directors, Swanubhuti Jain, is also on the board of directors of Arihant Capital Markets Limited, engaged in a line of business similar to ours. This entity may provide comparable services, expand its presence, solicit our employees or acquire interests in competing ventures in the locations or segments in which we operate. A conflict of interest may occur between our business and the business of Arihant Capital Markets Limited, which could have an adverse effect on our business, financial condition, results of operations and cash flows.

49. Industry information included in this Prospectus has been derived from an industry report prepared by CRISIL Limited exclusively commissioned and paid for by us for such purpose.

Certain information regarding the industry and the market in which the Company operates, included in this Prospectus has been derived from the report titled '*Analysis of broking and wealth management industry in India'* released in Indi in February, 2024 ("**CRISIL Report**") prepared by CRISIL Limited appointed and exclusively commissioned by our Company pursuant to letter dated January 13, 2024 at an agreed fees to be paid by our Company. The report is a paid report and is subject to various limitations and based upon certain assumptions, parameters and conditions that are subjective in nature. It also uses certain methodologies for market sizing and forecasting which may or may not be accurate.

Industry sources and publications are also prepared based on information as of specific dates. Further, there is no assurance that such information has been compiled or presented on the same basis as may be presented elsewhere. In addition, statements from third parties that involve estimates, projections, forecasts and assumptions are subject to change, and actual amounts may differ materially from those included in this Prospectus. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon.

You should consult your own advisors and undertake an independent assessment of information in this Prospectus based on, or derived from, the CRISIL Report before making any investment decision regarding the Issue.

50. We have in the past entered into related party transactions and may continue to do so in the future, and there can be no assurance that we will achieve more favourable terms if such transactions are not entered into with related parties.

We have entered into various transactions with related parties, each of which have been undertaken on an arms' length basis. We may also, from time to time, enter into related party transactions in the future. To the extent we may extend loans or advances to related parties, or provide guarantees or security, we may face risks in relation to default by such related parties or potential non-recovery. We cannot assure you that we will be able to achieve more favourable terms for such transactions if they are entered into with parties that are not related parties. Set forth below are details of our related party transactions in the corresponding periods/ years:

Name of the Related Party	Nature of Transaction	Fiscal					
		2021		2022		2023	
		Related Party Transactions (₹ in crore)	Related Party Transactions as a % of total income (%)*	Related Party Transactions (₹ in crore)	Related Party Transactions as a % of total income (%)*	Related Party Transactions (₹ in crore)	Related Party Transactions as a % of total income (%)*
TMITPL	Intercorporate Loans Given	-	-	0.11	0.00	-	-
MOHFL	Corporate guarantee given (to the extent of outstanding amount)	743.39	33.42	-	-	-	-

Note: Related party transactions refers to the arithmetic aggregated absolute total of transactions during the years ended March 31, 2021, March 31, 2022 and March 31, 2023. For details, see "Related Party Transactions" on page 216.

* *Total income for Fiscals 2021, 2022 and 2023 was ₹2,224.62, ₹2,615.46, and ₹2,692.71, respectively.*

Such related party transactions in the future or any other future transactions may potentially involve conflicts of interest which may be detrimental to the interest of our Company and we cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our minority shareholders and will not have an adverse effect on our business, financial condition, results of operations, cash flows and prospects.

51. We may introduce new financial products for our customers, and we cannot assure you that such products will be successful or profitable in the future.

We may introduce new or expand our existing range of financial products and services which would require us to incur substantial costs. We cannot guarantee that such new products and services will be successful once offered due to several factors including, *inter alia*, general economic conditions, a failure to understand customer demand and market requirements, failure to understand the regulatory and statutory requirements for such products or lack of management focus on these new products. If we fail to develop and launch new products and services successfully to meet demands or provide competition to our peers, we may lose a part or all of the costs incurred in development and promotion or discontinuation of such products and services or fail to gain/ retain customers which could in turn adversely affect our business and results of operations.

52. Increasing competition by discount brokerage houses and bank brokers may adversely impact our reputation, business, cash flows and financial statements.

Rising financial literacy of India's technologically proficient young population coupled with availability of zero brokerage services offered by new age fintech brokers or discount brokers and comfort of transacting through digital platforms led to accelerated market share gains for new age fin-tech brokers or discount brokers. Discount brokers have integrated technology enabling them to operate at efficient cost structures. Further, this has also led to lower brokerage/ flat-fee brokerage offered by discount brokers, which has disrupted the pricing for the entire industry and has also forced traditional players, such as our Company, to re-look at their product offerings. As of March 31, 2023, two of the top three players in the industry were discount brokers, in terms of brokerage revenue. Further; bank brokers continue to maintain dominant position in the market. For details, see "*Industry Overview*" on page 107. In the event

our Company is not able to adapt and make changes to ensure it continues to remain relevant and compete with newer firms, discount brokers and bank brokers, continued increase in the market share of discount brokers will adversely impact our reputation, business, cash flows and financial statements.

53. Our operations could be adversely affected by strikes or increased wage demands by our employees or any other kind of disputes with our employees.

We have not experienced any material employee unrest in the recent past, however we cannot assure you that we will not experience disruptions in work due to disputes or other problems with our work force, which may adversely affect our ability to continue our business operations. Any employee unrest directed against us, could directly or indirectly prevent or hinder our normal operating activities, and, if not resolved in a timely manner, could lead to disruptions in our operations. Such employee actions are difficult or impossible for us to predict or control and any such event could adversely affect our business, results of operations and financial condition.

54. This Prospectus includes certain unaudited financial information, which has been subjected to limited review, in relation to our Company. Reliance on such information should, accordingly, be limited.

This Prospectus includes certain unaudited standalone and consolidated financial information in relation to our Company, for the quarter and six months period ended September 30, 2023 and for the quarter and nine months period ended December 31, 2023, in respect of which the Statutory Auditor of our Company have issued their respective limited review reports dated November 1, 2023 and January 24, 2024, respectively. As this financial information has been subject only to limited review as required by regulation 52(2) of SEBI Listing Regulations and as described in 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, and not to an audit, any reliance by prospective investors on such unaudited financial information should accordingly, be limited.

Additionally, as disclosed in "*Certain Conventions, Use of Financial Industry and Market Data and Currency Presentation*" on page 14 due to the impact of the Scheme of Arrangement 2022, the standalone and consolidated financial information derived from the financial statements for the Financial Year 2021 which has been restated and included in the standalone and consolidated financial statements for the Financial Year 2022, have not been audited nor reviewed by the Statutory Auditor. Therefore, the Statutory Auditor do not express any opinion, on the restated figures of Financial Year 2021 as reported in the audited consolidated and standalone financial statements for the financial Year ended March 31, 2022. Accordingly, reliance by prospective investors to the Issue on such restated financial information shall be limited.

55. We may not be able to fully comply with anti-money-laundering, insider trading and anti-terrorism rules and regulations, which could result in criminal and regulatory fines and severe reputational damage. Further, we may fail to detect illegal or improper activities in our business operations.

We may fail to detect money laundering and other illegal or improper activities in our business operations on a timely basis, which may have an adverse effect on our reputation, business operations, financial condition and results of operation. We are required to comply with applicable anti-money laundering laws and regulations. These laws and regulations require financial institutions to establish sound internal control policies and procedures with respect to anti-money laundering monitoring and reporting activities. Such policies and procedures require us to, among other things, establish or designate an anti-money laundering framework, conduct client identification in accordance with relevant rules, duly preserve client identity information and transaction records and report suspicious transactions to relevant authorities. Since, we handle large volumes of monetary transactions for a significant number of clients, the policies and procedures implemented by us for detecting and preventing the use of our brokerage platforms to facilitate money laundering activities may not comprehensively detect or eliminate instances of money laundering.

We are also required to implement effective surveillance controls and measures for ensuring that our electronic brokerage platform is not misused by our clients, sub-brokers, personnel at our dedicated dealer helpdesks or market participants to carry out manipulative trading activities. Failure of the surveillance control and measures implemented by us to detect illegal or improper activities undertaken through our platforms in a timely manner, or at all, could lead regulatory to actions against us and harm our reputation. If the controls and measures implemented for detecting or eliminating money laundering or other improper or illegal trading activities are considered inadequate under applicable laws and regulations by any regulatory, governmental or judicial authority, we may be subject to penal action, freezing or attachment of our assets, imposition of fines, or both. We cannot assure you that our controls and measures implemented by us are adequate to detect or eliminate every instance of money laundering or illegal trading activities in a timely manner or at all. Any such lapse may adversely affect our reputation, business operations, financial condition and results of operations.

56. The objects of the Issue have not been appraised by any bank or financial institution. Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and may be subject to change based on various factors, some of which are beyond our control.

We intend to use the Net Proceeds of the Issue for the purpose of working capital requirement and repayment of existing liabilities, as described in "*Objects of the Issue*" on page 85. At this stage, we cannot determine with any

certainty if we would require the Net Proceeds to fund any other expenditure or any exigencies arising out of changes in our competitive environment, business conditions, economic conditions or other factors beyond our control. Our funding requirements and deployment of the Net Proceeds are based on internal management estimates, calculation of projected working capital, and current market conditions and have not been appraised by any bank or financial institution or other independent agency. It is subject to amendment due to changes in external circumstances, costs, other financial condition or business strategies. We operate in a highly competitive and dynamic industry and may need to revise our estimates from time to time based on changes in external circumstances or costs, or changes in other financial conditions, business or strategy. This may entail rescheduling, revising or cancelling planned expenditure and funding requirements at our discretion. For details, see "*Objects of the Issue*" on page 85. Additionally, various risks and uncertainties, including those set forth in this "Risk Factors" section, may limit or delay our efforts to use the Net Proceeds to achieve profitable growth.

57. We face substantial legal and operational risks in safeguarding personal information.

Our businesses are subject to complex and evolving laws and regulations, governing the privacy and protection of personal information of individuals. The protected parties include: (i) our Business Associates; (ii) our clients; (iii) our employees; and (iv) employees of our intermediaries, counterparties, vendors and other third parties. Ensuring that our collection, use, transfer and storage of personal information complies with all applicable laws and regulations in India may result in (i) increasing our operating costs; (ii) affecting the development of new products or services; (iii) demanding significant oversight by our management; and (iv) requiring us to structure our businesses, operations and systems in less efficient ways. Furthermore, we cannot ensure that all of our clients, intermediaries, vendors, counterparties and other third parties have appropriate controls in place to protect the confidentiality of the information exchanged between them and us, particularly where information is transmitted by electronic means.

We could be exposed to litigation or regulatory fines, penalties or other sanctions if personal, confidential or proprietary information of clients, intermediaries, employees or other third parties were to be mishandled or misused, such as situations where such information is erroneously provided to parties who are not permitted to have the information; or intercepted or otherwise compromised by third parties. The acquisition and secure processing, transmission and storage of sensitive, personal, confidential and proprietary information are critical elements of our operations, including our trading, clearing and settlement, and research businesses. We are exposed to significant risks related to data protection and data security due to, among others, our electronic brokerage platform involving extensive data transmission and processing, our reliance on technologies and outsourced employees for some of the key components of our IT systems and their maintenance, and our registration and integration with KYC-databases like Unique Identification Authority of India ("**UIDAI**") and KYC Registration Agencies like Central Registry of Securitisation Asset Reconstruction and Security Interest.

Our information security, including the security of our IT systems, is managed by us. We rely on our in-house security systems and employees, and those of certain third-party vendors and service providers in conducting our operations. Those technologies, systems and networks may become the target of cyber-attacks or information security breaches that could result in the unauthorized release, gathering, monitoring, misuse, loss or destruction of our or our clients' confidential, proprietary and other information, identity theft or disruptions of and errors within our systems. Data security breaches may also result from fraud, other misconduct, or lack of adequate safeguards by our employees, third-party vendors, business associates, and clients, clerical and recordkeeping errors or other unintentional accidents caused by any of these parties, all of which could harm our reputation and subject us to regulatory action or claims for damage. We cannot assure you that our existing security measures will prevent all security breaches, intrusions or attacks. A party, whether internal or external, that is able to circumvent our security systems could have access to confidential information or cause significant disruptions to our systems. Security breaches or attacks could result in our competitors obtaining strategically important information about us and give them a competitive advantage over us, cause reputational harm or lead to regulatory sanctions, litigation or loss of business.

We may need to expend significant resources to protect against security breaches, intrusions, attacks or other threats or to address problems including reputational harm and litigation, caused by breaches. Hackers are increasingly using powerful new tactics including evasive applications, proxies, tunnelling, encryption techniques, vulnerability exploits, buffer overflows, denial of service attacks, or distributed denial of service attacks, botnets and port scans. If we are unable to avert an attack for any significant period, we could sustain substantial revenue loss from lost sales due to the downtime of critical systems. We may not have the resources or technical sophistication to anticipate or prevent rapidly evolving types of cyber-attacks. Moreover, we may not be able to immediately detect that such an attack has been launched, if, for example, unauthorized access to our systems was obtained without our knowledge in preparation for an attack contemplated to commence in the future. Cyber-attacks may target us, our clients, our distribution partners, banks, depositories, exchanges, clearing houses, delivery services, e-commerce in general or the communication infrastructure on which we depend.

58. ***This Prospectus contains certain non-Indian GAAP measures related to our operations and financial performance that may vary from any standard methodology that is applicable across the industry.***

This Prospectus contains certain non-Indian GAAP financial measures, such as our net worth, total debt to total assets and AUM, and certain other statistical information relating to our operations and financial performance. We compute and disclose such non-Indian GAAP financial measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of broking and distribution businesses, many of which provide such non-Indian GAAP financial measures and other statistical and operational information when reporting their financial results. These non-Indian GAAP financial measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies in similar industry.

RISKS RELATING TO THE ISSUE AND THE NCDS

1. ***Changes in interest rate may affect the price of our NCDs. Any increase in rate of interest, which frequently accompany inflation and/or a growing economy, are likely to have a negative effect on the price of our NCDs.***

All securities where a fixed rate of interest is offered, such as our NCDs, are subject to price risk. The price of such securities will vary inversely with changes in prevailing interest rates, i.e., when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of prevailing interest rates. Increased rates of interest, which frequently accompany inflation and/or a growing economy, are likely to have a negative effect on the price of our NCDs.

2. ***There may be no active market for the NCDs on the retail debt market/capital market segment of the Stock Exchanges. As a result, the liquidity and market prices of the NCDs may fail to develop and may accordingly be adversely affected.***

There can be no assurance that an active market for the NCDs will develop. If an active market for the NCDs fails to develop or be sustained, the liquidity and market prices of the NCDs may be adversely affected. The market price of the NCDs would depend on various factors, *inter alia*, including (i) the interest rate on similar securities available in the market and the general interest rate scenario in the country, (ii) the market for listed debt securities, (iii) general economic conditions, (iv) limited or sporadic trading; and (v) our financial performance, growth prospects and results of operations. The aforementioned factors may adversely affect the liquidity and market price of the NCDs, which may trade at a discount to the price at which you purchase the NCDs and/or be relatively illiquid.

3. ***Credit ratings may not reflect all risks. Any downgrading in credit rating of our NCDs may adversely affect the value of NCDs and thus our ability to raise further debts.***

The NCDs proposed to be issued have been rated "CRISIL AA/Stable" (pronounced as CRISIL double A rating with Stable outlook) by CRISIL Ratings Limited *vide* their rating letter dated February 9, 2024 further revalidated *vide* their letters dated March 14, 2024 and March 19, 2024 with rating rationale dated February 9, 2024 and "IND AA/Stable" by India Ratings and Research Private Limited *vide* their rating letters dated January 29, 2024 further revalidated *vide* their letters dated February 23, 2024, March 14, 2024 and March 18, 2024 with rating rational dated January 29, 2024. Ratings issued by CRISIL and India Ratings will continue to be valid for the life of the instrument unless withdrawn or reviewed. Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk. Credit rating may not reflect the potential impact of all risks related to structure, market, additional factors discussed here, and other factors that may affect the value of the NCDs.

The rating provided by CRISIL may be suspended, withdrawn or revised at any time and should be evaluated independently of any other rating. Ratings are not a recommendation to buy, sell or hold securities and investors should take their own decisions. Please refer to "**Annexure B**" on page 336 for rating letters and rationale for the above rating.

4. ***Security on our NCDs may rank pari passu with our Company's secured indebtedness in the future.***

As of December 31, 2023 and April 4, 2024, our Company's secured debt was ₹1,284.32 crores and ₹1,822.02 crores, respectively. While the security on our NCDs is by way of a first ranking *pari passu* charge by way of hypothecation on all present and future Receivables of the Company (except those specifically and exclusively charged in favour of existing charge holders as specifically set out, and fully described in the Debenture Trust Deed), as of the date of this Prospectus, the terms of the NCDs do not prevent our Company from incurring additional debt subject to maintenance of minimum security cover. In the event that we incur additional debt in the future, which is secured against our assets, the NCDs may rank *pari passu* to the future indebtedness and other secured liabilities and obligations of our Company.

5. ***You may not be able to recover, on a timely basis or at all, the full value of the outstanding amounts and the interest thereon in connection with the NCDs. Failure or delay to recover the expected value from a sale or disposition of the assets charged as security in connection with the NCDs could expose you to a potential loss.***

Our ability to pay interest on the NCDs and/or the principal amount outstanding from time to time in connection therewith would be subject to various factors inter-alia including our financial condition, profitability and the general economic conditions in India and in the global financial markets. We cannot assure you that we would be able to repay the principal amount outstanding from time to time on the NCDs and the interest thereon in a timely manner or at all. Although our Company will create appropriate security in favour of the Debenture Trustee for the NCD holders on the assets adequate to ensure 1.20x security cover for the NCDs at the time of allotment of NCDs, which shall be free from any encumbrances, any decrease in assets provided as security in future might result in Company not meeting the security cover stipulated as per the respective term sheet. This can adversely affect ability of our Company to meet its payment obligations. Further, the realisable value of the assets charged as security, when liquidated, may be lower than the outstanding principal and interest thereon in connection with the NCDs.

While the debenture is secured against a charge at least 1.20x of the outstanding principal and interest thereon in favour of Debenture Trustee, and it is the duty of the Debenture Trustee to monitor that the security is maintained, however, the possibility of recovery of 100.00% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.

A failure or delay to recover the expected value from a sale or disposition of the assets charged as security in connection with the NCDs could expose you to a potential loss.

6. ***The rights over the security provided will not be granted directly to holders of the NCDs.***

The rights over the security securing the obligations of our Company under the NCDs and the Trust Deed will not be granted directly to the NCD holders, but will be granted only in favour of the Debenture Trustee. As a consequence, NCD holders will not have direct security and will not be entitled to take enforcement action in respect of the security for the NCDs, except through the Debenture Trustee.

7. ***You may be subject to taxes arising on the sale of the NCDs.***

Sale of NCDs by any holder may give rise to tax liability, as disclosed in "*Statement of Possible Tax Benefits Available to the Debenture Holders*" on page 91.

8. ***Payments to be made on the NCDs will be subordinated to certain tax and other liabilities preferred by law. In the event of bankruptcy, liquidation or winding-up, there may not be sufficient assets remaining to pay amounts due on the NCDs.***

The NCDs will be subordinated to certain liabilities preferred by law such as the claims of the Government on account of taxes, and certain liabilities incurred in the ordinary course of our business. In particular, in the event of bankruptcy, liquidation or winding-up, our Company's assets will be available to pay obligations on the NCDs only after all of those liabilities that rank senior to these NCDs have been paid as per section 327 of the Companies Act, 2013. In the event of bankruptcy, liquidation or winding-up, there may not be sufficient assets remaining to pay amounts due on the NCDs.

9. ***There may be a delay in making refund/ unblocking of funds to Applicants.***

We cannot assure you that the monies refundable to you, on account of (i) withdrawal of your applications, (ii) our failure to receive minimum subscription in connection with the Base Issue Size, (iii) withdrawal of the Issue, or (iv) failure to obtain the final approval from the BSE and NSE for listing of the NCDs, will be refunded to you in a timely manner. We, however, shall refund / unblock such monies, with the interest due and payable thereon (in case of any delays) as prescribed under applicable statutory and/or regulatory provisions.

10. ***There may be delays in receipt of or refusal of request to list in any stock exchange in India or abroad.***

While none of our securities or debt instruments have been denied permission to list in any stock exchange in India or abroad during last three financial years and current financial year, any such refusal in future might adversely affect tradability as well as price of then existing other listed securities or debt instruments.

11. ***Our Company, being a listed company is not required to maintain a debenture redemption reserve ("DRR").***

Our NCDs are proposed to be listed on BSE Limited and National Stock Exchange of India Limited. Pursuant to a Ministry of Corporate Affairs notification dated August 16, 2019 amending Section 71 of the Companies Act, 2013 and Rule 18 (7) of the Companies (Share Capital and Debentures) Rules, 2014, a listed company is not required to maintain DRR for debentures issued through a public issue. Hence, investors shall not have the benefit of reserve funds to cover the re-payment of the principal and interest on the NCDs. However, in accordance with section 71 of the Companies Act, 2013, read with Rule 18 of Companies (Share Capital and Debentures) Rules, 2014, as amended, we

shall on or before the 30th day of April of each year, deposit or invest, as the case may be, a sum which shall not be less than and which shall not any time fall below 15% of the amount of its debentures maturing during the year ending on the 31st day of March, of the next year, following any one or more of the following methods: (a) in deposits with any scheduled bank, free from charge or lien (b) in unencumbered securities of the Central Government or of any State Government; (c) in unencumbered securities mentioned in clauses (a) to (d) and (ee) of Section 20 of the Indian Trusts Act, 1882; (d) in unencumbered bonds issued by any other company which is notified under clause (f) of Section 20 of the Indian Trusts Act, 1882. The amount deposited or invested, as the case may be, shall not be utilized for any purpose other than for the debentures maturing during the year referred to above, provided that the amount remaining deposited or invested, as the case may be, shall not at any time fall below 15% of the amount of debentures maturing during the 31st day of March of that year. If we do not generate adequate profits, we may not be able to deposit or invest the prescribed percentage of the amount of the NCDs maturing the subsequent year.

RISKS RELATING TO INDIA

1. Changing laws, rules and regulations and legal uncertainties, including adverse application or interpretation of corporate and tax laws, may adversely affect our business, prospects and results of operations.

The regulatory and policy environment in which we operate is evolving and subject to change. Our business and financial performance could be adversely affected by unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations applicable to us and our business. Our business, results of operations and prospects may be adversely impacted, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. Any political instability in the regions in which we operate, such as corruption, scandals and protests against certain economic reforms, which have occurred in the past, could slow the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting foreign investment, currency exchange rates and other matters affecting investment in India could change as well.

For instance, the Government of India has announced the union budget for the Fiscal 2024, pursuant to which the Finance Bill, 2023 ("**Finance Bill**") has introduced various amendments. The Finance Bill has received assent from the President of India on March 31, 2023, and has been enacted as the Finance Act, 2023 ("**Finance Act**"). We cannot predict whether any amendments made pursuant to the Finance Act would have an adverse effect on our business, financial condition and results of operations. Unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. The Government of India introduced new laws relating to social security, occupational safety, industrial relations and wages namely, the Code on Social Security, 2020 ("**Social Security Code**"), the Occupational Safety, Health and Working Conditions Code, 2020, the Industrial Relations Code, 2020 and the Code on Wages, 2019, which consolidate, subsume and replace numerous existing central labor legislations, were to take effect from April 1, 2021 (collectively, the "**Labour Codes**"). The GoI has deferred the effective date of implementation of the respective Labour Codes, and they shall come into force from such dates as may be notified. Different dates may also be appointed for the coming into force of different provisions of the Labour Codes. While the rules for implementation under these codes have not been finalized, as an immediate consequence, the coming into force of these codes could increase the financial burden on our Company, which may adversely impact our profitability. For instance, under the Social Security Code, a new concept of deemed remuneration has been introduced, such that where an employee receives more than half (or such other percentage as may be notified by the Central Government) of their total remuneration in the form of allowances and other amounts that are not included within the definition of wages under the Social Security Code, the excess amount received shall be deemed as remuneration and accordingly be added to wages for the purposes of the Social Security Code and the compulsory contribution to be made towards the employees' provident fund.

The GoI may implement new laws or other regulations and policies that could affect the financial services industry, which could lead to new compliance requirements, including requiring us to obtain approvals and licenses from the GoI and other regulatory bodies, or impose onerous requirements. New compliance requirements could increase our costs or otherwise adversely affect our business, financial condition and results of operations. Furthermore, the manner in which new requirements will be enforced or interpreted can lead to uncertainty in our operations and could adversely affect our operations. Any changes to such laws, may adversely affect our future business, prospects, financial condition, cash flows and results of operations. For instance, due to the COVID-19 pandemic, the Government of India passed the Taxation and Other Laws (Relaxation of Certain Provisions) Act, 2020, implementing relaxations from certain requirements under the Central Goods and Service Tax Act, 2017 and Customs Tariff Act, 1975. On the Goods and Service Tax front, the Government has proposed to restrict the availability of input tax credits if a vendor has been non-compliant. The abovementioned changes may have an adverse effect on our future business, prospects, financial condition, cash flows and results of operations.

We have not fully determined the impact of these recent laws and regulations on our business. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow

our businesses in the future. For instance, the Supreme Court of India has, in a decision clarified the components of basic wages, which need to be considered by companies while making provident fund payments. Any such decisions in future or any further changes in interpretation of laws may have an impact on our results of operations and cash flows. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects.

2. ***Political, economic or any other factors beyond our control may have an adverse effect on our business and results of operations.***

The Indian economy and capital markets are influenced by economic, political and market conditions in India and globally. Adverse economic developments, such as rising fiscal or trade deficit, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. Any of these factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition, cash flows and results of operations. Any financial disruption could have an adverse effect on our business and future financial performance.

As a result, we are dependent on prevailing economic conditions in India and our results of operations and cash flows are affected by factors influencing the Indian economy. The following external risks may have an adverse impact on our business and results of operations, should any of them materialize:

- increase in interest rates may adversely affect our access to capital and increase our borrowing costs, which may constrain our ability to grow our business and operate profitably;
- political instability, resulting from a change in government or economic and fiscal policies, may adversely affect economic conditions in India. In recent years, India has implemented various economic and political reforms in relation to land acquisition policies and trade barriers have led to increased incidents of social unrest in India over which we have no control;
- instability in other countries and adverse changes in geopolitical situations;
- change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular;
- strikes, lock-outs, work stoppages or increased wage demands by employees, suppliers or other service providers;
- civil unrest, acts of violence, terrorist attacks, regional conflicts or war;
- India has experienced epidemics and natural calamities such as earthquakes, tsunamis, floods and drought in recent years, instability in the financial markets and volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- epidemics or any other public health emergency in India or in countries in the region or globally, including in India's various neighboring countries;
- decline in India's foreign exchange reserves which may affect liquidity in the Indian economy;
- macroeconomic factors and central bank regulation, including in relation to interest rates movements which may in turn adversely impact our access to capital and increase our borrowing costs;
- high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins;
- contagious diseases such as the COVID-19 pandemic, the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine. A worsening of the current COVID-19 pandemic or any similar future outbreaks of COVID-19, avian or swine influenza or a similar contagious disease could adversely affect the Indian economy and economic activity in the region;
- downgrading of India's sovereign debt rating by rating agencies; and
- international business practices that may conflict with other customs or legal requirements to which we are subject to, including anti-bribery and anti-corruption laws; being subject to the jurisdiction of foreign courts, including uncertainty of judicial processes and difficulty enforcing contractual agreements or judgments in foreign legal systems or incurring additional costs to do so.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations, cash flows and financial conditions. Our performance and the

growth of our business depend on the overall performance of the Indian economy as well as the economies of the regional markets in which we operate. Moreover, we are dependent on the various policies, initiatives and schemes proposed or implemented in India, however, there can be no assurance that such policies, initiatives and schemes will yield the desired results or benefits which we anticipate and rely upon for our growth.

3. ***It may not be possible for investors to enforce any judgment obtained outside India against us or our management, except by way of a lawsuit in India.***

A majority of our directors and executive officers are residents of India and most of our assets are located in India. As a result, it may not be possible for investors to effect service of process on us or such persons in jurisdictions outside of India, or to enforce against them judgments obtained in courts outside of India predicated upon civil liabilities on us or such directors and executive officers under laws other than Indian Law.

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. Section 44A of the Code of Civil Procedure, 1908 (the "**Civil Code**") provides that where a foreign judgment has been rendered by a superior court, within the meaning of that Section, in any country or territory outside of India which the Central Government has by notification declared to be in a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the CPC is applicable only to monetary decrees not being of the same nature as amounts payable in respect of taxes, other charges of a like nature or of a fine or other penalty.

India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, such as the United Kingdom, Singapore, UAE and Hong Kong, among others, have been declared by the Government to be reciprocating territories for the purposes of Section 44 A of the Civil Code; however, no reciprocity has been established with the United States. A judgment of a court of a country which is not a reciprocating territory may be enforced in India only by a suit on the judgment under Section 13 of the Civil Code, and not by proceedings in execution. The suit must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action was brought in India. Furthermore, it is unlikely that an Indian court would enforce a foreign judgment if that court were of the view that the amount of damages awarded was excessive or inconsistent with public policy or Indian practice. It is uncertain as to whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. However, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI under the Indian Foreign Exchange Management Act, 1999, to execute such a judgment or to repatriate any amount recovered. Any judgment in a foreign currency would be converted into Indian Rupees on the date of the judgment and not on the date of the payment. We cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delays.

4. ***Any volatility in exchange rates may lead to a decline in India's foreign exchange reserves and may affect liquidity and interest rates in the Indian economy, which could adversely impact us.***

Foreign inflows into India have remained extremely volatile responding to concerns about the domestic macroeconomic landscape and changes in the global risk environment. The widening current account deficit has been attributed largely to the surge in gold and oil imports. Further, increased volatility in foreign flows may also affect monetary policy decision making.

5. ***Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.***

Inflation rates in India have been volatile in recent years, and such volatility may continue. In recent years, India has experienced consistently high inflation, which has increased interest rates and increased costs to our business, including finance costs as well as costs of salaries and other expenses relevant to our business. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Further, high inflation leading to higher interest rates may also lead to a slowdown in the economy and adversely impact credit demand and growth. Consequently, we may also be affected and fall short of business growth and profitability.

While the Government of India through the RBI has previously initiated economic measures to combat high inflation rates, it is unclear whether these measures will remain in effect, and there can be no assurance that Indian inflation levels will not rise in the future. As a result, high inflation in India could have a material adverse effect on our financial condition and results of operations.

6. ***Any downgrade of India's debt rating by an independent agency may have a negative impact on our business.***

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely affect our ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our business, financial condition and our ability to obtain financing for capital expenditures.

7. Our ability to raise foreign debt capital may be constrained by Indian law.

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our financing sources and could constrain our ability to obtain financings on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that any required regulatory approvals for borrowing in foreign currencies will be granted to us without onerous conditions, or at all. Limitations on foreign debt may have an adverse effect on our business growth, financial condition and results of operations.

SECTION III: INTRODUCTION

GENERAL INFORMATION

Our Company was incorporated as a public limited company under the name of 'Motilal Oswal Financial Services Limited' under the Companies Act, 1956, pursuant to a certificate of incorporation issued by the Registrar of Companies, Maharashtra at Mumbai ("**RoC**") on May 18, 2005. It commenced its business pursuant to a certificate of commencement of business dated June 3, 2005 issued by the RoC. The CIN of our Company is L67190MH2005PLC153397.

For further details regarding changes to our Registered Office, see "*History and Certain Corporate Matters*" on page 163.

Registered Office and Corporate Office

Motilal Oswal Financial Services Limited
Motilal Oswal Tower, Rahimtullah Sayani Road
Opposite Parel ST Depot
Prabhadevi, Mumbai 400 025
Maharashtra, India
Contact Number: +91 22 7193 4200
Facsimile: +91 22 5036 2365
Email: shareholders@motilaloswal.com
Website: www.motilaloswalgroup.com

Registration
CIN: L67190MH2005PLC153397
Legal Entity Identifier: 3358004GYYY6FUXX1P93
Permanent Account Number: AAECM2876P
Liability of the members of the Company: Limited by shares
Stock Broker Registration Number: INZ000158836

Chief Financial Officer

Shalibhadra Shah
Motilal Oswal Tower, Rahimtullah Sayani Road
Opposite Parel ST Depot, Prabhadevi
Mumbai 400 025
Maharashtra, India
Tel: +91 22 7193 4200
Facsimile: +91 22 5036 2365
Email: shareholders@motilaloswal.com

Company Secretary and Compliance Officer

Kailash Purohit
Motilal Oswal Tower, Rahimtullah Sayani Road
Opposite Parel ST Depot, Prabhadevi
Mumbai 400 025
Maharashtra, India
Contact Number: +91 22 7193 4200
Facsimile: +91 22 5036 2365
Email: shareholders@motilaloswal.com

Investors may contact the Registrar to the Issue or the Company Secretary and Compliance Officer in case of any pre- Issue or post Issue related issues such as non-receipt of Allotment cum unblocking advice, demat credit of allotment of NCDs or refund orders.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name of the Applicant, Application Form number, Applicant's DP ID, Client ID, PAN, address of Applicant, number of NCDs applied for, ASBA Account number in which the amount equivalent to the Application Amount was blocked or the UPI ID (for UPI Investors who make the payment of Application Amount through the UPI Mechanism), date of Application Form and the name and address of the relevant Designated Intermediary where the Application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB, giving full details such as name, address of Applicant, Application Form number, number of NCDs applied for, amount blocked on Application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA Applicant.

All grievances related to the UPI process may be addressed to the Stock Exchange, which shall be responsible for addressing investor grievances arising from applications submitted online through the App based/ web interface platform of stock exchange or through their Trading Members. The intermediaries shall be responsible for addressing any investor grievances arising from the applications uploaded by them in respect of quantity, price or any other data entry or other errors made by them.

All grievances arising out of Applications for the NCDs made through the Online Stock Exchanges Mechanism (app based/wed interface platform) of the Stock Exchanges, or through Trading Members, may be addressed directly to the Stock Exchange, with a copy to the Registrar to the Issue.

Lead Managers

Trust Investment Advisors Private Limited
109/110, Balarama
Bandra Kurla Complex
Bandra (E), Mumbai 400 051
Maharashtra, India
Tel: +91 22 4084 5000
Facsimile: +91 22 4084 5066
Email: mosl.ncd@trustgroup.in
Investor Grievance Email: customercare@trustgroup.in
Website: www.trustgroup.in
Contact Person: Hani Jalan
Compliance Officer: Aayushi Mulasi
SEBI registration no.: INM000011120
CIN: U67190MH2006PTC162464

Motilal Oswal Investment Advisors Limited*
Motilal Oswal Tower, 10th Floor
Rahimtullah Sayani Road, Prabhadevi
Mumbai 400 025, Maharashtra, India
Tel: +91 22 7193 4380
Email: debt@motilaloswal.com
Investor Grievance Email:
moiaplredrssal@motilaloswal.com
Website: www.motilaloswalgroup.com
Contact Person: Subodh Mallya
Compliance Officer: Subrat Kumar Panda
SEBI registration no.: INM000011005
CIN: U67190MH2006PLC160583

Nuvama Wealth Management Limited
(formerly known as Edelweiss Securities Limited)
801-804, Wing A, Building No 3, Inspire BKC
G Block, Bandra Kurla Complex, Bandra East
Mumbai 400 051, Maharashtra, India
Tel: +91 22 4009 4400
Email: mofsl.ncd@nuvama.com
Investor Grievance Email:
customerservice.mb@nuvama.com
Website: www.nuvama.com
Contact Person: Saili Dave
Compliance Officer: Bhavana Kapadia
SEBI registration no.: INM000013004
CIN: L67110MH1993PLC344634

* *Motilal Oswal Investment Advisors Limited is deemed to be an associate of the Company as per the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended ("**Merchant Bankers Regulations**"). Further, in compliance with the provisions of Regulation 21A and explanation to Regulation 21A of the Merchant Bankers Regulations, Motilal Oswal Investment Advisors Limited would only be involved in marketing of the Issue and as per Regulation 25 (3) of SEBI NCS Regulations shall not issue a due diligence certificate.*

Debenture Trustee

Beacon Trusteeship Limited
7 A & B, Siddhivinayak Chambers
Opp. MIG Cricket Club, Gandhi Nagar
Bandra East, Mumbai 400 051
Maharashtra, India
Tel: +91 22 4606 0278
Email: compliance@beacontrustee.co.in
Investor Grievance Email: investorgrievances@becontrustee.co.in
Website: www.beacontrustee.co.in
Contact Person: Kaustubh Kulkarni
Compliance Officer: Kaustubh Kulkarni
SEBI Registration No.: IND000000569
CIN: U74999MH2015PLC271288

Beacon Trusteeship Ltd has, pursuant to Regulation 8 of SEBI NCS Regulations, by its letter dated March 26, 2024, has given its consent for its appointment as Debenture Trustee to the Issue and for its name to be included in this Prospectus and in all the subsequent periodical communications sent to the holders of the NCDs issued pursuant to this Issue. See "**Annexure C**" of this Prospectus.

All the rights and remedies of the Debenture Holders under this Issue shall vest in and shall be exercised by the appointed Debenture Trustee for this Issue without having it referred to the NCD Holders. All investors under this Issue are deemed to have irrevocably given their authority and consent to the Debenture Trustee so appointed by our Company for this Issue to act as their trustee and for doing such acts, deeds, matters, and things in respect of or relating to the Debenture Holders as the Debenture Trustee may in his absolute direction deem necessary or require to be done in the interest of Debenture Holders and signing such documents to carry out their duty in such capacity. Any payment by our Company to the NCD Holders/Debenture Trustee, as the case may be, shall, from the time of making such payment, completely and irrevocably discharge our Company *pro tanto* from any liability to the NCD Holders. For details on the terms of the Debenture Trust Deed see, "*Issue Related Information*" on page 217 of this Prospectus.

Registrar to the Issue

Link Intime India Private Limited
C-101, 1st Floor, 247 Park
L.B.S. Marg, Vikhroli (West)
Mumbai 400 083
Maharashtra, India
Tel: + 91 810 811 4949
Facsimile: +91 22 4918 6195
Email: motilaloswal.ncd2024@linkintime.co.in
Investor Grievance Email: motilaloswal.ncd2024@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Shanti Gopalkrishnan
Compliance Officer: B.N. Ramakrishnan
SEBI Registration No: INR000004058
CIN: U67190MH1999PTC118368

Link Intime India Private Limited has pursuant to Regulation 9 of the SEBI NCS Regulations, and by its letter dated March 18, 2024, given its consent for its appointment as Registrar to the Issue and for its name to be included in this Prospectus, and in all the subsequent periodical communications sent to the holders of the Debentures issued pursuant to the Issue.

Applicants or prospective investors may contact the Registrar to the Issue or our Company's Company Secretary and Compliance Officer in case of any pre-Issue or post-Issue related problems, such as non-receipt of Allotment Advice, demat credit, transfers, etc.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, Application Form number, address of the Applicant, Permanent Account Number, number of NCDs applied for, amount paid on application, Depository Participant ("**DP**") name and client identification number, and the collection centre of the Members of the Consortium where the Application was submitted and ASBA Account number (for Bidders other than retail individual investors bidding through the UPI Mechanism) in which the amount equivalent to the Bid Amount was blocked or UPI ID in case of retail individual investors bidding through the UPI mechanism. Further, the Bidder shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to either (i) the relevant Designated Branch of the SCSB where the Application Form was submitted by the Applicant, or (ii) the concerned Members of the Consortium and the relevant Designated Branch of the SCSB in the event of an Application submitted by an Applicant at any of the Syndicate ASBA Centres, giving full details such as name, address of Applicant, Application Form number, number of NCDs applied for and amount blocked on Application.

All grievances related to the UPI process may be addressed to the Stock Exchange, which shall be responsible for addressing investor grievances arising from applications submitted online through the App based/ web interface platform of stock exchange or through their Trading Members. The intermediaries shall be responsible for addressing any investor grievances arising from the applications uploaded by them in respect of quantity, price or any other data entry or other errors made by them.

All grievances arising out of Applications for the NCDs made through the online mechanism of the Stock Exchanges or through Trading Members may be addressed directly to the respective Stock Exchanges.

Statutory Auditor

Name of the Auditor	Address	Date of Appointment
Singhi & Co., Chartered Accountants **Tel:** +91 22 6662 5537 **Firm Registration No.:** 302049E **Email:** amithundia@singhico.com **Peer Review Certificate No.:** 014484 **Contact Person:** Amit Hundia	B2, 402B, Marathon Innova, 4th Floor, off Ganpatrao Kadam Marg, opposite Peninsula Corporate Park, Lower Parel Mumbai 400 013, Maharashtra, India	August 13, 2021

Singhi & Co., Chartered Accountants have been the Statutory Auditor of our Company since August 13, 2021.

Credit Rating Agencies

CRSIL Ratings Limited (*subsidiary of CRISIL Limited*)
CRISIL House, Central Avenue
Hiranandani Business Park
Powai, Mumbai – 400 076
Maharashtra, India
Tel: +91 22 3342 3000
Facsimile: +91 22 4040 5800
Email: crisilratingdesk@crisil.com
Website: www.crisilratings.com
Contact Person: Ajit Velonie
SEBI Registration No: IN/CRA/001/1999
CIN: U67100MH2019PLC326247

India Ratings and Research Private Limited
Wockhardt Towers, 4th Floor, West Wing
Bandra Kurla Complex
Bandra East, Mumbai 400 051
Maharashtra, India
Tel: +91 22 4000 1700
Facsimile: + 91 22 4000 1701
Email: infogrp@indiaratings.co.in
Website: www.indiaratings.co.in
Contact Person: Amit Rane
Compliance Officer: Arunima Basu
SEBI Registration No.: IN/CRA/002/1999
CIN: U67100MH1995FTC140049

Credit Rating and Rationale

The NCDs proposed to be issued have been rated "CRISIL AA/Stable" (pronounced as CRISIL double A rating with Stable outlook) by CRISIL Ratings Limited for an amount of ₹1,200 crores *vide* their rating letter dated February 9, 2024 further revalidated *vide* their letters dated March 14, 2024 and March 19, 2024 with rating rationale dated February 9, 2024 and "IND AA/Stable" by India Ratings and Research Private Limited for an amount of ₹1,071.60 crores *vide* their rating letters dated January 29, 2024 further revalidated *vide* their letters dated February 23, 2024, March 14, 2024 and March 18, 2024 with rating rational dated January 29, 2024. Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk. The ratings provided by the Credit Rating Agencies may be suspended, withdrawn or revised at any time by the assigning rating agency and should be evaluated independently of any other rating. The ratings are not a recommendation to buy, sell or hold securities and investors should take their own decision. Our Company confirms that the above-mentioned credit ratings shall remain valid as on the date of the issuance and up to the date of listing. There are no unaccepted ratings or any other ratings obtained for the Issue. The rating agency has a right to suspend or withdraw the rating at any time on the basis of factors such as new information. Please refer to "**Annexure B**" of this Prospectus for the rating letters, rating rationale and press release of the above rating.

Disclaimer clause of CRISIL Ratings Limited

"CRISIL Ratings Limited (CRISIL Ratings) has taken due care and caution in preparing the Material based on the information provided by its client and / or obtained by CRISIL Ratings from sources which it considers reliable (Information). A rating by CRISIL Ratings reflects its current opinion on the likelihood of timely payment of the obligations under the rated instrument and does not constitute an audit of the rated entity by CRISIL Ratings. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy, sell, or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. The Rating is not a recommendation to invest / disinvest in any entity covered in the Material and no part of the Material should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. CRISIL Ratings especially states that it has no liability whatsoever to the subscribers / users / transmitters/ distributors of the Material. Without limiting the generality of the foregoing, nothing in the Material is to be construed as CRISIL Ratings providing or intending to provide any services in jurisdictions where CRISIL Ratings does not have the necessary permission and/or registration to carry out its business activities in this regard. Motilal Oswal Financial Services Limited will be responsible for ensuring compliances and consequences of non-compliances for use of the Material or part thereof outside India. Current rating status and CRISIL Ratings' rating criteria are available without charge to the public on the website, www.crisilratings.com. For the latest rating information on any instrument of any company rated by CRISIL Ratings, please contact Customer Service Helpdesk at 1800-267-1301."

Disclaimer clause of India Ratings and Research Private Limited

"Users of IRRPL ratings should understand that neither an enhanced factual investigation nor any third party verification can ensure that all of the information India Ratings relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to India Ratings and to the market in offering documents and other reports. In issuing its ratings India Ratings must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer. Ratings do not comment on the adequacy of market price, the suitability of any investment, loan or security for a particular investor (including without limitation, any accounting and/or regulatory treatment), or the tax-exempt nature or taxability of payments made in respect of any investment, loan or security. The Rating Agency shall neither construed to be nor acting under the capacity or nature of an 'expert' as defined under Section 2(38) of the Companies Act, 2013. India Ratings is not your advisor, nor is India Ratings providing to you or any other party any financial advice, or any legal, auditing, accounting, appraisal, valuation or actuarial services. A rating should not be viewed as a replacement for such advice or services. Investors may find India Ratings to be important information, and India Ratings notes that you are responsible for communicating the contents of this letter, and any changes with respect to the rating, to investors."

Legal Counsel to the Issue

Cyril Amarchand Mangaldas
3rd Floor, Prestige Falcon Towers
19, Brunton Road, Off M.G Road
Bengaluru 560 025, Karnataka, India
Tel: +91 80 6792 2000

Banker to our Company

ICICI Bank Limited
ICICI Bank Tower, Near Chakli Circle
Old Padra Road, Vadodara 390 007
Gujarat, India
Contact Person: Bhushan Pande
Tel: +91 22 2653 1414
Email: companysecretary@icicibank.com
Website: www.icicibank.com
CIN No: L65190GJ1994PLC021012
SEBI Registration No: INBI00000004

HDFC Bank Limited
Zenith House, 2nd Floor, K K Road, Arya Nagar, Mahalaxmi
(Opp. Race Course) Mumbai 400 034, Maharashtra, India
Contact Person: Nikhil Naik
Tel: +91 22 3976 0545
Email: nikhil.naik2@hdfcbank.com
Website: www.hdfcbank.com
CIN No: L65920MH1994PLC080618
SEBI Registration No: INBI00000063

Axis Bank Limited
502, Ground Floor, Bengal Chemical South Side
SV Savarkar Marg, Prabhadevi, 400025
Mumbai, Maharashtra
Contact Person: Chetan Shah
Tel: +91 22 24252525
Email: Chetan1.Shah@axisbank.com
Website: www.axisbank.com
CIN No: L65110GJ1993PLC020769
SEBI Registration No: INBI00000017

Consortium Members

Trust Financial Consultancy Services Private Limited
1101, Naman Centre, 'G' Block, C-31, Bandra Kurla Complex,
Bandra (East), Mumbai – 400051
Telephone No.: +91 22 4084 5000
Facsimile No.: +91 22 4084 5066
Email: mosl.ncd@trustgroup.in; pranav.inamdar@trustgroup.in
Grievance Email: grievances@trsutgroup.in
Website: www.trustgroup.in
Contact Person: Pranav Inamdar
SEBI Registration Number: INZ000238639

Trust Securities Services Private Limited
1101, Naman Centre, 'G' Block, C-31, Bandra Kurla Complex,
Bandra (East), Mumbai – 400051
Telephone No.: +91 22 2656 7536
Facsimile No.: +91 22 2656 6598
Email: mosl.ncd@trustgroup.in; pranav.inamdar@trustgroup.in
Grievance Email: tssgrievances@trsutgroup.in
Website: www.trustsecurities.in
Contact Person: Pranav Inamdar
SEBI Registration Number: INZ000158031

Nuvama Wealth and Investment Limited *(formerly known as Edelweiss Broking Limited)*
2nd Floor, Office No. 201-203, Zodiac Plaza, Xavier College Road,
Off C.G. Road, Ahmedabad -380009
Telephone No.: +91 22 4009 4400
Facsimile No.: N/A
Investor Grievance Email: helpdesk@nuvama.com
Email: amit.dalvi@nuvama.com / prakash.boricha@nuvama.com
Website: www.nuvamawealth.com
Contact Person: Amit Dalvi/ Prakash Boricha
SEBI Registration Number: INZ000005231

Bankers to the Issue

ICICI Bank Limited
Capital Market Division, 5th Floor,
163, HT Parekh Marg Backbay Reclamation,
Churchgate, Mumbai, Maharashtra, India – 400020
Contact Person: Varun Badai
Tel: +91 22 6805 2185
Email: ipocmg@icicibank.com
Website: www.icicibank.com
CIN No: L65190GJ1994PLC021012
SEBI Registration No: INBI0000004

HDFC Bank Limited
FIG-OPS Department, Lodha - I Think Techno Campus,
O-3 Level, Next to Kanjurmarg Railway Station,
Kanjurmarg (East), Mumbai, Maharashtra, India – 400042
Contact Person: Eric Bacha/ Sachin Gawde/ Pravin Teli/ Siddharth Jadhav/ Tushar Gavankar
Tel: +91 22 3976 0545
Email: siddharth.jadhav@hdfcbank.com, sachin.gawade@hdfcbank.com, eric.bacha@hdfcbank.com, tushar.gavankar@hdfcbank.com, pravin.teli2@hdfcbank.com
Website: www.hdfcbank.com
CIN No: L65920MH1994PLC080618
SEBI Registration No: INBI00000063

Impersonation

As a matter of abundant precaution, attention of the investors is specifically drawn to the provisions of sub-Section (1) of Section 38 of the Companies Act, 2013, relating to punishment for fictitious applications. Section 38(1) of the Companies Act, 2013 provides that:

"Any person who —

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

shall be liable for action under Section 447."

Explanation — For the purposes of this section —

(i) "fraud" in relation to affairs of a company or any body-corporate, includes any act, omission, concealment of any fact or abuse of position committed by any person or any other person with the connivance in any manner, with intent to deceive, to gain undue advantage from, or to injure the interests of, the company or its shareholders or its creditors or any other person, whether or not there is any wrongful gain or wrongful loss;

(ii) "wrongful gain" means the gain by unlawful means of property to which the person gaining is not legally entitled;

(iii) "wrongful loss" means the loss by unlawful means of property to which the person losing is legally entitled."

The liability prescribed under Section 447 of the Companies Act 2013 for fraud involving an amount of at least ₹ 10 lakhs or 1.00% of the turnover of our Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. In case the fraud involves (i) an amount which is less than ₹ 10 lakhs or 1.00% of the turnover of our Company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹ 50 lakhs or with both.

Minimum subscription

In terms of the SEBI NCS Regulations, for an issuer undertaking a public issue of non-convertible securities the minimum subscription for such public issue of non-convertible securities shall be 75% of the Base Issue Size being ₹375 crores. If our Company does not receive the minimum subscription of 75% of Base Issue Size being ₹375 crores, prior to the Issue Closing Date, the entire Application Amount shall be unblocked in the relevant ASBA Account(s) of the Applicants within eight Working Days from the Issue Closing Date or such time as may be specified by SEBI provided wherein, the Application Amount has been transferred to the Public Issue Account from the respective ASBA Accounts, such Application Amount shall be refunded from the Refund Account to the relevant ASBA Accounts(s) of the Applicants within eight Working Days from the Issue Closing Date, failing which our Company will become liable to refund the Application Amount along with interest at the rate 15% per annum for the delayed period.

Under Section 39(3) of the Companies Act, 2013 and Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription was remitted. To the extent possible, where the

required information for making such refunds is available with our Company and/or the Registrar, refunds will be made to the account prescribed. However, where our Company and/or the Registrar does not have the necessary information for making such refunds, our Company and/or the Registrar will follow the guidelines prescribed by SEBI in this regard including included in the NCS Master Circular.

Underwriting

This Issue is not underwritten.

Recovery Expense Fund

Our Company has created a recovery expense fund with the Designated Stock Exchange for an amount equal to 0.01% of the Base Issue Size, subject to a maximum of ₹25,00,000 at the time of making the application for listing of the NCDs, in the manner as specified by the DT Master Circular and Regulation 11 of SEBI NCS Regulations and has informed the Debenture Trustee regarding the creation of such fund. The recovery expense fund may be utilised by Debenture Trustee, in the event of default by our Company under the terms of the Debenture Trust Deed, for taking appropriate legal action to enforce the security.

Arrangers to the Issue

There are no arrangers to the Issue.

Guarantor to the Issue

There are no guarantors to the Issue.

Designated Intermediaries

Self-Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process and UPI Mechanism process is provided on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 respectively as updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms and UPI Mechanism through app/web interface from the Designated Intermediaries, refer to the above-mentioned link.

In relation to Applications submitted to a Members of the Consortium, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Application Forms from the members of the Syndicate is available on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35), or at such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Application Forms from the Members of the Consortium at Specified Locations, see the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) or any such other website as may be prescribed by SEBI from time to time.

Syndicate SCSB Branches

In relation to ASBA Applications submitted to the Members of the Syndicates or the Trading Members of the Stock Exchanges only in the Specified Cities (Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bengaluru, Hyderabad, Pune, Vadodara and Surat), the list of branches of the SCSBs at the Specified Cities named by the respective SCSBs to receive deposits of ASBA Applications from such Members of the Syndicate or the Trading Members of the Stock Exchanges is provided on www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting ASBA Applications from Members of the Syndicate or the Trading Members of the Stock Exchanges only in the Specified Cities, see the above-mentioned web-link.

In relation to Applications submitted under the ASBA process to a Member of the Consortium, the list of branches of the SCSBs at the Specified Cities (Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bengaluru, Hyderabad, Pune, Vadodara and Surat, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of the ASBA Forms and Application Forms where investors have opted for payment via the UPI Mechanism, from the Members of the Consortium is available on the website of SEBI http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the Consortium at Specified Locations, see the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes

Registered Brokers / RTAs / CDPs

In accordance with SEBI Circular No. CIR/CFD/14/2012 dated October 4, 2012 and CIR/CFD/POLICYCELL /11/2015 dated November 10, 2015 and the ASBA Circular, applicants can submit ASBA Forms in the Offer using the stock broker network of the Stock Exchanges, *i.e.*, through the Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations, respective lists of which, including details such as address and telephone number, are available at the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com.

The list of the Registered Brokers, RTAs and CDPs, eligible to accept Applications in the Issue, including details such as postal address, telephone number and email address, are provided on the websites of the BSE at www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3 for Registered Brokers and www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6 for RTAs and CDPs, as updated from time to time.

In relation to Applications submitted to the Registered Brokers at the Broker Centres, the list of branches of the SCSBs at the Broker Centres named by the respective SCSBs to receive deposits of the ASBA Forms from the Registered Brokers is available on the website of the SEBI at www.sebi.gov.in and updated from time to time.

For further details, see "*Issue Procedure*" on page 242.

Utilisation of Issue proceeds

For details on utilisation of Issue proceeds, see "*Objects of the Issue*" on page 85.

Issue Programme

ISSUE OPENS ON	April 23, 2024
ISSUE CLOSES ON	May 7, 2024
PAY IN DATE	Application Date. The entire Application Amount is payable on Application.
DEEMED DATE OF ALLOTMENT	The date on which the Board of Directors/or Finance Committee approves the Allotment of the NCDs for the Issue or such date as may be determined by the Board of Directors/ or Finance Committee and notified to the Stock Exchanges. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs shall be available to the NCD Holders from the Deemed Date of Allotment.

Note: The Issue shall remain open for subscription on Working Days from 10 a.m. to 5 p.m. (Indian Standard Time) during the period indicated above, except that the Issue may close on such earlier date or extended date (subject to a minimum period of three (3) working days and a maximum period of ten (10) working days from the date of opening of the Issue and subject to not exceeding thirty (30) days from filing this Prospectus) as may be decided by the Board of Directors of our Company or the Finance Committee, subject to relevant approvals and in consultation with the Lead Managers and in accordance with Regulation 33A of the SEBI NCS Regulations. In the event of an early closure or extension of the Issue, our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in an English national daily with wide circulation and a regional daily with wide circulation where the Registered Office of the Company is located on or before such earlier or initial date of Issue closure. Applications Forms for the Issue will be accepted only from 10:00 a.m. to 5:00 p.m. (IST) or such extended time as may be permitted by the Stock Exchanges, on Working Days during the Issue Period. On the Issue Closing Date, the Application Forms will be accepted only between 10 a.m. and 3 p.m. (Indian Standard Time) and uploaded until 5 p.m. or such extended time as may be permitted by the Stock Exchanges. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5 p.m. (Indian Standard Time) on one Working Day post the Issue Closing Date. For further details see "Issue Related Information" on page 217 of this Prospectus.

Application Forms for the Issue will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchanges, during the Issue Period as mentioned above on all days between Monday and Friday (both inclusive barring public holiday), (i) by the Consortium or the Trading Members of the Stock Exchanges, as the case maybe, at the centres mentioned in Application Form through the ASBA mode, (ii) directly by the Designated Branches of the SCSBs or (iii) by the centres of the Consortium, sub-brokers or the Trading Members of the Stock Exchanges, as the case maybe, only at the selected cities. Additionally, an Investor may also submit the Application Form through the app or web interface of the Stock Exchanges. It is clarified that the Applications not uploaded in the Stock Exchanges platform would be rejected.

Due to limitation of time available for uploading the Applications on the Issue Closing Date, Applicants are advised to submit their Application Forms one day prior to the Issue Closing Date and, no later than 3.00 p.m. (Indian Standard Time) on the Issue Closing Date. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, there may be some Applications which are not uploaded due to lack of sufficient time to upload. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Application Forms will only be accepted on Working Days during the Issue Period. Neither our Company, nor the Lead Managers, nor any Members of the Syndicate, Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations or designated branches of SCSBs are liable for any failure in uploading the Applications due to failure in any software/ hardware systems or otherwise. Please note that the Basis of Allotment under the Issue will be on date priority basis except on the day of

oversubscription and thereafter, if any, where the Allotment will be proportionate. For further details see "Issue Related Information" on page 217 of this Prospectus.

Inter-se allocation of responsibilities of the Lead Managers

The following table sets forth the inter-se allocation of responsibility of various activities to be undertaken by the Lead Managers:

S. No.	Activities	Responsibility*	Coordinator*
1.	Due diligence of Issuer's operations/ management/ business plans/ legal etc. and drafting the Draft Prospectus, Prospectus (together "**Offer Documents**")	Trust Investment and Nuvama	Trust Investment
2.	Co-ordination with Auditors on Comfort Letter and co-ordination with lawyers for legal opinion	Trust Investment and Nuvama	Trust Investment
3.	Structuring of various issuance options with relative components and formalities etc.	Trust Investment and Nuvama	Trust Investment
4.	Appointment of other intermediaries viz., Registrar(s), Printers, Debenture Trustee, Consortium Members, Advertising Agency and Bankers to the Issue	Trust Investment and Nuvama	Trust Investment
5.	Drafting and design of the statutory advertisement	Trust Investment and Nuvama	Trust Investment
6.	Preparation and Finalisation of Application form	Trust Investment and Nuvama	Nuvama
7.	Drafting and approval of all publicity material other than statutory advertisement as mentioned in (5) above including corporate advertisement, brochure, etc	Trust Investment and Nuvama	Nuvama
8.	Preparation of road show presentation, FAQs	Trust Investment and Nuvama	Trust Investment
9.	Individual / HUF marketing strategy which will cover, inter alia: • Finalize collection centers • Follow-up on distribution of publicity and Issue material including form, Prospectus and deciding on the quantum of the Issue material	All LMs	Trust Investment & MO Investment Advisors*
10.	Institutional and Non-institutional marketing strategy which will cover, inter alia: • Finalize media, marketing and public relation strategy and publicity budget • Finalize the list and division of investors for one on one meetings • Finalize centers for holding conferences for brokers, etc.	All LMs	Trust Investment & MO Investment Advisors*
11.	Coordination with the stock exchange for the bidding software	Trust Investment and Nuvama	Nuvama
12.	Coordination for security creation by way of execution of Debenture Trust Deed/ Deed of Hypothecation	Trust Investment and Nuvama	Trust Investment
13.	Post-issue activities including - • Co-ordination with Bankers to the Issue for management of management of Public Issue Account and Refund Account, and timely submission of application forms/ data to RTA and daily collection figures under different categories. • Co-ordination with the Registrars and the Bankers to the Issue for timely submission of certificate, finalization of basis of allotment and allotment of bonds	Trust Investment and Nuvama	Nuvama
14.	Co-ordination with the Registrar for dispatch of allotment and refund advices, dispatch of debenture certificates and credit of bonds	Trust Investment and Nuvama	Nuvama
15.	Finalization of draft of other stationery items like refund order, allotment & refund advice, etc	Trust Investment and Nuvama	Nuvama
16.	Coordination for generation of ISINs and Corporate action for dematerialized credit /delivery of securities;	Trust Investment and Nuvama	Nuvama
17.	Coordination with Registrar & Stock Exchanges for completion of listing and trading	Trust Investment and Nuvama	Nuvama
18.	Redressal of investor grievances in relation to post issue activities	Trust Investment and Nuvama	Nuvama

* *Motilal Oswal Investment Advisors Limited is deemed to be an associate of the Company as per the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended ("**Merchant Bankers Regulations**"). Further, in compliance with the provisions of Regulation 21A and explanation to Regulation 21A of the Merchant Bankers Regulations, Motilal Oswal Investment Advisors Limited would only be involved in marketing of the Issue and as per Regulation 25 (3) of SEBI NCS Regulations shall not issue a due diligence certificate.*

CAPITAL STRUCTURE

Details of share capital

The following table lays down details of our authorised, issued, subscribed and paid-up share capital as on March 31, 2024:

(In ₹, except for share data)

Particulars	Amount in (₹)
AUTHORISED SHARE CAPITAL	
1,12,00,00,000 Equity Shares of face value of ₹ 1 each	1,12,00,00,000
62,00,000 Preference Shares of face value of ₹ 100 each	62,00,00,000
TOTAL	**1,74,00,00,000**
ISSUED SHARE CAPITAL	
14,90,07,291 Equity Shares of face value of ₹ 1 each	14,90,07,291
TOTAL	**14,90,07,291**
SUBSCRIBED AND PAID-UP SHARE CAPITAL	
14,90,07,291 Equity Shares of face value of ₹ 1 each	14,90,07,291
TOTAL	**14,90,07,291**

The following table lays down details of our securities premium account as on December 31, 2023:

Particulars	Amount in (₹)
Securities Premium Account	4,76,46,51,721

Note: There will be no change in the capital structure and securities premium account due to the Issue and allotment of the NCDs.

1. **Details of change in authorised share capital of our company for the preceding three financial years and current financial year as on the date of this Prospectus:**

S. No.	Date of Change	Particulars
1.	March 30, 2022*	Increase in authorized share capital from ₹149,00,00,000 divided into 92,50,00,000 Equity Shares of ₹ 1 each and 56,50,000 Redeemable Preference Shares of ₹ 100 each to ₹1,74,00,00,000 divided into 1,12,00,00,000 Equity Shares of ₹1 and 62,00,000 Redeemable Preference shares of ₹ 100 each#

* *Effective date of the Scheme of Arrangement 2022*

\# *Pursuant to the Scheme of Arrangement 2022*

2. **Share capital history of our Company for the preceding three financial years and current financial year as on the date of this Prospectus:**

   a. *Details of Equity Share capital*

   The history of the paid-up Equity Share capital of our Company for the preceding three financial years and current financial year as on the date of this Prospectus is set forth below:

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration (cash, other than cash, etc.)	Nature of Allotment	Cumulative		Equity Shares Premium (in ₹)
						Number of Equity Shares	Equity Share capital (in ₹)	
April 01, 2020	(30,396)	1	483.95	Cash	Buyback of Equity Shares(1)	14,80,36,322	14,80,36,322	-
April 08, 2020	(3,230)	1	489.66	Cash	Buyback of Equity Shares(1)	14,80,33,092	14,80,33,092	-
April 24, 2020	(10,000)	1	479.99	Cash	Buyback of Equity Shares(1)	14,80,23,092	14,80,23,092	-
April 27, 2020	(10,000)	1	474.88	Cash	Buyback of Equity Shares(1)	14,80,13,092	14,80,13,092	-
April 28, 2020	(10,000)	1	474.50	Cash	Buyback of Equity Shares (1)	14,80,03,092	14,80,03,092	-
April 29, 2020	(15,000)	1	475.00	Cash	Buyback of Equity Shares (1)	14,79,88,092	14,79,88,092	-
May 13, 2020	(10,000)	1	509.99	Cash	Buyback of Equity Shares (1)	14,79,78,092	14,79,78,092	-
June 25, 2020	(26,378)	1	610.11	Cash	Buyback of Equity Shares (1)	14,79,51,714	14,79,51,714	-

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration (cash, other than cash, etc.)	Nature of Allotment	Cumulative		Equity Shares Premium (in ₹)
						Number of Equity Shares	Equity Share capital (in ₹)	
June 29, 2020	(25,668)	1	583.07	Cash	Buyback of Equity Shares (1)	14,79,26,046	14,79,26,046	-
June 30, 2020	(17,604)	1	587.67	Cash	Buyback of Equity Shares (1)	14,79,08,442	14,79,08,442	-
July 01, 2020	(103)	1	589.51	Cash	Buyback of Equity Shares (1)	14,79,08,339	14,79,08,339	-
July 02, 2020	(4,263)	1	597.03	Cash	Buyback of Equity Shares (1)	14,79,04,076	14,79,04,076	-
July 03, 2020	(5,501)	1	599.39	Cash	Buyback of Equity Shares (1)	14,78,98,575	14,78,98,575	-
July 06, 2020	(8,723)	1	613.21	Cash	Buyback of Equity Shares (1)	14,78,89,852	14,78,89,852	-
July 07, 2020	(104)	1	649.46	Cash	Buyback of Equity Shares (1)	14,78,89,748	14,78,89,748	-
September 09, 2020	(4,41,116)	1	644.79	Cash	Buyback of Equity Shares (1)	14,74,48,632	14,74,48,632	-
September 10, 2020	(2,118)	1	649.76	Cash	Buyback of Equity Shares (1)	14,74,46,514	14,74,46,514	-
September 11, 2020	(2,42,910)	1	650.00	Cash	Buyback of Equity Shares (1)	14,72,03,604	14,72,03,604	-
September 16, 2020	(1,03,939)	1	649.92	Cash	Buyback of Equity Shares (1)	14,70,99,665	14,70,99,665	-
September 17, 2020	(2,11,129)	1	649.74	Cash	Buyback of Equity Shares (1)	14,68,88,536	14,68,88,536	-
September 21, 2020	(37,067)	1	630.31	Cash	Buyback of Equity Shares (1)	14,68,51,469	14,68,51,469	-
September 22, 2020	(2,41,717)	1	613.93	Cash	Buyback of Equity Shares (1)	14,66,09,752	14,66,09,752	-
September 23, 2020	(81,999)	1	623.97	Cash	Buyback of Equity Shares (1)	14,65,27,753	14,65,27,753	-
September 24, 2020	(1,08,796)	1	624.87	Cash	Buyback of Equity Shares (1)	14,64,18,957	14,64,18,957	-
September 25, 2020	(3,697)	1	626.67	Cash	Buyback of Equity Shares (1)	14,64,15,260	14,64,15,260	-
September 28, 2020	(2,306)	1	634.87	Cash	Buyback of Equity Shares (1)	14,64,12,954	14,64,12,954	-
September 29, 2020	(1,06,040)	1	639.43	Cash	Buyback of Equity Shares (1)	14,63,06,914	14,63,06,914	-
September 30, 2020	(1,49,340)	1	648.83	Cash	Buyback of Equity Shares (1)	14,61,57,574	14,61,57,574	-
December 15, 2020	25,750	1	112.05	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-V	14,61,83,324	14,61,83,324	28,59,537.50
	12,800	1	333.85	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VII	14,61,96,124	14,61,96,124	42,60,480.00

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration (cash, other than cash, etc.)	Nature of Allotment	Cumulative		Equity Shares Premium (in ₹)
						Number of Equity Shares	Equity Share capital (in ₹)	
	336,000	1	349.90	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VII	14,65,32,124	14,65,32,124	11,72,30,400.00
	3,500	1	420.45	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VII	14,65,35,624	14,65,35,624	14,68,075.00
	1,700	1	572.75	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VII	14,65,37,324	14,65,37,324	9,71,975.00
February 17, 2021	42,500	1	29.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VIII	14,65,79,824	14,65,79,824	11,90,000.00
	3,750	1	112.05	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-V	14,65,83,574	14,65,83,574	4,16,437.50
	7,000	1	333.85	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VII	14,65,90,574	14,65,90,574	23,29,950.00
	1,400	1	420.45	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VII	14,65,91,974	14,65,91,974	5,87,230.00
	3,600	1	572.75	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VII	14,65,95,574	14,65,95,574	20,58,300.00
March 19, 2021	20,000	1	287.90	Cash	Allotment of Equity Shares pursuant to exercise of stock options	14,66,15,574	14,66,15,574	57,38,000.00

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration (cash, other than cash, etc.)	Nature of Allotment	Cumulative		Equity Shares Premium (in ₹)
						Number of Equity Shares	Equity Share capital (in ₹)	
					under ESOP-V			
	1,000	1	333.85	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VII	14,66,16,574	14,66,16,574	3,32,850.00
	3,800	1	572.75	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VII	14,66,20,374	14,66,20,374	21,72,650.00
May 21, 2021	41,250	1	29.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VIII	14,66,61,624	14,66,61,624	11,55,000.00
	4,250	1	112.05	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-V	14,66,65,874	14,66,65,874	4,71,962.50
	250	1	290.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VII	14,66,66,124	14,66,66,124	72,250.00
	6,000	1	333.85	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VII	14,66,72,124	14,66,72,124	19,97,100.00
	700	1	420.45	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VII	14,66,72,824	14,66,72,824	2,93,615.00
	6,000	1	572.30	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-V	14,66,78,824	14,66,78,824	34,27,800.00
	19,950	1	572.75	Cash	Allotment of Equity Shares pursuant to exercise of	14,66,98,774	14,66,98,774	1,14,06,412.50

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration (cash, other than cash, etc.)	Nature of Allotment	Cumulative		Equity Shares Premium (in ₹)
						Number of Equity Shares	Equity Share capital (in ₹)	
					stock options under ESOP-VII			
June 21, 2021	3,000	1	333.85	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VII	14,67,01,774	14,67,01,774	9,98,550.00
	7,250	1	572.30	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-V	14,67,09,024	14,67,09,024	41,41,925.00
	3,600	1	572.75	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VI	14,67,12,624	14,67,12,624	20,58,300.00
	10,750	1	572.75	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VII	14,67,23,374	14,67,23,374	61,46,312.50
	7,500	1	700.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VIII	14,67,30,874	14,67,30,874	52,42,500.00
August 27, 2021	41,250	1	29.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VIII	14,67,72,124	14,67,72,124	11,55,000.00
	250	1	333.85	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VII	14,67,72,374	14,67,72,374	83,212.50
	1,400	1	420.45	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VII	14,67,73,774	14,67,73,774	5,87,230.00
	39,500	1	572.30	Cash	Allotment of Equity Shares	14,68,13,274	14,68,13,274	2,25,66,350.00

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration (cash, other than cash, etc.)	Nature of Allotment	Cumulative		Equity Shares Premium (in ₹)
						Number of Equity Shares	Equity Share capital (in ₹)	
					pursuant to exercise of stock options under ESOP-V			
	4,200	1	572.75	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VI	14,68,17,474	14,68,17,474	24,01,350.00
	89,450	1	572.75	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VII	14,69,06,924	14,69,06,924	5,11,43,037.50
	47,600	1	700.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VIII	14,69,54,524	14,69,54,524	3,32,72,400.00
	6,000	1	867.45	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VIII	14,69,60,524	14,69,60,524	51,98,700.00
September 22, 2021	2,000	1	333.85	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VII	14,69,62,524	14,69,62,524	6,65,700.00
	11,200	1	572.75	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VI	14,69,73,724	14,69,73,724	64,03,600.00
	15,250	1	572.75	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VII	14,69,88,974	14,69,88,974	87,19,187.50
	2,250	1	700.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VIII	14,69,91,224	14,69,91,224	15,72,750.00

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration (cash, other than cash, etc.)	Nature of Allotment	Cumulative		Equity Shares Premium (in ₹)
						Number of Equity Shares	Equity Share capital (in ₹)	
November 22, 2021	2,500	1	572.30	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-V	14,69,93,724	14,69,93,724	14,28,250.00
	3,000	1	572.75	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VI	14,69,96,724	14,69,96,724	17,15,250.00
	19,100	1	572.75	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VII	14,70,15,824	14,70,15,824	1,09,20,425.00
	16,350	1	700.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VIII	14,70,32,174	14,70,32,174	1,14,28,650.00
	60,000	1	867.45	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VIII	14,70,92,174	14,70,92,174	5,19,87,000.00
December 22, 2021	30,400	1	572.75	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VII	14,71,22,574	14,71,22,574	1,73,81,200.00
	23,500	1	700.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VIII	14,71,46,074	14,71,46,074	1,64,26,500.00
	30,000	1	867.45	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VIII	14,71,76,074	14,71,76,074	2,59,93,500.00
February 14, 2022	10,000	1	572.75	Cash	Allotment of Equity Shares pursuant to exercise of stock options	14,71,86,074	14,71,86,074	57,17,500.00

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration (cash, other than cash, etc.)	Nature of Allotment	Cumulative		Equity Shares Premium (in ₹)
						Number of Equity Shares	Equity Share capital (in ₹)	
					under ESOP-VII			
	300	1	867.45	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VIII	14,71,86,374	14,71,86,374	2,59,935.00
March 17, 2022	2,500	1	333.85	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VII	14,71,88,874	14,71,88,874	8,32,125.00
	5,400	1	572.75	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VIII	14,71,94,274	14,71,94,274	30,87,450.00
	200	1	700.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VIII	14,71,94,474	14,71,94,474	1,39,800.00
March 30, 2022	18,68,445	1	636.10	Other than cash	Allotment of Equity Shares pursuant to scheme of arrangement (2)	14,90,62,919	14,90,62,919	1,18,66,49,419.50
July 22, 2022	(14,54,545)	1	1,100.00	Cash	Buyback of Equity Shares (3)	14,76,08,374	14,76,08,374	-
August 22, 2022	10,000	1	287.90	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-V	14,76,18,374	14,76,18,374	28,69,000.00
	5,600	1	572.75	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VII	14,76,23,974	14,76,23,974	32,01,800.00
	3,500	1	700.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VII	14,76,27,474	14,76,27,474	24,46,500.00
	2,250	1	700.00	Cash	Allotment of Equity Shares	14,76,29,724	14,76,29,724	15,72,750.00

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration (cash, other than cash, etc.)	Nature of Allotment	Cumulative		Equity Shares Premium (in ₹)
						Number of Equity Shares	Equity Share capital (in ₹)	
					pursuant to exercise of stock options under ESOP-VIII			
September 20, 2022	7,600	1	572.75	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VII	14,76,37,324	14,76,37,324	43,45,300.00
	2,000	1	700.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VII	14,76,39,324	14,76,39,324	13,98,000.00
November 16, 2022	191,260	1	245.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-IX	14,78,30,584	14,78,30,584	4,66,67,440.00
	22,482	1	352.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-IX	14,78,53,066	14,78,53,066	78,91,182.00
	2,500	1	572.75	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VII	14,78,55,566	14,78,55,566	14,29,375.00
	1,500	1	700.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VIII	14,78,57,066	14,78,57,066	10,48,500.00
	50	1	905.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-IX	14,78,57,116	14,78,57,116	45,200.00
December 14, 2022	10,000	1	245.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-IX	14,78,67,116	14,78,67,116	24,40,000.00

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration (cash, other than cash, etc.)	Nature of Allotment	Cumulative		Equity Shares Premium (in ₹)
						Number of Equity Shares	Equity Share capital (in ₹)	
	8,000	1	572.75	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VII	14,78,75,116	14,78,75,116	45,74,000.00
March 15, 2023	72,010	1	245.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-IX	14,79,47,126	14,79,47,126	1,75,70,440.00
June 19, 2023	4,000	1	572.30	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-V	14,79,51,126	14,79,51,126	22,85,200.00
August 21, 2023	76,500	1	245.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-IX	14,80,27,626	14,80,27,626	1,86,66,000.00
	22,250	1	572.75	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VII	14,80,49,876	14,80,49,876	1,27,21,437.50
	32,043	1	650.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-IX	14,80,81,919	14,80,81,919	2,07,95,907.00
	8,250	1	700.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VII	14,80,90,169	14,80,90,169	57,66,750.00
	109,900	1	700.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VIII	14,82,00,069	14,82,00,069	7,68,20,100.00
	10,200	1	867.45	Cash	Allotment of Equity Shares pursuant to exercise of stock options	14,82,10,269	14,82,10,269	88,37,790.00

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration (cash, other than cash, etc.)	Nature of Allotment	Cumulative		Equity Shares Premium (in ₹)
						Number of Equity Shares	Equity Share capital (in ₹)	
					under ESOP-VIII			
September 13, 2023	6,000	1	572.30	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-V	14,82,16,269	14,82,16,269	34,27,800.00
	6,000	1	572.75	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VII	14,82,22,269	14,82,22,269	34,30,500.00
	5,016	1	650.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-IX	14,82,27,285	14,82,27,285	32,55,384.00
	8,750	1	700.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VII	14,82,36,035	14,82,36,035	61,16,250.00
	1,450	1	700.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VIII	14,82,37,485	14,82,37,485	10,13,550.00
November 30, 2023	23,100	1	90.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VIII	14,82,60,585	14,82,60,585	20,55,900.00
	19,150	1	572.75	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VII	14,82,79,735	14,82,79,735	1,09,49,012.50
	2,556	1	650.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-IX	14,82,82,291	14,82,82,291	16,58,844.00
	6,250	1	700.00	Cash	Allotment of Equity Shares pursuant to exercise of	14,82,88,541	14,82,88,541	43,68,750.00

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration (cash, other than cash, etc.)	Nature of Allotment	Cumulative		Equity Shares Premium (in ₹)
						Number of Equity Shares	Equity Share capital (in ₹)	
					stock options under ESOP-VII			
	66,000	1	700.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VIII	14,83,54,541	14,83,54,541	4,61,34,000.00
	1,16,950	1	867.45	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VIII	14,84,71,491	14,84,71,491	10,13,31,327.50
	20,400	1	905.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-IX	14,84,91,891	14,84,91,891	1,84,41,600.00
December 15, 2023	100	1	572.75	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VII	14,84,91,991	14,84,91,991	57,175.00
	21,000	1	700.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VIII	14,85,12,991	14,85,12,991	1,46,79,000.00
	16,350	1	867.45	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VIII	14,85,29,341	14,85,29,341	1,41,66,457.50
	1,275	1	905.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-IX	14,85,30,616	14,85,30,616	11,52,600.00
February 16, 2024	1,500	1	905.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-V	14,85,32,116	14,85,32,116	13,56,000.00
	1,000	1	905.00	Cash	Allotment of Equity Shares	14,85,33,116	14,85,33,116	9,04,000.00

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration (cash, other than cash, etc.)	Nature of Allotment	Cumulative		Equity Shares Premium (in ₹)
						Number of Equity Shares	Equity Share capital (in ₹)	
					pursuant to exercise of stock options under ESOP-VI			
	13,150	1	572.75	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VII	14,85,46,266	14,85,46,266	75,18,512.50
	1,44,975	1	700.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VIII	14,86,91,241	14,86,91,241	10,13,37,525.00
	1,34,750	1	867.45	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VIII	14,88,25,991	14,88,25,991	11,67,54,137.50
	10,000	1	790.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-IX	14,88,35,991	14,88,35,991	78,90,000.00
	79,125	1	905.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-IX	14,89,15,116	14,89,15,116	7,15,29,000.00
March 15, 2024	500	1	905.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-V	14,89,15,616	14,89,15,616	4,52,000.00
	3,500	1	572.75	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VII	14,89,19,116	14,89,19,116	20,01,125.00
	3,750	1	700.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VII	14,89,22,866	14,89,22,866	26,21,250.00

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration (cash, other than cash, etc.)	Nature of Allotment	Cumulative		Equity Shares Premium (in ₹)
						Number of Equity Shares	Equity Share capital (in ₹)	
	32,100	1	700.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VIII	14,89,54,966	14,89,54,966	2,24,37,900.00
	33,300	1	867.45	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-VIII	14,89,88,266	14,89,88,266	2,88,52,785.00
	19,025	1	905.00	Cash	Allotment of Equity Shares pursuant to exercise of stock options under ESOP-IX	14,90,07,291	14,90,07,291	1,72,17,434.75

1. *Buyback of Equity Shares by our Company for an aggregate amount not exceeding ₹150,00,00,000 at a price not exceeding ₹ 650 per Equity Share from the existing shareholders as authorized by our Board through a resolution dated March 21, 2020*
2. *Pursuant to the Scheme of Arrangement 2022 and pursuant to the Resolution passed by the Board of our Company on March 30, 2022, our Company has allotted 8,82,42,508 Equity Shares and extinguished 8,63,74,063 Equity Shares.*
3. *Buyback of 14,54,545 Equity Shares by our Company at a price of ₹ 1,100 per Equity Share from the existing shareholders as authorized by our Board through a resolution dated May 17, 2022.*

b. Details of Preference Share Capital

The Company has not issued/ allotted any preference shares for the preceding three financial years and current financial year as on the date of this Prospectus.

3. **Shareholding pattern of our Company as on the last quarter end**

The table below presents the shareholding pattern of our Company as on March 31, 2024.

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid-up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) =(IV)+(V)+(VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								Number of Voting Rights			Total as a % of (A+B+C)			Number (a)	As a % of total shares held (b)	Number (a)	As a % of total Shares held (b)	
								Class: Equity Shares	Class: Y	Total								
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)
(A)	Promoter and Promoter Group	24	10,30,56,923	-	-	10,30,56,923	69.16	10,30,56,923	-	10,30,56,923	69.16	-	69.16	-	-	2,000	0.00	10,30,56,923
(B)	Public	67,207	4,59,50,368	-	-	4,59,50,368	30.84	4,59,50,368	-	4,59,50,368	30.84	-	30.84	-	-	NA	NA	4,59,49,363
(C)	Non Promoter-Non Public				-				-			-			-	NA	NA	
(C1)	Shares underlying depository receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-
(C2)	Shares held by employee trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-
	Total (A+B+C)	**67,231**	**14,90,07,291**	**-**	**-**	**14,90,07,291**	**100.00**	**14,90,07,291**	**-**	**14,90,07,291**	**100.00**	**-**	**100.00**	**-**	**-**	**2,000**	**0.00**	**14,90,06,286**

Shareholding pattern of our Promoter and Promoter Group, as on March 31, 2024, is set forth below.

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (VII)+(X) As a % of (A+B+C2)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
									Class: Equity Shares	Class Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)
(1)	**Indian**																		
(a)	**Individuals/Hindu undivided Family**		**2**	**4,35,40,694**	**-**	**-**	**4,35,40,694**	**29.22**	**4,35,40,694**	**-**	**4,35,40,694**	**29.22**	**-**	**29.22**	**-**	**-**	**-**	**-**	**4,35,40,694**
	Raamdeo Agarawal		1	4,00,82,015	-	-	4,00,82,015	26.90	4,00,82,015	-	4,00,82,015	26.90	-	26.90	-	-	-	-	4,00,82,015
	Motilal Oswal		1	34,58,679	-	-	34,58,679	2.32	34,58,679	-	34,58,679	2.32	-	2.32	-	-	-	-	34,58,679
(b)	**Central Government/State Government(s)**		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(c)	**Financial Institutions/Banks**		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(d)	**Any Other**		**22**	**5,95,16,229**	**-**	**-**	**5,95,16,229**	**39.94**	**5,95,16,229**	**-**	**5,95,16,229**	**39.94**	**-**	**39.94**	**-**	**-**	**2,000**	**0.00**	**5,95,16,229**
	Promoter Trust		**1**	**3,85,34,320**	**-**	**-**	**3,85,34,320**	**25.86**	**3,85,34,320**	**-**	**3,85,34,320**	**25.86**	**-**	**25.86**	**-**	**-**	**-**	**-**	**3,85,34,320**
	Motilal Oswal Family Trust		1	3,85,34,320	-	-	3,85,34,320	25.86	3,85,34,320	-	3,85,34,320	25.86	-	25.86	-	-	-	-	3,85,34,320
	Persons Acting In Concert		**20**	**2,09,79,909**	**-**	**-**	**2,09,79,909**	**14.08**	**2,09,79,909**	**-**	**2,09,79,909**	**14.08**	**-**	**14.08**	**-**	**-**	**2,000**	**0.01**	**2,09,79,909**
	Suneeta Raamdeo Agrawal		1	63,71,877	-	-	63,71,877	4.28	63,71,877	-	63,71,877	4.28	-	4.28	-	-	-	-	63,71,877
	Raamdeo Agarwal-HUF		1	44,93,264	-	-	44,93,264	3.02	44,93,264	-	44,93,264	3.02	-	3.02	-	-	-	-	44,93,264
	Pratik Ranjit Mehta		1	22,35,207	-	-	22,35,207	1.50	22,35,207	-	22,35,207	1.50	-	1.50	-	-	-	-	22,35,207
	Natasha Aniruddha Malpani		1	22,19,207	-	-	22,19,207	1.49	22,19,207	-	22,19,207	1.49	-	1.49	-	-	-	-	22,19,207
	Pratik Motilal Oswal		1	22,19,207	-	-	22,19,207	1.49	22,19,207	-	22,19,207	1.49	-	1.49	-	-	-	-	22,19,207
	Pratiksha Pratik Mehta		1	22,19,207	-	-	22,19,207	1.49	22,19,207	-	22,19,207	1.49	-	1.49	-	-	-	-	22,19,207
	Vaibhav Raamdeo Agrawal		1	2,54,479	-	-	2,54,479	0.17	2,54,479	-	2,54,479	0.17	-	0.17	-	-	-	-	2,54,479
	Dhairya Agrawal		1	1,25,000	-	-	1,25,000	0.08	1,25,000	-	1,25,000	0.08	-	0.08	-	-	-	-	1,25,000
	Vimla Motilal Oswal		1	1,24,566	-	-	1,24,566	0.08	1,24,566	-	1,24,566	0.08	-	0.08	-	-	-	-	1,24,566
	Suman Agrawal		1	1,00,000	-	-	1,00,000	0.07	1,00,000	-	1,00,000	0.07	-	0.07	-	-	-	-	1,00,000
	Vedika Karnani		1	1,00,000	-	-	1,00,000	0.07	1,00,000	-	1,00,000	0.07	-	0.07	-	-	-	-	1,00,000
	Vinay Agrawal		1	1,00,000	-	-	1,00,000	0.07	1,00,000	-	1,00,000	0.07	-	0.07	-	-	-	-	1,00,000
	Anita Agrawal		1	80,000	-	-	80,000	0.05	80,000	-	80,000	0.05	-	0.05	-	-	-	-	80,000
	Sukhdeo Ramgopal Agarawal		1	77,812	-	-	77,812	0.05	77,812	-	77,812	0.05	-	0.05	-	-	2,000	2.57	77,812
	Karoon Ramgopal Agarawal		1	75,000	-	-	75,000	0.05	75,000	-	75,000	0.05	-	0.05	-	-	-	-	75,000

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (VII)+(X) As a % of (A+B+C2)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
									Class: Equity Shares	Class Y	Total								
	Satish Agrawal		1	72,020	-	-	72,020	0.05	72,020	-	72,020	0.05	-	0.05	-	-	-	-	72,020
	Govind Deo Agarawal		1	55,770	-	-	55,770	0.04	55,770	-	55,770	0.04	-	0.04	-	-	-	-	55,770
	Rajendra Gopilal Oswal		1	54,996	-	-	54,996	0.04	54,996	-	54,996	0.04	-	0.04	-	-	-	-	54,996
	Vimala Devi		1	1,430	-	-	1,430	0.00	1,430	-	1,430	0.00	-	0.00	-	-	-	-	1,430
	Motilal Gopilal Oswal-HUF		1	867	-	-	867	0.00	867	-	867	0.00	-	0.00	-	-	-	-	867
	Bodies Corporate		**1**	**2,000**	**-**	**-**	**2,000**	**0.00**	**2,000**	**-**	**2,000**	**0.00**	**-**	**0.00**	**-**	**-**	**-**	**-**	**2,000**
	OSAG Enterprises LLP		1	2,000	-	-	2,000	0.00	2,000	-	2,000	0.00	-	0.00	-	-	-	-	2,000
Sub-Total (A)(1)			**24**	**10,30,56,923**	**-**	**-**	**10,30,56,923**	**69.16**	**10,30,56,923**	**-**	**10,30,56,923**	**69.16**	**-**	**69.16**	**-**	**-**	**2,000**	**0.00**	**10,30,56,923**
(2)	**Foreign**																		
(a)	**Individuals (Non-Resident Individuals/Foreign Individuals)**		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	**Government**		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	**Institutions**		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	**Foreign Portfolio Investor**		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	**Any Other**		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub-Total(A)(2)			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)			**24**	**10,30,56,923**	**-**	**-**	**10,30,56,923**	**69.16**	**10,30,56,923**	**-**	**10,30,56,923**	**69.16**	**-**	**69.16**	**-**	**-**	**2,000**	**0.00**	**10,30,56,923**

Shareholding pattern of public Shareholders, as on March 31, 2024, is set forth below.

Category	Category & Name of the Shareholder	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (A+B+C2)	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
								Class X	Class Y	Total								
	(I)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)
(1)	Institutions (Domestic)																	
(a)	Mutual Funds	12	96,18,205	-	-	96,18,205	6.45	96,18,205	-	96,18,205	6.45	-	6.45	-	-	NA	NA	96,18,205
	Parag Parikh Flexi Cap Fund	1	78,48,858	-	-	78,48,858	5.27	78,48,858	-	78,48,858	5.27	-	5.27	-	-	NA	NA	78,48,858
(b)	Venture Capital Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-
(c)	Alternate Investment Funds	15	5,65,334	-	-	5,65,334	0.38	5,65,334	-	5,65,334	0.38	-	0.38	-	-	NA	NA	5,65,334
(d)	Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-
(e)	Insurance Companies	5	1,58,398	-	-	1,58,398	0.11	1,58,398	-	1,58,398	0.11	-	0.11	-	-	NA	NA	1,58,398
(f)	Provident Funds/Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-
(g)	Asset Reconstruction Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-
(h)	Sovereign wealth fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-
(i)	NBFCs registered with RBI	2	594	-	-	594	0.00	594	-	594	0.00	-	0.00	-	-	NA	NA	594
(j)	Other Financial Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-
(k)	Any Other (Specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-
Sub Total (B)(1)		34	1,03,42,531	-	-	1,03,42,531	6.94	1,03,42,531	-	1,03,42,531	6.94	-	6.94	-	-	NA	NA	1,03,42,531
(2)	Institutions (Foreign)																	
(a)	Foreign Direct Investment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-
(b)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-
(c)	Sovereign Wealth Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-
(d)	Foreign Portfolio Investors Category I	180	90,13,136	-	-	90,13,136	6.05	90,13,136	-	90,13,136	6.05	-	6.05	-	-	NA	NA	90,13,136
(e)	Foreign Portfolio Investors Category II	22	10,16,093	-	-	10,16,093	0.68	10,16,093	-	10,16,093	0.68	-	0.68	-	-	NA	NA	10,16,093
(f)	Overseas Depositories (holding DRs) (balancing figure)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-
(g)	Any other (Specify)	1	3,622	-	-	3,622	0.00	3,622	-	3,622	0.00	-	0.00	-	-	NA	NA	3,622
	Foreign Institutional Investors	1	3,622	-	-	3,622	0.00	3,622	-	3,622	0.00	-	0.00	-	-	NA	NA	3,622
Sub-Total (B)(2)		203	1,00,32,851	-	-	1,00,32,851	6.73	1,00,32,851	-	1,00,32,851	6.73	-	6.73	-	-	NA	NA	1,00,32,851
(3)	Central Government/State Government(s)/President of India																	
(a)	Central Government / President of India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-

Category	Category & Name of the Shareholder	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (A+B+C2)	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
								Class X	Class Y	Total								
	(I)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)
(b)	**State Government / Governor**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**NA**	**NA**	**-**
(c)	**Shareholding by Companies or Bodies Corporate where Central / State Government is a promoter**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**NA**	**NA**	**-**
Sub Total (B)(3)		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**NA**	**NA**
(4)	-		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**NA**	**NA**	**-**
(a)	**Associate companies / Subsidiaries**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**NA**	**NA**	**-**
(b)	**Directors and their relatives (excluding independent directors and nominee directors)**	**3**	**97,83,212**	**-**	**-**	**97,83,212**	**6.57**	**97,83,212**	**-**	**97,83,212**	**6.57**	**-**	**6.57**	**-**	**-**	**NA**	**NA**	**97,83,212**
	Navin Agarwal	1	76,35,072	-	-	76,35,072	5.12	76,35,072	-	76,35,072	5.12	-	5.12	-	-	NA	NA	76,35,072
	Rajat Rajgarhia	1	17,48,140	-	-	17,48,140	1.17	17,48,140	-	17,48,140	1.17	-	1.17	-	-	NA	NA	17,48,140
(c)	**Key Managerial Personnel**	**2**	**59,939**	**-**	**-**	**59,939**	**0.04**	**59,939**	**-**	**59,939**	**0.04**	**-**	**0.04**	**-**	**-**	**NA**	**NA**	**59,939**
(d)	**Relatives of promoters (other than 'immediate relatives' of promoters disclosed under 'Promoter and Promoter Group' category)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**NA**	**NA**	**-**
(e)	**Trusts where any person belonging to 'Promoter and Promoter Group' category is 'trustee', 'beneficiary', or 'author of the trust'**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**NA**	**NA**	**-**
(f)	**Investor Education and Protection Fund (IEPF)**	**1**	**19,361**	**-**	**-**	**19,361**	**0.01**	**19,361**	**-**	**19,361**	**0.01**	**-**	**0.01**	**-**	**-**	**NA**	**NA**	**19,361**
(g)	**Resident Individual holding nominal share capital up to Rs. 2 lakhs**	**63,447**	**1,02,55,836**	**-**	**-**	**1,02,55,836**	**6.88**	**1,02,55,836**	**-**	**1,02,55,836**	**6.88**	**-**	**6.88**	**-**	**-**	**NA**	**NA**	**1,02,54,831**
(h)	**Resident Individual holding nominal share capital in excess of Rs. 2 Lakhs**	**7**	**31,10,570**	**-**	**-**	**31,10,570**	**2.09**	**31,10,570**	**-**	**31,10,570**	**2.09**	**-**	**2.09**	**-**	**-**	**NA**	**NA**	**31,10,570**
(i)	**Non Resident Indians (NRIs)**	**1,573**	**7,78,349**	**-**	**-**	**7,78,349**	**0.52**	**7,78,349**	**-**	**7,78,349**	**0.52**	**-**	**0.52**	**-**	**-**	**NA**	**NA**	**7,78,349**
(j)	**Foreign Nationals**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**NA**	**NA**	**-**
(k)	**Foreign Companies**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**NA**	**NA**	**-**

4. **Statement showing shareholding pattern of non-Promoter – non-public Shareholders as on March 31, 2024, is set forth below**

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (A+B+C2)	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
									Class X	Class Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)
(1)	Custodian/DR Holder	s	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations 2014)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Non-Promoter-Non Public Shareholding = C(1)+(C)(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

5. **List of top ten holders of Equity Shares as on March 31, 2024 (on cumulative basis)**

Sr. No	Name of the Shareholder	Total number of Equity Shares	Number of Equity Shares held in dematerialized form	Total shareholding as a % of total number of Equity Shares
1.	Raamdeo Agarawal	4,00,82,015	4,00,82,015	26.90
2.	Motilal Oswal Family Trust	3,85,34,320	3,85,34,320	25.86
3.	Parag Parikh Flexi Cap Fund	78,48,858	78,48,858	5.27
4.	Navin Agarwal	76,35,072	76,35,072	5.12
5.	Suneeta Raamdeo Agarawal	63,71,877	63,71,877	4.28
6.	Raamdeo Agarawal -HUF	44,93,264	44,93,264	3.02
7.	Motilal Oswal	34,58,679	34,58,679	2.32
8.	Pratik Ranjit Mehta	22,35,207	22,35,207	1.50
9.	Pratiksha Pratik Mehta	22,19,207	22,19,207	1.49
10.	Pratik Motilal Oswal	22,19,207	22,19,207	1.49
11.	Natasha Aniruddha Malpani	22,19,207	22,19,207	1.49
	Total	**11,73,16,913**	**11,73,16,913**	**78.74**

6. **List of top ten holders of non-convertible securities as on March 31, 2024 (on cumulative basis)**

S. No	Name of holder of Non-convertible Securities	Category of Holder	Face Value of Holding (₹ in crores)	Holding as a % of total outstanding non-convertible securities of the issuer
1.	Archana Surana	Individual	15.00	52.82
2.	Usha Kantilal Mehta	Individual	1.70	5.99
3.	Meeta Gutgutia	Individual	1.50	5.28
4.	Rahul Kantilal Mehta	Individual	1.40	4.93
5.	Kantilal Nagraj Mehta	Individual	1.00	3.52
6.	Taal Tech India Private Limited	Corporate	1.00	3.52
7.	Sangeeta Poly Pack Private Limited	Corporate	1.00	3.52
8.	Adarsh Rajendra Somani	Individual	1.00	3.52
9.	Ramesh Sitaram Ghodge	Individual	0.60	2.11
10.	Midas Touch Healthcare Pvt Ltd	Corporate	0.60	2.11
11.	Nishith N Sanghrajka	Individual	0.60	2.11
Total			**25.40**	**89.44**

7. **Shareholding of the Promoter and Promoter Group in our Company as on March 31, 2024**

Sr. No.	Name of the Promoter/ Promoter Group	Total number of Equity Shares	Number of Equity Shares held in dematerialized form	Total shareholding as a % of total number of Equity Shares
Promoter				
1.	Motilal Oswal Family Trust	4,00,82,015	4,00,82,015	26.90
2.	Raamdeo Agarawal	3,85,34,320	3,85,34,320	25.86
3.	Motilal Oswal	34,58,679	34,58,679	2.32
Promoter Group				
1.	Suneeta Raamdeo Agrawal	63,71,877	63,71,877	4.28
2.	Raamdeo Agarwal-HUF	44,93,264	44,93,264	3.02
3.	Pratik Ranjit Mehta	22,35,207	22,35,207	1.50
4.	Natasha Aniruddha Malpani	22,19,207	22,19,207	1.49
5.	Pratik Motilal Oswal	22,19,207	22,19,207	1.49
6.	Pratiksha Pratik Mehta	22,19,207	22,19,207	1.49
7.	Vaibhav Raamdeo Agrawal	2,54,479	2,54,479	0.17
8.	Dhairya Agrawal	1,25,000	1,25,000	0.08
9.	Vimla Motilal Oswal	1,24,566	1,24,566	0.08
10.	Suman Agrawal	1,00,000	1,00,000	0.07
11.	Vedika Karnani	1,00,000	1,00,000	0.07
12.	Vinay Agrawal	55,770	55,770	0.04
13.	Anita Agrawal	54,996	54,996	0.04
14.	Sukhdeo Ramgopal Agarawal	2,000	2,000	0.00
15.	Karoon Ramgopal Agarawal	1,430	1,430	0.00
16.	Satish Agrawal	867	867	0.00
17.	Govind Deo Agarawal	55,770	55,770	0.04
18.	Rajendra Gopilal Oswal	54,996	54,996	0.04
19.	OSAG Enterprises LLP	2,000	2,000	0.00
20.	Vimala Devi	1,430	1,430	0.00
21.	Motilal Gopilal Oswal-HUF	867	867	0.00

8. **Details of the Directors' shareholding in our Company, as on March 31, 2024**

Except for the details as set out in the table below, none of the Directors hold any Equity Shares, qualification shares or any outstanding options in our Company:

Sr. No	Name of the Directors	Designation	Total number of Equity Shares	Total shareholding as a % of total number of Equity Shares
1.	Raamdeo Agarawal	Non-Executive Chairman	4,00,82,015	26.90
2.	Motilal Oswal	Managing Director & Chief Executive Officer	34,58,679	2.32
3.	Navin Agarwal	Non-Executive Director	76,35,072	5.12
4.	Rajat Rajgarhia	Whole-time Director	17,48,140	1.17
5.	Ajay Menon	Whole-time Director	4,00,000	0.27

9. **Details of shareholding of Directors in subsidiaries and associates as of the date of this Prospectus**

Name of Subsidiary	Name of the Director	Total number of equity shares	Total shareholding as a % of total number of equity shares	Total shareholding as a % of total number of equity shares on a fully diluted basis
MOHFL	Motilal Oswal	10	0.00	0.00
MOHFL	Raamdeo Agarawal	10	0.00	0.00
MOHFL	Navin Agarwal	2,76,13,759	0.46	0.46
MOHFL	Rajat Rajgarhia	3,00,000	0.00	0.00
MOHFL	Ajay Menon	1,66,860	0.00	0.00

As of the date of this Prospectus, our Company does not have any associate company.

10. **Statement of the aggregate number of securities of our Company and our Subsidiary purchased or sold by our Promoters, Promoter Group, our Directors and the directors of our Promoters and/or their relatives within six months immediately preceding the date of filing of this Prospectus.**

Except for the details as set out in the table below, no securities of our Company have been purchased or sold by our Promoters, Promoter group, our Directors, directors of our Promoter and/or their relatives within six months immediately preceding the date of filing of this Prospectus.

Name of Promoter/ Promoter Group/Director	Promoter/ Promoter Group/ Director	Nature of transaction	Date of Transaction	Number of equity shares purchased/sold/transferred
Motilal Oswal	Promoter	Off-market inter-se transfer	October 05, 2023	(4,000)
Pratik Ranjit Mehta	Promoter Group	Off-market inter-se transfer	October 05, 2023	4,000
Ajay Menon	Director	Market Sale	November 16, 2023	(10,768)
Ajay Menon	Director	Market Sale	November 22, 2023	(10,000)
Ajay Menon	Director	ESOP Allotment	November 30, 2023	50,000
Motilal Oswal	Promoter	Off-market inter-se transfer	February 07, 2024	(44,38,414)
Natasha Malpani	Promoter Group	Off-market inter-se transfer	February 07, 2024	22,19,207
Pratik Ranjit Mehta	Promoter Group	Off-market inter-se transfer	February 07, 2024	22,19,207
Satish Agrawal	Promoter Group	Market Sale	February 09, 2024	1,000
Motilal Oswal Family Trust	Promoter	Off-market inter-se transfer	February 14, 2024	(22,19,207)
Pratiksha Mehta	Promoter Group	Off-market inter-se transfer	February 14, 2024	22,19,207
Satish Agrawal	Promoter Group	Market Sale	March 19, 2024	2,000
Satish Agrawal	Promoter Group	Market Sale	March 26, 2024	3,000

Except for the details as set out in the table below, no securities of our Subsidiaries have been purchased or sold by our Promoters, Promoter group, our Directors, directors of our Promoter and/or their relatives within six months immediately preceding the date of filing of this Prospectus.

MOHFL

Name of Promoter/ Promoter Group/Director	Promoter/ Promoter Group/ Director	Nature of transaction	Date of Transaction	Number of equity shares purchased/sold/transferred
Navin Agarwal	Director	Sale -Off-market	March 06, 2024	8,00,000
			February 29, 2024	5,00,000
			February 28, 2024	1,00,000
			February 27, 2024	1,50,000
			February 26, 2024	1,00,000
			February 22, 2024	2,50,000
			February 21, 2024	1,00,000
			February 19, 2024	1,00,000
			February 15, 2024	1,00,000
			February 13, 2024	1,00,000
			February 09, 2024	1,00,000
			February 02, 2024	1,00,000
			January 31, 2024	1,00,000
			January 30, 2024	1,00,000
			January 23, 2024	1,00,000
			January 23, 2024	1,00,000
			January 18, 2024	1,00,000
			January 11, 2024	1,00,000
			January 11, 2024	50,000
			January 08, 2024	1,00,000
			January 05, 2024	1,00,000
			January 03, 2024	1,00,000
			January 01, 2024	1,00,000
			December 28, 2023	1,00,000
			December 22, 2023	1,00,000
			December 15, 2023	1,00,000
			December 13, 2023	1,00,000
			December 13, 2023	1,00,000
			December 06, 2023	2,00,000
			December 04, 2023	2,00,000
			November 29, 2023	2,00,000
			November 24, 2023	2,00,000

11. **(a) Statement of capitalization (Debt to Equity Ratio) of our Company – Consolidated**

(₹ in crore, except debt/ equity ratio)

Particulars	Pre-Issue as at December 31, 2023	Post Issue as Adjusted
Debt		
Debt Securities & Accrued Interest	8,530.51	9,530.51
Borrowings (Other than Debt Securities)	4,072.20	4,072.20
Total Debt (A)	**12,602.71**	**13,602.71**
Equity		
Equity Share Capital	14.85	14.85
Other Equity	8,251.86	8,251.86
Non- Controlling Interests	35.40	35.40
Total Equity (B)	**8,302.12**	**8,302.12**
Debt/ Equity (C= A/B)*	**1.52**	**1.64**

* *The debt-equity ratio post Issue in indicative on account of the assumed inflow of ₹ 1,000 crores from the proposed Issue. The actual debt-equity ratio post the Issue would depend on the actual position of debt and equity on the Deemed Date of Allotment.*

(b) Statement of capitalization (Debt to Equity Ratio) of our Company – Standalone

(*₹ in crore, except debt/ equity ratio*)

Particulars	Pre-Issue as at December 31, 2023	Post Issue as Adjusted
Debt		
Debt Securities & Accrued Interest	4.120.01	5.120.01
Borrowings (Other than Debt Securities)	1,246.12	1,246.12
Total Debt (A)	**5,366.13**	**6,366.13**

Particulars	Pre-Issue as at December 31, 2023	Post Issue as Adjusted
Equity		
Equity Share Capital	14.85	14.85
Other Equity	5,657.32	5,657.32
Total Equity (B)	**5,672.17**	**5,672.17**
Debt/ Equity (C= A/B)*	**0.95**	**1.12**

* *The debt-equity ratio post Issue in indicative on account of the assumed inflow of ₹ 1,000 crores from the proposed Issue. The actual debt-equity ratio post the Issue would depend on the actual position of debt and equity on the Deemed Date of Allotment.*

For details regarding total outstanding debt of our Company, see "*Disclosures on Existing Financial Indebtedness*" on page 193.

12. **Details of Promoter's shareholding in our Company's Subsidiaries**

As on the date of this Prospectus, the following are the details of our Promoter's shareholding in our Company's subsidiaries:

Name of the Subsidiary	Name of the Shareholder	No. of Equity Shares	% to Paid-up shares
MOHFL	Motilal Oswal	10	0.00
MOHFL	Raamdeo Agarawal	10	0.00

13. **Debt securities issued at a premium or a discount**

Except as set out in *"Disclosures on Existing Financial Indebtedness*" on page 193 of this Prospectus, our Company has not issued debt securities at a premium or discount.

14. **Details of any acquisition or amalgamation in the preceding one year**

Our Company has not made any acquisition or amalgamation in the last one year prior to the date of this Prospectus.

15. **Details of any reorganization or reconstruction in the preceding one year**

Except as disclosed below, there has been no reorganization or reconstruction undertaken by our Company in the last one year prior to the date of this Prospectus.

Type of event	Date of announcement	Date of completion	Details
Scheme of Arrangement	July 27, 2023	-	The Board of Directors of our Company ("**Transferor Company**" or "**Resulting Company**") at the meeting held on July 27, 2023 has approved the Scheme of Arrangement between the Company, Motilal Oswal Broking and Distribution Limited (*in its erstwhile name Glide Tech Investment Advisory Private Limited*) ("**Transferee Company**") and Motilal Oswal Wealth Limited ("**Demerged Company**") and their respective shareholders ("**Scheme**") under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013. The proposed arrangement involves the following: 1. Transfer of Broking and Distribution ("**B&D**") Business/Undertaking of the Transferor Company into the Transferee Company by way of slump sale and consequent issue of equity shares by the Transferee Company to the Transferor Company; 2. Demerger of Wealth Business Undertaking of the Demerged Company into the Resulting Company; and 3. Various other matters consequential or otherwise integrally connected herewith.

The Scheme of Arrangement was filed before the Stock Exchanges on August 16, 2023 for obtaining the no objection letter in compliance with the SEBI Listing Regulations. For details, see *"Proposed Scheme of Arrangement"* on page 192.

16. **Details of pledge or encumbrance of Equity Shares held by Promoter and Promoter Group**

Except for the details as set out below, none of the Equity Shares held by the Promoter and Promoter Group in our Company are pledged or encumbered otherwise by our Promoter and Promoter Group.

Sukhdeo Ramgopal Agarawal, part of Promoter Group, has pledged 2,000 Equity Shares of the Company.

17. **Employee Stock Option Scheme**

The details of our ESOP Schemes in force as on the date of this Prospectus are set forth below:

(i) Motilal Oswal Financial Services Limited - Employees' Stock Option Scheme-V

Our Company instituted the Motilal Oswal Financial Services Limited - Employees' Stock Option Scheme-V ("**ESOP-V**") pursuant to a shareholders' resolution dated December 4, 2007. Under ESOP-V, our Company can grant employee stock options exercisable into not more 5,00,000 equity shares of ₹ 5 each. The maximum number of options to be granted to any one employee in ESOP-V shall not in any case exceed such options which would entitle such employee to purchase more than 1,00,000 equity shares of the Company. The maximum number of options to be granted to non-executive directors including independent directors will not exceed 25,000 options in any financial year and the total number of options to be granted to non-executive directors including independent directors will not exceed 1,00,000 in the aggregate. Pursuant to the sub-division of equity shares on July 8, 2008, the aggregate number of equity shares which may be allotted under the ESOP-V increased to 25,00,000 Equity Shares. The eligibility and number of options to be granted to an employee would be determined by 'Remuneration/Compensation Committee' in accordance with ESOP-V and the Applicable Law. The options granted shall vest, in one or more tranches, after one year and not later than five years from the date of grant, as may be specified in the letter of grant.

Please refer below for the details of ESOP-V as on the date of this Prospectus:

Sr. No.	Particulars	Number of Equity Shares			
		Financial year ended March 31, 2021	Financial year ended March 31, 2022	Financial year ended March 31, 2023	Financial year ended March 31, 2024
1	Stock options granted	0	0	20,000	0
2	Stock options exercised	49,500	59,500	10,000	12,000
3	Total number of shares arising out of exercise of stock options	49,500	59,500	10,000	12,000
4	Stock options cancelled/ Forfeited	0	0	0	0
5	Stock options lapsed	3,600	15,400	0	0
6	Weighted average share price at the date of exercise for stock options exercised during the year (in ₹)	654.01	539.43	777.40	967.99

(ii) Motilal Oswal Financial Services Limited - Employees' Stock Option Scheme-VI

Our Company instituted the Motilal Oswal Financial Services Limited - Employees' Stock Option Scheme-VI ("**ESOP-VI**") pursuant to a shareholders' resolution dated July 8, 2008. Under ESOP-VI, our Company can grant employee stock options exercisable into not more than 50,00,000 equity shares of face value of ₹1 each. The maximum number of options to be granted to any one employee in ESOP-VI shall not in any case exceed such options which would entitle such employee to purchase more than 10,00,000 equity shares of the Company. The maximum number of options to be granted to non-executive directors including independent directors will not exceed 250,000 options in any financial year and the total number of options to be granted to non-executive directors including independent directors will not exceed 10,00,000 in the aggregate. The eligibility and number of options to be granted to an employee would be determined by 'Remuneration/Compensation Committee' in accordance with ESOP-VI and the Applicable Law. The options granted shall vest, in one or more tranches, after one year and not later than five years from the date of grant, as may be specified in the letter of grant.

Please refer below for the details of ESOP-VI as on the date of this Prospectus:

Sr. No.	Particulars	Number of Equity Shares			
		Financial year ended March 31, 2021	Financial year ended March 31, 2022	Financial year ended March 31, 2023	Financial year ended March 31, 2024
1	Stock options granted	0	35,000	30,000	0
2	Stock options exercised	0	22,000	0	1,000
3	Total number of shares arising out of exercise of stock options	0	22,000	0	1,000
4	Stock options cancelled/ Forfeited	0	0	0	0
5	Stock options lapsed	0	0	20,000	0
6	Weighted average share price at the date of exercise for stock options exercised during the year (in ₹)	NA	572.30	NA	1,838.55

(iii) Motilal Oswal Financial Services Limited - Employees' Stock Option Scheme-VII

Our Company instituted the Motilal Oswal Financial Services Limited - Employees' Stock Option Scheme-VII ("**ESOP-VII**") pursuant to a shareholders' resolution dated August 22, 2014. Under ESOP-VII, our Company can grant employee stock options exercisable into not more 25,00,000 equity shares of ₹ 1 each. The maximum number of options to be granted to any one employee in ESOP-VII shall not in any case exceed 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant of stock options. The maximum number of options to be granted to non-executive directors including independent directors will not exceed 2,50,000 options in any financial year and the total number of options to be granted to non-executive directors will not exceed 10,00,000 in the aggregate. The eligibility and number of options to be granted to an employee would be determined by 'Nomination and Remuneration/Compensation Committee' in accordance with ESOP-VII and the Applicable Law. The options granted shall vest, in one or more tranches, after one year and not later than seven years from the date of grant, as may be specified in the letter of grant.

Please refer below for the details of ESOP-VII as on the date of this Prospectus:

Sr. No.	Particulars	Number of Equity Shares			
		Financial year ended March 31, 2021	Financial year ended March 31, 2022	Financial year ended March 31, 2023	Financial year ended March 31, 2024
1	Stock options granted	0	2,20,000	50,000	1,04,776
2	Stock options exercised	3,70,800	2,16,400	29,200	91,150
3	Total number of shares arising out of exercise of stock options	0	2,16,400	29,200	91,150
4	Stock options cancelled/ Forfeited	0	0	0	0
5	Stock options lapsed	38,500	64,950	82,300	85,150
6	Weighted average share price at the date of exercise for stock options exercised during the year (in ₹)	644.81	555.35	746.87	1,166.28

(iv) Motilal Oswal Financial Services Limited - Employees' Stock Option Scheme-VIII

Our Company instituted the Motilal Oswal Financial Services Limited - Employees' Stock Option Scheme-V ("**ESOP-VIII**") pursuant to a shareholders' resolution dated July 27, 2017. Under ESOP-VIII, our Company can grant employee stock options exercisable into not more 30,00,000 equity shares of ₹1 each. The maximum number of options to be granted to any one employee in ESOP-VIII shall not in any case exceed 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant of stock options. The maximum number of options to be granted to non-executive directors including independent directors will not exceed 2,50,000 options in any financial year and the total number of options to be granted to non-executive directors including independent directors will not exceed 10,00,000 in the aggregate. The eligibility and number of options to be granted to an employee would be determined by 'Nomination and Remuneration/Compensation Committee' in accordance with ESOP-VIII and the Applicable Law. The options granted shall vest, in one or more tranches, after one year and not later than six years from the date of grant, as may be specified in the letter of grant.

Please refer below for the details of ESOP-VIII as on the date of this Prospectus:

Sr. No.	Particulars	Number of Equity Shares			
		Financial year ended March 31, 2021	Financial year ended March 31, 2022	Financial year ended March 31, 2023	Financial year ended March 31, 2024
1	Stock options granted	9,82,000	2,40,000	6,58,535	1,80,248
2	Stock options exercised	42,500	2,76,200	3,750	7,10,075
3	Total number of shares arising out of exercise of stock options	42,500	2,76,200	3,750	7,10,075
4	Stock options cancelled/ Forfeited	0	0	0	0
5	Stock options lapsed	1,01,100	3,24,650	5,13,250	2,30,450
6	Weighted average share price at the date of exercise for stock options exercised during the year (in ₹)	610.85	557.96	742.04	1,429.34

(v) Motilal Oswal Financial Services Limited - Employees' Stock Option Scheme-IX

Our Company instituted the Motilal Oswal Financial Services Limited - Employees' Stock Option Scheme-IX ("**ESOP-IX**") pursuant to a shareholders' resolution dated August 9, 2021. Under ESOP-IX, our Company can grant employee stock options exercisable into not more 30,00,000 equity shares of ₹ 1 each. The maximum number of options to be granted to any one employee in ESOP-IX shall not in any case exceed 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant of stock options. The maximum number of options to be granted to non-executive directors including independent directors will not exceed 2,50,000 options in any financial year and the total number of options to be granted to non-executive directors including independent directors will not exceed 10,00,000 in the aggregate. The eligibility and number of options to be granted to an employee would be determined by 'Nomination and Remuneration/Compensation Committee' in accordance with ESOP-IX and the Applicable Law. The options granted shall vest, in one or more tranches, after one year and not later than six years from the date of grant, as may be specified in the letter of grant.

Please refer below for the details of ESOP-IX as on the date of this Prospectus:

Sr. No.	Particulars	Number of Equity Shares			
		Financial year ended March 31, 2021	Financial year ended March 31, 2022	Financial year ended March 31, 2023	Financial year ended March 31, 2024
1	Stock options granted	0	26,59,172	1,74,634	5,07,931
2	Stock options exercised	0	0	2,95,802	2,45,940
3	Total number of shares arising out of exercise of stock options	0	0	2,95,802	2,45,940
4	Stock options cancelled/ Forfeited	0	0	0	0
5	Stock options lapsed	0	0	2,15,000	3,23,754
6	Weighted average share price at the date of exercise for stock options exercised during the year (in ₹)	NA	NA	662.04	1,320.39

OBJECTS OF THE ISSUE

Issue proceeds

Our Company has filed this Prospectus for a public issue of secured, rated, listed, redeemable, non-convertible debentures of face value of ₹ 1,000 each, for an amount aggregating up to ₹500 crores ("**Base Issue Price**") with an option to retain oversubscription up to ₹500 crores ("**Green Shoe Option**") aggregating up to 1,00,00,000 NCDs for an amount up to ₹1,000 crores ("**Issue Size**" or "**Issue Limit**").

The Issue is being made pursuant to the provisions of the SEBI NCS Regulations and the Companies Act and the rules made there under. Our Company proposes to utilize the proceeds raised through the Issue, after deducting the Issue related expenses to the extent payable by our Company ("**Net Proceeds**") towards funding the objects listed under this section.

The details of the proceeds of the Issue are summarized below:

(in ₹ crores)

Particulars	Estimated amount
Gross proceeds of the Issue	1,000.00
Less: Issue related expenses*	19.70
Net Proceeds	980.30

* *The above Issue related expenses are indicative and are subject to change depending on the actual level of subscription to the Issue, the number of allottees, market conditions and other relevant factors.*

Requirement of Funds and Utilization of Net Proceeds

The following table details the objects of the Issue (collectively, referred to herein as the "**Objects**") and the amount proposed to be financed from the Net Proceeds:

S. No.	Objects of the Issue	Percentage of amount proposed to be financed from Net Proceeds
1.	For the purpose of meeting working capital requirement and repayment of existing liabilities	At least 75%
2.	General corporate purposes*	Maximum up to 25%
Total		**100%**

* *The Net Proceeds will be first utilized towards the Objects mentioned above. The balance is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 25% of the amount raised and allotted in the Issue, in compliance with the SEBI NCS Regulations.*

The main objects clause of the Memorandum of Association of our Company permits our Company to undertake its existing activities as well as the activities for which the funds are being raised through this Issue.

The fund requirements mentioned above are based on the internal management estimates of our Company, calculation of projected working capital, and current market conditions and have not been verified by the Lead Managers or appraised by any bank, financial institution or any other independent agency. These fund requirements are based on the current circumstances of our business and our Company may have to revise its estimates, from time to time, on account of various factors beyond our control, such as market conditions, competition, costs of providing service and interest or exchange rate fluctuations and regulatory/legal environment governing our Company or changes in other financial conditions, business, or strategy. Consequently, the fund requirements of our Company are subject to revisions in the future at the discretion of the management. Further, subject to applicable laws, in the event of any increase in the actual utilization of funds earmarked for the Net Proceeds, such additional funds will be met by way of means available to us, including from internal accruals. For details on risks involved, see "*Risk Factors – The objects of the Issue have not been appraised by any bank or financial institution. Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and may be subject to change based on various factors, some of which are beyond our control*" on page 40.

Details of the utilization and deployment of Net Proceeds

1. To meet working capital requirements and repayment of existing liabilities

Our business is working capital intensive and we avail a majority of our working capital needs in the ordinary course of our business from various banks, financial institutions and through money market instruments (such as commercial papers etc). As of December 31, 2023, on a standalone basis, our company's sanctioned working capital facilities in the form of short-term borrowings was ₹2,745.00 crores and bank guarantees sanctioned for placing at exchanges as margin was ₹ 3,975.00 crores. As of December 31, 2023, on a standalone basis, our company's outstanding working capital facilities in the form of short term borrowings was ₹1,240.12 crores and bank guarantees placed at exchanges as margin was ₹2,634.00 crores. For details, see "*Financial Indebtedness*" on page 193.

Our Company requires additional funds for meeting its working capital requirements due to increase in the market volumes and corresponding increase in our market share. The broad index (Nifty) had grown 25% in past 9 months period ending

December 2023. Our ADTO has increased by approximately 100% during the nine months period ending December 31, 2023 leading to enhanced working capital requirements for our company. With the increase in working capital requirement, we expect our profitability to increase as well. As of December 31, 2023, the total borrowing needs were ₹5,347.46 crores, which is financed as below.

(in ₹ crores, unless stated otherwise)

Sr No.	Particulars	December 31, 2023
1	NCD/MLD	44.20
2	CP	4,063.14
3	Banking Lines	1,240.12
	Total	5,347.46

Further, there is always a need to maintain the liquidity lines buffer to meet the contingency needs arising out of the market volatility, which is inherent to the nature of our business. As a result, our company has created buffer credit lines in the form of bank sanctioned limits aggregating to ₹2,745.00 crores which have also been utilized partially as working capital during the nine months period ended December 31, 2023 to meet the increased demand. In light of this, the Net Proceeds will also be used to meet additional working capital requirements and repayment of existing liabilities.

Basis of estimation of working capital requirement

On the basis of the existing working capital requirements of our Company and the incremental and projected working capital requirements in accordance with our Company's business plan as approved by the Finance Committee in their meeting held on March 26, 2024:

(in ₹ crores, unless stated otherwise)

Sr. No.	Particulars	As at March 31, 2023	As at December 31, 2023
I.	**A. Assets**		
	Current Accounts	399.91	211.19
	Cheques on hand	-	-
	Cash on hand	0.23	0.39
	Fixed deposits with maturity of less than 3 months	549.44	2,982.71
	Bank Balance other than cash and cash equivalent	6,211.57	6,817.62
	Trade Receivables	669.18	993.69
	Loans	1,327.82	2,823.24
	Other financial assets	178.49	1072.34
	Other non-financial assets	56.70	64.15
	Total Assets	**9,393.34**	**14,965.32**
II.	**B. Liabilities**		
	Trade Payables	3,099.79	5,605.43
	Other financial liabilities	2,340.62	3,746.32
	Provisions	133.87	171.07
	Other non-financial liabilities	31.03	54.09
	Total Liabilities	**5,605.31**	**9,576.92**
III.	**C. Total Working Capital Requirement (A-B)**	**3,788.03**	**5,388.40**
IV.	**D. Means of Finance**		
	Borrowings	3,788.03	5,388.40
	Net Proceeds from Issue		
	Total Means of Finance	**3,788.03**	**5,388.40**

The details of our Company's expected working capital requirements on a standalone basis for the three months period ended June 30, 2024 as certified by Aneel Lasod and Associates, Chartered Accountants *vide* their certificate dated April 9, 2024 are set out below:

(in ₹ crores, unless stated otherwise)

Sr. No.	Particulars	As at June 30, 2024
I.	**A. Assets**	
	Current Accounts	285.10
	Cheques on hand	-
	Cash on hand	0.39
	Fixed deposits with maturity of less than 3 months	4,026.65
	Bank Balance other than cash and cash equivalent	9,203.78
	Trade Receivables	1,341.48
	Loans	3,811.37
	Other financial assets	1,179.57
	Other non-financial assets	70.57
	Total Assets	**19,918.92**
II.	**B. Liabilities**	
	Trade Payables	7,499.51
	Other financial liabilities	5,057.53
	Provisions	171.07
	Other non-financial liabilities	54.09
	Total Liabilities	**12,782.21**
III.	**C. Total Working Capital Requirement (A-B)**	**7,136.71**
IV.	**D. Means of Finance**	
	Borrowings (Other than proposed issuance of NCD)	6,136.71
	Net Proceeds from Issue	1,000.00
	Total Means of Finance	**7,136.71**

Assumptions for working capital requirements

(in ₹ crores, unless otherwise stated)

Assumptions for working capital requirements	For the year ending March 31, 2023	For the year ending December 31, 2023	For the quarter ending June 30, 2024	Basis for Assumption
Trade Receivables	0.30	0.32	0.32	Times of Cash Delivery ADTO
Loans	0.59	0.90	0.90	Times of Cash Delivery ADTO
Current Accounts	0.16%	0.04%	0.04%	Percentage of ADTO
Fixed deposit with banks (Maturity within 3 months)	0.22%	0.59%	0.59%	Percentage of ADTO
Bank Balance other than cash and cash equivalent	2.52%	1.36%	1.36%	Percentage of ADTO
Trade Payables	1.26%	1.11%	1.11%	Percentage of ADTO
Other financial liabilities	0.95%	0.75%	0.75%	Percentage of ADTO

Trade Receivables and Loans Calculations

(in ₹ crores, unless otherwise stated)

Trade receivables and Loans Calculations	For the year ending March 31, 2023	For the year ending December 31, 2023	For the quarter ending June 30, 2024
Trade receivables	669.81	993.69	1,341.48
Loans	1,327.82	2,823.24	3,811.37
Cash delivery ADTO	2,250.38	3,130.52	4,226.20
Trade receivables (times of cash delivery ADTO for the month)	0.30	0.32	0.32
Loans (times of cash delivery ADTO for the month)	0.59	0.90	0.90

Bank Balance other than cash and cash equivalent calculations

(in ₹ crores, unless otherwise stated)

Bank Balance other than cash and cash equivalent calculations	For the year ending March 31, 2023	For the year ending December 31, 2023	For the quarter ending June 30, 2024
ADTO for the month	**246,901.23**	**502,373.26**	**6,78,203.91**
Current Accounts	399.91	211.19	285.10
Fixed deposits with maturity of less than 3 months	549.44	2,982.71	4,026.65
Bank Balance other than cash and cash equivalent	6,211.57	6,817.62	9,203.78
Current Accounts (Percentage of ADTO for the month)	0.16%	0.04%	0.04%
Fixed deposits with maturity of less than 3 months (Percentage of ADTO for the month)	0.22%	0.59%	0.59%
Bank Balance other than cash and cash equivalent (Percentage of ADTO for the month)	2.52%	1.36%	1.36%

Trade Payable Calculations

(in ₹ crores, unless otherwise stated)

Trade Payable Calculations	For the year ending March 31, 2023	For the year ending December 31, 2023	For the quarter ending June 30, 2024
ADTO for the month	**246,901.23**	**502,373.26**	**6,78,203.91**
Trade Payables	3,099.79	5,605.43	7,499.51
Percentage of ADTO for the month	1.26%	1.12%	1.12%

Other Financial Liabilities calculations

(in ₹ crores, unless otherwise stated)

Other Current Liabilities Calculations	For the year ending March 31, 2023	For the year ending December 31, 2023	For the quarter ending June 30, 2024
ADTO for the month	**246,901.23**	**502,373.26**	**6,78,203.91**
Other financial liabilities	2,340.62	3,746.32	5,057.53
Percentage of ADTO for the month	0.95%	0.75%	0.75%

2. General Corporate Purposes

Our Company proposes to deploy the balance Net Proceeds towards general corporate purposes, subject to such utilisation not exceeding 25.00% of the gross proceeds of the proceeds from the Issue in compliance with the SEBI NCS Regulations, including but not limited to capital expenditure, renovations, meeting exigencies which our Company may face in the ordinary course of business, meeting expenses incurred in the ordinary course of business and any other purpose as may be approved by the Board or a duly appointed committee from time to time, subject to compliance with the necessary provisions of the Companies Act and SEBI NCS Regulations. Our Company's management, in accordance with the policies of the Board, will have flexibility in utilising any surplus amounts from the Net Proceeds.

Issue related expenses

The expenses for this Issue include, inter alia, lead management fees and selling commission to the Lead Managers, Consortium Members and intermediaries as provided for in the SEBI Master Circular, fees payable to debenture trustees, the Registrar to the Issue, SCSBs' commission/ fees, printing and distribution expenses, legal fees, advertisement expenses, listing fees and any other expense directly related to the Issue. The Issue expenses and listing fees will be paid by our Company. The estimated breakdown of the total expenses for this Issue is as follows*:

Particulars	Amount (in ₹ crores)	As a percentage of the Issue proceeds (in %)	As a percentage of the total expended of the Issue (in%)
Lead Manager fees	0.50	0.05%	2.94%
Underwriting commission	-	-	-
Brokerage, selling commission and upload fees	15.00	1.50%	76.14%
Fees payable to the Registrar to the Issue	0.10	0.01%	0.51%
Fees payable to the Legal Advisors to the Issue	0.50	0.05%	2.54%
Advertising and marketing expenses	1.50	0.15%	7.61%
Fees payable to the regulators including Stock Exchanges	0.45	0.05%	2.28%
Expenses incurred on printing and distribution of issue stationary	0.20	0.02%	1.02%

Particulars	Amount (in ₹ crores)	As a percentage of the Issue proceeds (in %)	As a percentage of the total expended of the Issue (in%)
Any other fees, commission or payments under whatever nomenclature	1.45	0.15%	7.36%
Grand Total	**19.70**	**1.97%**	**100.00%**

Note: The above expenses are subject to applicable taxes as per the agreed terms of engagement with respective agency.
**Assuming the Issue is fully subscribed and our Company retains oversubscription as per the Issue Documents.*

The expenses are indicative and are subject to change depending on the actual level of subscription to the Issue and the number of Allottees, market conditions and other relevant factors. Our Company shall pay processing fees to the SCSBs for ASBA forms procured by Lead Manager/ Members of the Consortium/ Brokers / Trading Members and submitted to the SCSBs for blocking the Application Amount of the applicant, at the rate of ₹8 per Application Form procured. However, it is clarified that in case of ASBA Application Forms procured directly by the SCSBs, the relevant SCSBs shall not be entitled to any ASBA Processing Fee. Further, our Company shall pay the Sponsor Bank ₹8 for every valid Application that is blocked. The payment will be made on the basis of valid invoices within such timelines mutually agreed to/prescribed by the Company with the Designated Intermediaries/Sponsor Bank.

Purpose for which there is a requirement of funds

As stated in this section.

Funding plan

Our Company confirms that for the purpose of this Issue, funding plan will not be applicable.

Summary of the project appraisal report

Our Company confirms that for the purpose of this Issue, summary of the project appraisal report will not be applicable.

Schedule of implementation of the project

Our Company confirms that for the purpose of this Issue, schedule of implementation of the project will not be applicable.

Monitoring and reporting of utilisation of funds

There is no requirement for appointment of a monitoring agency in terms of the SEBI NCS Regulations. The Audit Committee of our Company shall monitor the utilisation of the proceeds of the Issue. Our Company will disclose in our Company's financial statements for the relevant Financial Year commencing from Fiscal 2025, the utilisation of the proceeds of the Issue under a separate head along with details, if any, in relation to all such proceeds of the Issue that have not been utilised thereby also indicating investments, if any, of such unutilized proceeds of the Issue. Our Company shall utilize the proceeds of the Issue only upon the execution of the documents for creation of security and receipt of final listing and trading approval from the Stock Exchanges. Our Company shall within forty-five days from the end of every quarter submit to the stock exchanges, a statement indicating the utilization of issue proceeds of non-convertible securities, which shall be continued to be given till such time the issue proceeds have been fully utilised or the purpose for which these proceeds were raised has been achieved.

Interim use of proceeds

The management of our Company, in accordance with the policies formulated by it from time to time, will have the flexibility in deploying the proceeds received from the Issue. Pending utilisation of the proceeds out of the Issue for the purposes described above, our Company intends to temporarily invest funds as may be approved by our Board of Directors or a committee thereof, in accordance with applicable law. Such investment would be in accordance with the investment policy of our Company approved by our Board of Directors or any committee thereof from time to time and applicable law.

Variation in terms of contract or objects in this Prospectus

Our Company shall not, in terms of Section 27 of the Companies Act, at any time, vary the terms of the objects for which this Prospectus is issued, except as may be prescribed under the applicable laws and specifically under Section 27 of the Companies Act. Further, in accordance with the SEBI Listing Regulations, in case of any material deviation in the use of proceeds as compared to the objects of the issue, the same shall be indicated in the format as specified by SEBI from time to time.

Other confirmations

In accordance with the SEBI NCS Regulations, our Company will not utilize the proceeds of the Issue for providing loans to or acquisition of shares of any person or company who is a part of the same group as our Company or who is under the same management as our Company.

No part of the proceeds from the Issue will be paid by us as consideration to our Promoters, the Directors, Key Managerial Personnel, or companies promoted by our Promoters except in ordinary course of business.

No part of the proceeds from the Issue will be utilized for buying or trading equity shares of any listed company.

No part of the proceeds from the Issue will be utilized for buying, trading or otherwise dealing in equity shares of any listed company. Further our Company undertakes that Issue proceeds from NCDs allotted to banks shall not be used for any purpose, which may be in contravention of the RBI guidelines including those relating to classification as capital market exposure or any other sectors that are prohibited under the RBI Regulations.

Our Company confirms that it will not use the proceeds from the Issue, directly or indirectly, for the purchase of any business or in the purchase of any interest in any business whereby our Company shall become entitled to an interest in either the capital or profit or losses or both in such business exceeding 50% thereof, the purchase or acquisition of any immovable property (direct or indirect) or acquisition of securities of any other body corporate.

The fund requirement as above is based on our current business plan and is subject to change in light of variations in external circumstances or costs, or in our financial condition, business or strategy. Our management, in response to the competitive and dynamic nature of the industry, will have the discretion to revise its business plan from time to time and consequently our funding requirements and deployment of funds may also change.

There is no contribution being made or intended to be made by the Directors as part of the Issue or separately in furtherance of the Objects of the Issue.

Benefit / interest accruing to our Promoter/Directors out of the object of the Issue

Neither our Promoters nor our Directors are interested in the Objects of this Issue.

Utilisation of the proceeds of the Issue

1. All monies received out of the Issue shall be credited/transferred to a separate bank account maintained with Public Issue Account as referred to in Section 40 of the Companies Act, 2013.

2. Details of all monies utilised out of Issue referred to in sub-item (a) shall be disclosed and continued to be disclosed under an appropriate separate head in our balance sheet indicating the purpose for which such monies had been utilised.

3. Details of all unutilised monies out of issue of NCDs, if any, referred to in sub-item (a) shall be disclosed under an appropriate separate head in our balance sheet indicating the form in which such unutilised monies have been invested.

4. The details of all utilized and unutilised monies out of the monies collected in the previous issue made by way of public offer shall be disclosed and continued to be disclosed in the balance sheet till the time any part of the proceeds of such previous issue remains unutilized indicating the purpose for which such monies have been utilized, and the securities or other forms of financial assets in which such unutilized monies have been invested.

5. We shall utilize the Issue proceeds only upon execution of the Debenture Trust Deed(s) as stated in this Prospectus, creation of security, receipt of the listing and trading approval from the Stock Exchanges and on receipt of the minimum subscription of 75% of the Base Issue Size being ₹375 crores.

6. The Issue proceeds shall not be utilized towards full or part consideration for the purchase or any other acquisition, inter alia by way of a lease, of any immovable property or in the purchase of any business or in the purchase of an interest in any business.

7. The Issue Proceeds shall be utilized in compliance with various guidelines, regulations and clarifications issued by SEBI or any other statutory authority from time to time.

STATEMENT OF POSSIBLE TAX BENEFITS

Date: March 26, 2024

To,
The Board of Directors
Motilal Oswal Financial Services Limited
Motilal Oswal Tower,
Rahimtullah Sayani, Opposite Parel ST Depot,
Prabhadevi, Mumbai-400025,
Maharashtra, India.

Sub: Proposed public issue by Motilal Oswal Financial Services Limited (the "Company" or "Issuer") of Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of face value of ₹ 1,000 each ("NCDs") for an amount aggregating up to ₹ 500 crore ("Base Issue Size") with an option to retain oversubscription upto Rs. 500 crore ("Green Shoe Option") aggregating to Rs. 1,000 crore ("Issue Size" or "Issue Limit") (hereinafter referred to as "the Issue").

Dear Sir(s)/Madam(s),

1. We, **M/s Aneel Lasod and Associates**, (**FRN**: **124609W**), hereby confirm that the enclosed ***Annexure 1***, prepared by the Company, provides the possible tax benefits available to the debenture holders of the Company under the Income-tax Act, 1961 ('the Act') as amended by the Finance Act, 2023, i.e. applicable for the Financial Year 2023-24 relevant to the assessment year 2024-25 respectively, presently in force in India. Several of these benefits are dependent on the debenture holders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the debenture holders to derive the tax benefits is dependent upon their fulfilling such conditions which, the debenture holders may or may not choose to fulfil.

2. The benefits discussed in the enclosed statement are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that this statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.

3. We do not express any opinion or provide any assurance as to whether:

   i) the debenture holders will continue to obtain these benefits in future;
   ii) the conditions prescribed for availing the benefits have been / would be met with; and
   iii) the revenue authorities/courts will concur with the views expressed herein.

4. The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of their understanding of the business activities and operations of the Company.

5. This report has been issued at the request of the Company for the purpose of inclusion in the offer documents in connection with its proposed Issue and should not be used by anyone else or for any other purpose.

Yours Sincerely,

For Aneel Lasod and Associates
Chartered Accountants
Firm Regn.No.124609W

Aneel Lasod
(Partner)
Membership No.040117

Date: March 26, 2024
Place: Mumbai

Annexure

STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE DEBENTURE HOLDERS OF MOTILAL OSWAL FINANCIAL SERVICES LIMITED (the "Company") UNDER THE INCOME-TAX ACT, 1961 (hereinafter referred to as the 'Act')

The information provided below sets out the possible tax benefits available to the Debenture Holders of the Company under the Act presently in force in India. The tax benefits are given as per the prevailing tax laws and may vary from time to time in accordance with amendments to the law or enactments thereto. This Annexure is based on the provisions of the Income-tax Act, 1961 ('IT Act') in force as on the current date, after considering the amendments made by the Finance Act, 2023 ('FA, 2023').

This Annexure intends to provide general information on the possible tax benefits available to the Debenture Holder(s) of an Indian company in which public are substantially interested in a summary manner only based on the applicable provisions of the Act and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of the debenture. However, in view of the individual nature of the tax implications, the investors are best advised to consult their respective tax advisors/consultants with respect to the specific tax and other implications arising out of their participation in the proposed issue as indicated herein or purchase, sale or holding of debentures / non-convertible debentures ("**NCDs**") subsequent thereto.

Taxability under the IT Act

Section 50AA of the IT Act

The Finance Act, 2023 has inserted section 50AA to the IT Act to provide for a special provision for computation of capital gains in case of Market Linked Debenture (MLD). For the purposes of the said section, MLD have been defined in the Explanation thereto to mean a security by whatever name called, which has an underlying principal component in the form of a debt security and where the returns are linked to the market returns on other underlying securities or indices, and includes any security classified or regulated as a MLD by the Securities and Exchange Board of India.

Based on the definition, MLD has the following essential features:

- It is a security in the nature of debt;
- It has an underlying principal component;
- Returns with respect to such security are linked to market returns on other underlying securities or indices;
- And, by way of extension, it is also provided that any security classified or regulated by SEBI as an MLD, shall for the purposes of section 50AA of the IT Act, be deemed to be an MLD

The NCDs issued/ proposed to be issued by the issuer creates a borrower-lender relationship between the issuer and subscriber and to that extent, such NCDs constitute a security in the nature of debt. Further, such NCDs, by their very nature, have a principal component (which is the price at which the subscriber subscribes to such NCDs).

However, the returns with respect to such NCDs (excess of redemption value over the principal component) is a fixed return and is not linked to any market return or underlying security or indices.

Given the same, the NCDs issued by the issuer do not satisfy the first limb of the definition of MLD as provided in the Explanation to section 50AA of the IT Act and thus, such NCDs should not constitute an MLD for the purposes of section 50AA of the IT Act.

The second limb of the definition of MLD which deems any security classified or regulated by SEBI as an MLD, to be an MLD for the purposes of section 50AA of the IT Act, is an independent limb and need to be construed as such. We have been given to understand that, at present, the NCD issued/ proposed to be issued by the issuer is neither classified nor regulated by the SEBI as an MLD and accordingly, the NCDs issued by the issuer should not constitute an MLD for the purposes of section 50AA of the IT Act. However, the said fact-pattern would have to be re-visited in light of any amendment in the law as may be notified by SEBI in future.

A. Common provisions applicable to both Resident and Non-Resident debenture holders:

1. Determination of head of income for the purpose of assesability:

The returns received by the investors from the NCDs in the form of 'interest' and gains on transfer of the NCD, may be characterized under the following broad heads of income for the purposes of taxation under the IT Act:

- Profits and gains of business or profession ('PGBP');
- Capital gains ('CG'); and
- Income from other sources ('IFOS').

For determining the appropriate head of income (as mentioned above) *vis-à-vis* the income or loss earned on/ from the NCD, it will be pertinent to analyses whether the NCD are held as 'Investments' i.e. capital asset or as 'Stock-in-trade'.

If the NCD are held as 'Stock-in-trade', interest income as well as gain or loss on its transfer will be assessed to tax under the head PGBP, whereas, if the NCD are held as 'Investments', then the interest income will be assessed to tax under the head IFOS and any gain/ loss on its transfer will be assessed to tax under the head CG (explained in ensuing paragraphs), based on facts of each case.

However, as per section 2(14) of the IT Act, 'capital asset' includes, *inter alia*, securities held by a Foreign Institutional Investor ('FII') (now known as Foreign Portfolio Investor ('FPI')) which has invested in such securities in accordance with the regulations made under Securities and Exchange Board of India Act, 1992. Accordingly, such securities, held by an FII, will be characterized as 'capital asset' and classification as 'Stock-in-trade' shall not apply.

The investors may obtain specific advice from their tax advisors regarding the above classification and tax treatment of their investments.

2. Taxation of Interest and Gain/ loss on transfer of debentures:

- ***<u>Taxation of Interest</u>***

Income by way of interest received on NCDs held as 'Investments' (i.e. capital asset) will be charged to tax under the head IFOS at the rates applicable to the investor after deduction of expenses, if any, allowable under section 57 of the IT Act. These are essentially expenses (not being in the nature of capital expenditure) laid out or expended wholly and exclusively for the purpose of earning the interest income. In case of NCD held as 'Stock-in-trade', interest received thereon will be charged to tax under the head PGBP. Further, any expenditure specifically laid out or expended wholly and exclusively for the purpose of earning such interest income shall be allowed as deduction while computing income under the head PGBP. Further, where debentures, bonds or other debt instruments held as stock-in-trade are sold before their maturity, the interest accrued thereon till the date of sale and included in the sale price, may also be charged to tax as "business income" (treatment separately discussed below).

The investors may obtain specific advice from their tax advisors regarding the tax treatment of their Interest income.

- ***Taxation of gain or loss on transfer***

(a) Taxable under the head PGBP

As discussed above, depending on the particular facts of each case, the NCDs may, in certain cases, be regarded to be in the nature of 'Stock-in-trade' and, accordingly, the gains from the transfer of such NCD should be considered to be in the nature of business income and hence chargeable to tax under the head PGBP.

In such a scenario, the gains from the business of investing in the NCD may be chargeable to tax on a 'net' basis (i.e. net of allowable deductions for expenses/allowances under Chapter IV – Part D of the IT Act). The PGBP so computed, as reduced on account of set-off of losses in accordance with Chapter VI of the Act and unabsorbed allowances, if any, would go to form part of the gross total income of the investor.

The gross total income would be reduced by deductions, if any, available under Chapter VI-A of the Act and the resultant total income would be subject to tax at the tax rates as applicable to the investor (Refer Note 1 and Note 2).

Based on section 145 of the IT Act, the timing of charging any income to tax would depend on the method of accounting followed by the taxpayer consistently (i.e. cash or mercantile).

Investors should obtain specific advice from their tax advisors regarding the manner of computing business income, the deductions available therefrom and the tax to be paid thereon.

(b) Taxable under the head Capital Gains

As discussed above, based on the particular facts of each case, the NCD may, in certain cases, be regarded to be held as 'Investments' in which case the gains or loss from the transfer of such NCD should be chargeable to tax under the head CG.

In such a scenario, the gains / loss from the transfer of such NCD may be chargeable to tax on a 'net' basis (i.e. net of acquisition cost of NCD, expenditure incurred in relation to transfer of NCD).

Investors should, however, seek specific advice from their tax advisors/ consultants in respect of characterization of capital gains, the manner of computation and the tax to be paid thereon. As per section 2(14) of the Act, the term 'capital asset' had been defined to, inter alia, mean any securities held by a foreign institutional investor which has invested in such securities in accordance with the regulations made under Securities and Exchange Board of India Act, 1992

3. Period of holding and Capital gain – long term & short term:

Where NCD is regarded to be held as 'Investments', taxability of investments depends upon nature of capital asset and period of holding.

As per section 2(29AA) read with section 2(42A) of the IT Act, listed NCD is treated as a long-term capital asset if the same is held for more than 12 months immediately preceding the date of its transfer and consequently, the gain/ loss on transfer of such NCD should be treated as long term capital gain/ loss.

Accordingly, if listed NCD is held for up to 12 months immediately preceding the date of its transfer, the same should be treated as a short-term capital asset and the gain/ loss on transfer of such NCD should be treated as short-term capital gain/ loss. Benefit of indexation is not available.

Without prejudice to the fact that the NCDs to be issued by the issuer are not MLD (as has been concluded at the outset), where, for whatsoever reasons, the NCDs are treated as MLDs, then in such cases, as per the amendment by the FA, 2023, the capital gains arising on transfer or redemption or maturity of such NCDs shall be deemed to be capital gains arising from transfer of a short-term capital asset. Further, in computing the capital gains, no deduction shall be allowed on account of Securities Transaction Tax (STT) paid, if any.

4. Computation of capital gains and tax thereon

Capital gains is computed after reducing from the consideration received for the transfer of the capital asset ('full value of consideration (FVC)), the cost of acquisition (CoA) of such asset and the expenses incurred wholly and exclusively in connection with the transfer. The capital gains so computed will be chargeable to tax at the rates as detailed in the ensuing paragraphs.

5. Set off of capital losses

As per section 74 of the IT Act, long-term capital loss incurred during a year can be set-off only against long-term capital gains arising in that year or in subsequent years and cannot be set-off against short-term capital

gains arising in that year or in subsequent years. The long-term capital loss remaining after set-off, if any, can be carried forward for eight years immediately succeeding the year in which the loss was first computed, to be for set-off against subsequent years' long-term capital gains.

On the other hand, short-term capital loss incurred during a year can be set-off against both, short-term and long-term capital gains of the same year or of subsequent years. The short-term capital loss remaining after set-off, if any, can be carried forward for eight years immediately succeeding the year in which the loss was first computed, to be set-off against subsequent years' short-term as well as long-term capital gains.

6. Nature of transactions and resultant capital gain treatment: -

The capital gains tax treatment of transactions is given in Note 4. The following transactions would attract the "regular" capital gains tax provisions: -

- Transactions of sale of debentures, bonds, listed or otherwise; and
- Transactions in structured debentures.

7. Bonus Stripping –

The provision for bonus stripping is attracted if the following conditions are met:

- When a person acquires securities or units (hereinafter referred to as securities) within three months prior to the record date.
- Bonus securities are allotted to the investor on the basis of the securities held on the record date.
- The original securities (held on record date) are sold within nine months after the record date, while continuing to hold any or all of the additional securities.
- Investor incurs a loss on the above sale transaction.

If the above conditions are satisfied, then the loss suffered on sale of original securities would be disallowed and deemed to be the cost of acquisition of the bonus securities

8. Certain deductions available under Chapter VI-A of the Act

Individuals and Hindu Undivided Families would be allowed a deduction in computing total income, inter alia, under section 80C of the Act for an amount not exceeding INR 150,000 with respect to sums paid or deposited in the previous year in certain specified schemes

However, w.e.f FY2023-24 onwards, the default tax provisions would be as per provisions of section 115BAC, where such individual or HUF shall not be entitled to deduction specified, inter alia, under section 80C of the Act

Further, any person having income from business or profession for any previous year can opt out from section 115BAC only once for a previous year other than the year in which it was exercised and thereafter, such person shall never be eligible to exercise the option to be assessed in accordance with the provisions of section 115BAC of the Act except where such person ceases to have any income from business or profession, in which case, the option to be assessed to tax as per the provisions of section 115BAC of the Act shall be available.

9. Taxability of non - resident investors under the tax treaty

In case of non- resident investor who is a resident of a country with which India has signed a Double Taxation Avoidance Agreement ("DTAA" or "tax treaty") (which is in force) income -tax is payable at the rates provided in the Act, as discussed below, or the rates provided in such tax treaty, if any, whichever is more beneficial to such nonresident investor, subject to conditions prescribed. For non –residents claiming such tax treaty benefits, the Act mandates the obtaining of a Tax Residency Certificate (''TRC'') from the home country tax authority. Section 90(5) of the Act provides that an assesses to whom a DTAA applies shall provide such other documents and information, as may be prescribed. Further, a notification substituting Rule 21AB of the Income -tax Rules, 1962 ("Rules") has been issued prescribing the format of information to be provided under section 90(5) of the Act, i.e., in Form No 10F. Where the required information is not explicitly mentioned in the TRC, the assesse shall be required to furnish a self - declaration in Form No 10F and keep and maintain such documents as are necessary to substantiate the information mentioned in Form 10F.

10. General Anti Avoidance Rules ("GAAR")

The General Anti Avoidance Rule ("GAAR'') was introduced in the Act by the Finance Act, 2012. The Finance Act, 2015 made the provisions of GAAR applicable prospectively from 1 April 2017. Further, income accruing, arising, deemed to accrue or arise or received or deemed to be received by any person from transfer of investments made up to 31 March 2017 would be protected from the applicability of GAAR.

11. Capital Gains on indirect transfer of assets

In the context of taxation of capital gains, the definitions of "capital asset" and "transfer" are widened with retro effect from 1st April 1961 specifically with a view to tax, in the hands of non-residents, gains from direct or indirect transfer of assets situated in India.

B. Tax benefits available to Resident NCD holders:

- Interest on NCD received by resident NCD holders would form part of their total income and be subject to tax at the applicable rates of tax (Note 1 and 2 below) in accordance with and subject to the provisions of the IT Act.

- Capital gains on transfer of NCD shall be computed by deducting from the FVC, expenditure incurred wholly and exclusively in connection with the transfer and the CoA of the NCD.

- As per section 112 of the IT Act, capital gains arising on the transfer of long-term capital assets being listed debentures are subject to tax at the rate of 10% (plus applicable surcharge and health & education cess – Note 2 below) on the capital gains calculated without indexing the cost of acquisition (Fourth *proviso* to Section 48 restricts indexation benefit in case of long-term capital asset being a bond or debenture).

- In case of an individual or HUF, being a resident, where the total income as reduced by such long-term capital gains is below the maximum amount which is not chargeable to income-tax, then, such long-term capital gains shall be reduced by the amount by which the total income as so reduced falls short of the maximum amount which is not chargeable to income-tax and the tax on the balance of such long-term capital gains shall be computed at the rate mentioned above.

- Short-term capital gains on the transfer of listed debentures, where debentures are held for a period of not more than 12 months would be taxed at the applicable rates of tax (as mentioned in Note 1 and 2 below) in accordance with the provisions of the IT Act.

C. Tax benefits available to Non-Resident debenture holders:

- A non-resident Indian has an option to be governed by Chapter XII-A of the IT Act, subject to the provisions contained therein which are given in brief as under:

- As per section 115C(e) of the IT Act, the term "non-resident Indian" means an individual, being a citizen of India or a person of Indian origin who is not a "resident". A person shall be deemed to be of Indian origin if he, or either of his parents or any of his grand-parents, was born in undivided India.

- As per section 115E of the IT Act, interest income from debentures acquired or purchased with or subscribed to in convertible foreign exchange will be taxable at 20% (plus applicable surcharge and cess), whereas long term capital gains on transfer of such debentures will be taxable at 10% (plus applicable surcharge and cess – Note 2 below) of such capital gains without indexation of CoA. Short-term capital gains will be taxable at the applicable rates of tax (as mentioned in Note 1 and 2 below) in accordance with and subject to the provisions contained therein.

- Under section 115F of the IT Act, long term capital gains arising to a non-resident Indian from transfer of debentures acquired or purchased with or subscribed to in convertible foreign exchange will be exempt from capital gain tax if the whole of the net consideration is invested within six months after the date of transfer of the debentures in any specified asset or in any saving certificates referred to in section 10(4B) of the IT Act in accordance with and subject to the provisions contained therein.

- Under section 115G of the IT Act, it shall not be necessary for a non-resident Indian to file a return of income under section 139(1) of the IT Act, if his total income consists only of investment income as defined under section 115C and/or long term capital gains earned on transfer of such investment acquired out of convertible foreign exchange, and the tax has been deducted at source from such income under the provisions of Chapter XVII-B of the IT Act in accordance with and subject to the provisions contained therein.

- Under section 115H of the IT Act, where a non-resident Indian becomes a resident in India in any subsequent year, he may furnish to the Assessing Officer a declaration in writing along with return of income under section

139 for the assessment year for which he is assessable as a resident, to the effect that the provisions of Chapter XII-A shall continue to apply to him in relation to the investment income (other than on shares in an Indian Company) derived from any foreign exchange assets in accordance with and subject to the provisions contained therein. On doing so, the provisions of Chapter XII-A of the IT Act shall continue to apply to him in relation to such income for that assessment year and for every subsequent assessment year until the transfer or conversion (otherwise than by transfer) into money of such assets.

- In accordance with and subject to the provisions of section 115-I of the IT Act, a non-resident Indian may opt not to be governed by the provisions of Chapter XII-A of the IT Act. In such a case, long-term capital gains on transfer of listed debentures would be subject to tax at the rate of 10% (plus applicable surcharge and cess – Note 2 below) computed without indexation of CoA.

- Interest income and short-term capital gains on the transfer of listed debentures, where debentures are held for a period of not more than 12 months preceding the date of transfer, would be taxed at the applicable rates of tax (as mentioned in Note 1 and 2 below) in accordance with and subject to the provisions of the IT Act.

- Without prejudice to the fact that the NCDs to be issued by the issuer are not MLD (as has been concluded at the outset), where, for whatsoever reasons, the NCDs are treated as MLDs, then in such cases, as per the amendment by the FA, 2023, the capital gains arising on transfer or redemption or maturity of such NCDs shall be deemed to be capital gains arising from transfer of a short-term capital asset. Further, in computing the capital gains, no deduction shall be allowed for Securities Transaction Tax (STT) paid, if any.

- Where debentures are held as stock-in-trade, the income on transfer of debentures would be taxed as business income in accordance with and subject to the provisions of the IT Act.

- As per section 90(2) of the IT Act read with the Circular no. 728 dated October 30, 1995, issued by the Central Board of Direct Taxes ('CBDT'), in the case of a remittance to a country with which a Double Tax Avoidance Agreement ('DTAA') is in force, the tax should be deducted at the rate provided in the Finance Act of the relevant year or at the rate provided in the DTAA, whichever is more beneficial to the assesse. However, submission of a valid and subsisting tax residency certificate ('TRC') is a mandatory condition for availing benefits under any DTAA. If the TRC does not contain the prescribed particulars, a self-declaration in Form 10F would need to be provided by the assesse along with the TRC which is valid and subsisting.

D. Tax benefits available to Foreign Institutional Investors ('FII's) or Foreign Portfolio Investors ('FPI's):

- In accordance with and subject to the provisions of section 115AD of the IT Act, long-term capital gains on transfer of debentures by FIIs are taxable at 10% (plus applicable surcharge and cess – Note 2 below) and short-term capital gains are taxable at 30% (plus applicable surcharge and cess - Note 2 below). The benefit of indexation of CoA will not be available.

- Income other than capital gains arising out of debentures is taxable at 20% (plus applicable surcharge and cess - Note 2 below) in accordance with and subject to the provisions of Section 115AD of the IT Act.
- However, the above is subject to any relief available under DTAA entered into by the Government of India (as mentioned in Point C above). The CBDT has issued Notification No.9 dated 22 January 2014 which provides that Foreign Portfolio Investors (FPI) registered under SEBI (Foreign Portfolio Investors) Regulations, 2014 shall be treated as FII for the purpose of Section 115AD of the IT Act.

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Withholding provisions

The withholding provisions provided under the IT Act are machinery provisions meant for tentative deduction of income-tax subject to regular assessment. The withholding tax is not the final liability to income-tax of an assessed. For rate of tax applicable to an assessed, please refer Notes 1 and 2 below:

Sr. No	Scenarios	Provisions
1	Withholding tax rate on interest on NCD issued to Indian residents	▸ Interest paid to residents other than insurance companies will be subject to withholding tax as per section 193 of the IT Act at the rate of 10 per cent. ▸ No tax is required to be deducted on interest paid to an individual or a HUF, in respect of debentures issued by a company in which the public is substantially interested if; • the amount of interest paid to such person in a financial year does not exceed INR 5,000; and • such interest is paid by an account payee cheque ▸ Further, prior to FA 2023, no tax was required to be deducted on any interest payable on any security issued by a company, where such security is in dematerialized form and is listed on a recognized stock exchange in India in accordance with the Securities Contracts (Regulation) Act, 1956 (42 of 1956) and the rules made thereunder. However, the FA, 2023 has omitted the aforesaid exemption and thus, any interest paid on or after 1 April 2023, with respect to any security issued by a company, where such security is in dematerialized form and is listed on a recognized stock exchange in India in accordance with the Securities Contracts (Regulation) Act, 1956 (42 of 1956) and the rules made thereunder shall be liable to tax withholding as applicable.
2	Withholding tax rate on interest on NCD issued to Foreign Portfolio Investor (FII)	▸ Interest to a non-resident, not being a company or to a foreign company by a specified company or a business trust, may be eligible for concessional tax rate of 5 per cent under section 194LC(2)(ia) of the IT Act in respect of monies borrowed by it from a source outside India by way of issue of rupee denominated bond before the 1st day of July 2023. The FA, 2023 has extended the applicability of section 194LC of the IT Act with the following modification: 1. The provisions of section 194LC of the IT Act shall continue to apply to monies borrowed from a source outside India by way of issue of long-term bond or rupee denominate bōnd on or after 1 July 2023 where such bond is listed on a recognized stock exchange located in an International Financial Services Centre. 2. The **rate of tax** in case of the aforesaid borrowings shall be **9 per cent**. 3. With respect to the **borrowings made prior to 1 July 2023**, the provisions of section 194LC of the IT Act, as they applied at that time, shall continue to apply *sans* the modification discussed *supra*. 4. No extension of date for payment of interest in case of section 194LD of the IT Act has been provided by the FA, 2023. Given the same, interest paid on or after 1 July 2023 shall be subject to tax at the rate of 20% (excluding applicable surcharge and cess) subject to availability of DTAA benefits. Withholding rate will be increased by surcharge as applicable (Refer Note 2) and a health and education cess of 4 per cent on the amount of tax plus surcharge as applicable. However, where the withholding is done as per the rate of tax provided under the relevant DTAA, the said rate shall not be required to be increased by a surcharge and health and education cess.
3	Withholding tax rate on interest on NCD issued to non-residents other than FIIs	▸ Interest payable to non-resident (other than FII) would be subject to withholding tax at the rate of 30 per cent/ 40 per cent as per the Provisions of section 195 of the IT Act subject to relief under the relevant DTAA depending upon the status of the non-resident. ▸ Alternatively, benefits of concessional rates of 5/9 per cent under section 194LC of the IT Act provided the said interest falls within the ambit of the provisions of section 194LC of the IT Act and meets the conditions mentioned therein which *inter-alia* includes the loan / bond being issued prior to/ on or after 1st July 2023, obtaining approval from the Central Government with respect to the rate of interest, etc. ▸ Withholding rate will be increased by surcharge as applicable (Refer Note 2) and a health and education cess of 4 per cent on the amount of tax plus surcharge, as applicable.

4	Withholding tax rate on purchase of 'goods'	▸ As per section 194Q of the IT Act, any sum payable by a 'buyer' to a resident for purchase of 'goods' of the value exceeding INR 50 Lakhs shall be liable to withholding at the rate of 0.1 percent. ▸ Buyer means a person whose total sales, turnover or gross receipts from the business carried on by him exceeds INR 10 crores in the financial year immediately preceding the financial year in which the purchase is carried out. ▸ TDS shall not be applicable where; a. Tax is deductible under any of the provisions of the IT Act; or b. Tax is collectible under the provisions of section 206C of the IT Act other than a transaction to which section 206C(1H) of the IT Act applies ▸ The CBDT has issued Circular No 13 of 2021 dated 30 June 2021 laying down guidelines under section 194Q of the IT Act. It *inter alia* provides that TDS under section 194Q of the IT Act shall not apply to transaction in securities and commodities which are traded through recognized stock exchanges or cleared and settled by the recognized clearing corporation (including exchanges or corporation located in IFSC). ▸ Given that the Circular does not provide clarity in respect of shares/ securities traded off-market, it is advisable that the investors obtain specific advice from their tax advisors regarding applicability of these provisions.

E. Requirement to furnish PAN under the IT Act

i. Section 139A(5A) requires every person from whose income tax has been deducted under the provisions of chapter XVIIB of the IT Act, to furnish his PAN to the person responsible for deduction of tax at source.

ii. As per provisions of section 206AA of the IT Act, the payer would be obliged to withhold tax at higher of the following rates in case the deducted has not furnished PAN to the payer:

(a) at the rate in force specified in the relevant provision of the IT Act; or
(b) at the rates in force; or
(c) at the rate of twenty per cent

Section 206AA of the IT Act provides that the provisions shall not apply to non-residents in respect of payment of interest on long-term bonds as referred to in section 194LC and any other payment subject to such conditions as may be prescribed.

Further, as per Rule 37BC of the Income-tax Rules, 1962 ('the Rules'), the provisions of section 206AA shall not apply to non-residents where the non-residents provide the following information to the payer of such income:

- Name, email-id, contact number;
- Address in the country or specified territory outside India of which the deductee is a resident;
- A certificate of his being resident in any country or specified territory outside India from the government of the other country or specified territory if the law of that country or specified territory provides for issuance of such certificate;
- Tax Identification Number of the deductee in the country or specified territory of his residence and in a case, no such number is available, then a unique number on the basis of which the deductee is identified by the Government of that country or the specified territory of which he claims to be a resident.

Where an incorrect PAN is provided, it will be regarded as non-furnishing of PAN and TDS shall be deducted as mentioned above, apart from any other penal consequences that may ensue.

iii. Further, as per section 206AB of the IT Act, with effect from 1 July 2021, payments made to specified persons will be subject to TDS at rate which is <u>higher</u> of the following:

- twice the rate specified in the relevant provision of the IT Act; or

- twice the rate or rates in force; or
- the rate of 5%

In cases, where both section 206AA and section 206AB of the IT Act are applicable, taxes shall be deducted at higher of the rate prescribed under both the sections.

For the purpose of section 206AB of the IT Act, specified person means any person-

- Who has not filed an income-tax return for the AY relevant to the previous year immediately preceding the previous year in which tax is required to be deducted, and the prescribed time limit to file the income-tax return has expired;

- The aggregate amount of TDS is INR 50,000 or more in each of the two previous years

But other than a non-resident who does not have a permanent establishment in India. Further, FA, 2023 has carved-out from the definition of 'specified person' under section 206AB of the IT Act, a person who is not required to file/ furnish a return of income and who, in that behalf, is notified by the Central Government *vide* the Official Gazette.

F. General Anti Avoidance Rules ("GAAR")

The General Anti Avoidance Rule (''GAAR'') was introduced in the IT Act by the Finance Act, 2012. The Finance Act, 2015 made the provisions of GAAR applicable prospectively from 1 April 2017. Further, income accruing, arising, deemed to accrue or arise or received or deemed to be received by any person from transfer of investments made up to 31 March 2017 would be protected from the applicability of GAAR.

G. Exemption under Section 54F of the IT Act

Exemptions may be claimed from taxation of LTCG if investments in certain specified securities/assets is made subject to fulfillment of certain conditions.

Section 54F of the IT Act exempts long-term capital gains on transfer of any long-term capital asset (other than a residential house), held by an individual or HUF, if the net consideration is utilized to purchase/ construct a residential house within the specified timelines.

Please find below the class of resident investors and respective documents that would be required for granting TDS exemption, unless specified otherwise hereinabove:

Sl. No.	Class of Investors	Relevant Section which grants TDS exemption	Documents to be taken on record from Investors
1	Resident Individual or resident HUF	Claiming non-deduction or lower deduction of tax at source under section 193 of the IT Act,	Form No.15G with PAN / Form No.15H with PAN / Certificate issued u/s 197(1) has to be filed with the Company. However, in case of NCD Holders claiming non-deduction or lower deduction of tax at source, as the case may be, the NCD Holder should furnish either (a) a declaration (in duplicate) in the prescribed form i.e. (i) Form 15H which can be given by individuals who are of the age of 60 years or more (ii) Form 15G which can be given by all applicants (other than companies, and firms), or (iii) a certificate, from the Assessing Officer which can be obtained by all applicants (including companies and firms) by

Sl. No.	Class of Investors	Relevant Section which grants TDS exemption	Documents to be taken on record from Investors
			making an application in the prescribed form i.e. Form No.13.
2	Non-residents- (Other than FIIs/FPIs)	For Non-deduction or lower deduction of tax at source u/s 195 of the IT Act	A certificate under section 197 of the IT Act from the Indian Assessing Officer for nil / lower deduction of tax at source by making an application in the prescribed form (i.e. Form No.13.)
3	Life insurance Corporation of India established under the Life Insurance Corporation Act, 1956 in respect of any securities owned by it or in which it has full beneficial interest	Clause vi of Proviso to Section 193	Copy of Registration certificate
4	a. General Insurance Corporation of India, b. 4 companies formed under section 16(1) of General Insurance Business Act, 1972 and c. any company in which GIC and aforesaid 4 companies has full beneficial interest (100% shareholding)	Clause vii of Proviso to Section 193	a. Copy of Registration certificate b. Copy of shareholding pattern
5	Any Insurer (like SBI Life Insurance, Max Life Insurance etc.)	Clause viii of Proviso to Section 193	Copy of Registration certificate issued by Insurance Development Regulatory Authority (IRDA)
6	Mutual Funds	Section 196(iv) read with Section 10(23D) of the IT Act	Copy of Registration certificate issued by SEBI / RBI and notification issued by Central Government Declaration from the Mutual Fund with respect to income being exempt u/s 10(23D) of the IT Act
7	Government, RBI and corporation established under Central / State Act whose income is exempt from tax	Section 196(i),(ii) and (iii) of the IT Act	Documentary evidence to establish that Corporation is established under Central / State Act. Declaration that their income is exempt from tax with applicable provisions
8	Recognized Provident Funds, Recognized Gratuity Funds, Approved Superannuation Funds etc.	Section 10(25) of the IT Act and CBDT Circular - 18/2017 dated May 29, 2017	Copy of Registration and Recognition certificate issued by relevant statutory authorities and income-tax authorities and Declaration from the funds that there income is exempt u/s 10(25) and 10(25A) of the IT Act
9	Employees State Insurance Fund set up under the provisions of the Employees'= State Insurance Act, 1948	Section 10(25A) and CBDT Circular - 18/2017 dated May 29, 2017.	Copy of Registration and Recognition certificate issued by relevant statutory authorities and income-tax authorities. Declaration from the fund with respect to income being exempt u/s 10(25A) of the IT Act.
10	New Pension System Trust	Section 10(44) read with Section 197A(1E) and CBDT Circular - 18/2017 dated May 29, 2017.	Relevant Registration certificate issued to NPS Trust under section Indian Trusts Act, 1882 Declaration from the trust with respect to income being exempt u/s 10(44) of the IT Act.
11	Other entities like Local authority, Regimental Funds, IRDA etc.	Section 10(20) etc. read with CBDT Circular - 18/2017 dated May 29, 2017.	Relevant Registration Certificate. Declaration that they fall within the relevant income-tax section and eligible for income-tax exemption on their income
12	Alternative Investment Funds (Category I and II)	Section 197A(1F)	Copy of Registration certificate issued by SEBI

Note:

i. the aforesaid copies of registration certificate / declarations will have to be self-certified / certified respectively by the relevant entity

ii. Also attach declaration on the letter head that income is exempt under relevant provisions of the Act and / or a specific issued by the Central Board of Direct Taxes

Note 1: Tax Rates

Resident Individuals and Hindu Undivided Families:

The FA, 2023 has amended section 115BAC of the IT Act by, *inter alia*, inserting sub-section (1A) thereto to provide that the tax regime provided under section 115BAC of the IT Act shall be the default tax regime applicable in case of an individual, HUF, AOP (other than a co-operative society), body of individual or artificial juridical, beginning with the financial year 2023-24, except where the assesse specifically opts to be governed by the erstwhile regime.

In such cases, the following shall be the rate of tax applicable:

Slab	Tax rate
Total income up to INR 3,00,000	Nil
More than INR 3,00,000 but up to INR 6,00,000	5 per cent of excess over INR 3,00,000
More than INR 6,00,000 but up to INR 9,00,000	10 per cent of excess over INR 6,00,000 + INR 15,000
More than INR 9,00,000 but up to INR 12,00,000	15 per cent of excess over INR 9,00,000 + INR 45,000
More than INR 12,00,000 but up to INR 15,00,000	20 per cent of excess over INR 12,00,000 + INR 90,000
More than INR 15,00,000	30 per cent of excess over INR 15,00,000 + INR 1,50,000

In computing the income-tax under the new regime, certain deductions like standard deduction available to salaried taxpayers, etc., shall be allowed. However, most of the deductions/exemptions such as section 80C, 80D, etc. would need to be foregone.

A resident individual (whose total income does not exceed Rs 7,00,000) whose income is chargeable to tax under sub-section (1A) of section 115BAC can avail rebate under section 87A. It is deductible from income tax before calculating health and education cess. The amount of rebate available would be 100 per cent of income-tax chargeable on his total income or Rs 25,000, whichever is less. Further, where the total income exceeds Rs 7,00,000, the assesse shall be entitled for deduction of an amount equal to the amount by which the income-tax payable on the total income exceeds the amount by which the total income exceeds Rs 7,00,000.

Where the assesse as stated above, specifically opts to be governed by the erstwhile regime, the income earned by assesse should be liable to tax as per the applicable slab rates (plus applicable surcharge and health and education cess) based on the taxable income of such assesse. The slab rates applicable to such investors (other than resident individuals aged 60 years or more) are as follows:

Income	Tax rate*
Up to INR 2,50,000#	NIL
Exceeding INR 2,50,000 up to INR 5,00,000@	5 per cent of the amount by which the total income exceeds INR 2,50,000
Exceeding INR 5,00,000 up to INR 10,00,000	20 per cent of the amount by which the total income exceeds INR 5,00,000 plus INR 12,500INR
Exceeding INR 10,00,000	30 per cent of the amount by which the total income exceeds INR 10,00,000 plus INR 112,500INR

@A resident individual (whose total income does not exceed Rs 500,000) can avail rebate under section 87A. It is deductible from income tax before calculating health and education cess. The amount of rebate available would be 100 per cent of income-tax chargeable on his total income or Rs 12,500, whichever is less.
** plus surcharge if applicable and a health and education cess ('cess') of 4%t on the amount of tax plus surcharge, if applicable).*
 # for resident senior citizens of sixty years of age and above but below eighty years of age, Rs 250,000 has to be read as Rs 300,000 and for resident senior citizens of eighty years of age and above ("super senior citizen) Rs 250,000' has to be read as Rs 500,000.
$Similarly, for resident senior citizens of sixty years of age and above but below eighty years of age, Rs 12,500 has to be read as Rs 10,000 and Rs 112,500 has to be read as Rs 110,000. And for super senior citizen Rs 12,500 has to be read as Nil and Rs 112,500 has to be read as Rs 100,000.

Partnership Firms & LLP's:

The tax rates applicable would be 30 per cent (plus surcharge if applicable – Refer Note 2 and a health and education cess of 4 per cent on the amount of tax plus surcharge, if applicable).

Domestic Companies:

Type of Domestic company	Base normal tax rate on income (other than income chargeable at special rates)	Base MAT rate
Domestic companies having turnover or gross receipts of up to Rs 400 Cr in FY 2020-21 (For AY 2023-24) and in FY 2021-22 (For AY 2024-25)	25 per cent	15 per cent
Domestic manufacturing company set-up and registered on or after 1 March 2016 subject to fulfilment of prescribed conditions (Section 115BA)	25 per cent	15 per cent
Any domestic company (even if an existing company or engaged in non-manufacturing business) has an option to avail beneficial rate, subject to fulfilment of prescribed conditions (Section 115BAA)	22 per cent	Not applicable
Domestic manufacturing company set-up and registered on or after 1 October 2019 and commences manufacturing up to 31 March 2024, has an option to avail beneficial rate, subject to fulfilment of prescribed conditions (Section 115BAB)	15 per cent	Not applicable
Domestic companies not falling under any of the above category	30 per cent	15 per cent

Note 2: Surcharge (as applicable to the tax charged on income)

Non-corporate assesses (other than firm, co-operative societies and FIIs):

Particulars	Rate of Surcharge
Where total income (including dividend income and income under the provisions of section 111A, section 112A and section 112 of the IT Act) does not exceed Rs 50 lacs	Nil
Where total income (including dividend income and income under the provisions of section 111A, section 112A and section 112 of the IT Act) exceeds Rs 50 lacs but does not exceed Rs 1 crore	10 per cent on total tax
Where total income (including dividend income and income under the provisions of section 111A section 112A and section 112 of the IT Act) exceeds Rs 1 crore but does not exceed Rs 2 crore	15 per cent on total tax
Where total income (excluding dividend income and income under the provisions of section 111A, section 112A and 112 of the IT Act) does not exceed Rs 2 crore but total income (including dividend income and income under the provisions of section 111A, section 112A and 112 of the IT Act) exceeds Rs 2 crore	15 per cent on total tax *The Finance Act, 2022 from FY 2022-23 has capped the surcharge rates for long-term gains chargeable to tax under section 112 of the IT Act.*
Where total income (excluding dividend income and income under the provisions of section 111A, section 112A and section 112 of the IT Act) exceeds Rs 2 crore	- 25 per cent on tax on income excluding dividend income and income under the provisions of section 111A, section 112A and section 112 of the IT Act - 15 per cent on tax on dividend income and income under the provisions of section 111A section 112A and section 112 of the IT Act. *The Finance Act, 2022 from FY 2022-23 has capped the surcharge rates for long-term gains chargeable to tax under section 112 of the IT Act as well.*

Note: *The Finance Act, 2022 from FY 2022-23 has capped the surcharge rates for long-term gains chargeable to tax under section 112 of the IT Act as well.*
As per the FA, 2023, the maximum surcharge rate in case of capital gains chargeable to tax under section 112 of the IT Act, in case of an assessed being an individual, HUF, AOP (not being a co-operative society), BOI or artificial juridical person is also capped to 15%.

FIIs (Non – corporate):

Particulars	Rate of Surcharge
Where total income (including dividend income or income of the nature referred to in section 115AD(1)(b) of the IT Act) does not exceed Rs 50 lacs	Nil
Where total income (including dividend income or income of the nature referred to in section 115AD(1)(b) of the IT Act) exceeds Rs 50 lacs but does not exceed Rs 1 crore	10 per cent on total tax
Where total income (including dividend income or income of the nature referred to in section 115AD(1)(b) of the IT Act) exceeds Rs 1 crore but does not exceed Rs 2 crore	15 per cent on total tax
Where total income (excluding dividend income or income of the nature referred to in section 115AD(1)(b) of the IT Act) does not exceed Rs 2 crore but total income (including dividend income or income of the nature referred to in section 115AD(1)(b) of the IT Act) exceeds Rs 2 crore	15 per cent on total tax
Where total income (excluding dividend income or income of the nature referred to in section 115AD(1)(b) of the IT Act) exceeds Rs 2 crore	- 25 per cent on tax on income excluding dividend income or income of the nature referred to in section 115AD(1)(b) of the IT Act - 15 per cent on tax on dividend income or income of the nature referred to in section 115AD(1)(b) of the IT Act

Note: The FA, 2023 has capped the highest surcharge rate to 25 per cent.

For assesses other than those covered above:

Particulars	Rate of surcharge applicable
Non-corporate taxpayers being firms and co-operative societies	Nil where total income does not exceed Rs 1 crore
	From FY 2022-23 7 per cent where total income exceeds Rs 1 crore but does not exceed Rs 10 crore
	From FY 2022-23 12 per cent where total income exceeds Rs 10 crore
Domestic companies (other than companies availing benefit under section 115BAA and section 115BAB of the IT Act)	Nil where total income does not
	exceed Rs 1 crore
	7 per cent where total income exceeds Rs 1 crore but does not exceed Rs 10 crore
	12 per cent where total income exceeds Rs 10 crore
Domestic companies availing benefit under section 115BAA and section 115BAB of the IT Act	10 per cent (irrespective of total income)
Foreign Companies (including corporate FIIs)	Nil where total income does not exceed Rs 1 crore
	2 per cent where total income exceeds Rs 1 crore but does not exceed Rs 10 crore
	5 per cent where total income exceeds Rs 10 crore

A health and education cess of 4 per cent is payable on the total amount of tax plus surcharge.

Notes:

- The above statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of NCD.

- The above statement covers only certain relevant direct tax law benefits and does not cover benefit under any other law.

- The above statement of possible tax benefits is as per the current direct tax laws (read along with the amendments made by the FA, 2023) relevant for the AY 2024-25 corresponding to the FY 2023-24.

- This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the NCD of the Company.

- In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant DTAA, if any, between India and the country in which the non-resident has fiscal domicile.

- No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

SECTION IV: ABOUT THE ISSUER AND INDUSTRY OVERVIEW

INDUSTRY OVERVIEW

All the information contained in this section is derived from the CRISIL Market Intelligence and Analytics Report "Industry Report Across Various Sectors" dated January 2024 on an "as is where is basis". Neither we, nor any other person connected with the Issue has independently verified this third party and industry related information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. This section contains industry related data and statistics taken from the above mentioned reports. The information may not be consistent with other information compiled by third parties within or outside India. Industry and Government sources and publications may also base their information on estimates, forecasts and assumptions which may prove to be incorrect. Accordingly, investment decisions should not be based on such information. Figures used in this section are presented as in the original sources and have not been adjusted, restated or rounded-off for presentation in this Prospectus. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction. The information in this section must be read in conjunction with "Risk Factors" and "Our Business" on pages 17 and 143 of this Prospectus.

Macroeconomic scenario

As per the IMF (World Economic Outlook Update – January 2024), global growth prospects are estimated to grow at 3.1% in 2024 and then marginally increase to 3.2% in 2025. Even though the growth forecast is below the historical (2000-2019) average of 3.8%. in 2024-25, The central bank policy rates expected to be elevated to fight inflation amid withdrawal of fiscal support and low underlying productivity growth. On clue of restrictive monetary policy, inflation is falling in most regions. As per IMF, global headline inflation is expected to be around 5.8% in 2024 and 4.4% in 2025.

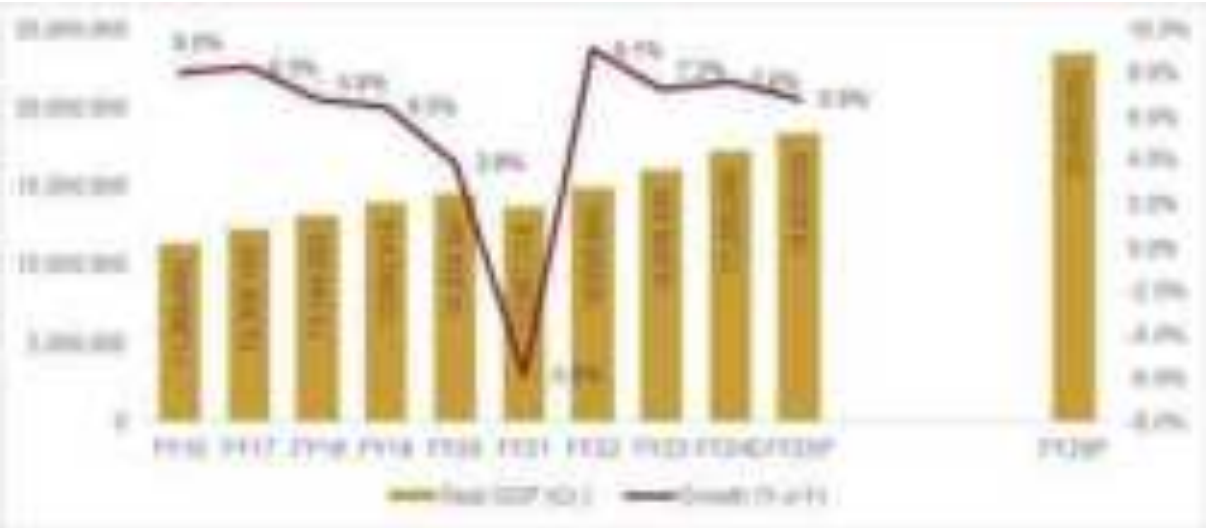
India expected to remain one of the fastest growing economies in the world

The Indian economy was among the fastest-growing in the world prior to onset of the Covid-19 pandemic. In the years leading up to the global health crisis, the country's economic indicators posted gradual improvements. The twin deficits, namely current account and fiscal deficits narrowed, while the growth-inflation mix showed a positive and sustainable trend. Despite geopolitical instability, India continues to maintain its position as one of the fastest-growing economies globally. This can be attributed to various factors such as demographic advantage, robust domestic demand, economic reforms, manufacturing and infrastructure development, technological advancements, and digital push.

In fact, the International Monetary Fund (IMF), in its January 2024 economic outlook update, revised its India economic growth estimate in real terms for the current fiscal 2024 to 6.7% from previous 6.3% estimate in October 2023, citing momentum from resilient domestic demand. Further, the growth forecast for fiscal 2025 also witnessed an increase at 6.5% from the previous 6.3% forecast in October 2023.

CRISIL MI&A expects a moderation in growth to 6.4% next fiscal, largely due to cyclical factors. This year, global growth is expected to slow and the impact of the Reserve Bank of India's (RBI's) rate hikes on domestic demand will play out.

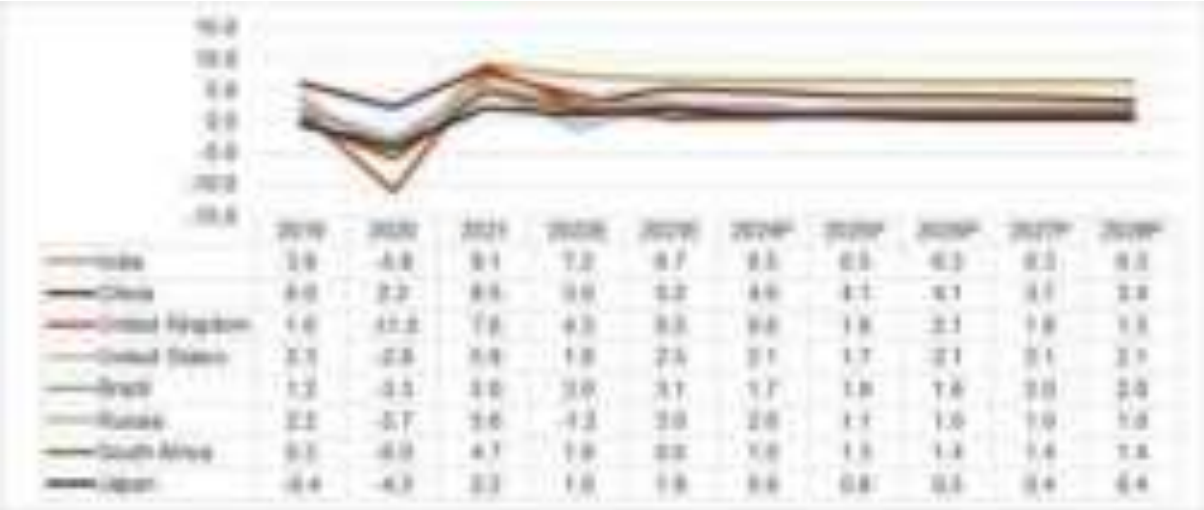
India's economy to grow at 6.8% in fiscal 2025



Note: P = Projected; GDP growth till fiscal 2023 is actuals. GDP Projections for fiscals 2023- 2024 and 2024-2025 is projected based on CRISIL MI&A estimates and that for fiscals 2026-2029 based on IMF estimates; Source: NSO, CRISIL MI&A, IMF (World Economic Outlook – October 2023 update)

Over the past three fiscals, Indian economy has outperformed its global counterparts by witnessing a faster growth. Going forward as well, IMF projects that Indian economy will remain strong and would continue to be one of the fastest growing economies.

India is one of the fastest-growing major economies (GDP growth, % year-on-year)



Note: All forecasts refer to IMF forecasts. GDP growth is based on constant prices, Data represented is for calendar years, E: Estimated, P: Projected; 2022E, 2023E, 2024P, 2025P are based on IMF World Economic Outlook, January 2024; Source: IMF (World Economic Outlook – October 2023, January 2024), CRISIL MI&A

Indian economy to be a major part of world trade

Note: All forecasts refer to IMF forecasts. GDP growth is based on constant prices, Data represented is for calendar years, E: Estimated, P: Projected; 2022E, 2023E, 2024P, 2025P are based on IMF World Economic Outlook, January 2024; Source: IMF (World Economic Outlook – October 2023, January 2024), CRISIL MI&A

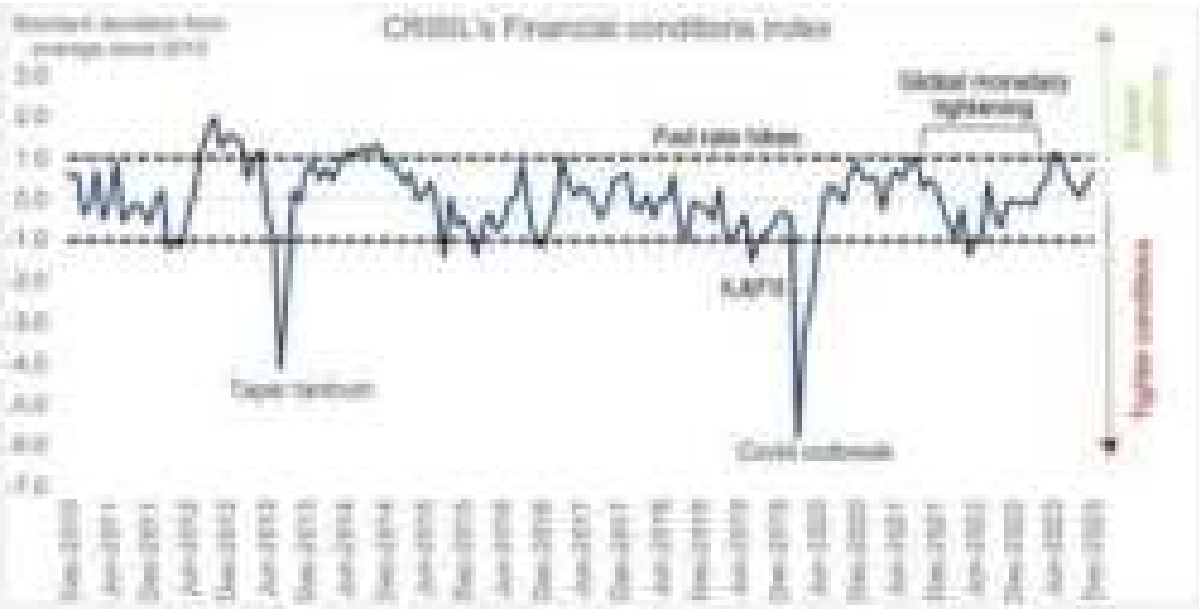
Indian economy to be a major part of world trade.

Financial conditions stabilize, broader economy to face elevated rates

Global market developments remain a source of volatility. While the US Fed tilting towards rate cuts provided relief to markets in December, disruptions in the Red Sea trade route in January have revived tensions in some market segments. Especially, crude oil prices began rising around mid-January. Any increase in volatility could affect short-term capital flows into the Indian markets. That said, the country's healthy domestic growth prospects, low vulnerability of the external sector and the inclusion in the JP Morgan Emerging Market Bond Index augur well for foreign capital flows. The RBI has stayed steady on policy rates and its stance of 'withdrawal of accommodation'. CRISL MI&A believes it will continue to use liquidity and regulatory tools to facilitate a rise in lending rates and to curb credit in risky segments. All these can contribute to some tightening in financial conditions even as the repo rate remains unchanged this fiscal. The upcoming Budget can also affect market sentiments, as it would indicate the path the government is likely to take to reduce fiscal deficit. Any growth-boosting measures, such as a fresh push to capital expenditure, can lift investor sentiments.

CRISIL launched the Financial Conditions Index (FCI) in October 2020 and since then three key features have stood out. First, in addition to the Monetary Policy Committee's (MPC) rate actions, the Reserve Bank of India's (RBI) liquidity management measures are increasingly playing a key role in shaping financial conditions by enabling faster transmission of rate changes to market interest rates. Second, external capital flows can either offset or reinforce the effect of monetary policy actions, in turn, impacting domestic financial conditions. Third, existing economic conditions that influence demand for funds are also affecting financial conditions and sometimes even negating the two factors mentioned above. Therefore, tracking financial conditions involves much more than just monitoring the actions taken by the central bank. A monthly index, CRISIL's FCI puts together 15 key parameters across debt, equity, money and forex markets and overlays information on credit and policy conditions to gauge the overall impact. If the index moves up, it implies that domestic financial conditions are easing, and vice versa. If it stays within 1 standard deviation of its long-term average, the conditions are considered comfortable.

Financial conditions eased in December



Note: Higher value indicates easier financial conditions, and vice versa. The index within dotted lines (1 standard deviation) represents conditions within the comfort zone. Source: CRISIL MI&A

Factors that supported easier financial conditions

- **Surging FPI inflows:** In December, not only did FPIs remain net buyers, but they also invested a decadal high amount of $10.1 billion in the domestic financial markets. Net FPI buying in the equity segment rose to $7.9 billion from $1.1 billion in November, the highest since December 2020. Debt market inflows rose to $2.2 billion from $1.8 billion, possibly because of pre-positioning by foreign investors as domestic bonds will be included in JP Morgan Emerging Market Bond Index from mid-2024. FPI inflows into debt were at their highest since 2017.

- **Easing domestic yields:** Yield on the benchmark 10-year G-sec eased for the second straight month to 7.21% on average from 7.27% in November and 7.33% in October. The decline in bond yields over the last two months can be attributed to softening of US Treasury yields, strong foreign investment into the Indian debt market and decline in crude oil prices. On the other hand, the widening deficit in domestic liquidity limited the decline in yields.

- **US treasury yield** cooled for the second consecutive month. The yield on the 10-year Treasury bond eased sharply, averaging 4.02% in December from 4.5% in November and 4.8% in October. During December, the yield fell below 4% for the first time since August. The Fed holding interest rates steady for the third time in a row and signaling the possibility of cumulative rate cut of 75 bps in 2024 led to a sharp drop in yields. The decline in global oil prices was also an important factor behind the fall in yields.

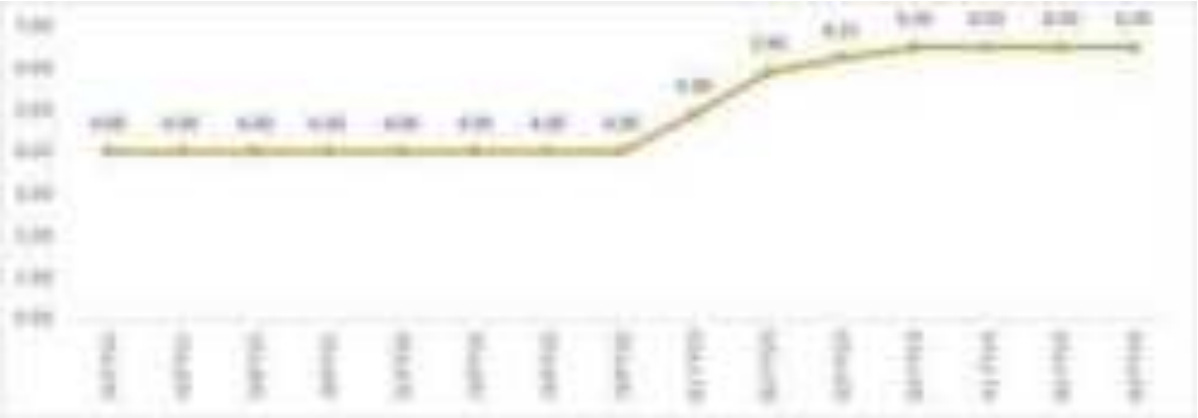
- **Indian equities** continued to see strong gains in December with the market seeing the highest monthly returns of calendar 2023. Both domestic and global factors were supportive of foreign capital inflows. The S&P BSE Sensex rose 7.8% on average and the Nifty 50, 7.9%. The stronger-than-expected gross domestic product (GDP) growth of 7.6% for the second quarter, released on the last day of November, buoyed the market at the beginning of the month. The Fed's decision to hold rates steady and its dovish stance on rate cuts boosted foreign capital inflows. Other major central banks maintaining the status quo on rates also supported the equities.

- **Crude oil prices** eased to an average of $77.9 per barrel in December from an average of $82.3 per barrel in November, a 6.4% decline on-month.

Repo rate remains unchanged, with phase of aggressive rate hikes behind us

In fiscal 2023, the Reserve Bank of India (RBI) raised the repo rate by 90 basis points ("bps") in Q1, and since then, it has continued to increase every quarter. By Q3 of fiscal 2024, the repo rate reached 6.50%, which signifies a substantial increase of 250 bps from Q4 of fiscal 2022. The initial rate hike occurred in May 2022, when the central bank's rate-setting panel unanimously raised the benchmark lending rate by 90 bps. However, the repo rate remains unchanged in Q3 of fiscal 2024 at 6.5% since Q4 of fiscal 2023.

Repo rate in India (%)

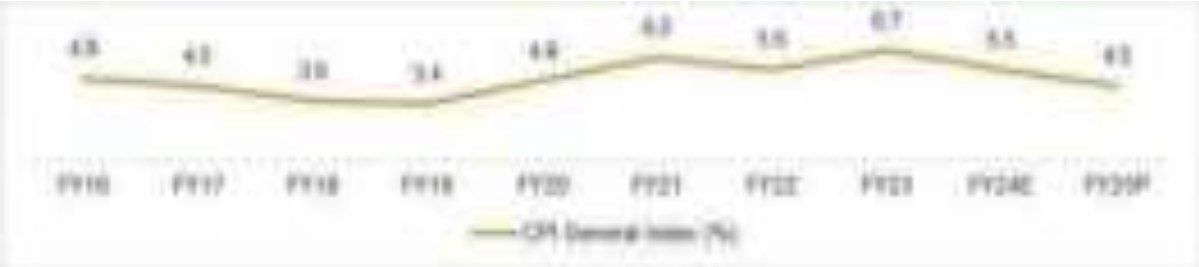


Source: RBI, CRISIL MI&A

Consumer Price Index ("CPI") inflation to average at 5.5% in Fiscal 2025

Inflation based on the Consumer Price Index (CPI) eased to 5.1% in January 2024 from 5.7% in December 2023. Core inflation eased to 3.5% in January from 3.8% in December. Falling fuel inflation, supported by government measures to reduce cooking gas prices has helped but so has easing global raw material prices. Fuel inflation remained negative for the fourth straight month in January, declining to -0.6% from -1% in December. CRISIL expects the CPI inflation for fiscal 2025 to average 4.5%. Cooling domestic demand, assumption of a normal monsoon along with a high base for food inflation should help moderate inflation in fiscal 2025. A non-inflationary budget that focusses on asset-creation rather than direct cash support also bodes well for core inflation. However, an unusual weather event, if at all, could reverse the easing. Similarly, recent developments in the Red Sea and a fading low base effect for commodity prices could put some upside pressure on core inflation and would need monitoring.

Inflation to moderate to 5.5% in Fiscal 2025



Note: E = Estimated; P = Projected, Source: CRISIL MI&A

Macroeconomic outlook for Fiscal 2025

Macro variables	FY24E	FY25P	Rationale for outlook
Real GDP (y-o-y)	7.6%^	6.8%	Slowing global growth is likely to weaken India's exports, while peak impact of past rate hikes and lower fiscal impulse could temper domestic demand. Despite the lower forecast, India continuous to grow at the highest rate in world propelled by budgetary support to capital expenditure and rural incomes to support growth.
Consumer price index (CPI) inflation (y-o-y)	5.5%	4.5%	Lower commodity prices, base effect, and cooling off domestic demand is likely to help in moderating inflation in Fiscal 2025.
10-year Government security yield (Fiscal end)	7.0%	6.8%	A moderate reduction in gross market borrowings to lower pressures on yields in Fiscal 2025. This, coupled with lower inflation, is likely to moderate yields in Fiscal 2025. India's inclusion in the JP Morgan Emerging Market Bond Index is favourable for capital flows into government debt.
Fiscal Deficit (% of GDP) *	5.8%	5.1%	Persistent efforts in fiscal consolidation aided by moderation in revenue spend and robust tax collections to bring down the deficit and allow for lower government market borrowings.

*^ NSO's Second Advance Estimate; *FY24 and FY25 numbers are government's revised and budget estimates; E – Estimated, P – Projected*
Source: Reserve Bank of India (RBI), National Statistics Office (NSO), CRISIL MI&A

Positive government measures to aid economic growth for India

Going forward, CRISIL MI&A expects India's gross domestic product (GDP) growth to decelerate to 6.8% in Fiscal 2024 due to a global slowdown, monetary policy impact and volatile geopolitical scenario. However, some optimism can be seen in form of moderating consumer inflation, capital and productivity increases aided by better physical and digital infrastructure.

CRISIL MI&A expects this growth to be supported by the following factors:

- The Union Budget 2023-24 announced by Finance Minister highlighted that the government has set 7 priorities – Inclusive Development, Reaching the last mile, Infrastructure and Investments, Unleashing the Potential, Green Growth, Youth power and Financial Sector, which they called 'Saptarshi', which will strive to turn India into a developed country

- One key area of announcement was towards Support in technological advancement would promote financial inclusion, ensure better availability of customer data, enable faster and secure sharing of documents with financial institutions and increase rural penetration. This will in turn is expected lead to improving efficiency in terms of operating and credit cost for financial institutions.

- The increase in aggregate budgetary support for infrastructure by 17% to reach Rs. 1,250,000 crore lays emphasis on the broad plan for infrastructure spending by the Government that is expected to give a push to economic growth. The railways capex has been increased by 15% over fiscal 2023 and capex for roads and highways was increased by 25% over fiscal 2023. These capex initiatives are expected to drive economic growth.

- Production linked incentive (PLI) scheme, which aims to incentivise local manufacturing by giving volume-linked incentives, has been launched by the government for six of India's top 10 export verticals, which is likely to propel incremental exports. In Fiscal 2024, PLI-driven exports will be the lone growth driver for India, helping improve the overall export growth to 2-4%.

- Government has launched two key initiatives to promote financial inclusion, Pradhan Mantri Jan Dhan Yojna (" PMJDY") and Pradhan Mantri Jeevan Jyoti Bima Yojna ("PMJJBY"), under PMJDY it aims to ensure a bank account in every household to avail all financial services. Under PMJJBY, one year life insurance is offered with a life cover of Rs. 0.02 crore at a premium of Rs. 330 per annum per member, which can be renewed every year.

- Focus on investments rather than consumption push enhancing the productive capacity of the economy. Policy pushes and new age opportunities to lead capex growth in Fiscal 2024.

- Policies aimed towards greater formalisation of the economy, which are bound to lead to an acceleration in per capita income growth.

Key growth drivers

India has world's largest population

As per Census 2011, India's population was ~125 crore, and comprised nearly 24.5 crore households. The population, which grew at nearly 1.5% CAGR between 2001 and 2011, is expected by CRISIL MI&A to increase at 1.1% CAGR between 2011 and 2021, to 140 crores. The population is expected to reach 150 crores by 2031, and the number of households are expected to reach ~37.6 crore over the same period.

India's population growth trajectory

Note: As at the end of each Fiscal. P: Projected,
Source: United Nations Department of Economic and Social Affairs, (https://population.un.org/wpp/) CRISIL MI&A

Number of households in India

Note: As at the end of each Fiscal. P: Projected, Source: Census India, CRISIL MI&A

Favourable demographics

As of calendar year 2022, India has one of the largest young populations in the world, with a median age of 28 years. CRISIL MI&A estimates that approximately 90% of Indians are still below the age of 60 in calendar year 2021 and that 63% of them are between 15 and 59 years. In comparison, in calendar year 2020, the United States (US), China and Brazil had 77%, 83% and 86%, respectively, of their population below the age of 60.

India's demographic dividend

Note: P: Projected, 2001, 2011 and 2021 data from World Population Prospects (2022), 2025P and 2030P is projected by CRISIL MI&A.
Source: United Nations Department of Economic and Social Affairs: World Population Prospects (2022), World Urbanization Prospects: The 2018 Revision (UN) (https://population.un.org/wup/), CRISIL MI&A.

Urbanization

Urbanisation is one of India's most important economic growth drivers. It is expected to drive substantial investments in infrastructure development, which in turn is expected to create jobs, develop modern consumer services, and increase the ability to mobilise savings. India's urban population has been rising consistently over the decades. In 1950, the urban population was 17% of the total population of India. (Source: World Urbanization Prospects). As per the 2018 revision of World Urbanization Prospects, the urban population was estimated at 34.9% of India's total population. According to the World Urbanization Prospects, the percentage of the population residing in urban areas in India is expected to increase to 37.4% by 2025.

Increasing per capita GDP

In Fiscal 2023, India's per capita income expanded by 6.0%. As per IMF estimates, India's per capita income (at constant prices) is expected to grow at 5% CAGR from Fiscal 2023 to Fiscal 2026.

Per capita income	Level in FY2023^ (₹ Cr.)		Growth at constant prices (%)										
	Current prices	Constant prices	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY26P
	0.018	0.01	4.6	6.2	6.7	6.8	5.7	5.8	2.9	-7.6	7.6	6.0	5.3*

Note – P: Projected, (^) Per Capita NNI as per second advanced estimates of national income, 2022-23; (*) – 3-year CAGR growth (FY2023-FY2026), as per IMF estimates (2023 October Update); Source – Ministry of Statistics and Program Implementation (MOSPI), International Monetary Fund (IMF), CRISIL MI&A

Rising Middle India population to help sustain growth for the country

Proportion of Middle India (defined as households with annual income of between ₹ 0.02 to 0.1 crore) has been on a rise over the last decade and is expected to grow further with continuous increase in the GDP and household incomes. CRISIL MI&A

estimates that there were 4.1 crore middle income households in India as of Fiscal 2012, and by Fiscal 2030, they are projected to increase to 18.1 crore households. A large number of these households, which have entered the Middle-Income bracket in the last few years, are likely to be from semi-urban and rural areas.

CRISIL MI&A believes that the improvement in the literacy levels, increasing access to information and awareness, increases in the availability of necessities, and the improvement in road infrastructure has led to an increase in aspirations of Middle India, which is likely to translate into increased opportunities for financial service providers.

Financial Inclusion on a fast path in India

According to the World Bank's Global Findex Database 2021, the global average of adult population with an account opened with a bank, financial institution, or mobile money provider, was approximately 76% in calendar year 2021. India's financial inclusion has improved significantly over calendar years 2014 to 2021 as adult population with bank accounts increased from 53% to 78% (Source: Global Findex Database) due to the Indian government's concentrated efforts to promote financial inclusion and the proliferation of supporting institutions.

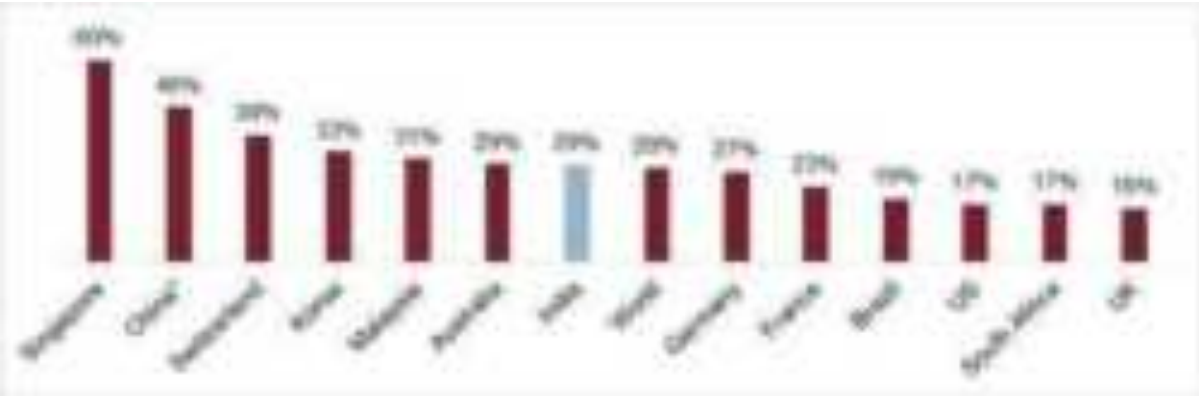
Digitization to support economic growth and financial services

Technology is expected to play a pivotal role in taking the financial sector to the next level of growth, by helping to surmount challenges stemming from India's vast geography, which makes physical footprints in smaller locations commercially unviable. Technology is conducive for India, considering its demographic structure where the median age is less than 30 years. The young population is tech savvy and at ease with using it to conduct the entire gamut of financial transactions. With increasing smartphone penetration and faster data speeds, consumers are now encouraging digitisation as they find it more convenient. Digitisation is expected to help improve efficiency and optimise costs. Players with better mobile and digital platforms are expected to draw more customers and emerge as winners in the long term.

Household savings to increase

India's slowing economy took a toll on much-needed savings too, with the savings rate touching a 15-year low in Fiscal 2020 to 27.1%, post which in the next two fiscals the savings have witnessed a growth and touched ~29% during fiscal 2022. Despite the slow-down, India remains favorable in terms of gross domestic savings rate compared with most other emerging market peers at 29% in fiscal 2022, greater than the world average of 28%.

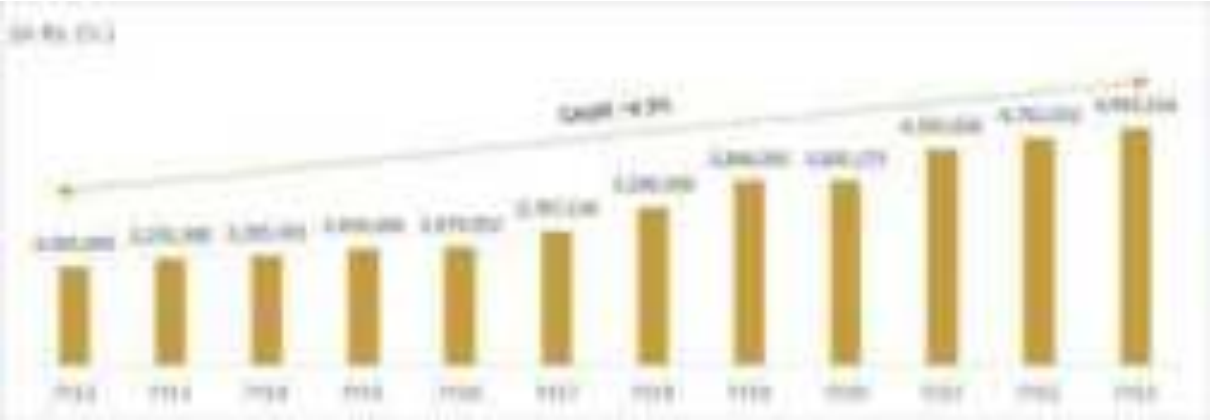
Gross Domestic Savings rate (in %): India vs other countries (CY 2022)



Note: Gross Domestic Saving consists of savings of household sector, private corporate sector and public sector; (*) Data as of CY2022;
Source: World Bank , Handbook of Statistics on Indian Economy 2020-21, RBI, MOSPI, CRISIL MI&A

Specifically, household savings as a percentage of GDP has been sliding since Fiscal 2012, with its share as a proportion of GDP falling significantly from 23.6% in Fiscal 2012 to 18.0% in Fiscal 2016. As of fiscal 2023, household savings as percentage of GDP stood at 18.2%.

Household savings growth



Note: The data is for the financial year ending March 31.
Source: MOSPI, CRISIL MI&A

CRISIL MI&A expects India to continue being a high savings economy. CRISIL MI&A is also sanguine on savings rate increasing in the medium-term, as households become more focused post the COVID-19 pandemic-induced uncertainty on creating a nest egg for the future post the COVID-19 pandemic-induced uncertainty. In addition, according to the SEBI, during Fiscal 2021, until the third quarter, the household financial savings deployed in securities market had grown significantly to 1.2% of GDP as compared to 0.3% earlier. Going forward, if the amount of savings deployed in securities market sustained, it is expected to boost the capital markets and economy.

Convenience, affordability, and diversification are drawing new investors in the retail space

Mutual funds invest in a broad portfolio of stocks, bonds, and other securities by pooling the capital of several investors. By spreading risk, diversification reduces the impact of underperformance of an individual investment on the overall portfolio of the investor, providing a balanced and more stable portfolio. Experienced fund managers oversee mutual funds, they access markets, choose investments and modify portfolios in response to shifting market conditions. Retail investors who might lack the time or competence to actively manage their investments are drawn to this expertise. This investment avenue allows retail investors to start investing with a relatively small amount of money, and this affordability allows a larger number of investors to start with their investment journey who may not have significant capital to invest in individual stocks or bonds. The investors can choose among various tailored schemes depending on risk tolerance and financial objectives. Simple investment plans (SIPs) have enabled investors to pay variable amounts at the time and frequency that suits their needs while building discipline in their investments. SIPS allows investors to take advantage of market volatility over time and gain compounding benefits. As these funds are regulated by financial institutions, it increases the confidence of the retail investors.

Active participation in stock market by retail investors to seek higher returns

Government's constant efforts to promote financial literacy have encouraged retail investors to get involved in investing by investing directly in equities. The number of retail investors entering the stock market has increased significantly over the past few years as they seek higher returns. Direct equity has the potential to offer higher returns than other investment options. It also gives investors greater control over their portfolio. Investing in individual stocks provides retail investors with educational experience. It allows them to learn about financial markets and economic trends promoting financial literacy and unlike mutual funds where investors pay fees for professional management, investing in direct equity allows individuals to avoid these fees potentially leading to lower overall investment cost. Investing in direct equity gives investors more control over their portfolios and they can make decisions based on their own research preference and risk tolerance rather than relying on fund managers

Better access and control over investment are driving small cases among retail investors

Small cases are curated portfolios of stocks centered around specific themes or investment strategies, retail investors may appreciate the focus on sectors themes or investment themes that align with their preference or beliefs. Small cases provide investors with better access and control over securities as the shares are credited directly in their demat accounts, which allows them to exit from any investment since there is no exit load on selling small cases. The potential risk and return in small cases are relatively high from mutual funds because they are usually more volatile since the risk is concentrated in a specific strategy or theme

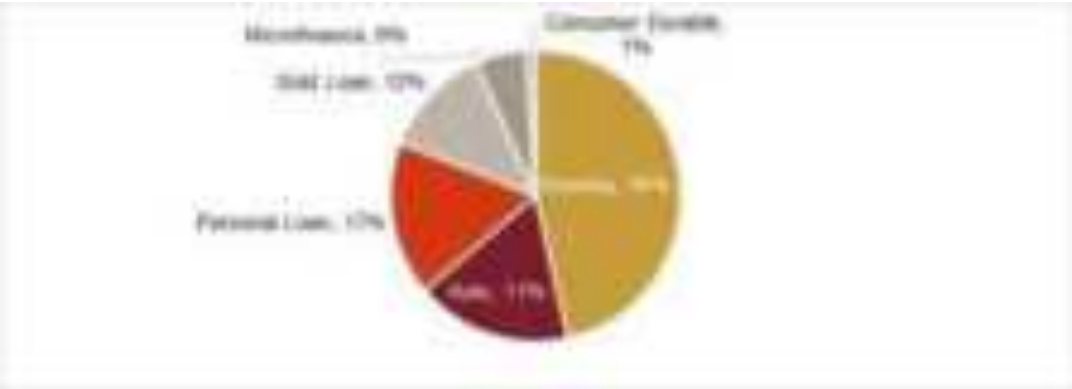
Credit penetration in India

Home loans accounts for 46% of overall retail loans as at March 31, 2023

As on March 31, 2023, housing finance accounted for almost half of overall retail loans in the country followed by auto loans (17%), personal loans (17%) and gold loans (12%). The housing finance market has been posting healthy growth consistently,

driven by higher affordability, pent-up demand for housing, and positive government initiatives. Demand for home loans has been fuelled by a growing young population, with rising disposable incomes, migrating to metro cities with an aspiration to buy homes. High demand in tier 2 and 3 cities has further contributed to a significant increase in demand for real estate. In auto financing segment, growth was healthy due to easing of the semiconductor shortage, pent-up demand for car and utility vehicles, improving profitability of transporters, and pre-buying in anticipation of the second phase of Bharat Stage (BS) VI norms. Moreover, improvement in economic activities in rural areas and increased demand for MFI loans led to increase in the share of term loan lending.

Retail credit mix as at March 31, 2023



Source: CRISIL MI&A

Overview of Capital Markets in India

Capital markets clocked strong growth, with Nifty 50 clocking ~9.9% CAGR from FY11-23

The Indian Capital Markets witnessed strong performance during the period fiscal 11-23. The market capitalization of National Stock Exchange ("NSE") grew at 11.8% CAGR during fiscal 2011 to fiscal 2023. The NIFTY 50 index has grown at a CAGR of ~9.9% over this period. BSE Sensex has followed a similar growth trajectory to Nifty 50. The number of companies traded on BSE (Cash Segments) increased from 2,933 in fiscal 2011 to 4159 in fiscal 2023. In case of NSE, the number of companies traded rose from 1483 to 2307 in this twelve-year period. NIFTY Midcap 100 grew at CAGR 11.2% during FY11-23 and Nifty Small cap 100 grew at 7.7% during the same period.

The S&P BSE Sensex gained 1.6% and NSE Nifty 50, 1.8% on-month in September on strong global cues amid hopes of a rate pause by the US Federal Reserve (Fed) and the European Central Bank (ECB). Domestic markets rose in the first week of September after the government data showed that in the first quarter of this fiscal the Indian economy grew 7.8% on-year, the quickest since the second quarter of last fiscal. The growth was higher than 6.1% recorded in the fourth quarter of fiscal 2023. The markets also reacted positively to strong domestic manufacturing data and goods and services tax (GST) collection. In August, the government's gross GST collections stood at approx. Rs 159,000 crore. Optimism over the G20 Summit and easing retail inflationary pressures also boosted the market.

As of recent months, Indian equities continued to see strong gains in December with the market seeing the highest monthly returns of calendar 2023. Both domestic and global factors were supportive of foreign capital inflows. The S&P BSE Sensex rose 7.8% on average, the Nifty 50, 7.9% and Nifty Small cap 100, 6.9% in December. The stronger-than-expected gross domestic product (GDP) growth of 7.6% for the second quarter, released on the last day of November, buoyed the market at the beginning of the month. The Fed's decision to hold rates steady and its dovish stance on rate cuts boosted foreign capital inflows. Other major central banks maintaining the status quo on rates also supported the equities.

Turnover across different segments

Trend in equity cash segment turnover

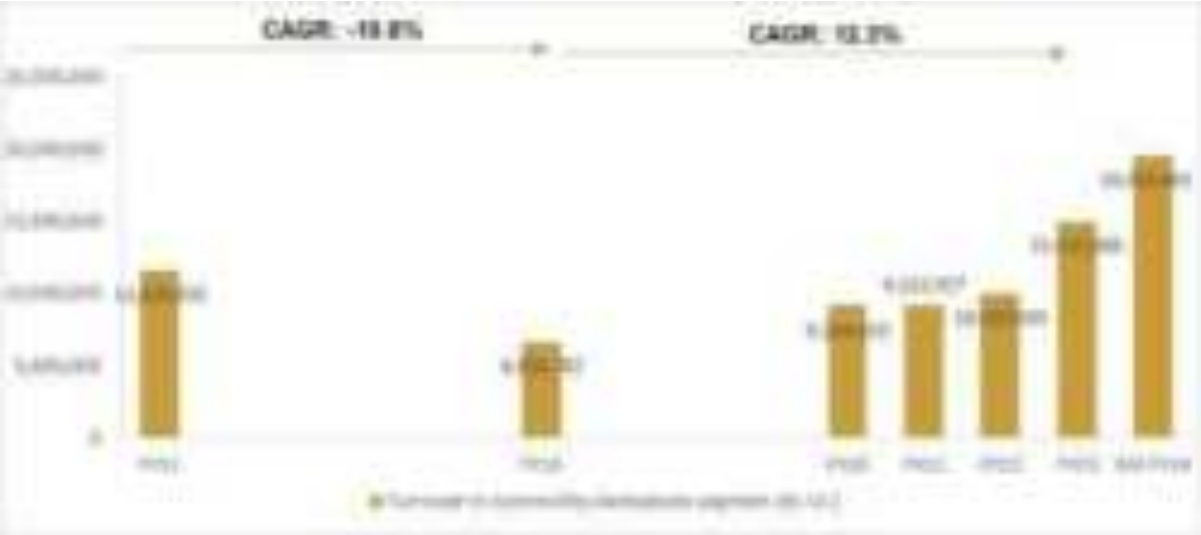
Note: Turnover depicted above includes BSE and NSE
Source: SEBI, CRISIL MI&A

Trend in equity derivatives segment turnover

Note: Notional Turnover depicted above includes BSE and NSE
Source: SEBI, CRISIL MI&A

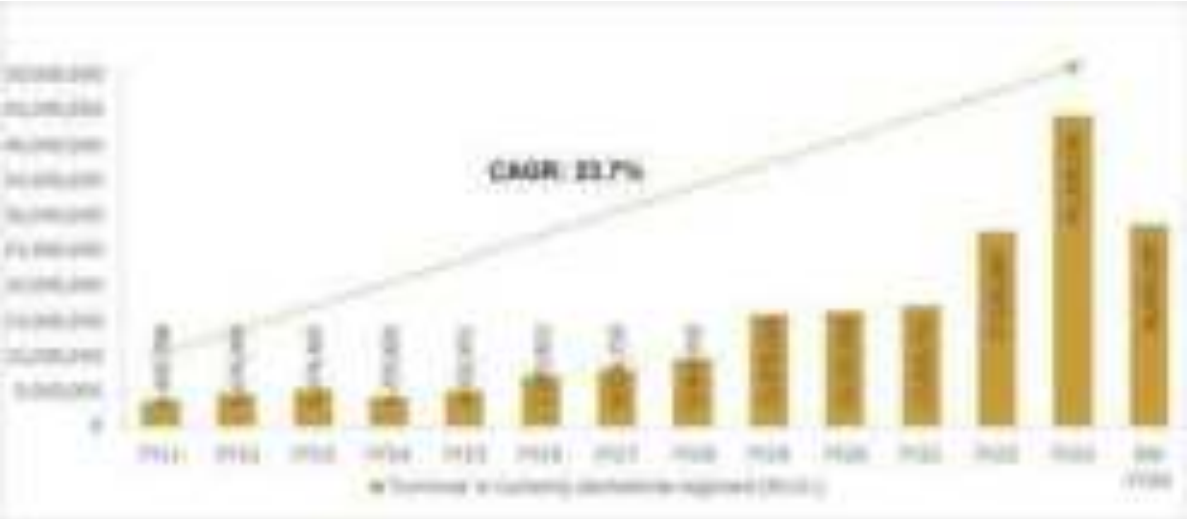
The turnover in the cash market and equity derivatives market grew at a 9.8% CAGR and 50.2% CAGR respectively during Fiscal 2011 to Fiscal 2023. Both these segments registered stronger growth post fiscal 2016, especially the equity derivatives segment which clocked 77.6% CAGR over fiscal 2016-23. The growth was primarily driven by the increase in retail participation due to ease of trading through mobile applications. As of 9M FY24, total equity cash segment turnover stood at Rs. 14,317,314 crore and total equity derivative market turnover clocked Rs. 5,894,697,427 crores. The commodity derivative market registered Rs 15,013,608 crore notional turnovers at a CAGR of 2.1% over fiscal 2011 to fiscal 2023. As of 9M FY24, Commodity market's total turnover reached Rs. 19,582,483 crores. The currency derivatives segment's turnover stood at Rs 44,358,736 crore in fiscal 2023, growing from Rs 3,449,788 crore in fiscal 2011, clocking a growth of 23.7% CAGR. As of 9M FY2024, the currency derivatives segment's turnover stood at Rs. 28,687,035 crores.

Trend in commodity derivatives segment turnover



Note: Turnover is depicted above which includes Futures and Options across MCX, NCDEX, ICEX, BSE and NSE
Source: SEBI, CRISIL MI&A

Trend in currency derivatives segment turnover

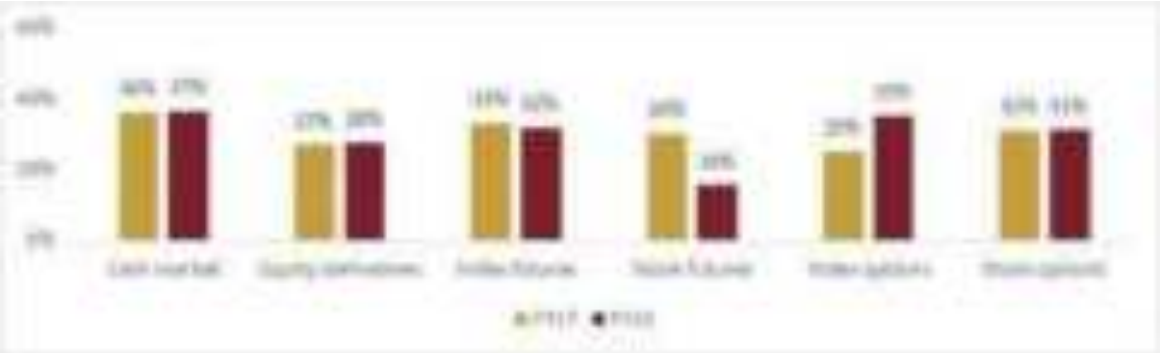


Note: Turnover depicted above includes BSE and NSE
Source: SEBI, CRISIL MI&A

Retail Investor Participation driven by rising awareness, rise in interest penetration/mobile trading and drop in brokerage costs

Increase in awareness among retail investors, rise in interest penetration/mobile trading and drop in brokerage costs have aided the rising participation of retail investors across product segments. The Active Client Base on NSE increased at 33.3% CAGR from 0.6 crore in March 2017 to ~3.34 crore in March 2023. The growth in market share of retail participants has been highest in the Index options with gain of around 10 percentage points during Fiscal 2017 to Fiscal 2023. However, the turnover growth has been more robust in the equity derivatives segment.

Share of Retail Participation across markets segments on NSE

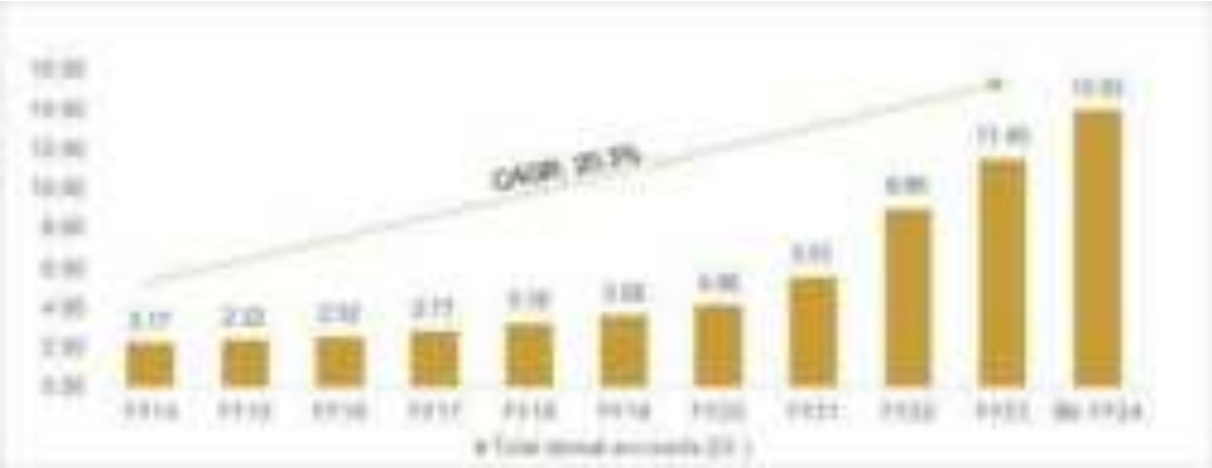


Source: NSE Market Pulse, CRISIL MI&A

Trend in Demat accounts in India

The Demat Accounts in the country have grown at 20.3% CAGR from Fiscal 2014 till Fiscal 2023. Further, the Active Client Base on NSE grew at a staggering 25.6% CAGR during the same period. The above data points suggest the increasing awareness and willingness of the people to participate in capital markets for either trading or with long-term outlook. In the recent years, the total demat accounts increased at ~33.7% CAGR during the period FY19-23 from 3.58 crore accounts in fiscal 2019 to 11.45 crore accounts in fiscal 2023. As of 9M fiscal 2024, the total demat accounts stood at 13.93 crore accounts.

Growth in Demat Accounts since Fiscal 2014 onwards



Source: CDSL, NSDL, CRISIL MI&A

Total demat accounts (Cr.)	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	9M FY24
CDSL	0.87	0.95	1.07	1.22	1.48	1.73	2.11	3.34	6.29	8.30	10.47
NSDL	1.30	1.37	1.45	1.56	1.71	1.85	1.97	2.17	2.67	3.15	3.46

Source: CDSL, NSDL, CRISIL MI&A

The NSE Active Client Basis as a % of Demat Accounts increased from 20% in Fiscal 2014 to 29% in Fiscal 2023. The value reached 40% in fiscal 2022. Going forward, CRISIL MI&A expects the demat accounts to grow at strong growth over the next five years and Active Client Base on NSE as a % of demat accounts to increase around 45-50%.

Key risks to capital markets in India

Geopolitical tension and risks

The world had been dealing with global economic disruptions since last year with the start of Russia-Ukraine war. The world was barely coping with its effects and along came the Israel-Hamas conflict which has raised grave concerns. The Israel-Hamas conflict if escalates into a full-fledged war is likely to cause global disruption in supply chain, inflation, manufacturing, and trade. The region's crucial oil exports will be disrupted causing significant oil inflation. World Bank has raised concerns on the Israel-Hamas conflict stating that oil prices are likely to tread in uncharted waters if the war escalates into a large disruption like the Arab oil embargo of 1973, causing process to go up by 56-75%. Crude oil prices eased to an average of $77.9 per barrel in December from an average of $82.3 per barrel in November, a 6.4% decline on-month. However, shipping disruptions along the Red Sea route capped the decline in prices.

Increase in interest rates can make debt market more attractive, impact flows into equity market

In order to combat food and energy inflation, the central banks around the world are raising interest rates. The 10-year US Treasury yields crossed 4.8% so far in October – the first time since 2007. During December, the yield fell below 4% for the first time since August. The Fed holding interest rates steady for the third time in a row and signaling the possibility of cumulative rate cut of 75 bps in 2024 led to a sharp drop in yields. On the domestic front, the markets may not see easing from the monetary policy inflation to the 4% target. Though, further rate hikes by RBI are not expected this fiscal.

In December, not only did FPIs remain net buyers, but they also invested a decadal high amount of approx $1,010 crore in the domestic financial markets. Net FPI buying in the equity segment rose to around $790 crore from $110 crore in November, the highest since December 2020. Debt market inflows rose to 119 approx. $220 crore from around $180 crore, possibly because of pre-positioning by foreign investors as domestic bonds will be included in JP Morgan Emerging Market Bond Index from mid-2024. FPI inflows into debt were at their highest since 2017.

Downturn or volatility can hamper retail equity flows into capital markets

Retail participation and inflows into the equity market are heavily influenced by market performance and sentiments. Any downturn or volatility could make them shy away from equity markets and push towards less riskier assets

Political instability or shift away from the pro-growth policy

Political instability in India or anywhere in the world, harsh protectionist measures by larger economies, or faster-than-required tightening of monetary policy could impact growth and global trade.

Overview of Broking in India

Evolution of Indian broking industry

Until 1994, equity trading in India was based on the open outcry system, where professionals communicated their buy/sell orders on a stock exchange's trading floor. It involved shouting and the use of hand signals.

With the establishment of the NSE in 1994, the era of screen-based trading dawned in the country. Within a short span of time, screen-based trading replaced the open outcry system on all the stock exchanges in the country. The screen-based trading system adopted in India is referred to as the open electronic limit order book (ELOB) market system. In the present market scenario, participants look for enhanced efficiency, improvement in information dissemination and better use of technology to reduce costs.

Mobile trading, which the regulator approved in 2000, has further changed the face of the domestic broking industry as it increases convenience and facilitates trading on the go. The time for account opening and verification has dramatically reduced for the industry. With wider access to information and increased ease of doing transactions, trading volumes are likely to see significant growth.

With the evolution of technology and artificial intelligence (AI), trades can now take place through a machine based on algorithms and that too within a few microseconds. This AI-based buying and selling system has changed the law of supply and demand and it is now possible to easily estimate individualized demand and supply curves and thus individualized pricing. Further, AI has reduced information asymmetry in the market and made it more efficient.

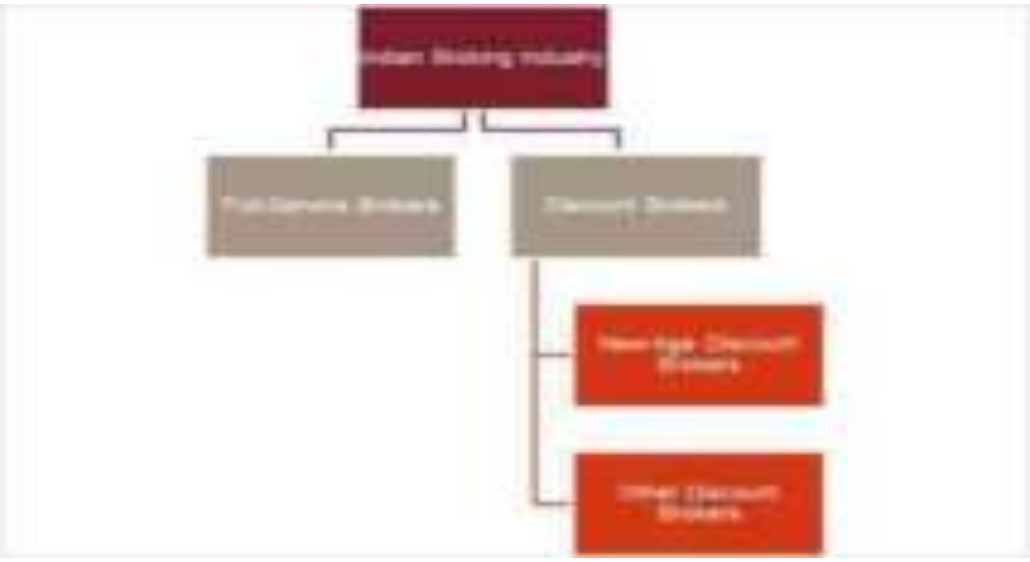
Types of products offered by exchanges

Exchanges offer a variety of products to investors, sold via brokerage firms or data vendors. Below is the list of products provided by exchanges:

Segments	Products and services	Customer group
Cash market	Products: Equities, ETF, MF, SLBS, OFS Services: Settlement guarantee	Retail, Institutional and Proprietary; Participants - Domestic & Foreign
Derivatives	Products: Equity Derivatives (Index & Stock), Currency Derivatives, Interest Rate Futures, Derivatives on Global Indices & Volatility. Services: Settlement Guarantee	Retail, Institutional and Proprietary; Participants - Domestic & Foreign

Segments	Products and services	Customer group
Commodity	Products: Commodities (including agriculture, metals, oil, gold, etc.), Commodity derivatives, Commodity options Services: Settlement Guarantee	Retail, Institutional and Proprietary; Participants - Domestic & Foreign
Debt Market	Products: Debt securities, corporate bonds, Govt. securities & T bills. Services: Clearing and Settlement, Risk Management, Connect NSE, Corporate bond database	Retail, Institutional and Proprietary; Participants - Domestic & Foreign
Data and Information Vending	Products: Online Real time Data Feed, 15-Min delayed, 5 minutes, 2 minutes and 1 minute Snapshot Data, EOD data, Historical Trade & order, and Corporate Data. Services: Providing data feed	Data vendors, researchers, TV channels, financial websites, software and algorithm developers
Index Services	Products: Equity Index- BSE SENSEX, NIFTY, NIFTY 100, NIFTY Bank indices etc. and Debt Index. Services: Index IP Licensing and Customized Index solution	AMCs, ETF issuers, insurer, NBFCs, investment banks, stock exchanges and AIFs
Margin trading facility	Products: Equity cash segment Services: Margin and SPAN reports	Retail, Institutional and Proprietary; Participants - Domestic & Foreign

Types of Brokerages in India



Full-Service Brokers – Full Services Brokers provide a wide range of financial products in equity, debt, derivatives, and third-party distribution products. Apart from broking services for equity asset class, the full-service brokers cross sell third party distribution products like mutual fund, PMS, AIF, PE, Corporate Bonds, FDs, NCDs, Sovereign Gold Bonds, etc. and also insurance and loan products as a part of their product bucket. They also have in-house Research team to publish market reports. Few Full-Services Brokers also provide advisory and platform to invest in insurance products for their clients. Further, the majority of them have an offline presence and provide clients with a devoted Relationship Manager.

Discount Brokers - Discount Brokers provide trading activity services for their clients on a reduced commission/brokerage basis. The majority of discount brokers do not charge any brokerage on delivery trades in the cash market and charge a flat fee for intraday trading and derivatives contracts. The Discount Brokers generally do not provide regular Research Reports or a Relationship Manager to their clients. The Discount Brokers leverage technology to optimize their operational costs and do not have a significant physical presence.

New-Age Discount Brokers - The Discount Brokers can be further classified into New-Age Discount Brokers which commenced their broking operations post 2010. The New-Age Discount Brokers have strong integration of Technology in their workflow and have a Mobile-First Approach. The New-Age Discount Brokers acquire almost 100% of their customers through online channel and do not have any branch/offices for client acquisitions.

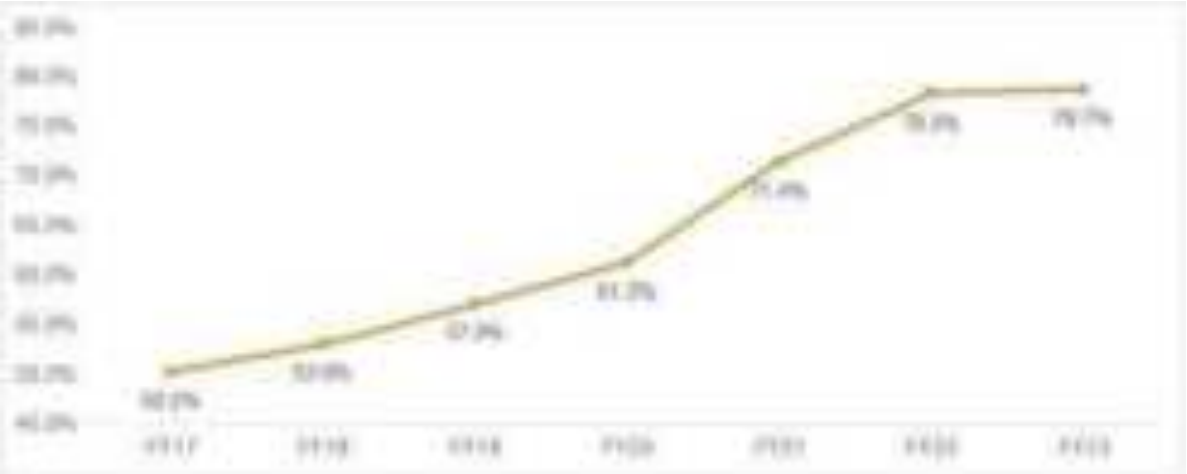
Transformation of Broking Industry: From Traditional to Digital

The New-Age Discount Brokers have successfully integrated Technology in their Workflows thereby enabling them to operate at efficient cost structures. Further, this has also led to lower brokerage/flat-fee brokerage offerings by New-Age Discount Brokers, which has disrupted the pricing for the entire Industry and also forced Traditional Players to re-look at their product offerings. However, a few Traditional Players may find it difficult to adopt to the new Industry Workflow and hence the pricing structures thereby posing a strong possibility of further consolidation going forward.

The Industry Structure has seen a massive shift over the last five years

The Broking Industry witnessed consolidation during the last five years. The market share of the top 10 players on Active Clients basis has increased from 50.2.0% in Fiscal 2017 to 78.7% as of Fiscal 2023. Further, the industry has also seen churn among the top 10 players during the period. Out of the top 10 players in Fiscal 2017, only 6 players continued to be among the top 10 players in Fiscal 2023.

Market Share of the Top 10 Players has increased substantially



Note: Top 10 players for every fiscal year have been considered
Source: NSE, CRISIL MI&A

As of March 31, 2023, in terms of gross brokerage revenue, Motilal Oswal is one of the top 3 largest full-service broker in India amongst the players in the broking industry.

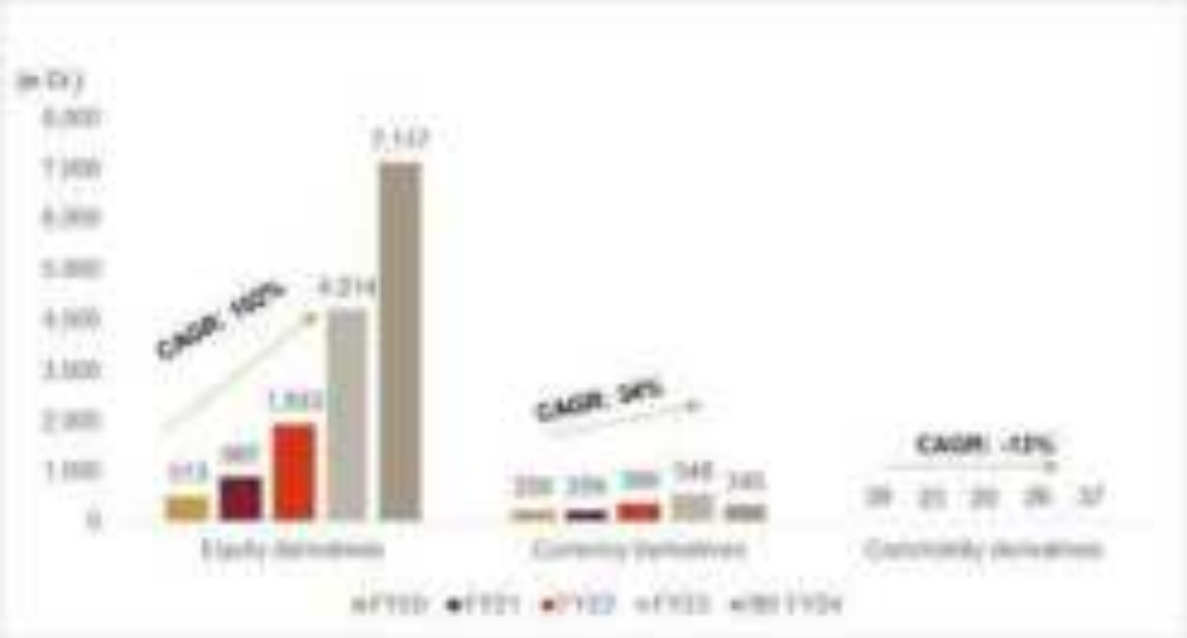
Derivatives have registered strong growth over the past decade, contributing to the growth of broking industry

The equity derivatives segment's turnover stood at Rs 3,856,641,781 crore in fiscal 2023, growing from Rs 29,248,375 crore in fiscal 2011, clocking a growth of 50.2% CAGR. As of 9M FY2024, the equity derivative's turnover stood at Rs. 5,894,697,427 crores. Similar strong growth has been observed in the average daily turnover (ADTO) in this segment. ADTO has registered 51.1% CAGR during the same period. ADTO stood at Rs 15,550,975 crore as of fiscal 2023. As of 9M FY2024,

ADTO in the equity derivative segment stood at Rs. 32,214,488 crores. The derivatives markets have seen tremendous growth due to the possibility of higher gains in the derivatives market. There are number of factors which has aided the growth of the derivatives market including robust equity market performance during the period, strong FII inflows, higher participation by retail investors (based on growth in active clients and demat accounts), strong IPO activity drawing in retail investors boosting derivative trading as well. One of the growth factors is the cash-futures arbitrage wherein the investor can buy from the cash market and sell in the futures market and book a quick profit. By employing arbitrage strategies in the derivatives market, the investor can lock in a risk-free return based on the difference in prices of the stock in the cash and the futures market. However, the actual gains of the investors will be based on the timings of execution and transaction cost. Arbitrage strategies suffer from risks such as mismatches in timing of execution, liquidity in the market, regulations, compliances, limited opportunities, and scalability issues.

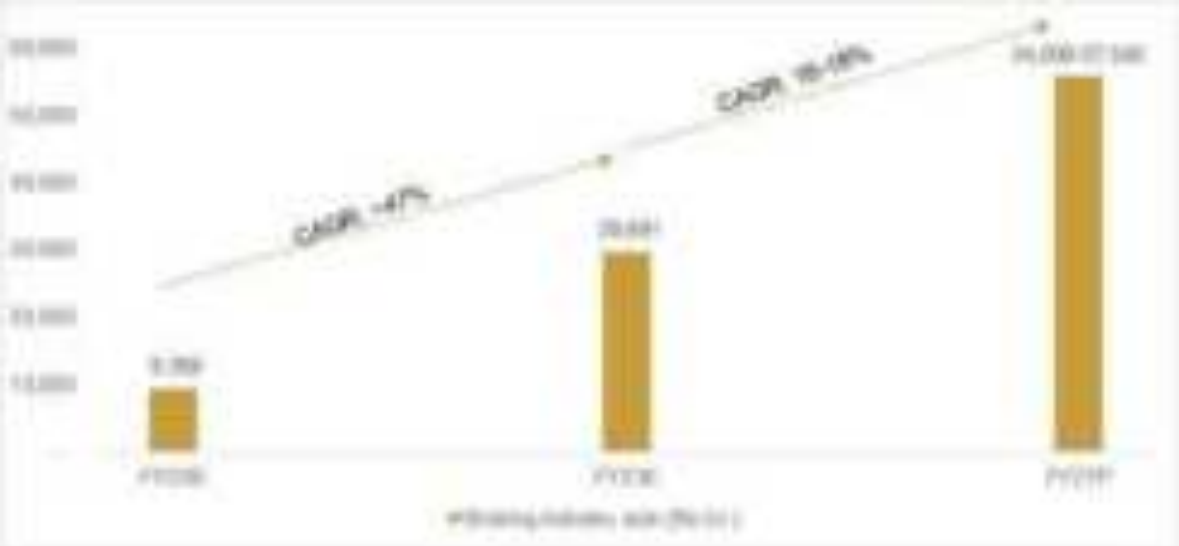
Such strong growth in the derivatives market has caused concern for SEBI as part of its mandate of investor protection. As a SEBI study with respect to net profit/loss incurred by individual investors, 9 out of 10 individual traders lost money in equity derivatives market. The average losses were to the tune of Rs 50,000 in fiscal 2022.

Trend in contract volume across equity derivatives, currency derivatives and commodity derivatives, fiscal 2020-23



Source: SEBI, CRISIL MI&A

Domestic Broking Industry seen healthy growth on account of increasing retail penetration



Source: NSE, CRISIL MI&A

Changing trends in the broking industry

Broking Yields Dropped Substantially for the Industry

Before mid-2010s, the foray of discount brokers into capital markets was limited with players enjoying only 5% market share. Therefore, lower competition meant higher brokerages and hence healthy broking income especially from the cash market. However, the business witnessed substantial disruption post mid 2010s with technology and digital penetration enabling new leaner business models with lower customer acquisition and infrastructure costs. The same was adopted swiftly by few Discount brokers in the industry. Further, this also enabled the Discount Brokers to offer significantly lower brokerage prices than Full-Service Brokers leading to price-wars.

Post mid-2010s, the Broking Yields for most Full-Service brokers were under severe pressure due to increasing penetration of Discount Brokers. The average revenue per Active Client for Banca- led Full-Service Brokers remained stagnant at US $150 during Fiscal 2017 to Fiscal 2020 despite the 54.2% CAGR growth in contracts traded and Market Turnover in Equity Derivatives segment. Post the beginning of Covid-19 Pandemic, the Industry saw a staggering growth of 66.6% (not annualized) during April 2020 to February 2021 with Discount Brokers constituting around 76% market share among the new clients added during the period.

The Average Revenue per Active Client have further dropped for the industry as Full-Service Brokers introduced new plans with further drop in pricing in-order to compete with the Discount Brokers. The flat pricing per order followed by majority of Discount Brokers in F&O segment has led to Full-Service Brokers offering very competitive prices in-order to attract new investors. The 'zero brokerage' on delivery in cash segment which was first restricted only to discount brokers has also been adopted by many Full-Service Brokers. Therefore, going forward as well, the yields are likely to remain under pressure.

However, Brokerage is not the only differentiating factor for the participants. The Trading Platforms and its features, user experience provided by Mobile App, ease of use, etc. are also critical differentiating factors among players when the participants decide their brokers.

Brokers providing superior tech platforms and other value-added services likely to gain market share

Though the penetration of Indian Capital Markets remains low, the awareness of the existing retail participants about capital markets has witnessed a substantial rise over the last few years. The increase in the market share of discount brokers which have strong tech capabilities but do not provide any Relationship Manager or Investment Advisor illustrates the same. These participants are increasingly looking at the tech capabilities of the brokers and the services they provide in order to aid their investment returns. CRISIL believes that going forward as well the brokers which are able to provide superior tech platforms and services such as enhanced graphic user interfaces with modern charting techniques, strategy building tools to trade in F&O segment will gain market share. Further, in the high turnover or professional trading segment, the brokers which can provide API integration of third-party products with their in-house trading platforms and can support algo-based trading will see an increase in market share.

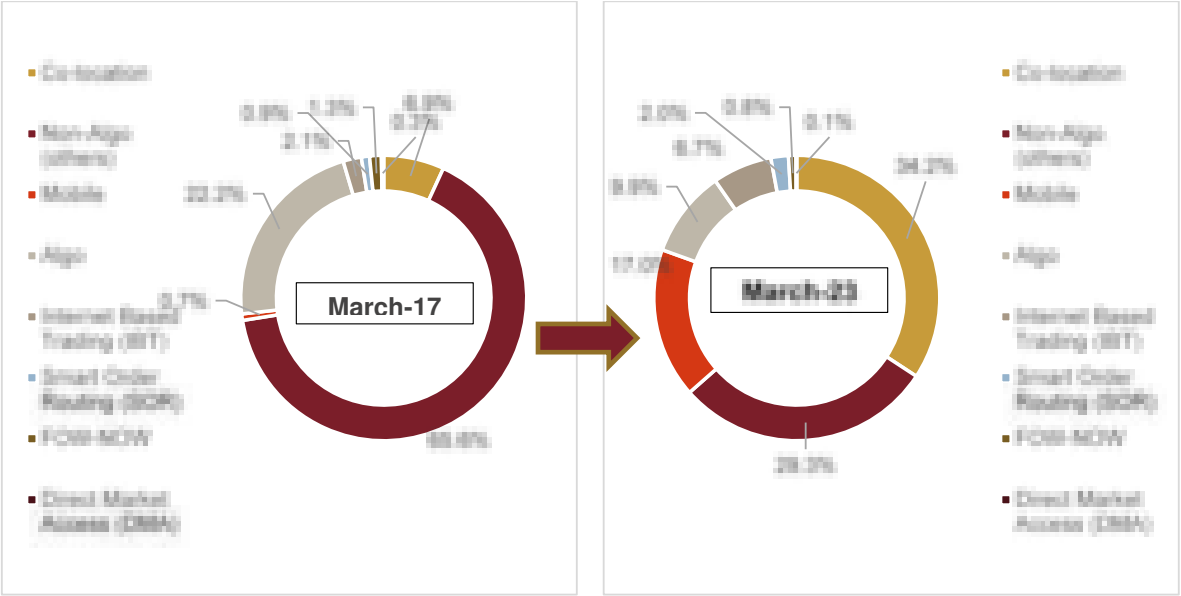
The player will have to comply with growing risk management requirements which are likely to be brought forth by SEBI on account of exponential growth in the derivatives segment. Regulatory risk is the most prominent in the broking industry. Risk management systems employed at the broking platform will need to ensure, safeguarding of investors and constant upgradation in view of regulations by SEBI, Exchanges, and market movement. RMS is important for the protection of company capital and interest. RMS should be fully effective in identifying or mitigating compliance and risk exposure in all market environments or against all types of risk. The system includes aspects related to margin rules, exposure limits, payment collection, trade settlement, delivery stocks to concerned parties, KYC requirements, audit processes, etc. These systems and services will require the players to make significant investments to build tech infrastructure.

More Diverse Set of Investors/Traders have emerged in the Capital Markets

The internet penetration and new trading platforms launched by brokers ensured that trading in equity derivatives is not restricted only to professional traders. Further the rising awareness among retail participants, the share of retail participants has seen a substantial uptick over last five years. The retail participants prefer a trading platform with in-built tools, and which is easy to understand and operate. Therefore, providing a user-friendly UI interface on Desktop as well as Mobile Trading App is very critical to serve this segment of market participants. The share of Internet & Mobile Based trading increased substantially from 2.8% as on March 2017 to 23.7% as on March 2023. The share of Mobile Trading has witnessed a dramatic rise from merely 0.7% as on March 2017 to 17.0% as on March 2023. The trend is expected to further continue with rising smartphone penetration.

On the other hand, professional traders are also adopting algorithmic-based platforms. Though the segment is relatively new to the Indian capital markets, its adoption is significantly higher in the advanced markets such as US. This segment of traders would want to align with brokers providing advanced trading platforms, which can be integrated with their software. The key to serve this set of consumers would be the ability of brokers to provide the ideal tech ecosystem rather than the pricing or UI interface.

Trend in mode of trading as per BSE trading members



Source: BSE, CRISIL,
MI&A Rising importance of technology in trading

The financial services industry in India is a promising case of digitisation. Prominent stakeholders like Brokers, Asset Management Company (AMC), Investors and Financial Advisors play an important role in the efficient functioning of financial services business. With improving economic growth and changing demographic profile, consumer aspirations in India have taken wings in recent years. For instance, where a couple of decades ago only select consumers with high incomes would look for experiences such as holidaying abroad or going on a cruise, today many, especially of the younger generation, are increasingly spending on such experiences as well as on lifestyle products.

Given the trend, there is double the need for consumers to secure their financial future through appropriate goal-based investing, and in the right financial products. In the context, financial planning services – including those offered by traditional service providers as well as new-age fintech firms – attain unprecedented significance. Historically, financial planning services provided by banks and other money managers have only catered to individuals having assets over a pre-defined level, leaving a majority of the population outside the scope of such services.

The broking industry in India is valued at ~ Rs 29,700 Crore as of FY23 and expected to grow at 16-18% over the medium term

The Broking Industry has seen strong growth over the last three years aided by the robust performance of capital markets. The Domestic Broking Industry registered 47% CAGR growth during Fiscal 2020 to Fiscal 2023 aided by the staggering performance in Fiscal 2021.

The number of demat accounts increased at 24% CAGR from 2.54 crore in fiscal 2016 to 11.45 crore in fiscal 2023, with the sharp increase in demat accounts over the past two years indicating strong growth and increase in investor participation in the industry. As of 9M FY2024, the total number of demat accounts stood at 13.93 crore. As per CRISIL MI&A, the increase in financial literacy and reduced cost of investing due to emergence of discount brokers has contributed significantly to this, with these factors expected to continue to contribute to growth of the industry in the long term. Discount brokers have significantly reduced the cost of investing for investors through their low-cost business model, which has further increased retail participation in the capital markets. Furthermore, individual investors' ownership in NSE-listed companies is also estimated to have increased steadily over the years. A steady increase over the years reflects high participation of retail investors in Indian equity markets. The industry growth is expected to be 16-18% over the medium term on account of rising financial literacy of India's technologically proficient young population coupled with availability of zero brokerage services offered by new age fin-tech brokers or discount brokers and comfort of transacting through digital platforms. The medium term is likely to see lower growth than the past on account of the election year induced market volatility and the high base of active clients as of FY23. Active clients appear to have peaked in FY22 (3.6 crore), as they declined in FY23 (3.34 crore). As of December 2023, the number of active clients increased to 3.62 crore.

Way forward

Immense market opportunity: Firms in the financial planning and advisory space in India have just tapped the tip of the iceberg. Integration of AI and ML with the existing architecture for wealth management can help them offer solutions to clients with smaller assets under management. Offline brokerages and players from other segments such as e-commerce and payments are also exploring digital personal finance management, which can help expand the addressable market.

Hybrid approach rather than pure online more likely to work: While there are firms that offer the entire gamut of services online, CRISIL foresees the market gravitating towards a hybrid approach – a combination of automated process and on-demand support.

AI and big data capabilities to be key differentiators: Increased usage of artificial intelligence and big data will help improve the efficacy of the decision-making process. The ability to analyse customer data and offer the most appropriate solutions will become one of the key parameters for differentiation across players in future.

Growth drivers in the broking industry

Demographics profile to aid folio growth in capital markets

As of calendar year 2022, India has one of the largest young populations in the world, with a median age of 28 years. Of India's population, more than 60% is in the working age group, which is 19-59 years of age, and is expected to remain above 60% for one more decade. CRISIL MI&A estimates that approximately 90% of Indians are still below the age of 60 in calendar year 2021 and that 63% of them are between 15 and 59 years. In comparison, in calendar year 2020, the United States (US), China and Brazil had 77%, 83% and 86%, respectively, of their population below the age of 60.

Further with regards to long-term investment products, the increase in life expectancy and aspirations of the working population (for example, need to build a strong corpus before retirement) is also increasing, leading to more focus on equity investments in capital markets.

Riding the digital wave – growth of new age fin-tech brokers or discount brokers and increasing mobile penetration to drive retail participation

The emergence of new age fin-tech brokers or discount brokers started gaining prominence from mid 2010s onwards as rising internet and smartphone penetration acted as a tailwind for the segment. These players have revolutionized the industry with their low-cost digital business model. New age fin-tech brokers or discount brokers due to their low cost of operations have been able to transfer this benefit to their clients by significantly bringing down the cost of investing for them with minimal brokerage fees. The mobile and internet-based trading has also witnessed a surge during the period and accordingly, many retail participants chose new age fin-tech brokers or discount brokers over Full-Service Brokers. This was because zero brokerage on equity delivery was a new offering in the industry started by the new age fin-tech brokers or discount brokers. Therefore, rising financial literacy of India's young population (expecting to form a majority of the incremental clients for the brokers), coupled with their technological proficiency, almost zero brokerage feature and comfort of transacting through digital platforms is expected to further supplement the strong impact that technology has on the retail investors thereby enabling them to increase participation in the markets.

Preference for do-it yourself (DIY) models and higher risk-taking ability of Millennials aiding growth especially for Low-Cost Digital Only Discount Brokers

Technology savvy millennials have started preferring do-it-yourself models where the broker provides minimal services on Research and Advisory side but provide robust technology platform to execute trades. Further, the young population are not only restricted to the cash segment but also trade in the equity derivatives segment, where the risks (and reward) involved are higher than in the cash segment. The ease of execution of trades across segments using mobile apps has further pushed the growth in the equity derivatives turnover for Discount Brokers.

Also, the digital model, where right from account opening to delivery is taken care of digitally, is leading to lower on-boarding costs for Digital Brokers as well. Further, the change in business models from banca-based/branch-based distribution to digital channel has provided level playing field for Full-Service as well as new age Discount brokers in terms of customer reach, with platform and brokerage being key differentiators.

Demand for wealth advisers is experiencing surge as wealth of the customers rise

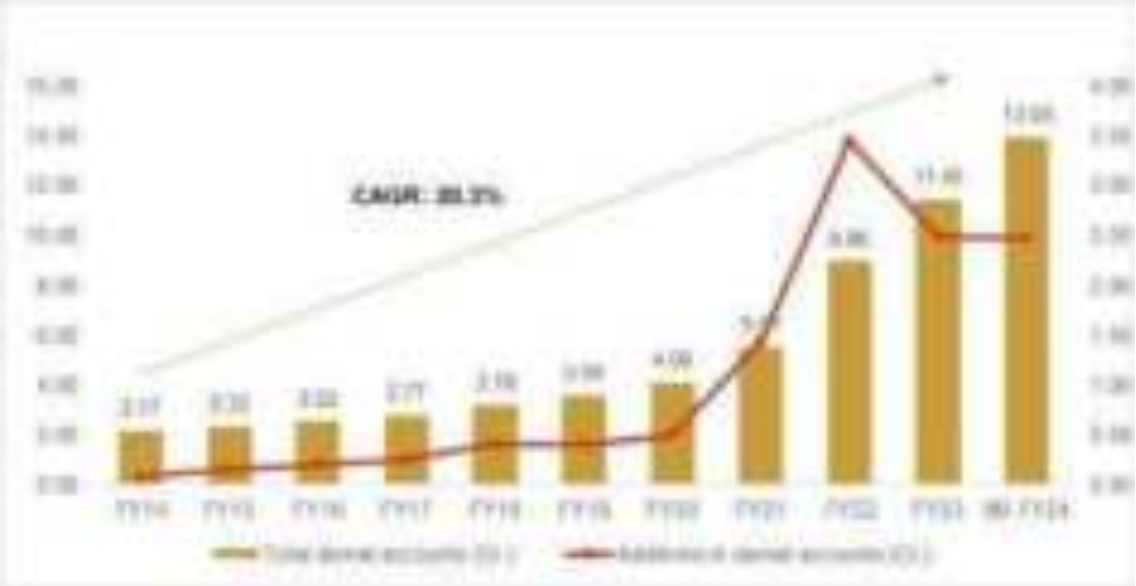
As the wealth of customers and per capita income continues to rise, the demand for wealth advisers is experiencing a significant surge. This trend emphasizes the growing complexity of financial portfolios and the increasing need for personalized wealth management services. With higher net worth comes a greater array of investment opportunities, tax considerations, and estate planning intricacies, necessitating expert guidance to navigate effectively.

Wealth advisers play a pivotal role in assisting clients in optimizing their financial resources, mitigating risks, and achieving their long-term objectives. This rising demand highlights the importance of a skilled and knowledgeable advisory workforce capable of delivering tailored solutions to meet the evolving needs of affluent individuals and families.

Increasing awareness about capital markets and growing market penetration among the population to aid Industry Growth

Indian capital market's penetration is low at ~8% with 11.45 crore demat accounts. The total demat accounts increased from 2.17 crore in March 2014 to 11.45 crore in March 2023 growing at 20.3% CAGR during the period. The demat growth suggests the increasing awareness and willingness of the people to participate in capital markets for either trading or with long-term outlook. As of 9M FY2024, total demat accounts stood at 13.93 crore.

Number of total demat accounts grew at ~20.3% CAGR between FY14-FY23



Source: CDSL, NSDL, CRISIL MI&A

Total demat accounts (Cr.)	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	9M FY24
CDSL	0.87	0.95	1.07	1.22	1.48	1.73	2.11	3.34	6.29	8.30	10.47
NSDL	1.30	1.37	1.45	1.56	1.71	1.85	1.97	2.17	2.67	3.15	3.46

Source: SEBI, CDSL, NSDL, CRISIL MI&A

Although mutual fund AUM increased from around ₹ 90,600 crore in Fiscal 2002 to ₹ 3,942,030 crore at end of Fiscal 2023 and to ₹ 5,077,900 crore at end of 9M FY24, and AUM as a percentage of GDP grew from 4.3% in Fiscal 2002 to approximately 14.5% at end of Fiscal 2023, penetration levels remained well below those in other developed and fast-growing peers.

Capital markets to remain an attractive part of financial savings

Between fiscal 2012 and fiscal 2023, the net financial savings increased at a CAGR of approximately 7.5%. Household savings in physical assets declined from 67.0% in fiscal 2012 to 62.6% in fiscal 2022. During the same period, net financial savings grew from 31.0% to 36.1%. Due to an increase in financial literacy and awareness, the relative outperformance of financial assets over recent years and the Indian government's efforts to fight the shadow economy, CRISIL MI&A expects the share of financial assets as a proportion of net household savings to increase over the next five years. The rise in financial assets is expected to further boost the broking industry.

Rising demand for corporate debt and equity issuance

Indian Capital market over the years played a pivotal role in development of Indian Economy. As India is surging ahead to become an economic powerhouse, Indian Capital Market is expected to play a greater role and remain in forefront in the days ahead. One of the crucial elements of Indian Capital Market is Corporate Bond Market. Persistent effort by the Government and SEBI in the last few years enabled a nascent Corporate Bond Market to move in the direction of maturity. Also, many companies have equity issuances through IPOs over the last couple of years, primarily due to the impact of the Covid-19 pandemic on business and exuberant stock market activity. This trend in expected to increase going forward as new age companies explore avenues to raise funds from capital markets.

Increasing Smartphone Penetration in the country will drive growth in mobile trading

The rise in smartphone penetration will continue to aid growth of mobile trading among the retail participants and especially the millennial population. The rise in mobile trading will especially benefit the brokers which continuously invest in Technology and Platforms and thus will be able to provide a superior UI/UX experience as compared to its peers.

Increasing Share of Non-Institutional and Retail Investors to drive growth for the industry

Individual investors (i.e., excluding promoters and institutions) ownership in NSE listed companies is estimated to have increased steadily over the years. A steady increase over the years reflects strengthened participation of retail investors in Indian equity markets. In terms of market capitalisation, the value of individual investors' direct equity ownership in NSE listed companies has grown at a CAGR of ~16% between March 2017 and March 2023. From March 2017 to March 2023, overall retail mutual fund AUM and retail equity mutual fund AUM has increased at a CAGR of 18% and 21% respectively.

Going forward, CRISIL MI&A expects a significant potential for direct equity investments as the total addressable market including mutual fund folios has seen significant growth in recent times. Moreover, with the increase in financial literacy of investors, direct equity ownership is expected to see an increase in the future.

Moderate penetration of equity leaves further scope for growth

The global market capitalization to GDP ratio continued to improve in calendar year 2020 to reach 133% from the lows of 56% in 2008. This was aided by a recovery in global macros and the fiscal and monetary stimulus provided by various governments. India, which was relatively insulated from global shocks, saw the ratio improve from 54% in 2008 to 97% in 2020 (as per the World Bank). The ratio was impacted by the Covid-19 pandemic-triggered uncertainty in the markets however, with GDP growth gradually picking up, increasing formalisation of the economy and more entities from newer segments getting listed (insurance companies, e-commerce service providers, for example), India's market capitalisation to GDP ratio is likely to increase further in the next few fiscals.

Regulations and initiatives by SEBI and Exchanges to aid the penetration and growth in capital markets

Application Supported by Blocked Amount (ASBA):

ASBA is a mechanism used for applying to Initial Public Offerings (IPOs) or Follow-on Public Offerings (FPOs). Under this mechanism, investors' application money stays in their bank accounts but is temporarily blocked or reserved until the shares are allotted. Once the shares are allotted, the blocked amount is debited from the investor's account, and the remaining amount is unblocked or released. Investors may submit their ASBA applications to these SCSB (Self Certified Syndicate Banks). This mechanism creates a direct channel for flow of funds between the clearing corporation and the investor. The mechanism ensures reduction in any fraud in handling of investor money by brokers. The investor keeps earning interest on the blocked amount.

Block mechanism facility

The block mechanism facility is similar to ASBA employed in IPO process. The block mechanism involves blocking of shares in the investors' demat whenever he/she want to make a sale. The shares will be blocked in favour of the clearing corporation. In the event, the sale transaction does not take place, the shares will remain blocked until the end of the trade day. Blocking of shares is done by the investor himself using the depository's online system or eDIS mandate or through depository participant based on physical DIS given by client or via a PoA. Depositories may block the shares in an investor's demat in case of intra or inter depository transfer. However, the securities are transferred after checking against the investor's delivery obligations to clearing corporations. SEBI has also announced a framework for trading supported by blocked amount to prevent misuse of client funds (ASBA-like for secondary market: to be effected by January 01, 2024).

Shorter settlement cycle

The markets were functioning on a T+2 settlement cycle for the longest time. In January 2023, T+1 settlement cycle was brough into effect by SEBI. This meant that the trade settlement will be done within a day or 24 hours. The move was made in view of operational efficiency, faster fund remittances, quicker share delivery, and ease of the market participants. India became the second country to adopt the T+1 cycle after China. Further, in this development, SEBI announced in July 2023 that they are working on implementing one-hour settlement of trades and they aim to launch it by March 2024. SEBI has also announced that post the 1-hour trade settlement, they will launch instantaneous trade settlement by end of 2024.

SGX Nifty shifts to GIFT city; GIFT city on the path to become a global hub

The SGX Nifty was shifted to the GIFT city, Gandhinagar in mid-2023. NSE IFSC – SGX Connect was launched in July 2022 which marked the beginning of a transition of liquidity riding on SGX Nifty to NSE IFSC. Starting from July 2023, the SGX Nifty Index was structured from NSE IFSC in Gift City, Gujarat, and was known as the GIFT NIFTY Index, widening the liquidity pool for Nifty products there. This means, that the derivative contracts worth approx. $750 crore which were earlier traded from Singapore will shift to India. GIFT Nifty includes, GIFT Nifty 50, GIFT Nifty Bank, GIFT Nifty Financial Services and GIFT Nifty IT derivative contracts. The advantage of GIFT city is that all grades are dollar denominated and hence the

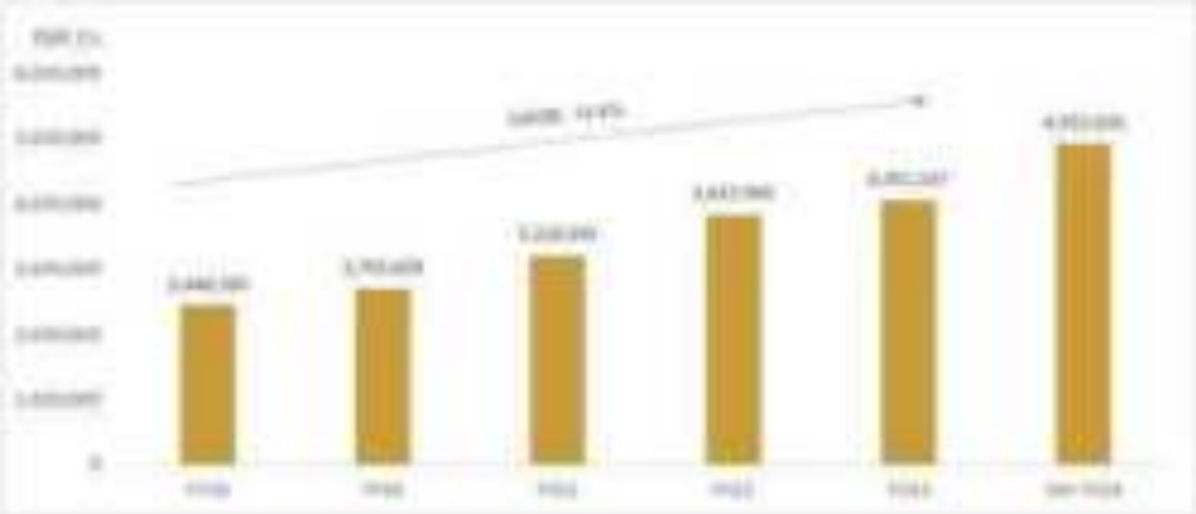
foreign investors do not need to incur additional cost related to currency conversion and hedging. Thus, IFSC is a separate jurisdiction from the rest of India providing financial services in foreign currency.

GIFT Nifty will be the early indicator for the Indian markets. There are many initiatives underway with respect to GIFT International Exchange that will help Indian markets extend their reach among global investors through direct engagement. It's expected that Indian entities will soon be allowed to directly list on NSE IFSC. This would help Indian companies access capital from global investors. This brings GIFT city a step closer to the becoming a global competitor to other financial hubs such as Dubai, Mauritius, Singapore etc.

Mutual Funds Industry

Robust growth in Indian mutual fund AUM in the last five fiscals: The aggregate AUM of the Indian mutual fund industry has grown at a healthy pace over the past five years, against the backdrop of an expanding domestic economy, robust inflows, and rising investor participation, particularly from individual investors. Average AUM clocked a CAGR of 13.4% to Rs 4,051,147 crore as of March 2023 from Rs 2,448,383 crore as of March 2019. However, growth was the slowest in fiscal 2023, at 5.6%, on-year on account of heavy outflows in debt and liquid/ money market mutual funds and torpid performance of the equity market. As of 9M FY2024, Average AUM stood at Rs. 4,922,620 Cr.

AUM logged a CAGR of 13.4% over March 2019 to March 2023

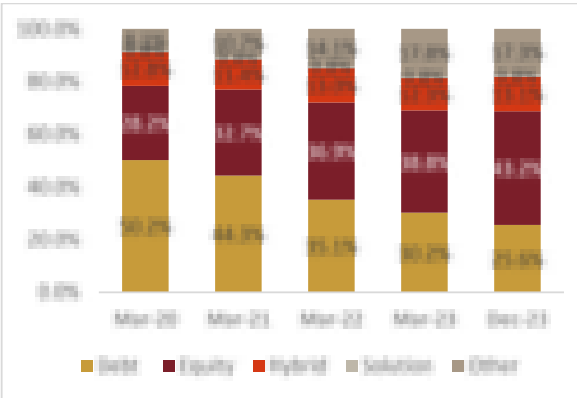


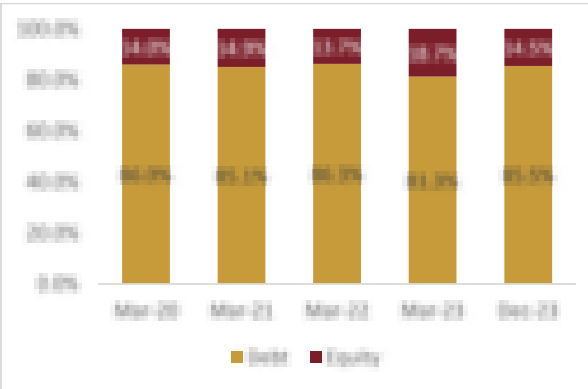
Note: Values in the above chart are based on quarterly average AUM
Source: AMFI, CRISIL MI&A

Open-ended funds have contributed maximum to India's mutual fund AUM

Open-ended funds AUM contributed 99.1% of the total AUM as of March 2023. Open-ended funds include debt, equity, hybrid solution and other funds such as index, gold ETFs, other ETFs and fund of funds investing overseas. In open-ended funds, equity-oriented AUM has the highest share, with 38.8% as of 31st March 2023 and with 43.2% as of December 2023. Continued investment by existing mutual fund investors and rising retail investors contributed to the growth of equity funds AUM. However, debt mutual funds accounted for 30.2% as of 31st March 2023 as against 35.1% last fiscal, on account of heavy outflows due to subdued returns and a rising interest-rate scenario but reduced to 25.6% in December 2023. Hybrid, solution-oriented and other funds contributed 12.3%, 0.8% and 17.8% respectively in fiscal 2023. Close-ended funds include only debt and equity-oriented schemes and contributed only 0.8% of the total AUM as on 31st March 2023. Debt-oriented AUM contribution was the highest at 81.3% towards close-ended AUM as of 31st March 2023; however, the share of equity-oriented AUM has increased from 13.7% as of 31st March 2022 to 18.7% as of 31st March 2023 due to continued investments in the ELSS scheme. Interval funds also include both debt and equity-oriented schemes. However, since March 2020, inflow from only debt-oriented interval funds is coming.

Rising share of equity AUM in open-ended funds **Debt AUM dominates in close-ended funds**





Note: Data includes net quarter-end AUM, 'Other' includes index funds, gold ETFs, other ETFs and fund of funds investing overseas
Source: AMFI, CRISIL MI&A

Share of passive funds low in industry AUM, but has risen steadily over a small base

Unlike the U.S. and other developed countries, where passive asset management garners a larger share, passively managed ETFs and index funds are yet to gain the same level of traction in India. However, with increased awareness among investors about passive funds, lower expense ratio and ease of investment, their popularity is increasing, with AUM share rising from 1.2% as of March 2015 to 15.96% as of March 2023. With several new index funds and ETFs rolling in fiscal 2023, the AUM of passive funds increased to Rs 6,46,732 crore as of 31st March 2023, having logged a CAGR of approximately 60.9% between March 2015 and March 2023.

Note: Passive funds include gold ETFs, other ETFs and index funds. Figures exclude index funds from March 2020. QAAUM has been considered.

While the space is dominated by institutional investors, retail demand has picked up in the recent past owing to discounts provided through Indian government disinvestment schemes, namely CPSE ETF (Central Public Sector Enterprises Exchange Traded Fund) and Bharat 22 ETF. These schemes are aimed at increasing retail investor participation. The rising interest can also be attributed to the low-cost and well-diversified nature of ETFs, namely, gold ETFs and investments in equities beyond India. In addition, they also act as alternatives to actively managed funds. AMCs having a higher share of these funds can better cross-sell other products to their retail base, and thus save on costs incurred for marketing and business acquisition of retail customers. High growth potential of this fund category also makes it attractive for AMCs, and the large chunk of institutional mandates makes managing the funds more profitable.

Key Trends in mutual fund industry

Individuals outpace institutional investors in terms of AUM

Historically, most of the industry's assets had been held by institutional investors, mainly corporates. However, the share of institutional investors, corporates, banks/financial institutions ("FIs") and foreign institutional investors ("FIIs")/foreign portfolio investors ("FPIs") has gradually declined from 46% as of March 2020 to 40% as of March 2023. This is because, while institutional AUM clocked an approximately 15% CAGR over the period, individual AUM saw a faster trajectory of 26% CAGR on the back of rising participation. The mutual-fund industry has seen increased participation from households in recent years, owing to growing awareness, financial inclusion, improved access to banking channels and increased adoption of technology by non-bank distributors.

Share of AUM by investor classification reflects exponential growth of AUM held by individual investors

Category (In Rs cr)	Mar-20	Mar-21	Mar-22	Mar-23
Corporates	9,87,835	13,74,090	15,48,816	15,38,893
Banks/FIs	37,056	32,667	51,425	31,328
FIIs/FPIs	4,220	5,547	4,301	4,018
Institutional sub-total	10,29,110	14,12,304	16,04,542	15,74,238
Retail Investor	4,22,331	7,04,960	9,24,350	10,07,230
High-net worth individuals	7,74,762	10,25,500	12,27,791	13,60,562
Individual sub-total	11,97,093	17,30,459	21,52,141	23,67,792
Total	22,26,203	31,42,764	37,56,683	39,42,030

Notes: (1) Figures are in Rs crore; (2) Average monthly AUM for the period considered, (3) Individual investors include retail and high net worth individuals ("HNI") investors. Institutional investors include corporates, banks/FIs, and FII/FPIs; Source: AMFI, CRISIL MI&A

Rising popularity of SIPs

Several benefits accrue from SIPs, such as avoidance of behavioral weakness during uncertain periods, aggregation of a high number of small amounts of investments, and certain tax benefits in ELSS through SIPs. SIPs have helped grow, diversify net inflow, and reduce volatility in the aggregate inflows. Monthly inflows through SIP have steadily increased, from approximately INR 8,055 crore in March 2019 to approximately INR 14,276 crore in March 2023. Monthly average inflows through SIP grew at CAGR 12.3% from INR 7,724 crore in fiscal 2019 to INR 12,278 crore in fiscal 2023. Moreover, yearly SIP contribution grew at 29.6% on-year in fiscal 2022 post-covid, a momentum that continued in fiscal 2023 as well which recorded 25.2% jump in yearly SIP contribution. As of 9MFY2024, monthly average SIP contribution grew to INR 15,769 crore.

Popularity of equity funds, rising participation of investors, recent investor education initiatives, and apparent benefits of SIPs to households that traditionally did not invest in mutual funds indicate that growth in inflows from SIPs is expected to accelerate over the foreseeable future. This is expected to make SIPs an increasingly important component in overall AUM growth.

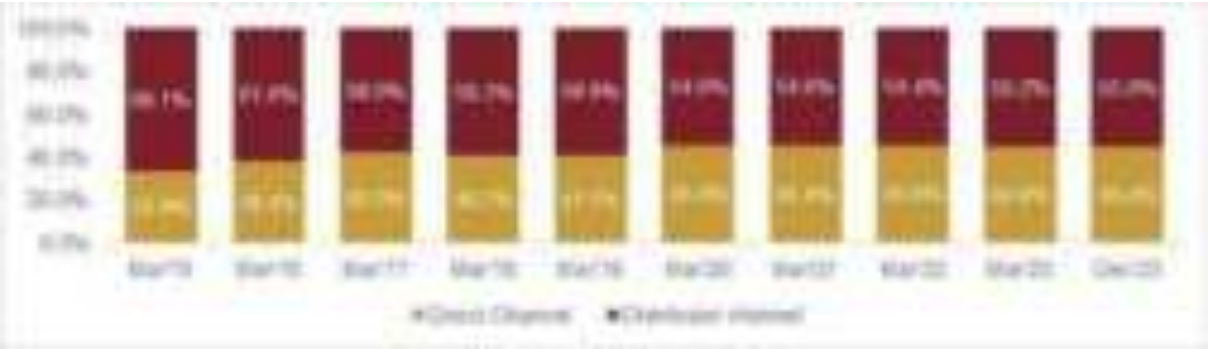
Rise in reach for mutual funds beyond top 30 cities

As of December 2023, the monthly average AUMs in the top 30 ("T30") cities stood at INR 4,201,369 crore compared with INR 907,702 crore for beyond the top 30 ("B30") cities as per AMFI data. According to AMFI, the share of T30 AUM as a proportion of aggregate industry AUM decreased to 82.2% in December 2023 from 84.6% in March 2019. Conversely, the share of B30 AUM increased to 17.8% from 15.4% over the same period, illustrating the rising importance of higher-growth B30 cities. Between March 2019 & March 2023, the AUM in B30 cities has increased at a faster CAGR of ~15.9% as compared to CAGR of ~12.4% for T30 cities.

Increasing share of direct sales in Mutual Funds

In September 2012, the SEBI mandated mutual fund houses to offer products through the direct route alongside distributors. Asset managers launched a slew of direct plan offerings from January 2013. Consequently, the share of direct plans in overall MF increased between March 2015 and September 2023. As of December, 2023, AUMs under direct plans now represent 45.0% of aggregate industry AUM, up from 33.9% share as of March 2015. While direct plans' share in retail has been increasing, regular plans still account for a 55.0% share of overall MF AUM and is expected to maintain its dominance owing to new investors gaining awareness about MFs and increased participation from B30 cities.

Direct plans gain traction, Regular plans continue to dominate mutual fund AUM



Note: Based on monthly average AUM
Source: AMFI, CRISIL MI&A

Rise in share of direct plans is across both individual and institutional investors

As of December 2023, institutional investors accounted for 74.86% of aggregate direct plan monthly average AUMs (up from 70.64% on March 31, 2019) vs 24.45% for individual investors (up from 16.94% as of March 31, 2019). The rise in share of direct plans is attributed to various campaigns and investor education initiatives undertaken by the mutual industry, which has

caused a shift towards direct plans. However, given the trend in the industry such as increasing presence of first-time investors, popularity of MFs beyond larger cities, low awareness of nuances of financial products amongst a large section of investors and need for guidance from a trusted intermediary in the wake of increasing market volatility, CRISIL MI&A believes regular plans will continue to constitute a majority share in the overall individual mutual fund AUM.

(In Rs. cr.)	Mar-19				Dec'23			
	Regular plans	Direct plans	Total	Mix of direct plan in total AUM	Regular plans	Direct plans	Total	Mix of Direct plan in total AUM
Individual investors	1,124,782	229,323	1,354,105	16.94%	2,319,602	750,670	3,070,272	24.45%
Institutional investors	324,142	779,769	1,103,911	70.64%	512,606	1,526,191	2,038,797	74.86%
Total	1,448,924	1,009,092	2,458,016	41.05%	2,832,208	2,276,861	5,109,069	44.57%

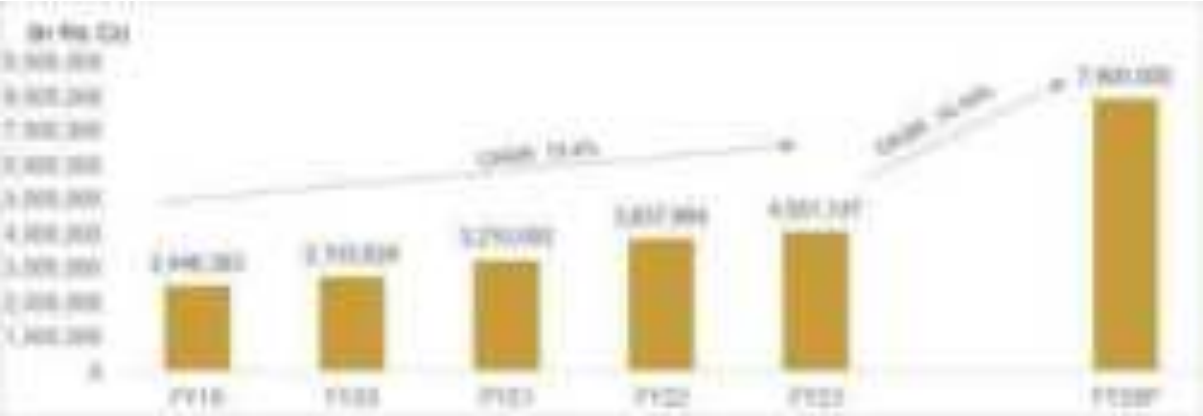
Note: Based on monthly average AUM
Source: AMFI, CRISIL MI&A

Growth of AUM to continue at a CAGR of 14-15% between fiscal 2023 and fiscal 2028

In the long term, i.e., between fiscal 2023 and fiscal 2028, the overall industry's AUM is projected to sustain a high growth trajectory of 14-15% CAGR, reaching approximately Rs 7,900,000 crore. This growth in the mutual-fund industry is expected to be driven by:

- A pick-up in corporate earnings following continued economic growth
- Higher disposable income and investable household surplus
- An increase in aggregate household and share of financial savings within the savings pie
- A deeper regional penetration, as well as better awareness of mutual funds as an investment vehicle
- Continuous improvement in ease of investing, with technological innovations and expanding internet footprint and
- A perception of mutual funds as long-term wealth creators, driven by the 'Mutual Fund Sahi Hai' campaign

Mutual fund AUM expected to reach approximately Rs 7,900,000 crore in fiscal 2028



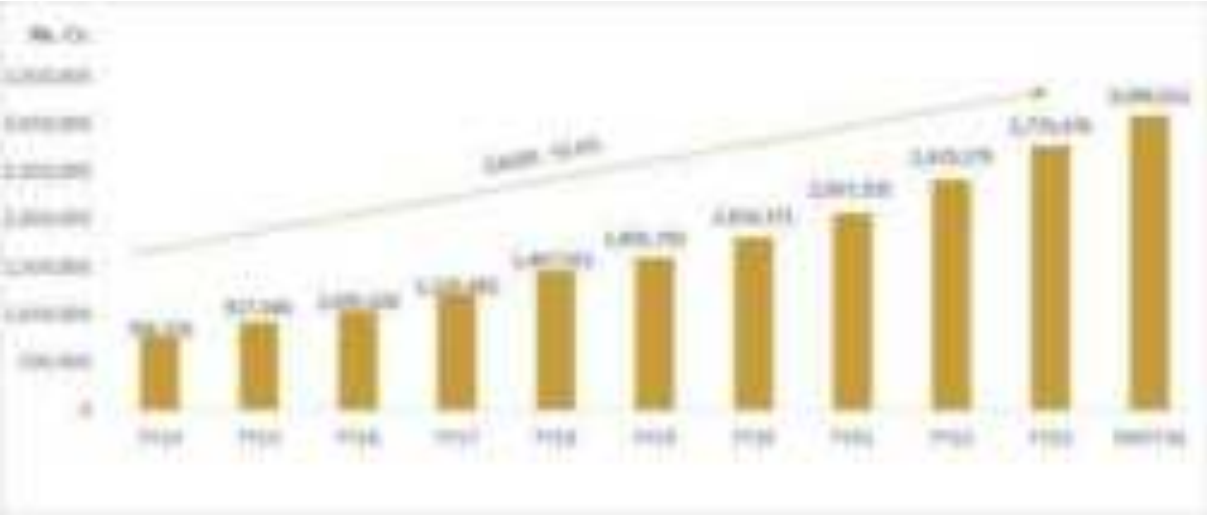
Note: P: Projected; AUM is the average of last quarter for each fiscal, AUM excluding FoFs – domestic but including FoFs– overseas.
Source: AMFI, CRISIL MI&A

Portfolio management services in India

In India, PMS is offered by AMCs, banks, brokerages, and independent investment managers. PMS is usually focused on customized discretionary, non-discretionary or advisory service offerings tailored to meet specific investment objectives through basic portfolio management services for stocks, cash, fixed income, debt, structured products, and other individual securities. Apart from managing mutual fund schemes, AMCs in India have started offering tailor-made strategies with higher flexibility to investors through PMS. As of December 2023, discretionary PMS dominated the space with 83.8% share, followed by advisory (8.3%) and non-discretionary (7.9%) services.

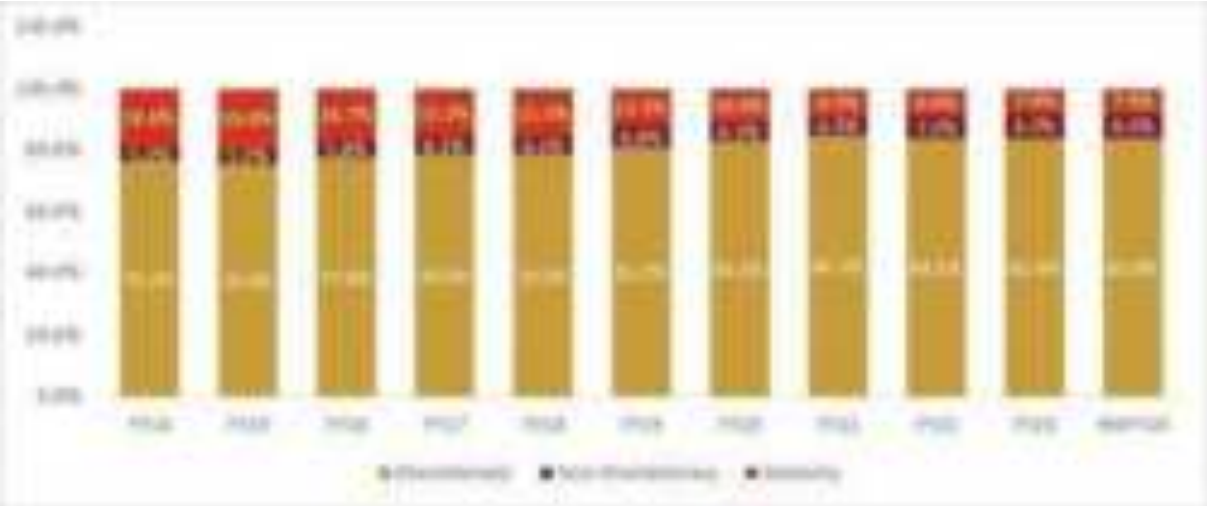
Over the last five years, the PMS industry has seen significant growth, with the market becoming more mature, increasing number of HNIs, greater need for customized asset allocation based on risk-return profiling, and growing awareness of PMS as a product. As of March 2023, the AUM of PMS asset managers stood at approximately ₹ 2,779,476 crore, reflecting a CAGR of 15.4% over the last nine years. Between fiscal 2022 and fiscal 2023, the AUM of PMS asset managers had grown approximately 15%. As of December 2023, the AUM of PMS asset managers stood at approximately ₹ 3,096,011 crore.

PMS AUM grew at a CAGR of 15.4% between fiscal 2014 and fiscal 2023



Source: SEBI, CRISIL MI&A

Discretionary PMS dominated the space with 83.9% share in fiscal 2023



Source: SEBI, CRISIL MI&A

Traditional vs. digital wealth managers

	Traditional wealth management firms	Advisor-assisted digital wealth management firms	Fully automated digital wealth management firms
Business model	Face-to-face advice mainly through the branch network for comprehensive wealth management	Phone-based financial advisor accessible through digital channels for personal advice	Personalised financial tools give investment advice stressing on attaining specific goals
Client type	HNI clients who value guidance from a trusted financial advisor	Clients who value both human guidance and technology	Affluent, tech-savvy and price sensitive customers
Investment process	In-person meetings with a dedicated advisor for all investment process	Automated process to decipher risk profile and target asset allocation. Easy access and periodic reviews with the help of advisor	Make use of a structured questionnaire to decipher the risk profile and time horizon of the investor
Value proposition	A dedicated advisor with comprehensive wealth planning	Relatively affordable pricing as compared to traditional firms combined with advisor relationship	Proprietary algorithms to process the inputs, and select a portfolio to provide a tailored investment plan to investors

Wealth Management

Industry overview

Depending on goals and constraints of clients, the wealth management industry provides professional investment advice, financial planning and management services that best suits their requirement. It also provides value-added services, such as investing in art and antiques, and helps clients in philanthropic activities. The wealth management industry has seen robust growth over a low base, because of fresh investments from household savings going into organized financial assets, and increasing need for customization, with clients typically asking advice for asset management, financial planning, tax planning, estate planning, and succession planning.

Type of wealth management services

Advisory: In this type of service, investment decisions can be at the wealth management company's discretion or solely taken by the client. This is typically for HNIs and UHNIs. As Indian investors are not accustomed to paying a fee for wealth management advice, the fee-based advisory model has not yet matured in India. Many wealth managers refrain from offering fee-based advisory services, instead focusing on commission from transactions.

Distribution: This type of service is primarily transaction-oriented, where the client assigns the wealth manager to execute specific transactions related to his/her wealth management. However, investment planning, decision and further management remain vested with the client. This service is offered for products, such as mutual funds, ETFs, portfolio management services, alternative investment funds, tax-free bonds, and fixed deposits. These services are also offered by brokerage firms, apart from the wealth management firms.

Custody, servicing, and safekeeping of assets: A wealth manager is only entrusted with management, administration, and oversight of the process of investment. All investment planning, investment decisions, and execution are done by the client.

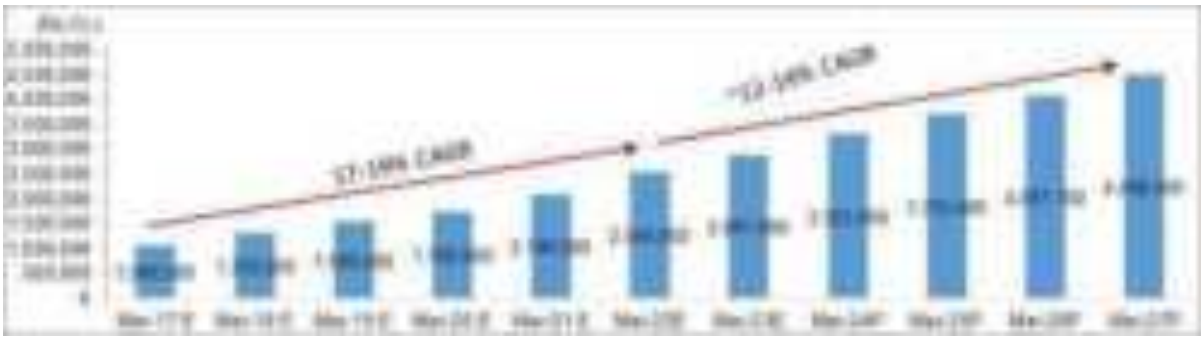
Family office: Family office services provide large businesses and families with customized solutions to manage their wealth better, and aid in succession planning. It offers services, such as tax planning and wealth management, philanthropy, will execution, and estate planning. Family offices charge fees based on percentage of assets managed above the fixed amount of fees. Approximately 25-30 bps is the typical yield charged. Family offices is ideal if the portfolio is over ₹ 100 crore.

Industry outlook for Wealth Management in India

The wealth management industry in India is still at a very nascent stage. It has huge potential to become a high-growth market supported by a young affluent investor base, improving wealth levels, strengthening regulatory environment, and an increasing share of organized players, including banks, independent wealth advisors, and brokers, who act as financial advisors. The thrust on customization, technology dependence, rising awareness, and thrust on financial assets as against physical assets is expected to create large opportunities for the wealth management industry in India. In terms of offerings, family office solutions and estate planning have been seeing increasing demand in recent years.

CRISIL MI&A estimates India's wealth management industry, including banks and broking companies offering such services, assets to be at around ₹ 2,891,800 crore in Fiscal 2023. CRISIL MI&A projects the market to grow at a CAGR of 12-14% over March 2023 to March 2027 and cross ₹ 4,506,900 crore by Fiscal 2027. This is expected to be supported by significant under penetration compared to other developed economies, increasing population of affluent clients, increase shift from physical assets to financial assets and increasing complexity of assets amid rising competition.

Wealth management industry AUM to grow at 12-14% CAGR over Fiscals 2023 to 2027



E: Estimated; P: Projected, Source: CRISIL MI&A

Key growth drivers for Indian Wealth Management

- Low penetration of organized wealth management: The assets under administration ("AUA") of wealth management market in India, at approximately ₹ 2,891,800 crore, is only approximately 10.5% of India's GDP. In established

markets, advised wealth, as a percentage of GDP, is at 60-75%. However, there has been a rising demand for wealth managers in the tier 1 cities in India, owing to rising awareness among affluent and mass affluent customers, and increasing number of potential clients on account of growing income levels. The increase in penetration of wealth management companies into tier 2 and 3 cities is expected to help drive growth, given more than 40% of the UHNIs live in non-metros, and their wealth is majorly managed by independent financial advisors ("IFAs") and chartered accountants.

- Increasing population of affluent clients with rising income levels: With an expanding economy, middle class incomes and investable assets of UHNIs in India have increased sharply over the past few years. This, along with increasing financial literacy and growing customer awareness, has led to an increase in demand for wealth products. India has one of the world's fastest growing UHNI population, both in terms of the number of individuals and wealth levels. The rise in the UHNI population has been partly driven by e-commerce start-ups and rising income levels.

- Increase in wealth allocated towards financial products: Individuals and investors are increasingly moving away from traditional physical investments, such as real estate and gold, and making higher allocations into financial assets, such as equity, bonds, and alternative investments, thereby creating higher potential for wealth products. This, along with the ease in accessibility of different investment products on one platform, is expected to help propel growth.

- Increasing complexity of products requiring advice: There is increasing complexity of the financial products in the market, thereby requiring advice from professionals for better understanding of the products before investing. This is expected to help drive growth of the investment advisory business.

Overview of Investment Banking in India

An investment bank is a financial services company or a division of a financial institutions that engages in advisory based financial transactions on behalf of individuals, other corporates, or government institutions. The investment banking market, thus consists of sales (charges on tractions, fees, and commission) of services by investment banks that undertake capital risk in the process of underwriting securities, providing corporate finance services and merger and acquisition (M&A) services.

Investment banking services is generally classified into the following:

- Merger & Acquisition (M&A) and Private Equity (PE) Advisory Services: It includes helping entities in identifying and implementing opportunities to merge with or acquire other businesses. It includes financial planning, fundraising, tax and legal support and other allied services support required for an entity to acquire the target. The investment bankers also provide PE services that encompassed different stages of the investment cycle, from deal to strategy, structuring and exit plan. The investment banks charge clients a fixed fee, and in addition, a proportion of the deal value.

- Debt Capital Market Underwriting Services: It is a process through which investment bankers raise debt capital from investors on behalf of clients that are issuing debt securities. It involves activities such as fixing coupon rate & number of bonds to be offered to the investors based on issuers current and future prospect. The investment banks charge clients, a proportion of the security's value.

- Equity Capital Market Underwriting Services: It is a capital underwriting process through which investment banks raise equity capital from investors on behalf of companies. It includes activities such as fixing equity pricing and number of equities offered, Equity floatation can also be either initial public offerings (IPO), follow on public offer (FPO) or right issues of companies which have already been publicly floated. Investment banks charge clients, a proportion of security's value.

- Financial Sponsor/Syndicated Loans: These services include finding lenders to finance large projects. The borrowers can be a company, government, or loans from multiple parties. The investment banks charge clients, a fixed fee, or a proportion of loan value.

Alternative Investment Funds (AIFs)

Alternative assets include equity, private equity, private debt (dealing mainly in performing credit, distressed assets, real estate credit, and infrastructure funds), early-stage ventures, special opportunity funds, and art. However, it does not include traditional investments, such as mutual funds and life insurance. Equity AIFs cater to the UHNI/HNI clients and compete with equity PMSs for the wallet share of such clients.

While the private equity industry saw strong growth over the past decade, with investors rushing to invest in start-ups in India, newer products such as social ventures, arts, small and medium enterprise (SME) funds, and real estate funds are also gaining prominence.

On the debt side, institutional investors such as insurance companies and pension funds are investing in alternative assets in search of higher yields.

Alternative investment funds (AIFs) are regulated by the SEBI under the Securities and Exchange Board of India (Alternative Investment Fund) Regulations, 2012. The regulator defines AIFs as privately pooled investment vehicles, which collect funds from investors for investing as per a defined policy for the benefit of its investors and are not covered by any other regulations of the SEBI that govern fund-management activities.

AIF has gained strong traction in recent years

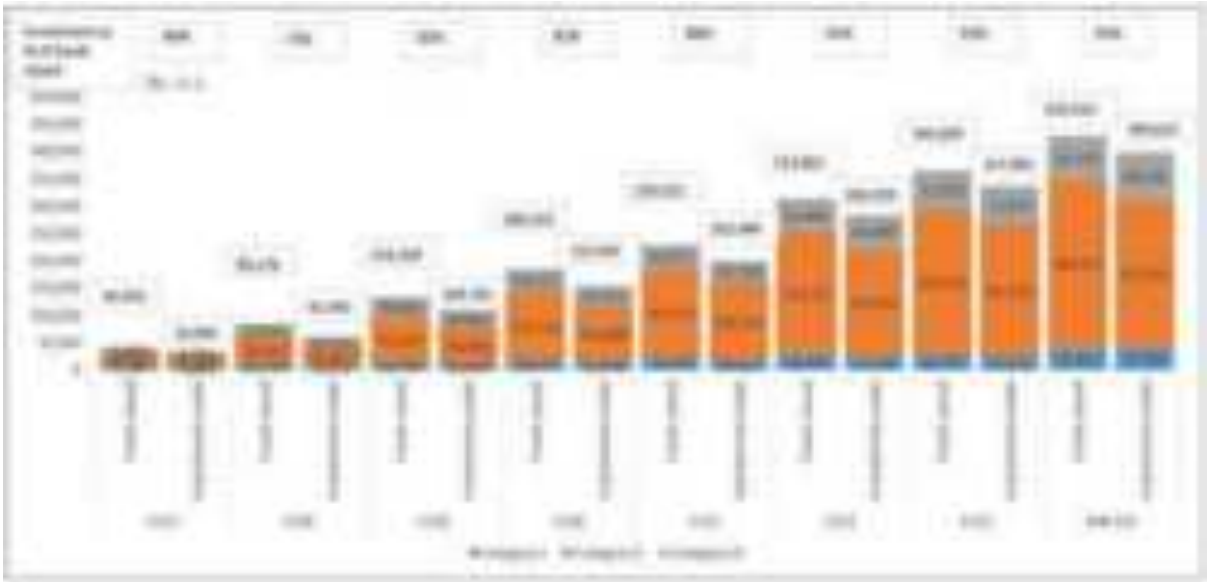
In recent years, AIFs have gained significant attraction due to its ability to generate higher returns for UHNIs / HNIs by investing in funds such as real estate funds, venture capital funds and start-up funding, as well as enabling investors to take exposure to specific themes such as private debt focused on entities focused on financial inclusion.

The growth in AIF industry could be attributed to the surge in investment activities and fund raising in India along with support from regulatory reforms brought by SEBI. As of Dec 31, 2024, AIFs overseeing over ₹ 1,084,875 crore in investor commitments, as against ₹ 84,303 crore in commitments as of March 31, 2017.

Despite such a strong growth in AIF, India's AIF market is still underdeveloped as compared to rest of world. For example, in 2019, the AIF industry size in the U.S. was USD 1,030,000 crore. The key factors for the underdeveloped AIF market in India are higher investment ticket size and higher returns from traditional investment options. The higher investment criteria keep a large number of potential investors away from the AIF market, which in turn could bring in a higher amount of funds.

Pension funds and insurance companies are expected to increase their allocation to private debt as the AIF market matures and generates higher yields as compared to traditional asset class. Furthermore, offshore funds and UHNIs/HNIs are expected to continue to bring in additional funds for higher returns.

Investment made in AIFs have increased significantly



Source: SEBI Statistics, CRISIL MI&A

Growth drivers of AIF Industry in India

RBI allowance of foreign investment

Category III AIF with foreign investment are permitted to make portfolio investments in only those securities or instruments in which an FPI can invest under the Foreign Exchange Management Act, rules or regulations made thereunder. In May 2021, SEBI, in consultation with RBI, doubled the overseas investment limit for AIFs from USD 75 crore to USD 150 crore.

Simplification of procedures

The regulatory powers of four regulators, namely, RBI, SEBI, Insurance Regulatory and Development Authority ("IRDA") and Pension Fund Regulatory and Development Authority ("PFRDA") are vested in International Financial Services Centres Authority ("IFSCA"), which ensure single window approval for investors to apply for various approvals and make it easier for them to set up units. Accordingly, AIFs set up in Gujarat International Finance Tec-City ("GIFT City") only require approval from International Financial Services Centre ("IFSC") and not the four regulators. IFSC has permitted higher leverage level for Category II funds with the consent of the fund's investors. Additionally, the IFSC has offered flexibility to fund managers and investors with regards to co-investment and diversification norms for fund portfolio.

GIFT City

GIFT City is a global financial and information technology ("IT") services hub on the lines of globally benchmarked financial centers. It includes a special economic zone ("SEZ") having the status of an IFSC, set up with the objective of undertaking financial services transactions that are currently carried out outside India by overseas financial institutions and overseas branches/ subsidiaries of Indian financial institutions. As part of the overall regulatory endeavor to facilitate growth of financial services intermediaries in IFSC, various regulatory reforms have been introduced in IFSC. As a result, it is fast emerging as an attractive alternative to AIFs. GIFT City is brought under IFSCA regulations, which simplified deal structuring, provided flexibility, and allowed for allocation of more capital to opportunities and offered various tax exemptions. GIFT City AIFs have several preferential rules concerning single window clearance, leverage, diversification restrictions, absence of SEBI approval for investments outside India as well as deal structuring and capital allocation.

Tax incentives

Non-resident investors' income earned, derived, or received from offshore investments made through a Category I or II AIF is not taxable in India. Non-resident investors are exempt from filing income tax returns if they earn income solely from investments in Category I or Category II AIFs in the IFSC and tax is deducted on the distributions made by such AIFs to non-resident investors. Additionally, such non-resident investors are not required to obtain a PAN in India. Whereas Category III AIFs are taxed at the fund level and various exemptions are provided to non-resident investors. Investors are tax exempt on income accruing to, arising from, or received from, the Category III AIF or on the transfer of its units. Additionally, the provisions of the alternate minimum tax do not apply to Category III AIFs. Stamp duty, securities transaction tax, and commodities transaction tax exemptions apply to transactions conducted on IFSC exchanges. These exemptions would promote higher investments from non-resident investors in the AIF industry.

Census 2011, India's population was ~125 crore, and comprised nearly 24.5 crore households. The population, which grew at nearly 1.5% CAGR between 2001 and 2011, is expected by CRISIL MI&A to increase at 1.1% CAGR between 2011 and 2021, to 140 crores. The population is expected to reach 150 crores by 2031, and the number.

Housing Scenario in India

Housing is regarded as the engine of economic growth and can give a big push to the economy through its forward and backward linkages with more than 250 anciallry industries. The sector has strong inter-industry linkages and investments in housing can have multiplier effects on generation of income and employment in the country. Recognising the importance of housing as a basic human need, the government has announced multiple schemes to continue their focus on housing in the country.

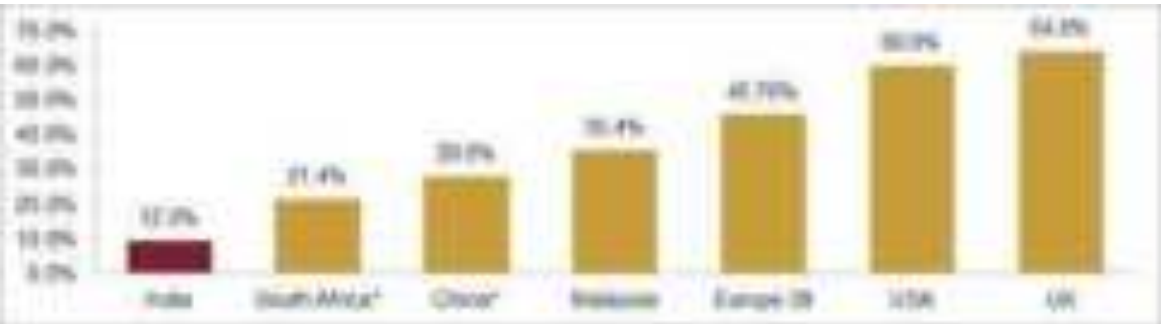
Housing shortage in India

Despite the constant focus on the housing segment, housing in India is far from adequate. The shortage of housing in India has been a perpetual problem, deterring the economic growth of the country. The shortage of overall house is much higher at 6.25 crore (as per twelfth five-year plan 2012-17) due to changing social and demographic pattern in India such as nuclearization of families and rapid growth of urbanisation. The below graph clearly states that Urban housing shortage arising more from congestion and rural housing shortage due to non-serviceable and kutcha house (low quality house) followed by congested houses.

India's mortgage penetration is lower than other economies

India has very low penetration in terms of housing finance as compared to its rising peers which shows the higher potential for Indian housing finance companies to expand. Housing finance market continues to face supply constraints from Banks and NBFCs, particularly for lower income group as they are perceived as risky due to informal sector.

Mortgage-to-GDP ratio in India (FY23) compared with other countries (CY18)



Note: (*) – As of CY17, Indian mortgage to GDP is for Fiscal 2023 – 12.3%; Europe 28 includes the 28 European Union Member states as of December 2018; Source: HOFINET, European Mortgage Federation, NHB, CRISIL MI&A

Opportunity for financiers well established in Affordable Housing segment

As per the report of RBI-appointed Committee on the Development of housing finance securitisation market (September 2019), the total value of units to fulfil the entire shortage is estimated at Rs. 14,875,000 crores, out of which Rs. 5,750,000 crore is estimated to be the aggregate loan demand for housing.

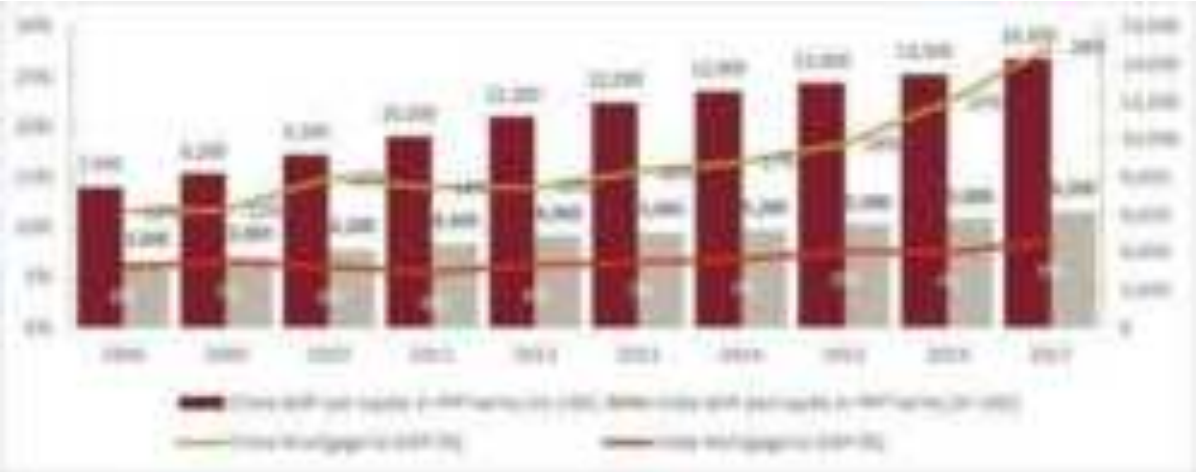
Estimates for aggregate demand for Housing

Income Segment	Housing Shortage (in Cr.)	Avg ticket size (Rs. Cr.)	Value of Units (in Rs. Cr.)	LTV	Credit Penetration	Aggregate loans demand (in Rs. Cr.)
EWS	4.5	0.075	3,375,000	40%	40%	540,000
LIG	5.0	0.15	7,500,000	50%	80%	3,000,000
MIG & above	0.5	0.80	4,000,000	65%	85%	2,210,000
Total	**10.0**		**14,875,000**			**5,750,000**

Source: RBI Committee Discussion (Sept 2019), CRISIL MI&A

Rise in per capita income to drive the growth of mortgage penetration in India

The mortgage penetration in China is correlated to the GDP per capita of the country and the GDP-to-mortgage ratio of China has grown from 12% in 2008 to 26% in 2017. The per capita income of the country has increased from USD 7,900 in 2008 to USD 15,300 in 2017. India has gone through a similar trajectory with mortgage penetration in the country increasing from 6% in 2008 to 9% in 2017 which is correlated to the increase in per capita income of the country from USD 3,500 in 2008 to USD 6,200 in 2017.



Source – HOFINET, Peoples Bank of China, World Bank, CRISIL MI&A

Between 2017 and 2022, the per capital income of the country has increased to USD 8,379, which is also one of the major reasons for rise in mortgage penetration in the country.

Mortgage-to-GDP ratio in India to grow to 14-15% by fiscal 2025

In fiscal 2023, India's mortgage-to-GDP ratio stood at 12.3%. Though low compared with other developing countries, it has significantly improved from 6.5% in fiscal 2009. The factors that contributed to the improvement are rising incomes, improving affordability, growing urbanisation and nuclearization of families, emergence of tier-II and tier-III cities, ease of financing, tax incentives, and widening reach of financiers. Given the expected steady growth from fiscal 2023, CRISIL MI&A projects the ratio at 14-15% by fiscal 2025.

Favourable Demographic

Shift towards younger age profile for home loan borrowings

As of calendar year 2022, India has one of the largest young populations in the world, with a median age of 28 years. CRISIL MI&A estimates that 63% of them will be between 15 and 59 years. In comparison, in 2020, the United States (US), China and Brazil had 74%, 62% and 78%, respectively, of their population below the age of 60.

Declining age of borrowers

Note: E – Estimated, P – Projected, Source: CRISIL MI&A

The average age of borrowers has been declining over the years and was estimated at 33 years in fiscal 2020. We expect this figure to decline further with growth in salaries and people's strengthening preference for accumulating assets, both for investment purposes and tax benefits. India's demographic profile is expected to favour the industry, leading to growth in the Housing Finance market.

Continuous increase in share of urban population to boost demand for housing in urban areas

The share of urban population in relation to the total population has been consistently rising over the years. People from rural areas move to cities for better job opportunities, education, better life, etc. Entire families or only a few people (generally earning members or students) may migrate, while a part of the family continues to hold on to the native house. The urban population was 37.7 crore in 2011, marking a CAGR of 2.8%; rural population was 83.3 crore, up at a CAGR of 1.16%. Urbanisation levels rose from 28% in 2001 to about 31% in 2011. It is expected to have reached about 35% in 2021. This percentage is expected to increase further in the years to come, thereby translating into higher demand for housing and related amenities in the urban areas.

Note: P: Projected; Source: Census 2011, World Urbanisation Prospects: The 2011 Revision (UN), CRISIL MI&A

Rise in number of nuclear families leads to formation of new houses

Nuclearization refers to the formation of multiple single families out of one large joint family. Each family lives in a separate house, while the ancestral house may be retained or partitioned to buy new houses. Nuclearization in urban areas is primarily driven by changing lifestyle of people, individualism, changing social/cultural attitudes, and increased mobility of labour in search of better employment opportunities. These trends are expected to continue in future.

Rising demand for independent houses

Indians traditionally prefer to live in independent houses. However, the increase in population density, especially in urban areas, has increased the demand for flats. As per Census Data it has been very clear that Indians do prefer independent housing. This will continue to drive the demand for such homes, which are often self-constructed, especially in the smaller cities.

Infrastructure development to boost demand for Real Estate

The real estate market is impacted by infrastructure growth. Development of new infrastructure such as roads, bridges, airports, smart cities etc., opens up new areas for development and increases the value of existing properties. It also attracts businesses and population growth to an area, which boosts the local economy and supports the real estate market.

Shift in savings pattern of Indian household

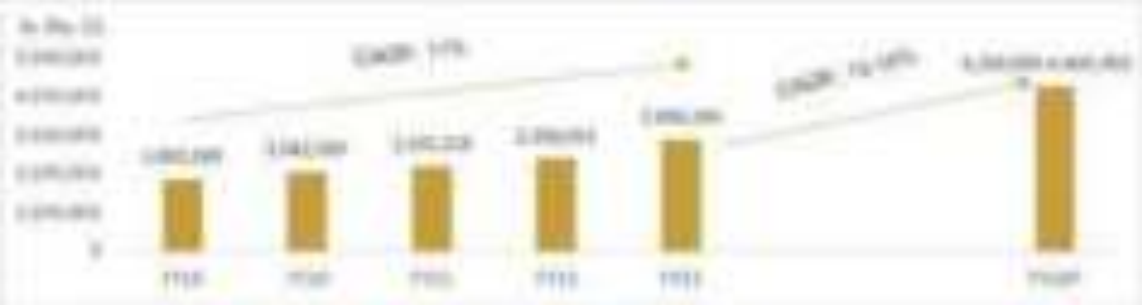
Over the past few years, household savings have been witnessing a shift in with investments shifting away from bank deposits. Mutual funds and equity emerged as an important instrument for financial savings. Within physical savings, investments by households in real estate & gold also increased, but real estate wintessed a sharper growth in fiscal 2022 and fiscal 2023.

Indian housing finance market

Housing Finance to log a CAGR of 13-15% in the long term between fiscal 2023 and 2026

The Indian housing finance market clocked a healthy ~11% CAGR (growth in loan outstanding) over fiscals 2019-2023 on account of rise in disposable incomes, healthy demand, and greater number of players entering the segment. Over the past two fiscals, the housing finance segment has seen favorable affordability on account of stable property rates and improved annual income of individual borrowers. The overall housing finance segment credit outstanding was ~Rs. 2,886,266 crores as of March 2023.

Housing loans outstanding projected to grow at 13-15% over fiscal 2023-2026



Note: P- Projected, Source: CRISIL MI&A

In fiscal 2021, credit growth slowed owing to outbreak of the Covid-19 pandemic, which impacted the low- and middle-income groups. However, there was a faster-than-envisaged revival in the second half of fiscal 2021 on the back of the RBI, the Centre and state governments providing impetus to the segment with tax sops, lower stamp duty and favourable interest rates. The growth in the housing sector continued in fiscal 2022, with middle income groups opting for homes in tier II and III cities. Also, the customers shifted their preference towards large homes on account of work from home policies.

In fiscal 2023, the RBI started increasing repo rates owing to concerns over increasing inflation and its impact on the macro economy amid geopolitical issues. Despite the aggressive rate hikes during the fiscal, credit growth remained intact, with healthy growth by both banks and HFCs/NBFCs. In the past, demand for home loans rose due to higher demand from tier II and III cities, rising disposable incomes and government steps, such as interest rate subvention schemes and fiscal incentives. In fiscal 2024, the credit growth momentum is expected to continue for HFCs/NBFCs, with affordable HFCs getting back on track, and expected to post robust growth.

Home loans have the lowest annual credit costs across major asset segments

Housing finance as an asset class has the lowest annual credit costs amongst all large financial asset classes mainly on account of the collateral and the secured nature of the funding. The GNPA ratio for MSME loans has been in the range of 3-5% for NBFCs in the past two years and that for auto loans has been between 5-7% for NBFCs whereas, for housing loans it has been comparatively better at 1-2%. Thus, for HFCs the asset quality is better in comparison to other NBFCs operating in asset classes having higher GNPA levels.

The average credit costs as a % of average annual assets across FY19-23 for NBFCs are estimated to be 0.5% in case of housing loans as against 1.2% for secured MSME loans, 2% for auto loans, 3.3% for consumer durable loans, 2.2% for Micro Finance loans and 5.1% for unsecured MSME loans. Thus, credit losses for mortgage loans are the lowest amongst all the major asset classes.

Affordable Housing Finance Market (< Rs 0.25 Cr.)

India's mortgage market can broadly be divided into two segments by ticket size of the housing loan at the time of disbursement – prime loans or normal housing loans and affordable housing loans.

In this report, housing loans with ticket size greater than Rs 0.25 crore are termed normal housing loans.

Affordable Housing Loans consider Loans to individuals with a ticket size of less than ₹0.25 crore as per the criteria set out in the Refinance Scheme under Affordable Housing Fund for the Financial Year 2021-22 issued by the National Housing Bank, read with the Master Directions–Reserve Bank of India (Priority Sector Lending–Targets and Classification) Directions, 2020."

The former, called normal housing loans, is prominent in the metro/urban areas, and the latter which generally includes houses in the outskirts of these areas and semi-urban and rural areas i.e., defined as housing finance market focusing on low-income housing segment.

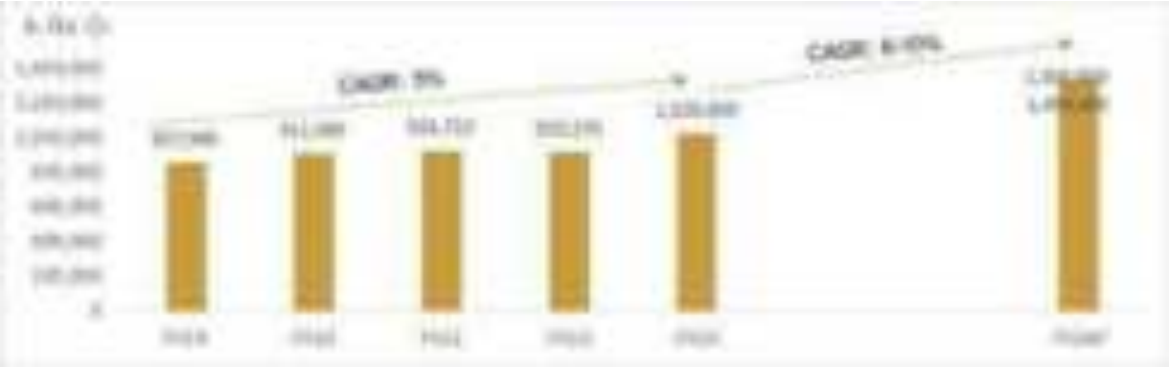
Encouraging trends in Affordable Housing Finance market (loans < Rs 0.25 Cr.); Market to bounce back more strongly in long term

The overall size of the affordable housing finance market in terms of loan outstanding was around Rs 1,026,800 crore as of March 2023, constituting around 36% of the overall housing finance market. With outstanding loans of Rs 461,773 crore as of March 2023, PSBs have the highest market share of 45% in the Affordable Housing finance segment. HFCs accounted for 35% of the market (Outstanding loans of Rs 354,701 crore as of March 2023).

Between fiscals 2019 and 2023, the growth in the affordable housing loans has remained subdued, with the segment having witnessed a CAGR of 4.6% as compared to overall housing loans, which has grown by ~11.3% during the same time. This can be primarily attributed to a slowdown in economic activity, funding challenges due to the NBFC crisis and the Covid-19 pandemic. Further, rise of hybrid work models and working from home led to an increase in demand for bigger residential homes. As a result, the sale in affordable housing took a beating whereas high-end and mid-segment housing gained the maximum in the last couple of years. In fiscal 2021, with the onset of pandemic in the first half of the fiscal, it had a disproportionate impact on the segment's customers – EWS and LIG – vis-a-vis the overall segment that caters to salaried individuals, whose incomes have been relatively stable. However, with faster-than-expected recovery in the second half because of the Central and State government measures, tax sops and low interest rates led to growth in the affordable housing segment.

The segment growth was again curtailed by the pandemic's second wave in the first quarter of fiscal 2022, leading to localized lockdowns by the state governments, which affected economic activities in tier II and III cities. But continued assistance from the government and the central bank, supported by higher demand for housing, and continued penetration in tier II and III cities by affordable HFCs helped the segment recover and bounce back.

Affordable Housing finance market to grow at 8-10% between fiscals 2023 and 2026



Note: P-Projected, Source: CRISIL MI&A

While the market has grown at a tepid pace in the past 2-3 years, CRISIL MI&A is sanguine on future growth due to the following reasons:

- Economic recovery post Covid-19 pandemic and Return to Office initiated by employers
- Government focus on housing and sops being given by some state governments such as lowering stamp duties to aid housing demand
- Rising demand for affordable homes as consumers increasingly work out of Tier 3/4 cities in a post-Covid world
- Preference for owning homes seems to be on the rise in the post-Covid world
- CRISIL MI&A expects the industry to pick up steam gradually and the loans outstanding in housing finance focused on affordable housing segment to touch Rs 1,300,000-1,400,000 crore by March 2026, translating into a 8-10% CAGR between fiscals 2023 and 2026.

Loan Against Property (LAP)

Loan Against Property (LAP) is used by mortgaging a property (residential or commercial) with the lender. LAP is a secured loan, as it provides collateral to the financier in the form of the property. Its interest rate is lower than personal or business loans. It could be used for either business or personal purposes. It can be used by both salaried and self-employed individuals. For all these reasons, LAP has become popular among borrowers in recent years. The financiers offering housing loans also provide LAP loans primarily due to synergies between the two products, higher yields offered by LAP, while continuing to cater to similar customer profile, collateral requirement and ticket size.

Key factors that contributed to high LAP growth are:

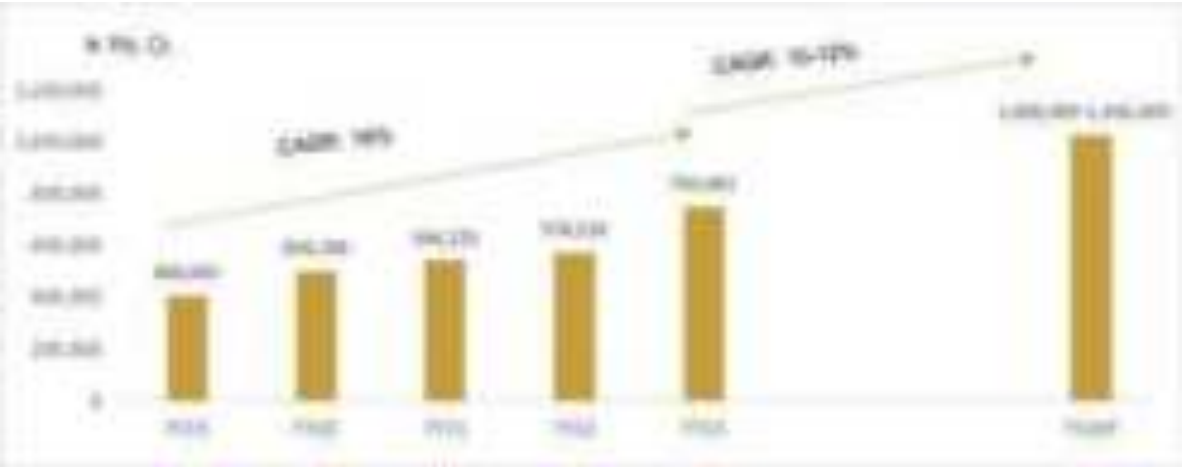
- Quick turnaround time, lower interest rate, lesser documentation: LAP loans are disbursed in about half the time taken for a secured MSME loan. It is also offered at a lower interest rate than unsecured MSME loans, personal and business loans. LAPs require less documentation than other secured SME products, leading to fewer hassles for customers.

- Greater transparency in the system: Demonetization, GST, and the government's strong push for digitization have led to higher transparency in the system. This will keep pushing up loan amount eligibility of borrowers. Formalization will also help many new borrowers come under the ambit of formal lending channels.

- Rising penetration of formal channels: Increase in penetration and availability of formal lending channels outside the top 10 cities will eat into the market share of moneylenders.

- Higher comfort for lenders: Lenders is comfortable disbursing LAP loans, as they offer favorable risk-return characteristics, compared with MSMEs and unsecured loans. They also offer higher recovery in case of default (supported by the Securitization and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002) and better asset quality, which is partly offset by lower yields.

LAP portfolio to grow at 10-12% CAGR between fiscal 2023 and fiscal 2026



Note: P: Projected, Source: CRISIL MI&A

The overall Loan against property segment has grown at a CAGR of 16% from fiscal 2019 to fiscal 2023. The market size has expanded from Rs 408,643 crore as of fiscal 2019 to Rs. 750,661 crore as of fiscal 2023. The growth in this segment is attributed to increasing financial penetration and an increase in the number of players in the targeted market. Overall LAP portfolio witnessed a growth of 8% year-on-year in fiscal 2021, owing to slowdown in the economic activity and pandemic induced lockdown imposed by the government.

At the end of Fiscal 2023, the overall LAP portfolio grew by 31% year-on-year on account of improved economic conditions and normalization of business activities. Going forward, CRISIL MI&A expects overall LAP portfolio to grow at 10-12% CAGR between fiscal 2023 and fiscal 2026 aided by increasing lender focus and penetration of such loans, enhanced availability of data increasing lender comfort while underwriting such loans, enhanced use of technology, newer players entering the segment, and continued government support.

LAP Portfolio (< Rs. 0.25 crore) to grow by 18-20% over fiscals 2023-2026

LAP portfolio (< Rs. 0.25 crore) has grown at a relatively higher CAGR of 24% between fiscal 2019 and 2023 as compared to overall LAP portfolio which grew by 16% during the same time interval, driven by rising penetration of formal channels and higher comfort for the lenders to lend. The year-on-year growth for LAP portfolio (< Rs. 0.25 crore) slowed to 11% in fiscal 2021 owing to the outbreak of the COVID-19 pandemic that affected economic activity and subsequently borrower's cash flow, which affected collections and reduced asset quality. The year-on-year growth rate rebounded to 19% in fiscal 2022 due to income levels of salaried customers remaining intact and interest rates hovering around historical lows. In Fiscal 2023, year-on-year growth rate increased to 37% on account of strong credit demand. The share of LAP portfolio (< Rs. 0.25 crore) in overall LAP market has increased from 24% in fiscal 2019 to around 32% in fiscal 2023.

Going forward in fiscal 2024, LAP market will see continued growth aided by increasing lender focus and penetration of such loans, enhanced availability of data increasing lender comfort while underwriting such loans, enhanced use of technology, newer players entering the segment, and government's continued support to enhance MSME lending. The government has unveiled a number of initiatives aimed at addressing some of the structural issues plaguing the small business lending segment. These include granting licenses to account aggregators, the Pradhan Mantri Mudra Yojana (PMMY), unveiling Trades Receivables Discounting System ("TReDS") platforms and the implementation of GST. Within the player groups, HFCs are

expected to register strong growth in the segment due to their higher market share, deeper penetration in tier- II and tier – III cities and adequate liquidity support.

CRISIL MI&A projects LAP portfolio (<Rs. 0.25 crore) to grow at 18-20% CAGR between fiscal 2023 and fiscal 2026 as compared to 10-12% growth in the overall LAP portfolio during the same time interval.

NBFCs reported highest CAGR growth of 35% from fiscal 2019 to 2023

NBFCs reported the highest CAGR growth at 35% when compared to their peer lenders, followed by Private Banks at 28.9%. Public Banks reported a CAGR at 14.6% during same interval which was below the overall LAP Portfolio (<0.25 crore) CAGR growth (24.4%).

In Rs. Cr.	FY19	FY20	FY21	FY22	FY23	CAGR (19-23)
Public Banks	23,967	27,078	19,781	32,231	41,332	14.6%
Private Banks	14,999	25,384	30,074	31,333	41,378	28.9%
NBFCs	10,465	15,529	22,479	24,538	34,768	35.0%
HFCs	44,995	56,868	67,515	77,119	107,619	24.4%
Others	5,677	7,978	7,778	10,249	15,008	27.5%
LAP Portfolio (<0.25 Cr.)	100,103	132,839	147,628	175,469	240,105	24.4%

Source: CRISIL MI&A

OUR BUSINESS

Unless otherwise indicated or unless the context otherwise requires or in respect of certain operation data, the financial information for the financial years ended March 31, 2021, March 31, 2022 and March 31, 2023, six months period ended September 30, 2023 and nine months period ended December 31, 2023 included herein is derived from our Annual Consolidated Financial Statements and Q3 Unaudited Consolidated Financial Results as included in this Prospectus. You should read the following discussion in conjunction with our Annual Consolidated Financial Statements and Unaudited Consolidated Financial Results. We publish our financial statements in Indian Rupees. Our Financial Year commences on April 1 and ends on March 31 of the subsequent year, and references to a particular Financial Year are for the 12 months ended March 31 of that year.

Some of the information contained in the following discussion, including information with respect to our strengths and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "Forward-Looking Statements" on page 12 for a discussion of the risks and uncertainties related to those statements and also "Risk Factors" on page 17 for a discussion of certain risks that may affect our business, financial condition, or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

In this section, unless the context otherwise requires, references to "we" or "us" refer to Motilal Oswal Financial Services Limited along with our Subsidiaries and references to "our", "the Company" or "our Company" refer to Motilal Oswal Financial Services Limited.

Unless otherwise indicated, industry-related information contained in this section have been derived from the report 'Analysis of broking and wealth management industry in India' released in India in February 2024, prepared and released by CRISIL, which has been exclusively commissioned. Unless otherwise indicated, financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant financial year. For further details and risk in relation to commissioned reports, see "Risk Factors – Industry information included in this Prospectus has been derived from an industry report prepared by CRISIL Limited exclusively commissioned and paid for by us for such purpose" on page 38.

Overview

Our Company is one of the largest full-service brokers in India with highest gross brokerage revenue as of March 31, 2023 amongst players in the broking industry (*Source: CRISIL Report*). Motilal Oswal Group offers a diversified range of financial products and services such as retail broking and distribution, institutional broking, investment banking, asset management, private equity, wealth management and housing finance. Our Company acts as a stock-broker and commodities broker for clients comprising of retail customers (including high net worth individuals), mutual funds, foreign institutional investors, financial institutions and corporate clients. Our broking and allied services are offered through our (i) network of over 2,500 Business Locations spread across over 550 cities in India as of March 31, 2024; (ii) online and digital platforms including mobile applications; and (iii) network of over 8,000 Business Associates spread over various locations in India as of March 31, 2024. Our Company have had more than one crore download of our mobile applications as of March 31, 2024, which enabled our clients to avail services digitally. Our customer outreach spans across approximately 98.00% pin codes in India as of March 31, 2024. Motilal Group advised over 0.70 crores clients as on March 31, 2024 and had assets under advice over ₹4,40,123.09 crores as of December 31, 2023. This widespread reach has enabled the Motilal Group to enhance its assets under advice by 31.91% CAGR over the period from Financial Year 2021 to December 31, 2023.

Our Company started operations in 1987 as a provider of sub-broking and prudential portfolio services and has over 37 years of experience in broking and distribution industry. The Equity Shares of our Company were listed on BSE and National Stock Exchange of India Limited in September 2007. Our Company is registered with SEBI under the Stock Brokers and Sub Brokers Regulations, 1992 and is a member of BSE, NSE, MCX and NCDEX. Our Company is registered with CDSL and NSDL in the capacity of depository participant. Our Company is also registered with SEBI in capacity of a research analyst and with other regulatory agencies *inter alia* including IRDAI, Association of Mutual Funds in India, RERA, CERSAI, KYC Registration Agencies and NSDL Database Management Limited.

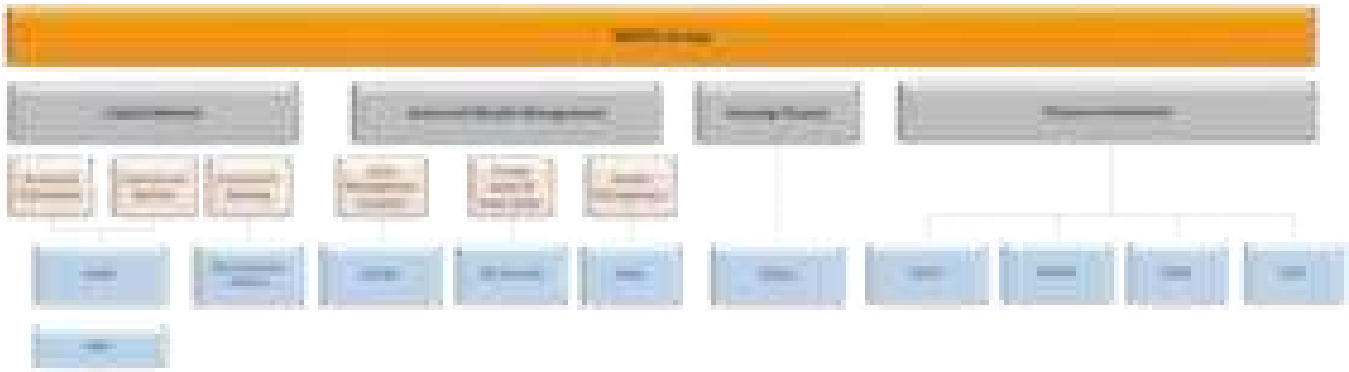
Our Company has a pan-India presence with domestic offices in 22 states including two union territories and one international representative office and employed 7,927 employees as of March 31, 2024. Our Company provides broking services across the states through our online and digital platforms, along with our vast network of Business Locations and Business Associates, which are integrated with each other enabling our clients to have a seamless trading and investment experience, positioning us to benefit from the development of Indian financial market, increased emphasis on digitisation and growth in returns from such financial investments.

Structure of the Group

Motilal Oswal Group comprises of 18 Subsidiaries, including step-down subsidiaries as of March 31, 2024, as shown in the chart below:

We follow a double engine business model, wherein (i) engine one is the operating business where we have a diverse range of businesses across financial service industry, namely broking and distribution, asset and wealth management, private equity, investment banking and housing finance; and (ii) engine two is the treasury investment book which is built out of operating profit post dividend payout. Under this, investments are predominantly invested in Motilal Oswal Group's asset management companies and alternate schemes. We hold a substantial treasury investment book which consist of stocks, bonds, mutual funds and other securities. These investments have generated a XIRR of 18.48% since inception till December 31, 2023. Additionally, these investments are strategically pledged and are used for the operating business in which we operate.

We provide a wide range of financial services to our clients which can be principally divided into four segments including capital markets, asset and wealth management, affordable housing finance and treasury investments, the details of which are as follows:



A. Capital markets

- ***Broking and distribution***: Our Company along with certain of our Subsidiaries, namely, MO Commodities Broker, MOFL, MOSIPL, MO Singapore, MO Hongkong and MO Finsec IFSC provide broking services across equity (cash-delivery, intra-day, futures and options) commodity and currency derivatives to our clients comprising of retail customers (including high net worth individuals), mutual funds, institutional investors, foreign institutional investors, financial institutions and corporate clients. As a part of the broking and advisory services offered by our Company, it also facilitates opening of demat accounts for our clients. The broking and distribution business is based on the following key premises:

(i) *Investment advisory:* As of March 31, 2024, our Company has a dedicated team of over 2,500 advisors. Our Company provide investment advisory services to our clients with customised investment ideas and strategies based on our market and technical analysis, which our Company believe assists our clients in achieving their investment goals across various investment avenues such as equities, derivatives and commodities.

(ii) *Investor education*: Our website, www.motilaloswal.com, is also a knowledge centre which aims to empower investors, including our clients, with an understanding in respect of trading and investments products. As part of our investor awareness, our Company undertake initiatives including organizing conferences, management meetings and webinars to disseminate investment ideas and to enhance our retail clients' knowledge regarding our products, research and market trends.

(iii) *Distribution*: Our Company undertake distribution of third-party financial products such as portfolio management services, insurance products and mutual funds according to our clients' requirements. Our Company believes that distribution business helps our clients to achieve their financial and risk mitigation objectives by providing them with personal wealth management services.

(iv) *Funding facility*: We also provide margin trade financing facility, working capital loans, loans against securities, unsecured loans, including initial public offering funding and other loan products to our clients.

- ***Institutional equities***: As of March 31, 2024, our Company has a dedicated research team of 36 members who carter to quantitative and qualitative research requirements relating to the stock market such as equities, derivatives and commodities. Our Company's research product portfolio covers more than 250 companies in 21 sectors as of March 31, 2024.

- ***Investment banking***: Through our Subsidiary, MO Investment Advisors, we undertake investment banking business and advise companies *inter alia* in its initial public offerings and private placements (including qualified institutional placements). We believe that sectoral focus on BFSI, auto, consumer, healthcare and industrials is expected to yield benefits in the medium to long term. We constantly engage in a wide cross-section of transactions across capital markets and advisory to achieve inter-segment synergies.

B. Asset and wealth management

- ***Asset management***: Through our Subsidiaries, namely, MOAMC, MO Trustee, MO Mauritius and MOCL, which operates mutual funds, portfolio management services and alternative investment funds in the public equities space. We have a diverse product basket with categories including Indian-equities, international equities, factors, sectors, commodities, multi asset and debt.

- ***Wealth management***: Through our Subsidiary, MOWL, which offers customised investment management services including planning, advisory, execution and monitoring of a range of investment products to our retail customers.

- ***Private equity and real estate***: Through our Subsidiaries, namely, MO Alternate, IBEMC and MO Alternative IFSC, which manages three equity growth capital funds and four real estate funds. The equity growth funds are focused on themes that may benefit from structural changes like domestic consumption, domestic savings and infrastructure.

C. Housing finance

Affordable housing finance services are provided through our Subsidiary, MOHFL, which focuses on providing home loans to individuals and families *inter alia* for purchase, construction (including renovation) and extension of houses. MOHFL also provide home loans to families in the new to credit, self-employed, cash salaried category where formal income proof and credit bureau reports are not easily available, thereby promoting financial inclusion.

D. Treasury investments

Our Company along with certain of our Subsidiaries, *inter alia* including, MOAMC, MOFL, MO B&D, TMITPL, MO Investment Advisors and MOWL manages treasury investments out of the operating profit generated by the respective entities with investments across mutual funds, portfolio management services, alternative investment funds, publicly traded stocks, bonds and other securities which involves buying undervalued assets with the intention of holding them for long term.

We have received several awards, certificates and accolades for our services and products including '#1 Corporate Access Team and Execution Team' and '#2 Domestic Brokerage for Sales and Brokerage Transformation' in Asiamoney Brokers Poll in

2023 and 'Best Wealth Manager – India 2023' by Asset Triple A Private Capital Awards 2023, 'Brand of the Year' at the CNBC TV18 – India Business Leadership Awards 2018. We were also featured in 'Fortune 500 (India) in the years 2020, 2021, 2022 and 2023, 'Forbes Super 50 Companies' in 2017, 'Fortune 500 Company' by Fortune India Magazine in 2018, 'Hall of Fame' at the CNBC 10th Financial Advisor Awards, 2019 and 'ESG Championship of India 2024' by Dun and Bradstreet. For further details, see "*History and Other Corporate Matters – Key events, milestones and achievements*" on page 164.

We are one of the early adopters of transparent, comprehensive and real time platform to share Motilal Oswal Group's ESG commitments. We have instituted practices *inter alia* including comprehensive code of conduct and business ethics, sound risk culture, digitisation of business, launching innovative products and investment in emerging areas of cyber security. For further details, see "*– Environmental, social and governance framework*" on page 161.

Our consolidated total revenue from operations was ₹4,972.36 crores, ₹4,197.12 crores, ₹4,316.41 crores and ₹3,634.12 crores for the period ended December 31, 2023 and for the financial year ended March 31, 2023, March 31, 2022 and March 31, 2021, respectively, representing a 12.08% CAGR over the period from Financial Year 2021 to December 31, 2023. Our profit after tax from continuing operations on consolidated basis was ₹1,721.01 crores, ₹932.82 crores, ₹1,310.73 crores and ₹1,202.96 crores for the period ended December 31, 2023 and for the financial year ended March 31, 2023, March 31, 2022 and March 31, 2021, respectively, representing a 13.91% CAGR over the period from Financial Year 2021 to December 31, 2023. Further, our net worth on consolidated basis was ₹7,770.67 crores, ₹ 6,039.31 crores, ₹5,224.12 crores and ₹4,042.43 crores for the period ended December 31, 2023 and for the financial year ended March 31, 2023, March 31, 2022 and March 31, 2021, respectively, representing a 25.14% CAGR over the period from Financial Year 2021 to December 31, 2023.

Group restructuring scheme of our Company

Our Company, Motilal Oswal Broking and Distribution Limited (*in its erstwhile name Glide Tech Investment Advisory Private Limited*) ("**MO B&D**") and Motilal Oswal Wealth Limited ("**MOWL**") are proposing to file a scheme of arrangement under Sections 230 to 232 of the Companies Act, 2013 before the National Company Law Tribunal, subject to approval from the Stock Exchanges, SEBI and Shareholders, to (i) transfer the broking and distribution undertaking of our Company, together with its assets, liabilities, contracts, arrangements, employees, permits, licences and approvals, as a going concern on a slump sale basis to MO B&D ("**Transfer**"); and (ii) demerge the wealth business undertaking of MOWL, together with its assets, liabilities, contracts, arrangements, employees, permits, licences and approvals, as a going concern into our Company ("**Demerger**" and together with Transfer, the "**Scheme of Arrangement**"). The Scheme of Arrangement was approved by our Board pursuant to a resolution dated July 27, 2023 and filed before the Stock Exchanges on August 16, 2023 for obtaining the no objection letter in compliance with the SEBI Listing Regulations. Pursuant to letters dated February 19, 2024 and February 16, 2024 issued by the BSE and NSE, respectively, the applications made to the BSE and NSE for obtaining their no objection certificates have been returned to our Company. In light of these letters by the NSE and BSE, the Scheme of Arrangement has been returned until complete information is provided with respect to the status of disqualification of Ajay Menon in terms Clause 3(b)(ii) of Schedule II of the SEBI Intermediaries Regulations. NSE and BSE have informed our Company that the Scheme of Arrangement maybe re-filed once complete information in relation to this matter is available. In terms of the letter issued by the NSE, if such refiling is executed within 90 days, no processing fees shall be applicable to our Company. For details, see "*Risk Factors – Our Company proposes to file a Scheme of Arrangement before the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT"), which may have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects*" on page 21.

License Details

Name of entity	Registered with/ as	Activity
Motilal Oswal Financial Services Limited	NSE / SEBI	Trading cum Clearing Member of Capital Market segment of NSE
	NSE / SEBI	Trading cum Clearing Member of Equity Derivatives Market segment of NSE
	NSE / SEBI	Trading cum Clearing Member of Currency Derivatives Market (including IRF) segment of NSE
	NSE / SEBI	Trading cum Clearing Member of Commodity Derivatives Market segment of NSE
	NSE / SEBI	Trading cum Clearing Member of Debt Segment of NSE
	BSE / SEBI	Trading Member of Capital Market segment of BSE
	BSE / SEBI	Trading Member of Equity Derivatives Market segment of BSE
	BSE / SEBI	Trading Member of Currency Derivatives Market segment of BSE
	BSE / SEBI	Trading cum Clearing Member of Commodity Derivatives Market segment of BSE
	BSE / SEBI	Trading cum Clearing Member of Debt Segment of BSE
	MCX / SEBI	Trading cum Clearing Member of Commodity Derivatives Market segment of MCX
	NCDEX / SEBI	Trading cum Clearing Member of Commodity Derivatives Market segment of NCDEX
	SEBI	Research Analyst
	NDSL	Depository participant
	CDSL	Depository participant
	IRDA	Insurance Corporate Agent
	AMFI	Mutual Fund Distribution

Strengths

1. One of the largest full-service broker with strong brand equity and track record

Our Company is one of the largest full-service brokers in India with highest gross brokerage revenue as of March 31, 2023 amongst players in the broking industry (Source: CRISIL Report). In addition to our broking services, we also provide research and advisory services and distribution of third-party financial products. Our online and digital platforms, along with our vast network of Business Locations and Business Associates enables us to reach a large population of retail clients spread across approximately 98.00% pin codes in India. Our business has grown from a single location to a nationwide network spread across 2,500 Business Locations operated by us and our Business Associates in over 550 cities as of March 31, 2024. This widespread reach has enabled our Company to enhance our retail client base by 28.76% CAGR from 0.20 crores in Financial Year 2021 to 0.42 crores as on March 31, 2024. Over this period, our Company witnessed a consistent growth in our gross retail broking client addition of 0.06 crores, 0.09 crores, 0.07 crores and 0.06 crores for the financial year ended March 31, 2021, March 31, 2022, March 31, 2023 and the period ended March 31, 2024, respectively.

Our Company has one of the highest ARPUs in the broking and retail industry and our financial product distribution AUM witnessed a growth of 23.00% YoY to ₹26,281.02 crores as of December 31, 2023. Our Company has reported highest CAGR growth over the period from Financial Year 2021 to Financial Year 2023 in average brokerage revenue per unit at 8.80% (*Source: CRISIL Report*). Our Company believes that it has developed a dedicated client base due to our client-centric approach in respect of the services we provide, user-friendly digital interfaces and the ability to provide seamless access to all segments of the stock markets. Our Company believes that it has built a strong digital infrastructure for our services and culture within our organization, to service new age and technological savvy clients in the broking industry.

The "*Motilal Oswal*" brand, established over 37 years ago, has over the last few years built an online and digital broking and financial services platform, with a pan-India presence. We believe that our brand is associated with high quality research and advice as well as our corporate values like integrity and excellence in execution. We have been able to leverage our brand awareness to grow our businesses, build relationships and attract and retain talented individuals. We believe that we have a strong brand presence using a targeted strategy of offering services under different brands to cater a diverse group of clients. We believe that we are well placed to capitalise on the expected growth in the broking sector in India due to our advanced digital presence, pricing and early mover advantage in providing broking, financial and advisory services through both, our online and offline channels.

2. Diversified business model and product offerings across segments

We offer a diversified range of offerings under broking and distribution, institutional equities, investment banking, asset management, wealth management, private equity and real estate and affordable housing finance business which helps us to foresee client requirements and provide our clients with full-fledged services under a single platform. Distribution of financial products and services provides our clients with a holistic solution and facilitates 'one-firm' philosophy. Our online platform allows us to provide our clients with an ability to manage their wealth and investments in an efficient and organized manner. We also facilitate participation *inter alia* in initial public offerings and private placements (including qualified institutional placements).

In addition to diversified range of services offered by us, our Company also offer complementary in-house research and advisory services and margin trading facility. Our Company has a dedicated research and advisory team which focuses on equities, derivatives and commodities and our Company believes that our understanding of these asset classes and business fundamentals drives the quality of our research and differentiates us from our competitors. Our Company has a dedicated institutional equities research team of 36 members covering over 250 companies in 21 sectors and catering to over 858 institutional clients as of March 31, 2024. Our research is complemented by a strong sale and dealing team. Each member of our research and advisory team has significant research and advisory experience. Our Company believes that this experience enables our Company to effectively market ideas generated by the research team to our client and to build stronger client relationships. Our Company has launched 'Research360', a website and a mobile-based application wherein any market investor may get an access to market research, stock and investment analysis without any charges. Our Company believes that our research enables us to identify market trends and stock with high growth potential, which facilitates more informed and timely decision making by our clients.

We believe our wide range of product and financial services offerings enables us to build stronger relationships with, and increase business volumes from, our clients. In addition, the robust and diversified double engine business model which we follow, reduces our dependence on any product or service offering and allows us to exploit inter-segment synergies and provides stability in our operating margins despite business fluctuations in the market volumes and revenues which helps us withstand market fluctuations. Our extensive client base and distribution network provides us with opportunities to cross-sell products and services and scale the business. We believe that this complete offering is a unique proposition and makes us one of the most competitive players in the industry.

3. *Client acquisition through direct channel and large network of Business Associates*

We have strong capabilities to acquire customers through various diversified channels. Our Company's broking business focuses on '*Phygital Business model*', a combination of a physical and a digital model, which has helped in increasing our client base to 0.42 crores as March 31, 2024, growing at a CAGR of 28.76% over the period from Financial Year 2021 to December 31, 2023. As of March 31, 2024, our Company has wide network of 73 branches which are spread across various Business Locations in India. In digital space, our Company has launched various initiatives including launch of (i) 'Options Store', industry's first product to enable retail investors to take advantage of options trading with features to create customised strategies; (ii) 'StoCoMo' an in-app community for customers on investors application, where customers with similar interest can interact, engage, learn, share and grow; (iii) 'Rapid Application', a development platform with new age technologies to deliver smooth and easy user experience; (iv) 'Research360', a website and a mobile-based application wherein any market investor may get an access to market research, stock and investment analysis without any charges; and (v) 'Rise Super App', an application designed to serve as a centralized hub for financial needs of the clients offering its users services to manage and grow their investments effectively. With 'Rise Super App', apart from equity stocks, users can gain access to diverse range of financial products *inter alia* including mutual funds, insurance, initial public offerings and US stocks. The application facilitates users to engage in trading activities across equity, commodity, and currency markets, facilitated by our option store and advanced trader charts. It also provides users with downloadable and viewable research reports and personalised dashboards thereby offering a holistic view of their portfolios and enabling them to engage in comprehensive analysis. Further, our Company conducts webinars for free to spread market awareness and help new investors, providing us with the higher market reach.

(a) **Direct channel**: It predominantly includes client acquisition through vast network of our branches across various Business Locations and digital platforms. This is the most prominent channel for client additions, as it garnered 53.60% of our gross client additions as of March 31, 2024. In order to enhance our brand visibility, to reach out to millennials across India and due to change in trends, our Company has directed its marketing mediums through digital and mobile marketing. Further, our Company also optimise its mobile application on an ongoing basis towards simplification of process for on boarding of clients, organic discoverability of our mobile application, which we believe is one of our key modes for customer acquisition.

(b) **Network of Business Associates**: As of March 31, 2024, our Company has a total of 8,010 Business Associates, representing a 14.12% CAGR over the period from Financial Year 2021 to March 31, 2024. Our Company acquires small regional brokers and turn them into Business Associates which have resulted in significant expansion of our client base and enabled penetration into new geographies. These Business Associates have consistently been an important client acquisition channel for our Company and have contributed to 46.40% of our client base as of March 31, 2024.

4. *Experienced management team with proven execution capabilities*

We have a strong management team with experience in the Indian-financial services and broking sectors. The quality of our management team has been the driving force in achieving all-encompassing growth in our business. All members of our senior management team comprise of qualified and experienced professional with successful track record and substantial experience in the industry. Our Individual Promoters, Motilal Oswal and Raamdeo Agarawal, are qualified chartered accountants with over three decades of experience in financial services industry. We believe that our management's entrepreneurial spirit, strong technical expertise, leadership skills, insight into the market and customer needs provides us with a competitive strength which will help us implement our business strategies.

Our management team has been instrumental in transforming the business from a largely physical to a substantial digital model over the last few years. The team is responsible for formulating our business strategy, devising and executing marketing and sales plan, managing our service areas, diversifying our business and sector mix, ensuring strong operating and technology platforms and expanding our client relationships. Further, our management team enables us to conceptualize and develop new services, effectively market our services, and develop and maintain relationships with various stakeholders and intermediaries including our clients and network of Business Associates. For further information relating to our management, see "*Our Management*" on page 170.

5. *Consistent track record of financial performance and strong balance sheet*

We have demonstrated consistent growth in terms of revenue and profitability. Our consolidated total revenue from operations increased by 15.49% from ₹3,634.12 crores in Fiscal 2021 to ₹4,197.12 crores in Fiscal 2023 and was ₹4,972.36 crores in the nine months period ended December 31, 2023. Our consolidated net worth was ₹7,770.67 crores, ₹ 6,039.31 crores, ₹5,224.12 crores and ₹4,042.43 crores for the period ended December 31, 2023 and for the financial year ended March 31, 2023, March 31, 2022 and March 31, 2021, respectively, representing a 25.14% CAGR over the period from Financial Year 2021 to December 31, 2023.

We started our business as sub-broker and with the help of our strong balance sheet, we were able to seed multiple businesses such as affordable housing finance, investment banking, private equity and real estate, asset management and wealth management. Strong balance sheet has helped us in the following manner:

(a) **Capital allocation**: A strong balance sheet provided us with the necessary capital base to allocate funds towards seeding new operating businesses and sponsoring funds. We believe that this capital provides a headroom for initial investments, operational expenses and growth initiatives.

(b) **Risk management**: With ample reserves, we are able to manage the risks associated with seeding new ventures. Strong balances sheet protects us against potential losses or setbacks, ensuring that the core operations of the business remain unaffected.

(c) **Liquidity**: A healthy balance sheet signifies high liquidity which is essential for funding new ventures and investments. It allows us to seize timely opportunities without having to rely heavily on external financing or disrupting existing operations.

(d) **Credibility and trust**: A strong financial position enhances our credibility and instills confidence in potential partners, investors, and stakeholders. This credibility is particularly crucial when we are seeking to sponsors, asset management companies, private equity and real estate funds.

We are committed to maintain a robust financial position with emphasis on having a strong balance sheet and increased profitability. The strong balance sheet and positive operating cash flows enabled us to pursue opportunities for growth and better management of unanticipated cash flow variations. Further, it has served as collateral to support working capital needs for our Company's broking and distribution business. Our Company has paid dividend of ₹1,266.91 crores in last 15 Fiscals and has done three buybacks amounting to ₹336.35 crores in the Financial Years 2014, 2021 and 2023.

Our Strategies

Going forward, the following are our business strategies:

1. Strengthen our market position across businesses

We intend to strengthen our market position, both in terms of revenue and market share. We are focused on increasing our market share in a profitable manner and capturing the significant growth opportunities across the Indian financial services spectrum. We offer a wide range of products to our clients through multiple channels, which provides flexibility to customers. Our primary focus is to enhance our market position in the retail and institutional broking segment by continuing to focus on acquiring and retaining clients, product innovation, leveraging our web and digital broking platforms and brand to acquire clients through these platforms and extensive network of branches and Business Associates by analysing client behaviour and offering personalized solutions. We intend to focus on acquiring quality clients, prioritizing their strategic values and retaining its clients base to capture greater share of its retail business. Further, we also intend to increase its market share of institutional investors by servicing hedge funds, mutual funds, foreign institutional investors, financial institutions and corporate clients and building stronger relationships with its institutional broking clients by leveraging investment banking platform and offering other equity and capital markets services.

We also intend to increase our market share across business segments including retail broking, institutional broking, investment banking, asset management, wealth management and affordable housing finance. We believe that each of our business segment offers a huge headroom for growth, and we are well placed to benefit from such growth. We have presence in major cities of India, and we intend to focus on network expansion through our branches and network of Business Associates through increased concentration in tier II and tier III cities which we believe are currently under-serviced by financial services firms. We believe that this will help us in acquiring new clients, particularly those in the 'mid-tier' segment and help in growing our market share.

We intend to continue to leverage our customer base by offering financial products and services across different business segments. As on March 31, 2024, Motilal Oswal Group's client reach was 0.70 crores which is a 27.77% YoY growth of customer reach. We intend to leverage our large customer base and to build momentum for cross-selling which will further enhance our strategy of being a preferred provider of financial products and services – a one-stop shop for our customers' financial needs. We also intend to strengthen our client support systems to ensure that we are able to provide anytime, anywhere access through various modes of communication.

2. Continue to diversify our portfolio of financial products and services

We intend to continue to diversify and expand our financial products and services portfolio to cater to the various financial needs of our customers and increase the share of income derived from the sale of financial products and services. We offer a diversified range of financial products and services such as retail broking and distribution, institutional broking, investment banking, asset management, private equity, wealth management and affordable

housing finance. We intend to leverage our brand and focus on inter-segment synergies to withstand market headwinds and achieve key milestones across our business verticals given the robust fundamental structure of our business. Diversification of business segments helps us reduce our dependence on a particular product or service which enables us to spread and mitigate our risk exposure to any particular industry and helps us towards more annuity sources of earnings. Further, offering a wide range of financial products and services helps us attract more customers and increase our scale of operations.

Our Company intends to continue diversify its distribution business. Our Company have set up a dedicated team for distribution business and is also evaluating options to start distribution of multiple third-party products *inter alia* including mutual fund, insurance, financial planning, fixed deposits, credit solutions and wealth solutions through AIFs and PMS. Our Company intends to further widen its research coverage portfolio by increasing the size of its research team and depth and spread of number of companies and business sectors our Company covers. Our Company intends to continue focus on knowledge and expertise of its team of advisors, analysts, and dealers to strengthen relationships with its clients. Our Company intends to continue strengthen its position in the institutional equities business by strategically expanding its international business operations to tap into new markets and leverage global opportunities. This move helps our Company to align with its vision for sustained growth and diversification on a global scale. We also believe that our knowledge of local markets will allow us to diversify into products desired by our customers, differentiating us from our competitors.

3. Augment our investment in newer technologies and increase our digital presence

Our Company believes that it is at the forefront of application of technology and digitisation in the broking business in India and is continuously striving to reach higher standards of providing services to its clients. Given that our business relies on our technology infrastructure as majority of the transactions are processed digitally, our Company continuously invest in the enhancement of its in-house tech capabilities and development of newer technologies to ensure that it provide its clients with a superior, seamless and secure experience across all digital touchpoints. Our Company aims to enhance its client engagement through focused advancements in mobile technology by improving user interface across devices and ensure time optimization for an increase in the performance and execution of trades.

We intend to continue to ensure that we implement the best practices in respect of cybersecurity to provide our clients with a digital experience which is efficient and secured. The risk management framework is committed to enhance the systems to meet the growing needs and requirements of regulators, market participants and clients. Our Company has a strong information technology and cybersecurity committee of our Board which *inter alia* focuses on prevention of cyber security incidents through regular threat analysis, network and host scanning for vulnerabilities and breaches, deploying adequate and appropriate technology to prevent attacks originating from external environment and internal controls to manage insider threats. We believe that use of technology augments client relationships and enables reduction in errors and expenses, in addition to ensuring data privacy.

As the client base increases, we will have access to an increasing amount of data. We intend to continue investing in newer-technologies and our analytical capabilities to ensure that we are able to gain personalised and actionable insights from such data while ensuring compliance with the privacy requirements of our clients. We have, and will continue to, use technology and analytics to help us understand client preferences, design new products, identify targets for cross-selling and increase transactions with our clients.

4. Capitalisation of the growing investible wealth in India

The Indian economy is among the fastest growing economies in the world and expected to continue to maintain its position. This can be attributed to various factors such as demographic advantage, robust domestic demand, economic reforms, manufacturing and infrastructure development, technological advancements, and digital push (*Source: CRISIL Report*). According to CRISIL Report, the India's per capita income is expected to grow at 5.00% CAGR over the period from Fiscal 2023 to Fiscal 2026. As India is surging ahead to become an economic powerhouse, Indian capital market is expected to play a greater role and remain in forefront in the days ahead. Urbanisation is one of India's most important economic growth drivers. It is expected to drive substantial investments which in turn is expected to create jobs, develop modern consumer services, and increase the ability to mobilise savings. If the amount of savings deployed in securities market sustained, it is expected to boost the capital markets and economy (*Source: CRISIL Report*). This indicates market growth potential for established financial service providers in India such as us. Further, clients in India are also increasingly willing to pay a premium for higher quality of infrastructure and service, such as technology and other value-added services and higher product safety. In the last few years, there has been an increase in the amount of wealth invested in India in financial products as compared to traditional forms of investment. We intend to capitalise and acquire larger market share on these opportunities in the Indian financial market, given our experience in adopting technology to service our clients.

Further, we believe that the projected growth and the changes in the Indian financial market resulting from increased wealth and trading will result in an increase in the dependence of existing and new clients on financial services providers such as us. As per CRISIL report, positive government measured will also help in increase in capital and productivity aided by better physical and digital infrastructure. Government's focus policies and schemes designed for

investments rather than consumption will push in enhancing the productive capacity of the economy (*Source: CRISIL Report*). We believe that our digital presence in the industry positions us to benefit from the growing market opportunities in the most efficient manner together with our wealth of experience, research capabilities, understanding of the financial markets, will result in us being able to capitalise on the growing investable wealth in India.

Key Operational and Financial Parameters

The consolidated profit after tax including other comprehensive income attributable to the Motilal Oswal Group was ₹2,004.11 crores, ₹888.30 crores, ₹1,353.51 crores and ₹1,556.65 crores for the period ended December 31, 2023 and in the Financial Years 2023, 2022 and 2021, respectively. The profit after tax including other comprehensive income on a standalone basis was ₹1,209.18 crores, ₹534.25 crores, ₹727.20 crores and ₹994.64 crores for the period ended December 31, 2023 and in the Financial Years 2023, 2022 and 2021, respectively.

The following table sets forth the Key Operational and Financial Parameters on a standalone basis:

(₹ in crores, unless otherwise stated)

Parameters	As of and for the six months period ended September 30, 2023	As of and for the FY ended March 31, 2023(1)	As of and for the FY ended March 31, 2022(2)	As of and for the FY ended March 31, 2021(3)
Balance Sheet				
Assets				
Property, Plant and Equipment	400.26	328.13	231.43	224.74
Financial assets	18,321.09	13,401.50	10,417.86	8,714.69
Non-financial assets excluding property, plant and equipment	164.66	163.12	146.14	153.36
Total assets	**18,886.01**	**13,892.75**	**10,795.43**	**9,092.79**
Liabilities				
Financial Liabilities				
- Derivative Financial Instruments	NA	NA	NA	NA
- Trade Payables	4,860.72	3,099.79	3,446.41	2,797.80
- Other Payables	-	-	-	-
- Debt Securities	3,439.87	2,741.63	1,784.02	1,605.72
- Borrowings (Other than Debt Securities)	1,320.09	993.87	386.91	473.37
- Deposits	41.21	1.15	0.98	0.45
- Subordinated Liabilities	NA	NA	NA	NA
- Lease Liabilities	51.78	43.92	23.68	31.47
- Other financial Liabilities	3,664.79	2,296.70	630.60	345.93
Non-Financial Liabilities				
-Current tax liabilities (net)	22.97	12.42	12.06	-
-Provisions	133.68	133.87	155.07	109.14
-Deferred tax liabilities (net)	120.31	84.83	88.94	82.60
-Other non-financial liabilities	56.67	31.03	24.65	29.72
Equity (Equity Share Capital and Other Equity)	5,173.93	4,453.53	4,242.11	3,616.58
Total Liabilities and Equity	**18,886.01**	**13,892.75**	**10,795.43**	**9,092.79**
Cash Flow				
Net cash flows generated from/ (used in) operating activities	1,441.80	(1,332.16)	879.42	(660.06)
Net cash flows generated from/ (used in) investing activities	(299.95)	(2.33)	(356.91)	110.74
Net cash flows generated from/ (used in) financing activities	1,027.99	1,244.52	(53.19)	442.87
Add: Opening cash and cash equivalents as at the beginning of the year	949.58	1,039.55	570.23	676.68
Closing Cash and cash equivalents	3,119.42	949.58	1,039.55	570.23
Additional Information				
Net Worth(4)	5,173.93	4,453.54	4,242.11	3,616.58
Cash and Cash Equivalents	3,119.42	949.58	1,039.55	570.23
Loans Given	1,965.33	1,327.82	884.62	772.58
Loans (Debt securities and borrowings)	4,759.96	3,735.50	2,170.93	2,079.09
Total Debts to Total Assets(5)	0.25	0.27	0.20	0.23

Notes:

(1) Details in relation to the profit and loss statement for Financial Year 2022-2023 have been extracted are taken from the Audited Standalone Financial Statement FY 2023 and Audited Consolidated Financial Statement FY 2023.

(2) Details in relation to the profit and loss statement for Financial Year 2022 have been extracted from the comparative figures included in the Audited Standalone Financial Statement FY 2023 and Audited Consolidated Financial Statement FY 2023.

(3) Details in relation to the profit and loss statement for Financial Year 2021 have been extracted from the comparative figures included in the Audited Standalone Financial Statement FY 2022 and Audited Consolidated Financial Statement FY 2022.

(4) Net Worth means Equity Share capital plus other Equity.

(5) Total Debts to Total Assets Ratio taken from Q4 limited review results for the year ended March 31, 2021, 2022, 2023 respectively and Q2 for the period ended September 30, 2023. The ratio consists Total Debt (debt securities plus borrowings (other than debt securities))/total assets).

Parameters	As of and for the nine months period ended December 31, 2023[4]	As of and for the six months period ended September 30, 2023[4]	As of and for the FY ended March 31, 2023[1]	As of and for the FY ended March 31, 2022[2]	As of and for the FY ended March 31, 2021[3]
Profit and Loss					
Revenue from operations	3,062.20	1,939.52	2,666.26	2,579.28	2,198.06
Other income	44.07	40.28	26.45	36.18	26.56
Total Revenue (I)	**3,106.27**	**1,979.80**	**2,692.71**	**2,615.46**	**2,224.62**
Total Expenses (II)	**1,923.20**	**1,257.85**	**1,967.41**	**1,751.33**	**1,260.26**
Profit/(Loss) before tax for the year/ period (I-II)	1,183.07	721.95	725.30	864.13	876.26
Profit/ (Loss) after tax for the year	973.88	595.00	568.91	706.82	750.66
Other Comprehensive (loss)/income	235.30	142.78	(34.66)	20.38	243.97
Total Comprehensive Income/ (loss)	1,209.18	737.78	534.25	727.20	994.64
Earnings per equity share (Basic) (₹)	65.75	40.20	38.40	48.10	51.02
Earnings per equity share (Diluted) (₹)	65.47	40.13	38.26	47.69	50.15
Additional Information					
Interest Income	615.29	368.99	472.91	331.45	185.44
Interest Expense	288.69	170.44	217.33	162.16	127.70
Impairment on Financial Instruments	15.28	12.46	15.48	19.92	16.41
Bad Debts to Loans	NA[5]	NA[5]	NA[5]	NA[5]	NA[5]
% Stage 3 Loans on Loans (Principal Amount)	NA[5]	NA[5]	NA[5]	NA[5]	NA[5]
% Net Stage 3 Loans on Loans (Principal Amount)	NA[5]	NA[5]	NA[5]	NA[5]	NA[5]
Tier I Capital Adequacy Ratio (%)	NA[5]	NA[5]	NA[5]	NA[5]	NA[5]
Tier II Capital Adequacy Ratio (%)	NA[5]	NA[5]	NA[5]	NA[5]	NA[5]

Notes:

(1) *Details in relation to the profit and loss statement for Financial Year 2022-2023 have been extracted are taken from the Audited Standalone Financial Statement FY 2023 and Audited Consolidated Financial Statement FY 2023.*

(2) *Details in relation to the profit and loss statement for Financial Year 2022 have been extracted from the comparative figures included in the Audited Standalone Financial Statement FY 2023 and Audited Consolidated Financial Statement FY 2023.*

(3) *Details in relation to the profit and loss statement for Financial Year 2021 have been extracted from the comparative figures included in the Audited Standalone Financial Statement FY 2022 and Audited Consolidated Financial Statement FY 2022.*

(4) *Details in relation to the profit and loss statement for the quarter and six months period ended September 30, 2023 and quarter and nine months period ended December 31, 2023 have been extracted from respective limited review financial results.*

(5) *Not applicable to our Company.*

The following table set forth the Key Operational and Financial Parameters on a consolidated basis:

(₹ in crores, unless otherwise stated)

Parameters	As of and for the six months period ended September 30, 2023	As of and for the FY ended March 31, 2023[1]	As of and for the FY ended March 31, 2022[2]	As of and for the FY ended March 31, 2021[3]
Balance Sheet				
Assets				
Property, Plant and Equipment	497.50	426.51	323.67	315.93
Financial assets	28,272.51	22,162.31	16,263.94	13,533.93
Non-financial assets excluding property, plant and equipment	414.47	421.12	335.73	266.97
Total assets	**29,184.48**	**23,009.94**	**16,923.34**	**14,116.83**
Liabilities				
Financial Liabilities				
- Derivative Financial Instruments	NA	NA	NA	NA
- Trade Payables	5,221.36	3,448.42	3,700.86	3,025.67
- Other Payables	-	-	-	-
- Debt Securities	7,961.70	6,965.12	3,968.80	3,497.24
- Borrowings (Other than Debt Securities)	4,008.40	3,310.80	2,182.71	2,195.60
- Deposits	41.76	1.70	0.98	0.45
- Subordinated Liabilities	NA	NA	NA	NA
- Lease Liability	60.22	51.88	26.98	34.23
- Other financial Liabilities	3,788.19	2,402.90	811.01	502.48
Non-Financial Liabilities				
-Current tax liabilities (net)	57.76	36.66	31.66	16.94
-Provisions	212.98	236.44	244.22	176.72
-Deferred tax liabilities (net)	263.54	210.46	187.97	130.76
-Other non-financial liabilities	70.33	62.38	67.49	43.06
Equity (Equity Share Capital and Other Equity)	7,464.51	6,252.24	5,674.37	4,461.42
Non-controlling interest	33.73	30.94	26.28	32.28
Total Liabilities and Equity	**29,184.48**	**23,009.94**	**16,923.34**	**14,116.83**
Cash Flow				

Parameters	As of and for the six months period ended September 30, 2023	As of and for the FY ended March 31, 2023[1]	As of and for the FY ended March 31, 2022[2]	As of and for the FY ended March 31, 2021[3]
Net cash flows generated from/ (used in) operating activities	68.65	(3,057.90)	1,010.66	(138.68)
Net cash flows generated from/ (used in) investing activities	(114.83)	(287.48)	(447.39)	(273.38)
Net cash flows generated from/ (used in) financing activities	1,697.09	3,784.15	282.19	860.63
Net increase/ (decrease) in cash and cash equivalents during the year	1,650.91	438.77	845.46	448.57
Cash and cash equivalents at the end of year/ period	4,227.22	2,576.31	2,137.54	1,292.08
Additional Information				
Net Worth[4]	7,464.51	6,252.24	5,674.37	4,461.42
Cash and Cash Equivalents	4,227.22	2,576.31	2,137.54	1,292.08
Loans	9,525.38	7,217.64	4,904.52	4,520.35
Total Debts to Total Assets[5]	0.41	0.45	0.36	0.40

Notes:

(1) Details in relation to the profit and loss statement for Financial Year 2022-2023 have been extracted are taken from the Audited Standalone Financial Statement FY 2023 and Audited Consolidated Financial Statement FY 2023.

(2) Details in relation to the profit and loss statement for Financial Year 2022 have been extracted from the comparative figures included in the Audited Standalone Financial Statement FY 2023 and Audited Consolidated Financial Statement FY 2023.

(3) Details in relation to the profit and loss statement for Financial Year 2021 have been extracted from the comparative figures included in the Audited Standalone Financial Statement FY 2022 and Audited Consolidated Financial Statement FY 2022.

(4) Net Worth means Equity Share capital plus other Equity.

(5) Total Debts to Total Assets Ratio taken from Q4 limited review results for the year ended March 31, 2021, 2022, 2023 respectively and Q2 for the period ended September 30, 2023. The ratio consists Total Debt (debt securities plus borrowings (other than debt securities))/total assets).

(₹ in crores, unless otherwise stated)

Parameters	As of and for the nine months period ended December 31, 2023[4]	As of and for the six months period ended September 30, 2023[4]	As of and for the FY ended March 31, 2023[1]	As of and for the FY ended March 31, 2022[2]	As of and for the FY ended March 31, 2021[3]
Profit and Loss					
Revenue from operations	4,926.47	3,138.43	4,177.12	4,296.83	3,625.12
Other income	45.89	42.63	20.00	19.58	9.00
Total Income	**4,972.36**	**3,181.06**	**4,197.12**	**4,316.41**	**3,634.12**
Total Expenses	**2,870.20**	**1,887.53**	**2,954.87**	**2,700.60**	**2,087.60**
Profit/(Loss) before tax for the year/period	2,102.16	1,293.53	1,242.25	1,615.81	1,546.52
Profit/(Loss) after tax for the year/period	1,721.00	1,059.76	934.78	1,312.45	1,264.73
Other Comprehensive (loss)/income	283.11	168.92	(46.48)	41.06	291.92
Total Comprehensive Income/ (loss)	2,004.11	1,228.68	888.30	1,353.51	1,556.65
Earnings per equity share (Basic) (₹)	115.99	71.49	62.89	89.14	85.67
Earnings per equity share (Diluted) (₹)	115.50	71.39	62.66	88.38	83.70
Additional Information					
Interest Income	1,338.44	848.31	1,228.29	1,025.26	753.12
Finance Cost	719.41	457.02	595.83	474.77	430.28
Impairment on Financial Instruments	36.66	33.97	42.79	94.66	97.61
Bad Debts to Loans	NA[5]	NA[5]	NA[5]	NA[5]	NA[5]

Notes:

(1) Details in relation to the profit and loss statement for Financial Year 2022-2023 have been extracted are taken from the Audited Standalone Financial Statement FY 2023 and Audited Consolidated Financial Statement FY 2023.

(2) Details in relation to the profit and loss statement for Financial Year 2022 have been extracted from the comparative figures included in the Audited Standalone Financial Statement FY 2023 and Audited Consolidated Financial Statement FY 2023.

(3) Details in relation to the profit and loss statement for Financial Year 2021 have been extracted from the comparative figures included in the Audited Standalone Financial Statement FY 2022 and Audited Consolidated Financial Statement FY 2022.

(4) Details in relation to the profit and loss statement for the quarter and six months period ended September 30, 2023 and quarter and nine months period ended December 31, 2023 have been extracted from respective limited review financial results.

(5) Not applicable to our Company.

Motilal Oswal Group's Business

Our Company started operations in 1987 as a provider of sub-broking and prudential portfolio services. During 1990-95, our Company started its retail and institutional equities segment. In 2006, we diversified our business into investment banking, private equity, retail wealth management, venture capital management and advisory. Further in 2010 and 2014, we launched mutual fund offerings and entered affordable housing finance business, respectively. Our Company's principal business includes financial advisory, brokerage which are complemented by our consultancy, research services and investment advisory.

The table below provides the revenue from each of businesses segments in which we operate for the below mentioned periods:

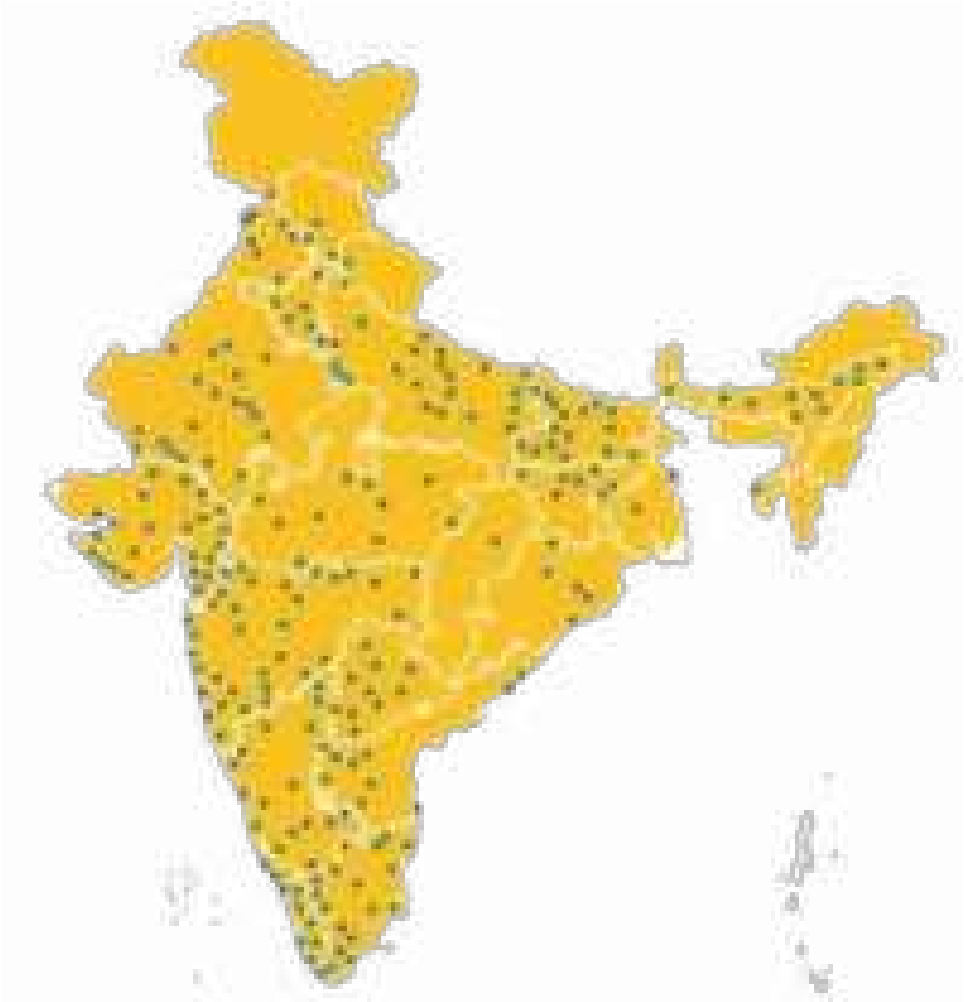
(in ₹ crores)

Description	Nine months period ended December 31, 2023		Year ended March 31,					
			2023		2022		2021	
	Amount	%	Amount	%	Amount	%	Amount	%
Capital markets (A)	2,932.29	58.97	2,838.97	67.64	2,544.81	58.96	1,956.27	50.31
Asset and wealth management (B)	785.03	15.79	962.28	22.93	1,128.83	26.15	775.51	19.95
Housing finance (C)	433.46	8.72	531.93	12.67	528.41	12.24	545.52	14.03
Treasury investments (D)	1,044.60	21.01	135.94	3.24	504.94	11.70	845.47	21.74
Unallocated (E)	0.29	0.01	0.47	0.01	1.00	0.02	0.44	0.01
Inter-company (F)	(223.31)	(4.49)	(272.47)	(6.49)	(391.58)	(9.07)	(235.07)	(6.05)
Total Revenue from Operations (A+B+C+D+E+F)	4,972.36	100.00	4,197.12	100.00	4,316.41	100.00	3,888.14	100.00

Details of branches or units where the issuer carries on its business activities

Our Company has a pan-India presence with 73 branches in 22 states including two union territories, and one international representative office as of March 31, 2024. As of March 31, 2024, our Company had network spread across 550 cities and towns comprising of 2,500 Business Locations operated directly and indirectly through our branches and Business Associates, respectively.

The following map shows a snapshot of our pan-India distribution network as of March 31, 2024:



A. <u>Capital markets</u>

I. Broking and distribution

- ***Broking services***

Our Company is one of the largest full-service brokers in India with highest gross brokerage revenue as of March 31, 2023 amongst players in the broking industry (*Source: CRISIL Report*). Our clients

trade in equities in cash-delivery, intra-day, futures and options, commodity and currency derivates. Our brokerage and fees income was ₹1,640.30 crores, ₹1,756.49 crores, ₹1,656.67 crores and ₹1,241.61 crores for the period ended December 31, 2023 and in the Financial Years 2023, 2022 and 2021, respectively. Our Company also offers services such as complementary in-house research and advisory services and margin trading facility. Offering financial product and services at competitive prices to our client resulted in strong growth in our ADTO. The following table shows our ADTO for broking services and our market share for the periods indicated:

(in ₹ crores)

Segment	Nine months period ended December 31, 2023	Year ended March 31,		
		2023	2022	2021
Cash	3,130.52	2,250.38	3,101.87	2,798.23
Futures and options	4,99,242.74	2,44,650.85	84,562.95	41,100.60

1. Products

Our broking business primarily comprises broking services that our Company offers to retail trading clients trading in equities, equity derivatives, currency derivates and commodities. As of December 31, 2023, the products for which our Company offers its broking services to clients to trade in are as follows:

- *Equities*: Stocks listed on BSE and NSE
- *Equity Derivative*: Futures and options related to indices and stocks listed on Stock Exchanges
- *Currency*: Currency futures and options
- *Commodities*: Commodities futures and options listed on MCX and NCDEX
- *Distribution*: Third party financial products which *inter alia* includes mutual funds, alternative investment funds and portfolio management services.

2. Client acquisition

Our broking business is anchored by our retail and institutional clients, to whom our Company offers financial products and services through our (i) network of over 2,500 Business Locations spread across over 550 cities as of March 31, 2024; (ii) online and digital platforms; and (iii) network of over 8,010 Business Associates as of March 31, 2024. Our retail client base stood over 0.42 crores as on March 31, 2024. In order to avail services, our clients are required to open a trading and demat account. The entire process for opening the account for an individual holder is seamless with a paperless KYC process. Acquisition of client is done either directly by us or through our exclusive network of branches and Business Associates.

Our Company is currently integrated with 15 banking companies to enable our clients seamlessly transfer funds on a real-time basis. Through the UPI payment gateway, our clients can seamlessly transfer funds from any bank. Our Company has enhanced its retail client base by 28.76% CAGR from 0.20 crores in Financial Year 2021 to 0.42 crores as on March 31, 2024. Over this period, our Company witnessed a consistent growth in our retail broking client with gross addition of 0.06 crores, 0.09 crores, 0.07 crores and 0.06 crores for the financial year ended March 31, 2021, March 31, 2022, March 31, 2023 and the period ended March 31, 2024, respectively.

3. Platforms

Our Company remains focused on building in-house technology across various services offered, which our Company believes has increased client satisfaction. Our mobile based applications across the broking and advisory businesses have been consistently improving to provide customers with seamless and secured experience. Our backend systems provide an integrated and seamless access across all product platforms.

Please see below the bouquet of financial products and services provided by our Company through the 'Rise Super App':

4. Investment advisory services

As of March 31, 2024, our Company has a dedicated team of over 2,500 advisors. Our Company provides investment advisory services to our clients with customised investment ideas and strategies based on our market and technical analysis, which our Company believes assists our clients in achieving their investment goals across various investment avenues such as equities, derivatives and commodities. Our advisors assist customers in making informed decisions which typically involves providing personalised recommendations and guidance based on customer's financial goals, risk tolerance and investment preferences. They offer insights into various investment options, such as stocks, bonds, mutual funds and other securities, helping customers navigate through pool of investment options offered in the financial markets.

5. Investor education

Our website, www.motilaloswal.com, is also a knowledge centre which aims to empower investors, including our clients, with an understanding in respect of trading and investments products. Our Company also conducts regular sessions with investors to impart education regarding investment in equity, equity derivatives, commodities and currency products. As a part of our investor awareness, our Company organises conferences, management meetings and webinars to disseminate investment ideas and market awareness to help new investors. Our Company also organise morning calls with our customers covering equity derivative and commodity strategy. Our Company also has an active article, blog, podcast and video platform to provide clients with an understanding of securities and financial matters including those of stock markets, guidance to fundamental and technical research, personal finance and economy.

In addition, we have also started Motilal Oswal School of Entrepreneurship ("**MOSE**"), an initiative for existing as well as aspiring entrepreneurs in the field of financial intermediation. Under MOSE, we offer 'UNNATI' programme in collaboration with NSE Academy, industry's first certificate course on broking and distribution business for development and infusion of entrepreneurial spirit in new and existing entrepreneurs.

- ***Distribution services***

Our distribution business primarily consists of the distribution of third-party financial products such as mutual funds, portfolio management services, alternate investments funds and insurance products to our clients. Our Company earns commissions from third parties for distribution of their products, which may be in the form of recurring commissions for longer-term products. Our income from distribution activity was ₹138.73 crores, ₹184.49 crores, ₹186.05 crores and ₹101.57 crores for the period ended December 31, 2023 and for the financial year ended March 31, 2023, March 31, 2022 and March 31, 2021, respectively. Our distribution business AUM was ₹26,281.02 crores, ₹21,292.00 crores, ₹18,215.00 crores and ₹13,409.00 crores for the period ended December 31, 2023 and for the financial year ended March 31, 2023, March 31, 2022 and March 31, 2021, respectively.

- ***Funding facility***

Our Company provides margin trading facility to our clients to enable them to leverage their eligible collaterals, by funding their requirements in the cash delivery segment. Funding is subject to exposure against margins, with the margin money and underlying securities forming part of the

collateral, securities purchased by clients, against the margin funding facility availed from us, are retained in the client margin funding account of our Company, maintained specifically for the purpose of margin trading. Margin calls are made if there is a shortfall of margin, in the margin funded portfolio, for which margins are required to be replenished immediately by transferring funds or collateralizing additional eligible securities. In order to avail funding facility services, our clients are required to provide their consent along with a power of attorney in our favour on their demat accounts. All KYC checks are conducted at the time on on-boarding clients and periodically after clients being on-boarded. This ensures that no suspicious client is on-boarded on our platform.

Margin funding facility is offered only in select stocks which meets risk criteria to ensure that our Company has timely exit in case of client not providing margin top-up. A dedicated risk team monitors client position on real-time basis and takes risk action (liquidation of position and collateral) in-line with risk policy and framework so as to ensure that our Company does not go out of pocket for any client. Our margin trade funding book has increased from ₹773.08 crores as of March 31, 2021 to ₹885.39 crores as of Fiscal ended March 31, 2022 to ₹1,329.26 crores as of Fiscal ended March 31, 2023 and ₹2,826.76 crores as of period ended December 31, 2023. Interest income on margin trade funding has increased from ₹43.62 crores as of March 31, 2021 to ₹111.60 crores as of Fiscal ended March 31, 2022 to ₹145.56 crores as of Fiscal ended March 31, 2023 and ₹172.56 crores as of period ended December 31, 2023. This funding facility is primarily offered to our broking clients only, who intend to leverage their collaterals to participate further in the markets.

MOFL also offers various types of loans such as personal loans, working capital loans, loans against securities, unsecured loans, including initial public offering funding, and other loan products. Loan book of MOFL was ₹303.75 crores as of March 31, 2021, ₹589.76 crores as of Fiscal ended March 31, 2022, ₹2,147.41 crores as of Fiscal ended March 31, 2023, and ₹3,698.28 crores as of period ended December 31, 2023. Interest income on the loan book of MOFL has increased from ₹63.53 crores as of March 31, 2021 to ₹170.61 crores as of Fiscal ended March 31, 2022 to ₹269.72 Crores as of Fiscal ended March 31, 2023 and ₹336.14 crores as of period ended December 31, 2023.

II. Research and investment advisory services

As of March 31, 2024, our Company has a dedicated institutional equities research team comprising 36 members who carter to quantitative and qualitative research requirements relating to the stock market such as equities, derivatives and commodities. Research is conducted across various sectors based on our clients need and their risk appetite. Our research product portfolio covers more than 250 companies in 21 sectors as of March 31, 2024. Our Company aims at identifying stocks based on market trends and rule-based algorithms to provide clients with specific research inputs, which complement the investment objectives of our clients and enhance value of their portfolios.

Our Company carries out thematic research across multiple business sectors and research reports on individual companies. Additionally, our Company has launched 'Research360', a website and a mobile-based application wherein any market investor may get an access to market research, stock and investment analysis without any charges. This platform acts as a one-stop destination for the investors and traders to perform detailed fundamental and technical research in various segments *inter alia* including equity, derivatives, mutual funds, thematic and model portfolios.

III. Investment banking

We established our investment banking team in 2006, through one of our Subsidiaries, MO Investment Advisors. MO Investment Advisors is a SEBI registered merchant banker which undertakes investment banking business and advise companies in its initial public offerings, private placements (including qualified institutional placements), rights issue, share buybacks and syndication of debt and equity. It's investment banking team comprises 22 professionals who have significant experience in investment banking, corporate banking and advisory work. Since the commencement of Motilal Oswal Group's investment banking business in 2006, its investment banking team has closed 87 transactions until December 31, 2024. We believe that sectoral focus on BFSI, auto, consumer, healthcare and industrials is expected to yield benefits in the medium to long term. We constantly engage in a wide cross-section of transactions across capital markets and advisory to achieve inter-segment synergies.

B. Asset and wealth management

I. Asset management

The asset management business is operated through our Subsidiaries, namely, MOAMC, MO Trustee, MO Mauritius and MOCL, which operates mutual funds, portfolio management services and alternative investment funds in the public equities space. MOAMC has a diverse product basket with categories including Indian-equities, international equities, factors, sectors, commodities, multi asset and debt. During the Financial Year 2023-2024, MOAMC launched three passive funds and two active mutual funds. The small cap mutual fund, new fund offer, which was launched in January 2024 garnered highest flows in the small cap category. MOAMC's presence in the passive mutual fund category helped it to on-board clients from the bottom of the pyramid, which are typically new to the equity asset class or have lower risk appetite. MOAMC has added ₹6,01,932 new SIPs accounts during the period ended December 31, 2023. The SIP flow amounted to ₹1,954.58 crores for the period ended December 31, 2023.

Independent financial advisors ("**IFAs**") play a crucial role in the asset management business ecosystem. These IFAs provide independent advice to clients on financial matters, *inter alia* including investment strategies, retirement planning and insurance. Unlike advisors, who are tied to a particular financial institution, IFAs have the freedom to recommend products and services from various providers, ensuring that their recommendations are tailored to customer's specific requirements. We have network of over 20,000 IFAs as on December 31, 2023. IFA's serve as a vital distribution channel our asset management business, helping us to reach a broader base of investors thereby increasing the visibility and accessibility of our products to potential clients.

The revenue from asset management income was ₹459.85 crores, ₹555.12 crores, ₹617.53 crores and ₹532.03 crores for the period ended December 31, 2023 and for the financial year ended March 31, 2023, March 31, 2022 and March 31, 2021, respectively. The AUM of the asset management services offered by us stood at ₹64,857.35 crores as of December 31, 2023 as compared to ₹45,692.00 crores as of March 31, 2021. As of December 31, 2023, the share of alternate assets, comprising of PMS and AIF is one of the highest among asset management industry at 33.52%.

II. Wealth management

The wealth management business is operated through our Subsidiary, MOWL, which offers customised investment management services including planning, advisory, execution and monitoring of a range of investment products to our retail customers. We believe that our wealth management business has a significant scope of scalability and in order to achieve that we have bolstered MOWL's leadership team with senior management hiring to strengthen ultra HNI offerings, regional heads and advisory capabilities. MOWL hired overall 69 RMs, taking the total count to 251 as of March 31, 2024. The adoption of open architecture model (which involves offering clients a wide range of investment products and services from various providers, rather than being limited to proprietary products or services offered by a single institution) enables MOWL to increment its sales to be driven by non-captive product, resulting in more diversified products offering. This approach allows wealth RMs to select from the pool of investment options available in the market in accordance with client specific requirements. As of December 31, 2023, MOWL has offered wealth management services to 6,301 families which witnessed a growth of 26.00% YoY.

The wealth AUM was ₹51,997.00 crores as on March 31, 2023 and reached at an all-time high of ₹89,632.00 crores as of December 31, 2023, registering a growth of 117.00% YoY. We reported net sales of ₹3,018.00 crores and ₹5,805.00 crores in the period ended December 31, 2023 and in the Financial Year 2023, respectively.

III. Private equity and real estate

The private equity and real estate arm is operated through our Subsidiaries, namely, MO Alternate, IBEMC and MO Alternative IFSC, which manages three equity growth capital funds and five real estate funds.

The equity growth funds are focused on themes that may benefit from structural changes like domestic consumption, domestic savings and infrastructure. A private equity growth fund works by raising capital from institutional investors and HNIs to invest in private companies with significant growth potential. The private equity firm establishes a fund and solicits commitments from investors, such as pension funds, endowments, and wealthy individuals. These investors provide the capital that the firm will use to make investments within its defined investment strategy focusing on sectors or types of companies poised for growth. The fund managers then analyse the target company's financial performance, market position, management team, and growth prospects to assess its suitability for investment. Once a target company is identified and due diligence is completed, the private equity fund acquires a significant stake in the business and works closely with its management team to implement operational improvements, strategic initiatives, and growth strategies. This

could involve expanding into new markets, optimizing operations, investing in research and development, or pursuing acquisitions to drive growth and increase the acquired company's value. The goal of a private equity growth fund is to generate attractive returns for its investors. Typically, this is achieved through an exit strategy, such as selling the company to another investor (often at a higher valuation), taking the company public through an initial public offering or recapitalizing the business. The proceeds from the exit are distributed to the funds' investors, providing them with returns on their initial investment.

The private equity fund, India Business Excellence Fund ("**IBEF**") I which was launched in 2006 has exited from all investments and delivered a portfolio of XIRR of 26.80% as on December 31, 2023. IBEF II which was launched in 2013 has committed 100.00% across 11 investments after raising commitments from marquee institutions and portfolio exits from the fund have commenced as on December 31, 2023. Further, IBEF III, which was launched in 2018, stands fully raised at ₹2,300.00 crores and has fully deployed across 11 investments as on December 31, 2023. The fourth growth fund, IBEF IV with a target size of ₹4,500.00 crores was launched in 2022 and MO Alternate was able to raise the full amount within a year of launch.

A real estate fund operates similarly to other types of investment funds but focuses specifically on investing in real estate assets. It is established by a fund manager or sponsor who seeks capital from investors. These investors can include institutional investors, such as pension funds, insurance companies, and endowments, as well as individual investors and HNIs. The fund manager raises capital by offering interests or shares in the fund withing a defined investment strategy which may involve acquiring various types of real estate assets such as residential properties, commercial properties, hospitality properties, or specialized properties (senior housing or healthcare facilities). Once the fund has raised sufficient capital, the fund manager identifies and acquires real estate assets that align with the fund's investment strategy. After acquiring real estate assets, the fund manager is responsible for managing and optimizing the performance of these assets to generate returns for investors. Real estate funds typically generate income from rental payments, lease agreements, and property appreciation. The fund manager distributes a portion of this income to investors in the form of periodic distributions or dividends.

The real estate fund, India Realty Excellence Fund ("**IREF**") I, which was launched in 2008 has fully exited from all seven investment, translating into 118.00% capital returned to investors as on December 31, 2023. IREF II, which was launched in 2014 is fully deployed across 15 investments and has secured 13 complete exits and has returned money equaling 152.50% of the fund corpus back to the investors as on December 31, 2023. IREF III, which was launched in 2017 has made 30 investments and has secured 18 full exits and has returned money equaling to 120.50% of the investible fund as on December 31, 2023. IREF IV which was launched in 2019 has deployed ₹1,150.00 crores across 37 investments as on December 31, 2023. IREF V, which was launched in 2021 with a fund size of ₹1,200.00 crores, has deployed ₹1,200.00 crores across 16 investments as on December 31, 2023. Further, IREF VI, which was launched in 2023 with a fund size of ₹2,000.00 crores, have completed its first close of ₹1,250.00 crores.

C. Housing finance

Affordable housing finance services are provided through our Subsidiary, MOHFL, which focuses on providing home loans to individuals and families *inter alia* for purchase, self-construction (including renovation), extension of houses and construction finance. MOHFL also provides home loans to families in the new to credit, self-employed, cash salaried category where formal income proof and credit bureau reports are not easily available and the repayment capacity of such families are appraised based on their cash flows and internal score cards, thereby promoting financial inclusion. As of March 31, 2024, our housing finance business covered over 111 locations in 12 states including union territories. MOHFL has signed a MoU with National Housing Bank which is the Central Nodal Agency under the Pradhan Mantri Awas Yojana for the Credit Linked Subsidy Scheme ("**CLSS**"). MOHFL has assisted various economically weaker sections of the society to claim subsidy under the CLSS.

MOHFL reported PAT of ₹136.36 crores in Financial Year 2023, registering a staggering growth of 43.66% YoY. The loan book was up by 9.06% YoY to ₹3,808.00 crores as of March 31, 2023. MOHFL's RoA improved to 368.00% for the nine months period ended December 31, 2023 which was largely driven by better utilization of existing infrastructure, control over delinquencies and reduction in cost of funds.

D. Treasury investments

Our Company along with certain of our Subsidiaries, *inter alia* including, MOAMC, MOFL, MO B&D, TMITPL, MO Investment Advisors and MOWL, manages treasury investments out of operating profit of respective entities with investments across mutual funds, portfolio management services, alternative investment funds, publicly traded stocks, bonds and other securities which involves buying undervalued assets with the intention of holding them for long term. Treasury investments book is predominantly built out of operating profit after tax post dividend pay-out and mark-to-market gains due to appreciation in underlying value. The treasury investment book has grown to ₹5,871.85 crores as of December 31, 2023. These investments are served as collateral to support working capital needs for our Company's

broking business. We further use these investments for seeding multiple operating businesses and sponsor asset management companies, private equity and real estate funds.

Digitalisation and Information Technology

Digitalisation and information technology has revolutionised the securities and financial markets. We believe that various initiatives by the governmental authorities such as Jan Dhan Yojna, Aadhaar and Rajiv Gandhi Equity Savings Scheme are aimed towards financial inclusion and digitalisation of financial services, along with easier access and acceptance to provide platform for exponential growth of digital financial services in India. We have recognised, and continue to address, the need to have a sophisticated technology network in place to meet our clients' requirements, provide personalised services, reduce costs for client acquisition, reduce costs of servicing clients and maintain and enhance a robust risk management system. We have, towards such endeavour, a dedicated information technology team that continues to develop and maintain our information technology systems to enhance our systems and innovate information technology for the securities industry. Motilal Oswal Group's technology infrastructure is aimed at ensuring that its trading and information systems are up-to-date, reliable and performance-enhancing to ensure that client data is secured.

Our Company has a balanced insourcing and outsourcing approach to IT combined with a quick response to business needs. Our Company has a well-balanced technology team comprising experienced managerial personnel managing our information technology infrastructure across all Business Locations. Our Company maintains technology by undertaking regular audit of our applications and website to test for errors, vulnerabilities, data validation, hacking, authentication and authorisation. Such audit enables our Company to identify and rectify any errors or vulnerabilities in order to provide the clients with a secure and seamless experience. Our IT software has advanced risk management and reporting capabilities and has been designed and developed to cater for high transaction volumes of our business. For more information on risk associated with our technology, see "*Risk Factors – The operation of our businesses is highly dependent on information technology and we are subject to risks arising from any failure of, or inadequacies in, our IT systems*" on page 17.

We are committed to the ongoing development, maintenance and use of information technology in various business activities. We expect technology developments to greatly improve client service quality and provision of customized value-added products and services. We also expect technology developments to improve our trading, execution and clearing capabilities, improve our sales targeting, aid us in effectively managing our risks and improve our overall efficiency and productivity.

Risk Management

We believe that effective risk management is of primary importance to the success of our operations. Accordingly, our Company has a risk management processes to monitor, evaluate and manage the risks we assume in conducting our activities. These risks include market, credit, liquidity, operational, legal and reputational risks. Our Company has adopted a risk management policy to manage and mitigate the risks, we are exposed to. The policy is aimed at setting up clients exposure limits in cash, futures and options currency and commodities segments and safeguarding our Company and its stakeholders from credit risk, market risk, default risk, liquidity risk and other risks.

Our Company is in the process of implementation of 'Enterprise Risk Management' framework and have adopted a systemic approach towards risk management, which originates with the identification of risk, categorisation and assessment of identified risk, evaluating effectiveness of existing controls and building additional controls to mitigate risk and monitoring the residual risk through effective 'key risk indicators'. We increase risk awareness through training, workshops, e-mailers, conferences and seminars. See *"Risk Factors"* on page 17 for details on risks related to our business and the financial services industry.

Risk Management Committee

Our Company has also constituted a Risk Management Committee comprising of our Directors and senior management personnel, which ensures that management controls risks through means of a properly defined framework. The Risk Management Committee's terms of reference include, *inter alia*: (i) reviewing and approving the risk management policy and associated framework, processes, and practices of our Company in terms of circulars/ notifications issued by SEBI, IRDAI, or such other regulatory or statutory authorities from time to time; (ii) evaluating significant risk exposure of our Company and assessing management's action to mitigate/manage the exposure in a timely manner; (iii) monitoring and reviewing of the risk management plan including cyber security; (iv) assisting the Board in effective operation of risk management system by performing specialised analysis and quality reviews; (v) ensuring the appropriateness of our Company in taking measures to achieve prudent balance between risk and reward in both ongoing and new business activities; and (vi) laying down the risk tolerance limits and monitoring risk exposures at periodic intervals. For details, see "*Our Management*" on page 170.

Compliance

Our Board, through the Audit Committee, oversees our compliance framework. Our Company has adopted various policies and procedures related to internal compliance, including a code of practice and procedure for fair disclosure of unpublished price sensitive information, an anti-bribery and anti-corruption policy, a code of conduct for directors and senior management, a vigil mechanism/whistle blower policy, and an equal opportunity policy. These policies have been adopted to ensure compliance with relevant laws and applicable regulatory guidelines issued by the relevant regulatory, statutory and enforcement authorities,

from time to time. Our Company has a standard process of identifying and addressing compliance risks and regularly review our policies and procedures related to internal compliance.

Client Support

Our Company provides client support through our mobile applications, our online web-based platform, branches and through our network of Business Associates. Our Company has entered into arrangements with Business Associates for providing broking services and client support to our clients acquired directly and through our network of Business Associates. Our Company also has a centralized support team and self- support tools on all our digital platforms to provide our clients with the services that are required. Our verification processes ensure a swift and secure client experience. Our Company has a strong team to monitor the quality of our client interactions to ensure that interactions are reviewed and improved on a regular basis. Our Company has taken measures in place to prevent frauds in respect of client accounts through various systems and processes. Our complaint management system helps us resolve the complaints and queries within a defined turnaround time.

Corporate Social Responsibility

Our Company has adopted a CSR policy in compliance with the Companies Act, and make contributions through 'Motilal Oswal Foundation', a not-for profit charitable company incorporated under Section 25 of Companies Act. We recognise the importance of being socially responsible and making a difference in the lives of people and our CSR activities are driven by the motto of 'Knowledge First', whereby we primarily focus on building educational institutions and improving the quality of education at all levels. Our Company *inter alia* also support projects for skill development, employment generation, rural development.

Some of our key CSR initiatives are:

(i) 'RVG Educational Foundation', through which we provided scholarship to over 80 students from humble background, pursuing CA education.

(ii) 'Friends of Tribal Societies', through which we are supporting 200 'Ekal Vidyalayas' in remote villages.

(iii) Sponsoring construction of a science lab in a charitable school in Mathura.

(iv) Conducted mobile planetarium sessions in 11 schools covering 4,000 students.

(v) Installed rainwater harvesting system in six schools at Wada, benefiting more than 2,000 students.

For the nine months period ended December 31, 2023 and for Fiscal 2023, 2022 and 2021, our CSR expenses were ₹9.65 crores, ₹9.04 crores, ₹6.84 crores and ₹8.70 crores, respectively, including unspent amounts from previous years expended in the current period. The cumulative unspent amount of our CSR expenses for Fiscal 2023, 2022 and 2021 were nil, nil, and nil, respectively.

Environmental, social and governance framework

Our Company has a highly qualified and diversified board of ESG expert executives which oversees our ESG journey. Our Company has instituted practices *inter alia* including comprehensive code of conduct and business ethics, sound risk culture, digitisation of business, launching innovative products, investment in emerging areas of cyber security and information security, employee welfare policies, monitoring consumption of resources and taking targets towards reduction in consumption of electricity, fuel and paper. Further, our Company has and continue to undertake various ESG initiatives including installation of integrated building management system to save energy and monitor building operation, emphasis on increased use of electronic means of communications, routine inspection of equipment to reduce losses and power consumption of data center and shifting to virtual hyper converged servers to reduce carbon footprint and power consumption.

Competition

We compete, directly or indirectly, with various companies in the financial services industry, including Indian and foreign brokers. Our competitors are other investment banking firms, merchant banks, brokerage firms, non-banking financial companies and financial advisory firms. We compete with some of our competitors nationally or globally and with others on a regional, product or business line basis. Many of our competitors have substantially greater capital and resources than we do and offer a broader range of financial products and services. We believe that the principal factors affecting competition in our business include client relationships, reputation, the abilities of our people, market focus and the relative quality and price of our services and products.

As we expand our asset management and investment advisory services business, we face competition both in the pursuit of investors for our investment funds and in the identification and completion of investments in attractive portfolio companies. We compete for individual and institutional clients on the basis of price, the range of products we offer, the quality of our services, financial resources and product and service innovation. We may be competing with other investors and corporate buyers for the investments that we make.

Competition is also intense for the recruitment and retention of qualified professionals. Our ability to continue to compete effectively in our businesses will depend upon our continued ability to attract new professionals and retain and motivate our existing professionals.

Employees

We believe that our human resources are an important contributor to the success and sustainable growth of our business. As of March 31, 2024, we had 11,290 full-time employees. We believe that our ability to grow depends to a significant extent on our ability to attract and retain the best talent in the marketplace. In order to enable the consistent growth of our business, we strive to have effective and efficient delivery of human capital related services for and to our employees across all segments. To that end, we endeavour to motivate and retain our employees by focusing on their growth and career advancement. We believe that identification, design and delivery of such employee services are in accordance with our overall values coupled with our human resource focus areas of:

(i) Being able to attract, retain and growth talent in accordance with overall requirements of our business;

(ii) Maintenance of work culture around the principles of integrity, ownership, learning and people-first approach;

(iii) Focusing on overall employee growth through learning initiatives;

(iv) Enabling employees towards effective performance and measuring performance objectively while recognizing and rewarding desired performance and behaviors; and

(v) Enabling effective delivery of service through technological integration.

We offer our employees continuous learning through the existing and new modules of our dedicated learning app 'Paathshala and also conduct senior leadership and management development programs. We also conduct various employee engagement activities, such as free health check-up for employees and sports events. We have received certification as a "Great Place to Work" from The Great Place to Work Institute, India for the years 2016 to 2024.

Property

Our Registered and Corporate Office is located at Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai 400 025, Maharashtra, India. Our Company owns our Registered and Corporate Office. As on March 31, 2024, our Company has leased 108 properties including 73 branches across India. The typical period for which leases are generally entered into by our Company for its branches ranges from two years to approximately 11 years. For further information, see "*Risk Factors – We do not own all our branch offices. Any termination or failure by us to renew the lease and license agreements in a favorable and timely manner, or at all, could adversely affect our business and results of operations. Moreover, many of the lease and leave and license agreements entered into by us may not be duly registered or adequately stamped* " on page 38.

Insurance

Our Company has insurance policies providing coverage for our assets against losses from fire, burglary and certain other risks. Our Company also maintain a separate stock broker indemnity insurance and director's and officer's liability insurance policy. Although our Company believes that it is adequately insured, it could suffer from losses due to unforeseeable circumstances or adverse situations which may not be insurable. For details in relation to the risks in relation to inadequate insurance, see "*Risk Factors – Our insurance coverage may not adequately protect us against losses"* on page 37.

Intellectual Property

Our intellectual property includes trademarks associated with our business, *inter alia*, including, , , , , logos, and taglines *inter alia*, including, "*Most Money Magicians*", "*Knowledge First*". As of the date of this Prospectus, our Company has a total of 33 registered trademarks, in accordance with the Trademarks Act, 1999. For further information, see "*Risk Factors – We may be subject to claims with respect to our intellectual property and our efforts to protect our intellectual property may not be sufficient*" on page 36.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief background of our Company

Our Company was incorporated as a public limited company under the name of 'Motilal Oswal Financial Services Limited' under the Companies Act, 1956, pursuant to a certificate of incorporation issued by the Registrar of Companies, Maharashtra at Mumbai ("**RoC**") on May 18, 2005. It commenced its business pursuant to a certificate of commencement of business dated June 3, 2005 issued by the RoC. The CIN of our Company is L67190MH2005PLC153397.

Our Company is registered as a stock broker pursuant to certificate of registration dated February 5, 2019 issued by SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Regulations, 1992. The Equity Shares of our Company were listed on BSE and National Stock Exchange of India Limited in September 2007. Our Company is registered with SEBI under the Stock Brokers and Sub Brokers Regulations, 1992 and is a member of BSE, NSE, MCX and NCDEX. Our Company is registered as a Depository Participant with CDSL and NSDL pursuant to certificate of registration dated February 14, 2019, issued by SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996. Our Company is also registered as a Research Analyst pursuant to certificate of registration dated March 16, 2020, issued by SEBI under the Securities and Exchange Board of India (Research Analyst) Regulations, 2014. It is also registered with the IRDAI as a Corporate Agent (Composite) and the Association of Mutual Funds in India. Our Company is also registered as a Real Estate Agent with the State Real Estate Regulatory Authority of Telangana, Tamil Nadu, Maharashtra, Karnataka, and Haryana.

Registered Office and Changes to Registered Office

Our Registered Office is located at Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai 400 025, Maharashtra, India. Except as set out below, there has not been any change to the Registered Office since incorporation:

Effective date of change	Details of change in the address of the Registered Office	Reasons for change in the address of the Registered Office
January 15, 2007	The registered office of our Company was shifted from '81/82, 8th Floor, Bajaj Bhavan, Nariman Point, Mumbai 400 021, Maharashtra, India' to 'Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai 400 064, Maharashtra, India'	Operational convenience
July 1, 2014	The registered office of our Company was shifted from 'Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai 400 064, Maharashtra India' to 'Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai 400 025, Maharashtra, India'	Operational convenience

Corporate Office

Our Corporate Office is located at Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai 400 025, Maharashtra, India.

Main objects of our Company

The main objects of our Company as contained in our Memorandum of Association are as follows:

1-a) *"To become member of stock exchange(s) and to carry on the business as Stock broker, sub-broker, finance broker, sponsor broker, underwriters, sub-underwriters, merchant banker, lead manager, manager to issues and offers whether by way of public offer or otherwise, portfolio manager for investment, adviser, and to act as issue house, financial consultant, registrar to issue for securities, transfer agent, custodian and to sale, purchase or otherwise deal in all kinds of securities, in spot, futures and derivatives as permitted under the laws of India, for self or others and to act as sponsorer and trustee of mutual fund or growth fund and investment in various avenues like growth fund, income fund, risk fund and mutual fund and to solicit and procure the insurance business as corporate agent, to undertake Depository Participant activities, functions and responsibilities, to undertake activities relating to Margin Funding, Distribution of Third Party Securities and act as Research Analyst and Investment Advisors and to do such other activities which are incidental or ancillary to the same."*

1-b) *To become a member of commodity exchange/s and/or to carry on business as Commodity brokers, sub-brokers, Authorised Persons, market makers, traders, arbitrageurs, investors and/or hedgers in all kinds of commodities including agricultural produce, metals, gold, silver, platinum, precious stones, diamonds, petroleum, energy products and commodities in spot, futures and derivatives, commodity futures & options / options on commodity futures as permitted under the laws of India and to act as clearing and forwarding agent for providing support for statutory compliances related to deliveries of commodities and to provide services of every kind in connection with dealing and trading in commodities."*

1-c) *To make investments in shares and securities, movable or immovable properties and all other investment related activities."*

Key events, milestones and achievements

The table below sets forth the key events, milestones and achievements in the history of our Company:

Calendar Year/ FY	Particulars
2005	Incorporation of our Company
	Awarded 'Best Local Brokerage' at the Asiamoney Brokers Polls for India
2006	Entered into Investment Banking and Private Equity
2007	Public listing of its equity shares on the Stock Exchanges
	Reached billion dollar market capitalisation
2008	Awarded 'Best Franchisor in Financial Services Category - India' by the Franchising World Magazine
2009	Rated number 1 in India Mid & Small-Caps - Best Recommendations category, at the Starmine India Broker Rankings 2009
2010	Depository Participant Assets crossed ₹10,000 crore
	Motilal Oswal Asset Management Company Limited launched its maiden mutual fund offering
2011	Awarded 'Best Equity Broking House' at the BSE – Dun & Bradstreet Equity Broking Awards
	Expanded to over 1,500 business locations and registered customer base crossed 700,000
2012	Awarded 'Depository Participant of the Year' at the Money Today FPCIL Awards
	Awarded 'Best Equity Broker' at the Bloomberg UTV Financial Leadership Awards 2012
2014	Adjudged as 'Best Performing National Financial Advisor - Equity Broker' at the UTI-CNBC TV18 Financial Advisor Awards
	Ranked 'Best Local Brokerage (India) for Trading and Execution' by the Trade Asia Poll 2014
	Entered into the business of Housing Finance
2016	Certified as 'Great Place to Work' by Great Places to Work Institute (India)
2017	Entered the Fortune (India) 500 club
	Featured in the Forbes Super 50 Companies, 2017
2018	Crossed 1 million customers in broking and distribution business
	Awarded 'Best Broking Business of the Year' at the Moneycontrol Wealth Creator Awards 2018
2019	Inducted in the Hall of Fame at the 10th Financial Advisor Awards
2021	Awarded 'Best Domestic Brokerage (India)' at the AsiaMoney Brokers Poll 2021
	Motilal Oswal Next Trillion Dollar Opportunity (NTDOP) ranked number one Best Portfolio Management Service in 10 years performance across all categories on risk adjusted returns at India's Smart Money Manager Awards, 2021.
2022	Ranked number 1 'Best Brokerages for Corporate Access Team and Sales Person' at the Asiamoney Brokers Poll 2022
2023	Reported highest ever nine months (Q3 FY 2024) profit of ₹ 2,001 crore
	Motilal Oswal Wealth Limited was awarded the "Best Wealth Manager – India" at the Asset Triple A Private Capital Awards 2023
2024	Awarded ESG Championship of India 2024 by Dun and Bradstreet

Material agreements

Our Company has not entered into any material agreements.

Holding Company

As on the date of this Prospectus, our Company has no holding company.

Our Subsidiaries and brief summary of the business activities of Subsidiaries:

As at the date of this Prospectus, our Company has 18 Subsidiaries as set out below:

1. Motilal Oswal Asset Management Company Limited ("MOAMC")

Corporate Information

MOAMC was incorporated as a public limited company under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the RoC on November 14, 2008 and is validly existing under Companies Act, 2013. The CIN of MOAMC is U67120MH2008PLC188186. The registered office of MOAMC is located at Motilal Oswal Tower, 10th Floor, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai 400 025, Maharashtra, India.

Nature of Business

MOAMC is in the business of, *inter alia*, managing mutual funds, providing financial consultancy and investment advisory services, portfolio managerial services and act as investment manager for AIFs Category III.

2. Motilal Oswal Home Finance Limited ("MOHFL")

Corporate Information

MOHFL was originally incorporated in the name of 'Aspire Home Finance Corporation Limited' as a public limited company under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the RoC on October 1, 2013 and is validly existing under Companies Act, 2013. The name of MOHFL was changed to 'Motilal Oswal Home Finance Limited' and a fresh certificate of incorporation was issued by the RoC on May 28, 2019. The CIN of MOHFL is U65923MH2013PLC248741. The registered office of MOHFL is located at Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai 400 025, Maharashtra, India.

Nature of Business

MOHFL is in the business of, *inter alia*, providing finance/ loans for home buying, construction, improvement, and extension.

3. Motilal Oswal Finvest Limited ("MOFL")

Corporate Information

MOFL was originally incorporated in the name of 'Motilal Oswal Portfolio Management Services Private Limited' as a private company under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the RoC on November 10, 2006 and is validly existing under Companies Act, 2013. The name of MOFL was changed to 'Motilal Oswal Capital Markets Private Limited' and a fresh certificate of incorporation was issued by the RoC on February 5, 2008. Further, the name of MOFL was changed to 'Motilal Oswal Capital Markets Limited' and a fresh certificate of incorporation was issued by the RoC on May 4, 2018 and thereafter, to 'Motilal Oswal Finvest Limited' and a fresh certificate of incorporation was issued by the RoC on September 25, 2018. The CIN of MOFL is U65100MH2006PLC165469. The registered office of MOFL is located at Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai 400 025, Maharashtra, India.

Nature of Business

MOFL is a non-banking financial company involved in, *inter alia*, lending activities, offering various types of loans such as personal loans, working capital loans, loans against securities, unsecured loans, including initial public offering funding, and other loan products.

4. Motilal Oswal Wealth Limited ("MOWL")

Corporate Information

MOWL was originally incorporated in the name of 'Antop Traders Private Limited' as a private company under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the RoC on March 6, 2002 and is validly existing under Companies Act, 2013. The name of MOWL was changed to 'Motilal Oswal Wealth Management Private Limited' and fresh certificate of incorporation was issued by the RoC on January 3, 2012. Further, the name of MOWL was changed to 'Motilal Oswal Wealth Management Limited' and a fresh certificate of incorporation was issued by the RoC for the same on March 21, 2014 and thereafter, to 'Motilal Oswal Wealth Limited', and a fresh certificate of incorporation was issued by the RoC on June 15, 2021. The CIN of MOWL is U67110MH2002PLC135075. The registered office of MOWL is located at Motilal Oswal Tower, 6th Floor, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai 400 025, Maharashtra, India.

Nature of Business

MOWL is in the business of, *inter alia*, advisory services in investment and wealth management, providing financial and investment advisory services, investment recommendations, and consultancy.

5. MO Alternate Investment Advisors Private Limited ("MO Alternate")

Corporate Information

MO Alternate was originally incorporated in the name of 'Motilal Oswal Insurance Brokers Private Limited' as a private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the RoC on April 23, 2007 and is validly existing under Companies Act, 2013. The name of MO Alternate was changed to

'Motilal Oswal Fincap Private Limited' and a fresh certificate of incorporation was issued by the RoC on January 9, 2018. Thereafter, the name of MO Alternate was changed to 'MO Alternate Investment Advisors Private Limited' and a fresh certificate of incorporate was issued by the RoC on December 24, 2020. The CIN of MO Alternate Investment is U65100MH2007PTC170211. The registered office of MO Alternate Investment is located at Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai 400 025, Maharashtra, India.

Nature of Business

MO Alternate is in the business of, *inter alia*, investment manager for the fund approved by SEBI, providing financial, investment advisory services/ referral services, management services and also acts as portfolio manager and investment advisor.

6. Motilal Oswal Investment Advisors Limited ("MO Investment Advisors")

Corporate Information

MO Investment Advisors was originally incorporated in the name of 'Motilal Oswal Investment Advisors Private Limited' as a private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the RoC on March 20, 2006 and is validly existing under Companies Act, 2013. The name and nature of MO Investment Advisors was changed to 'Motilal Oswal Investment Advisors Limited' and 'public limited company' respectively, and a fresh certificate of incorporation was issued by the RoC on March 31, 2017. The CIN of MO Investment Advisors is U67190MH2006PLC160583. The registered office of MO Investment Advisors is located at Motilal Oswal Tower, 10th Floor, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai 400 025, Maharashtra, India.

Nature of Business

MO Investment Advisors is in the business of, *inter alia*, merchant banking, investment banking, and rendering financial and advisory services.

7. Motilal Oswal Broking and Distribution Limited ("MO B&D")

Corporate Information

MO B&D was originally incorporated in the name of 'Glide Tech Investment Advisory Private Limited' as a private limited company under the Companies Act, 2013 pursuant to Certificate of Incorporation issued by the RoC on November 29, 2019 and is validly existing under Companies Act, 2013. The name of MO B&D was changed to 'Motilal Oswal Broking and Distribution Private Limited' and a fresh certificate of incorporation was issued by the RoC on August 18, 2023, and thereafter to 'Motilal Oswal Broking and Distribution Limited' and a fresh certificate of incorporation was issued by the RoC on October 5, 2023. The CIN of MO B&D is U65990MH2019PLC333563. The Registered Office of MO B&D is located at Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai 400 025, Maharashtra, India.

Nature of Business

MO B&D is engaged in the business of, inter alia, financial services including stock broking, commodity broking, investment activities, and advisory services.

8. TM Investment Technologies Private Limited ("TMITPL")

Corporate Information

TMITPL was incorporated as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation issued by the RoC on July 24, 2020. The CIN of TMITPL is U65990MH2020PTC342552. The registered office of TMITPL is located at Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai 400 025, Maharashtra, India.

Nature of Business

TMITPL is engaged in the business of, inter alia, acting as investment consultants, research analyst, and investment advisory services.

9. MO Alternative IFSC Private Limited ("MO Alternative IFSC")

Corporate Information

MO Alternative IFSC was incorporated as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation issued by the Registrar of Companies, Ahmedabad on November 10, 2021. The CIN of

MO Alternative IFSC is U67100GJ2021PTC127141. The registered office of MO Alternative IFSC is located at Unit No 635, 6th Floor, Signature, 13B, Zone 1, GIFT SEZ, Gandhinagar 382 355, Gujarat, India.

Nature of Business

MO Alternative IFSC is engaged in the business of, *inter alia*, investment manager for sponsoring and managing investment funds approved by SEBI and IFSCA, and providing investment advisory/ distribution/ referral services.

10. Motilal Oswal Securities International Private Limited ("MOSIPL")

Corporate Information

MOSIPL was incorporated as a private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the RoC on June 27, 2011 and is validly existing under Companies Act, 2013. The CIN of MOSIPL is U65929MH2011PTC219141. The registered office of MOSIPL is located at Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai 400 025, Maharashtra, India.

Nature of Business

MOSIPL, registered with FINRA (Financial Industry Regulatory Authority) and SEC (Securities and Exchange Commission), acts as a broker-dealer for major U.S. institutional investors and institutional investors, and is engaged in, *inter alia*, transmitting orders in foreign equity and debt securities to its parent company, Motilal Oswal Financial Services Limited.

11. Motilal Oswal Finsec IFSC Limited ("MO Finsec IFSC")

Corporate Information

MO Finsec IFSC was incorporated as a public limited company under the Companies Act, 2013 was incorporated on May 7, 2018, pursuant to a certificate of incorporation issued by the Registrar of Companies, Ahmedabad dated May 24, 2018. The CIN of MO Finsec IFSC is U65929GJ2018PLC102209. The registered office of MO Finsec IFSC is located at Unit No. 312, Third Floor, Signature Building, Block 13-B, Zone 1, GIFT SEZ, Gandhinagar 382 355, Gujarat, India.

Nature of Business

MO Finsec IFSC is an international financial service centre unit and is also engaged in offering, *inter alia,* retail and institutional broking, and financial products distribution. MO Finsec IFSC has a customer base which includes resident and non-resident individuals, HUFs, and corporates.

12. Motilal Oswal Capital Limited ("MOCL")

Corporate Information

MOCL was incorporated as a public limited company under the Companies Act, 2013 pursuant to a certificate of incorporation issued by the RoC on September 19, 2016. The CIN of MOCL is U65100MH2016PLC285990. The registered office of MOCL is located at Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai 400 025, Maharashtra, India.

Nature of Business

MOCL is engaged in business of, *inter alia,* investment advisory, management consultancy, financial consultancy and portfolio management services.

13. Motilal Oswal Trustee Company Limited ("MO Trustee")

Corporate Information

MO Trustee was incorporated as a public limited company under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the RoC on November 14, 2008 and is validly existing under Companies Act, 2013. The CIN of MO Trustee is U93090MH2008PLC188187. The registered office of MO Trustee is located at Motilal Oswal Tower, 10th Floor, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai 400 025, Maharashtra, India.

Nature of Business

MO Trustee acts as, *inter alia*, trustee, administrators, representatives and/or nominees of investment trusts or funds or schemes including but not limited to mutual funds.

14. Motilal Oswal Commodities Broker Private Limited ("MO Commodities Broker")

Corporate Information

MO Commodities Broker was originally incorporated in the name of 'Prudential Portfolio Services Private Limited' as a private limited company under the Companies Act, 1956 pursuant to Certificate of Incorporation issued by the RoC on March 26, 1991 and is validly existing under the Companies Act, 2013. The name of MO Commodities Broker was changed to 'Motilal Oswal Commodities Brokers Private Limited' and fresh certificate of incorporation was issued by the RoC on November 12, 2003, and thereafter to 'Motilal Oswal Commodities Broker Private Limited' and a fresh Certificate of Incorporation was issued by the RoC on August 27, 2004. The CIN of MO Commodities Broker is U65990MH1991PTC060928. The registered office of MO Commodities Broker is located at Motilal Oswal Tower, 6th Floor, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai 400 025, Maharashtra, India.

Nature of Business

MO Commodities Broker is in the business of, *inter alia*, commodities broking.

15. Indian Business Excellence Management Company ("IBEMC")

Corporate Information

IBEMC was incorporated as a private company under the Mauritius Companies Act, 2001 pursuant to a certificate of incorporation issued by Registrar of Companies, Mauritius on September 27, 2006. The registered office of IBEMC is located at Apex House, Bank Street, TwentyEight Cybercity, Ebene 72201, Mauritius.

Nature of Business

IBEMC serves as, *inter alia*, an advisor and investment manager for offshore fund based in Mauritius specializing in long-term private equity investments.

16. Motilal Oswal Asset Management (Mauritius) Private Limited ("MO Mauritius")

Corporate Information

MO Mauritius was incorporated as a private company under the Mauritius Companies Act, 2001, pursuant to certificate of incorporation issued by the Registrar of Companies, Mauritius, on January 8, 2015. The Registered Office of MO Mauritius is located at 19 Bank Street 4th floor Ebene, 72201, Mauritius.

Nature of Business

MO Mauritius acts as, *inter alia*, an investment manager for an off-shore fund, Motilal Oswal India Fund, constituted at Mauritius and as a collective investment scheme manager. MO Mauritius holds, *inter alia*, Category 1 Global Business License issued by the Financial Services Commission under the Financial Services Act, 2007.

17. Motilal Oswal Capital Markets (Singapore) Private Limited ("MO Singapore")

Corporate Information

MO Singapore was incorporated as a private company limited by shares under the Companies Act (Cap 50) pursuant to a certificate of incorporation issued by Accounting and Corporate Regulatory Authority, Singapore on September 30, 2011. The registered office of MO Singapore is located at 80 Raffles Place, #32-01, UOB Plaza, Singapore.

Nature of Business

MO Singapore engages in the business of, *inter alia*, dealing in capital markets products and distributing reports to institutional investors and accredited investors in Singapore.

18. Motilal Oswal Capital Markets (Hong Kong) Private Limited ("MO Hongkong")

Corporate Information

MO Hongkong was incorporated as a private limited company under the Companies Ordinance (Chapter 32 of the laws of Hong Kong), pursuant to a certificate of incorporation issued by Registrar of Companies, Hong Kong Special Administration Region, on September 30, 2011. The registered office of MO Hongkong is located at 31/F, Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong.

Nature of Business

MO Hongkong engages in the business of, *inter alia*, advising on securities and distributing research reports prepared by parent company, Motilal Oswal Financial Services Limited to professional investors in Hong Kong.

Joint Venture

As at the date of this Prospectus, our Company has no joint ventures.

Associate

As at the date of this Prospectus, our Company has no associate companies.

Acquisition or Amalgamation in the last one year

Our Company has not made any acquisition or amalgamation in the last one year prior to the date of this Prospectus.

Reorganization or Reconstruction undertaken by our Company in the last one year

There has been no reorganization or reconstruction undertaken by our Company in the last one year, preceding the date of this Prospectus, except the proposed scheme of arrangement as mentioned below.

Type of event	Date of announcement	Date of completion	Details
Scheme of Arrangement	July 27, 2023	-	The Board of Directors of our Company ("**Transferor Company**" or "**Resulting Company**") at the meeting held on July 27, 2023 has approved the Scheme of Arrangement between the Company, Motilal Oswal Broking and Distribution Limited (*in its erstwhile name Glide Tech Investment Advisory Private Limited*) ("**Transferee Company**") and Motilal Oswal Wealth Limited ("**Demerged Company**") and their respective shareholders ("**Scheme**") under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013. The proposed arrangement involves the following: 1. Transfer of Broking and Distribution ("**B&D**") Business/Undertaking of the Transferor Company into the Transferee Company by way of slump sale and consequent issue of equity shares by the Transferee Company to the Transferor Company; 2. Demerger of Wealth Business Undertaking of the Demerged Company into the Resulting Company; and 3. Various other matters consequential or otherwise integrally connected herewith.

The Scheme is subject to necessary statutory and regulatory approvals including the approval of the Hon'ble National Company Law Tribunal, Mumbai Bench. Currently, the NOCs are awaited from the Stock Exchanges. For details, see "*Proposed Scheme of Arrangement*" on page 192.

Enterprises over which control is exercised by the Company

As on the date of this Prospectus, our Company does not exercise control over any of the enterprises, other than our Subsidiaries.

OUR MANAGEMENT

Board of Directors

The general supervision, direction and management of our Company, its operations and business are vested in the Board, which exercises its power subject to the Memorandum and Articles of Association of our Company and the requirements of the applicable laws.

The Articles of Association of our Company require us to have not less than 3 and not more than fifteen Directors.

The composition of the Board is in conformity with Section 149 of the Companies Act, 2013 and is governed by the Articles of Association of our Company, and the SEBI Listing Regulations.

As of the date of this Prospectus, we have 10 Directors on our Board of Directors, of which 5 are Independent Directors including 2 woman Directors.

The following table sets forth details regarding the Board of Directors as on the date of this Prospectus:

Name, Designation and DIN	Age	Nationality	Address	Date of Appointment	Details of other Directorship
Raamdeo Agarawal **Designation:** Non-Executive Non-Independent Chairman **DIN:** 00024533	67	Indian	218, 18 Floor Samudra Mahal Dr. Annie Besant Road Mumbai 400 018, Maharashtra, India	May 18, 2005	**Indian Companies:** • MO Alternate Investment Advisors Private Limited; • Motilal Oswal Asset Management Company Limited; • Motilal Oswal Broking and Distribution Limited; • Motilal Oswal Foundation; • Motilal Oswal Home Finance Limited; • Motilal Oswal Investment Advisors Limited; and • TM Investment Technologies Private Limited. **Foreign Companies:** Nil
Motilal Oswal **Designation:** Executive Director-Managing Director and Chief Executive Officer **DIN:** 00024503	61	Indian	10-Mount Unique, Peddar Road, Mumbai 400 026, Maharashtra, India	May 18, 2005	**Indian Companies:** • MO Alternate Investment Advisors Private Limited; • Motilal Oswal Capital Limited; • Motilal Oswal Foundation; • Motilal Oswal Home Finance Limited; • Motilal Oswal Investment Advisors Limited; and • Tattva Education Foundation. **Foreign Companies:** Nil
Navin Agarwal	52	Indian	A-1-2702, Floor-27, Plot-1052/56, A1 Wing, Sumer Trinity No 1,	May 18, 2005	**Indian Companies:**

Name, Designation and DIN	Age	Nationality	Address	Date of Appointment	Details of other Directorship
Designation: Non-Executive Non- Independent Director **DIN:** 00024561			Nagusayajiwadi, Prabhadevi, Mumbai 400 025, Maharashtra, India		• MO Alternative IFSC Private Limited; • Motilal Oswal Asset Management Company Limited; • Motilal Oswal Broking and Distribution Limited; and • Motilal Oswal Capital Limited. **Foreign Companies:** Nil
Ajay Menon **Designation:** Executive Director - Whole-time Director **DIN:** 00024589	49	Indian	B-404 Uranus, Vasant Galaxy, Bangur Nagar, Goregaon (West), Mumbai 400 090, Maharashtra, India	August 21, 2018	**Indian Companies:** • Motilal Oswal Finsec IFSC Limited; • Motilal Oswal Wealth Limited; and • TM Investment Technologies Private Limited. **Foreign Companies:** Nil
Rajat Rajgarhia **Designation:** Executive Director - Whole-time Director **DIN:** 07682114	48	Indian	2303, 23rd Flr, Sumer Trinity Tower 2, B Wing, New Prabhadevi Road, B Wing, New Prabhadevi Road, Mumbai 400 025, Maharashtra India	July 31, 2020	**Indian Companies:** • Motilal Oswal Finsec IFSC Limited; and • Motilal Oswal Investment Advisors Limited. **Foreign Companies:** Nil
Chitradurga Narasimha Murthy **Designation:** Non-Executive Independent Director **DIN:** 00057222	73	Indian	Kalpataru Aura , Opp. R City Mall, Block No.1 F, Flat No. 91, L.B.S. Marg, Ghatkopar (West), Mumbai 400 086, Maharashtra, India	July 1, 2020	**Indian Companies:** Nil **Foreign Companies:** Nil
Chandrashekhar Anant Karnik **Designation:** Non-Executive Independent Director **DIN:** 00003874	71	Indian	1704, Interface Heights- C, behind infinity Mall-2, Off Link Road, Malad (West), Mumbai4000064, Maharashtra, India	September 16, 2020	**Indian Companies:** Nil **Foreign Companies:** Nil
Pankaj Bhansali **Designation:** Non-Executive Independent Director **DIN:** 03154793	48	Indian	Flat no. 404, Skyvistas, D.N. Nagar Municipal School Road, Upper Juhu, Mumbai 400 053, Maharashtra, India	July 1, 2020	**Indian Companies:** • Airpro Technology India Private Limited; • Anjali Lifestyle Private Limited; • Arth Capital Advisors Private Limited; and • Eqaro Surety Private Limited.

Name, Designation and DIN	Age	Nationality	Address	Date of Appointment	Details of other Directorship
					Foreign Companies: Nil
Divya Momaya **Designation:** Non-Executive Independent Director **DIN:** 00365757	44	Indian	A4-602, Shri Durga Apartment, Plot No. 186, Sector 10, Sanpada, Navi Mumbai 400 705, Maharashtra, India	July 1, 2020	**Indian Companies:** • Blue Jet Healthcare Limited; • GTPL Hathway Limited; • MMB Advisors Private Limited; • Motilal Oswal Finvest Limited; and • Motilal Oswal Home Finance Limited. **Foreign Companies:** Nil
Swanubhuti Jain **Designation:** Non-Executive Independent Director **DIN:** 09006117	44	Indian	A-2508, Oberoi Splendor, Jogeshwari Vikhroli link Road, opp. Majas bus depot, Jogeshwari East, Mumbai 400 060, Maharashtra, India	December 24, 2020	**Indian Companies:** • Allied Digital Services Limited; • Arihant Capital Markets Limited; • Learn2liberate Foundation; and • Motilal Oswal Asset Management Company Limited. **Foreign Companies:** Nil

Profile of Directors

Raamdeo Agarawal is the Non-Executive, Non-Independent Director and the Chairman of our Company. He is an Associate of The Institute of Chartered Accountants of India. He has been authoring the annual '*Motilal Oswal Wealth Creation Study*' since 1996. In 1986, he authored a book titled "*Corporate Numbers Game*", along with co-author, Late. Ram K Piparia and "*The Art of Wealth Creation*". He has received the "*Rashtriya Samman Patra*" awarded by the Government of India for being amongst the highest Income Tax payers in the country for a period of 5 years from FY 1995–1999. He, along with our co-Promoter Motilal Oswal, started our Company in 1987.

Motilal Oswal is the Executive Director - Managing Director and Chief Executive Officer of our Company. He is an Associate of The Institute of Chartered Accountants of India. He has received the "*Rashtriya Samman Patra*" awarded by the Government of India for being amongst the highest Income Tax payers in the country for a period of 5 years from FY 1994-95 to FY 1998-99. He is our co-Promoter and has previously been the chairman and president of the Jain International Trade Organization. He has received several awards including, "*Rajasthan Ratna Manav Seva*" award by Manav Seva Trust; "*Durgadevi Saraf Puraskar*" by Marwadi Sammelan for contributions in the field of Trade & Industry; and "*Samaj Ratna*" award by the Amravati Cancer Foundation. He has also authored two books titled "*The Essence of Business & Management*" and "*The Essence of Life*". He along with our co-Promoter, Raamdeo Agarawal started our Company in 1987.

Navin Agarwal is a Non-Executive Non-Independent Director of our Company. He is a qualified chartered accountant, company secretary, cost accountant and chartered financial analyst. He is working with Motilal Oswal Financial Services Limited for the last 23 years. He has co-authored a book titled 'India's Money Monarchs'.

Ajay Menon is an Executive Director - Whole-time Director & CEO - Broking and Distribution business of our Company. He holds bachelor's degree in commerce from N.M. College of Commerce, Mumbai and is a member of the Institute of Chartered Accountants of India. He joined the Motilal Oswal Group in 1998 as an accounts manager.

Rajat Rajgarhia is an Executive Director - Whole-time Director of our Company. He is a qualified chartered accountant and holds a master's degree in business administration from Management Development Institute, Gurgaon. He has previously

worked with Indiainfoline and thereafter joined our Company in 2001 as a research analyst. He currently heads the Institutional Equities business in our Company.

Chitradurga Narasimha Murthy is a Non-Executive Independent Director of our Company. He holds a bachelor's degree in technology from IIT Kharagpur. He is a certified power coach from Coaching & Leadership International Inc., Canada. He is also a qualified lumina learning practitioner in Lumina Spark by Lumina Learning Global. Further, he is a PCC Credentialed coach by International Coach Federation. He has been a former president of the International Coaching Federation, Mumbai Chapter. He has also served on the board of the Huhtamaki-PPL (Paper Products Limited).

Chandrashekhar Anant Karnik is a Non-Executive Independent Director of our Company. He holds a bacherlor's degree in science from Bombay University, and a master's degree in business management from Davar's College of Commerce, Bombay. He also holds a post graduate diploma in industrial relations and personnel management from Bharatiya Vidya Bhavan's Rajendra Prasad Institute of Communication & Management, Mumbai. In addition to this, he also holds a degree in law with specialization in labour welfare from the Bombay University. He has previously worked with Forbes & Company Limited, Hotel Corporation of India Limited, FER Electricals Limited and Bombay Oxygen Corporation Limited. He is a certified CEO coach from the Coaching Foundation India Limited (CFI). He is currently on the board of governors of Presidency University. He is a former director-human resources of the Forbes Group. He was also an employer's representative on the National Medical Benefit Council of Employees' State Insurance Corporation. He is a life member of National Institute of Personnel Management and the National Human Resource Development Network.

Pankaj Bhansali is a Non-Executive Independent Director of our Company. He is a qualified chartered accountant. He has previously worked with Religare Enterprise Limited, Choice International Limited, Netstream Networks Private Limited, Subhadra Local Area Bank Limited, Arth Capital Advisors Private Limited, and Airpro Technologies Limited. He is currently the director and chief operating officer of Eqaro Surety Private Limited.

Divya Momaya is a Non-Executive Independent Director of our Company. She holds a bachelor's degree in commerce from the University of Pune and is an associate member of the Institute of Company Secretaries of India. She is currently a partner of D. S. Momaya & Co. LLP. She has previously worked with BSEL Infrastructure Realty Limited. She is also the co-chairperson of IMC Chamber of Commerce and Industry and Navi Mumbai member of JITO.

Swanubhuti Jain is a Non-Executive Independent Director of our Company. She holds a post graduate diploma in sales and marketing management from Narsee Monjee Institute of Management Studies and master's degree in philosophy from Mumbai University. She has previously worked with Accenture Consulting India, Multi Commodity Exchange of India Limited, Asit C. Mehta Investment Intermediates Limited, ICICI Prudential Life Insurance Company Limited, Birla Sun Life Insurance Company Limited, Havmore Insurance Brokers Private Limited; and JITO Incubation and Innovation Foundation. She has been ranked amongst top 20 Managers in India at Aditya Birla Sun Life Insurance in the year 2004. She is a speaker at CNBC Awaaz Show "Startup Nation". Currently, she is the founder director of Learn 2 Liberate Foundation.

Relationship between our Directors

None of our Directors are related to each other.

Remuneration of our Directors

Remuneration and terms of employment of the Executive Directors

Motilal Oswal

Our Board, at their meeting held on October 30, 2020, approved the appointment of Motilal Oswal as the Executive Director - Managing Director and Chief Executive Officer of our Company subject to the terms and conditions as set out in the board resolution dated October 30, 2020 and shareholders resolution dated August 9, 2021. Pursuant to the aforementioned board and shareholders resolution, Motilal Oswal has been appointed for a period of five years from January 18, 2021 to January 17, 2026.

Pursuant to the board and shareholders resolution dated October 30, 2020 and August 9, 2021, respectively, Motilal Oswal is entitled to remuneration, in accordance with the terms set out below:

Particulars	Description
Salary	₹ 2,40,00,000 per annum
Allowances	In accordance with the policies of the Company
Variable Pay	By way of incentive / bonus/ performance linked incentive as determined by the Board or the Nomination and Remuneration Committee
Perquisites	a. Free accommodation (Company owned or leased/rented)

Particulars	Description
	b. Club membership, telephone and other communication facilities at residence, medical and life insurance, chauffer and any other benefits applicable to the employees in accordance with the policies of the Company c. Company car (owned/ leased or hired) in accordance with the policies of the Company d. Company's contribution to provident fund, benefits of gratuity, adjustment of earned leave at the end of the tenure, in accordance with the policies of the Company e. Contribution to National Pension Scheme in accordance with the policies of the Company

Ajay Menon

Our Board had, at their meeting held on April 27, 2023, approved the appointment of Ajay Menon as the Executive Director - Whole-time Director of our Company subject to the terms and conditions as set out in the board resolution dated April 27, 2023 and shareholders resolution date July 11, 2023. Pursuant to the aforementioned board and shareholders resolution, Ajay Menon has been appointed for a period of five years from August 21, 2023 to August 20, 2028.

Pursuant to the board and shareholders resolution dated April 27, 2023 and July 11, 2023, respectively, Ajay Menon is entitled to remuneration in accordance with the terms set out below:

Particulars	Description
Salary (fixed remuneration)	₹ 1,60,00,000 per annum (the fixed remuneration may be increased up to ₹ 4,00,00,000 per annum during the period of five years by the Board or the Nomination and Remuneration Committee, not exceeding the overall permissible limit as prescribed under the Companies Act)
Variable Pay	By way of incentive / bonus/ performance linked incentive not exceeding 15 times of the fixed remuneration of respective years as may be determined by the Board or the Nomination and Remuneration Committee
Perquisites	a. Free accommodation (Company owned or leased/rented) b. Club membership, telephone and other communication facilities at residence, medical and life insurance, chauffer and any other benefits applicable to the employees in accordance with the policies of the Company c. Company car (owned/ leased or hired) in accordance with the policies of the Company d. Company's contribution to provident fund, benefits of gratuity, adjustment of earned leave at the end of the tenure, in accordance with the policies of the Company e. Contribution to National Pension Scheme in accordance with the policies of the Company
Employee Stock Options	The perquisite value of stock options exercised shall form part of the remuneration

Rajat Rajgarhia

Our Board had, at their meeting held on July 31, 2020, approved the appointment of Rajat Rajgarhia as the Executive Director - Whole-time Director of our Company subject to the terms and conditions as set out in the board resolution dated July 31, 2020 and shareholders resolution dated August 9, 2021. Pursuant to the aforementioned board and shareholders resolution, Rajat Rajgarhia has been appointed for a period of five years from July 31, 2020 to July 30, 2025.

Pursuant to the board and shareholders resolution dated July 31, 2020 and August 9, 2021 respectively, Rajat Rajgarhia is entitled to remuneration, in accordance with the terms set out below:

Particulars	Description
Salary	₹ 72,00,000 per annum
Variable Pay	By way of incentive / bonus/ performance linked incentive as determined by the Board or the Nomination and Remuneration Committee
Allowances	a. House rent allowance: ₹ 36,00,000 per annum b. Supplementary allowance: ₹ 66,96,000 per annum

Particulars	Description
	c. Leave travel allowance: ₹ 60,000 per annum d. Other allowance: In accordance with the policies of the Company
Perquisites	a. Free accommodation (Company owned or leased/rented) b. Club membership, telephone and other communication facilities at residence, medical and life insurance, chauffer and any other benefits applicable to the employees in accordance with the policies of the Company c. Company car (owned/ leased or hired) in accordance with the policies of the Company d. Company's contribution to provident fund, benefits of gratuity, adjustment of earned leave at the end of the tenure, in accordance with the policies of the Company e. Contribution to National Pension Scheme in accordance with the policies of the Company
Employee Stock Options	The perquisite value of stock options exercised shall form part of the remuneration

The following table sets forth the remuneration paid by our Company to our Executive Directors of our Company for Fiscals 2024, 2023, 2022, and 2021:

Name of the Director	Fiscal 2024#		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Salary (₹ in crores)	Perquisites (₹)	Salary (₹ in crores)	Perquisites (₹)	Salary (₹ in crores)	Perquisites (₹)	Salary (₹ in crores)	Perquisites (₹)
Motilal Oswal	2.40	-	2.41	10,000	2.41	4,000	2.41	-
Rajat Rajgarhia	1.76	5,51,600	4.49	2,39,500	6.07	1,54,050	3.18	1,20,000
Ajay Menon	1.54	99,81,500	10.33	2,39,100	9.03	1,86,850	2.97	1,48,800
Navin Agarwal*	-	-	-	-	-	-	0.74	13,200

* *Change in designation from managing director to Non-Executive Non Independent Director pursuant to board resolution dated July 30, 2020.*

\# *The remuneration for the fiscal year 2024 consists only the fixed component. Variable component will be approved by Board of Directors of our Company upon finalization of financial statements for the Fiscal 2023-24.*

Remuneration of the Non-Executive and Independent Directors

Pursuant, to a resolution passed by our Board, at their meeting held on April 27, 2023 approved payment of sitting fees of ₹40,000 per meeting to Independent Directors of our Company for attending meetings of the Board and ₹ 20,000 per meeting for attending meetings of the committees of the Board. Further, following is the sitting fees and commission paid to our Non-Executive and Independent Directors for the Fiscals 2024 and 2023:

Name of our Directors	Fiscal 2024	Fiscal 2024	Fiscal 2023	Fiscal 2023
	Sitting Fees (in ₹)	Commission^ (in ₹)	Sitting Fees (in ₹)	Commission (in ₹)
Raamdeo Agarawal	-	12,00,000	-	12,00,000
Chitradurga Narasimha Murthy	3,60,000	-	2,00,000	4,00,000#
Chandrashekar Anant Karnik	3,60,000	-	1,30,000	4,50,000*
Pankaj Bhansali	3,60,000	-	2,00,000	3,00,000
Divya Momaya	2,80,000	-	1,80,000	3,00,000
Swanbhuti Jain	1,60,000	-	1,00,000	3,00,000

\# *The amount includes an amount of ₹1,00,000 paid to Chitradurga Narasimha Murthy by way of commission for undertaking various leadership training sessions for Senior Management of Motilal Oswal Group.*

* *The amount includes an amount of ₹1,50,000 paid to Chandrashekhar Anant Karnik by way of commission for undertaking various leadership training sessions for Senior Management of Motilal Oswal Group.*

^ *The commission to be paid to the Independent Directors of our Company for the Fiscal 2024 is yet to be approved by the Nomination and Remuneration Committee of our Company.*

The following table sets forth the remuneration paid by our Company to the Non-Executive Directors of our Company, by way of sitting fees and commission for Fiscals 2024, 2023, 2022, and 2021:

Name of our Directors	Remuneration (in ₹)			
	Fiscal 2024$	Fiscal 2023	Fiscal 2022	Fiscal 2021
Raamdeo Agarawal *	12,00,000	12,00,000	12,00,000	12,00,000
Navin Agarwal#	-	-	-	-
Chitradurga Narasimha Murthy	3,60,000	6,00,000	5,20,000	6,20,000
Chandrashekhar Anant Karnik	3,60,000	5,80,000	8,60,000	4,00,000
Pankaj Bhansali	3,60,000	5,00,000	5,20,000	4,60,000
Divya Momaya	2,80,000	4,80,000	5,00,000	4,60,000
Swanubhuti Jain	1,60,000	4,00,000	4,20,000	1,20,000

Name of our Directors	Remuneration (in ₹)			
	Fiscal 2024$	Fiscal 2023	Fiscal 2022	Fiscal 2021
Praveen Tripathi^	-	-	-	9,90,000
Vivek Paranjpe@	-	-	-	9,30,000
Sharda Agarwal**	-	-	-	9,00,000
Rekha Shah##	-	-	-	9,30,000

* *Raamdeo Agarawal, Non-Executive Non-Independent Director of our Company is not paid any sitting fees for attending Board Meetings & various Committee Meetings. However, pursuant to the recommendation of the Committee, the Board at its meeting held on July 31, 2019 has approved the payment of remuneration of ₹ 12,00,000 per annum by way of monthly commission of ₹ 1,00,000 to him.*

\# *Navin Agarwal is not paid any sitting fees for attending Board meetings & various Committee meetings.*

^ *Ceased as Director with effect from July 30, 2020.*

@ *Ceased as Director with effect from July 30, 2020.*

** *Ceased as Director with effect from July 30, 2020.*

Ceased as Director with effect from October 1, 2020.

$ *The remuneration paid to the Independent Directors for the fiscal year 2024 consists of only the sitting fees. The commission payable to the Independent Directors will be approved upon finalization of financial statements for the Fiscal 2024.*

Remuneration payable or paid to Directors by Subsidiaries and Associate company of our Company

The following table sets forth the remuneration (including sitting fees, commission and perquisites) paid by our Subsidiaries and our Associate Companies from Financial Year 2021 till March 31, 2024 to our Directors.

Name of the Director	Name of the Subsidiary	Type of remuneration received/payable
Fiscal 2024*		
Raamdeo Agarawal	MOAMC	Commission: ₹ 2.28 crore
Motilal Oswal	MOHFL	Salary: ₹ 4,00,000
Navin Agarwal	MOAMC	Salary: ₹ 2.27 crore
Divya Momaya	MOHFL	Sitting fees: ₹ 4,80,000
	MOFL	Sitting fees: ₹ 4,60,000
Swanubhuti Jain	MOAMC	Sitting fees: ₹ 2,70,000
Fiscal 2023		
Raamdeo Agarawal	MOAMC	Commission: ₹ 2.28 crore
Motilal Oswal	MOHFL	Salary: ₹ 8,00,000
Navin Agarwal	MOAMC	Salary: ₹17.30 crore
Divya Momaya	MOHFL	Commission: ₹ 2,00,000 Sitting fees: ₹ 2,20,000
	MOFL	Commission: ₹ 1,00,000 Sitting fees: ₹ 1,30,000
Swanubhuti Jain	MOAMC	Sitting fees: ₹ 2,60,000
Fiscal 2022		
Raamdeo Agarawal	MOAMC	Commission: ₹ 2.28 crore
Navin Agarwal	MOAMC	Salary: ₹17.25 crore
Divya Momaya	MOHFL	Commission: ₹ 2,00,000 Sitting fees: ₹ 2,40,000
Swanubhuti Jain	MOAMC	Sitting fees: ₹ 3,10,000
Fiscal 2021		
Raamdeo Agarawal	MOAMC	Commission: ₹ 2.28 crore
Navin Agarwal	MOAMC	Salary: ₹ 8.36 crore
Divya Momaya	MOHFL	Commission: ₹ 2,00,000 Sitting fees: ₹ 1,40,000
Swanubhuti Jain	MOAMC	Sitting fees: ₹ 65,000

** The remuneration for the fiscal year 2024 consists only the fixed component. Variable component will be approved by Board of Directors of our Company upon finalization of financial statements for the Fiscal 2023-24.*

Other confirmations

No Director of our Company is a director or is otherwise associated in any manner with, any company that appears in the list of the vanishing companies as maintained by the Ministry of Corporate Affairs, wilful defaulter list as categorized by the RBI or Export Credit Guarantee Corporation of India Limited or any other regulatory or governmental authority and/or bank or financial institutions.

None of our Directors have been identified as a 'Wilful Defaulter', as defined under SEBI NCS Regulations.

We also confirm that none of our Directors is restrained or prohibited or debarred from accessing the securities market or dealing in securities by the Board. Further, none of our Directors is a promoter or director of another company which is debarred from accessing the securities market or dealing in securities by SEBI. No Director in our Company is, or was, a director of any listed company, which has been or was compulsorily delisted from any recognised stock exchange within a period of ten years preceding the date of this Prospectus, in accordance with Chapter V of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021.

None of our Directors have committed any violation of securities laws in the past and no proceedings in such regard by SEBI or, RBI are pending against any of our Directors.

No Director of our Company is a fugitive economic offender, as defined in the SEBI NCS Regulations.

We confirm that the Permanent Account Number of the Directors of the Company has been submitted to the Stock Exchange at the time of filing the Draft Prospectus.

As at the date of this Prospectus, our Company has no associate companies.

Borrowing powers of our Board of Directors

Pursuant to resolution passed by our Shareholders on February 20, 2018 and Board of Directors on July 28, 2022**,** our Board has been authorised to borrow any sum or sums of monies, which together with the monies already borrowed (apart from temporary loans obtained or to be obtained in the ordinary course of business), in excess of our Company's aggregate paid-up capital, free reserves and securities premium reserve of our Company, up to a limit of an outstanding aggregate value of ₹ 7,500 crores.

The aggregate value of the NCDs offered under this Prospectus, together with the existing borrowings of the Company, is within the approved borrowing limits as abovementioned.

Interest of our Directors

Our Executive Directors may be deemed to be interested to the extent of remuneration paid by our Company / ESOP granted as well as to the extent of reimbursement of expenses payable to them.

All the Directors of our Company, including our Independent Directors, may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or a Committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them, if any. All the Independent Directors of our Company are entitled to sitting fees for attending every meeting of the Board or a Committee thereof.

All the directors of our Company, including Independent Directors, may also be deemed to be interested to the extent of Equity Shares, if any, held by them or by companies, firms and trusts in which they are interested as directors, partners, members or trustees and also to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

Our Directors may be deemed to be interested in the contracts, agreements/ arrangements entered into or to be entered into by the Company with any company in which they hold directorships or any partnership firm in which they are partners as declared in their respective capacity.

Other than as disclosed in "*Related Party Transactions*" on page 216, our Company has not entered into any contracts, agreements or arrangements during the two years immediately preceding the date of this Prospectus in which our Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements which are proposed to be made with them. Except as stated in "*Related Party Transactions*" on page 216, to the extent of compensation and commission if any, and their shareholding in the Company, the Directors do not have any other interest in the business of the Company.

Our Directors may be deemed to be interested to the extent, including of consideration received/paid or any loans or advances provided to any body corporate, including companies, firms, and trusts, in which they are interested as directors, members, partners or trustees.

None of our Directors are interested in their capacity as a member of any firm or company and no sums have been paid or are proposed to be paid to any Director or to such firm of company in which he is interested, by any person, in cash or shares or otherwise, either to induce them or to help them qualify as a director or for services rendered by him or by such firm or company, in connection with the promotion or formation of our Company.

Our Directors have no interest in any immovable property acquired or proposed to be acquired by our Company in the preceding two years of filing this Prospectus nor do they have any interest in any transaction regarding the acquisition of land, construction of buildings and supply of machinery, etc. with respect to our Company.

Except Motilal Oswal and Raamdeo Agarawal who are founder Promoters of our Company, none of our Directors are interested in the promotion of our Company, except in the ordinary course of business.

Except to the extent of shareholding of some of our Directors in our Subsidiary, our Directors do not have an interest in any venture that is involved in any activities similar to those conducted by our Company.

Our Directors have not taken any loan from our Company. Further, our Company has not availed any loans from the Directors which are currently outstanding. Our Directors are not interested in investments made in the secured/unsecured non-convertible

debentures issued by the Company. There is no contribution being made by the Directors as part of the Issue or separately in furtherance of such objects of the Issue.

Our Directors has no financial or other material interest in the Issue and no benefit / interest will accrue to our Directors out of the objects of the Issue.

Shareholding of our Directors

Except as disclosed below, none of our other Directors hold any Equity Shares as on the date of this Prospectus.

S. No	Name of Director	Designation	No. of Equity Shares of (₹)	Number of Stock Options	% of total Equity Shares of our Company
1.	Raamdeo Agarawal	Non-Executive Non-Independent Chairman	4,00,82,015	-	26.92
2.	Motilal Oswal	Executive Director - Managing Director & Chief Executive Officer	34,58,679	-	2.32
3.	Navin Agarwal	Non-Executive Non-Independent Director	76,35,072	-	5.13
4.	Rajat Rajgarhia	Executive Director - Whole-time Director	17,48,140	80,000	1.17
5.	Ajay Menon	Executive Director - Whole-time Director	4,00,000	95,000	0.27

Shareholdings of Directors in Subsidiaries and associates, including details of qualification of shares held by Directors as on the date of this Prospectus

Except as mentioned below, as of the date of this Prospectus, none of our Directors hold equity shares in our Subsidiaries and Associates.

Name	Name of the Subsidiary	Number of Equity Shares	Number of Stock Options	Percent of total Number of Outstanding Equity Shares (in %)
Raamdeo Agarawal	MOHFL	10	-	0.00
Motilal Oswal	MOHFL	10	-	0.00
Navin Agarwal	MOHFL	2,76,13,759	-	0.46
Ajay Menon	MOHFL	1,66,860	-	0.00
Rajat Rajgarhia	MOHFL	3,00,000	-	0.00

As at the date of this Prospectus, our Company has no associate companies.

Debentures/Subordinated Debt holding of our Directors

As on the date of this Prospectus, none of our Directors hold debentures or subordinated debt issued by our Company.

Changes in our Directors of our Company during the current financial year and last three financial years preceding the date of this Prospectus

The changes in Board of Directors of our Company during the current financial year and last three financial years preceding the date of this Prospectus are as following:

Name, Designation and DIN	Date of Appointment / re-appointment	Date of Cessation, if applicable	Date of Resignation, if applicable	Remarks
Chitradurga Narasimha Murthy **Designation**: Non-Executive Independent Director **DIN**: 00057222	July 1, 2020	-	-	Appointment
Pankaj Bhansali **Designation**: Non-Executive Independent Director **DIN:** 03154793	July 1, 2020	-	-	Appointment
Divya Momaya **Designation**: Non-Executive Independent Director **DIN**: 00365757	July 1, 2020	-	-	Appointment
Praveen Tripathi	-	July 30, 2020	-	Cessation

Name, Designation and DIN	Date of Appointment / re-appointment	Date of Cessation, if applicable	Date of Resignation, if applicable	Remarks
Designation: Non-Executive Independent Director **DIN**: 03154381				
Vivek Paranjpe **Designation**: Non-Executive Independent Director **DIN**: 03378566	-	July 30, 2020	-	Cessation
Sharda Agarwal **Designation:** Non-Executive Independent Director **DIN:** 00022814		July 30, 2020	-	Cessation
Navin Agarwal **Designation:** Non-executive Non-Independent Director **DIN:** 00024561	July 31, 2020	-	-	Change in designation from Managing Director to Non-Executive Director
Rajat Rajgarhia **Designation:** Executive Director - Whole-time Director **DIN:** 07682114	July 31, 2020	-	-	Appointment
Chandrashekhar Anant Karnik **Designation:** Non-Executive Independent Director **DIN:** 00003874	September 16, 2020	-	-	Appointment
Rekha Shah **Designation:** Non-Executive Independent Director **DIN:** 07072417	-	-	October 01, 2020	Resignation
Swanubhuti Jain **Designation:** Non-Executive Independent Director **DIN:** 09006117	December 24, 2020	-	-	Appointment
Motilal Oswal **Designation:** Executive Director - Managing Director & Chief Executive Officer **DIN:** 00024503	January 18, 2021	-	-	Re-appointment
Chitradurga Narasimha Murthy **Designation:** Non-Executive Independent Director **DIN:** 00057222	July 01, 2023	-	-	Re-appointment
Pankaj Bhansali **Designation:** Non-Executive Independent Director **DIN:** 03154793	July 01, 2023	-	-	Re-appointment
Divya Momaya **Designation:** Non-Executive Independent Director **DIN:** 00365757	July 01, 2023	-	-	Re-appointment

Name, Designation and DIN	Date of Appointment / re-appointment	Date of Cessation, if applicable	Date of Resignation, if applicable	Remarks
Ajay Menon **Designation:** Executive Director - Whole-time Director **DIN:** 00024589	August 21, 2023	-	-	Re-appointment
Chandrashekhar Anant Karnik, **Designation:** Non-Executive Independent Director **DIN:** 00003874	September 16, 2023	-	-	Re-appointment
Swanubhuti Jain **Designation:** Non-Executive Independent Director **DIN:** 09006117	December 24, 2023	-	-	Re-appointment

Appointment of any relatives of Directors to an Office or place of profit of our Company, its Subsidiaries and its Associates

Except as disclosed below, none of our Directors' relatives have been appointed to an office or place of profit of our Company, its Subsidiaries and Associates.

Name of the relative	Name of the Director	Relation	Company	Date of Joining	Terms/ Capacity
Vaibhav Raamdeo Agarwal	Raamdeo Agarawal	Son	MOAMC (Subsidiary)	April 1, 2022	Employee
Pratik Motilal Oswal	Motilal Oswal	Son	MOAMC (Subsidiary)	September 1, 2023	Employee

Key Managerial Personnel of our Company

The details of our Key Managerial Personnel, as on the date of this Prospectus, are set out below:

Sr. No.	Nam	Designation
1.	Motilal Oswal	Executive Director - Managing Director & Chief Executive Officer
2.	Ajay Menon	Executive Director - Whole-time Director
3.	Rajat Rajgarhia	Executive Director - Whole-time Director
4.	Shalibhadra Shah	Chief Financial Officer
5.	Kailash Purohit	Company Secretary & Compliance Officer

Relationship with other Key Managerial Personnel

None of our Key Managerial Personnel are related to each other.

Interests of Key Managerial Personnel

Except to the extent of remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them and to the extent of the Equity Shares held by them or their dependents in our Company, if any, or any stock options held by them and any dividend payable to them and other distributions in respect of such Equity Shares, the Key Managerial Personnel of the Company do not have any interest in the Company.

Payment or Benefit to employees of our Company

Nil

Shareholding of our Company's Key Managerial Personnel

The following table sets forth the shareholding of our key managerial personnel as on the date of this Prospectus.

Name	Number of Equity Shares	Number of Stock Options	Percent of Total Number of Outstanding Equity Shares (in %)
Motilal Oswal	34,58,679	-	2.32
Rajat Rajgarhia	17,48,140	80,000	1.17
Ajay Menon	4,00,000	95,000	0.27
Shalibhadra Shah	57,653	40,000	0.04
Kailash Purohit	2,286	12,000	0.00

Senior Management of our Company

Set forth below are the details of the Senior Management of our Company:

Sr. No.	Name	Designation
1.	Sukesh Bhowal	Business Head - Home Finance
2.	Vishal Tulsyan	Business Head - Private Equity
3.	Ashish Shanker	Business Head - Wealth Business
4.	Amit Ramchandani	Business Head - Investment Banking
5.	Harsh Joshi	Whole-time Director - Motilal Oswal Finvest Limited
6.	Niren Srivastava	Group Executive Director, CHRO
7.	Pankaj Purohit	Director, Information Technology
8.	Rohini Kute	Head, Corporate Communication
9.	Shalibhadra Shah	Chief Financial Officer
10.	Kailash Purohit	Company Secretary & Compliance Officer

Interest of Senior Management

Except to the extent of shareholding, if any and remuneration or benefits to which they are entitled to as per their terms of appointment reimbursement of expenses incurred by them during the ordinary course of business and otherwise disclosed in this Prospectus, the Senior Management Personnel of the Company do not have any interest in the Company.

Except as disclosed below, none of the Senior Management have a shareholding in our Company as on date of this Prospectus.

Name	Number of Equity Shares	Number of Stock Options	Percent of total number of outstanding Equity Shares (in %)
Vishal Tulsyan	12,14,379	-	0.82
Harsh Joshi	3,85,321	68,000	0.26
Ashish Shanker	1,15,366	5,97,707	0.08
Pankaj Purohit	45,921	72,500	0.03
Shalibhadra Shah	57,653	40,000	0.04
Kailash Purohit	2,286	12,000	0.00
Rohini Kute	290	4,500	0.00

No benefit/interest will accrue to our Senior Management out of the objects of the issue.

Our Senior Management have no financial or other material interest in the Issue and no benefit / interest will accrue to our Senior Management Personnel out of the objects of the Issue.

Related Party Transactions

For details in relation to the related party transactions entered by our Company during the last three financial years and the current financial year, refer to the chapter "*Related Party Transactions*" on page 216.

Corporate Governance

Our Company believes that good corporate governance is an important constituent in enhancing stakeholder value. Our Company has in place processes and systems whereby it complies with the requirements to the corporate governance provided in SEBI Listing Regulations and the applicable RBI Guidelines. The corporate governance framework is based on an effective independent Board, separation of the supervisory role of the Board from the executive management team and constitution of the committees of the Board, as required under applicable law. In compliance with the requirements of the SEBI Listing Regulations, our Board consists of five Independent Directors, which includes two woman directors. Our Company is in compliance with the requirements of applicable regulations, including the SEBI Listing Regulations, and the Companies Act, 2013, in respect of corporate governance, including constitution of our Board and committees thereof.

Committees of the Board of Directors

Our Board has constituted various committees, which function in accordance with the relevant provisions of the Companies Act, 2013, and the SEBI Listing Regulations. These are: (i) Audit Committee; (ii) Nomination and Remuneration Committee; (iii) Stakeholders' Relationship Committee; (iv) Corporate Social Responsibility Committee; (v) Risk Management Committee; vi) Finance Committee; vii) Business Responsibility & Sustainability Committee; viii) Information Technology; and ix) Cybersecurity Committee.

Audit Committee

The members of the Audit Committee are:

Name of the Member	Designation	Nature of Directorship
Pankaj Bhansali	Chairman	Non-Executive Independent Director
Chitradurga Narasimha Murthy	Member	Non-Executive Independent Director
Chandrashekhar Anant Karnik	Member	Non-Executive Independent Director
Divya Momaya	Member	Non-Executive Independent Director

The Audit Committee was constituted by the Board of Directors at their meeting held on June 21, 2006 and was last reconstituted on October 30, 2020. The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and the Listing Regulations.

The terms of reference of our Audit Committee were last revised pursuant to resolution passed by our Board in its meeting held on October 30, 2020 and are set forth below:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement are correct, sufficient and credible;

2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

    a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Act;

    b. Changes, if any, in accounting policies and practices and reasons for the same;

    c. Major accounting entries involving estimates based on the exercise of judgment by management;

    d. Significant adjustments made in the financial statements arising out of audit findings;

    e. Compliance with listing and other legal requirements relating to financial statements;

    f. Disclosure of any related party transactions; and

    g. Qualifications in the draft audit report;

5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;

6. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;

7. Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;

8. Approval or any subsequent modification of transactions of the company with related parties;

9. Scrutiny of inter-corporate loans and investments;

10. Valuation of undertakings or assets of the company, wherever it is necessary;

11. Evaluation of internal financial controls and risk management systems;

12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

14. Discussion with internal auditors of any significant findings and follow up there on;

15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

18. To review the functioning of the whistle blower mechanism/ vigil mechanism;

19. Approval of appointment of CFO (i.e. the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate; and

20. To review the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary.

Nomination and Remuneration Committee

The members of the Nomination and Remuneration Committee are:

Name of the Member	Designation	Nature of Directorship
Chitradurga Narasimha Murthy	Chairman	Non-Executive Independent Director
Pankaj Bhansali	Member	Non-Executive Independent Director
Chandrashekhar Anant Karnik	Member	Non-Executive Independent Director
Divya Momaya	Member	Non-Executive Independent Director

The Nomination and Remuneration Committee was constituted by the Board of Directors at their meeting held on September 22, 2005 and was last reconstituted on October 28, 2021. The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and the Listing Regulations.

The terms of reference of our Nomination and Remuneration Committee were last revised pursuant to resolution passed by our Board in its meeting held on October 28, 2021 and are set forth below:

1. Formulate criteria to qualify individuals who may become Director or who may be appointed in Senior Management Level of the Company and recommend to the Board of such appointments and removal;

2. Carry out performance evaluation of all Directors;

3. Formulate the criteria for determining qualifications, positive attributes and independence of a Director;

4. Recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees. The policy shall be referred as Nomination and Remuneration Policy;

5. To decide on the commission payable to the Directors within the prescribed limit and as approved by the shareholders of the Company;

6. To devise the policy on Board's diversity;

7. To formulate, implement and administer Employee Stock Option Scheme(s) of the Company and grant stock options to the employees;

8. To recommend to the Board, all remuneration, in whatever form, payable to Senior Management;

9. To decide whether to extend or continue the term of appointment of the independent director on the basis of report of performance evaluation of Independent Director;

10. To evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director, in case of appointment of an Independent Director;

11. To confirm that compensation payable to Research Analyst(s) are not determined or based on any specific merchant banking or investment banking or brokerage services transaction and approve the said compensation payable to Research Analyst(s); and

12. To carry out any other function as mandated by the Board from time to time and/ or enforced by any statutory notification, amendment or modification, as may be applicable and such other powers to be exercised by the NRC pursuant to circulars, notifications issued by Statutory & Regulatory authorities from time to time.

Stakeholders Relationship Committee

The members of the Stakeholders Relationship Committee are:

Name of the Member	Designation	Nature of Directorship
Raamdeo Agarawal	Chairman	Non-Executive Non-Independent Director - Chairman
Motilal Oswal	Member	Executive Director - Managing Director and Chief Executive Officer
Navin Agarwal	Member	Non-Executive Non-Independent Director
Chandrashekhar Anant Karnik	Member	Non-Executive Independent Director

The Stakeholders Relationship Committee was constituted by the Board of Directors at their meeting held on September 22, 2005 and was last reconstituted on October 30, 2020. The scope and function of the Stakeholders Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and the Listing Regulations.

The terms of reference of our Stakeholders Relationship Committee were last revised pursuant to resolution passed by our Board in its meeting held on October 30, 2020 and are set forth below:

1. To address requests/ resolve grievances of security holders including complaints related to transfer/ transmission of securities, non-receipt of balance sheet, non-receipt of declared dividends/interests, issue of new/duplicate certificates, general meetings, etc.;

2. To monitor and transfer the amounts/ shares transferable to the Investor Education and Protection Fund ("**IEPF**");

3. To approve transfer/ transmissions of securities;

4. Taking decision on waiver of requirement of obtaining the succession certificate/ probate of will on case to case basis;

5. To address the remat/ demat requests of security holders for rematerialisation/ dematerialisation of securities;

6. To issue duplicate share/ debenture certificate(s) reported lost, defaced or destroyed as per the laid down procedure and to resolve the grievances of security holders of the Company;

7. Attending to complaints of security holders routed by SEBI (SCORES)/ Stock Exchanges or any other Regulatory Authorities;

8. Specifically look into the various aspects of interest of shareholders, debenture holders and other security holders;

9. Review of measures taken for effective exercise of voting rights by shareholders;

10. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the registrar and share transfer agent;

11. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the Company; and

12. Any other matters that can facilitate better investor services and relations.

Corporate Social Responsibility Committee

The members of the Corporate Social Responsibility Committee are:

Name of the Member	Designation	Nature of Directorship
Motilal Oswal	Chairman	Executive Director - Managing Director and Chief Executive Officer
Raamdeo Agarawal	Member	Non-Executive Non Independent Director - Chairman
Chitradurga Narasimha Murthy	Member	Non-Executive Independent Director

The Corporate Social Responsibility Committee was constituted by the Board of Directors at their meeting held on April 26, 2014 and was last reconstituted on April 29, 2021.

The terms of reference of our Corporate Social Responsibility Committee were last revised pursuant to resolution passed by our Board in its meeting held on April 29, 2021 and are set forth below:

1. Formulate and recommend to the Board, a Corporate Social Responsibility ("**CSR**") Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act;

2. Recommend the amount of expenditure to be incurred on the activities referred to in Clause (1);

3. Monitor the Corporate Social Responsibility Policy of the Company from time to time;

4. Update the Board on the implementation of various programmes and initiatives;

5. Formulate and recommend to the Board for its approval, an annual action plan in pursuance to the CSR Policy; and

6. Such other powers to be exercised by the CSR Committee pursuant to circulars, notifications issued by statutory & regulatory authorities from time to time.

Risk Management Committee

The members of the Risk Management Committee are:

Name of the Member	Designation	Nature of Directorship
Motilal Oswal	Chairman	Executive Managing Director and Chief Executive Officer
Navin Agarwal	Member	Non-Executive Non-Independent Director
Ajay Menon	Member	Executive Director - Whole-time Director
Pankaj Bhansali	Member	Non-Executive Independent Director
Shalibhadra Shah	Member	Chief Financial Officer
Nilesh Gokral	Member	Chief Risk Officer
Neeraj Agarwal	Member	Chief Compliance Officer

The Risk Management Committee was constituted by the Board of Directors at their meeting held on April 21, 2008 and was last reconstituted on July 27, 2023.

The terms of reference of our Risk Management Committee were last revised pursuant to resolution passed by our Board in its meeting held on July 27, 2023 and are set forth below:

1. Reviewing and approving the risk management policy and associated framework, processes and practices of the Company in terms of circulars/ notifications issued by SEBI, IRDA or such other regulatory/ statutory authorities from time to time;

2. Ensuring the appropriateness of the Company in taking measures to achieve prudent balance between risk and reward in both ongoing and new business activities;

3. Evaluating significant risk exposure of the Company and assessing management's action to mitigate/ manage the exposure in timely manner;

4. Laying down the risk tolerance limits and monitoring risk exposures at periodic intervals;

5. Reporting to the Board on periodical basis;

6. Assist the Board in effective operation of risk management system by performing specialized analysis and quality reviews;

7. Maintaining a group-wise and aggregated view on the risk profile of the Company in addition to the solo and individual risk profile;

8. Reviewing, investigating the instances reported for unethical behavior of employees or Senior Management officials and taking suitable disciplinary action against such employees;

9. Overviewing and identifying the willful defaulters;

10. Monitoring and reviewing of the risk management plan including cyber security;

11. Carrying out such other responsibility as may be provided under SEBI circular for enhanced obligations and responsibilities on Qualified Stock Brokers (QSBs) and other circulars and notifications issued by SEBI from time to time; and

12. Carrying out such other activities/ actionables pertaining to various businesses/ licenses of the Company as may be required from time to time by SEBI, IRDA, Depositories, Stock Exchange(s) and other regulatory authorities and to carry out such other incidental & ancillary matters.

Finance Committee

The members of the Finance Committee are:

Name of the Member	Designation	Nature of Directorship
Motilal Oswal	Chairman	Executive Director - Managing Director and Chief Executive Officer
Raamdeo Agarawal	Member	Non-Executive Non Independent Chairman
Navin Agarwal	Member	Non-Executive Non Independent Director
Ajay Menon	Member	Executive Director - Whole-time Director

The Finance Committee was constituted by the Board of Directors at their meeting held on April 30, 2016 and was last reconstituted on July 28, 2022.

The terms of reference of our Finance Committee were last revised pursuant to resolution passed by our Board in its meeting held on July 28, 2022 and are set forth below:

1. To review, evaluate and approve the investments to be made by the Company;

2. To borrow monies from banks, financial institution, body corporate(s) or any other person for funding capital requirement of the Company and its subsidiaries, the amount outstanding at any point of time not exceeding the overall limit of ₹ 20,000 crores;

3. To create pledge/ hypothecate/ mortgage and/ or charge on both movable and immovable assets not exceeding the overall limit of ₹ 10,000 crores;

4. To provide loans to any body corporate/ person not exceeding the overall limit of ₹ 4,500 crores and/ or give guarantee or provide security in connection to loan to any other body corporate or person not exceeding ₹ 500 crores;

5. Allotment of shares, debentures and other securities;

6. Acquisition by way of subscription, purchase of otherwise the securities of any body corporate including investment in private equity funds and real estate funds not exceeding overall limits of ₹ 4,000 crores;

7. Affix common seal of the Company on instruments or deeds or on any document(s) as may be required in the presence of at least one Director or such other person as the committee may appoint for the purpose;

8. Investments, deployment, liquidation and re-deployment of surplus funds of the Company, temporary or otherwise, from time to time, in units of mutual fund schemes, units of liquid funds, and subject to the provision of Section 186 of the Companies Act, 2013 and investment in any other marketable/ financial instrument/ securities and any other instrument traded on the Stock Exchange(s) and commodity exchange(s) from time to time, the amount to be invested at any point of time not exceeding ₹ 10,500 crores;

9. To sign and execute all forms and other documents for the foregoing purposes and to do all such acts as may be ancillary or incidental to the foregoing purposes;

10. Review and monitoring of the business policies and operational decisions as set by the Board, from time to time.

11. Supervision and review of the performance of various operational activities on an ongoing basis;

12. Authorise negotiations and arrangements for operational and administrative requirements;

13. Opening and closing current/cash credit/ overdraft/ fixed deposit or other accounts including depository accounts with any scheduled bank and/ or depository participant, authorize the officials of the Company to operate the same and to vary the existing authorization in respect of these accounts;

14. Issue of power of attorneys/ delegation letter to the officials of the Company;

15. Execute, sign, certify any agreement, memorandum of understanding, undertaking, document, deed and other writings in relation to the day-to-day matters;

16. Authorise officials of the Company to initiate legal action, sign documents/ deeds/ undertakings and other writings and represent the Company in litigation and settle any legal disputes in connections with any legal proceedings by or against the Company;

17. registration, renewal/ continuation of registration and continuing compliance and observance of various provisions of shops & establishment, sales tax, service tax, professional tax and such other legislations and rules, regulations and directions made or issued there under;

18. To undertake all activities to act as sponsor and to decide quantum of investment and/ or commitment in these funds, schemes, trusts and to do all such acts, deeds, and things as may be necessary in this regard;

19. Grant of authority to avail online payment gateway facility;

20. To take decisions with respect to matters of acquisition, disposal and utilization of premises (by way of sale, purchase, lease, leave & license or otherwise) for and on behalf of the Company;

21. To open, operate and close bank accounts/ demat accounts;

22. To acquire broking & distribution business and other businesses of various entities for an aggregate consideration of ₹ 25 crores and to sign, file and submit documents for obtaining regulatory approvals, if any, in this regard and carry out such other incidental & ancillary matters;

23. To carry out all the activities/ actionable pertaining to various businesses/ licenses of the Company including submitting various reports, declarations, certifications, undertakings and such other documents as may be required from time to time by the depositories, Stock Exchange(s) and other regulatory authorities and to carry out such other incidental & ancillary matters; and

24. Any other incidental or other matter in the ordinary course of business, including delegation of powers for routine matters, and/ or may be delegated by the Board, from time to time.

Business Responsibility & Sustainability Committee

The members of the Business Responsibility & Sustainability Committee are:

Name of the Member	Designation	Nature of Directorship
Motilal Oswal	Chairman	Executive Director – Managing Director and Chief Executive Officer
Navin Agarwal	Member	Non-Executive Non-Independent Director
Niren Srivastava	Member	Group Executive Director, CHRO
Shalibhadra Shah	Member	Chief Financial Officer

The Business Responsibility & Sustainability Committee was constituted by the Board of Directors at their meeting held on May 11, 2019 and was last reconstituted on November 1, 2023.

The terms of reference of our Business Responsibility & Sustainability Committee were last revised pursuant to resolution passed by our Board in its meeting held on November 1, 2023 and are set forth below:

1. Frame and overview polices pertaining to principles of Business Responsibility & Sustainability Reporting ("**BRSR**"), as may be required from time to time;

2. Decision making on sustainability related issues;

3. Review of National Guidelines on Responsible Business Conduct (NGRBCs) by the Committee;

4. Overview and recommend the Business Responsibility/ Business Responsibility & Sustainability Report to the Board;

5. Oversee the implementation of the BRSR Guidelines;

6. Undertake various Environment, Social and Governance (ESG) initiatives; and

7. Such other powers to be exercised by the Business Responsibility & Sustainability Committee pursuant to circulars, notifications issued by statutory & regulatory authorities from time to time.

Information Technology Committee

The members of the Information Technology Committee are:

Name of the Member	Designation	Nature of Directorship
Pankaj Purohit	Chairman	Head, Information Technology (IT)
Chandrashekar Chettiar	Member	Chief Information Security Officer
Sehul Shah	Member	Senior Group Vice President, IT Infrastructure
Hemanshu Siria	Member	Executive Group Vice President, Business IT
Shishupal Rathore	Member	Senior Group Vice President, Business IT
Paras Kumar Jain	Member	Senior Group Vice President, Head – Tech Research

The Information Technology Committee was constituted as Technology Committee by the Board of Directors at their meeting held on May 11, 2019 and was last reconstituted as Information Technology Committee on November 1, 2023.

The terms of reference of our Information Technology Committee were last revised pursuant to resolution passed by our Board in its meeting held on November 1, 2023 and are set forth below:

1. Devise a comprehensive Information Technology policy framework which includes:

    a. Standard procedures for capacity monitoring and planning to ensure regular upgradation of infrastructure and technology.

    b. Clearly defined roles, designations, and responsibilities across the Information Technology team.

    c. Standard change management /incident management procedures.

    d. Ensure Information Technology Infrastructure Library framework (ITIL) for effectively managing IT services.

    e. Ensure robust process with scale on-demand capability.

    f. Ensure provision for distribution of services across multiple vendors to reduce dependency on single or few vendors.

2. Devise of policy framework for upgradation of infrastructure and technology from time to time to ensure smooth functioning and scalability for delivering services to investors at all times.

3. Review the policy framework for upgradation of infrastructure and technology.

4. Ensure/maintain adequate technical capacity to process 2 times the peak transaction load encountered during the preceding half year.

5. Fulfill all other requirements as specified by SEBI/Market Infrastructure Institutions (MIIs) from time to time.

6. Monitor peak load in 'Critical Systems' including the trading applications, servers, and network architecture.

Cybersecurity Committee

The members of the Cybersecurity Committee are:

Name of the Member	Designation	Nature of Directorship
Pankaj Purohit	Chairman	Head, Information Technology (IT)
Chandrashekar Chettiar	Member	Chief Information Security Officer
Sehul Shah	Member	Senior Group Vice President, IT Infrastructure
Atul Sashittal	Member	-
Nilesh Gokral	Member	Executive Group Vice President, Operation

The Cybersecurity Committee was constituted as Technology Committee by the Board of Directors at their meeting held on May 11, 2019 and was last reconstituted as Cybersecurity Committee on November 1, 2023.

The terms of reference of our Cybersecurity Committee were last revised pursuant to resolution passed by our Board in its meeting held on November 1, 2023 and are set forth below:

1. Designing, Implementing and Review cyber security framework.

2. Identification of dedicated team of security analysts, potentially encompassing domain experts in cyber security, resilience, network security, and data security.

3. Ensure focus on enhanced obligations and responsibilities for Qualified Stock Brokers.

4. Continuous vulnerability assessments and penetration tests of cyber threats to identify security vulnerabilities.

5. Device and review comprehensive business continuity plan to minimize the incidents affecting business continuity.

6. Reviewing handling cyber-attacks and device a mechanisms and standard operating procedures to meet the stipulated Recovery Time Objective (RTO).

7. Devising procedures for resuming operations from the disaster recovery site.

8. Ensure Disaster Recovery drills or live trading from the Disaster Recovery from time to time.

9. Ensure systems audit on a half-yearly basis by a CERT-IN empanelled auditor.

OUR PROMOTERS

Our Promoters are Raamdeo Agarawal, Motilal Oswal and Motilal Oswal Family Trust.

As of March 31, 2023, our Promoters collectively hold 8,20,75,041 Equity Shares equivalent to 55.08% of the paid-up Equity Share capital of our Company.

Details of our Individual Promoters

Raamdeo Agarawal, born on July 1, 1956, aged 67 years, is one of our Promoters, Chairman and a Non-Executive Non Independent Director of our Company.

For a complete profile of Raamdeo Agarawal, along with details of his residential address, educational qualifications, experience in the business or employment, positions/ posts held in the past, directorships held, special achievements, business and other financial activities, see "*Our Management – Profile of Directors*" on page 172.

His Permanent Account Number is AABPA1527D.

Motilal Oswal, born on May 12, 1962, aged 61 years, is one of our Promoters, Executive Director, Managing Director and Chief Executive Officer of our Company.

For a complete profile of Motilal Oswal, along with details of his residential address, educational qualifications, experience in the business or employment, positions/ posts held in the past, directorships held, special achievements, business and other financial activities, see "*Our Management – Profile of Directors*" on page 172.

His Permanent Account Number is AAAPO0616Q.

Our Company confirms that the permanent account numbers, Aadhar card numbers, driving license numbers, bank account numbers and passport numbers of our Individual Promoters have been submitted to the Stock Exchanges, at the time of filing this Prospectus.

Details of the Promoter Trust

Motilal Oswal Family Trust

Motilal Oswal Family Trust ("**Promoter Trust**") was settled pursuant to a trust deed dated October 15, 2019, as amended, by Ansi Gopilal Oswal as the settlor. The principal place of business of the Promoter Trust is situated at Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai 400 025. The permanent account number of the Promoter Trust is AAGTM6056L.

Settlor

Ansi Gopilal Oswal is the settlor of the Promoter Trust.

Trustee

Motilal Oswal, one of our Individual Promoters, is the trustee of the Promoter Trust, as on the date of this Prospectus.

Beneficiaries of the Promoter Trust

The beneficiaries of the Promoter Trust include Vimla Motilal Oswal, Pratik Motilal Oswal, Pratiksha Mehta and lineal descendants of Pratik Motilal Oswal and other beneficiaries that may be added in accordance with the trust deed of Motilal Oswal Family Trust.

Objects and Function

The objects of the Promoter Trust are to provide, *inter alia*:

(a) To hold investments and other assets settled in the trust for and on behalf of the beneficiaries;

(b) To provide, *inter alia*, a suitable succession planning structure to ensure seamless intergenerational transfer of trust fund amongst the beneficiaries;

(c) To maintain harmony, peace and goodwill among family members and to avoid any possible dispute/ litigation among members in future; and

(d) To ensure that the trust fund is properly managed and administered in accordance with the provisions of the trust deed.

Our Company confirms that the permanent account number and bank account number of the Promoter Trust have been submitted to the Stock Exchanges, at the time of filing this Prospectus.

Interest of Promoters in our Company

Except as a shareholder of our Company and as stated under *"Capital Structure"* on page 58 and as disclosed under "*Related Party Transactions*" on page 216, our Promoters do not have interest in our Company. Further, for details pertaining to the transactions entered into between our Promoters and Promoter Group entities and our Company, please see "*Related Party Transactions*" on page 216.

Our Promoters do not have any interest in any property acquired by our Company within two years preceding the date of filing of this Prospectus or any property proposed to be acquired by our Company or in any transaction with respect to the acquisition of land, construction of building or supply of machinery.

Our Promoters do not propose to subscribe to this Issue.

Our Promoters have no financial or other material interest in the Issue and no benefit / interest will accrue to our Promoters out of the objects of the Issue.

Other understanding and confirmations

Our Promoters have confirmed that neither they nor its directors have been identified as Wilful Defaulters by the RBI or any other governmental authority and are not a promoter or a whole-time directors of any such company which has been identified as a Wilful Defaulter by the RBI or any other governmental authority or which has been in default of payment of interest or repayment of principal amount in respect of debt securities issued by it to the public, if any, for a period of more than six months. Further, no members of our Promoter Group have been identified as Wilful Defaulters.

Our Promoters have not been declared as a fugitive economic offender.

No violation of securities laws has been committed by our Promoters in the past and no regulatory action before SEBI, RBI or any other regulatory authority is currently pending against our Promoters except as disclosed in section titled "*Outstanding Litigations and Defaults*" on page 274.

Our Promoter Trust was not a promoter and our Individual Promoters were not promoters or directors of any company which was delisted within a period of ten years preceding the date of this Prospectus, in accordance with Chapter V of the SEBI Delisting Regulations.

Our Promoters and Promoter Group are not restrained or debarred or prohibited from accessing the capital markets or restrained or debarred or prohibited from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad and are not promoters, directors or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

No benefit or interest will accrue to our Promoters out of the objects of the Issue.

Payment of benefits to our Promoters during the last three financial years and current financial year

Other than as disclosed under "*Related Party Transactions*" on page 216, our Company has not made payment of any benefit to our Promoters during the last three financial years and current financial year preceding the date of this Prospectus.

Common pursuits of our Promoters

Our Promoters are not engaged in businesses similar to ours.

Other ventures

Except as disclosed under "*Our Management – Interest of our Directors*" on page 177¸ our Promoters are not engaged in any other ventures.

Details of Equity Shares allotted to our Promoters during the last three Fiscal Years and current Fiscal

Except as disclosed under "*Capital Structure*" on page 58 our Promoters have not been allotted any Equity Shares of our Company during the last three Fiscal Years and current Financial Year.

PROPOSED SCHEME OF ARRANGEMENT

A scheme of arrangement ("**Proposed Scheme of Arrangement**") between our Company (the "**Transferor Company**" or "**the Resulting Company**" or "MOFSL" or "the Company"), Motilal Oswal Broking and Distribution Limited (*in its erstwhile name Glide Tech Investment Advisory Private Limited*) (the "**Transferee Company**" or "**Glide**") and Motilal Oswal Wealth Limited (the "**Demerged Company**" or "**MOWL**") has been proposed to be filed under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 before the National Company Law Tribunal, Mumbai, subject to approval from the Stock Exchanges, SEBI and their respective Shareholders.

The Proposed Scheme of Arrangement was approved by the Board of Directors of our Company ("**Transferor Company**" or "**Resulting Company**") pursuant to its resolution dated July 27, 2023. The Proposed Scheme of Arrangement is subject to necessary statutory and regulatory approvals including the approval of the National Company Law Tribunal, Mumbai Bench and approval by the Shareholders of our Company. The proposed appointed date of the Proposed Scheme of Arrangement is April 1, 2023.

The Proposed Scheme of Arrangement proposes the restructuring with a view to realign the Motilal Oswal Group's holding and business structure for commercial and regulatory reasons. The Proposed Scheme of Arrangement, *inter alia*, provides for the following:

(i) Transfer of Broking and Distribution ("**B&D**") Undertaking[1] of the Transferor Company into the Transferee Company by way of a slump sale[2];

(ii) Demerger of the Wealth Business Undertaking[3] of the Demerged Company into the Resulting Company (as defined in the Proposed Scheme of Arrangement); and

(iii) Various other matters consequential or otherwise integrally connected herewith.

Consideration

The Transferor Company and the Transferee Company have agreed that upon the Proposed Scheme of Arrangement becoming effective, the consideration payable for the purchase of B&D undertaking by the Transferee Company to the Transferor Company will aggregate to ₹176.39 crores ("**Purchase Consideration**"), based on the valuation report from Girish Shivaram Kaushik of M/s JAA & Associates (*Registration No. IBBI/RV/06/2018/10398*).

In terms of the Proposed Scheme of Arrangement, the Transferee Company shall issue and allot 176,390,393, rounded off, fully paid-up Equity Shares ("**New Equity Shares**") which shall aggregate to Purchase Consideration, to the Transferor Company, in dematerialised form and subject to applicable laws.

Current status

The Proposed Scheme of Arrangement was approved by our Board pursuant to a resolution dated July 27, 2023 and filed before the Stock Exchanges on August 16, 2023 for obtaining the no objection in compliance with the SEBI Listing Regulations. Pursuant to letters dated February 19, 2024 and February 16, 2024 issued by the BSE and NSE, respectively, the applications made to the BSE and NSE for obtaining their no objection certificates have been returned to our Company in light of the observations made by SEBI with respect to the chargesheet filed by Economics Offence Wing, Mumbai against Ajay Menon, Whole-time Director of our Company which would entail disqualification of Ajay Menon in terms Clause 3(b)(ii) of Schedule II of the SEBI Intermediaries Regulations. For details, see "*Outstanding Litigation and Defaults – Litigation involving our Company - Litigation against our Company – Actions taken by Regulatory and Statutory Authorities"* on page 274. In light of these letters by the NSE and BSE, the proposed Scheme of Arrangement has been returned until complete information is provided with respect to the status of disqualification of Ajay Menon in terms Clause 3(b)(ii) of Schedule II of the SEBI Intermediaries Regulations. NSE and BSE have informed our Company that the Proposed Scheme of Arrangement maybe re-filed once complete information in relation to this matter is available. In terms of the letter issued by the NSE, if such refiling is executed within 90 days, no processing fees shall be applicable to our Company. See, "*Risk Factors - Our Company proposes to file a Scheme of Arrangement before the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT"), which may have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects*" on page 21.

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[1] *B&D Undertaking means all the retail & institutional (stock and commodity) broking, research analyst, distribution business, securities trading business and ancillary and support services in relation thereto of the Transferor Company together with all the undertakings, movable assets and liabilities excluding all immovable properties of whatsoever nature and kind, and wheresoever situated, of the Transferor Company, in relation to and pertaining to the B&D business and shall include (without limitation).*

[2] *Slump sale means transfer of an undertaking on a going concern basis for a consideration without values being assigned to the individual assets and liabilities, as defined under section 2(42C) of the Income Tax Act, 1961.*

[3] *Wealth Business Undertaking means the portfolio management services and investment advisory and ancillary and support services in relation thereto of the Demerged Company (excluding business carried out under RERA license) together with all the undertakings, movable assets, investments and liabilities excluding all immovable properties of whatsoever nature and kind, and wheresoever situated, of the Demerged Company, in relation thereto and shall include (without limitation).*

SECTION V: FINANCIAL INFORMATION

DISCLOSURES ON EXISTING FINANCIAL INDEBTEDNESS

The outstanding borrowings of our Company as on April 04, 2024 (as per IND AS) are as follows:

Sr. No.	Nature of borrowings	Amount (₹ in crores)
1.	Secured borrowings	1,822.03
2.	Unsecured borrowings	5,105.83
Total		**6,927.86**

DETAILS OF BORROWINGS OF THE COMPANY, AS ON APRIL 04, 2024:

(a) Details of Outstanding Secured Term Loan Facilities as on April 04, 2024:

Our Company's total principal amount outstanding for secured term loans/facility from banks and financial institutions as on April 04, 2024 is ₹200 crores and the total amount outstanding for secured term loans/facility from banks and financial institutions as on April 04, 2024 (as per IND AS) is ₹200 crores. The details of the borrowings are set out below:

Sr. No.	Name of lender	Type of Facility	Amount Sanctioned (₹ in crores)	Principal Amount outstanding (as on April 04, 2024) (₹ in crores)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
1.	IndusInd Bank Limited Date of sanction: December 30, 2021	Short term loan	0.25	NIL[4]	Bullet repayment at the end of respective tranche.	50 % cash margin.	NA	Standard
2.	Aditya Birla finance Limited Date of sanction: March 28, 2024	Term Loan	25.00	25	Interest is payable monthly on the fifth day of the next month.	Pari passu charge by way of hypothecation on MTF loan receivables with a minimum cover of 1.5x of the loan amount.	NA	Standard
3.	Aditya Birla finance Limited Date of sanction: March 28, 2024	Line of Credit Against Receivables	75.00	75	Tenor is one year with a minimum utilization of 50%. Interest is payable monthly, on the fifth day of the next month.	Pari passu charge by way of hypothecation on MTF loan receivables with a minimum cover of 1.5x of the loan amount.	NA	Standard
4.	Infina Finance Private Limited	Loan Against Receivables	100.00	100	Tenor: 60 months from the date of first drawdown. Interest is payable monthly, on the first day of the next month.	i) Hypothecation of MTF receivables: First pari passu charge in the nature of hypothecation over the MTF receivables, both present and in future, with minimum asset cover of 1.5 times. (ii) Guarantee to be issued by each third party security provider.	NA	Standard

[4] *No amount has been drawn/ availed by the Company under this facility.*

Sr. No.	Name of lender	Type of Facility	Amount Sanctioned (₹ in crores)	Principal Amount outstanding (as on April 04, 2024) (₹ in crores)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
						(iii) Any other security as specified in the facility documents. (iv) Demand promissory note and letter of continuity.		
5.	AU Small Finance Bank Date of sanction: March 14, 2024	Working Capital Term Loan	13.80	NIL[5]	Interest is payable on fifth of the next month.	First and exclusive lien on fixed deposits[6].	NA	Standard
Total			214.05	200.00				

* *The total amount outstanding after IND AS adjustment is INR 200 crores.*

** *Note: This table only captures details relating to scheduled payments. Under the financing documents other amounts such as default, penal or additional interest or premium may be payable on the occurrence of (or absence of) certain events, such prepayment, as also other costs, fees, and indemnity payments and reimbursements. The prepayment premium, where payable, is typically in the range of up to 1-3% of the prepaid amount.*

(b) Details of cash credit, working capital demand loans, bank guarantees and overdraft facilities as on April 04, 2024:

Our Company's total principal amount outstanding for cash credit, working capital demand loans and overdraft facilities and bank guarantees as on April 04, 2024, is ₹ 4,378.28 crores and the total amount outstanding for cash credit, working capital demand loans and overdraft facilities as on April 04, 2024 (as per IND AS) is ₹ 4,378.28 crores. Further, as part of the ordinary course of business of the Company, cheques to the tune of ₹ NIL crores were issued but not presented as of April 04, 2024. The details of the borrowings are set out below:

Sr. No.	Name of lender	Type of Facility	Amount Sanctioned (₹ in crores)	Principal Amount outstanding (as on April 04, 2024) (₹ in crores)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
1.	RBL Bank Limited Date of sanction: September 28, 2023	Bank guarantee / Working capital demand loan/cash credit[7]	300.00	300.00	Bank guarantee: 24 months, including claim period of 12 months. Working capital demand loan: Bullet repayment on maturity and the tenor is 3 months. Cash credit: Repayable on demand.	Bank guarantee: Fixed deposit to the extent of 50% of the facility duly lien marked in favour of RBL Bank Limited. Working capital demand loan: First pari passu charge on receivables of the Company with tenor up to 90 days and DPD up to 30 days. Asset cover of 1.25 times to be maintained throughout the tenure of the credit facilities with RBL Bank Limited. Cash credit: First pari passu charge on	IND AA Stable	Standard

[5] *No amount has been drawn/ availed by the Company under this facility.*

[6] *The Company and AU Small Finance Bank will discuss the specific terms of the security at the time of drawdown.*

[7] *The overall limit sanctioned by RBL Bank Limited is INR 300.00 crores. The sub-limit for the (i) bank guarantee facility is INR 150 crores; (ii) WCDL facility is INR 250 crores and (iii) cash credit facility (sub-limit of WCDL) is INR 50 crores.*

Sr. No.	Name of lender	Type of Facility	Amount Sanctioned (₹ in crores)	Principal Amount outstanding (as on April 04, 2024) (₹ in crores)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
						receivables of the Company with tenor up to 90 days and DPD up to 30 days. Asset cover of 1.25 times to be maintained throughout the tenure of the credit facilities with RBL Bank Limited.		
2.	RBL Bank Limited Date of sanction: September 28, 2023	Overdraft	100.00	NIL[8]	Repayable on demand.	Fixed deposit to the extent of 105% of the facility amount duly lien marked in favour of RBL Bank Limited.	NA	Standard
3.	HDFC Bank Limited Date of sanction: February 24, 2023	Cash Credit/working capital demand loan[9]	250.00	130.22	Cash credit/working capital demand loan: Repayable on demand. Working capital demand loan: 6 months tenure with 1 working day cooling period. Cash credit: Interest is payable at monthly rests. Working capital demand loan: Interest is payable on the first day of the subsequent month.	Charge over book debts with a security cover of 1.35 times. The cover should be on debtors with less than 7 days DPD.	NA	Standard
4.	HDFC Bank Limited Date of sanction: February 24, 2023	Overdraft/working capital demand loan[10]	300.00	294.36	Overdraft: Tenor of a maximum 30 days with 1 working day cooling period. Working capital demand loan: Repayable on demand. Overdraft: Interest is	Charge over book debts with a security cover of 1.35 times. The cover should be on debtors with less than 7 days DPD. Pledge on shares, fixed deposits, equity mutual funds and other approved securities of Motilal Oswal Financial Services Limited.	NA	Standard

[8] *No amount has been drawn/ availed by the Company under this facility.*

[9] *The overall cash credit limit sanctioned by HDFC Bank Limit is INR 250.00 crores. The limit may be availed in sub-limits of two working capital demand loans of sub-limits INR 100.00 crores and INR 250.00 crores, respectively. The utilization of cash credit limit must at all times not exceed INR 150.00 crores and the utilization of the working capital demand loan shall not exceed INR 100.00 crores.*

[10] *The sanctioned overdraft limit of INR 300.00 crores covers a working capital demand loan sub-limit of INR 300.00 crores.*

Sr. No.	Name of lender	Type of Facility	Amount Sanctioned (₹ in crores)	Principal Amount outstanding (as on April 04, 2024) (₹ in crores)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
					payable at monthly rests. Working capital demand loan: Interest is payable on the first day of the subsequent month.			
5.	HDFC Bank Limited Date of sanction: February 24, 2023	Bank guarantee	400.00	398.75	The tenor is 12 months with a claim period of further 12 months.	Fixed deposit margin of minimum of 50% (i.e., ₹200 crores) or Fixed deposit margin of minimum of 25% (i.e., ₹100 crores) and balance security of 25% (i.e., ₹100 crores) in the form of either approved shares, property or mutual funds.	NA	Standard
6.	HDFC Bank Limited Date of sanction: September 27, 2021	Overdraft against property/ Working capital demand loan[11]	325.00	NIL[12]	Repayment on demand.[13] Overdraft against property: Interest will be serviced on a monthly basis. Working capital demand loan: Interest will be serviced on the first day of the subsequent month.	Exclusive mortgage of commercial property: Motilal Oswal Tower Plot A, F.P. No. 1043 of TPS IV of Mahim situated at Gokhale Road, Mumbai. Haircut of 30% on appraised value of property.	NA	Standard
7.	Kotak Mahindra Bank Date of sanction: December 27, 2023	Working capital demand loan/ overdraft[14]	625.00	325.00	Working capital demand loan: Maximum tenor of 90 days. Overdraft: Repayable on demand.[15]	Working capital demand loan and overdraft: Pari Passu charge on receivable (incl. receivables under loans and advances) with asset cover of 0.6x and FDR/cash (margin) 50%, i.e. overall cover of 1.1x.	NA	Standard
8.	Kotak Mahindra Bank	Bank guarantee	350.00	300.00	Maximum 15 months including claim period of 3	Secured by 50% in the form of FD placed and lien marked with the bank or minimum of	IND AA Stable	Standard

[11] *The sanctioned limit of INR 325 crores for overdraft against property includes a sublimit of INR 325 crores for working capital demand loan.*

[12] *No amount has been drawn/ availed by the Company under this facility.*

[13] *This facility is extended/ rolled-over periodically by a verbal agreement between the Company and HDFC Bank.*

[14] *The sanctioned limits from Kotak Mahindra Bank vide sanction letter dated December 27, 2023 is capped at INR 625 crores. The said risk limit includes: (a) working capital demand loan limit of up to INR 625 crores with an overdraft sub-limit of INR 50 crores; and (b) a bank guarantee limit of up to INR 350 crore. Facilities (a) and (b) cannot exceed INR 625 crores. Hence, if in row 7, the bank guarantee facility of INR 350 crore is availed, the total amount of working capital that can be availed will reduce by a proportionate amount from INR 625 crores.*

[15] *Interest will be as mutually agreed between the Company and Kotak Mahindra Bank at the time of facility disbursement.*

Sr. No.	Name of lender	Type of Facility	Amount Sanctioned (₹ in crores)	Principal Amount outstanding (as on April 04, 2024) (₹ in crores)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
	Date of sanction: December 27, 2023				months.[16]	25% cash margin and balance by pledge of approved shares with 50% haircut/ approved mutual funds with applicable haircuts as decided by the bank from time to time. (100% cash margin for guarantees covering disputed liabilities)		
9.	ICICI Bank Limited Date of sanction; August 18, 2023	Overdraft against shares or mutual funds/Working capital demand loan[17]	250.00	250.00	Overdraft against shares or mutual funds: repayment will be mutually agreed between Company and the bank for each drawdown. Working capital demand loan 1: Minimum tenor of 7 days and maximum tenor of 180 days. Principal repayment to be repaid as a bullet repayment on maturity. Working capital demand loan 2: Minimum tenor of 90 days and maximum tenor of 180 days. Principal repayment to be repaid as a bullet repayment on maturity. Interest to be serviced on a monthly basis.	Pledge over approved shares or mutual funds of the Company in demat form up to a 1.25x cover.	NA	Standard
10.	ICICI Bank Limited Date of sanction;	Overdraft[18]	100.00	100.00	Overdraft against receivables and	Pari passu first charge on 0.7x cover receivables of the	NA	Standard

[16] *Interest will be as mutually agreed between the Company and Kotak Mahindra Bank at the time of facility disbursement.*

[17] *The overdraft against shares or mutual funds limit of INR 250 crores also has the following sub-limits; (i) working capital demand loan - 1 with a limit of INR 250 crores and (ii) working capital demand loan – 2 with a limit of INR 250 crores.*

[18] *The overdraft against shares or mutual funds limit of INR 100 crores also has the following sub-limits; (i) working capital demand loan - 3 with a limit of INR 100 crores and (ii) working capital demand loan – 4 with a limit of INR 100 crores.*

Sr. No.	Name of lender	Type of Facility	Amount Sanctioned (₹ in crores)	Principal Amount outstanding (as on April 04, 2024) (₹ in crores)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
	August 18, 2023				property: repayment will be mutually agreed between Company and the bank for each drawdown. Working capital demand loan 3: Minimum tenor of 7 days and maximum tenor of 180 days. Principal repayment to be repaid as a bullet repayment on maturity. Working capital demand loan 4: Minimum tenor of 7 days and maximum tenor of 180 days. Principal repayment to be repaid as a bullet repayment on maturity. Interest to be serviced on a monthly basis.	company and exclusive charge on 0.3x cover of immovable property.		
11.	ICICI Bank Limited Date of sanction; August 21, 2023	Temporary overdraft against receivables	500.00	NIL[19]	Renewal is on a fortnightly basis and is mutually extended between the parties. Repayment on demand. [20] Interest is to be serviced on a monthly basis.	First pari passu charge on entire receivables of 1x with cover period of 90 days and current assets of the Company.	NA	Standard
12.	ICICI Bank Limited Sanction letter dated August 10,	Bank Guarantee 1	125.00	100.00	15 months including claim period of 3 months.	For 'Bank Guarantee 3' - Cash assets aggregating to 50% of the outstanding bank guarantee facility in the form of term deposits of ICICI Bank Limited or	NA	Standard

[19] *No amount has been drawn/ availed by the Company under this facility.*

[20] *This facility is extended/ rolled-over periodically by a verbal agreement between the Company and ICICI Bank Limited.*

Sr. No.	Name of lender	Type of Facility	Amount Sanctioned (₹ in crores)	Principal Amount outstanding (as on April 04, 2024) (₹ in crores)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
	2023					cash assets aggregating to 25% of the outstanding bank guarantee facility in the form of term deposits of ICICI Bank Limited and balance 25% in the form of approved demat shares so as to maintain an asset cover ratio of 200% or mutual fund units with 200% asset cover. For 'Bank Guarantee 2 (PCM)' and 'Bank Guarantee 2' (sub-limits) - Cash assets aggregating to 50% of the outstanding bank guarantee facility in the form of term deposits of ICICI Bank Limited or cash assets aggregating to 25% of the outstanding bank guarantee facility in the form of term deposits of ICICI Bank Limited and balance 25% in the form of exclusive charge on immovable property by way of mortgage of property having an asset cover of 200% in a form and manner satisfactory to ICICI Bank or charge on approved demat shares so as to maintain an asset cover ratio of 200%.		
13.	ICICI Bank Limited Sanction letter dated August 10, 2023	Bank Guarantee 2/ Bank Guarantee 3[21]	425.00	306.78	Repayable on demand.	For 'Bank Guarantee 3' - Cash assets aggregating to 50% of the outstanding bank guarantee facility in the form of term deposits of ICICI Bank Limited or cash assets aggregating to 25% of the outstanding bank guarantee facility in the form of term deposits of ICICI Bank Limited and balance 25% in the form of approved demat shares so as to maintain an asset cover ratio of 200% or mutual fund units with 200%	NA	Standard

[21] *The sanctioned facility of bank guarantee 1 for INR 425 crores has a sublimit of bank guarantee 3 for INR 50 crores.*

Sr. No.	Name of lender	Type of Facility	Amount Sanctioned (₹ in crores)	Principal Amount outstanding (as on April 04, 2024) (₹ in crores)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
						asset cover. For 'Bank Guarantee 2 (PCM)' and 'Bank Guarantee 2' (sub-limits) - Cash assets aggregating to 50% of the outstanding bank guarantee facility in the form of term deposits of ICICI Bank Limited or cash assets aggregating to 25% of the outstanding bank guarantee facility in the form of term deposits of ICICI Bank Limited and balance 25% in the form of exclusive charge on immovable property by way of mortgage of property having an asset cover of 200% in a form and manner satisfactory to ICICI Bank or charge on approved demat shares so as to maintain an asset cover ratio of 200%.		
14.	ICICI Bank Limited Sanction letter dated December 24, 2021	Overdraft against receivables/ working capital demand loan[22][23]	120.00	119.27	Overdraft against receivables and working capital demand loan: September 14, 2022 Working capital demand loan: Maximum tenor of each tranche: 180 days, minimum tenor of each tranche: 7 days. Principal amount of each tranche is to be repaid as bullet payment on maturity date.	Overdraft against receivables and working capital demand loan: Pari passu charge of 1x on the receivables of the Company to be created upfront.	NA	Standard
15.	Bandhan Bank Limited Date of sanction:	Bank guarantee	150.00	NIL[24]	Tenor of 24 months including a claim period of	Fixed deposits duly lien marked with Bandhan Bank Limited aggregating to 50% of the outstanding bank	NA	Standard

[22] *The sanctioned facility of overdraft against receivables for INR 1200 crores has a sublimit of working capital demand loan 2 of INR 1200 crores.*

[23] *The cumulative exposure of overdraft against receivables and temporary overdraft cannot exceed the sanctioned limit of INR 120 crores at any point of time.*

[24] *No amount has been drawn/ availed by the Company under this facility.*

Sr. No.	Name of lender	Type of Facility	Amount Sanctioned (₹ in crores)	Principal Amount outstanding (as on April 04, 2024) (₹ in crores)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
	August 17, 2022.				12 months.	guarantee facility.		
16.	IDBI Bank Limited Date of sanction: June 30, 2023	Bank guarantee/Overdraft[25]	100.00	NIL[26]	Bank guarantee: Upon return of the original bank guarantee duly discharged. The claim period for this bank guarantee is 12 months. Overdraft: Repayable on demand.	Bank guarantee: 50% cash margin by way of fixed deposit with IDBI Bank Limited. Overdraft: 100% cash margin by way of fixed deposit with IDBI Bank Limited.	NA	Standard
17.	IDFC First Bank Limited Date of sanction: September 28, 2022	Bank guarantee	150.00	140.00	Repayable on demand/on respective due dates.	Exclusive charge on cash margin in the form of line marked fixed deposits of IDFC First Bank Limited with a security cover of 0.5x.	NA	Standard
18.	IDFC First Bank Limited Date of sanction: September 28, 2022	Overdraft against FD	25.00	NIL[27]	Repayment on demand	Exclusive charge on cash margin in the form of line marked fixed deposits of IDFC First Bank Limited with a security cover of 1.05x.	NA	Standard
19.	State Bank of India Date of sanction: February 09, 2023	Bank guarantee/overdraft/demand loan[28]	300.00	300.00	Repayable on demand. In case the sub-limit of demand loan is availed, it shall be repaid in instalments or bullet payments.	Unencumbered and duly discharged fixed deposits to the extent of 50% of the facility amount duly lien marked in favour of State Bank of India.	NA	Standard
20.	DBS Bank Limited Date of sanction: January 02, 2023	Overdraft/working capital demand loan[29]	10.00	NIL[30]	Repayable on demand.	Fixed deposits with DBS Bank Limited for a minimum of 50% of the facility amount lien marked in favour of DBS Bank Limited (to the extent of INR 5 crores).	NA	Standard
21.	DBS Bank Limited	Bank	490.00	NIL[32]	Repayable on demand.	Fixed deposits with DBS Bank Limited for a minimum of 50% of	NA	Standard

[25] *The sanctioned limit of INR 100 crores for the bank guarantee facility includes a sub-limit of INR 5 crores for overdraft facility.*
[26] *No amount has been drawn/ availed by the Company under this facility.*
[27] *No amount has been drawn/ availed by the Company under this facility.*
[28] *The sanctioned limit of INR 300 crores for the bank guarantee facility includes a sub-limit of INR 100 crores for overdraft/demand loan facility.*
[29] *The sanctioned limit of INR 10 crores includes sub-limits of INR 4 crores for overdraft and INR 10 crore for WCDL.*
[30] *No amount has been drawn/ availed by the Company under this facility.*
[32] *No amount has been drawn/ availed by the Company under this facility.*

Sr. No.	Name of lender	Type of Facility	Amount Sanctioned (₹ in crores)	Principal Amount outstanding (as on April 04, 2024) (₹ in crores)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
	Date of sanction: January 02, 2023	guarantee[31]				the facility amount lien marked in favour of DBS Bank Limited (to the extent of ₹245 crores).		
22.	Yes Bank Limited Date of sanction: March 10, 2023	Bank guarantee	500.00	500.00	The claim period for this bank guarantee is 4 months.	Exclusive charge on 50% fixed deposits lien marked to Yes Bank Limited.	IND AA Stable	Standard
23.	Yes Bank Limited Date of sanction: March 10, 2023	Overdraft against fixed deposit[33]	50.00	NIL[34]	Tenor of 12 months. Repayable on demand.	110% in the form of fixed deposits to be kept with Yes Bank Limited.	NA	Standard
24.	AU Small Finance Bank Date of sanction: March 14, 2024	Bank guarantee	200.00	200.00	Repayable on demand	Bank guarantee: 50% cash margin by way of fixed deposit with AU Small Finance Bank Limited.	NA	Standard
25.	AU Small Finance Bank Date of sanction: March 14, 2024	Overdraft	9.20	NIL[35]	Interest payable monthly on the last day of each month.	First and exclusive lien on fixed deposits. [36]	NA	Standard
26.	Axis Bank Limited Date of sanction: October 12, 2023	Bank guarantee[37]	1500.00	463.90	Tenor of 12 months with a claim period of 12 months.	50% cash margin in the form of fixed deposit under lien to Axis Bank Limited.	NA	Standard
27.	Axis Bank Limited Date of sanction: October 12, 2023	Overdraft against hypothecation receivables[38]	300.00	150.00	Period: 12 months Interest is serviceable monthly.	Hypothecation of receivables within 200% margin, receivables upto 6 days will be accepted; or 1x cover of overdraft against hypothecation of receivables and 1x cover of mutual fund pledge for overdraft	NA	Standard

[31] *The sanctioned limited of the bank guarantee for INR 490 crores includes sub-limits of bank guarantee I and bank guarantee II for INR 245 crores each.*

[33] *The overdraft amount will be a maximum of 90.9% of the principle value of fixed deposit placed with Yes Bank Limited from time to time.*

[34] *No amount has been drawn/ availed by the Company under this facility.*

[35] *No amount has been drawn/ availed by the Company under this facility.*

[36] *The Company and AU Small Finance Bank will discuss the terms of the security at the time of drawdown.*

[37] *If the limit of INR 1500 crores is not utilized for the bank guarantee facility, it may be utilized as additional intraday facility of up to INR 1500 crores.*

[38] *The overdraft against hypothecation of receivables of INR 300 crores is fungible with Overdraft against shares/ mutual funds.*

Sr. No.	Name of lender	Type of Facility	Amount Sanctioned (₹ in crores)	Principal Amount outstanding (as on April 04, 2024) (₹ in crores)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
						against mutual fund facility.		
28.	Axis Bank Limited Date of sanction: October 12, 2023[39]	Overdraft against shares/ mutual funds[40]	300.00	NIL[41]	Period: 12 months Interest is serviceable monthly.	2x cover in the form of shares/ mutual funds.	NA	Standard
			8,254.20	4378.28				

* *The total amount outstanding after IND AS adjustment is ₹4,378.28 crores.*

Penalty: The loan documentation executed with respect to the term loans mentioned above set out penalty provisions for compliance with the provisions of the loan documents. Such provisions include, but are not limited to penal interest of 18.75% per annum.

Rescheduling: There has been no occurrence of re-scheduling of any loans of the Company.

Events of Default: The facility documents executed by the Company stipulates certain events as "Events of Defaults", pursuant to which the Company may be required to immediately repay the entire loan facility availed by it and be subject additional penalties by the relevant lenders. Such events include, but are not limited to:

(i) Failure to pay on the due date any amount payable pursuant to a facility document (including but not limiting to principal and interest payable with respect to any loan), at the place and in the currency in which it is expressed to be payable;

(ii) A receiver being appointed in respect of the whole or any part of the property of the Company;

(iii) The Company suspends or ceases to carry on (or threatens to suspend or cease to carry on) its business;

(iv) Revocation/withdrawal of any critical approval/license/permission, critical for the operation of the Company by any authority or agency;

(v) Any execution or distress being enforced or levied against the whole or any part of the Company's property and any order relating thereto is not discharged or stayed;

(vi) Any representation, warranty or statement made by the Company in the financing documents to which it is a party, or any other document delivered by or on behalf of it under or in connection with any financing document, is or proves to have been materially incorrect or misleading when made or deemed to be made or the Company is unable to make a representation or warranty required to be made under the financing documents of the lenders;

(vii) The Company fails to create and/or perfect security within such period as stipulated in the financing documents;

(viii) Non-adherence to the terms and conditions of the facility documents resulting into a material adverse effect;

(ix) Any application or petition has been admitted by any relevant governmental agency under the Insolvency and the Bankruptcy Code, 2016 (as may be amended, modified, or supplemented from time to time) in relation to the Company;

(x) If: (i) an event occurs which is likely to impair, depreciate or jeopardize the security given by the Company; (ii) any security document pertaining to it, executed or furnished by or on behalf of the Company becomes

[39] *Axis Bank has sanctioned intraday facilities amounting to INR 1700 crores vide sanction letter dated October 12, 2023.*

[40] *The overdraft against hypothecation of receivables of INR 300 crores is fungible with Overdraft against shares/ mutual funds. If the limit sanctioned for overdraft against hypothecation of receivables or overdraft against mutual funds/ shares for INR 300 crores is not utilized, the same can be utilized as additional intraday limit of up to INR 300 crores.*

[41] *No amount has been drawn/ availed by the Company under this facility.*

illegal, invalid or unenforceable; or (iii) or if any such security document shall be assigned or otherwise transferred, amended or terminated, repudiated or revoked without the approval of the lenders;

(xi) The Company is unable or has admitted in writing, its inability to pay any of its indebtedness as they mature or when due; and

(xii) Any legal, quasi legal, administrative, arbitration, mediation, conciliation or other proceedings, claims, actions or governmental investigations of any nature pending against the Company or its affiliates and/or its promoters, directors in management of the Company or any of its assets which individually or in aggregate would, if adversely determined, have a material adverse effect.

(c) Details of External Commercial Borrowings:

Our Company's has not availed any external commercial borrowings as April 04, 2024.

(d) Details of Outstanding Non-Convertible Securities as on April 04, 2024:

Secured:

The total principal amount of outstanding secured non-convertible securities issued by our Company as on April 04, 2024 is ₹ 28.40 crores and the total outstanding amount as on April 04, 2024 (as per IND AS, after considering interest accrued thereon) is ₹ 32.58 crores, the details of which are set forth below:

Unsecured:

The total principal amount of outstanding unsecured non-convertible securities issued by our Company as on April 04, 2024is ₹ NIL crores and the total outstanding amount as on April 04, 2024 (as per IND AS, after considering interest accrued thereon) is ₹ NIL crores, the details of which are set forth below:

Sr. No.	Series of NCS	ISIN	Tenor/ Period of Maturity	Coupon	Amount Outstanding (₹ in crores)	Date of Allotment	Redemption Date/ Schedule	Credit Rating	Secured / unsecured	Security
1.	SERIES M-1/F.Y.23 /F.Y.25	INE338I07081	1001 days from the deemed date of allotment.	7.50%[42]	₹10 with an additional green shoe option of ₹190 Outstanding (as on April 04, 2024): 28.40	May 13, 2022	February 07, 2025	IND AA/Stable and IND PP-MLD AAemr/Stable	Secured	First *pari passu* charge on all present and future standard receivables (T+ 5 receivables and/or MTF receivables) with a minimum security cover of 1.00 times the outstanding principal amount and interest.
Total					**28.40**					

* *The total amount outstanding for secured non-convertible securities after IND AS adjustment is ₹ 32.58 crores and unsecured non-convertible securities after IND AS adjustment is NIL crores.*

(e) List of Top 10 holders of non-convertible securities in terms of value (in cumulative basis) as on last quarter end date (March 31, 2024):

S. No	Name Of Holder Of Non-Convertible Securities	Category Of Holder	Face Value Of Holding (₹ In Crores)	Holding As A % Of Total Outstanding Non-Convertible Securities Of The Issuer
1	Archana Surana	Individual	₹ 15.00	52.82%
2	Usha Kantilal Mehta	Individual	₹ 1.70	5.99%
3	Meeta Gutgutia	Individual	₹ 1.50	5.28%
4	Rahul Kantilal Mehta	Individual	₹ 1.40	4.93%
5	Kantilal Nagraj Mehta	Individual	₹ 1.00	3.52%
6	Taal Tech India Private Limited	Corporate	₹1.00	3.52%
7	Sangeeta Poly Pack Private Limited	Corporate	₹1.00	3.52%
8	Adarsh Rajendra Somani	Individual	₹1.00	3.52%
9	Ramesh Sitaram Ghodge	Individual	₹0.60	2.11%
10	Midas Touch Healthcare Pvt Ltd	Corporate	₹0.60	2.11%

[42] *The coupon has two thresholds of variance which is dependent on the performance of an underlying benchmark/final fixing rate and hence, the actual coupon rate is variable. We have captured herein the maximum coupon rate payable.*

S. No	Name Of Holder Of Non-Convertible Securities	Category Of Holder	Face Value Of Holding (₹ In Crores)	Holding As A % Of Total Outstanding Non-Convertible Securities Of The Issuer
10	Nishith N Sanghrajka	Individual	₹ 0.60	2.11%
Total			**₹ 25.40**	**89%**

(f) Details of Outstanding Commercial Paper as at on April 04, 2024:

Sr. No.	Series of NCS	ISIN	Tenor/ Period of Maturity	Coupon	Amount Outstanding (₹ in crores)	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / unsecured	Security	Other details viz. details of Issuing and Paying Agent, details of Credit Rating Agencies
1.	M4OFSL /2022-23-D/CP124	INE338I 14FH6	365	9.08%	200.00	August 24, 2023	August 23, 2024	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
2.	M4OFSL /2022-23-D/CP124	INE338I 14FH6	365	9.08%	35.00	August 24, 2023	August 23, 2024	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
3.	M4OFSL /2022-23-D/CP124	INE338I 14FH6	365	9.08%	10.00	August 24, 2023	August 23, 2024	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
4.	M4OFSL /2022-23-D/CP124	INE338I 14FH6	365	9.08%	5.00	August 24, 2023	August 23, 2024	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
5.	M4OFSL /2022-23-D/CP125	INE338I 14FH6	364	9.08%	20.00	August 24, 2023	August 23, 2024	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
6.	M4OFSL /2022-23-D/CP125	INE338I 14FH6	364	9.08%	10.00	August 25, 2023	August 23, 2024	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings

7.	M4OFSL /2022-23-D/CP125	INE338I 14FH6	364	9.08%	10.00	August 25, 2023	August 23, 2024	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
8.	M4OFSL/2022-23-D/CP125	INE338I 14FH6	364	9.08%	10.00	August 25, 2023	August 23, 2024	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
9.	M4OFSL /2022-23-D/CP125	INE338I 14FH6	364	9.08%	25.00	August 25, 2023	August 23, 2024	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
10.	M4OFSL /2022-23-D/CP125	INE338I 14FH6	364	9.08%	25.00	August 25, 2023	August 23, 2024	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
11.	M4OFSL /2022-23-D/CP129	INE338I 14FK0	365	9.08%	25.00	August 30, 2023	August 29, 2024	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
12.	M4OFSL /2022-23-D/CP130	INE338I 14FG8	365	9.08%	175.00	August 31, 2023	August 30, 2024	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
13.	M4OFSL /2022-23-D/CP130	INE338I 14FG8	365	9.08%	50.00	August 31, 2023	August 30, 2024	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
14.	M4OFSL /2022-23-D/CP151	INE338I 14GA9	325	9.05%	100.00	November 03, 2023	September 23, 2024	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings

15.	M4OFSL /2022-23-D/CP159	INE338I 14GA9	319	9.05%	35.00	November 09, 2023	September 23, 2024	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
16.	M4OFSL /2022-23-D/CP175	INE338I 14GG6	89	8.80%	25.00	January 12, 2024	April 10, 2024	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
17.	M4OFSL /2023-24-D/CP177	INE338I 14GH4	90	8.96%	50.00	January 16, 2024	April 15, 2024	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
18.	M4OFSL /2023-24-D/CP177	INE338I 14GH4	90	8.96%	25.00	January 16, 2024	April 15, 2024	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
19.	M4OFSL /2023-24-D/CP177	INE338I 14GH4	90	8.96%	25.00	January 16, 2024	April 15, 2024	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
20.	M4OFSL /2023-24-D/CP177	INE338I 14GH4	90	8.96%	150.00	January 16, 2024	April 15, 2024	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
21.	M4OFSL /2023-24-D/CP178	INE338I 14GG6	85	8.80%	15.00	January 16, 2024	April 10, 2024	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
22.	M4OFSL /2023-24-D/CP178	INE338I 14GG6	85	8.80%	15.00	January 16, 2024	April 10, 2024	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings

23.	M4OFSL /2023-24-D/CP179	INE338I 14GI2	97	8.86%	20.00	January 16, 2024	April 22, 2024	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
24.	M4OFSL /2023-24-D/CP180	INE338I 14GJ0	90	8.96%	15.00	January 17, 2024	April 16, 2024	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
25.	M4OFSL /2023-24-D/CP180	INE338I 14GJ0	90	8.96%	50.00	January 17, 2024	April 16, 2024	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
26.	M4OFSL /2023-24-D/CP180	INE338I 14GJ0	90	8.96%	100.00	January 17, 2024	April 16, 2024	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
27.	M4OFSL /2023-24-D/CP181	INE338I 14GM4	100	8.97%	15.00	January 17, 2024	April 26, 2024	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
28.	M4OFSL /2023-24-D/CP182	INE338I 14GK8	91	8.80%	15.00	January 18, 2024	April 18, 2024	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
29.	M4OFSL /2023-24-D/CP183	INE338I 14GL6	91	8.80%	20.00	January 19, 2024	April 19, 2024	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
30.	M4OFSL /2023-24-D/CP183	INE338I 14GL6	91	8.80%	10.00	January 19, 2024	April 19, 2024	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings

31.	M4OFSL /2023-24-D/CP183	INE338I 14GL6	91	8.80%	5.00	January 19, 2024	April 19, 2024	ICRA A1+/ IND A1+	Unsec ured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
32.	M4OFSL /2023-24-D/CP183	INE338I 14GL6	91	8.80%	5.00	January 19, 2024	April 19, 2024	ICRA A1+/ IND A1+	Unsec ured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
33.	M4OFSL /2023-24-D/CP185	INE338I 14GN2	91	9.15%	50.00	Februar y 01, 2024	May 02, 2024	ICRA A1+/ IND A1+	Unsec ured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
34.	M4OFSL /2023-24-D/CP185	INE338I 14GN2	91	9.15%	10.00	Februar y 01, 2024	May 02, 2024	ICRA A1+/ IND A1+	Unsec ured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
35.	M4OFSL /2023-24-D/CP185	INE338I 14GN2	91	9.15%	190.00	Februar y 01, 2024	May 02, 2024	ICRA A1+/ IND A1+	Unsec ured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
36.	M4OFSL /2023-24-D/CP186	INE338I 14GO0	91	9.15%	25.00	Februar y 02, 2024	May 03, 2024	ICRA A1+/ IND A1+	Unsec ured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
37.	M4OFSL /2023-24-D/CP186	INE338I 14GO0	91	9.15%	110.00	Februar y 02, 2024	May 03, 2024	ICRA A1+/ IND A1+	Unsec ured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
38.	M4OFSL /2023-24-D/CP187	INE338I 14GP7	91	9.15%	100.00	Februar y 06, 2024	May 07, 2024	ICRA A1+/ IND A1+	Unsec ured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings

39.	M4OFSL /2023-24-D/CP190	INE338I 14GQ5	365	9.24%	50.00	February 07, 2024	Feb 06, 2025	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
40.	M4OFSL /2023-24-D/CP191	INE338I 14GR3	365	9.24%	50.00	February 08, 2024	May 03, 2025	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
41.	M4OFSL /2023-24-D/CP191	INE338I 14GR3	365	9.24%	150.00	February 08, 2024	February 07, 2025	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
42.	M4OFSL /2023-24-D/CP192	INE338I 14GS1	126	9.15%	200.00	February 09, 2024	June 14, 2024	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
43.	M4OFSL /2023-24-D/CP196	INE338I 14GU7	91	9.00%	250.00	February 23, 2024	May 24, 2024	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
44.	M4OFSL /2023-24-D/CP197	INE338I 14GV5	91	9.00%	125.00	February 28, 2024	May 29, 2024	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
45.	M4OFSL /2023-24-D/CP197	INE338I 14GV5	91	9.00%	75.00	February 28, 2024	May 29, 2024	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
46.	M4OFSL /2023-24-D/CP197	INE338I 14GV5	91	9.00%	50.00	February 28, 2024	May 29, 2024	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings

47.	M4OFSL /2023-24-D/CP197	INE338I 14GV5	91	9.00%	100.00	February 28, 2024	May 29, 2024	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
48.	M4OFSL /2023-24-D/CP198	INE338I 14GW3	91	8.95%	350.00	March 01, 2024	May 31, 2024	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
49.	M4OFSL /2023-24-D/CP198	INE338I 14GW3	91	8.95%	200.00	March 01, 2024	May 31, 2024	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
50.	M4OFSL /2023-24-D/CP199	INE338I 14GX1	91	8.95%	150.00	March 04, 2024	June 03, 2024	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
51.	M4OFSL /2023-24-D/CP201	INE338I 14GY9	365	8.85%	300.00	March 07, 2024	March 07, 2025	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
52.	M4OFSL /2023-24-D/CP203	INE338I 14GS1	91	8.67%	100.00	March 15, 2024	June 14, 2024	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
53.	M4OFSL /2023-24-D/CP203	INE338I 14GS1	91	8.67%	200.00	March 15, 2024	June 14, 2024	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
54.	M4OFSL /2023-24-D/CP204	INE338I 14GZ6	363	8.80%	100.00	March 15, 2024	March 13, 2025	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings

55.	M4OFSL /2023-24-D/CP204	INE338I 14GZ6	363	8.80%	100.00	March 15, 2024	March 13, 2025	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
56.	M4OFSL /2023-24-D/CP204	INE338I 14GZ6	363	8.80%	100.00	March 15, 2024	March 13, 2025	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
57.	M4OFSL /2023-24-D/CP205	INE338I 14HA7	365	8.80%	25.00	March 18, 2024	March 18, 2025	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
58.	M4OFSL /2023-24-D/CP205	INE338I 14HA7	365	8.80%	100.00	March 18, 2024	March 18, 2025	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
59.	M4OFSL /2023-24-D/CP206	INE338I 14HB5	91	8.80%	25.00	March 19, 2024	June 18, 2024	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
60.	M4OFSL /2023-24-D/CP206	INE338I 14HB5	91	8.80%	25.00	March 19, 2024	June 18, 2024	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
61.	M4OFSL /2023-24-D/CP207	INE338I 14HB5	90	8.80%	5.00	March 20, 2024	June 18, 2024	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings
62.	M4OFSL /2023-24-D/CP207	INE338I 14HB5	90	8.80%	5.00	March 20, 2024	June 18, 2024	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings

63.	M4OFSL /2023-24-D/CP208	INE338I 14HC3	335	8.95%	100.00	April 02, 2024	March 03, 2025	ICRA A1+/ IND A1+	Unsecured	-	IPA –HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings

* *The total amount outstanding after IND AS adjustment is ₹ 4,715 crores.*

(g) List of Top 10 holders of commercial papers in terms of value (in cumulative basis) as on last quarter end date (March 31, 2024):

S. No	Name Of Holder	Category Of Holder	Face Value Of Holding (₹ In Crores)	Holding As A % Of Total Commercial Paper Outstanding Of The Issuer
1	SBI Mutual Fund	Mutual Fund	₹ 550	11.92%
2	Tata Mutual Fund	Mutual Fund	₹ 500	10.83%
3	Aditya Birla Mutual Fund	Mutual Fund	₹ 450	9.75%
4	Kotak Money Mutual Fund	Mutual Fund	₹ 370	8.02%
5	HDFC Mutual Fund	Mutual Fund	₹ 360	7.80%
6	Axis Mutual Fund	Mutual Fund	₹ 325	7.04%
7	ICICI Prudential Mutual Fund	Mutual Fund	₹ 300	6.50%
8	Mirae Asset Mutual Fund	Mutual Fund	₹ 260	5.63%
9	Edelweiss Mutual Fund	Mutual Fund	₹ 200	4.33%
10	LIC Mutual Fund	Mutual Fund	₹ 200	4.33%
10	Morgan Stanley India Private Limited	Corporate	₹ 200 0	4.33%
Total			**₹** 3,715.00	80%

(h) Details of the bank fund-based facilities / rest of the borrowing (if any including hybrid debt like foreign currency convertible bonds, optionally convertible debentures/preference shares) from financial institutions or financial creditors:

As of April 04, 2024, with regard to the bank fund-based facilities, please refer to paragraphs (a), and (b) above.

As of April 04, 2024, our Company has no outstanding amounts in relation to hybrid debt like foreign currency convertible bonds, optionally convertible debentures/preference shares.

(i) Restrictive Covenants: The loans availed by our Company contain certain restrictive covenants, including requirement for the Company to obtain prior written consent of the lenders for:

(i) Change in capital structure of our Company without the prior approval of/intimation to the lender;

(ii) Change in management control of our Company without the prior approval of/intimation to the lender;

(iii) Change in the constitutional documents of our Company which are adverse to interest of lenders, without the prior approval of/intimation to the lender;

(iv) Undertaking or permitting any merger, de-merger, consolidation, reorganisation, scheme of arrangement or compromise between our Company and its creditors or shareholders or effecting any scheme of amalgamation or reconstruction including creation of any subsidiary or permitting any company to become a subsidiary of our Company without the prior approval of the lender;

(v) Declaration or payment of dividends, or authorising or making any distribution to the Shareholders pending repayment of the outstanding dues to lenders without the prior approval of the lender; and

(vi) Making any equity investments in the primary or secondary markets.

This is an indicative list and there may be such other additional terms under the various borrowing arrangements entered into by our Company.

For the purpose of the Issue, our Company has obtained the necessary consent from our lenders, wherever required under the relevant borrowing arrangements for undertaking activities relating to the Issue.

(j) The amount of corporate guarantee or letter of comfort issued by the Company along with details of the counterparty (viz. name and nature of the counterparty, whether a subsidiary, Joint Venture entity, group company etc) on behalf of

whom it has been issued, contingent liability including debt service reserve account guarantees/ any put option etc.:

As on the date of this Prospectus, there is no corporate guarantee or letters of comfort given by the Company.

(k) Details of inter corporate loans and deposits:

1. The Company has availed inter-corporate loans or deposits sanctioned amounting to INR 400 crore from Motilal Oswal Wealth Limited, and the amounts outstanding thereunder as on April 04, 2024 are INR 307.00 crores.

2. The Company has availed inter-corporate loans or deposits sanctioned amounting to INR 150 crore from Motilal Oswal Asset Management Company Limited, and the amounts outstanding thereunder as on April 04, 2024 are INR 13.00 crores.

3. The Company has availed inter-corporate loans or deposits sanctioned amounting to INR 200 crore from Motilal Oswal Home Finance Limited, and the amounts outstanding thereunder as on April 04, 2024 are INR 200.00 crores.

4. The Company has availed inter-corporate loans or deposits sanctioned amounting to INR 75 crore from Motilal Oswal Investment Advisors Limited, and the amounts outstanding thereunder as on April 04, 2024 are INR 7.00 crores.

Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities, commercial paper (including technical delay) and other financial indebtedness including corporate guarantee or letters of comfort issued by the company, in the preceding three years and the current financial year: As on the date of this Prospectus, our Company has not rescheduled, incurred any penalty, delayed and/or defaulted in payment of principal or interest on any kind of term loans, debt securities, commercial papers (including due to technical delay) and other financial indebtedness of the Company (including corporate guarantee or letters of comfort issued by the company), in the preceding three financial years and the current financial year till the date of this Prospectus.

The Company has not received any notice of default to recall such loans from any of the lenders on account of such instances in CRILC reporting for technical errors/delays and all the accounts are standard as on date of this Prospectus.

(l) Details of default and non-payment of statutory dues in the preceding three financial years and the current financial year:

As on the date of this Prospectus, there are no defaults and non-payment of statutory dues by our Company in the preceding three financial years and the current financial year till the date of this Prospectus.

(m) Details of any outstanding borrowings taken/ debt securities issued for consideration other than cash; whether (i) in whole or part; (ii) at a premium or discount, or (iii) in pursuance of an option or not:

As on April 04, 2024, our Company has no outstanding borrowings taken / debt securities issued for consideration other than cash; whether (i) in whole or part; (ii) at a premium or discount, or (iii) in pursuance of an option or not.

MATERIAL DEVELOPMENTS

Except as disclosed below and in this Prospectus, since March 31, 2023 till the date of filing this Prospectus, there has been no material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the Company/ Promoter, litigations resulting in material liabilities, corporate restructuring event etc.) as on date of this Prospectus which may affect the Issue or the investor's decision to invest / continue to invest in the debt securities.

1. The Board of Directors of our Company (the "**Transferor Company**" or the "**Resulting Company**") at their meeting held on July 27, 2023 has approved a Scheme of Arrangement between our Company and Glide Tech Investment Advisory Private Limited* (the "**Transferee Company**") and Motilal Oswal Wealth Limited (the "**Demerged Company**") and their respective shareholders (the "**Scheme**") under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 before the National Company Law Tribunal, Mumbai, subject to approval from the Stock Exchanges, SEBI and their respective shareholders.

2. The Board of Directors of our Company has approved sale of identified investments ("**Investments**") on July 23, 2023 from its investment portfolio which include investments in listed equity shares, equity mutual funds, alternative investments, etc. of our Company to Glide Tech Investment Advisory Private Limited*, a wholly-owned Subsidiary of our Company. On such sale of Investments, Glide Tech Investment Advisory Private Limited* will issue its equity and/or preference shares to our Company as a consideration equivalent to the fair value of the Investments as on the actual date of transfer.

   * *The name of 'Glide Tech Investment Advisory Private Limited' has been changed to 'Motilal Oswal Broking and Distribution Private Limited' w.e.f. August 18, 2023, vide certificate of incorporation for change of name dated August 18, 2023 issued by the ROC, Mumbai. Further, it has been converted to public limited Company with the name of 'Motilal Oswal Broking and Distribution Limited' vide certificate of incorporation for conversion dated October 5, 2023 issued by the ROC, Mumbai.*

3. Our Company altered it's Articles of Association, with respect to appointment of a person nominated by the debenture trustee(s) ('Nominee Director') in terms of SEBI circular no. SEBI/HO/DDHS/DDHS-RACPOD1/CIR/P/2023/028 issued on February 02, 2023.

4. Motilal Oswal Group on June 14, 2023 appointed Sukesh Bhowal as the chief executive officer of MOHFL.

5. The Finance Committee of our Company on September 1, 2023 approved the proposal to make an investment in Gufic Biosciences Limited ("**Gufic**") in lines with our Company's fund based investment strategy. The said investment will be made by acquiring and/or subscribing to 33,33,000 equity shares having face value of ₹1 each at ₹300 per share for a consideration of ₹99.99 crores contributing to 3.32% of the post paid-up share capital of Gufic by way of a preferential issue.

RELATED PARTY TRANSACTIONS

For details of the related party transaction as at and for each of the years ended March 31, 2023, 2022 and 2021, as per the requirements under the applicable accounting standards, see "***Annexure A***" on page 335.

Details of related party transactions entered during the preceding three Financial Years with regard to loans made or, guarantees given or securities provided

(in ₹ crores)

Name of the Related Party	Nature of Transaction	Fiscal					
		2021		2022		2023	
		Related Party Transactions (₹ in crore)	Related Party Transactions as a % of total income (%)*	Related Party Transactions (₹ in crore)	Related Party Transactions as a % of total income (%)*	Related Party Transactions (₹ in crore)	Related Party Transactions as a % of total income (%)*
TMITPL	Intercorporate Loans Given	-	-	0.11	0.00	-	-
MOHFL	Corporate guarantee given (to the extent of outstanding amount)	743.39	33.42	-	-	-	-

Note: Related party transactions refers to the arithmetic aggregated absolute total of transactions during the years ended March 31, 2021, March 31, 2022 and March 31, 2023. For details, see "Related Party Transactions" on page 216.
**Total income for Fiscals 2021, 2022 and 2023 was ₹2,224.62, ₹2,615.46, and ₹2,692.71, respectively.*

Details of related party transactions entered during the current financial year up to December 31, 2023 with regard to loans made or, guarantees given or securities provided

(in ₹ crores)

Name of related party	Loans made	Guarantees given	Securities provided
MO Alternate	40.00	-	-
MOAMC	9.00	-	-
MOWL	255.00	-	-

SECTION VI: ISSUE RELATED INFORMATION

ISSUE STRUCTURE

The following are the key terms of the NCDs. This section should be read in conjunction with, and is qualified in its entirety by more detailed information in "*Terms of the Issue*" on page 225.

The NCDs being offered as part of the Issue are subject to the provisions of the SEBI NCS Regulations, the Debt Listing Agreement, SEBI Listing Regulations, and the Companies Act, 2013, the terms of the Draft Prospectus, this Prospectus, the Application Form, the terms and conditions of the Debenture Trustee Agreement and the Debenture Trust Deed, and other applicable statutory and/or regulatory requirements including those issued from time to time by SEBI, the Government of India, and other statutory/regulatory authorities relating to the offer, issue and listing of NCDs and any other documents that may be executed in connection with the NCDs.

The key common terms and conditions of the Term Sheet are as follows:

Particulars	Terms and Conditions
Issuer	Motilal Oswal Financial Services Limited
Lead Managers	Trust Investment Advisors Private Limited, Motilal Oswal Investment Advisors Limited# and Nuvama Wealth Management Limited
Debenture Trustee	Beacon Trusteeship Limited
Registrar to the Issue	Link Intime India Private Limited
Type of Instrument	Secured, Rated, Listed, Redeemable, Non-Convertible Debentures
Nature of Instrument	Secured, Rated, Listed, Redeemable, Non-Convertible Debentures
Face Value of NCDs (₹ /NCD)	₹ 1,000
Issue Price (₹ /NCD)	₹1,000
Minimum Application and in multiples of NCD thereafter	₹10,000 (10 NCD). and in multiples of ₹ 1,000 (1 NCD) thereafter
Seniority	Senior
Mode of Issue	Public issue
Mode of Allotment	In dematerialised form
Mode of Trading	NCDs will be traded in dematerialised form
Issue	Public issue by our company of Secured, Rated, Listed, Redeemable, Non-convertible Debentures of face value of ₹1,000 each for an amount up to ₹500 crores ("**Base Issue Size**") with an option to retain oversubscription up to ₹500 crores ("**Green Shoe Option**") aggregating up to 1,00,00,000 NCDs for an amount up to ₹1,000 crores
Base Issue Size	Up to ₹500 crores
Option to retain oversubscription / Green shoe option (Amount)	Up to ₹500 crores
Minimum Subscription	Minimum subscription is 75% of the Base Issue Size, i.e. ₹375 crores
Stock Exchange/s proposed for listing of the NCDs	BSE and NSE
Listing and timeline for Listing	The NCDs are proposed to be listed on BSE and NSE. The NCDs shall be listed within six Working Days from the date of Issue Closure. BSE has been appointed as the Designated Stock Exchange. For more information see "*Other Regulatory and Statutory Disclosures*" on page 284.
Depositories	NSDL and CDSL
Market Lot/Trading Lot	One (1) NCD
Description regarding security (where applicable) including type of security (movable/ immovable/ tangible etc.) type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation, replacement of security, interest of the debenture holder over and above the coupon rate as specified in the Debenture Trust Deed and disclosed in this Prospectus	The principal amount of the NCDs to be issued in terms of this Prospectus together with all interest due and payable on the NCDs, thereof shall be secured by a first ranking pari passu charge by way of hypothecation on all present and future Receivables of the Company (except those specifically and exclusively charged in favour of existing charge holders as specifically set out, and fully described in the Debenture Trust Deed) such that a minimum security cover of at least 1.20 times (1.20x) of the outstanding principal amounts of the NCDs and all interest due and payable thereon is maintained at all times until the Maturity Date. We have received necessary consents for ceding pari-passu charge in favour of the Debenture Trustee in relation to the NCDs. The NCDs shall be considered as secured only if the charged asset is registered with sub-registrar and/or RoC or CERSAI or Depository etc., as applicable, or is independently verifiable by the Debenture Trustee. Without prejudice to the aforesaid, in the event the Issuer fails to execute the Debenture Trust Deed within the period specified in Regulation 18(1) of the SEBI NCS Regulations or such other time frame as may be stipulated

Particulars	Terms and Conditions
	from time-to-time, the Issuer shall also pay interest of at least 2% (two per cent) per annum to the NCD holders, over and above the interest rate on the NCDs specified in the Prospectus, till the execution of the Debenture Trust Deed. The security shall be created prior to making the listing application for the NCDs with the Stock Exchange. For further details on date of creation of security/likely date of creation of security minimum security cover etc., please refer to the "*Terms of the Issue – Security*" on page 225 of this Prospectus.
Security Cover	Minimum security cover of at least 1.20 times (1.20x) of the outstanding principal amounts of the NCDs and all interest due and payable thereon is maintained at all times until the Maturity Date
Eligible Investors	Category I Investors- Institutional Investors • Public financial institutions, scheduled commercial banks, and Indian multilateral and bilateral development financial institutions which are authorised to invest in the NCDs; • Provident funds and pension funds each with a minimum corpus of ₹25 crore, superannuation funds and gratuity funds, which are authorised to invest in the NCDs; • Alternative Investment Funds, subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012; • Resident Venture Capital Funds registered with SEBI; • Insurance companies registered with the IRDAI; • State industrial development corporations; • Insurance funds set up and managed by the army, navy, or air force of the Union of India; • Insurance funds set up and managed by the Department of Posts, the Union of India; • Systemically Important Non-Banking Financial Company • National Investment Fund set up by resolution no. F.No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; and • Mutual funds registered with SEBI. Category II Investors- Non-Institutional Investors • Companies within the meaning of Section 2(20) of the Companies Act, 2013; • Statutory bodies/ corporations and societies registered under the applicable laws in India and authorised to invest in the NCDs; • Co-operative banks and regional rural banks; • Trusts including public/private charitable/religious trusts which are authorised to invest in the NCDs; • Scientific and/or industrial research organisations, which are authorised to invest in the NCDs; • Partnership firms in the name of the partners; • Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009); • Association of Persons; and • Any other incorporated and/ or unincorporated body of persons. Category III Investors– High Net-Worth Individual Investors High net-worth individual investors - resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating to above ₹ 10,00,000 across all options of NCDs in this Issue. Category IV Investors – Retail Individual Investors Retail individual investors – resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating up to and including ₹10,00,000 across all options of NCDs in this Issue and shall include retail individual investors, who have submitted bid for an amount not more than UPI Application Limit (being ₹5,00,000 for Debt Public Issues or such other limit as may be described by SEBI) in any of the bidding options in the Issue (including Hindu Undivided Families applying through their Karta and does not include NRIs) through UPI Mechanism
Credit Rating for the Issue / Rating of the Instrument	The NCDs proposed to be issued have been rated "CRISIL AA/Stable" (pronounced as CRISIL double A rating with Stable outlook) by CRISIL Ratings Limited for an amount of ₹1,200

Particulars	Terms and Conditions
	crores vide their rating letter dated February 9, 2024 further revalidated vide their letters dated March 14, 2024 and March 19, 2024 with rating rationale dated February 9, 2024 and "IND AA/Stable" by India Ratings and Research Private Limited for an amount of ₹1,071.60 crores vide their rating letters dated January 29, 2024 further revalidated vide their letters dated February 23, 2024, March 14, 2024 and March 18, 2024 with rating rational dated January 29, 2024. Ratings issued by CRISIL and India Ratings will continue to be valid for the life of the instrument unless withdrawn or reviewed. Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk. The rating provided by CRISIL and India Ratings may be suspended, withdrawn or revised at any time by the assigning rating agency and should be evaluated independently of any other rating. This rating is not a recommendation to buy, sell or hold securities and investors should take their own decisions. There are no unaccepted ratings and any other ratings other than as specified in this Prospectus. For the rationale and press release for the rating, see "*General Information*" and "**Annexure B**" of this Prospectus, on pages 48 and 336, respectively
Pay-in date	Application Date. The entire Application Amount is payable on Application
Mode of payment	Please refer to the section titled "*Issue Structure – Terms of Payment*" on page 223
Record Date	The record date for payment of interest in connection with the NCDs or repayment of principal in connection therewith shall be 15 (fifteen) days prior to the relevant interest payment date or relevant Redemption Date for NCDs issued under this Prospectus. In case of redemption of NCDs, the trading in the NCDs shall remain suspended between the Record Date and the date of redemption. In event the Record Date falls on day when the Stock Exchange is having a trading holiday, the immediately subsequent trading day or a date notified by the Company to the Stock Exchanges shall be considered as Record Date.
All covenants of the Issue (including side letters, accelerated payment clause, etc.)	The Issuer shall, inter alia, supply to the Debenture Trustee: 1. Quarterly financial results within 45 (forty five) days of the end of each quarter, half yearly financial results within 45 (forty five) days from the end of each half year, and the audited financial statements for a financial year by no later than 60 (sixty) days from the end of the relevant financial year; 2. A certificate from an authorised officer of the Issuer with respect to the use of the proceeds raised through the issue of NCDs, as per the prescribed timelines; 3. The Issuer shall intimate the Debenture Trustee, prior to undertaking or entering into any amalgamation, demerger, merger or corporate restructuring or reconstruction scheme proposed; 4. The Issuer hereby covenants with the Debenture Trustee that so long as the NCDs are outstanding, without the prior written approval of the Debenture Trustee, the Issuer shall not make material modification to the structure of the Debenture in terms of coupon, redemption or otherwise. Provided that prior approval of the Stock Exchange would also be required to make such material modifications; and such other covenants as set out in the Debenture Trust Deed.
Objects of the Issue / Purpose for which there is requirement of funds	Please refer to the chapter titled "*Objects of the Issue*" on page 85
Put option Date	NA
Put Option Price	NA
Call Option Date	NA
Call Option Price	NA
Put Notification Time	NA
Call Notification Time	NA
Details of the utilisation of the proceeds of the Issue	Please refer to the chapter titled "*Objects of the Issue*" on page 85
Coupon rate	See "*Issue Structure - Specific terms for NCDs*" on page 223
Coupon Payment Date	See "*Issue Structure - Specific terms for NCDs*" on page 223
Step Up/ Step Down Coupon Rates	NA
Coupon Type	See "*Issue Structure - Specific terms for NCDs*" on page 223
Coupon reset process	NA
Default Coupon Rate	The Issuer shall pay interest, over and above the agreed coupon rate, in connection with any delay in allotment, refunds, dematerialized credit, execution of Debenture Trust Deed, payment of interest, redemption of principal amount beyond the time limits prescribed under applicable

Particulars	Terms and Conditions
	statutory and/or regulatory requirements, at such rates as stipulated/ prescribed under applicable laws or as specified in the Prospectus, as the case may be. The Issuer shall pay at least 2% (two per cent) per annum to the NCD holder, over and above the agreed coupon rate, till the execution of the trust deed if the Issuer fails to execute the trust deed within such period as prescribed under applicable law or at any other rate as prescribed under applicable laws, whichever is lower.
Tenor	See "*Issue Structure - Specific terms for NCDs*" on page 223
Coupon payment frequency	See "*Issue Structure - Specific terms for NCDs*" on page 223
Interest on Application Money	NA
Working Days convention/Day count convention / Effect of holidays on payment	Working Day means all days on which commercial banks in Mumbai are open for business. If the date of payment of interest does not fall on a Working Day, then the interest payment will be made on succeeding Working Day (the "**Effective Date**"), however the dates of the future interest payments would continue to be as per the originally stipulated schedule. Payment of interest will be subject to the deduction of tax as per Income Tax Act or any statutory modification or re-enactment thereof for the time being in force. In case the Final Settlement Date (also being the last Interest Payment Date) does not fall on a Working Day, the payment will be made on the immediately preceding Working Day, along with coupon/interest accrued on the NCDs until but excluding the date of such payment.
Issue Closing Date	May 7, 2024
Issue Opening Date	April 23, 2024
Issue Timing	The Issue shall remain open for subscription on Working Days from 10 a.m. to 5 p.m. (Indian Standard Time) during the period indicated above, except that the Issue may close on such earlier date or extended date (subject to a minimum period of three (3) working days and a maximum period of ten (10) working days from the date of opening of the Issue and subject to not exceeding thirty (30) days from filing this Prospectus) as may be decided by the Board of Directors of our Company or the Finance Committee, subject to relevant approvals and in consultation with the Lead Managers and in accordance with Regulation 33A of the SEBI NCS Regulations. In the event of an early closure or extension of the Issue, our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in an English national daily with wide circulation and a regional daily with wide circulation where the Registered Office of the Company is located on or before such earlier or initial date of Issue closure. Applications Forms for the Issue will be accepted only from 10:00 a.m. to 5:00 p.m. (IST) or such extended time as may be permitted by the Stock Exchanges, on Working Days during the Issue Period. On the Issue Closing Date, the Application Forms will be accepted only between 10 a.m. and 3 p.m. (Indian Standard Time) and uploaded until 5 p.m. or such extended time as may be permitted by the Stock Exchanges. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5 p.m. (Indian Standard Time) on one Working Day post the Issue Closing Date. Application Forms for the Issue will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchanges, during the Issue Period as mentioned above on all days between Monday and Friday (both inclusive barring public holiday), (i) by the Consortium or the Trading Members of the Stock Exchanges, as the case maybe, at the centres mentioned in Application Form through the ASBA mode, (ii) directly by the Designated Branches of the SCSBs or (iii) by the centres of the Consortium, sub-brokers or the Trading Members of the Stock Exchanges, as the case maybe, only at the selected cities. Additionally, an Investor may also submit the Application Form through the app or web interface of the Stock Exchanges. It is clarified that the Applications not uploaded in the Stock Exchanges platform would be rejected. Due to limitation of time available for uploading the Applications on the Issue Closing Date, Applicants are advised to submit their Application Forms one day prior to the Issue Closing Date and, no later than 3.00 p.m. (Indian Standard Time) on the Issue Closing Date. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, there may be some Applications which are not uploaded due to lack of sufficient time to upload. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Application Forms will only be accepted on Working Days during the Issue Period. Neither our Company, nor the Lead Managers, nor any Members of the Syndicate, Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations or designated branches of SCSBs are liable for any failure in uploading the Applications due to failure in any software/ hardware systems or otherwise. Please note that the Basis of Allotment under the Issue will be on date priority basis except on the day of oversubscription and thereafter, if any, where the Allotment will be proportionate.
Default Coupon date	Our Company shall pay interest in connection with any delay in allotment, refunds, listing, dematerialised credit, execution of Debenture Trust Deed, payment of interest, redemption of principal amount beyond the time limits prescribed under applicable statutory and/or regulatory requirements, at such rates as stipulated/ prescribed under applicable laws.

Particulars	Terms and Conditions
Deemed Date of Allotment	The date on which the Board of Directors or Finance Committee authorised by the Board approves the Allotment of the NCDs for the Issue or such date as may be determined by the Board of Directors/ or the Finance Committee authorised by the Board thereof and notified to the Designated Stock Exchange. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs shall be available to the Debenture Holders from the Deemed Date of Allotment.
Day count basis	Actual / Actual
Redemption Date	See "*Issue Structure - Specific terms for NCDs*" on page 223
Redemption Amount	See "*Issue Structure - Specific terms for NCDs*" on page 223
Redemption premium/ discount	See "*Issue Structure - Specific terms for NCDs*" on page 223
Premium/ Discount at which security is redeemed and the effective yield as a result of such premium/ discount	See "*Issue Structure - Specific terms for NCDs*" on page 223
Transaction Documents	Transaction Documents shall mean the Draft Prospectus, this Prospectus, Abridged Prospectus read with any notices, corrigenda, addenda thereto, the Debenture Trust Deed, the Deed of Hypothecation and other documents, if applicable, the letters issued by the Rating Agency, the Debenture Trustee and/or the Registrar; and various other documents/ agreements/ undertakings, entered or to be entered by our Company with Lead Managers and/or other intermediaries for the purpose of the Issue including but not limited to the Issue Agreement, the Debenture Trustee Agreement, the Tripartite Agreements, the Public Issue Account and Sponsor Bank Agreement, the Registrar Agreement and the Consortium Agreement, and any other document that may be designated as a Transaction Document by the Debenture Trustee. For further details see, "*Material Contracts and Document for Inspection*" on page 332.
Conditions precedent to the disbursement	The Issuer shall provide/ confirm to the Debenture Trustee: 1. A certified true copy of the latest charter documents of the Issuer, certified as correct, complete and in full force and effect by the appropriate officer; 2. certified true copies of relevant board resolutions; 3. The Company shall have obtained the Debenture Trustee consent letter from the Debenture Trustee; 4. The Issuer shall have obtained in-principle approval from the Stock Exchanges for listing of the Debentures; and such other conditions as set out in the Debenture Trust Deed and as specified in the SEBI NCS Regulations.
Conditions subsequent to the disbursement	The Issuer shall provide/ confirm to the Debenture Trustee: 1. An end-use certificate from an independent Chartered Accountant, certifying the heads under which funds have been utilized in accordance with Offer Documents, within 60 (sixty) days of the Deemed Date of Allotment for the Debentures; 2. Obtaining the final listing approval from the Stock Exchanges in respect of the Issue; and such other conditions as set out in the Debenture Trust Deed and as specified in the SEBI NCS Regulations.
Events of default (including manner of voting/ conditions of joining Inter Creditor Agreement)	Please refer to the chapter titled "*Terms of the Issue – Events of Default*" on page 227.
Creation of recovery expense fund	Our Company has created a recovery expense fund in the manner as specified by SEBI Master Circular on Debenture Trustees, as amended from time to time and Regulation 11 of the SEBI NCS Regulations with the Designated Stock Exchange and will inform the Debenture Trustee regarding the creation of such fund. The recovery expense fund may be utilised by Debenture Trustee, in the event of default by our Company under the terms of the Debenture Trust Deed, for taking appropriate legal action to enforce the security.
Conditions for breach of covenants (as specified in Debenture Trust Deed)	Upon occurrence of any default in the performance or observance of any term, covenant, condition or provision contained in the summary term sheet, the Debenture Trustee shall take necessary actions as mentioned in the Debenture Trust Deed and this Prospectus.
Provisions related to Cross Default Clause	As applicable and as per the Debenture Trust Deed to be executed in accordance with applicable law
Roles and responsibilities of the Debenture Trustee	As per SEBI (Debenture Trustee) Regulations, 1993, SEBI (Issue and Listing of Non-Convertible Securities) Regulation, 2021, SEBI Master Circular for Debenture Trustees, Companies Act, the simplified listing agreement(s), and the Debenture Trust Deed, each as amended from time to time. Please see "*Terms of the Issue -Trustees for the NCD Holders*" on page 227.
Risk factors pertaining to the Issue	Please see "*Risk Factors*" on page 17 of this Prospectus.
Settlement Mode	Redemption

Particulars	Terms and Conditions
Governing law and jurisdiction	Any dispute in relation to NCDs shall be governed by laws of India and courts and tribunals in Mumbai shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the proposed issuance of NCDs.
Working day convention / Day count convention / Effect of holidays on payment	If the Interest Payment Date falls on a day other than a Working Day, the interest payment shall be made by the Issuer on the immediately succeeding Working Day and calculation of such interest payment shall be as per original schedule as if such Interest Payment Date were a Working Day. Further, the future Interest Payment Dates shall remain intact and shall not be changed because of postponement of such interest payment on account of it failing on a non-Working Day. If Redemption Date (also being the last Interest Payment Date) falls on a day that is not a Working Day, the Redemption Amount shall be paid by the Issuer on the immediately preceding Working Day along with interest accrued on the NCDs until but excluding the date of such payment. The interest /redemption payments shall be made only on the days when the money market is functioning in Mumbai.

Notes:

This Issue shall remain open for subscription on Working Days from 10 a.m. to 5:00 p.m. (IST) during the period indicated above, except that this Issue may close on such earlier date or extended date (subject to a minimum period of three Working Days and a maximum period of 10 working days from the date of opening of the Issue and subject to not exceeding thirty days from filing this Prospectus with ROC) as may be decided by the Board of Directors of our Company or Finance Committee subject to compliance with Regulation 33A of the SEBI NCS Regulations. In the event of an early closure or extension of this Issue our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in all the newspapers in which pre-issue advertisement for opening of this Issue has been given on or before such earlier or initial date of Issue closure. Applications Forms for the Issue will be accepted only from 10:00 a.m. to 5:00 p.m. (IST) or such extended time as may be permitted by the Stock Exchanges, on Working Days during the Issue Period. On the Issue Closing Date, the Application Forms will be accepted only between 10 a.m. and 3 p.m. (IST) and uploaded until 5:00 p.m. or such extended time as may be permitted by the Stock Exchanges. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5:00 p.m. (IST) on one Working Day after the Issue Closing Date. For further details please refer to the chapter titled "Issue Related Information" on page 217 of this Prospectus.

Due to limitation of time available for uploading the Applications on the Issue Closing Date, Applicants are advised to submit their Application Forms one day prior to the Issue Closing Date and, no later than 3.00 p.m. (Indian Standard Time) on the Issue Closing Date. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, there may be some Applications which are not uploaded due to lack of sufficient time to upload. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Neither the Issuer, nor the Lead Managers, nor any Member of the Syndicate, Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations or designated branches of SCSBs are liable for any failure in uploading the Applications due to failure in any software/ hardware systems or otherwise. Please note that the Basis of Allotment under the Issue will be on date priority basis except on the day of oversubscription and thereafter, if any, where the Allotment will be proportionate in accordance with SEBI NCS Master Circular. For further details please refer to the section titled "General Information" on page 48 of this Prospectus.

*#Motilal Oswal Investment Advisors Limited is deemed to be an associate of the Company as per the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended ("**Merchant Bankers Regulations**"). Further, in compliance with the provisions of Regulation 21A and explanation to Regulation 21A of the Merchant Bankers Regulations, Motilal Oswal Investment Advisors Limited would only be involved in marketing of the Issue and as per Regulation 25 (3) of SEBI NCS Regulations shall not issue a due diligence certificate.*

Debt securities shall be considered as secured only if the charged asset is registered with Sub-registrar and Registrar of Companies or CERSAI or Depository etc., as applicable, or is independently verifiable by the debenture trustee.

If there is any change in coupon rate pursuant to any event including lapse of certain time period or downgrade in rating, then such new coupon rate and the events which lead to such change should be disclosed.

While the NCDs are secured to the tune of 120% of the principal and interest thereon in favour of Debenture Trustee, it is it the duty of the Debenture Trustee to monitor the security cover is maintained, however, the recovery of 120% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.

The specific terms of each instrument to be issued pursuant to an Issue shall be as set out in this Prospectus. Please see "*Issue Procedure*" on page 242 for details of category wise eligibility and allotment in the Issue.

For the list of documents executed/to be executed, please see "*Material Contracts and documents for Inspection*" on page 332.

Participation by any of the above-mentioned investor classes in this Issue will be subject to applicable statutory and/or regulatory requirements. Applicants are advised to ensure that Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and/or regulatory provisions.

Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/consents/approvals in connection with applying for, subscribing to, or seeking allotment of NCDs pursuant to this Issue.

For further details, see *"Issue Procedure"* on page 242.

Specified Terms of the NCDs

Specific terms and conditions in connection with each series of NCDs:

Series	I	II	III*	IV	V	VI	VII	VIII
Frequency of Interest Payment	Annual	NA	Annual	NA	Monthly	Annual	Monthly	Annual
Minimum Application	₹ 10,000 (10 NCDs) across all Series							
Face Value/ Issue Price of NCDs (₹/ NCD)	₹ 1,000							
In Multiples of thereafter (₹)	₹ 1,000 (1 NCD)							
Tenor	24 months	24 months	36 months	36 months	60 months	60 months	120 months	120 months
Coupon (% per annum) for NCD Holders in Category I, II, III & IV	8.85%	NA	9.10%	NA	8.97%	9.35%	9.30%	9.70%
Effective Yield (per annum) for NCD Holders in Category I, II, III & IV	8.85%	8.85%	9.10%	9.10%	9.35%	9.35%	9.70%	9.70%
Mode of Interest Payment	Through various mode available							
Amount (₹ / NCD) on Maturity for NCD Holders in Category I, II, III & IV	₹ 1,000	₹ 1,184.85	₹ 1,000	₹ 1,298.60	₹ 1,000	₹ 1,000	₹ 1,000	₹ 1,000
Maturity / Redemption Date (Months from the Deemed Date of Allotment)	24 months	24 months	36 months	36 months	60 months	60 months	120 months	120 months
Put and Call Option	NA							

**Our Company shall allocate and allot Series III NCDs wherein the Applicants have not indicated the choice of the relevant NCD Series.*

1. With respect to Series where interest is to be paid on an annual basis, relevant interest will be paid on each anniversary of the Deemed Date of Allotment on the face value of the NCDs. The last interest payment under annual Series will be made at the time of redemption of the NCDs.

2. With respect to Series where interest is to be paid on monthly basis, relevant interest will be paid on the last date of every month on the face value of the NCDs. The last interest payment under monthly Series will be made at the time of redemption of the NCDs. For the first interest payment for NCDs under the monthly options, interest from the Deemed Date of Allotment till the last day of the subsequent month will be clubbed and paid on the last day of that subsequent month.

3. Subject to applicable tax deducted at source, if any.

*4. Please refer to '**Annexure D**' for details pertaining to the cash flows of the Company in accordance with the SEBI.*

Terms of Payment

Participation by any of the above-mentioned Investor classes in the Issue will be subject to applicable statutory and/or regulatory requirements. Applicants are advised to ensure that applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and/or regulatory provisions.

The entire amount of face value of NCDs applied for will be blocked in the relevant ASBA Account maintained with the SCSB or under UPI mechanism (only for Retail Individual Investors), as the case may be, in the bank account of the Applicants that is specified in the ASBA Form at the time of the submission of the Application Form. In the event of Allotment of a lesser number of NCDs than applied for, our Company shall unblock the additional amount blocked upon application in the ASBA Account, in accordance with the terms of specified in "*Terms of the Issue*" on page 225.

The NCDs have not been and will not be registered, listed or otherwise qualified in any jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. In particular, the NCDs have not been and will not be registered under the U.S. Securities Act, 1933, as amended (the "**Securities Act**") or the securities laws of any state of the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. The Issuer has not registered and does not intend to register under the U.S. Investment Company Act, 1940 in reliance on section 3(c)(7) thereof. This Prospectus may not be forwarded or distributed to any other person and may not be reproduced in any manner whatsoever, and in particular, may not be forwarded to any U.S. Person or to any U.S. address.

Applications may be made in single or joint names (not exceeding three). Applications should be made by Karta in case the Applicant is an HUF. If the Application is submitted in joint names, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the depository account held in joint names. In case of Application Form being submitted in joint names, the Applicants should ensure that the demat account is also held in the same joint names and the names are in the same sequence in which they appear in the Application Form. If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the

depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form. Please ensure that such Applications contain the PAN of the HUF and not of the Karta. In the case of joint Applications, all payments will be made out in favour of the first Applicant. All communications will be addressed to the first named Applicant whose name appears in the Application Form and at the address mentioned therein.

In the case of joint Applications, all payments will be made out in favour of the first Applicant. All communications will be addressed to the first named Applicant whose name appears in the Application Form and at the address mentioned therein.

Day Count Convention

Interest shall be computed on an actual/actual basis i.e. on the principal outstanding on the NCDs as per the SEBI Master Circular.

Effect of holidays on payments

If the date of payment of interest does not fall on a Working Day, then the interest payment will be made on succeeding Working Day, however the calculation for payment of interest will be only till the originally stipulated Interest Payment Date. The dates of the future interest payments would be as per the originally stipulated schedule. Payment of interest will be subject to the deduction of tax as per Income Tax Act or any statutory modification or re-enactment thereof for the time being in force. In case the Redemption Date (also being the last Interest Payment Date) does not fall on a Working Day, the payment will be made on the immediately preceding Working Day, along with coupon/interest accrued on the NCDs until but excluding the date of such payment. The interest/redemption payments shall be made only on Working Days.

Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/consents/approvals in connection with applying for, subscribing to, or seeking Allotment of NCDs pursuant to this Issue.

For further details, see "*Issue Procedure*" on page 242.

TERMS OF THE ISSUE

Authority for this Issue

Our Board of Directors, pursuant to its resolution dated January 24, 2024 and our Finance Committee, pursuant to its resolution dated March 26, 2024 have approved the issuance of NCDs of the face value ₹ 1,000 each, for an amount aggregating up to ₹1,000 crores (which includes a green shoe option of up to ₹500 crores) (the "**Issue**"). Pursuant to a resolution passed by our Shareholder's on February 20, 2018 and Board on July 28, 2022, our Board has been authorised to borrow any sum or sums of monies, which together with the monies already borrowed (apart from temporary loans obtained or to be obtained in the ordinary course of business), in excess of our Company's aggregate paid-up capital and free reserves, provided that the total amount which may be so borrowed and outstanding shall not exceed a sum of ₹7,500 crores. The NCDs pursuant to this Issue will be issued on terms and conditions as set out in this Prospectus.

Principal terms and conditions of this Issue

The NCDs being offered as part of this Issue are subject to the provisions of the SEBI NCS Regulations and the SEBI Master Circular, the relevant provisions of the Companies Act, 2013, our Memorandum and Articles of Association, the terms of the Draft Prospectus, this Prospectus, the Application Forms, the Abridged Prospectus, the terms and conditions of the Debenture Trustee Agreement and the Debenture Trust Deed, other applicable statutory and/or regulatory requirements including those issued from time to time by SEBI, the Government of India, the RBI, the Stock Exchanges, and/ or any other statutory or regulatory authorities relating to the offer, issue and listing of securities and any other documents that may be executed in connection with the NCDs.

Ranking of the NCDs

The NCDs would constitute secured and senior obligations of our Company and subject to any obligations under applicable statutory and/or regulatory requirements, shall also with regard to amount invested, thereof shall be secured by way of a first ranking *pari passu* charge by way of hypothecation on all present and future Receivables of the Company (except those specifically and exclusively charged in favour of existing charge holders as specifically set out, and fully described in the Debenture Trust Deed). The NCDs proposed to be issued under this Issue and all earlier issues of debentures, bond issuances and loans outstanding in the books of our Company having corresponding assets as security, shall rank *pari passu* by way of hypothecation on all present and future Receivables of the Company (except those specifically and exclusively charged in favour of existing charge holders as specifically set out, and fully described in the Debenture Trust Deed) without preference of one over the other except that priority for payment shall be as per applicable date of redemption / repayment. We have received necessary consents from the relevant lenders, debenture trustees and security trustees for creating an exclusive charge in favour of the Debenture Trustee in relation to the NCDs.

In terms of the SEBI Master Circular for Debenture Trustees, our Company is required to obtain permissions or consents from or provide intimations to the prior creditors for proceeding with this Issue, if *pari passu* security is sought to be created. However, exclusive charge by way of hypothecation of on all present and future Receivables of the Company (except those specifically and exclusively charged in favour of existing charge holders as specifically set out, and fully described in the Debenture Trust Deed) of the Company is being provided as security for this Issue and these assets have no prior charge by any creditor of our Company.

The Issuer has obtained permissions or consents from the debenture trustees /existing creditors for proceeding with this Issue.

Security

The principal amount of the NCDs to be issued in terms of this Prospectus together with all interest due and payable on the NCDs, thereof shall be secured by a first ranking pari passu charge by way of hypothecation on all present and future Receivables of the Company (except those specifically and exclusively charged in favour of existing charge holders as specifically set out, and fully described in the Debenture Trust Deed) such that a minimum security cover of at least 1.20 times (1.20x) of the outstanding principal amounts of the NCDs and all interest due and payable thereon is maintained at all times until the Maturity Date.

The NCDs shall be considered as secured only if the charged asset is registered with sub-registrar and/or RoC or CERSAI or Depository etc., as applicable, or is independently verifiable by the Debenture Trustee. Without prejudice to the aforesaid, in the event the Issuer fails to execute the Debenture Trust Deed within the period specified in Regulation 18(1) of the SEBI NCS Regulations or such other time frame as may be stipulated from time-to-time, the Issuer shall also pay interest of at least 2% (two per cent) per annum to the NCD holders, over and above the interest rate on the NCDs specified in this Prospectus, till the execution of the Debenture Trust Deed. The security shall be created prior to making the listing application for the NCDs with the Stock Exchange.

The Issuer, pursuant to the SEBI DT Master Circular has entered/shall enter into the Debenture Trustee Agreement with the Debenture Trustee and in furtherance thereof intends to enter into a deed of agreement with the Debenture Trustee ("**Debenture Trust Deed**"), terms of which will govern the powers, authorities and obligations of the Debenture Trustee. The Issuer proposes

to complete the execution and registration of the Debenture Trust Deed within the stipulated timeframe and shall utilize the funds only after the stipulated security has been created. Under the terms of the Debenture Trust Deed, the Issuer will covenant with the Debenture Trustee that it will pay the NCD Holders the principal amount on the NCDs on the relevant redemption date and also that it will pay the interest due on NCDs on the rate specified in the Draft Prospectus, this Prospectus and in the Debenture Trust Deed. The Debenture Trust Deed will also provide that the Issuer may withdraw any portion of the security and replace with another asset of the same or a higher value and shall ensure that the minimum security cover shall be maintained until the redemption of the NCDs.

Debenture Redemption Reserve

Pursuant to the amendment to the Companies (Share Capital and Debentures) Rules, 2014, notified on August 16, 2019, and as on the date of filing this Prospectus, our Company is not required to create DRR for the purpose of redemption of the NCDs. Accordingly, no debenture redemption reserve shall be created by our Company for the purpose of redemption of the NCDs or in connection with the Issue. Our Company shall, as per the Companies (Share Capital and Debentures) Rules 2014 and other laws applicable from time to time, invest or deposit, as the case may be, the applicable amounts, within the specified timelines, in respect of debentures maturing during the year ending on the 31st day of March of the next year, in any one or more methods of investments or deposits stipulated under the applicable law. Provided that the amount remaining invested or deposited, as the case may be, shall not at any time fall below the specified percentage, which is presently stipulated at 15% (fifteen percent) of the amount of the debentures maturing during the year ending on March 31 of the next year, in any of the following instruments or such other instruments as may be permitted under the applicable laws.

1. in deposits with any scheduled bank, free from any charge or lien;

2. in unencumbered securities of the Central Government or any State Government;

3. in unencumbered securities mentioned in sub-clause (a) to (d) and (ee) of section 20 of the Indian Trusts Act, 1882;

4. in unencumbered bonds issued by any other company which is notified under sub-clause (f) of section 20 of the Indian Trusts Act, 1882:

Provided further that the amount invested or deposited as above shall not be used for any purpose other than for redemption of debentures maturing during the year referred above.

Face Value

The face value of each of the NCDs shall be ₹ 1,000.

NCD Holder not a shareholder

The NCD Holders will not be entitled to any of the rights and privileges available to the equity and/or preference shareholders of our Company, except to the extent as may be prescribed under the Companies Act, 2013, and the rules prescribed thereunder the SEBI LODR Regulations and any other applicable law.

Rights of the NCD Holders

Some of the significant rights available to the NCD Holders are as follows:

1. The NCDs shall not, except as provided in the Companies Act, 2013, our Memorandum and Articles of Association and/or the Debenture Trust Deed confer upon the NCD Holders thereof any rights or privileges available to our members/shareholders including, without limitation, the right to receive notices, or to attend and/or vote, at any general meeting of our Company's members/shareholders. However, if any resolution affecting the rights attached to the NCDs is to be placed before the members /shareholders of our Company, the said resolution will first be placed before the concerned registered NCD Holders for their consideration. In terms of Section 136 of the Companies Act, 2013, the NCD Holders shall be entitled to inspect a copy of the financial statements including consolidated financial statements, if any, auditor's report and every other document required by law to be annexed or attached to the financial statements, and copy of the Debenture Trust Deed at the Registered Office of our Company during business hours on a specific request made to the Company.

2. Subject to applicable statutory/ regulatory requirements and terms of Debenture Trust Deed, the rights, privileges and conditions attached to the NCDs may be varied, modified and/or abrogated with the consent in writing of the holders of at least three-fourths of the outstanding amount of the NCDs or with the sanction of a special resolution passed at a meeting of the concerned NCD Holders, provided that nothing in such consent or resolution shall be operative against us, where such consent or resolution modifies or varies the terms and conditions governing the NCDs, if the same are not acceptable to us.

3. Subject to applicable statutory/ regulatory requirements and terms of Debenture Trust Deed, in case of NCDs held in (i) dematerialized form, the person for the time being appearing in the register of beneficial owners of the Depositories;

and (ii) physical form on account of re-materialization, the registered NCD Holders or in case of joint-holders, the one whose name stands first in the register of debenture holders shall be entitled to vote in respect of such NCDs, either in person or by proxy, at any meeting of the concerned NCD Holders and every such NCD Holder shall be entitled to one vote on a show of hands and on a poll, his/her voting rights on every resolution placed before such meeting of the NCD Holders shall be in proportion to the outstanding nominal value of NCDs held by him/her.

4. The NCDs are subject to the provisions of the SEBI NCS Regulations and the SEBI Master Circular, provisions of the Companies Act, 2013, our Memorandum and Articles of Association, the terms of the Draft Prospectus, this Prospectus, the terms and conditions of the Debenture Trust Deed, applicable statutory and/or regulatory requirements relating to this issue and listing, of securities and any other documents that may be executed in connection with the NCDs.

5. Subject to SEBI RTA Master Circular, for NCDs in physical form on account of re-materialization, a register of debenture holders will be maintained in accordance with Section 88 and Section 94 of the Companies Act, 2013 and all interest and principal sums becoming due and payable in respect of the NCDs will be paid to the registered holder thereof for the time being or in the case of joint-holders, to the person whose name stands first in the register of debenture holders as on the Record Date. For NCDs in dematerialized form, all interest and principal sums becoming due and payable in respect of the NCDs will be paid to the person for the time being appearing in the register of beneficial owners of the Depositories. In terms of Section 88(3) of the Companies Act, 2013, the register of beneficial owners maintained by a Depository for any NCDs in dematerialized form under Section 11 of the Depositories Act shall be deemed to be a register of debenture holders for this purpose. The same shall be maintained at the Registered Office of our Company under Section 94 of the Companies Act, 2013 unless the same has been moved to another location after obtaining the consent of the NCD Holders as given thereunder.

6. NCDs can be rolled over only with the consent of the NCD Holders of at least 75% of the outstanding amount of the NCDs after providing at least 15 days prior notice for such roll over and in accordance with Regulation 39 of the SEBI NCS Regulations. Our Company shall redeem the debt securities of all the debt securities holders, who have not given their positive consent to the roll-over.

The aforementioned rights of the NCD Holders are merely indicative. The final rights of the NCD Holders will be as per the terms of this Prospectus and the Debenture Trust Deed.

Trustees for the NCD holders

We have appointed Beacon Trusteeship Limited to act as the Debenture Trustee for the NCD Holder(s) in terms of Regulation 8 of the SEBI NCS Regulations and Section 71(5) of the Companies Act, 2013 and the rules prescribed thereunder. Our Company and the Debenture Trustee will execute a Debenture Trust Deed, *inter alia*, specifying the powers, authorities and obligations of the Debenture Trustee and us with respect to NCDs. The NCD Holder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Debenture Trustee or any of its agents or authorised officials to do all such acts, deeds, matters and things in respect of or relating to the NCDs as the Debenture Trustee may in its absolute discretion deem necessary or require to be done in the interest of the NCD Holder(s). Any payment made by us to the Debenture Trustee on behalf of the NCD Holder(s) shall discharge us *pro tanto* to the NCD Holder(s).

The Debenture Trustee will protect the Interest of the NCD Holders in the event of default by us in regard to timely payment of interest and repayment of principal and they will take necessary action at our cost.

Events of Default (including manner of voting/conditions of joining Inter Creditor Agreement)

Subject to the terms of the Debenture Trust Deed, the Debenture Trustee at its discretion may, or if so requested in writing by the holders of at least three-fourths of the outstanding amount of the NCDs or with the sanction of a special resolution, passed at a meeting of the NCD Holders, (subject to being indemnified and/or secured by the NCD Holders to its satisfaction), give notice to our Company specifying that the NCDs and/or any particular series of NCDs, in whole but not in part are and have become due and repayable on such date as may be specified in such notice, *inter alia*, if any of the events listed below occurs The description below is indicative and a complete list of events of default and its consequences will be specified in the Debenture Trust Deed:

Indicative list of Events of Default:

(i) Default in redemption of the debentures together with redemption premium, if any, interest accrued thereon as and when the same shall have become due and payable or payment of any other amounts in terms of the Debenture Trust Deed;

(ii) Default is committed in payment of the principal amount of the NCDs on the due date(s);

(iii) Default is committed in payment of any interest on the NCDs on the due date(s);

(iv) Default is committed in payment of any other amounts outstanding on the NCDs;

(v) Defaults in performance or compliance with one or more of its material obligations, covenant, condition or provisions in relation to the NCDs and/or the Transaction Documents, which default is incapable of remedy even after such cure periods as may be prescribed in the Debenture Trust Deed or, if in the reasonable opinion of the Debenture Trustee is incapable of remedy;

(vi) If the Company creates any additional charge on the Secured Assets or any part thereof without the prior approval of the Debenture Trustee or unless otherwise provided for in the Debenture Trust Deed, the Company, attempts or purports to create any charge, mortgage, pledge, hypothecation, lien or other encumbrance over any of the hypothecated properties;

(vii) If in the opinion of the Debenture Trustee, the Security is in jeopardy;

(viii) An order is made or an effective resolution passed for the winding-up or dissolution, judicial management or administration of the Company, or the Company ceases or threatens to cease to carry on all or substantially all of its business or operations, except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation on terms approved by a Special Resolution of the NCD Holders;

(ix) The Company commences a voluntary proceeding under any applicable bankruptcy, insolvency, winding up or other similar law now or hereafter in effect, or consent to the entry of an order for relief in an involuntary proceeding under any such law, or consent to the appointment or taking possession by a receiver, liquidator, assignee (or similar official) for any or a substantial part of its property or take any action towards its reorganisation, liquidation or dissolution;

(x) Any step is taken by Governmental Authority or agency or any other competent authority, with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or (in the opinion of the Debenture Trustee) a material part of the assets of the Company;

(xi) The Company without the consent of Debenture Trustee ceases to carry on its business or gives notice of its intention to do so;

(xii) If it becomes unlawful for the company to perform any of its obligations under any transaction document; and

(xiii) Any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in any of the foregoing paragraphs.

(xiv) If it is certified by an accountant or a firm of accountants appointed by the Debenture Trustee that the liabilities of the Company exceed its assets;

(xv) Default is committed if any information given to the Company in the Draft Prospectus, this Prospectus, the Transaction Documents and/or other information furnished and/or the representations and warranties given/deemed to have been given by the Company to the Debenture Holder(s)/ Beneficial Owner(s) for financial assistance by way of subscription to the Debenture is or proves to be misleading or incorrect in any material respect or is found to be incorrect;

(xvi) Any other event described as an Event of Default in the Draft Prospectus, this Prospectus and the Transaction Documents.

Any event of default shall be called by the Debenture Trustee, upon request in writing of or by way of resolution passed by holders of 75% (seventy five percent) of the outstanding nominal value of all NCDs at any point of time, as set out in the Debenture Trust Deed, except for any default relating to points I, ii, iii and iv under the "Indicative list of Events of Default" given above, where no such consent/ resolution of NCD holders will be required for calling of event of default.

Subject to the approval of the debenture holders and the conditions as may be specified by the SEBI from time to time, the Debenture Trustee, on behalf of the debenture holders, may enter into inter-creditor agreements provided under the framework specified by the Reserve Bank of India.

In accordance with the SEBI Master Circular for Debenture Trustees in case of 'Default' by Issuers of listed debt securities, post the occurrence of a "default", the consent of the NCD Holders for entering into an inter-creditor agreement (the "**ICA**") /enforcement of security shall be sought by the debenture trustee after providing a notice to the investors in the manner stipulated under applicable law. Further, the meeting of the NCD Holders shall be held within the period stipulated under applicable law. In case(s) where majority of investors express their consent to enter into the ICA, the debenture trustee shall enter into the ICA on behalf of the investors upon compliance with the conditions as stipulated in the abovementioned circular. In case consents are not received for signing the ICA, the debenture trustee shall take further action, if any, as per the decision taken in the meeting of the investors. The consent of the majority of investors shall mean the approval of not less than 75% of the investors by value of the outstanding debt and 60% of the investors by number at the ISIN level.

Explanation 2 to Regulation 49 of the SEBI Listing Regulations, defines 'default' as non-payment of interest or principal amount in full on the pre-agreed date which shall be recognized at the first instance of delay in the servicing of any interest/dividend or principal on debt.

It is hereby confirmed, in case of an occurrence of a "default", the Debenture Trustee shall abide and comply with the procedures mentioned in the SEBI Master Circular for Debenture Trustees.

Minimum Subscription

In terms of the SEBI NCS Regulations for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall be 75% of the Base Issue Size being ₹375 crores. If our Company does not receive the minimum subscription of 75% of the Base Issue Size being ₹375 crores, prior to the Issue Closing Date, the entire Application Amount shall be unblocked in the relevant ASBA Accounts of the Applicants within eight Working Days from the Issue Closing Date or such time as may be specified by SEBI. In the event there is delay in unblocking of funds/refunds, our Company shall be liable to repay the money, with interest at the rate of 15% per annum for the delayed period.

Under Section 39(3) of the Companies Act, 2013 read with Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription was remitted. To the extent possible, where the required information for making such refunds is available with our Company and/or Registrar, refunds will be made to the account prescribed. However, where our Company and/or Registrar does not have the necessary information for making such refunds, our Company and/or Registrar will follow the guidelines prescribed by SEBI in this regard included in the SEBI Master Circular.

Market Lot and Trading Lot

The NCDs shall be allotted in dematerialized form. As per the SEBI NCS Regulations, the trading of the NCDs is in dematerialised form and the tradable lot is one NCD.

Please note that the NCDs shall cease to trade from the Record Date (for payment of the principal amount and the applicable interest for such NCDs) prior to redemption of the NCDs.

Allotment in this Issue will be in electronic form in multiples of one NCD. For further details of Allotment, see the "*Issue Procedure*" on page 242.

Nomination facility to NCD Holders

In accordance with Section 72 of the Companies Act, 2013 (read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, the sole NCD Holder or first NCD Holder, along with other joint NCD Holders (being individual(s) may nominate in form no SH. 13 any one person (being an individual) who, in the event of death of the sole holder or all the joint-holders, as the case may be, shall become entitled to the NCDs. Where the nomination is made in respect of the NCDs held by more than one person jointly, all joint holders shall together nominate in form no SH. 13 any person as nominee. A person, being a nominee, becoming entitled to the NCDs by reason of the death of the original NCD Holder(s), will in accordance with Rule 19 and Section 56 of Companies Act 2013 shall be entitled to the same rights to which he would be entitled if he were the registered holder of the NCD subject to compliance with applicable law. Where the nominee is a minor, the NCD Holder(s) may make a nomination to appoint, in the prescribed manner, and in Form No SH. 14, any person to become entitled to the NCDs, in the event of his death, during the minority. A nomination shall stand rescinded upon sale/transfer/alienation of the NCDs by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. When the NCDs are held by two or more persons, the nominee shall become entitled to receive the amount only on the demise of all such NCD Holders. Fresh nominations can be made only in the prescribed form available on request at our Registered/ Corporate Office, at such other addresses as may be notified by us, or at the office of the Registrar to the Issue.

NCD Holders are advised to provide the specimen signature of the nominee to enable us to expedite the transmission of the NCDs to the nominee in the event of demise of the NCD Holders. The signature can be provided in the Application Form or subsequently at the time of making fresh nominations. This facility of providing the specimen signature of the nominee is purely optional.

In accordance with the Section 72 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, any person who becomes a nominee by virtue of the above said Section, shall upon the production of such evidence as may be required by our Board, elect either:

(a) To register himself or herself as the holder of the NCDs; or

(b) To make such transfer of the NCDs, as the deceased holder could have done.

A person, being a nominee, becoming entitled to NCDs by reason of the death of the holder shall be entitled to the same interests and other advantages to which he would have been entitled to if he were the registered holder of the NCDs except that he shall not, before being registered as a holder in respect of such NCDs, be entitled in respect of these NCDs to exercise any right conferred. Further, our Board of Directors may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the NCDs, and if the notice is not complied with, within a period of 90 days, our Board of

Directors may thereafter withhold payment of all interests or other monies payable in respect of the NCDs, until the requirements of the notice have been complied with.

NCD Holders who are holding NCDs in dematerialized form need not make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the NCD Holder will prevail. If the NCD Holders require to changing their nominations, they are requested to inform their respective Depository Participant.

A nomination may be cancelled or varied by nominating any other person in place of the present nominee, by the Secured NCD Holder who has made the nomination, by giving a notice of such cancellation or variation in the prescribed manner as per applicable laws. The cancellation or variation shall take effect from the date on which the notice of such variation or cancellation is received.

Since the allotment of Secured NCDs will be made only in dematerialized mode, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Applicant would prevail. If the investors require changing their nomination, they are requested to inform their respective Depository Participant.

Applicants who would opt for rematerialisation of NCDs and who would hold the NCDs in the physical form should provide required details in connection with their nominee to our Company at the time of submitting rematerialisation request.

Transfer/Transmission of NCD(s)

The NCDs shall be transferred or transmitted freely in accordance with the applicable provisions of the Companies Act, 2013. The NCDs shall be transferred subject to and in accordance with the rules/procedures as prescribed by the Depositories and the relevant DPs of the transferor or transferee and any other applicable laws and rules notified in respect thereof. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date.

In the absence of the same, interest will be paid/redemption will be made to the person, whose name appears in the register of debenture holders maintained by the Depositories. In such cases, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Issuer or Registrar. The seller should give delivery instructions containing details of the buyer's DP account to his depository participant.

For further details, see "*Issue Structure*" on page 217, for the implications on the interest applicable to NCDs held by individual NCD Holders on the Record Date and NCDs held by non-individual NCD Holders on the Record Date.

NCDs held in physical form, pursuant to any rematerialization, as above, cannot be transferred. Any trading of the NCDs issued pursuant to this Issue shall be compulsorily in dematerialized form only. The procedure for transmission of securities has been further simplified vide the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2022 Gazette Notification no. SEBI/LAD-NRO/GN/2022/80 dated April 25th, 2022.

Title

In case of:

- NCDs held in the dematerialized form, the person for the time being appearing in the register of beneficial owners maintained by the Depositories; and
- the NCDs held in physical form pursuant to rematerialization, the person for the time being appearing in the register of NCD Holders shall be treated for all purposes by our Company, the Debenture Trustee, the Depositories and all other persons dealing with such person, as the holder thereof and its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or any writing on, theft or loss of the consolidated NCD certificates issued in respect of the NCDs and no person will be liable for so treating the NCD holder.

No transfer of title of an NCD will be valid unless and until entered on the register of NCD holders or the register of beneficial owners maintained by the Depositories prior to the Record Date. In the absence of transfer being registered, interest and/or maturity amount, as the case may be, will be paid to the person, whose name appears first in the register of the NCD Holders maintained by the Depositories and/or our Company and/or the Registrar, as the case may be. In such cases, claims, if any, by the purchasers of the NCDs will need to be settled with the seller of the NCDs and not with our Company or the Registrar. The provisions relating to transfer and transmission and other related matters in respect of our Company's shares contained in the Articles of Association of our Company and the relevant provisions of the Companies Act, 2013, shall apply, *mutatis mutandis* (to the extent applicable) to the NCD(s) as well.

Succession

Where NCDs are held in joint names and one of the joint NCD Holder dies, the survivor(s) will be recognized as the NCD Holder(s). It will be sufficient for our Company to delete the name of the deceased NCD Holder after obtaining satisfactory evidence of his death. Provided, a third person may call on our Company to register his name as successor of the deceased NCD Holder after obtaining evidence such as probate of a will for the purpose of proving his title to the NCDs. In the event of demise of the sole or first holder of the NCDs, our Company will recognise the executors or administrator of the deceased NCD Holders, or the holder of the succession certificate or other legal representative as having title to the NCDs only if such executor or administrator obtains and produces probate or letter of administration or is the holder of the succession certificate or other legal representation, as the case may be, from an appropriate court in India. Our Board of Directors or any other authorised by our Board of Directors in their absolute discretion may, in any case, dispense with production of probate or letter of administration or succession certificate or other legal representation. In case of death of NCD Holders who are holding NCDs in dematerialised form, third person is not required to approach our Company to register his name as successor of the deceased NCD Holder. The successor of the deceased NCD Holder shall approach the respective Depository Participant for this purpose and submit necessary documents as required by the Depository Participant.

Where a non-resident Indian becomes entitled to the NCDs by way of succession, the following steps have to be complied with:

1. Documentary evidence to be submitted to the legacy cell of the RBI to the effect that the NCDs were acquired by the non-resident Indian as part of the legacy left by the deceased NCD Holder.

2. Proof that the non-resident Indian is an Indian national or is of Indian origin.

3. Such holding by a non-resident Indian will be on a non-repatriation basis.

Joint-holders

Where two or more persons are holders of any NCD(s), they shall be deemed to hold the same as joint holders with benefits of survivorship subject to other provisions contained in the Articles of Association.

Procedure for re-materialisation of NCDs

Subject to SEBI RTA Master Circular, NCD Holders who wish to hold the NCDs in physical form may do so by submitting a request to their DP at any time after Allotment in accordance with the applicable procedure stipulated by the DP, in accordance with the Depositories Act and/or rules as notified by the Depositories from time to time. Holders of NCDs who propose to rematerialize their NCDs, would have to mandatorily submit details of their bank mandate along with a copy of any document evidencing that the bank account is in the name of the holder of such NCDs and their Permanent Account Number to the Company and the DP. No proposal for rematerialisation of NCDs would be considered if the aforementioned documents and details are not submitted along with the request for such rematerialisation.

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, NCDs held in physical form, pursuant to any rematerialisation, as above, cannot be transferred. However, any trading of the NCDs issued pursuant to the Issue shall be compulsorily in dematerialized form only.

Register of NCD Holders

No transfer of title of a NCD will be valid unless and until entered on the Register of NCD Holders (for re materialized NCDs) or the register and index of NCD Holders maintained by the Depository prior to the Record Date. In the absence of transfer being registered, interest and/or Redemption Amount, as the case may be, will be paid to the person, whose name appears first in the Register of NCD Holders maintained by the Depositories and/or our Company and/or the Registrar, as the case may be as on the Record Date. In such cases, claims, if any, by the purchasers of the NCDs will need to be settled with the seller of the NCDs and not with our Company or the Registrar. The provisions relating to transfer and transmission and other related matters in respect of our Company's shares contained in the Articles of Association of our Company, SEBI Listing Regulations and the Companies Act shall apply, mutatis mutandis (to the extent applicable) to the NCDs as well.

Restriction on transfer of NCDs

There are no restrictions on transfers and transmission of NCDs allotted pursuant to this Issue. However, NCDs held in physical form, pursuant to any rematerialisation, as above, cannot be transferred. However, any trading of the NCDs issued pursuant to this Issue shall be compulsorily in dematerialised form only.

Period of subscription

ISSUE SCHEDULE	
ISSUE OPENING DATE	April 23, 2024
ISSUE CLOSING DATE	May 7, 2024

ISSUE SCHEDULE	
PAY IN DATE	Application Date. The entire Application Amount is payable on Application
DEEMED DATE OF ALLOTMENT	The date on which the Board of Directors or Finance Committee authorised by the Board approves the Allotment of the NCDs for the Issue or such date as may be determined by the Board of Directors/ or the Finance Committee authorised by the Board thereof and notified to the Designated Stock Exchange. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs shall be available to the Debenture Holders from the Deemed Date of Allotment.

Note: This Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m. (IST) during the period indicated above, except that this Issue may close on such earlier date or extended date (subject to a minimum period of three Working Days and a maximum period of 10 working days from the date of opening of the Issue and subject to not exceeding thirty days from filing this Prospectus with ROC) as may be decided by the Board of Directors of our Company or Finance Committee subject to compliance with Regulation 33A of the SEBI NCS Regulations. In the event of an early closure or extension of this Issue our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in all the newspapers in which pre-issue advertisement for opening of this Issue has been given on or before such earlier or initial date of Issue closure. Applications Forms for the Issue will be accepted only from 10:00 a.m. to 5:00 p.m. (IST) or such extended time as may be permitted by the Stock Exchanges, on Working Days during the Issue Period. On the Issue Closing Date, the Application Forms will be accepted only between 10:00 a.m. and 3:00 p.m. (IST) and uploaded until 5:00 p.m. or such extended time as may be permitted by the Stock Exchanges. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5:00 p.m. (IST) on one Working Day after the Issue Closing Date. For further details please refer to the chapter titled "Issue Related Information" on page 217 of this Prospectus.

Application Forms for the Issue will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchanges, during the Issue Period as mentioned above on all days between Monday and Friday (both inclusive barring public holiday), (i) by the Consortium or the Trading Members of the Stock Exchanges, as the case maybe, at the centres mentioned in Application Form through the ASBA mode, (ii) directly by the Designated Branches of the SCSBs or (iii) by the centres of the Consortium, sub-brokers or the Trading Members of the Stock Exchanges, as the case maybe, only at the selected cities. Additionally, an Investor may also submit the Application Form through the app or web interface of the Stock Exchanges. It is clarified that the Applications not uploaded in the Stock Exchanges platform would be rejected.

Due to limitation of time available for uploading the Applications on the Issue Closing Date, Applicants are advised to submit their Application Forms one day prior to the Issue Closing Date and, no later than 3.00 p.m. (IST) on the Issue Closing Date. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, there may be some Applications which are not uploaded due to lack of sufficient time to upload. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Application Forms will only be accepted on Working Days during the Issue Period. Neither our Company, nor the Lead Managers or Trading Members of the Stock Exchanges are liable for any failure in uploading the Applications due to failure in any software/ hardware systems or otherwise. Please note that the Basis of Allotment under the Issue will be on the basis of date of upload of each application into the electronic book of the Stock Exchanges in accordance with the SEBI Master Circular. However, from the date of oversubscription and thereafter, the allotments will be made to the applicants on proportionate basis.

Taxation

Income Tax is deductible at source at the rate of 10% on interest on debentures held by resident Indians as per the provisions of Section 193 of the IT Act (in case where interest is paid to Individual or HUF, no TDS will be deducted where interest paid is less than ₹5,000 and interest is paid by way of account payee cheque).

Further, Tax will be deducted at source at reduced rate, or no tax will be deducted at source in the following cases:

(a) When the Assessing Officer issues a certificate on an application by a Debenture Holder on satisfaction that the total income of the Debenture holder justifies no/lower deduction of tax at source as per the provisions of Section 197(1) of the IT Act; and that a valid certificate is filed with the Company before the prescribed date of closure of books for payment of debenture interest;

When the resident Debenture Holder with Permanent Account Number ("**PAN**") (not being a company or a firm) submits a declaration as per the provisions of section 197A(1A) of the IT Act in the prescribed Form 15G verified in the prescribed manner to the effect that the tax on his estimated total income of the financial year in which such income is to be included in computing his total income will be NIL. However, under section 197A(1B) of the IT Act, Form 15G cannot be submitted nor considered for exemption from tax deduction at source if the dividend income referred to in section 194, interest on securities, interest, withdrawal from NSS and income from units of mutual fund or of 236 Unit Trust of India as the case may be or the aggregate of the amounts of such incomes credited or paid or likely to be credited or paid during the financial year in which such income is to be included exceeds the maximum amount which is not chargeable to income tax;

Senior citizens, who are 60 or more years of age at any time during the financial year, enjoy the special privilege to submit a self-declaration in the prescribed Form 15H for non-deduction of tax at source in accordance with the provisions of section 197A(1C) of the Act even if the aggregate income credited or paid or likely to be credited or paid exceeds the maximum amount not chargeable to tax, provided that the tax due on the estimated total income of the year concerned will be NIL.

In all other situations, tax would be deducted at source as per prevailing provisions of the IT Act. However in case of NCD Holders claiming non-deduction or lower deduction of tax at source, as the case may be, the NCD Holder should furnish either (a) a declaration (in duplicate) in the prescribed form i.e. (i) Form 15H which can be given by individuals who are of the age of 60 years or more (ii) Form 15G which can be given by all applicants (other than companies, and firms), or (b) a certificate, from the Assessing Officer which can be obtained by all applicants (including companies and firms) by making an application in the prescribed form i.e. Form No.13. Further, eligible NCD Holders other than resident individuals or resident HUF investors,

the following documents should be submitted with the Company/ Registrar, at least seven days before the relevant record date for payment of debenture interest (i) copy of registration certificate issued by the regulatory authority under which the investor is registered, (ii) self-declaration for non-deduction of tax at source, and (iii) such other document a may be required under the Income Tax Act, for claiming non-deduction / lower deduction of tax at source and/or specified by the Company/ Registrar, from time to time.

The aforesaid documents, as may be applicable, should be submitted at least seven days before the relevant Record Date for payment of interest on the NCDs quoting the name of the sole/ first NCD Holder, NCD folio number and the distinctive number(s) of the NCD held, to ensure non-deduction/lower deduction of tax at source from interest on the NCD. The aforesaid documents for claiming non-deduction or lower deduction of tax at source, as the case may be, shall be submitted to the Registrar as per below details or any other details as may be updated on the website of the Issuer at www.motilaloswalgroup.com or the Registrar at www.linkintime.co.in from time to time. The investors need to submit Form 15H/ 15G/certificate in original with the Assessing Officer for each Fiscal during the currency of the NCD to ensure non-deduction or lower deduction of tax at source from interest on the NCD.

Tax exemption certificate/document, if any, must be lodged at the office of the Registrar to the Issue at least seven days prior to the Record Date or as specifically required, failing which tax applicable on interest will be deducted at source on accrual thereof in our Company's books and/or on payment thereof, in accordance with the provisions of the IT Act and/or any other statutory modification, enactment or notification as the case may be. A tax deduction certificate will be issued for the amount of tax so deducted.

Please also see, "*Statement of Possible Tax Benefits*" on page 91.

Subject to the terms and conditions in connection with computation of applicable interest on the Record Date, please note that in case the NCDs are transferred and/or transmitted in accordance with the provisions of this Prospectus read with the provisions of the Articles of Association of our Company, the transferee of such NCDs or the deceased holder of NCDs, as the case may be, shall be entitled to any interest which may have accrued on the NCDs.

Payment of Interest

Amount of interest payable shall be rounded off to the nearest Rupee. In the event, the interest / payout of total coupon /redemption amount is a fraction and not an integer, such amount will be rounded off to the nearest integer. By way of illustration if the redemption amount is ₹ 1,837.50 then the amount shall be rounded off to ₹ 1,838. If the date of payment of interest does not fall on a Working Day, then the interest payment will be made on succeeding Working Day, however the calculation for payment of interest will be only till the originally stipulated Interest Payment Date. The dates of the future interest payments would be as per the originally stipulated schedule. Payment of interest will be subject to the deduction of tax as per Income Tax Act or any statutory modification or re-enactment thereof for the time being in force. In case the Redemption Date (also being the last Interest Payment Date) does not fall on a Working Day, the payment will be made on the immediately preceding Working Day, along with coupon/interest on the NCDs until but excluding the date of such payment. The interest/redemption payments shall be made only on the Working Days.

Interest/Premium and Payment of Interest/ Premium

Interest/ Coupon on NCDs

Series I NCD

In case of Series I NCDs, interest would be paid Annually on Actual/Actual basis at the following rate of interest on the amount outstanding from time to time, commencing from the Deemed Date of Allotment of each Series I NCD:

Category of NCD Holders	Coupon (% p.a.)
Category I, II, III and IV	8.85%

Series I NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 24 months from the Deemed Date of Allotment.

Series II NCD

In case of Series II NCDs, the NCDs shall be redeemed at the end of 24 months from the Deemed Date of Allotment as mentioned below:

Category of NCD Holders	Face Value (₹ per NCD)	Redemption Amount (₹ per NCD)
Category I, II, III and IV	1,000	1,184.85

Series III NCD

In case of Series III NCDs, interest would be paid Annually on Actual/Actual basis at the following rate of interest on the amount outstanding from time to time, commencing from the Deemed Date of Allotment of each Series III NCD:

Category of NCD Holders	Coupon (% p.a.)
Category I, II, III and IV	9.10%

Series III NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 36 months from the Deemed Date of Allotment.

Series IV NCD

In case of Series IV NCDs, the NCDs shall be redeemed at the end of 36 months from the Deemed Date of Allotment as mentioned below:

Category of NCD Holders	Face Value (₹ per NCD)	Redemption Amount (₹ per NCD)
Category I, II, III and IV	1,000	1,298.60

Series V NCD

In case of Series V NCDs, interest would be paid monthly on Actual/Actual basis at the following rate of interest on the amount outstanding from time to time, commencing from the Deemed Date of Allotment of each Series V NCD:

Category of NCD Holders	Coupon (% p.a.)
Category I, II, III and IV	8.97%

Series V NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 60 months from the Deemed Date of Allotment.

Series VI NCD

In case of Series VI NCDs, interest would be paid Annually on Actual/Actual basis at the following rate of interest on the amount outstanding from time to time, commencing from the Deemed Date of Allotment of each Series VI NCD:

Category of NCD Holders	Coupon (% p.a.)
Category I, II, III and IV	9.35%

Series VI NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 60 months from the Deemed Date of Allotment.

Series VII NCD

In case of Series VII NCDs, interest would be paid monthly on Actual/Actual basis at the following rate of interest on the amount outstanding from time to time, commencing from the Deemed Date of Allotment of each Series VII NCD:

Category of NCD Holders	Coupon (% p.a.)
Category I, II, III and IV	9.30%

Series VII NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 120 months from the Deemed Date of Allotment.

Series VIII NCD

In case of Series VIII NCDs, interest would be paid Annually on Actual/Actual basis at the following rate of interest on the amount outstanding from time to time, commencing from the Deemed Date of Allotment of each Series VIII NCD:

Category of NCD Holders	Coupon (% p.a.)
Category I, II, III and IV	9.70%

Series VIII NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 120 months from the Deemed Date of Allotment.

Notes:

1. With respect to Series where interest is to be paid on an annual basis, relevant interest will be paid on each anniversary of the Deemed Date of Allotment on the face value of the NCDs. The last interest payment under annual Series will be made at the time of redemption of the NCDs.
2. With respect to Series where interest is to be paid on monthly basis, relevant interest will be paid on the last date of every month on the face value of the NCDs. The last interest payment under monthly Series will be made at the time of redemption of the NCDs. For the first interest payment for NCDs under the monthly options, interest from the Deemed Date of Allotment till the last day of the subsequent month will be clubbed and paid on the last day of that subsequent month.
3. Subject to applicable tax deducted at source, if any.
4. Please refer to '**Annexure D**' for details pertaining to the cash flows of the Company in accordance with the SEBI.

Basis of payment of Interest

The Tenor, Coupon Rate / Yield and Redemption Amount applicable for each Series of NCDs shall be determined at the time of Allotment of NCDs pursuant to this Prospectus. NCDs once allotted under any particular Series of NCDs shall continue to bear the applicable Tenor, Coupon/Yield and Redemption Amount as at the time of original Allotment irrespective of the category of NCD Holder on any Record Date, and such tenor, coupon/ yield and redemption amount as at the time of original allotment will not be impacted by trading of any series of NCDs between the categories of persons or entities in the secondary market.

Mode of payment of Interest to NCD Holders

Payment of interest will be made (i) in case of NCDs in dematerialised form, the persons who, for the time being appear in the register of beneficial owners of the NCDs as per the Depositories, as on the Record Date and (ii) in case of NCDs in physical form on account of re-materialization, to the persons whose names appear in the register of debenture holders maintained by us (or to first holder in case of joint-holders) as on the Record Date.

We may enter into an arrangement with one or more banks in one or more cities for direct credit of interest to the account of the NCD Holders. In such cases, interest, on the interest payment date, would be directly credited to the account of those investors who have given their bank mandate.

We may offer the facility of NACH, NEFT, RTGS, Direct Credit and any other method permitted by RBI and SEBI from time to time to effect payments to NCD Holders. The terms of this facility (including towns where this facility would be available) would be as prescribed by RBI. For further details, see the "*Terms of the Issue – Manner of Payment of Interest / Refund / Redemption*" on page 236.

Day Count Convention

Interest shall be computed on an actual/actual basis on the principal outstanding on the NCDs as per the SEBI NCS Master Circular.

Effect of holidays on payments

If the Interest Payment Date falls on a day other than a Working Day, the interest payment shall be made by the Issuer on the immediately succeeding Working Day and calculation of such interest payment shall be as per original schedule as if such Interest Payment Date were a Working Day. Further, the future Interest Payment Dates shall remain intact and shall not be changed because of postponement of such interest payment on account of it falling on a non-Working Day. Payment of interest will be subject to the deduction of tax as per Income Tax Act or any statutory modification or re-enactment thereof for the time being in force, as applicable.

If Redemption Date (also being the last Interest Payment Date) falls on a day that is not a Working Day, the Redemption Amount shall be paid by the Issuer on the immediately preceding Working Day along with interest accrued on the NCDs until but excluding the date of such payment. The interest/redemption payments shall be made only on the days when the money market is functioning in Mumbai.

Maturity and Redemption

The manner of payment of interest / refund / redemption in connection with the NCDs is set out below:

The bank details will be obtained from the Depositories for payment of interest / refund / redemption as the case may be. Applicants who have applied for or are holding the NCDs in electronic form, are advised to immediately update their bank account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in credit of interest / refund / redemption amounts to the Applicant at the Applicant's sole risk, and

neither the Lead Managers, our Company nor the Registrar to the Issue shall have any responsibility and undertake any liability for the same.

Deemed Date of Allotment

The date on which the Board of Directors or Finance Committee authorised by the Board approves the Allotment of the NCDs for the Issue or such date as may be determined by the Board of Directors/ or the Finance Committee authorised by the Board thereof and notified to the Designated Stock Exchange. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs shall be available to the Debenture Holders from the Deemed Date of Allotment.

Application in the Issue

NCDs being issued through this Prospectus can be applied for, through a valid Application Form filled in by the applicant along with attachments, as applicable. Further, Applications in this Issue shall be made through the ASBA facility only.

In terms of Regulation 7 of SEBI NCS Regulations, our Company will make public issue of the NCDs in the dematerialised form only.

However, in the terms of Section 8(1) of the Depositories Act, but subject to SEBI LODR Regulations, 2018 and SEBI RTA Master Circular, our Company at the request of the Investors who wish to hold the NCDs in physical form will rematerialise the NCDs. However, trading of the NCDs shall be compulsorily in dematerialised form only.

Application Size

Each application should be for a minimum of 10 NCDs across all series collectively and multiples of ₹ 1,000 NCD thereafter (for all series of NCDs taken individually or collectively). The minimum application size for each application for NCDs would be ₹ 10,000 (10 NCDs) across all series collectively and in multiples of ₹ 1,000 (1 NCD) thereafter. Applicants can apply for any or all series of NCDs offered hereunder provided the Applicant has applied for minimum application size using the same Application Form.

Applicants are advised to ensure that applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions.

Terms of Payment

The entire issue price of ₹1,000 per NCD, is blocked in the ASBA Account on application itself. In case of allotment of lesser number of NCDs than the number of NCDs applied for, our Company shall unblock the excess amount paid on application to the applicant in accordance with the terms of this Prospectus.

Record Date

The date for payment of interest in connection with the NCDs or repayment of principal in connection therewith which shall be 15 days prior to the date of payment of interest, and/or the date of redemption under this Prospectus. In case the Record Date falls on a day when the Stock Exchanges are having a trading holiday, the immediate subsequent trading day or a date notified by our Company to the Stock Exchanges, will be deemed as the Record Date Provided that trading in the NCDs shall remain suspended between the aforementioned Record Date in connection with redemption of NCDs and the date of redemption or as prescribed by the Stock Exchanges, as the case may be.

Manner of Payment of Interest / Refund / Redemption*

The manner of payment of interest / refund / redemption in connection with the NCDs is set out below*:

The bank details will be obtained from the Depositories for payment of Interest / refund / redemption as the case may be. Applicants who are holding the NCDs in electronic form, are advised to immediately update their bank account details as appearing on the records of the depository participant. Neither the Lead Managers, nor our Company, nor the Registrar to the Issue shall have any responsibility and undertake any liability arising from such details not being up to date.

In case of NCDs held in physical form, on account of rematerialisation, the bank details will be obtained from the documents submitted to the Company along with the rematerialisation request. For further details, please see *"Terms of the Issue – Procedure for Re-materialisation of NCDs*" on page 231.

The Registrar to the Issue will issue requisite instructions to the relevant SCSBs to un-block amounts in the ASBA Accounts of the Applicants representing the amounts to unblocked for the Applicants within the applicable regulatory timelines.

**In the event, the interest / payout of total coupon / redemption amount is a fraction and not an integer, such amount will be rounded off to the nearest integer. By way of illustration if the redemption amount is ₹ 1,837.50 then the amount shall be rounded off to ₹ 1,838.*

The mode of interest / refund / redemption payments shall be undertaken in the following order of preference:

1. Direct Credit

Investors having their bank account with the Refund Bank, shall be eligible to receive refunds, if any, through direct credit. The refund amount, if any, would be credited directly to their bank account with the Refund Bank.

2. NACH

National Automated Clearing House which is a consolidated system of ECS. Payment would be done through NACH for Applicants having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including Magnetic Ink Character Recognition ("**MICR**") code wherever applicable from the depository. Payments through NACH are mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where applicant is otherwise disclosed as eligible to get payments through NEFT or Direct Credit or RTGS.

3. RTGS

Applicants having a bank account with a participating bank and whose interest payment/ refund/ redemption amounts exceed ₹ 200,000, or such amount as may be fixed by RBI from time to time, have the option to receive payments through RTGS. Such eligible Applicants who indicate their preference to receive interest payment/ refund/ redemption through RTGS are required to provide the IFSC code in the Application Form or intimate our Company and the Registrar to the Issue at least seven days prior to the Record Date. Charges, if any, levied by the Applicant's bank receiving the credit would be borne by the Applicant. In the event the same is not provided, interest payment/ refund/ redemption shall be made through NACH subject to availability of complete bank account details for the same as stated above.

4. NEFT

Payment of interest/ refunds/ redemption shall be undertaken through NEFT wherever the Applicants' banks have been assigned the Indian Financial System Code ("**IFSC**"), which can be linked to a MICR, if any, available to that particular bank branch. The IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Applicants have registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of interest/ refund/ redemption will be made to the applicants through this method.

5. Registered Post/Speed Post

For all other applicants, including those who have not updated their bank particulars with the MICR code, the interest payment / refund / redemption orders shall be dispatched through speed post/ registered post.

Please note that applicants are eligible to receive payments through the modes detailed in (1), (2) (3), and (4) herein above provided they provide necessary information for the above modes and where such payment facilities are allowed / available.

Please note that our Company shall not be responsible to the holder of NCDs, for any delay in receiving credit of interest / refund / redemption so long as our Company has initiated the process of such request in time.

In case of ASBA Applicants, the Registrar to the Issue will issue requisite instructions to the relevant SCSBs to un-block amounts in the ASBA Accounts of the Applicants representing the amounts to be refunded to the Applicants.

The Registrar to the Issue shall instruct the relevant SCSB or in case of Bids by Retail Individual Investors applying through the UPI Mechanism to the Sponsor Bank, to revoke the mandate and to unblock the funds in the relevant ASBA Account to the extent of the Application Amount specified in the Application Forms for withdrawn, rejected or unsuccessful or partially successful Applications within six Working Days of the Issue Closing Date

Printing of bank particulars on interest / redemption warrants

As a matter of precaution against possible fraudulent encashment of refund orders and interest/ redemption warrants due to loss or misplacement, the particulars of the Applicant's bank account are mandatorily required to be given for printing on the orders/ warrants. In relation to NCDs applied and held in dematerialized form, these particulars would be taken directly from the

Depositories. In case of NCDs held in physical form on account of rematerialisation, the NCD Holders are advised to submit their bank account details with our Company/ Registrar to the Issue at least seven days prior to the Record Date failing which the orders/ warrants will be dispatched to the postal address of the NCD Holders as available in the records of our Company either through speed post, registered post.

Bank account particulars will be printed on the orders/ warrants which can then be deposited only in the account specified.

Buy Back of NCDs

Our Company may, at its sole discretion, from time to time, consider, subject to applicable statutory and/or regulatory requirements, buy-back the NCDs, upon such terms and conditions as may be decided by our Company.

Our Company may from time to time invite the NCD Holders to offer the NCDs held by them through one or more buy-back schemes and/or letters of offer upon such terms and conditions as our Company may from time to time determine, subject to applicable statutory and/or regulatory requirements. Such NCDs which are bought back may be extinguished, re-issued and/or resold in the open market with a view of strengthening the liquidity of the NCDs in the market, subject to applicable statutory and/or regulatory requirements.

Form of allotment and Denomination of NCDs

In case of Secured NCDs held in physical form on account of rematerialisation, a single certificate will be issued to the Secured NCD Holder for the aggregate amount of the Secured NCDs held ("**Consolidated Certificate**"). The Applicant can also request for the issue of Secured NCD certificates in denomination of one NCD ("**Market Lot**"). In case of NCDs held under different Options, as specified in this Prospectus, by a Secured NCD Holder, separate Consolidated Certificates will be issued to the NCD Holder for the aggregate amount of the Secured NCDs held under each Option. It is however distinctly to be understood that the Secured NCDs pursuant to this issue shall be traded only in demat form.

In respect of Consolidated Certificates, we will, only upon receipt of a request from the Secured NCD Holder, split such Consolidated Certificates into smaller denominations subject to the minimum of Market Lot. No fees would be charged for splitting of Secured NCD certificates in Market Lots, but stamp duty payable, if any, would be borne by the Secured NCD Holder. The request for splitting should be accompanied by the original NCD certificate which would then be treated as cancelled by us. As per the SEBI NCS Regulations, the trading of the NCDs on the Stock Exchanges shall be in dematerialized form only in multiples of 1 (one) NCD ("**Market Lot**"). Allotment in this Issue to all Allottees, will be in electronic form i.e., in dematerialised form and in multiples of one NCD. For details of allotment see "*Issue Procedure*" on page 242 of this Prospectus.

Procedure for Redemption by NCD holders

The procedure for redemption is set out below:

NCDs held in physical form on account of rematerialisation of NCDs

No action would ordinarily be required on the part of the NCD Holder at the time of redemption and the redemption proceeds would be paid to those NCD Holders whose names stand in the register of debenture holders maintained by us on the Record Date fixed for the purpose of Redemption. However, our Company may require that the NCD certificate(s), duly discharged by the sole holder/all the joint-holders (signed on the reverse of the NCD certificates) be surrendered for redemption on maturity and should be sent by the NCD Holders by Registered Post with acknowledgment due or by hand delivery to our office or to such persons at such addresses as may be notified by us from time to time. NCD Holders may be requested to surrender the NCD certificates in the manner as stated above, not more than three months and not less than one month prior to the redemption date so as to facilitate timely payment. We may at our discretion redeem the Secured NCDs without the requirement of surrendering of the NCD certificates by the holder(s) thereof.

NCDs held in electronic form

No action is required on the part of Secured NCD holder(s) at the time of redemption of NCDs.

Payment on Redemption

The manner of payment of redemption is set out below:

NCDs held in physical form on account of rematerialisation

The payment on redemption of the NCDs will be made by way of cheque/pay order/ electronic modes. However, if our Company so requires, the aforementioned payment would only be made on the surrender of NCD certificates, duly discharged by the sole holder/ all the joint-holders (signed on the reverse of the NCD certificates). Dispatch of cheques/ pay orders, etc. in respect of such payment will be made on the redemption date or (if so requested by our Company in this regard) within a period of 30 days from the date of receipt of the duly discharged NCD certificate.

In case we decide to do so, the redemption proceeds in the manner stated above would be paid on the redemption date to those NCD Holders whose names stand in the register of debenture holders maintained by us on the Record Date fixed for the purpose of Redemption. Hence, the transferees, if any, should ensure lodgment of the transfer documents with us at least seven days prior to the Record Date. In case the transfer documents are not lodged with us at least seven days prior to the Record Date and we dispatch the redemption proceeds to the transferor, claims in respect of the redemption proceeds should be settled amongst the parties inter se and no claim or action shall lie against us or the Registrar to the Issue.

Our liability to NCD Holders towards their rights including for payment or otherwise shall stand extinguished from the redemption in all events and when we dispatch the redemption amounts to the NCD Holders.

Further, we will not be liable to pay any interest, income or compensation of any kind from the date of redemption of the NCDs.

NCDs held in electronic form

On the redemption date, redemption proceeds would be paid by cheque/ pay order/ electronic mode to those NCD Holders whose names appear on the list of beneficial owners given by the Depositories to us. These names would be as per the Depositories' records on the Record Date fixed for the purpose of redemption. These NCDs will be simultaneously extinguished to the extent of the amount redeemed through appropriate debit corporate action upon redemption of the corresponding value of the NCDs. It may be noted that in the entire process mentioned above, no action is required on the part of NCD Holders.

Our liability to NCD Holders towards his/their rights including for payment/ redemption in all events shall end when we dispatch the redemption amounts to the NCD Holders.

Further, we will not be liable to pay any interest, income or compensation of any kind from the date of redemption of the NCDs.

Right to reissue NCD(s)

Subject to the provisions of the Companies Act, 2013, as applicable, on the date of this Prospectus, where we have fully redeemed or repurchased any NCDs, we shall have and shall be deemed always to have had the right to keep such NCDs in effect without extinguishment thereof, for the purpose of resale or re-issue and in exercising such right, we shall have and be deemed always to have had the power to resell or reissue such NCDs either by reselling or re-issuing the same NCDs or by issuing other NCDs in their place. The aforementioned right includes the right to reissue original NCDs.

Transfer/ Transmission of NCDs

For NCDs held in physical form on account of rematerialisation

The NCDs shall be transferred or transmitted freely in accordance with the applicable provisions of Companies Act, 2013 applicable as on the date of this Prospectus and all other applicable laws. The provisions relating to transfer and transmission and other related matters in respect of our shares contained in the Articles and the relevant provisions of the Companies Act, 2013 applicable as on the date of this Prospectus, and all applicable laws including FEMA and the rules and regulations thereunder, shall apply, *mutatis mutandis* (to the extent applicable to debentures) to the NCDs as well. In respect of the NCDs held in physical form on account of rematerialisation, a common form of transfer shall be used for the same. The NCDs held in dematerialised form shall be transferred subject to and in accordance with the rules/ procedures as prescribed by NSDL/CDSL and the relevant Depository Participants of the transferor and the transferee and any other applicable laws and rules notified in respect thereof. The transferees should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, interest will be paid/ redemption will be made to the person, whose name appears in the register of debenture holders or the records as maintained by the Depositories. In such cases, claims, if any, by the transferees would need to be settled with the transferors and not with the Issuer or Registrar.

For NCDs held in electronic form

The normal procedure followed for transfer of securities held in dematerialised form shall be followed for transfer of the NCDs held in electronic form. The seller should give delivery instructions containing details of the buyer's Depository Participant account to his depository participant.

In case the transferee does not have a Depository Participant account, the transferor can rematerialise the NCDs and thereby convert his dematerialised holding into physical holding. Thereafter these NCDs can be transferred in the manner as stated above for transfer of NCDs held in physical form.

Any trading of the NCDs issued pursuant to this Issue shall be compulsorily in dematerialised form only.

Common form of transfer

Our Company undertakes that there shall be a common form of transfer for the NCDs and the provisions of the Companies Act, 2013 and all applicable laws including the FEMA and the rules and regulations thereunder shall be duly complied with in respect of all transfer of debentures and registration thereof.

Sharing of information

We may, at our option, use on our own, as well as exchange, share or part with any financial or other information about the NCD Holders available with us, if any and affiliates and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither we or our affiliates nor their agents shall be liable for use of the aforesaid information.

Notices

All notices to the NCD Holder(s) required to be given by us or the Debenture Trustee shall be published in one English language newspaper having wide circulation and one regional language daily newspaper at the place where the registered office of the Company is situated and/or will be sent by post/ courier or through email or other electronic media to the Registered Holders of the NCD(s) from time to time.

Issue of duplicate NCD certificate(s)

If NCD certificate(s), issued pursuant to rematerialisation, is/ are mutilated or defaced or the cages for recording transfers of NCDs are fully utilised, the same may be replaced by us against the surrender of such certificate(s). Provided, where the NCD certificate(s) are mutilated or defaced, the same will be replaced as aforesaid only if the certificate numbers and the distinctive numbers are legible.

If any NCD certificate is destroyed, stolen or lost then upon production of proof thereof to our satisfaction and upon furnishing such indemnity/ security and/or documents as we may deem adequate, duplicate NCD certificates shall be issued. Upon issuance of a duplicate NCD certificate, the original NCD certificate shall stand cancelled.

Lien

The Company shall have the right of set-off and lien, present as well as future on the moneys due and payable to the NCD holders or deposits held in the account of the NCD holders, whether in single name or joint name, to the extent of all outstanding dues by the NCD holders to the Company, subject to applicable law.

Lien on pledge of NCDs

Our Company will have the right of set-off and lien, present as well as future on the moneys due and payable to the NCD Holder or deposits held in the account of the NCD holders whether in single name or joint name, to the extent of all outstanding dues, if any by the NCD Holder to our Company, subject to the applicable law.

Future Borrowings

We shall be entitled to make further issue of secured or unsecured debentures and/or raise term loans or raise further funds from time to time from any persons, banks, financial institutions or bodies corporate or any other agency by creating a charge on any assets, (a) subject to such consents and approvals and other conditions, as may be required under applicable law or existing financing agreements, including any intimation, if applicable under the Transaction Documents, (b) provided the stipulated security cover for the Issue is maintained and compliance with other terms of the Transaction Documents.

Illustration for guidance in respect of the day count convention and effect of holidays on payments.

The illustration for guidance in respect of the day count convention and effect of holidays on payments, as required by SEBI Master Circular is as disclosed in '**Annexure D**' of this Prospectus.

Payment of Interest

If Allotment is not made within the prescribed time period under applicable law, the entire subscription amount will be unblocked within the time prescribed under applicable law, failing which interest may be due to be paid to the Applicants, for the delayed period, as prescribed in applicable law. Our Company shall not be liable to pay any interest on monies liable to be refunded in case of (a) invalid applications or applications liable to be rejected, (b) applications which are withdrawn by the Applicant and/or (c) monies paid in excess of the amount of NCDs applied for in the Application Form. For further details, see "*Issue Procedure – Rejection of Applications*" on page 265.

Listing

The NCDs proposed to be offered in pursuance of this Prospectus will be listed on the BSE and NSE. Our Company has received an 'in-principle' approval from BSE by way of its letter bearing reference number DCS/BM/PI-BOND/02/24-25 dated April 5, 2024 and from NSE by way of its letter bearing reference number NSE/LIST/D/2024/0137 dated April 5, 2024. The application

for listing of the NCDs will be made to the Stock Exchanges at an appropriate stage. For the purposes of the Issue, BSE shall be the Designated Stock Exchange.

If permissions to deal in and for an official quotation of our NCDs are not granted by the Stock Exchanges, our Company will forthwith repay, without interest, all moneys received from the Applicants in pursuance of this Prospectus. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges are taken within six Working Days from the Issue Closing Date. For the avoidance of doubt, it is hereby clarified that in the event of non-subscription to any one or more of the series, such series(s) of NCDs shall not be listed.

Guarantee/Letter of comfort

This Issue is not backed by a guarantee or letter of comfort or any other document and/or letter with similar intent.

Monitoring and Reporting of Utilisation of Issue Proceeds

There is no requirement for appointment of a monitoring agency in terms of the SEBI NCS Regulations. Our Board shall monitor the utilisation of the proceeds of the Issue. For the relevant quarters, our Company will disclose in our quarterly financial statements, the utilisation of the net proceeds of the Issue under a separate head along with details, if any, in relation to all such proceeds of the Issue that have not been utilised thereby also indicating investments, if any, of such unutilized proceeds of the Issue.

Pre-Issue Advertisement

Subject to Regulation 30(1) of SEBI NCS Regulations, our Company will issue a statutory advertisement on or before the Issue Opening Date. This advertisement will contain the information as prescribed in Schedule V of SEBI NCS Regulations in compliance with Section 30 of Companies Act, 2013. Material updates, if any, between the date of filing of the Draft Prospectus and this Prospectus with RoC and the date of release of the statutory advertisement will be included in the statutory advertisement as prescribed under SEBI NCS Regulations.

Pre-closure

Our Company, in consultation with the Lead Managers reserves the right to close the Issue at any time prior to the Issue Closing Date, subject to receipt of minimum subscription or as may be specified in this Prospectus. Our Company shall allot NCDs with respect to the Applications received until the time of such pre-closure in accordance with the Basis of Allotment as described herein and subject to applicable statutory and/or regulatory requirements. In the event of such early closure of the Issue, our Company shall ensure that public notice of such early closure is published on or before such early date of closure or the Issue Closing Date, as applicable, through advertisement(s) in all those newspapers in which pre-issue advertisement has been given.

Recovery Expense Fund

Our Company has created a recovery expense fund with the Designated Stock Exchange for an amount equal to 0.01% of the Base Issue Size, subject to a maximum of ₹25,00,000 at the time of making the application for listing of the NCDs, in the manner as specified by the DT Master Circular and Regulation 11 of SEBI NCS Regulations and has informed the Debenture Trustee regarding the creation of such fund. The recovery expense fund may be utilised by Debenture Trustee, in the event of default by our Company under the terms of the Debenture Trust Deed, for taking appropriate legal action to enforce the security.

Settlement Guarantee Fund

Our Company will deposit amounts in the settlement guarantee fund in the manner as specified in the SEBI Master Circular, if applicable. This fund has been created under the SEBI Master Circular to ensure upfront collection of charges from eligible issuers at the time of allotment of debt securities.

ISSUE PROCEDURE

This section applies to all Applicants. Specific attention of all Applicants is invited to the SEBI Master Circular, which provides, inter-alia, that for all public issues of debt securities all Applicants are mandatorily required to apply for in the Issue through the ASBA process. ASBA Applicants and Applicants applying through the Direct Online Application Mechanism (as defined hereinafter) should note that the ASBA process and the Direct Online Application Mechanism involve application procedures that are different from the procedure applicable to all other Applicants Please note that all Applicants are required to pay the full Application Amount or to ensure that the ASBA Account has sufficient credit balance such that the entire Application Amount can be blocked by the SCSB while making an Application. An amount equivalent to the full Application Amount will be blocked by the SCSBs in the relevant ASBA Accounts maintained with the SCSB or under UPI mechanism (only for Retail Individual Investors), as the case may be, in the bank account of the Applicants that is specified in the ASBA Form at the time of the submission of the Application Form. Applicants should note that they may submit their Applications to the Designated Intermediaries.

Applicants should note that they may submit their Applications to the Designated Intermediaries at the Designated CDP Locations or the RTAs at the Designated RTA Locations or designated branches of SCSBs as mentioned on the Application Form. Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable law or as specified in this Prospectus.

Please note that this section has been prepared based on the SEBI Master Circular, as amended from time to time and other related circulars including notifications issued by BSE, in relation to the UPI mechanism. Retail Individual Investors should note that they may use the UPI mechanism to block funds for application value up to UPI Application Limit (to participate in the public issue for an amount up to ₹ 5,00,000 for issue of debt securities pursuant to SEBI Master Circular or any other investment limit, as applicable and prescribed by SEBI from time to time) submitted through the app/web interface of the Stock Exchanges or through intermediaries (Syndicate Members, Registered Stockbrokers, Registrar and Transfer agent and Depository Participants).

ASBA Applicants must ensure that their respective ASBA Accounts can be blocked by the SCSBs, in the relevant ASBA accounts for the full Application Amount. Applicants should note that they may submit their Applications to the Designated Intermediaries Locations or the RTAs at the Designated RTA Locations or designated branches of SCSBs as mentioned on the Application Form. Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable law or as specified in this Prospectus.

Specific attention is drawn to the SEBI Master Circular that provides for allotment in public issues of debt securities to be made on the basis of the date of upload of each application into the electronic book of the Stock Exchanges, as opposed to the date and time of upload of each such application.

Our Company and the Lead Managers do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Prospectus. Investors are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws.

Further, the Company and the Lead Managers are not liable for any adverse occurrences consequent to the UPI Mechanism for application in the Issue.

PLEASE NOTE THAT ALL DESIGNATED INTERMEDIARIES WHO WISH TO COLLECT AND UPLOAD APPLICATION IN THIS ISSUE ON THE ELECTRONIC APPLICATION PLATFORM PROVIDED BY THE STOCK EXCHANGES WILL NEED TO APPROACH THE STOCK EXCHANGE(S) AND FOLLOW THE REQUISITE PROCEDURES AS MAY BE PRESCRIBED BY THE STOCK EXCHANGES. THE FOLLOWING SECTION MAY CONSEQUENTLY UNDERGO CHANGE BETWEEN THE DATES OF THE DRAFT PROSPECTUS / PROSPECTUS, THE ISSUE OPENING DATE AND THE ISSUE CLOSING DATE.

THE LEAD MANAGERS, THE CONSORTIUM MEMBERS AND THE COMPANY SHALL NOT BE RESPONSIBLE OR LIABLE FOR ANY ERRORS OR OMISSIONS ON THE PART OF THE TRADING MEMBERS / DESIGNATED INTERMEDIARIES IN CONNECTION WITH THE RESPONSIBILITY OF SUCH TRADING MEMBERS / DESIGNATED INTERMEDIARIES IN RELATION TO COLLECTION AND UPLOAD OF APPLICATIONS IN THIS ISSUE ON THE ELECTRONIC APPLICATION PLATFORM PROVIDED BY THE STOCK EXCHANGES. FURTHER, THE RELEVANT STOCK EXCHANGE SHALL BE RESPONSIBLE FOR ADDRESSING INVESTOR GRIEVANCES ARISING FROM APPLICATIONS THROUGH TRADING MEMBERS / DESIGNATED INTERMEDIARIES REGISTERED WITH SUCH STOCK EXCHANGE.

Please note that for the purposes of this section, the term "Working Day" shall mean all days on which the commercial banks in Mumbai are open for business, except with reference to the Issue Period, where Working Days shall mean all days, excluding Saturdays, Sundays and public holidays on which commercial banks in Mumbai are open for business. Furthermore, for the purpose the time period between the bid/ issue closing date and the listing of the NCDs, Working

Days shall mean all trading days of the Stock Exchanges excluding Saturdays, Sundays and bank holidays as specified by SEBI.

The information below is given for the benefit of Applicants. Our Company and the Members of the Consortium are not liable for any amendment or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus.

PROCEDURE FOR APPLICATION

Who can apply?

The following categories of persons are eligible to apply in this Issue.

Category I (Institutional Investors)

- Public financial institutions, scheduled commercial banks, and Indian multilateral and bilateral development financial institutions which are authorised to invest in the NCDs;
- Provident funds and pension funds each with a minimum corpus of ₹ 25 crore, superannuation funds and gratuity funds, which are authorised to invest in the NCDs;
- Alternative Investment Funds, subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012;
- Resident Venture Capital Funds registered with SEBI;
- Insurance companies registered with the IRDAI;
- State industrial development corporations;
- Insurance funds set up and managed by the army, navy, or air force of the Union of India;
- Insurance funds set up and managed by the Department of Posts, the Union of India;
- Systemically Important Non-Banking Financial Company;
- National Investment Fund set up by resolution no. F.No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; and
- Mutual funds registered with SEBI.

Category II (Non-Institutional Investors)

- Companies within the meaning of Section 2(20) of the Companies Act, 2013;
- Statutory bodies/ corporations and societies registered under the applicable laws in India and authorised to invest in the NCDs;
- Co-operative banks and regional rural banks;
- Trusts including public/private charitable/religious trusts which are authorised to invest in the NCDs;
- Scientific and/or industrial research organisations, which are authorised to invest in the NCDs;
- Partnership firms in the name of the partners;
- Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009);
- Association of Persons; and
- Any other incorporated and/ or unincorporated body of persons.

Category III (High Net-worth Individual Investors)

Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating to above ₹10,00,000 across all options of NCDs in this Issue.

Category IV (Retail Individual Investors)

Resident Indian Individuals or Hindu Undivided Families through the Karta applying for an amount aggregating up to and including ₹10,00,000 across all options of NCDs in this Issue and shall include retail Individual Investors, who have submitted bid for an amount not more than ₹5,00,000 in any of the bidding options in the Issue (including HUFs applying through their Karta and does not include NRIs) though UPI Mechanism.

Please note that it is clarified that Persons Resident outside India shall not be entitled to participate in the Issue and any applications from such persons are liable to be rejected.

Participation of any of the aforementioned categories of persons or entities is subject to the applicable statutory and/or regulatory requirements in connection with the subscription to Indian securities by such categories of persons or entities.

Applicants are advised to ensure that Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions. Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/consents/approvals in connection with applying for, subscribing to, or seeking allotment of NCDs pursuant to this Issue.

The Lead Managers, Members of Consortium and their respective associates and affiliates are permitted to subscribe in this Issue.

(a) **Application cannot be made by:** The following categories of persons, and entities, shall not be eligible to participate in the Issue and any Applications from such persons and entities are liable to be rejected:

(b) Minors without a guardian name* (A guardian may apply on behalf of a minor. However, Applications by minors must be made through Application Forms that contain the names of both the minor Applicant and the guardian). It is further clarified that it is the responsibility of the Applicant to ensure that the guardians are competent to contract under applicable statutory/regulatory requirements);

(c) Foreign nationals NRI inter-alia including any NRIs who are (i) based in the USA, and/or, (ii) domiciled in the USA, and/or, (iii) residents/citizens of the USA, and/or, (iv) subject to any taxation laws of the USA;

(d) Persons resident outside India and other foreign entities;

(e) Foreign Institutional Investors;

(f) Foreign Portfolio Investors;

(g) Non Resident Indians;

(h) Qualified Foreign Investors;

(i) Overseas Corporate Bodies**;

(j) Foreign Venture Capital Funds; and

(k) Persons ineligible to contract under applicable statutory/ regulatory requirements.

* *Applicant shall ensure that guardian is competent to contract under Indian Contract Act, 1872*
The Registrar to the Issue shall verify the above on the basis of the records provided by the Depositories based on the DP ID and Client ID provided by the Applicants in the Application Form and uploaded onto the electronic system of the Stock Exchanges by the Designated Intermediaries.

Based on the information provided by the Depositories, our Company shall have the right to accept Applications belonging to an account for the benefit of a minor (under guardianship). In case of such Applications, the Registrar to the Issue shall verify the above on the basis of the records provided by the Depositories based on the DP ID and Client ID provided by the Applicants in the Application Form and uploaded onto the electronic system of the Stock Exchanges.

** *The concept of Overseas Corporate Bodies (meaning any company, partnership firm, society and other corporate body or overseas trust irrevocably owned/held directly or indirectly to the extent of at least 60% by NRIs), which was in existence until 2003, was withdrawn by the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies) Regulations, 2003. Accordingly, OCBs are not permitted to invest in the Issue.*

The information below is given for the benefit of Applicants. Our Company and the Lead Managers are not liable for any amendment or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus

How to apply?

Availability of the Draft Prospectus, this Prospectus, Abridged Prospectus and Application Forms.

Physical copies of the Abridged Prospectus containing the salient features of this Prospectus together with Application Forms may be obtained from our Registered Office and Corporate Office, offices of the Lead Managers, offices of the Consortium Members, the Registrar to the Issue, Designated RTA Locations for RTAs, Designated CDP Locations for CDPs and the Designated Branches of the SCSBs. Additionally, Electronic copies of this Prospectus and the Application Forms will be available

(i) for download on the website of BSE and NSE at www.bseindia.com and www.nseindia.com, respectively, and the website of the Lead Managers at www.trustgroup.in, www.motilaloswalgroup.com, and www.nuvama.com

(ii) at the designated branches of the SCSBs and the Members of the Consortium at the Specified Locations.

Electronic copies of the Draft Prospectus, this Prospectus along with the downloadable version of the Application Form will be available on the websites of the Lead Managers, the Stock Exchanges, SEBI and SCSBs.

Electronic Application Forms will also be available on the website of the Stock Exchanges and on the websites of the SCSBs that permit the submission of Applications electronically. A hyperlink to the website of the Stock Exchange for this facility will be provided on the website of the Lead Managers and the SCSBs. Further, Application Forms will also be provided to Designated Intermediaries at their request. A Unique Application number ("**UAN**") will be generated for every Application Form downloaded from the websites of Stock Exchanges. Further, Application Forms will also be provided to Designated Intermediaries at their request.

Our Company may also provide Application Forms for being downloaded and filled at such websites as it may deem fit. In addition, brokers having online demat account portals may also provide a facility of submitting the Application Forms virtually online to their account holders.

Trading Members of the Stock Exchanges can download Application Forms from the websites of the Stock Exchanges. Further, Application Forms will be provided to Trading Members of the Stock Exchanges at their request.

Please note that there is a single Application Form for all Applicants who are Persons Resident in India.

Please note that only ASBA Applicants shall be permitted to make an application for the NCDs.

Method of Application

In terms of SEBI Master circular, an eligible investor desirous of applying in the Issue can make Applications only through the ASBA process only.

All Applicants shall mandatorily apply in the Issue through the ASBA process only. Applicants intending to subscribe in the Issue shall submit a duly filled Application form to any of the Designated Intermediaries. Designated Intermediaries (other than SCSBs) shall submit/deliver the Application Form (except the Application Form from a retail individual investor bidding using the UPI mechanism) to the respective SCSB, where such investor has a bank account and shall not submit it to any non-SCSB bank or any Escrow Bank.

Applicants are requested to note that in terms of the SEBI Master Circular, SEBI has mandated issuers to provide, through a recognized stock exchange which offers such a facility, an online interface enabling direct application by investors to a public issue of debt securities with an online payment facility ("**Direct Online Application Mechanism**"). In this regard, SEBI has, through the SEBI Master Circular, directed recognized Stock Exchange in India to put in necessary systems and infrastructure for the implementation of the SEBI Master Circular and the Direct Online Application Mechanism infrastructure for the implementation of the SEBI Master Circular and the Direct Online Application Mechanism. The Direct Online Application facility will be available for this Issue as per mechanism provided in the SEBI Master Circular.

Applicants should submit the Application Form only at the bidding centres, *i.e.* to the respective Members of the Consortium at the Specified Locations, the SCSBs at the Designated Branches, the Registered Broker at the Broker Centres, the RTAs at the Designated RTA Locations or CDPs at the Designated CDP Locations. Kindly note that Application Forms submitted by Applicants at the Specified Locations will not be accepted if the SCSB with which the ASBA Account, as specified in the Application Form is maintained has not named at least one branch at that location for the Designated Intermediaries for deposit of the Application Forms. A list of such branches is available at http://www.sebi.gov.in.

The relevant Designated Intermediaries, upon receipt of physical Application Forms from ASBA Applicants, shall upload the details of these Application Forms to the online platform of the Stock Exchanges and submit these Application Forms with the SCSB (except Application Form from RIBs using the UPI Mechanism) with whom the relevant ASBA Accounts are maintained.

For RIBs using UPI Mechanism, the Stock Exchange shall share the bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs for blocking of funds. An Applicant shall submit the Application Form, in physical form, the Application Form shall be stamped at the relevant Designated Branch of the SCSB. Application Forms in physical mode, which shall be stamped, can also be submitted to be the Designated Intermediaries at the Specified Locations. The SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form.

An Applicant shall submit the Application Form, which shall be stamped at the relevant Designated Branch of the SCSB. Application Forms in physical mode, which shall be stamped, can also be submitted to be the Designated Intermediaries at the Specified Locations. The SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form. Further, the Application may also be submitted through the app or web interface developed by Stock Exchanges wherein the Application is automatically uploaded onto the Stock Exchanges bidding platform and the amount is blocked using the UPI mechanism, as applicable.

Designated Intermediaries (other than SCSBs) shall not accept any Application Form from a RIB who is not applying using the UPI Mechanism.

Our Company, our Directors, affiliates, associates and their respective directors and officers, Lead Managers and the Registrar to the Issue shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to ASBA Applications accepted by the Designated Intermediaries, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for Applications uploaded by SCSBs, the Application Amount has been blocked in the relevant ASBA Account. Further, all grievances against Designated Intermediaries in relation to this Issue should be made by Applicants directly to the relevant Stock Exchanges.

In terms of the SEBI Master Circular, an eligible investor desirous of applying in this Issue can make Applications through the following modes:

1. **Through Self-Certified Syndicate Bank (SCSB) or intermediaries** (viz. Syndicate members, Registered Stock Brokers, Registrar and Transfer agent and Depository Participants)

    a. An investor may submit the bid-cum-application form, with ASBA as the sole mechanism for making payment, physically at the branch of a SCSB, i.e. investor's bank. For such applications, the existing process of uploading of bid on the Stock Exchanges bidding platform and blocking of funds in investors account by the SCSB would continue.

    b. An investor may submit the completed bid-cum-application form to intermediaries mentioned above along with details of his/her bank account for blocking of funds. The intermediary shall upload the bid on the Stock Exchanges bidding platform and forward the application form to a branch of a SCSB for blocking of funds.

    c. An investor may submit the bid-cum-application form with a SCSB or the intermediaries mentioned above and use his / her bank account linked UPI ID for the purpose of blocking of funds, if the application value is ₹5 lakh or less. The intermediary shall upload the bid on the Stock Exchanges bidding platform. The application amount would be blocked through the UPI mechanism in this case.

2. Through Stock Exchanges

    a. An investor may submit the bid-cum-application form through the App or web interface developed by Stock Exchanges (or any other permitted methods) wherein the bid is automatically uploaded onto the Stock Exchanges bidding platform and the amount is blocked using the UPI Mechanism.

    b. The Stock Exchanges have extended their web-based platforms i.e., 'BSEDirect' and 'NSE goBID' to facilitate investors to apply in public issues of debt securities through the web based platform and mobile app with a facility to block funds through Unified Payments Interface (UPI) mechanism for application value up to ₹5 Lakh. To place bid through 'BSEDirect' and 'NSE goBID' platform/ mobile app the eligible investor is required to register himself/ herself with BSE Direct/ NSE goBID.

    c. An investor may use the following links to access the web-based interface developed by the Stock Exchanges to bid using the UPI Mechanism: BSE: https://www.bsedirect.com; and NSE: https://eipo.nseindia.com.

    d. The BSE Direct and NSE goBID mobile application can be downloaded from play store in android phones. Kindly search for 'BSEdirect' or 'NSE goBID' on Google Playstore for downloading mobile applications

    e. To further clarify the submission of bids through the App or web interface, the BSE has issued operational guidelines and circulars dated December 28, 2020 available at https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20201228-60, and https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20201228-61. Similar

circulars by NSE can be found here: x https://www1.nseindia.com/content/circulars/IPO46907.zip x https://www1.nseindia.com/content/circulars/IPO46867.zipFurther, NSE has allowed its 'GoBid' mobile application which is currently available for placing bids for non-competitive bidding shall also be available for applications of public issues of debt securities. For further details, see "*Process for retail individual investor application submitted with UPI as mode of payment*" on page 255.

Application Size

Each Application should be for a minimum of 10 NCDs and in multiples of one NCD thereafter for all options of NCDs, as specified in this Prospectus.

Applicants can apply for any or all types of NCDs offered hereunder (any/all series) provided the Applicant has applied for minimum application size using the same Application Form.

Applicants are advised to ensure that applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions.

APPLICATIONS BY VARIOUS APPLICANT CATEGORIES

Applications by Mutual Funds

Pursuant to the SEBI circular SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/74 dated May 19, 2023 ("**SEBI Mutual Funds Master Circular**"), mutual funds are required to ensure that the total exposure of debt schemes (excluding investments in Bank CDs, triparty repo on Government securities or treasury bills, G-Secs, TBills, short term deposits of Scheduled Commercial Banks and AAA rated securities issued by Public Financial Institutions and Public Sector Banks) shall not exceed 20% of the net assets of the scheme. Further, the additional exposure to financial services sector (over and above the limit of 20%) not exceeding 10% of the net assets of the scheme shall be allowed only by way of increase in exposure to Housing Finance Companies (HFCs), which are rated AA and above and are registered with the National Housing Bank. Further, an additional exposure of 5% of the net assets of the scheme has been allowed for investments in securitized debt instruments based on retail housing loan portfolio and/or affordable housing loan portfolio. However, the overall exposure in HFCs shall not exceed the sector exposure limit of 20% of the net assets of the scheme.

A separate Application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such Applications shall not be treated as multiple Applications. Applications made by the asset management companies or custodians of a Mutual Fund shall clearly indicate the name of the concerned scheme for which the Application is being made. An Application Form by a mutual fund registered with SEBI for Allotment of the NCDs must also be accompanied by certified true copies of (i) its SEBI registration certificates (ii) the trust deed in respect of such mutual fund (ii) a resolution authorising investment and containing operating instructions and (iii) specimen signatures of authorized signatories. **Failing this, our Company reserves the right to accept or reject any Application from a Mutual Fund for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.**

Application by Scheduled Commercial Banks, Co-operative Banks and Regional Rural Banks

Scheduled commercial banks, co-operative banks and regional rural banks can apply in the Issue based upon their own investment limits and approvals. Applications by them for Allotment of the NCDs must be accompanied by certified true copies of (i) a board resolution authorising investments; (ii) memorandum and articles of association/charter of constitution; (iii) power of attorney and (iv) a letter of authorisation. Failing this, our Company reserves the right to accept or reject any Application from a Mutual Fund for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.

Pursuant to SEBI Master Circular, SCSBs making applications on their own account using ASBA facility, should have a separate account in their own name with any other SEBI registered SCSB. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications.

Application by Systemically Important Non-Banking Financial Companies

Systemically Important Non-Banking Financial Companies can apply in the Issue based upon their own investment limits and approvals. Applications by them for Allotment of the NCDs must be accompanied by certified true copies of (i) their memorandum and articles of association/charter of constitution; (ii) power of attorney; (iii) a board resolution authorising investments; and (ii) specimen signatures of authorised signatories.

Failing this, our Company reserves the right to accept or reject any Application for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.

Application by Insurance Companies

Insurance companies registered with IRDAI can apply in this Issue based on their own investment limits and approvals in accordance with the regulations, guidelines and circulars issued by the IRDAI. The Application Form must be accompanied by certified true copies of their (i) certificate registered with the IRDAI; (ii) memorandum and articles of association/charter of constitution; (iii) power of attorney; (iv) resolution authorising investments/containing operating instructions; and (v) specimen signatures of authorised signatories. **Failing this, our Company reserves the right to accept or reject any Application for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.**

Applications by alternative investments funds

Applications made by 'alternative investment funds' eligible to invest in accordance with the SEBI AIF Regulations for Allotment of the NCDs must be accompanied by certified true copies of (i) SEBI registration certificate; (ii) a resolution authorising investment and containing operating instructions; and (iii) specimen signatures of authorised persons. The alternative investment funds shall at all times comply with the requirements applicable to it under the SEBI AIF Regulations and the relevant notifications issued by SEBI. **Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.**

Applications by Trusts

In case of Applications made by trusts, settled under the Indian Trusts Act, 1882, as amended, or any other statutory and/or regulatory provision governing the settlement of trusts in India, must submit a (i) certified copy of the registered instrument for creation of such trust, (ii) power of attorney, if any, in favour of one or more trustees thereof, (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements. Further, any trusts applying for NCDs pursuant to this Issue must ensure that (a) they are authorized under applicable statutory/regulatory requirements and their constitution instrument to hold and invest in debentures, (b) they have obtained all necessary approvals, consents or other authorisations, which may be required under applicable statutory and/or regulatory requirements to invest in debentures, and (c) Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions. **Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.**

Applications by public financial institutions or statutory corporations, which are authorized to invest in the NCDs

The Application must be accompanied by certified true copies of: (i) any Act/ rules under which they are incorporated; (ii) board resolution authorising investments; and (iii) specimen signature of authorized person. **Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof. Applications made by companies, bodies corporate and societies registered under the applicable laws in India**

The Application must be accompanied by certified true copies of: (i) any Act/ rules under which they are incorporated; (ii) board resolution authorising investments; and (iii) specimen signature of authorized person. **Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.**

Applications made by Indian scientific and/ or industrial research organizations, which are authorized to invest in the NCDs

Applications by scientific and/ or industrial research organisations which are authorised to invest in the NCDs must be accompanied by certified true copies of: (i) any Act/rules under which such Applicant is incorporated; (ii) a resolution of the board of directors of such Applicant authorising investments; and (iii) specimen signature of authorized persons of such Applicant. **Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.**

Applications made by Partnership firms formed under applicable Indian laws in the name of the partners and limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008

Applications made by partnership firms and limited liability partnerships formed and registered under the Limited Liability Partnership Act, 2008 must be accompanied by certified true copies of: (i) the partnership deed for such Applicants; (ii) any documents evidencing registration of such Applicant thereof under applicable statutory/regulatory requirements; (iii) a resolution authorizing the investment and containing operating instructions; and (iv) specimen signature of authorized persons of such Applicant. **Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.**

Applications under a power of attorney by limited companies, corporate bodies and registered societies

In case of Applications made pursuant to a power of attorney by Applicants from Category I and Category II, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the

memorandum of association and articles of association and/or bye laws must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made pursuant to a power of attorney by Applicants who are HNI Investors or Retail Individual Investors, a certified copy of the power of attorney must be lodged along with the Application Form.

In case of physical ASBA Applications made pursuant to a power of attorney, a certified copy of the power of attorney must be lodged along with the Application Form. **Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.**

Our Company, in its absolute discretion, reserves the right to relax the above condition of attaching the power of attorney along with the Application Forms subject to such terms and conditions that our Company and the Lead Managers may deem fit.

Brokers having online demat account portals may also provide a facility of submitting the Application Forms online to their account holders. Under this facility, a broker receives an online instruction through its portal from the Applicant for making an Application on his or her behalf. Based on such instruction, and a power of attorney granted by the Applicant to authorise the broker, the broker makes an Application on behalf of the Applicant.

Applications by associations of persons and/or bodies established pursuant to or registered under any central or state statutory enactment

In case of Applications made by Applications by associations of persons and/or bodies established pursuant to or registered under any central or state statutory enactment, must submit a (i) certified copy of the certificate of registration or proof of constitution, as applicable, (ii) power of attorney, if any, in favour of one or more persons thereof, (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements. Further, any trusts applying for NCDs pursuant to this Issue must ensure that (a) they are authorized under applicable statutory/regulatory requirements and their constitution instrument to hold and invest in debentures, (b) they have obtained all necessary approvals, consents or other authorisations, which may be required under applicable statutory and/or regulatory requirements to invest in debentures, and (c) Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and/ or regulatory provisions. Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.

Applications by provident funds, pension funds, superannuation funds and gratuity funds which are authorized to invest in the NCDs

Applications by provident funds, pension funds, superannuation funds and gratuity funds which are authorised to invest in the NCDs, for Allotment of the NCDs must be accompanied by certified true copies of: (i) any Act/rules under which they are incorporated; (ii) a power of attorney, if any, in favour of one or more trustees thereof, (ii) a board resolution authorising investments; (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements; (iv) specimen signature of authorized person; (v) a certified copy of the registered instrument for creation of such fund/trust; and (vi) any tax exemption certificate issued by the Income Tax authorities. **Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.**

Applications by National Investment Funds

Application made by a national investment fund for Allotment of the NCDs must be accompanied by certified true copies of: (i) a resolution authorising investment and containing operating instructions; and (ii) specimen signatures of authorized persons. **Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.**

Applications by systemically important non-banking financial companies

Systemically important Non-banking financial companies can apply in this Issue based on their own investment limits and approvals. Applications made by Systemically important non-banking financial companies registered with the RBI and under other applicable laws in India must be accompanied by certified true copies of: (i) memorandum and articles of association/charter of constitution; (ii) power of attorney; (iii) board resolution authorising investments; and (iv) specimen signature of authorized person.

For each of the above applicant categories if the Application is not made in the form and along with the requirements set out above, the Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.

The Lead Managers and the Consortium Members and their respective associates and affiliates are permitted to subscribe in the Issue.

APPLICATIONS FOR ALLOTMENT OF NCDs IN THE DEMATERIALISED FORM

This section is for the information of the Applicants proposing to subscribe to the Issue. The Lead Managers and our Company are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Draft Prospectus and this Prospectus. Applicants are advised to make their independent investigations and to ensure that the Application Form is correctly filled up.

Our Company, our directors, affiliates, associates and their respective directors and officers, Lead Managers and the Registrar to the Issue shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to Applications accepted by and/or uploaded by and/or accepted but not uploaded by Consortium Member, Trading Members, Registered Brokers, CDPs, CRTAs and SCSBs who are authorised to collect Application Forms from the Applicants in the Issue, or Applications accepted and uploaded without blocking funds in the ASBA Accounts by SCSBs. It shall be presumed that for Applications uploaded by SCSBs, the Application Amount payable on Application has been blocked in the relevant ASBA Account. The list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive Application Forms from the Members of the Syndicate is available on the website of SEBI (http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes) and updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Application Forms from the Members of the Syndicate at Specified Locations, see the website of the SEBI (http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes) as updated from time to time or any such other website as may be prescribed by SEBI from time to time. The list of Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the CRTAs at the Designated CRTA Locations, respective lists of which, including details such as address and telephone number, are available at the websites of the Stock Exchange at www.bseindia.com. The list of branches of the SCSBs at the Broker Centres, named by the respective SCSBs to receive deposits of the Application Forms from the Registered Brokers will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

Submission of Applications

Applicants can apply for NCDs only using the ASBA facility pursuant to SEBI Master Circular. ASBA Applications can be submitted through either of the following modes:

a. Physically or electronically to the Designated Branches of the SCSB(s) with whom an Applicant's ASBA Account is maintained. In case of Application in physical mode, the Applicant shall submit the Application Form at the relevant Designated Branch of the SCSB(s). The Designated Branch shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account and shall also verify that the signature on the Application Form matches with the Applicant's bank records, as mentioned in the Application Form, prior to uploading such Application into the electronic system of the Stock Exchanges. If sufficient funds are not available in the ASBA Account, the respective Designated Branch shall reject such Application and shall not upload such Application in the electronic system of the Stock Exchanges. If sufficient funds are available in the ASBA Account, the Designated Branch shall block an amount equivalent to the Application Amount and upload details of the Application in the electronic system of the Stock Exchanges. The Designated Branch of the SCSBs shall stamp the Application Form and issue an acknowledgement as proof of having accepted the Application. In case of Application being made in the electronic mode, the Applicant shall submit the Application either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for application and blocking funds in the ASBA Account held with SCSB, and accordingly registering such Application.

b. Physically through the Members of Consortium, or Trading Members of the Stock Exchanges only at the Specified Cities ,i.e. Syndicate ASBA. Kindly note that ASBA Applications submitted to the Members of Consortium or Trading Members of the Stock Exchanges at the Specified Cities will not be accepted if the SCSB where the ASBA Account, as specified in the ASBA Application, is maintained has not named at least one branch at that Specified City for the Members of Consortium or Trading Members of the Stock Exchanges, as the case may be, to deposit ASBA Applications (A list of such branches is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes).

c. A UPI Investor making an Application in the Issue under the UPI Mechanism, where the Application Amount is up to the UPI Application Limit, can submit his Application Form physically to a SCSB or a Designated Intermediary. The Designated Intermediary shall upload the application details along with the UPI ID on the Stock Exchange's bidding platform using appropriate protocols. Kindly note that in this case, the Application Amount will be blocked through the UPI Mechanism once the mandate request has been successfully accepted by the Applicant.

A UPI Investor may also submit the Application Form for the Issue through BSE Direct, wherein the Application will be automatically uploaded onto the Stock Exchange's bidding platform and an amount equivalent to the Application Amount shall be blocked using the UPI Mechanism once the mandate request has been successfully accepted by the Applicant.

Upon receipt of the Application Form by the Designated Intermediaries, an acknowledgement shall be issued by the relevant Designated Intermediary, giving the counter foil of the Application Form to the Applicant as proof of having accepted the Application. Thereafter, the details of the Application shall be uploaded in the electronic system of the Stock Exchanges and

the Application Form shall be forwarded to the relevant branch of the SCSB, in the relevant Collection Center, named by such SCSB to accept such Applications from the Designated Intermediaries (a list of such branches is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes). Upon receipt of the Application Form, the relevant branch of the SCSB shall perform verification procedures including verification of the Applicant's signature with his bank records and check if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form. If sufficient funds are not available in the ASBA Account, the relevant Application Form is liable to be rejected. If sufficient funds are available in the ASBA Account, the relevant branch of the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form. The Application Amount shall remain blocked in the ASBA Account until approval of the Basis of Allotment and consequent transfer of the amount against the Allotted NCDs to the Public Issue Account(s), or until withdrawal/ failure of this Issue or until withdrawal/ rejection of the Application Form, as the case may be. In case of an Application not involving an Application by an RIB through UPI Mechanism, if sufficient funds are not available in the ASBA Account, the relevant Application Form is liable to be rejected. If sufficient funds are available in the ASBA Account, the relevant branch of the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form. The Application Amount shall remain blocked in the ASBA Account until approval of the Basis of Allotment and consequent transfer of the amount against the Allotted NCDs to the Public Issue Account(s), or until withdrawal/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be.

In case of Application involving an Application by an RIB through UPI Mechanism, if an Applicant submits the Application Form with a Designated Intermediary and uses his/ her bank account linked UPI ID for the purpose of blocking of funds, where the application value is up to UPI Application Limit, the Application Amount will be blocked through the UPI Mechanism once the mandate request has been successfully accepted by the Applicant and the Designated Intermediary shall upload the Application on the bidding platform developed by the Stock Exchange. If an Applicant submits the Application Form through the application or web interface developed by Stock Exchange, the bid will automatically be uploaded onto the Stock Exchange bidding platform and the amount will be blocked using the UPI Mechanism once the mandate request has been successfully accepted by the Applicant.

Applicants must note that:

a. Physical Application Forms will be available with the Designated Branches of the SCSBs and with the Designated Intermediaries at the respective Collection Centers; and electronic Application Forms will be available on the websites of the SCSBs and the Stock Exchanges at least one day prior to the Issue Opening Date. Physical Application Forms will also be provided to the Trading Members of the Stock Exchanges at their request. The Application Forms would be serially numbered. Further, the SCSBs will ensure that the electronic version of this Prospectus is made available on their websites. The physical Application Form submitted to the Designated Intermediaries shall bear the stamp of the relevant Designated Intermediary. In the event the Application Form does not bear any stamp, the same shall be liable to be rejected.

b. The Designated Branches of the SCSBs shall accept Applications directly from Applicants only during the Issue Period. The SCSB shall not accept any Application directly from Applicants after the closing time of acceptance of Applications on the Issue Closing Date. However, in case of Syndicate ASBA, the relevant branches of the SCSBs at Specified Cities can accept ASBA Applications from the Lead Managers or Trading Members of the Stock Exchanges, as the case may be, after the closing time of acceptance of Applications on the Issue Closing Date. For further information on the Issue programme, see "*Issue Structure*". However, the relevant branches of the SCSBs at Specified Locations can accept Application Forms from the Designated Intermediaries, after the closing time of acceptance of Applications on the Issue Closing Date, if the Applications have been uploaded. For further information on the Issue programme, please refer to "*Issue Structure*" on page 217 of this Prospectus.

c. In case of Applications through Syndicate ASBA, the physical Application Form shall bear the stamp of the Lead Managers or Consortium Members or Trading Members of the Stock Exchanges, as the case maybe, if not, the same shall be rejected. Application Forms directly submitted to SCSBs should bear the stamp of SCSBs, if not, the same are liable to be rejected. Physical Application Forms directly submitted to SCSBs should bear the stamp of SCSBs, if not, the same are liable to be rejected.

Please note that ASBA Applicants can make an Application for Allotment of NCDs in the dematerialized form only.

Submission of Direct Online Applications

In case of the Direct Online Application facility implemented by the Stock Exchanges, relevant "know your customer" details of such Applicants will be validated online from the Depositories, on the basis of the DP ID and Client ID provided by them in the Application Form. On successful submission of a Direct Online Application, the Applicant will receive a system-generated unique application number ("**UAN**") and an SMS or an email confirmation on credit of the requisite Application Amount paid through the online payment facility with the Direct Online Application. On Allotment, the Registrar to the Issue shall credit NCDs to the beneficiary account of the Applicant and in case of refund, the refund amount shall be credited directly to the Applicant's bank account. Applicants applying through the Direct Online Application facility must preserve their UAN and quote their UAN in: (a) any cancellation/withdrawal of their Application; (b) in queries in connection with Allotment of NCDs and/or refund(s); and/or (c) in all investor grievances/complaints in connection with the Issue.

Payment instructions

Payment mechanism for Applicants

An Applicant shall specify details of the ASBA Account Number in the Application Form and the relevant SCSB shall block an amount equivalent to the Application Amount in the ASBA Account specified in the Application Form.

An Applicant may submit the completed Application Form to Designated Intermediaries along with details of his/her bank account for blocking of funds. The intermediary shall upload the bid on the Designated Stock Exchanges bidding platform and forward the application form to a branch of a SCSB for blocking of funds.

ASBA Applicants should ensure that they have funds equal to the Application Amount in the ASBA Account before submitting the ASBA Application to the Members of Consortium or Trading Members of the Stock Exchanges, as the case may be, at the Specified Cities or to the Designated Branches of the SCSBs. An ASBA Application where the corresponding ASBA Account does not have sufficient funds equal to the Application Amount at the time of blocking the ASBA Account is liable to be rejected.

The Application Amount shall remain blocked in the ASBA Account until approval of the Basis of Allotment and consequent transfer of the amount against the Allotted NCDs to the Public Issue Account(s), or until withdrawal/ failure of the relevant Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is approved, and upon receipt of intimation from the Registrar, the controlling branch of the SCSB shall, on the Designated Date, transfer such blocked amount from the ASBA Account to the Public Issue Account. The balance amount remaining after the finalization of the Basis of Allotment shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB within 5 (five) Working Days of the relevant Issue Closing Date. The Application Amount shall remain blocked in the ASBA Account until transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the relevant Issue or until rejection of the ASBA Application, as the case may be. In case of withdrawal/ failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue. An applicant (belonging to Category IV) may also submit the Application Form with a SCSB or the Designated Intermediaries mentioned above and use his / her bank account linked UPI ID for the purpose of blocking of funds, if the application value is up to the UPI Application Limit. The intermediary shall upload the bid on the Stock Exchanges bidding platform. The application amount would be blocked through the UPI Mechanism once the mandate request has been successfully accepted by the Applicant in this case.

An Applicant may submit the Application Form through the App or web interface developed by Stock Exchanges wherein the bid is automatically uploaded onto the Stock Exchanges bidding platform and the amount is blocked using the UPI Mechanism once the mandate request has been successfully accepted by the Applicant.

Upon receipt of an intimation from the Registrar to the Issue, the SCSBs shall, on the Designated Date, transfer such blocked amount from the ASBA Account to the Public Issue Account in terms of the Public Issue Account and Sponsor Bank Agreement. The balance amount remaining after the finalisation of the Basis of Allotment shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue to the respective SCSB within five Working Days of the Issue Closing Date. The Application Amount shall remain blocked in the ASBA Account until transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application, as the case may be.

For ASBA Applications submitted to the Lead Managers or Consortium Members or Trading Members of the Stock Exchanges at the Specified Cities, the ASBA Application will be uploaded onto the electronic system of the Stock Exchanges and deposited with the relevant branch of the SCSB at the Specified City named by such SCSB to accept such ASBA Applications from the Lead Managers or Trading Members of the Stock Exchanges, as the case may be (a list of such branches is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes The relevant branch of the SCSB shall perform verification procedures and block an amount in the ASBA Account equal to the Application Amount specified in the ASBA Application.

For ASBA Applications submitted directly to the SCSBs, the relevant SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the ASBA Application, before entering the ASBA Application into the electronic system of the Stock Exchanges. SCSBs may provide the electronic mode of application either through an internet enabled application and banking facility or such other secured, electronically enabled mechanism for application and blocking of funds in the ASBA Account.

Additional information for Applicants

1. Application Forms submitted by Applicants whose beneficiary accounts are inactive shall be rejected.

2. No separate receipts will be issued for the money blocked on the submission of Application Form. However, the collection centre of the Designated Intermediaries will acknowledge the receipt of the Application Forms by stamping

and returning to the Applicant the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Application Form for the records of the Applicant.

3. Applications should be submitted on the Application Form only. In the event that physical Application Forms do not bear the stamp of the Designated Intermediaries, or the relevant Designated Branch, as the case may be, they are liable to be rejected.

4. Application Forms submitted by Applicants shall be for allotment of NCDs only in dematerialized form.

The Investors are advised to read the operational guidelines mentioned for Making Application for Public Issue of Debt Securities through BSE Direct issued by BSE on December 28, 2020 and May 19, 2022 and the circular issued by National Stock Exchange of India Limited for Introduction of Unified Payment Interface (UPI) for Debt IPO through NSE goBID on January 05, 2021 and March 9, 2022 before investing through the through the app/ web interface of Stock Exchange(s).

Kindly note, the Stock Exchange(s) shall be responsible for addressing investor grievances arising from Applications submitted online through the App based/ web interface platform of Stock Exchanges or through its Trading Members.

Further, the collecting bank shall be responsible for addressing any investor grievances arising from non-confirmation of funds to the Registrar despite successful realization/blocking of funds, or any delay or operational lapse by the collecting bank in sending the Application forms to the Registrar to the Issue.

Applicants are advised not to submit Application Forms to Public Issue Account Banks and the same will be rejected in such cases and the Applicants will not be entitled to any compensation whatsoever.

Filing of this Prospectus with ROC

A copy of this Prospectus was filed with the ROC in accordance with Section 26 of the Companies Act, 2013.

General Instructions for completing the Application Form

a. Application must be made in prescribed Application Form only.

b. Application Forms are to be completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained in this Prospectus and the Application Form. Incomplete Application Forms are liable to be rejected. Applicants should note that the Members of the Syndicate, or the Trading Members, as appropriate, will not be liable for errors in data entry due to incomplete or illegible Application Forms.

c. Applicants must ensure that their Application Forms are made in a single name.

d. The minimum number of Applications and minimum application size shall be of 10 NCDs. Applicants may apply for one or more series of NCDs Applied for in a single Application Form.

e. All Applicants are required to tick the relevant column in the “Category of Investor” box in the Application Form.

f. If the Application is submitted in joint names, the Application Form may contain only the name of the first Applicant whose name should also appear as first holder of the depository account held in joint names.

g. Applications are required to be for a minimum of such NCDs as specified in this Prospectus.

h. Thumb impressions and signatures other than in the languages specified in the Eighth Schedule in the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal

i. Applications should be in single or joint names and not exceeding three names, and in the same order as their Depository Participant details (in case of Applicants applying for Allotment of the Bonds in dematerialized form) and Applications should be made by Karta in case the Applicant is an HUF. Please ensure that such Applications contain the PAN of the HUF and not of the Karta. If the Application is submitted in joint names, the Application Form may contain only the name of the first Applicant whose name should also appear as first holder of the depository account held in joint names.

j. Applications should be made by Karta in case of HUFs. Applicants are required to ensure that the PAN details of the HUF are mentioned and not those of the Karta.

k. The Designated Intermediaries or the Designated Branches of the SCSBs, as the case may be, will acknowledge the receipt of the Application Forms by stamping and returning to the Applicants the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Application Form for the records of the Applicant. Applicants must ensure that the requisite documents are attached to the Application Form prior to submission and receipt of acknowledgement from the relevant Designated Intermediaries or the Designated Branch of the SCSBs, as the case may be.

l. Every Applicant should hold valid Permanent Account Number (PAN) and mention the same in the Application Form and submit the same. Applicant without PAN is liable to be rejected, irrespective of the amount.

m. ASBA will be the default "Mode of Application" as per the SEBI Master Circular.

n. Applicants applying for Allotment in dematerialized form must provide details of valid and active DP ID, Client ID and PAN clearly and without error. Invalid accounts, suspended accounts or where such account is classified as invalid or suspended may not be considered for Allotment of the NCDS. On the basis of such Applicant's active DP ID, Client ID and PAN provided in the Application Form, and as entered into the electronic Application system of Stock Exchange by SCSBs, the Members of the Syndicate at the Syndicate ASBA Application Locations and the Trading Members, as the case may be, the Registrar will obtain from the Depository the Demographic Details. Invalid accounts, suspended accounts or where such account is classified as invalid or suspended may not be considered for Allotment of the NCDs.

o. If the ASBA Account holder is different from the ASBA Applicant, the Application Form should be signed by the ASBA Account holder also, in accordance with the instructions provided in the Application Form.

p. It shall be mandatory for subscribers to the Issue to furnish their Permanent Account Number and any Application Form, without the PAN is liable to be rejected, irrespective of the amount of transaction.

q. All Applicants should check if they are eligible to apply as per the terms of this Prospectus and applicable laws.

r. For Applicants, the Applications in physical mode should be submitted to the SCSBs or a member of the Syndicate or to the Trading Members of the Stock Exchanges on the prescribed Application Form. SCSBs may provide the electronic mode for making Application either through an internet enabled banking facility or such other secured, electronically enabled mechanism for Application and blocking funds in the ASBA Account;

s. Application Forms should bear the stamp of the Member of the Syndicate, Trading Member of the Stock Exchanges, Designated Intermediaries and/or Designated Branch of the SCSB. Application Forms which do not bear the stamp will be rejected.

t. Applicant should correctly mention the ASBA Account number and UPI ID in case applying through UPI Mechanism and ensure that funds equal to the Application Amount are available in the ASBA Account before submitting the Application Form and ensure that the signature in the Application Form matches with the signature in the Applicant's bank records, , otherwise the Application is liable to be rejected.

u. The Applicants should ensure that they have been given a TRS and an acknowledgement as proof of having accepted the Application Form;

v. Applicants may revise/ modify their Application details during the Issue Period, as allowed/permitted by the Stock Exchanges, by submitting a written request to the Designated Intermediary, as the case may be. However, for the purpose of Allotment, the date of original upload of the Application will be considered in case of such revision/modification. In case of any revision of Application in connection with any of the fields which are not allowed to be modified on the electronic Application platform of the Stock Exchanges as per the procedures and requirements prescribed by each relevant Stock Exchanges, Applicants should ensure that they first withdraw their original Application and submit a fresh Application. In such a case the date of the new Application will be considered for date priority for Allotment purposes.

w. In case of an HUF applying through its Karta, the Applicant is required to specify the name of an Applicant in the Application Form as 'XYZ Hindu Undivided Family applying through PQR', where PQR is the name of the Karta, however, the PAN number of the HUF should be mentioned in the Application Form and not that of the Karta.

x. ASBA Applicants need to give the correct details of their ASBA Account including bank account number/ bank name and branch/ UPI ID in case of applying through UPI Mechanism.

y. ASBA Applicants should ensure that their Application Form is submitted either at a Designated Branch of a SCSB where the ASBA Account is maintained or with the Members of the Syndicate or Trading Members of the stock exchange(s) at the Specified Cities, and not directly to the Escrow Collecting Banks (assuming that such bank is not a SCSB) or to the Company or the Registrar to the Issue; In case of ASBA Applications through Syndicate ASBA, before submitting the physical Application Form to the Members of the Syndicate or Trading Members of the stock exchange(s), ensure that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch in that Specified City for the Members of the Syndicate or Trading Members of the stock exchange(s), as the case may be, to deposit ASBA Forms. A list of such branches is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes

z. ASBA Applicants should ensure that the Application Form is signed by the ASBA Account holder in case the ASBA Applicant is not the account holder.

The series, mode of allotment, PAN, demat account no. etc. should be captured by the relevant Designated Intermediaries in the data entries as such data entries will be considered for allotment.

Process for Retail Individual investors application submitted with UPI as mode of payment

a. Before submission of the application with the intermediary, the Retail Individual investor would be required to have / create a UPI ID, with a maximum length of 45 characters including the handle (Example: InvestorID@bankname).

b. The Retail Individual Investor shall fill in the bid details in the application form along with his/ her bank account linked UPI ID and submit the application with any of the intermediaries or through the stock exchanges App/ Web interface, or any other methods as may be permitted.

c. The Designated Intermediary, upon receipt of form, shall upload the bid details along with the UPI ID on the stock exchanges bidding platform using appropriate protocols.

d. Once the bid has been entered in the bidding platform, the Stock Exchanges shall undertake validation of the PAN and Demat account combination details of investor with the depository.

e. The Depository shall validate the aforesaid PAN and Demat account details on a near real time basis and send response to stock exchange which would be shared by stock exchange with intermediary through its platform, for corrections, if any.

f. Once the bid details are uploaded on the Stock Exchanges platform, the Stock Exchange shall send an SMS to the investor regarding submission of his / her application, at the end of day, during the bidding period. For the last day of bidding, the SMS may be sent the next working day.

g. Post undertaking validation with the Depository, the Stock Exchanges shall, on a continuous basis, electronically share the bid details along with investors UPI ID, with the Sponsor Bank appointed by the issuer.

h. The Sponsor Bank shall initiate a mandate request on the investor i.e., request the investor to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment

i. The request raised by the Sponsor Bank, would be electronically received by the investor as a SMS / intimation on his / her mobile no. / mobile app, associated with the UPI ID linked bank account.

j. The investor shall be able to view the amount to be blocked as per his / her bid in such intimation. The investor shall be able to view an attachment wherein the public issue bid details submitted by investor will be visible. After reviewing the details properly, the investor shall be required to proceed to authorize the mandate. Such mandate raised by sponsor bank would be a one-time mandate for each application in the public issue.

k. An investor is required to accept the UPI mandate latest by 5:00 pm on the third working day from the day of bidding on the stock exchanges platform except for the last day of the issue period or any other modified closure date of the issue period in which case, he / she is required to accept the UPI mandate latest by 5:00 pm the next working day.

l. An investor shall not be allowed to add or modify the bid(s) of the application except for modification of either DP ID/Client ID, or PAN ID but not both. However, the investor can withdraw the bid(s) and reapply.

m. For mismatch bids, on successful validation of PAN and DP ID/ Client ID combination during T+1 modification session, such bids will be sent to Sponsor Bank for further processing by the Exchange on T+1 (T being the Issue Closing Date) day till 1:00 PM.

n. The facility of re-initiation/ resending the UPI mandate shall be available only till 5:00 pm on the day of bidding.

o. Upon successful validation of block request by the investor, as above, the said information would be electronically received by the investors' bank, where the funds, equivalent to application amount, would get blocked in investors account. Intimation regarding confirmation of such block of funds in investors account would also be received by the investor.

p. The information containing status of block request (e.g. accepted / decline / pending) would also be shared with the Sponsor Bank, which in turn would be shared with the Stock Exchanges. The block request status would also be displayed on the Stock Exchanges platform for information of the intermediary.

q. The information received from Sponsor Bank, would be shared by stock exchanges with RTA in the form of a file for the purpose of reconciliation.

r. Post closure of the offer, the Stock Exchanges shall share the bid details with RTA. Further, the Stock Exchanges shall also provide the RTA, the final file received from the Sponsor Bank, containing status of blocked funds or otherwise, along with the bank account details with respect to applications made using UPI ID.

s. The allotment of debt securities shall be done as per SEBI Master Circular.

t. The RTA, based on information of bidding and blocking received from the Stock Exchanges, shall undertake reconciliation of the bid data and block confirmation corresponding to the bids by all investor category applications (with and without the use of UPI) and prepare the basis of allotment.

u. Upon approval of the basis of allotment, the RTA shall share the 'debit' file with Sponsor bank (through Stock Exchanges) and SCSBs, as applicable, for credit of funds in the public issue account and unblocking of excess funds in the investor's account. The Sponsor Bank, based on the mandate approved by the investor at the time of blocking of funds, shall raise the debit / collect request from the investor's bank account, whereupon funds will be transferred from investor's account to the public issue account and remaining funds, if any, will be unblocked without any manual intervention by investor or their bank.

v. Upon confirmation of receipt of funds in the public issue account, the securities would be credited to the investor's account. The investor will be notified for full/partial allotment. For partial allotment, the remaining funds would be unblocked. For no allotment, mandate would be revoked and application amount would be unblocked for the investor.

w. Thereafter, Stock Exchange will issue the listing and trading approval.

x. Further, in accordance with the Operational Instructions and Guidelines for Making Application for Public Issue of Debt Securities through BSEDirect issued by BSE on December 28, 2020 and May 19, 2022, the investor shall also be responsible for the following:

   i. Investor shall check the Issue details before placing desired bids;

   ii. Investor shall check and understand the UPI mandate acceptance and block of funds process before placing the bid;

   iii. The receipt of the SMS for mandate acceptance is dependent upon the system response/ integration of UPI on Debt Public Issue System;

   iv. Investor shall accept the UPI Mandate Requests within the stipulated timeline;

   v. Investor shall note that the transaction will be treated as completed only after the acceptance of mandates by the investor by way of authorising the transaction by entering their UPI pin and successfully blocking funds through the ASBA process by the investor's bank;

   vi. Investor shall check the status of their bid with respect to the mandate acceptance and blocking of funds for the completion of the transaction; and

   vii. In case the investor does not accept the mandate within stipulated timelines, in such case their bid will not be considered for allocation.

y. Further, in accordance with circular issued by National Stock Exchange of India Limited for Introduction of Unified Payment Interface (UPI) for Debt IPO through NSE goBID on January 5, 2021 the investor shall also be responsible for the following:

   i. After successful registration & log-in, the investors shall view and check the active Debt IPO's available from IPO dashboard.

   ii. Investors shall check the issue/series details. Existing registered users of NSE goBID shall also be able to access once they accept the updated terms and condition.

   iii. After successfully bidding on the platform, investors shall check the NSE goBID app/psp/sms for receipt of mandate & take necessary action.

   iv. UPI mandate can be accepted latest by 5:00 pm on the third working day from the day of bidding on the stock exchanges platform except for the last day of the issue period or any other modified closure date of the issue period in which case, he / she is required to accept the UPI mandate latest by 5:00 pm the next working day.

   v. For UPI bid the facility of re-initiation/ resending the UPI mandate shall be available only till 5 pm on the day of bidding.

vi. Investors can use the re-initiation/ resending facility only once in case of any issue in receipt/acceptance of mandate.

The Investors are advised to read the operational guidelines mentioned for Making Application for Public Issue of Debt Securities through BSE Direct issued by BSE on December 28, 2020 and May 19, 2022, and the circular issued by National Stock Exchange of India Limited for Introduction of Unified Payment Interface (UPI) for Debt IPO through NSE goBID on January 05, 2021 before investing through the through the app/ web interface of Stock Exchange(s)

Kindly note, the Stock Exchange(s) shall be responsible for addressing investor grievances arising from Applications submitted online through the App based/ web interface platform of Stock Exchanges or through their Trading Members.

Further, the collecting bank shall be responsible for addressing any investor grievances arising from non-confirmation of funds to the Registrar despite successful realization/blocking of funds, or any delay or operational lapse by the collecting bank in sending the Application forms to the Registrar to the Issue.

Applicants should note that neither the Designated Intermediaries nor the SCSBs, as the case may be, will be liable for error in data entry due to incomplete or illegible Application Forms. Our Company would allot the NCDs, as specified in this Prospectus for the Issue to all valid Applications, wherein the Applicants have not indicated their choice of the relevant series of NCDs.

Please note in accordance with SEBI Circular SEBI/HO/DDHS/PoD1/CIR/P/2023/150 dated September 4, 2023, instructions to investors for completing the application form as specified in Annex- II of the aforesaid circular shall be disclosed on the websites of the Company, Lead Managers and Consortium Member(s) during the Issue Period and a copy of the Abridged Prospectus shall be made available on the websites of Company, Lead Managers and Registrar to the Issue and a link for downloading the Abridged Prospectus shall be provided in issue advertisement for the Issue.

Applicants' PAN, Depository Account and Bank Account Details

ALL APPLICANTS APPLYING FOR ALLOTMENT OF THE NCDS SHOULD MENTION THEIR DP ID, UPI ID (IN CASE APPLYING THROUGH UPI MECHANISM), CLIENT ID AND PAN IN THE APPLICATION FORM. APPLICANTS MUST ENSURE THAT THE DP ID, UPI ID, CLIENT ID AND PAN GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE DP ID, UPI ID, CLIENT ID AND PAN AVAILABLE IN THE DEPOSITORY DATABASE. IF THE BENEFICIARY ACCOUNT IS HELD IN JOINT NAMES, THE APPLICATION FORM SHOULD CONTAIN THE NAME AND PAN OF BOTH THE HOLDERS OF THE BENEFICIARY ACCOUNT AND SIGNATURES OF BOTH HOLDERS WOULD BE REQUIRED IN THE APPLICATION FORM.

Applicants applying for Allotment in dematerialised form must mention their DP ID, Client ID, PAN and UPI ID (in case applying through UPI Mechanism) in the Application Form and ensure that the name provided in the Application Form is exactly the same as the name in which the Beneficiary Account is held. In case the Application Form for Allotment in dematerialised form is submitted in the first Applicant's name, it should be ensured that the Beneficiary Account is held in the same joint names and in the same sequence in which they appear in the Application Form. In case the DP ID, Client ID and PAN mentioned in the Application Form for Allotment in dematerialised form and entered into the electronic system of the Stock Exchanges do not match with the DP ID, Client ID and PAN available in the Depository database or in case PAN is not available in the Depository database, the Application Form for Allotment in dematerialised form is liable to be rejected. Further, Application Forms submitted by Applicants applying for Allotment in dematerialised form, whose beneficiary accounts are inactive, will be rejected.

On the basis of the DP ID, UPI ID, Client ID and PAN provided by them in the Application Form and entered into the electronic system of the Stock Exchanges, the Registrar to the Issue will obtain from the Depository the Demographic Details of the Applicants including PAN, address, bank account details and MICR code etc. These Demographic Details would be used for giving Allotment Advice and refunds (including through physical refund warrants, direct credit, NACH, NEFT and RTGS), if any, to the Applicants. Hence, Applicants are advised to immediately update their Demographic Details (including bank account details) as appearing on the records of the Depository Participant and ensure that they are true and correct. Please note that failure to do so could result in delays in dispatch/ credit of refunds, if any, to Applicants, delivery of Allotment Advice or unblocking of ASBA Accounts at the Applicants' sole risk, and neither the Members of the Consortium nor the Designated Intermediaries, nor the Registrar, nor the Banker(s) to the Issue, nor the SCSBs, nor our Company shall have any responsibility and undertake any liability for the same.

Applicants should note that in case the DP ID, Client ID and PAN mentioned in the Application Form, as the case may be and entered into the electronic Application system of the Stock Exchanges by the Members of the Consortium or the Designated Intermediaries, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database or in case PAN is not available in the Depository database, the Application Form is liable to be rejected and our Company, the Members of the Consortium and the other Designated Intermediaries shall not be liable for losses, if any.

The Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice and for refunds (if any) as applicable. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue except in relation to this Issue.

By signing the Application Form, Applicants applying for the NCDs would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records. The Demographic Details given by Applicant in the Application Form would not be used for any other purpose by the Registrar to the Issue except in relation to the Issue.

Allotment Advice would be mailed by speed post or registered post at the address of the Applicants as per the Demographic Details received from the Depositories. Applicants may note that delivery of Allotment Advice may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. Further, please note that any such delay shall be at such Applicants' sole risk and neither our Company, Banker(s) to the Issue, Registrar to the Issue nor the Lead Managers shall be liable to compensate the Applicant for any losses caused to the Applicants due to any such delay or liable to pay any interest for such delay. In case of refunds through electronic modes as detailed in this Prospectus, refunds may be delayed if bank particulars obtained from the Depository Participant are incorrect.

In case of Applications made under powers of attorney, our Company in its absolute discretion, reserves the right to permit the holder of a power of attorney to request the Registrar to the Issue that for the purpose of printing particulars on and mailing of the Allotment Advice through speed post or registered post, the Demographic Details obtained from the Depository of the Applicant shall be used.

With effect from August 16, 2010, the beneficiary accounts of Applicants for whom PAN details have not been verified shall be suspended for credit and no credit of NCDs pursuant to this Issue will be made into the accounts of the Applicants. Application Forms submitted by Applicants whose beneficiary accounts are inactive shall be rejected. **Furthermore, in case no corresponding record is available with the Depositories, which matches the three parameters, namely, DP ID, Client ID and PAN, then such Applications are liable to be rejected.**

Applicants should note that the NCDs will be allotted to all successful Applicants only in dematerialized form. The Application Forms which do not have the details of the Applicant's depository account, including DP ID, Client ID and PAN and UPI ID (for retail individual investor Applicants bidding using the UPI mechanism), shall be treated as incomplete and will be rejected.

Unified Payments Interface (UPI)

Pursuant to the SEBI Master Circular, the UPI Mechanism is an applicable payment mechanism for public debt issues (in addition to the mechanism of blocking funds maintained with SCSBs under ASBA) for applications by retail individual bidders through Designated Intermediaries. All SCSBs offering the facility of making applications in public issues shall also provide the facility to make applications using UPI. The Company will be required to appoint one SCSB as a Sponsor Bank to act as a conduit between the Stock Exchange and National Payments Corporation of India in order to facilitate the collection of requests and/or payment instructions of the investors.

Permanent Account Number (PAN)

The Applicant should mention his or her PAN allotted under the IT Act. For minor Applicants, applying through the guardian, it is mandatory to mention the PAN of the minor Applicant. However, Applications on behalf of the central or state government officials and the officials appointed by the courts in terms of a SEBI circular dated June 30, 2008 and Applicants residing in the state of Sikkim who in terms of a SEBI circular dated July 20, 2006 may be exempt from specifying their PAN for transacting in the securities market. In accordance with Circular No. MRD/DOP/Cir- 05/2007 dated April 27, 2007 issued by SEBI, the PAN would be the sole identification number for the participants transacting in the securities market, irrespective of the amount of transaction. **Any Application Form, without the PAN is liable to be rejected, irrespective of the amount of transaction. It is to be specifically noted that the Applicants should not submit the general index register number i.e. GIR number instead of the PAN as the Application is liable to be rejected on this ground**.

However, the exemption for the central or state government and the officials appointed by the courts and for investors residing in the State of Sikkim is subject to the Depository Participants' verifying the veracity of such claims by collecting sufficient documentary evidence in support of their claims. At the time of ascertaining the validity of these Applications, the Registrar to the Issue will check under the Depository records for the appropriate description under the PAN field i.e. either Sikkim category or exempt category.

Joint Applications

Applications can be made in joint names (not exceeding three). In the case of joint Applications, all payments will be made out in favour of the first Applicant. All communications will be addressed to first named in the Application whose name appears in the Application Form and at the address mentioned therein. If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only

this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form.

Additional/ Multiple Applications

An Applicant is allowed to make one or more Applications for the NCDs, for the same or other Options of NCDs, as specified in this Prospectus, subject to a minimum Application size as specified in this Prospectus. **Any Application for an amount below the aforesaid minimum application size will be deemed as an invalid application and shall be rejected. However, multiple Applications by the same individual Applicant aggregating to a value exceeding ₹10,00,000 shall be deem such individual Applicant to be a HNI Applicant and all such Applications shall be grouped in the HNI Portion, for the purpose of determining the basis of allotment to such Applicant.** Any Application made by any person in his individual capacity and an Application made by such person in his capacity as a karta of a HUF and/or as Applicant (second or third Applicant), shall not be deemed to be a multiple Application. For the purposes of allotment of NCDs under the Issue, Applications shall be grouped based on the PAN, i.e. Applications under the same PAN shall be grouped together and treated as one Application. Two or more Applications will be deemed to be multiple Applications if the sole or first Applicant is one and the same. For the sake of clarity, two or more applications shall be deemed to be a multiple Application for the aforesaid purpose if the PAN number of the sole or the first Applicant is one and the same.

Electronic registration of Applications

a. The Designated Intermediaries and Designated Branches of the SCSBs, as the case may be, will register the Applications using the on-line facilities of the Stock Exchanges. Direct Online Applications will be registered by Applicants using the online platform offered by the Stock Exchanges. The Lead Managers, our Company, and the Registrar to the Issue are not responsible for any acts, mistakes or errors or omission and commissions in relation to (i) the Applications accepted by the SCSBs, (ii) the Applications uploaded by the SCSBs, (iii) the Applications accepted but not uploaded by the SCSBs, (iv) Applications accepted and uploaded by the SCSBs without blocking funds in the ASBA Accounts or (v) Applications accepted and uploaded by Trading members of the Stock Exchanges or (vi) the Applications accepted by and/or uploaded by and/or accepted but not uploaded by Consortium Member, Trading Members, Registered Brokers, CDPs, CRTAs and SCSBs who are authorised to collect Application Forms.

   In case of apparent data entry error by the Designated Intermediaries or Designated Branches of the SCSBs, as the case may be, in entering the Application Form number in their respective schedules other things remaining unchanged, the Application Form may be considered as valid and such exceptions may be recorded in minutes of the meeting submitted to the Designated Stock Exchanges. However, the series, mode of allotment, PAN, demat account no. etc. should be captured by the relevant Designated Intermediaries or Designated Branches of the SCSBs in the data entries as such data entries will be considered for allotment/rejection of Application.

b. The Stock Exchanges will offer an electronic facility for registering Applications for this Issue. This facility will be available on the terminals of the Designated Intermediaries and the SCSBs during the Issue Period. Designated Intermediaries can also set up facilities for off-line electronic registration of Applications subject to the condition that they will subsequently upload the off-line data file into the on-line facilities for Applications on a regular basis, and before the expiry of the allocated time on the Issue Closing Date. On the Issue Closing Date, the Designated Intermediaries and the Designated Branches of the SCSBs shall upload the Applications till such time as may be permitted by the Stock Exchanges. This information will be available with the Designated Intermediaries and the Designated Branches of the SCSBs on a regular basis. Applicants are cautioned that a high inflow of high volumes on the last day of the Issue Period may lead to some Applications received on the last day not being uploaded and such Applications will not be considered for allocation. For further information on the Issue programme, please refer to "*Issue Structure*" on page 217 of this Prospectus.

c. Based on the aggregate demand for Applications registered on the electronic facilities of the Stock Exchanges, a graphical representation of consolidated demand for the NCDs, as available on the websites of the Stock Exchanges, would be made available at the Application centres as provided in the Application Form during the Issue Period

d. At the time of registering each Application, the Designated Intermediaries, shall enter the details of the Applicant, such as the Application Form number, PAN, Applicant category, DP ID, Client ID, number and Option(s) of NCDs applied, Application Amounts and any other details that may be prescribed by the online uploading platform of the Stock Exchanges.

e. With respect to Applications submitted directly to the SCSBs at the time of registering each Application, other than Direct Online Applications, the Designated Branches of the SCSBs shall enter the requisite details of the Applicants in the on-line system including:

   - Application Form number
   - PAN (of the first Applicant, in case of more than one Applicant)

- Investor category and sub-category
- DP ID
- Client ID
- UPI ID (if applicable)
- Number of NCDs applied for
- Price per NCD
- Bank code for the SCSB where the ASBA Account is maintained
- Bank account number
- Application amount

f. With respect to Applications submitted to the Designated Intermediaries at the time of registering each Application, the requisite details of the Applicants shall be entered in the on-line system including:

- Application Form number
- PAN (of the first Applicant, in case of more than one Applicant)
- Investor category and sub-category
- DP ID
- Client ID
- UPI ID (if applicable)
- Number of NCDs applied for
- Price per NCD
- Bank code for the SCSB where the ASBA Account is maintained
- Location
- Application amount

g. A system generated acknowledgement will be given to the Applicant as a proof of the registration of each Application. **It is the Applicant's responsibility to obtain the acknowledgement from the Designated Intermediaries and the Designated Branches of the SCSBs, as the case may be. The registration of the Application by the Designated Intermediaries and the Designated Branches of the SCSBs, as the case may be, does not guarantee that the NCDs shall be allocated/ Allotted by our Company. The acknowledgement will be non-negotiable and by itself will not create any obligation of any kind**.

h. Applications can be rejected on the technical grounds listed on page 265 of this Prospectus or if all required information is not provided or the Application Form is incomplete in any respect.

i. In case of apparent data entry error by the Designated Intermediaries, in entering the Application Form numbers in their respective schedules, other things remaining unchanged, the Application Form may be considered as valid, or such exceptions may be recorded in minutes of the meeting submitted to the Designated Stock Exchange

j. The permission given by the Stock Exchanges to use their network and software of the online system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Lead Managers are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Prospectus; nor does it warrant that the NCDs will be listed or will continue to be listed on the Stock Exchanges.

k. Only Applications that are uploaded on the online system of the Stock Exchanges shall be considered for allocation/ Allotment. The Lead Managers, Designated Intermediaries and the Designated Branches of the SCSBs shall capture all data relevant for the purposes of finalizing the Basis of Allotment while uploading Application data in the electronic systems of the Stock Exchanges. In order that the data so captured is accurate the, Designated Intermediaries and the Designated Branches of the SCSBs will be given up to one Working Day after the Issue Closing Date to modify/ verify certain selected fields uploaded in the online system during the Issue Period after which the data will be sent to the Registrar for reconciliation with the data available with the NSDL and CDSL.

General Instructions

Do's and Don'ts Applicants are advised to take note of the following while filling and submitting the Application Form

Do's

- Check if you are eligible to apply as per the terms of the Draft Prospectus, this Prospectus and applicable law;
- Read all the instructions carefully and complete the Application Form in the prescribed form;
- Ensure that you have obtained all necessary approvals from the relevant statutory and/or regulatory authorities to apply for, subscribe to and/or seek Allotment of NCDs pursuant to the Issue;
- Ensure that the DP ID and Client ID and PAN mentioned in the Application Form, which shall be entered into the electronic system of the Stock Exchanges are correct and match with the DP ID, Client ID and PAN available in the Depository database. Ensure that the DP ID and Client ID are correct and beneficiary account is activated. The requirement for providing Depository Participant details shall be mandatory for all Applicants;
- Ensure that you have mentioned the correct ASBA Account number (i.e., bank account number /bank name and branch or UPI ID, as applicable) in the Application Form;
- Ensure that the Application Form is signed by the ASBA Account holder in case the Applicant is not the ASBA account holder;
- Ensure that you have funds equal to the Application Amount in the ASBA Account before submitting the Application Form to the respective Designated Branch of the SCSB, or to the Designated Intermediaries, as the case may be;
- Ensure that the Application Forms are submitted at the Designated Branches of SCSBs or the Bidding Centres provided in the Application Forms, bearing the stamp of the relevant Designated Intermediaries/Designated branch of the SCSB as the case may be;
- Before submitting the Application Form with the Designated Intermediaries ensure that the SCSB, whose name has been filled in the Application Form, has named a branch in that relevant Bidding Centre;
- Ensure that you have been given an acknowledgement as proof of having accepted the Application Form;
- In case of any revision of Application in connection with any of the fields which are not allowed to be modified on the electronic application platform of the Stock Exchanges as per the procedures and requirements prescribed by each relevant Stock Exchanges, ensure that you have first withdrawn your original Application and submit a fresh Application. For instance, as per the notice No: 20120831-22 dated August 31, 2012 issued by the BSE, fields namely, quantity, series, application no., sub-category codes will not be allowed for modification during the Issue. In such a case the date of the fresh Application will be considered for date priority for allotment purposes;
- Ensure that signatures other than in the languages specified in the 8th Schedule to the Constitution of India is attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
- Ensure that you mention your PAN in the Application Form. In case of joint Applicants, the PAN of all the Applicants should be provided, and for HUFs, PAN of the HUF should be provided. Any Application Form without the PAN is liable to be rejected. Applicants should not submit the GIR Number instead of the PAN as the Application is liable to be rejected on this ground;
- In case of an HUF applying through its Karta, the Applicant is required to specify the name of an Applicant in the Application Form as 'XYZ Hindu Undivided Family applying through PQR', where PQR is the name of the Karta. However, the PAN number of the HUF should be mentioned in the Application Form and not that of the Karta;
- Ensure that the Applications are submitted to the Designated Intermediaries, or Designated Branches of the SCSBs, as the case may be, before the closure of application hours on the Issue Closing Date. For further information on the Issue programme, please refer to "*Issue Structure*" on page 217 of this Prospectus.

- Ensure that you have correctly signed the authorisation /undertaking box in the Application Form or have otherwise provided an authorisation to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Application Form, as the case may be, at the time of submission of the Bid. In case of Retail Individual Investor submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment.

- **Permanent Account Number:** Except for Application (i) on behalf of the central or state government and officials appointed by the courts, and (ii) (subject to SEBI circular dated April 3, 2008) from the residents of the state of Sikkim, each of the Applicants should provide their PAN. Application Forms in which the PAN is not provided will be rejected. The exemption for the central or state government and officials appointed by the courts and for investors residing in the state of Sikkim is subject to (a) the demographic details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the demographic details evidencing the same;

- Ensure that if the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form;

- Ensure that the DP ID, the Client ID and the PAN mentioned in the Application Form, which shall be entered into the electronic system of the Stock Exchanges, match with the DP ID, Client ID and PAN available in the Depository database;

- Tick the series of NCDs in the Application Form that you wish to apply for;

- Check if you are eligible to Apply under ASBA;

- All Applicants are requested to tick the relevant column "Category of Investor" in the Application Form.

- Retail individual investors using the UPI Mechanism to ensure that they submit bids up to the application value of up to the UPI Application Limit as applicable and prescribed by SEBI from time to time.

- Investor using the UPI Mechanism should ensure that the correct UPI ID (with maximum length of 45 characters including the handle) is mentioned in the Bid cum Application Form.

- Investors bidding using the UPI Mechanism should ensure that they use only their own bank account linked UPI ID to make an application in the issue and submit the application with any of the intermediaries or through the Stock Exchanges App/ Web interface.

- Ensure that you have mentioned the correct details of ASBA Account (i.e., bank account number or UPI ID, as applicable) in the Application Form;

- Ensure that the Demographic Details including PAN are updated, true and correct in all respects;

- In case of Retail Individual Investor submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment.

- Retail Individual Investors submitting Application Form using the UPI Mechanism, should ensure that the: (a) bank where the bank account linked to their UPI ID is maintained; and (b) the Mobile App and UPI handle being used for making the Bid, are listed on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40

- Ensure that if the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form;

  In terms of SEBI Master Circular, SCSBs making applications on their own account using ASBA facility, should have a separate account in their own name with any other SEBI registered SCSB. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account.

SEBI Master Circular stipulates the time between closure of the Issue and listing at 6 (six) Working Days. In order to enable compliance with the above timelines, investors are advised to use ASBA facility only to make payment.

Don'ts

- Do not apply for lower than the minimum application size;
- Do not pay the Application Amount in cash, by cheque, by money order or by postal order or by stock invest;
- Do not send Application Forms by post instead submit the same to the Designated Intermediaries or Designated Branches of the SCSBs, as the case may be;
- Do not submit the Application Form to any non-SCSB bank or our Company.
- Do not submit an Application Form that does not have the stamp of the relevant Designated Intermediary or the Designated Branch of the SCSB, as the case may be.
- Do not fill up the Application Form such that the NCDs applied for exceeds the Issue size and/or investment limit or maximum number of NCDs that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground;
- Do not submit incorrect details of the DP ID, Client ID, UPI ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
- Do not submit the Application Forms without ensuring that funds equivalent to the entire Application Amount are available for blocking in the relevant ASBA Account;
- Do not submit Applications on plain paper or on incomplete or illegible Application Forms;
- Do not apply if you are not competent to contract under the Indian Contract Act, 1872;
- Do not submit an Application in case you are not eligible to acquire NCDs under applicable law or your relevant constitutional documents or otherwise;
- Do not submit Application Forms to a Designated Intermediary at a location other than Collection Centers**;**
- Do not submit an Application that does not comply with the securities law of your respective jurisdiction;
- Do not apply if you are a person ineligible to apply for NCDs under the Issue including Applications by persons resident outside India, NRI (*inter-alia* including NRIs who are (i) based in the USA, and/or, (ii) domiciled in the USA, and/or, (iii) residents/citizens of the USA, and/or, (iv) subject to any taxation laws of the USA);
- Do not make an application of the NCD on multiple copies taken of a single form.
- Payment of Application Amount in any mode other than through blocking of Application Amount in the ASBA Accounts shall not be accepted in the Issue;
- Do not send your physical Application Form by post. Instead submit the same to a Designated Branch or the Lead Managers or Trading Members of the Stock Exchanges, as the case may be, at the Specified Cities.
- Do not submit more than five Application Forms per ASBA Account.
- Do not submit an Application Form using UPI ID, if the Application is for an amount more than UPI Application Limit and if the Application is for an amount more than ₹ 5,00,000;
- Do not submit a bid using UPI ID, if you are not a Retail Individual Investor;
- Do not apply through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB and/or mobile applications which are not mentioned in the list provided in the SEBI;
- Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB and/or mobile applications which are not mentioned in the list provided in the SEBI;
- If you are a Retail Individual Investor who is submitting the ASBA Application with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third party bank account or third-party linked bank account UPI ID.

Kindly note that Applications submitted to the Designated Intermediaries will not be accepted if the SCSB where the ASBA Account, as specified in the Application Form, is maintained has not named at least one branch at that location for the Designated Intermediaries to deposit such Application Forms. (A list of such branches is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes).

Please refer to "- *Rejection of Applications*" on page 265 of this Prospectus for information on rejection of Applications.

Submission of completed Application Forms

For details in relation to the manner of submission of Application Forms, see "*Issue Procedure*" on page 242.

OTHER INSTRUCTIONS

Depository Arrangements

We have made depository arrangements with NSDL and CDSL for issue and holding of the NCDs in dematerialised form. In this context:

(i) Tripartite Agreement dated July 6, 2007 entered into between our Company, Registrar to the Issue and NSDL and Tripartite Agreement dated June 11, 2007 entered into between our Company, Registrar to the Issue and CDSL. Our Company undertakes to execute tripartite agreements with the Depositories and the Registrar to the Issue prior to the Issue Opening Date. An Applicant must have at least one beneficiary account with any of the Depository Participants of NSDL or CDSL prior to making the Application.

(ii) An Applicant must have at least one beneficiary account with any of the Depository Participants of NSDL or CDSL prior to making the Application.

(iii) The Applicant must necessarily provide the DP ID and Client ID details in the Application Form.

(iv) NCDs Allotted to an Applicant in the electronic form will be credited directly to the Applicant's respective beneficiary account(s) with the DP.

(v) Non-transferable Allotment Advice/ refund orders will be directly sent to the Applicant by the Registrar to this Issue.

(vi) It may be noted that NCDs in electronic form can be traded only on Stock Exchanges having electronic connectivity with NSDL or CDSL. The Stock Exchanges have connectivity with NSDL and CDSL.

(vii) Interest or other benefits with respect to the NCDs held in dematerialised form would be paid to those NCD holders whose names appear on the list of beneficial owners given by the Depositories to us as on Record Date. In case of those NCDs for which the beneficial owner is not identified by the Depository as on the Record Date/ book closure date, we would keep in abeyance the payment of interest or other benefits, till such time that the beneficial owner is identified by the Depository and conveyed to us, whereupon the interest or benefits will be paid to the beneficiaries, as identified, within a period of 30 days.

(viii) The trading of the NCDs on the floor of the Stock Exchanges shall be in dematerialized form in multiples of One NCD only.

Allottees will have the option to rematerialise the NCDs Allotted under this Issue as per the provisions of the Companies Act, 2013 and the Depositories Act.

Please note that the NCDs shall cease to trade from the Record Date (for payment of the principal amount and the applicable premium and interest for such NCDs) prior to redemption of the NCDs

PLEASE NOTE THAT TRADING OF NCDs ON THE FLOOR OF THE STOCK EXCHANGES SHALL BE IN DEMATERIALISED FORM ONLY IN MULTIPLE OF ONE NCD.

For further information relating to Applications for Allotment of the NCDs in dematerialised form, see "*Issue Procedure"* on page 242.

Communications

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting all relevant details as regards the Applicant and its Application.

Applicants can contact our Compliance Officer for the Issue and Company Secretary or the Registrar to the Issue in case of any pre Issue related problems and/or post Issue related problems such as non-receipt of Allotment Advice non-credit of NCDs in depository's beneficiary account/ etc. Please note that Applicants who have applied for the NCDs through Designated

Intermediaries should contact the Stock Exchanges in case of any post Issue related problems, such as non-receipt of Allotment Advice / non-credit of NCDs in depository's beneficiary account/ etc.

Grievances relating to Direct Online Applications may be addressed to the Registrar to the Issue, with a copy to the relevant Stock Exchanges.

Interest in case of Delay

Our Company undertakes to pay interest, in connection with any delay in allotment, demat credit and refunds, beyond the time limit as may be prescribed under applicable statutory and/or regulatory requirements, at such rates as stipulated under such applicable statutory and/or regulatory requirements.

Rejection of Applications

As set out below or if all required information is not provided or the Application Form is incomplete in any respect, our Board of Directors and / or any committee reserves it's full, unqualified and absolute right to accept or reject any Application in whole or in part and in either case without assigning any reason thereof.

Application may be rejected on one or more technical grounds, including but not restricted to:

a) Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);

b) Applications accompanied by cash, draft, cheques, money order or any other mode of payment other than amounts blocked in the Applicant's ASBA Account maintained with an SCSB;

c) Applications not being signed by the sole/joint Applicant(s);

d) Applications not made through the ASBA facility;

e) Number of NCDs applied for or Applications for an amount being less than the minimum Application size;

f) Applications submitted without blocking of the entire Application Amount. However, our Company may allot NCDs up to the value of application monies paid, if such application monies exceed the minimum application size as prescribed hereunder;

g) Investor Category in the Application Form not being ticked;

h) Application Amount blocked being higher or lower than the value of NCDs Applied for. However, our Company may allot NCDs up to the number of NCDs Applied for, if the value of such NCDs Applied for exceeds the minimum Application size;

i) ASBA Bank account details to block Application Amount not provided in the Application Form;

j) Applications where a registered address in India is not provided for the Applicant;

k) In case of partnership firms, the Application Forms submitted in the name of individual partners and/or accompanied by the individual's PAN rather than the PAN of the partnership firm;

l) Minor Applicants (applying through the guardian) without mentioning the PAN of the minor Applicant;

m) PAN not mentioned in the Application Form, except for Applications by or on behalf of the central or state government and the officials appointed by the courts and by investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participants. In case of minor Applicants applying through guardian, when PAN of the Applicant is not mentioned;

n) DP ID and Client ID not mentioned in the Application Form;

o) GIR number furnished instead of PAN;

p) Applications by OCBs;

q) Applications for an amount below the minimum application size;

r) Submission of more than five Application per ASBA Account;

s) Applications by persons who are not eligible to acquire NCDs of our Company in terms of applicable laws, rules, regulations, guidelines and approvals;

t) Applications under power of attorney or by limited companies, corporate, trust etc., submitted without relevant documents;

u) Applications accompanied by Stock invest/ cheque/ money order/ postal order/ cash;

v) Signature of sole Applicant missing, or, in case of joint Applicants, the Application Forms not being signed by the first Applicant (as per the order appearing in the records of the Depository);

w) Applications by persons debarred from accessing capital markets, by SEBI or any other regulatory authority.

x) Date of birth for first/sole Applicant for persons applying for allotment not mentioned in the Application Form.

y) Application Forms not being signed by the ASBA Account holder, if the account holder is different from the Applicant

z) Signature of the ASBA Account holder on the Application Form does not match with the signature available on the SCSB bank's records where the ASBA Account mentioned in the Application Form is maintained;

aa) Application Forms submitted to the Designated Intermediaries or to the Designated Branches of the SCSBs does not bear the stamp of the SCSB and/or the Designated Intermediaries, as the case may be;

bb) Applications not having details of the ASBA Account to be blocked;

cc) In case no corresponding record is available with the Depositories that matches three parameters namely, DP ID, Client ID, UPI ID and PAN or if PAN is not available in the Depository database;

dd) With respect to ASBA Applications including UPI applications, inadequate funds in the ASBA Account to enable the SCSB to block the Application Amount specified in the Application Form at the time of blocking such Application Amount in the ASBA Account or no confirmation is received from the SCSB for blocking of funds;

ee) SCSB making an Application (a) through an ASBA account maintained with its own self or (b) through an ASBA Account maintained through a different SCSB not in its own name or (c) through an ASBA Account maintained through a different SCSB in its own name, where clear demarcated funds are not present or (d) through an ASBA Account maintained through a different SCSB in its own name which ASBA Account is not utilised solely for the purpose of applying in public issues;

ff) Applications for amounts greater than the maximum permissible amount prescribed by the regulations and applicable law;

gg) Authorization to the SCSB for blocking funds in the ASBA Account not provided or acceptance of UPI Mandate Request raised has not been provided;

hh) Applications by persons prohibited from buying, selling or dealing in shares, directly or indirectly, by SEBI or any other regulatory authority;

ii) Applications by any person outside India;

jj) Applications by other persons who are not eligible to apply for NCDs under the Issue under applicable Indian or foreign statutory/regulatory requirements;

kk) Applications not uploaded on the online platform of the Stock Exchanges;

ll) Submission of more than five ASBA Forms per ASBA Account;

mm) If an authorization to the SCSB or Sponsor Bank for blocking funds in the ASBA Account or acceptance of UPI Mandate Request raised has not been provided;

nn) The UPI Mandate Request is not approved by the Retail Individual Investor within prescribed timelines;

oo) Application Amounts paid not tallying with the number of NCDs applied for;

pp) In case of ASBA Applicants, payment of Application Amount in any mode other than through blocking of Application Amount in the ASBA Accounts shall not be accepted under the ASBA process;

qq) Applications uploaded after the expiry of the allocated time on the Issue Closing Date, unless extended by the Stock Exchanges, as applicable;

rr) Application Forms not delivered by the Applicant within the time prescribed as per the Application Form and this Prospectus and as per the instructions in the Application Form, the Draft Prospectus and this Prospectus;

ss) Applications by Applicants whose demat accounts have been 'suspended for credit' pursuant to the circular issued by SEBI on July 29, 2010 bearing number CIR/MRD/DP/22/2010;

tt) Where PAN details in the Application Form and as entered into the electronic system of the Stock Exchanges, are not as per the records of the Depositories;

uu) Applications providing an inoperative demat account number;

vv) Applications submitted to the Designated Intermediaries, at locations other than the Specified Cities or at a Designated Branch of a SCSB where the ASBA Account is not maintained, and Applications submitted directly to the Public Issue Account Bank (assuming that such bank is not a SCSB), to our Company or the Registrar to the Issue;

ww) Category not ticked;

xx) Forms not uploaded on the electronic software of the Stock Exchanges;

yy) In case of cancellation of one or more orders (series) within an Application, leading to total order quantity falling under the minimum quantity required for a single Application;

zz) Application Forms not delivered by the Applicant within the time prescribed as per the Application Form and this Prospectus and as per the instructions in the Application Form;

aaa) UPI Mandate Request is not approved by Retail Individual Investors.

Kindly note that Applications submitted to the Lead Managers, or Trading Members of the Stock Exchanges, Members of the Syndicate, Designated Intermediaries at the Specified Cities will not be accepted if the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has not named at least one branch at that Specified City for the Lead Managers, or Trading Members of the Stock Exchanges, Members of the Syndicate, Designated Intermediaries, as the case may be, to deposit Applications. a list of such branches is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34.

For information on certain procedures to be carried out by the Registrar to the Offer for finalization of the basis of allotment, see below "*Issue Procedure - Information for Applicants*".

Mode of making refunds

The Registrar to the Issue shall instruct the relevant SCSB or in case of Bids by Retail Individual Investors applying through the UPI Mechanism to the Sponsor Bank, to revoke the mandate and to unblock the funds in the relevant ASBA Account to the extent of the Application Amount specified in the Application Forms for withdrawn, rejected or unsuccessful or partially successful Applications within six Working Days of the Issue Closing Date.

Our Company and the Registrar to the Issue shall credit the allotted NCDs to the respective beneficiary accounts/ dispatch the Letters of Allotment or letters of regret by registered post/speed post at the Applicant's sole risk, within six Working Days from the Issue Closing Date. We may enter into an arrangement with one or more banks in one or more cities for refund to the account of the applicants through Direct Credit/RTGS/NEFT/NACH.

Further,

(a) Allotment of NCDs in this Issue shall be made within the time period stipulated by SEBI;

(b) Credit to dematerialised accounts will be given within one Working Day from the Date of Allotment;

(c) Interest at a rate of 15% per annum will be paid if the Allotment has not been made and/or the refund effected within five Working days from the Issue Closing Date, for the delay beyond five Working days; and

(d) Our Company will provide adequate funds to the Registrar to the Issue for this purpose.

Retention of oversubscription

Our Company shall have an option to retain over-subscription up to the Issue limit.

Basis of Allotment for NCDs

For the purposes of the basis of Allotment:

A. *Applications received from Category I Applicants:* Applications received from Applicants belonging to Category I shall be grouped together, ("**Institutional Portion**");

B. *Applications received from Category II Applicants:* Applications received from Applicants belonging to Category II, shall be grouped together, ("**Non-Institutional Portion**");

C. *Applications received from Category III Applicants:* Applications received from Applicants belonging to Category III shall be grouped together, ("**High Net-worth Individual Category Portion**"); and

D. *Applications received from Category IV Applicants:* Applications received from Applicants belonging to Category IV shall be grouped together, ("**Retail Individual Category Portion**").

For removal of doubt, the terms "Institutional Portion", "Non-Institutional Portion", "High Net-worth Individual Category Portion" and "Retail Individual Category Portion" are individually referred to as "**Portion**" and collectively referred to as "**Portions**".

Allocation Ratio

Particulars	Institutional Portion	Non-Institutional Portion	High Net Worth Individual Investors Portion	Retail Individual Investors Portion
% of Issue Size	10%	10%	40%	40%
Base Issue Size (in ₹ *crore*)	50	50	200	200
Total Issue Size *(in ₹ crore)*	100	100	400	400

(a) *Allotments in the first instance:*

i. Applicants belonging to the Institutional Portion, in the first instance, will be allocated NCDs up to 10% of this Issue Limit on first come first serve basis which would be determined on the date of upload of their Applications in to the electronic platform of the Stock Exchange;

ii. Applicants belonging to the Non-Institutional Portion, in the first instance, will be allocated NCDs up to 10% of this Issue Limit on first come first serve basis which would be determined on the date of upload of their Applications in to the electronic platform of the Stock Exchange;

iii. Applicants belonging to the High Net Worth Individual Investors Portion, in the first instance, will be allocated NCDs up to 40% of this Issue Limit on first come first serve basis which would be determined on the date of upload of their Applications in to the electronic platform of the Stock Exchange; and

iv. Applicants belonging to the Retail Individual Investors Portion, in the first instance, will be allocated NCDs up to 40% of this Issue Limit on first come first serve basis which would be determined on the date of upload of their Applications in to the electronic platform of the Stock Exchange.

Allotments, in consultation with the Designated Stock Exchange, shall be made on date priority basis i.e. a first-come first-serve basis, based on the date of upload of each Application in to the Electronic Book with the Stock Exchange, in each Portion subject to the Allocation Ratio indicated at the section titled "*Issue Procedure – Basis of Allotment*" at this page 267 of this Prospectus.

As per the SEBI NCS Master Circular, the allotment in this Issue is required to be made on the basis of date of upload of each application into the electronic book of the Stock Exchange. However, on the date of oversubscription and thereafter, the allotments should be made to the applicants on proportionate basis.

(b) *Under Subscription:* If there is any under subscription in any Category, priority in Allotments will be given to the Retail Individual Investors Portion, High Net Worth Individual Investors Portion, and balance, if any, shall be first made to applicants of the Non-Institutional Portion, followed by the Institutional Portion on a first come first serve basis, on proportionate basis. If there is under subscription in the overall this Issue Limit due to undersubscription in each Portion, all valid Applications received till the end of last day of the Issue Closure day shall be grouped together in each Portion and full and firm Allotments will be made to all valid Applications in each Portion.

(c) For each Category, all Applications uploaded on the same day onto the electronic platform of the Stock Exchange would be treated at par with each other. Allotment would be on proportionate basis, where NCDs uploaded into the platform of the Stock Exchanges on a particular date exceeds NCDs to be Allotted for each portion respectively.

(d) Minimum Allotments of 1 (one) NCD and in multiples of 1 (one) NCD thereafter would be made in case of each valid Application to all Applicants.

(e) *Allotments in case of oversubscription:* In case of an oversubscription, allotments to the maximum extent, as possible, will be made on a first-come first-serve basis and thereafter on proportionate basis, i.e. full allotment of the NCDs to the Applicants on a first come first basis up to the date falling 1 (one) day prior to the date of oversubscription and proportionate allotment of NCDs to the Applicants on the date of oversubscription and thereafter (based on the date of upload of each Application on the electronic platform of the Stock Exchange, in each Portion).

For the purpose of clarity, in case of oversubscription please see the below indicative scenarios:

In case of an oversubscription in all Portions resulting in an oversubscription in the Issue Limit, Allotments to the maximum permissible limit, as possible, will be made on a first-come first serve basis and thereafter on proportionate basis, i.e. full allotment of the NCDs to the Applicants on a first come first basis up to the date falling 1 (one) day prior to the date of oversubscription to respective Portion and proportionate allotment of NCDs to the Applicants on the date of oversubscription and thereafter in respective Portion (based on the date of upload of each Application on the electronic platform of the Stock Exchanges in each Portion).

In case there is oversubscription in this Issue Limit, however there is under subscription in one or more Portion(s) Allotments will be made in the following order:

i. All valid Applications in the undersubscribed Portion(s) uploaded on the electronic platform of the Stock Exchanges till the end of the last day of the Issue Period, shall receive full and firm allotment

ii. In case of Portion(s) that are oversubscribed, allotment shall be made to valid Applications received on a first come first serve basis, based on the date of upload of each Application in to the electronic platform of the Stock Exchanges. Priority for allocation of the remaining undersubscribed Portion(s) shall be given to day wise Applications received in the Retail Individual Investors Portion followed by High Net Worth Individual Investors Portion, next Non-Institutional Portion and lastly Institutional Portion each according to the day of upload of Applications to the Electronic Book with Stock Exchange during this Issue period.

(f) *Proportionate Allotments: For each Portion, on the date of oversubscription and thereafter:*

i. Allotments to the Applicants shall be made in proportion to their respective Application size, rounded off to the nearest integer.

ii. If the process of rounding off to the nearest integer results in the actual allocation of NCDs being higher than this Issue Limit, not all Applicants will be allotted the number of NCDs arrived at after such rounding off. Rather, each Applicant whose Allotment size, prior to rounding off, had the highest decimal point would be given preference.

iii. In the event, there are more than one Applicant whose entitlement remain equal after the manner of distribution referred to above, our Company will ensure that the basis of allotment is finalised by draw of lots in a fair and equitable manner.

(g) *Applicant applying for more than one Series of NCDs*: If an Applicant has applied for more than one Series of NCDs and in case such Applicant is entitled to allocation of only a part of the aggregate number of *NCDs* applied for, the Series-wise allocation of NCDs to such Applicants shall be in proportion to the number of NCDs with respect to each Series, applied for by such Applicant, subject to rounding off to the nearest integer, as appropriate in consultation with the Lead Managers and the Designated Stock Exchange. Further, in the aforesaid scenario, wherein the Applicant has applied for all the 8 (eight) Series and in case such Applicant cannot be allotted all the 8 (eight) Series, then the Applicant would be allotted NCDs, at the discretion of the Company, the Registrar and the Lead Managers as may be decided at the time of Basis of Allotment.

(h) *Unblocking of Funds for withdrawn, rejected or unsuccessful or partially successful Applications*: The Registrar shall, pursuant to preparation of Basis of Allotment, instruct the relevant SCSB to unblock the funds *in* the relevant ASBA Account for withdrawn, rejected or unsuccessful or partially successful Applications within 6 (six) Working Days of the Issue Closing Date.

All decisions pertaining to the basis of allotment of NCDs pursuant to this Issue shall be taken by our Company in consultation with the Lead Managers and the Designated Stock Exchange and in compliance with the aforementioned provisions of this Prospectus. Any other queries / issues in connection with the Applications will be appropriately dealt with and decided upon by our Company in consultation with the Lead Managers.

Our Company would allot Series III NCDs to all valid applications, wherein the applicants have not indicated their choice of the relevant series of the NCDs.

Applications where the Application Amount received is greater than the minimum Application Amount, and the Application Amount paid does not tally with the number of NCDs applied for may be considered for Allotment, to the extent of the Application Amount paid rounded down to the nearest ₹ 1,000.

Payment of Refunds:

The Registrar shall instruct the relevant SCSB to unblock the funds in the relevant ASBA Account for withdrawn, rejected or unsuccessful or partially successful ASBA Applications within the applicable regulatory timelines.

Information for Applicants

Unblocking of funds

The Registrar shall instruct the relevant SCSB to unblock the funds in the relevant ASBA Account for withdrawn, rejected or unsuccessful or partially successful ASBA Applications within the applicable regulatory timelines.

In case of ASBA Applications submitted to the SCSBs, in terms of the SEBI circular CIR/CFD/DIL/3/2010 dated April 22, 2010, the Registrar to the Issue will reconcile the compiled data received from the Stock Exchanges and all SCSBs and match the same with the Depository database for correctness of DP ID, Client ID and PAN. The Registrar to the Issue will undertake technical rejections based on the electronic details and the Depository database. In case of any discrepancy between the electronic data and the Depository records, our Company, in consultation with the Designated Stock Exchange, the Lead Managers and the Registrar to the Issue, reserves the right to proceed as per the Depository records for such ASBA Applications or treat such ASBA Applications as rejected. In case of Applicants submitted to the Lead Managers, Consortium Members and Trading Members of the Stock Exchanges at the Specified Cities, the basis of allotment will be based on the Registrar‘s validation of the electronic details with the Depository records, and the complete reconciliation of the final certificates received from the SCSBs with the electronic details in terms of the SEBI circular CIR/CFD/DIL/1/2011 dated April 29, 2011. The Registrar to the Issue will undertake technical rejections based on the electronic details and the Depository database. In case of any discrepancy between the electronic data and the Depository records, our Company, in consultation with the Designated Stock Exchange, the Lead Managers and the Registrar to the Issue, reserves the right to proceed as per the Depository records or treat such ASBA Application as rejected. Based on the information provided by the Depositories, our Company shall have the right to accept Applications belonging to an account for the benefit of a minor (under guardianship). In case of Applications for a higher number of NCDs than specified for that category of Applicant, only the maximum amount permissible for such category of Applicant will be considered for Allotment.

Investor Withdrawals and Pre-closure

Investor Withdrawal: Applicants are allowed to withdraw their Applications at any time prior to the Issue Closing Date.

Withdrawal of Applications after the Issue Period: In case an Applicant wishes to withdraw the Application after the Issue Closing Date or early closure date, the same can be done by submitting a withdrawal request to the Registrar prior to the finalization of the Basis of Allotment but not later than 2 (two) Working days from the Issue Closing Date or early closure date, as applicable.

Pre-closure/ Early Closure: Our Company, in consultation with the Lead Managers reserves the right to close the Issue at any time prior to the Issue Closing Date, subject to receipt of minimum subscription which is 75% of the Base Issue Size being ₹375 crores before the Issue Closing Date. Our Company shall allot NCDs with respect to the Applications received at the time of such pre-closure in accordance with the Basis of Allotment as described hereinabove and subject to applicable statutory and/or regulatory requirements.

Further, the Issue will also be withdrawn by our Company in the event that the aggregate Applications received for the NCDs is lesser than the minimum subscription which is 75% of the Base Issue Size being ₹375 crores before the Issue Closing Date.

In the event of such early closure of this Issue, our Company shall ensure that public notice of such early closure is published on or before such early date of closure or the relevant Issue Closing Date of the Issue, as applicable, through advertisement(s) in all those newspapers in which pre-Issue advertisement and advertisement for opening or closure of this issue have been given.

Under Section 39(3) of the Companies Act, 2013 read with Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription was remitted. To the extent possible, where the required information for making such refunds is available with our Company and/or Registrar, refunds will be made to the account prescribed. However, where our Company and/or Registrar does not have the necessary information for making such refunds, our Company and/or Registrar will follow the guidelines prescribed by SEBI in this regard included in the SEBI Master Circular.

If our Company does not receive the minimum subscription of 75% of Base Issue Size prior to the Issue Closing Date the entire Application Amount shall be unblocked in the relevant ASBA Account(s) of the Applicants within 8 (eight) working days from the Issue Closing Date, provided wherein, the Application Amount has been transferred to the Public Issue Account from the

respective ASBA Accounts, such Application Amount shall be refunded from the Refund Account to the relevant ASBA Accounts(s) of the Applicants within 6 (six) working days from the Issue Closing Date, failing which the Company will become liable to refund the Application Amount along with interest at the rate 15 (fifteen) percent per annum for the delayed period.

Issuance of Allotment Advice

Our Company shall ensure dispatch/and/or mail the Allotment Advice within 5 (five) Working Days of the Issue Closing Date to the Applicants. The Allotment Advice for successful Applicants will be mailed to their addresses as per the Demographic Details received from the Depositories. Instructions for credit of NCDs to the beneficiary account with Depository Participants shall be made within 5 (five) Working Days of the Issue Closing Date.

Our Company shall use best efforts to ensure that all steps for completion of the necessary formalities for commencement of trading at the Stock Exchanges where the NCDs are proposed to be listed are taken within 6 (six) Working Days from the Issue Closing Date.

Allotment Advices shall be issued, or Application Amount shall be unblocked within 15 (fifteen) days from the Issue Closing Date or such lesser time as may be specified by SEBI or else the Application Amount shall be unblocked in the ASBA Accounts of the Applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period.

Our Company will provide adequate funds required for dispatch of Allotment Advice, as applicable, to the Registrar to the Issue.

Revision of Applications

As per the notice no: 20120831-22 dated August 31, 2012 issued by BSE, cancellation of one or more orders (series) within an Application is permitted during the Issue Period as long as the total order quantity does not fall under the minimum quantity required for a single Application. However, please note that in case of cancellation of one or more orders (series) within an Application, leading to total order quantity falling under the minimum quantity required for a single Application will be liable for rejection by the Registrar.

Applicants may revise/ modify their Application details during the Issue Period, as allowed/permitted by the Stock Exchanges, by submitting a written request to the Designated Intermediary, as the case may be. However, for the purpose of Allotment, the date of original upload of the Application will be considered in case of such revision/modification. In case of any revision of Application in connection with any of the fields which are not allowed to be modified on the electronic Application platform of the Stock Exchanges as per the procedures and requirements prescribed by each relevant Stock Exchanges, Applicants should ensure that they first withdraw their original Application and submit a fresh Application. In such a case the date of the new Application will be considered for date priority for Allotment purposes.

Revision of Applications is not permitted after the expiry of the time for acceptance of Application Forms on Issue Closing Date. However, in order that the data so captured is accurate, the Designated Intermediaries will be given up to one Working Day after the Issue Closing Date (till 1:00 PM) to modify/ verify certain selected fields uploaded in the online system during the Issue Period, after which the data will be sent to the Registrar to the Issue for reconciliation with the data available with the NSDL and CDSL.

Early Closure

Our Company, in consultation with the Lead Managers reserves the right to close the Issue at any time prior to the Closing Date of respective Prospectus, subject to receipt of minimum subscription for NCDs aggregating to 75% of the Base Issue Size i.e. ₹375 crores and subject to the Issue being kept open for minimum period of three Working Days. Our Company shall allot NCDs with respect to the Applications received at the time of such early closure in accordance with the Basis of Allotment as described hereinabove and subject to applicable statutory and/or regulatory requirements. In the event of such early closure of the Issue, our Company shall ensure that public notice of such early closure is published on or before such early date of closure is published on or before such early date of closure or the Issue Closing Date, as applicable, through advertisement(s) in all those newspapers in which pre-issue advertisement have been given.

Utilisation of Application Amounts

The sum received in respect of the Issue will be kept in separate bank account(s) and we will have access to such funds only upon allotment of the NCDs, execution of Debenture Trust Deeds and on receipt of listing and trading approval from the Stock Exchanges as per applicable provisions of law(s), regulations and approvals.

Impersonation

Attention of the Applicants is specifically drawn to the provisions of sub-Section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

"Any person who:

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act 2013 for fraud involving an amount of at least ₹1 million or 1.00% of the turnover of our Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. In case the fraud involves (i) an amount which is less than ₹1 million or 1.00% of the turnover of our Company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹5 million or with both.

Undertakings by our Company

We undertake that:

a) All monies received pursuant to the Issue of Secured NCDs to public shall be transferred to a separate bank account as referred to in sub-section (3) of section 40 of the Companies Act, 2013 and the SEBI NCS Regulations and our Company will comply with the conditions as stated therein, and these monies will be transferred to Company's bank account after receipt of listing and trading approvals.

b) Details of all monies utilised out of Issue referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the purpose for which such monies had been utilised.

c) Details of all unutilised monies out of issue of Secured NCDs, if any, referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the form in which such unutilised monies have been invested.

d) The details of all utilized and unutilised monies out of the monies collected in the previous issue made by way of public offer shall be disclosed and continued to be disclosed in the balance sheet till the time any part of the proceeds of such previous issue remains unutilized indicating the purpose for which such monies have been utilized, and the securities or other forms of financial assets in which such unutilized monies have been invested.

e) We shall utilize the Issue proceeds only upon allotment of the Secured NCDs, execution of the Debenture Trust Deed as stated in this Prospectus and (a) on receipt of the minimum subscription of 75% of the Base Issue Size; and (b) receipt of listing and trading approval from the Stock Exchanges.

f) The Issue proceeds shall not be utilized towards full or part consideration for the purchase or any other acquisition, *inter alia* by way of a lease, of any immovable property dealing of equity of listed companies or lending/investment in group companies.

g) The allotment letter shall be issued, or Application Amount shall be unblocked within 15 days from the closure of the Issue or such lesser time as may be specified by SEBI, or else the Application Amount shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period.

h) If Allotment is not made, application monies will be refunded/unblocked in the ASBA Accounts within 6 Working Days from the Issue Closing Date or such lesser time as specified by SEBI, failing which interest will be due to be paid to the Applicants in accordance with applicable laws.

i) The Issue proceeds shall be utilized in compliance with various guidelines, regulations and clarifications issued by RBI, SEBI or any other regulatory or statutory authority from time to time. Further the Issue proceeds shall be utilized only for the purpose and objects stated in the Offer Documents.

j) The Experts named in this Prospectus are not, and has not been, engaged or interested in the formation or promotion or management, of the Company.

Other Undertakings by our Company

Our Company undertakes that:

a) The assets on which charge is created, are free from any encumbrances and in cases where the assets are already charged to secure a debt, the permission or consent to create a second or pari-passu charge on the assets of the issuer has been obtained from the earlier creditor/ debenture trustees;

b) Complaints received in respect of the Issue (except for complaints in relation to Applications submitted to Designated Intermediaries) will be attended to by our Company expeditiously and satisfactorily;

c) Necessary cooperation to the relevant credit rating agency(ies) will be extended in providing true and adequate information until the obligations in respect of the Secured NCDs are outstanding;

d) Our Company will take necessary steps for the purpose of getting the Secured NCDs listed within the specified time, i.e., within 6 Working Days from the Issue Closing Date;

e) Funds required for dispatch of Allotment Advice will be made available by our Company to the Registrar to the Issue;

f) Our Company will forward details of utilisation of the proceeds of the Issue, duly certified by the Statutory Auditor, to the Debenture Trustee;

g) We shall make necessary disclosures/ reporting under any other legal or regulatory requirement as may be required by our Company from time to time;

h) Our Company will provide a compliance certificate to the Debenture Trustee on an annual basis in respect of compliance with the terms and conditions of the Issue as contained in this Prospectus;

i) We shall make necessary disclosures/reporting under any other legal or regulatory requirement as may be required by our Company from time to time.

j) Our Company will disclose the complete name and address of the Debenture Trustee in its annual report and website;

k) We have created a recovery expense fund in the manner as specified by SEBI from time to time; and

l) Inform the Debenture Trustee about the same.

SECTION VII: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND DEFAULTS

Except as stated in this section there are no outstanding: (i) criminal proceedings; (ii) actions by statutory / regulatory authorities; (iii) claims for any indirect and direct tax liability; and (iv) other litigations which are identified as material in terms of the Materiality Policy (as defined hereinafter below), each involving the Company, its Directors, its Promoters, its Subsidiaries and its Group Companies.

*In relation to (iv) above, the Finance Committee of our Company in its meeting held on March 26, 2024 has considered and adopted a policy of materiality for identification of material civil litigation ("**Materiality Policy**"). For the purpose of disclosures in this Prospectus, our Company has considered the following litigation 'material' litigation:*

a. all pending proceedings whether civil, arbitral, tax related litigations, or otherwise, of value exceeding more than 1.00% of profit after tax on a consolidated basis as on March 31, 2023, i.e. more than ₹9.30 crore;

b. any other outstanding legal proceeding which is likely to have a material adverse effect on the financial position, profitability and cash flows of our Company which may affect the issue or the investor's decision to invest/continue to invest in the debt securities.

Save as disclosed below, there are no:

a. litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory or regulatory authority against the Promoters of the Company during the last three years immediately preceding the year of the issue of the Draft Prospectus and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action;

b. any default or non-payment of statutory dues by the Company for the preceding three financial years and current financial year

c. litigation involving the Company, Promoters, Directors, Subsidiaries, Group Companies or any other person, whose outcome could have material adverse effect on the financial position of the Company, which may affect the issue or the investor's decision to invest/continue to invest in the debt securities;

d. acts of material frauds committed against our Company in the last three financial years and current financial year and the action taken by the Company;

e. default and non-payment of statutory dues by the Company for the preceding three financial years and current financial year;

f. pending proceedings initiated against the Company for economic offences and default;

g. inquiry, inspections or investigations initiated or conducted under the securities laws or Companies Act or any previous companies law in the last three years immediately preceding the year of issue of offer document in the case of company and subsidiaries; and if there were any prosecutions filed (whether pending or not); and

h. fines imposed or compounding of offences done in the last three years immediately preceding the year of the draft prospectus for the Company.

Litigation involving our Company

Litigation against our Company

Actions taken by Regulatory and Statutory Authorities

1. Our Whole-time Director, Ajay Menon and our subsidiary, MO Commodities Broker are parties in the chargesheet dated December 2, 2022 ("**Chargesheet**") filed by the Economic Offences Wing, Mumbai ("**EoW**") in their ongoing investigation into the irregularities at the National Spot Exchange Limited, pursuant to FIR dated September 30, 2013 filed by Pankaj Saraf at the MRA Marg Police Station, Mumbai which was transferred to Unit-5, EoW, Maharashtra. In connection to this, SEBI has issued a notice dated June 19, 2023 ("**Notice**") to the Company seeking clarification on the Company's compliance with under Clause 6 of Schedule II of the SEBI (Intermediaries) Regulations, 2008 ("**Regulations**") in relation to the 'fit and proper criteria' to be met by the registered intermediary and its principal officers, directors, compliance officer, KMPs, promoters, etc. in light of the Chargesheet filed against Ajay Menon which would entail his disqualification as per the Regulations. As per Regulation 5(e) of the SEBI Stock Broker Regulations read with the Regulations, a company registered under the Regulations is required to replace the person not meeting the fit and proper criteria within 30 days of such disqualification and ensure that such person does not exercise any voting rights and that such person divests their holding within six months from disqualification. Our

Company has responded to the Notice on July 5, 2023 requesting SEBI to keep the Notice in abeyance as the Company has filed a writ petition dated June 26, 2023 before the High Court of Bombay ("**Court**") challenging the constitutional validity of Clause 3 of Schedule II of the Regulations and any consequential actions taken by SEBI pursuant to the Regulations. An affidavit in reply on behalf of SEBI dated July 31, 2023 has been filed with the Court. The matter is currently pending.

2. Our Company has received a show cause notice dated February 24, 2023 ("**SCN**") issued by SEBI under Sections 11(1), 11(4), 11(4A), 11B(1) and 11B(2) of the SEBI Act read with SEBI (Procedure for Holding inquiry and Imposing penalties) Rules, 1995 in the matter relating to the correlation between the recommendations made by Hemant Ghai ("**Noticee no. 1**") in the show 'Stock 20-20' co-hosted by him on the channel CNBC Awaaz and trades carried out by his wife and mother, Jaya Hemant Ghai ("**Noticee no. 2**") and Shyam Mohini Ghai ("**Noticee no. 3**"), respectively. The SCN provides that our Company is vicariously liable for the role and all acts of omission and commission of our authorized person, MAS Consultancy Services ("**Noticee no. 4**"), with respect to the trading accounts of Noticee no. 2 and 3 and thereby liable for, *inter alia*, (i) deficiencies in KYC process, (ii) inadequate supervision over its authorized persons functioning and (iii) aiding, abetment and concealment of the alleged fraud by Noticee no. 1 and his family members. A reply to SCN, denying all allegations set out in the SCN was submitted by our Company on February 19, 2024. This matter is currently pending.

Criminal proceedings

1. A criminal complaint was filed by Narhari H Sangelkar ("**Complainant**") against our Company (*in the name of Motilal Oswal Securities Limited which was subsequently merged into our Company pursuant to a scheme of arrangement passed by the NCLT, Mumbai Bench on July 30, 2018*), Ajay Menon and five others (collectively, "**Accused**") before the Court of the Additional Chief Metropolitan Magistrate, Esplanade, Mumbai (the "**Court**") under Sections 138, 139, 140 and 141 of the Negotiable Instruments Act, 1881 read with Section 34 and 409 of the IPC on the grounds that the Accused have colluded to defraud the Complainant and committed breach of trust by siphoning shares from the Complainant's demat account and engaged in unauthorized trade. An order dated March 13, 2019 ("**Order**") was passed by the Court issuing process for an offence punishable under section 409 read with 34 of the IPC, pursuant to which our Company filed a criminal revision application dated April 30, 2019 before the Court of City Civil and Sessions Court for Greater Bombay, Mumbai ("**Civil and Sessions Court**"). The Civil and Sessions Court vide order dated August 9, 2019 ("**Order 2**") rejected the criminal revision petition filed by our Company and upheld the Order. Thereafter, our Company has filed a writ petition dated September 6, 2019 before the High Court of Bombay seeking to set aside and quash Order 2. This matter is currently pending.

2. A criminal complaint dated December 13, 2011 has been filed against our Company (*in the name of Motilal Oswal Securities Limited which was subsequently merged into our Company pursuant to a scheme of arrangement passed by the NCLT, Mumbai Bench on July 30, 2018*), Motilal Oswal and others (collectively, "**Accused**") by Yogesh Desai (the "**Complainant**") before the Judicial First-Class Magistrate, Anand Court, on the grounds that there were unauthorized trades made in the Complainant's trading account. Subsequently, an FIR dated December 26, 2011 was registered at the Anand Town police station against the Accused under Sections 120B, 409, 415, 418, 465, 467, 468, 474, 477(A) of the IPC and Section 65 of the IT Act. Thereafter, our Company and certain of the Accused filed a special criminal application dated January, 2012 before the High Court of Gujarat, seeking to quash and set aside the complaint/ FIR. This matter is currently pending.

3. A criminal complaint dated December 2, 2006 was filed before the Additional Chief Metropolitan Magistrate, Ahmedabad ("**Trial Court**") by Vimlaben Motilal Jain ("**Complainant**") against our Company (*in the name of Motilal Oswal Securities Limited which was subsequently merged into our Company pursuant to a scheme of arrangement passed by the NCLT, Mumbai Bench on July 30, 2018*), Motilal Oswal, Raamdeo Agarawal, Ajay Menon, Navin Agarwal (collectively "**Accused**"), and others on the grounds of unauthorised transactions made in the Complainant's account and alleged forgery. The Trial Court passed an order dated August 4, 2009 under Section 204 of the CrPC (the "**Order 1**"), to register an FIR and issue summons. Subsequently, the Accused filed a miscellaneous criminal application ("**Application**") before the High Court of Gujarat (the "**High Court**"), pursuant to which the High Court vide its order dated March 12, 2012, quashed and set aside Order 1 and directed the Trial Court to hold inquiry under Section 202 of the CrPC in accordance with law. Thereafter, the Trial Court pursuant to its order dated March 21, 2013 ("**Order 2**") has issued process. Further, the Trial Court vide its order dated May 23, 2013 ("**Order 3**") issued a non-bailable warrant against Motilal Oswal, Raamdeo Agarawal, Ajay Menon, and Navin Agarwal, pursuant to which they filed a special criminal application dated June 5, 2013 before the High Court under Articles 226 and 227 of the Constitution of India read with section 482 of code of criminal procedure seeking quashing and setting aside the Order 3. Further, the Accused has also filed special criminal application dated April 28, 2014 before the High Court, seeking to have, *inter alia*, the complaint and Order 2 quashed and set aside. The matter is currently pending.

Material civil proceedings

1. Dhanera Diamonds ("**Respondent**") was a client of our Company and had entered into crude oil contracts ("**Contracts**") that were traded on the MCX and the Contracts expired on April 20, 2020. On April 20, 2020, the Multi Commodity Exchange Clearing Corporation Limited ("**MCXCCL**") issued a circular fixing the provisional due date

rate of the Contracts at ₹1 per barrel ("**Circular No. 1**"). Subsequently, on April 21, 2020, MCXCCL issued another circular fixing the provisional due date rate of the Contracts at ₹(-) 2,884 per barrel ("**Circular No. 2**"). Pursuant to this, our Company filed a writ petition dated April 22, 2020 ("**Writ Petition**") before the High Court of Bombay (the "**Court**"), challenging the validity of the Circular No. 2 on the grounds that it is illegal and invalid and the same should be struck down. On April 24, 2020, our Company raised a demand on the Respondent aggregating to ₹81.29 crores for the payment of outstanding debit balance in the trading account of the Respondent post settlement of the Contracts. Thereafter, the Respondent filed a commercial suit dated May 6, 2020 before the Court against our Company seeking, inter alia, refund of ₹56.11 crores which was deposited by the Respondent with our Company as margin security and other deposits. Separately, our Company has filed a commercial arbitration petition dated May 6, 2020 under Section 9 of the Arbitration Act before the Court seeking interim relief against the Respondent and further, filed an arbitration application claiming ₹80.74 crores along with interest at the rate of 12% per annum ("**Claim**"), on May 13, 2020 from the Respondent, before the arbitral tribunal to be constituted under the bye-laws of MCX ("**Arbitral Tribunal**"). The Respondent filed an interim application dated June 18, 2020 before the Court seeking intervention in the Writ Petition, which was allowed by the Court vide order dated June 23, 2020. The Court, pursuant to its order dated July 3, 2020, passed a temporary injunction restraining the Respondent from alienating or disposing its assets. The Arbitral Tribunal passed an arbitral award dated June 12, 2021 ("**Award No. 1**") allowing the Claim. Pursuant to this, our Company filed a post-award commercial arbitration petition dated June 21, 2021 under section 9 of the Arbitration Act. The Respondent thereafter filed an appeal dated June 26, 2021 before the Appellate Arbitral Tribunal challenging Award No. 1. The Appellate Tribunal pursuant to its award dated October 25, 2021 ("**Award No. 2**") dismissed the appeal filed by the Respondents. Following this, the Respondent has filed an application dated November 8, 2021 before the Court under Section 34 of the Arbitration and Conciliation Act, 1996 challenging Award No. 1 and Award No. 2 on the grounds of, inter alia, violation of natural justice and the dispute was not arbitrable. This matter is currently pending.

Economic Offences

Our Whole-time Director, Ajay Menon and our subsidiary, MO Commodities Broker are parties in the chargesheet dated December 2, 2022 filed by the Economic Offences Wing, Mumbai ("**EoW**") in their ongoing investigation into the irregularities at the National Spot Exchange Limited, pursuant to FIR dated September 30, 2013 filed by Pankaj Saraf at the MRA Marg Police Station, Mumbai which was transferred to Unit-5, EoW, Maharashtra. For further details, see " – *Litigation against our Company – Actions taken by Regulatory and Statutory Authorities*" on page 274.

Litigation by our Company

Criminal proceedings

1. Our Company has, in the ordinary course of its business, filed 11 complaints/ FIRs against customers/debtors under Sections 138 and 142 of the Negotiable Instruments Act, 1881 in relation to dishonour of cheques and recovery of dues. These matters are currently pending at different stages of adjudication before various forums across the country. The aggregate amount involved in these matters is approximately ₹1.44 crore.

2. Sudhir Dhar, an ex-employee of our Company, filed a complaint dated June 3, 2022, on behalf of our Company, before the Commissioner of Police, Mumbai against a former employee of the Company ("**Accused**") on the grounds that, *inter alia*, the Accused has created nuisance in the office of our Company and attempted to harass and threaten the employees and senior management. Thereafter, Rohan Hadwale, on behalf of our Company, has filed a criminal complaint dated July 3, 2023 under Section 156(3) of CrPC before the Metropolitan Magistrates 5th Court at Dadar, Mumbai ("**Court**"), seeking the Court to register the complaint against the Accused and Vishal Narsian under Sections 420, 465, 467, 471, 504, 506 II, 120-B read with 34 of the IPC. This matter is currently pending.

3. Our Company has filed a criminal complaint dated May 21, 2021, before the Additional Metropolitan Magistrate at Bhoiwada, Mumbai ("**Court**") against Dinesh Kumar Jain ("**Accused**"), seeking the Court to issue process against Accused under Sections 499 and 500 of the IPC on the grounds that the Accused has committed acts of criminal defamation, by using the modes of electronic media and levelling false and baseless accusations to defame the reputation of our Company. This matter is currently pending.

4. Our Company has filed a criminal complaint in February, 2021, before the Additional Metropolitan Magistrate at Bhoiwada, Mumbai ("**Court**") against Reeta Oberoi ("**Accused**"), seeking the Court to issue process against Accused under Section 499 and 500 of the IPC on the grounds that the Accused has committed acts of criminal defamation, by levelling false and baseless accusations tried to defame the reputation of our Company through issuing various letters and circulating them to certain dignitaries and public at large. This matter is currently pending.

5. Our Company has filed a criminal complaint dated November 23, 2021, before the Additional Metropolitan Magistrate at Bhoiwada, Dadar ("**Cour**t") against Vinod Pabari and Ketna Pabari (collectively, "**Accused**"), seeking the Court to issue process against Accused under Section 403 and 406 read with 34 of the IPC on the grounds that our Company has erroneously entrusted the Accused with a sum of ₹0.30 crores and that the Accused has wilfully failed and neglected to refund the same to our Company. This matter is currently pending.

Material civil proceedings

Nil

Litigation involving our Directors

Litigation against our Directors

Actions Taken by Regulatory and Statutory Authorities

Divya Momaya

1. A show cause notice dated February 20, 2014 was issued by the RoC to a company ("**Noticee Company**") and its directors, including Divya Momaya, who was a non-executive director on the board of the Noticee Company and who is currently one of the Non-Executive Independent Directors in our Company, in respect of not filing the balance sheet and profit and loss account with the RoC as required under Section 220 of the Companies Act, 1956. Thereafter, a *suo-moto* application under Section 441 of the Companies Act, 2013 read with Section 162 and Section 220 of the Companies Act, 1956 was submitted on October 20, 2022 by Divya Momaya, for compounding of offence in respect of not filing the balance sheet and profit and loss account of the Noticee Company with the RoC for the financial years ended March 31, 2007 to March 31, 2012. The matter is currently pending.

Ajay Menon

For details in respect of the chargesheet filed against Ajay Menon by the EOW, see *"- Litigation against our Company – Actions taken by Regulatory and Statutory Authorities"* on page 274.

Criminal proceedings

Ajay Menon

1. Abdul Razique filed a complaint dated December 11, 2017 against Ajay Menon and one other person (collectively, "**Accused**"), under sections 468, 468, 420, 120B, 471 & 506 of IPC before the Additional Chief Judicial Magistrate, Patna City (**Court**), alleging unauthorized trading in his demat account opened with our Company. Thereafter, the Court vide its order dated April 9, 2018 ("**Order**") determined that there is sufficient ground for proceeding against the Accused. Pursuant to this Order, Ajay Menon has filed a criminal miscellaneous application before the High Court Patna, seeking to quash the Order. This matter is currently pending.

For details in relation to the other criminal cases involving Ajay Menon, see "- *Litigation against our Company – Criminal Proceedings*" on page 275.

Navin Agarwal

For details in relation to the criminal cases involving Navin Agarwal, see "- *Litigation against our Company – Criminal Proceedings*" on page 275.

Motilal Oswal

1. Pursuant to an application under 156(3) of CrPC dated July 24, 2018 filed by Shail Rai (Complainant) before the Chief Judicial Magistrate, Ballia ("**Trial Court**"), an FIR dated July 30, 2018 was registered against Motilal Oswal ("**Accused**") and others in the Kotwali Police Station, under Sections 406, 419, 420, 467, 468, 471, 504, and 506 of the IPC, alleging that the Accused, in his personal capacity, has conspired to commit cheating against the Complaint's funds. The Accused filed a discharge application dated July 26, 2021 under Section 239 of the CrPC before the Trial Court. The Trial Court pursuant to its order dated April 27, 2022 ("**Order**") rejected the discharge application. Thereafter, Motilal Oswal has filed a criminal miscellaneous application dated May 19, 2022 under Section 482 of the CrPC before the High Court of Allahabad, seeking to set aside the Order and quash proceedings. This matter is currently pending.

For details in relation to the other criminal cases involving Motilal Oswal, see "- *Litigation against our Company – Criminal Proceedings*" on page 275.

Material civil proceedings

Nil

Litigation by our Directors

Criminal proceedings

Nil

Material civil proceedings

Nil

Litigation involving our Promoters

Litigation against our Promoters

Material Civil Proceedings

Nil

Actions taken by Regulatory and Statutory Authorities

Nil

Criminal proceedings

Motilal Oswal

For details in relation to the criminal cases involving Motilal Oswal, see "- *Litigation against our Company – Criminal Proceedings*" and "- *Litigation against our Directors – Criminal* Proceedings" on pages 275 and 277, respectively.

Raamdeo Agarawal

For details in relation to the criminal cases involving Raamdeo Agarawal, see "- *Litigation against our Company – Criminal Proceedings*" on page 275.

Litigation by our Promoters

Nil

Litigation involving our Subsidiaries

Litigation against our Subsidiaries

Actions taken by Regulatory and Statutory Authorities

MOAMC

1. An investor had invested in the Motilal Oswal Ultra Short Term Fund – Direct Growth Scheme ("**Scheme**") which was floated and managed by MOAMC. The Scheme was suspended for new investors due to impending defaults by IL & FS Group with an intent to protect existing unit holders/ investors of the Scheme. Thereafter, the Scheme was reopened for new investors. Pursuant to this, a complaint on the SCORES' portal of SEBI dated April 17, 2023 ("**Complaint**") was submitted by the investor regarding the alleged loss and prejudice caused to him as an existing unit holder as on date of suspension of the Scheme, due to the reopening the Scheme for fresh subscription by MOAMC. Subsequently, the Regional/ Divisional office of SEBI disposed the Complaint filed by the investor vide order dated July 31, 2023. Thereafter, the investor has filed an appeal dated September 9, 2023, before the Securities Appellate Tribunal, Mumbai ("**SAT**"). The matter is currently adjourned for hearing.

2. SEBI vide its e-mail dated March 3, 2023 has sought certain data and responses from MOAMC regarding scheme expenses charged to the AMC books, based on the data provided by Association of Mutual Funds in India. The Trustee Support Officer has provided its detailed response with annexures to the clarifications sought on March 20, 2023. Pursuant to further clarifications sought by SEBI, MOAMC has provided additional data and inputs vide e-mails dated May 18, 2023, June 16, 2023 and June 19, 2023. Thereafter, MOAMC submitted a voluntary application for settlement on the SEBI Intermediary Portal on August 14, 2023. This matter is pending.

MO Commodities Broker

1. SEBI, pursuant to its order dated February 22, 2019 ("**Order 1**"), under Regulation 28 of SEBI (Intermediaries) Regulations, 2008 read with Regulation 7(1) of the SEBI (Stock Brokers and Sub-brokers) Regulations, 1992, declared that MO Commodities Broker is not fit and proper person to hold, directly or indirectly, the certificate of registration as commodity derivatives broker ("**Registration**") on the grounds of, inter alia, erosion of reputation and belief in competence, fairness, honesty, integrity and character of MO Commodities Broker. Thereafter, MO Commodities Broker filed an appeal dated April 5, 2019 before the Securities Appellate Tribunal at Mumbai ("**SAT**") challenging the Order 1. SAT vide its order dated June 9, 2022 quashed Order 1. Pursuant to this, SEBI has passed an order dated

November 29, 2022 ("**Order 2**"), inter alia, rejecting the application filed by MO Commodities Broker seeking registration and debarred it from making a fresh application for a period of three months from the date of the Order 2. The National Spot Exchange Limited thereafter, filed an appeal dated December 15, 2022 before the SAT, against SEBI and MO Commodities Broker seeking, inter alia, prohibition of MO Commodities Broker from undertaking business as a commodities broker, directly or indirectly for a minimum period of five years. MO Commodities Broker has filed an appeal dated January 27, 2023 before the SAT challenging the Order 2. This matter is currently pending.

2. The Deputy Director, Mumbai Zonal Office- I, Directorate of Enforcement, Department of Revenue, Ministry of Finance passed a provisional attachment order dated August 7, 2023 in connection with the chargesheet dated December 2, 2022 filed by the Economic Offences Wing ("**EOW**"), Mumbai Police against MO Commodities Broker and our Whole-time Director, Ajay Menon pursuant to the investigation into the alleged irregularities of the broking companies including MO Commodities Broker. Thereafter, a show cause notice dated September 9, 2023 ("**SCN**") under Section 8 of the Prevention of Money Laundering Act, 2002 ("**PMLA**") was issued to MO Commodities Broker by the Adjudicating Authority under the PMLA ("**Authority**") in relation to the original complaint dated September 4, 2023 ("**Original Complaint**") against MO Commodities Broker and others. MO Commodities Broker has filed its reply to the SCN on October 31, 2023 to the Authority seeking, inter alia, for dismissal of the Original Complaint and quashing and setting aside of the provisional attachment order. The Authority vide its order dated January 30, 2024 in relation to the Original Complaint, confirmed the provisional attachment order and allowed the Original Complaint. This matter is currently pending.

Criminal proceedings

Nil

Material civil proceedings

Nil

Litigation by our Subsidiaries

Criminal proceedings

MOHFL

1. MOHFL has, in the ordinary course of its business, filed 5,477 complaints/ FIRs against customers/debtors under Sections 138 and 142 of the Negotiable Instruments Act, 1881 in relation to dishonour of cheques and recovery of dues. These matters are currently pending at different stages of adjudication before various forums across the country. The aggregate amount involved in these matters is approximately ₹444.91 crore.

MOWL

2. MOWL has filed a private complaint under Section 200 of the CrPC dated April 30, 2015 against the National Spot Exchange Limited and three others (collectively, "**Accused**") before the Metropolitan Magistrate's Court at Esplanade, Mumbai ("**Court**"), seeking the Court to pass an order taking cognizance of the complaint and issue process against the Accused under Section 500 read with 34 of the IPC, on the grounds that the Accused has committed criminal defamation by way of publication of advertisement which would question the credibility of MOWL. This matter is currently pending.

MO Commodities Broker

3. MO Commodities Broker has filed a private complaint under Section 200 of the CrPC dated April 30, 2015 against Ketan Anil Shah ("**Accused**") before the Additional Chief Metropolitan Magistrate's Court at Ballard Pier, Mumbai ("**Court**"), seeking the Court to take cognizance of the complaint and issue process against the Accused under Section 500 of the IPC, on the grounds that the Accused has committed defamation by way of making reckless allegations, false and defamatory tweets on Twitter. This matter is currently pending.

Material civil proceedings

Nil

Recovery proceedings under the SARFAESI Act

MOHFL

MOHFL is presently involved in several matters in relation to recovery of amounts under the Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002 ("**SARFAESI Act**"). MOHFL has filed 445 applications for seeking directions to take physical possession of the secured asset under section 14 of the SARFAESI Act, before relevant

courts across jurisdictions, to exercise the right over mortgaged property for recovery of amounts due from various borrowers of MOHFL ("**Borrowers**"), whose accounts have been classified as non-performing assets, due to default in repayments. The total pecuniary value involved in such matters aggregates to approximately ₹33.91 crore. Whereas there are 28 outstanding matters in appeal, before the Debt Recovery Tribunal of various jurisdictions, which are filed by the Borrowers under section 17 of the SARFAESI Act, contesting, among other things, the action of our MOHFL in claiming rights over the mortgaged property, seeking temporary and permanent injunction towards any coercive action by MOHFL against the Borrowers. The total pecuniary value involved in such matters aggregates to approximately ₹2.62 crores. These matters are currently pending at various stages.

Litigation involving Group Companies

Litigation against our Group Companies

Actions taken by Regulatory and Statutory Authorities

Nil

Criminal proceedings

Nil

Material civil proceedings

Nil

Litigation by our Group Companies

Criminal proceedings

Nil

Material civil proceedings

Nil

Tax Proceedings

Except as disclosed below, there are no claims related to direct and indirect taxes involving our Company, Subsidiaries, Directors, Promoters and Group Companies:

Nature of case	Number of cases	Amount involved (in ₹ crores)*
Proceedings involving the Company		
Direct Tax	11	39.11
Indirect Tax	0	0
Proceedings involving the Subsidiaries		
Direct Tax	14	25.50
Indirect Tax	4	1.13
Material proceedings involving the Directors*		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Material proceedings involving the Promoters*		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Material proceedings involving the Group Companies*		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil

* *To the extent quantifiable*

** *Tax litigations against the Directors, Promoters or the Group Companies wherein the financial claim is equal to or more than ₹9.30 crores*

Details of inquiries, inspections or investigations initiated or conducted under the Securities laws, Companies Act, 1956 or the Companies Act, 2013 against our Company and Subsidiaries in the last three years along with Section wise details of prosecutions filed (whether pending or not), fines imposed or compounding of offences against our Company and Material Subsidiaries in the last three years.

Company

1. A fine of Rs. 1,000/- + GST levied by BSE for delay intimation to exchange for informing discharge of Commercial Paper Obligation under Regulation 57(1) of the SEBI LODR Regulations. As on date, the Company has paid the fine and the matter is closed.

2. Basis an inspection conducted by SEBI of our Company for the period between April 1, 2018 and August 31, 2019 with respect to its stock broking and depository participant business, SEBI issued an order dated April 29, 2022 imposing a penalty of ₹0.25 crores on our Company for violation of Section 23J of the SCRA and Section 15HB of the SEBI Act. Our Company has paid the said penalty on May 23, 2022.

3. Basis an inspection conducted by SEBI of our Company for the period between April 1, 2021 and June 30, 2022, SEBI issued observation letters dated October 8, 2022, March 23, 2023 and November 20, 2023 for *inter alia* sending wrong retention statements of two clients, incorrect usage of nomenclature for a demat account as per the Stock Exchanges requirement, failure in obtaining standardization testing and quality certification (STQC) for off-the shelf products, mismatches in submission of data, and stock mismatches. Our Company submitted our replies dated October 31, 2022, April 5, 2023, and January 8, 2024 to the observation letters. Subsequently a final administrative warning dated April 8, 2024 was issued to our Company for taking corrective steps to rectify the deficiencies and submission of an action report taken within 30 days of the receipt of the warning letter. The matter is currently closed.

4. Basis an inspection conducted by BSE of our Company for the period from April, 2020 and March, 2021, BSE has observed (i) non-disclosure of reasons for client code modification, (ii) lack of signature on the error policy submitted by our Company (iii) ingenuine purpose for certain client code modifications, in its observation letter dated March 24, 2023. Our Company submitted its reply dated April 10, 2023 to the observation letter. Thereafter, BSE has issued a letter dated June 5, 2023 to our Company imposing a penalty of ₹1,07,900 for client codes incorrectly entered at the time of placing order and rectification which should have been carried out only during post-closing session in accordance with BSE notice dated July 6, 2011. As on date of this Prospectus, our Company has paid the penalty and the matter is closed.

5. Basis inspections conducted by NSE (i) across all the segments of our Company covering the period of January 1, 2021 to December 31, 2021, (ii) limited purpose inspection covering the period from February 1, 2022 to July 31, 2022 and (iii) limited purpose inspection covering the period from April 1, 2022 to July 31, 2022, the NSE pursuant to order dated September 26, 2023 imposed a total penalty of ₹26,83,400 on our Company for, *inter alia*, not collecting adequate margins from its clients, reporting incorrect margin collections, and submitting incorrect data towards weekly monitoring of clients' funds under the Enhanced Supervision and Stockbrokers. Further, NSE also issued warnings to our Company for, *inter alia*, uploading incorrect data towards weekly holding statement, reporting incorrect client ledger balance and delaying settlement of clients' funds. As on date of this Prospectus, our Company has paid the penalty and the matter is closed.

6. Pursuant to order dated November 20, 2023 issued by the NSE, penalty of ₹16,75,900 was imposed on our Company for facilitating non-genuine trades in violation of NSE circulars dated December 13, 2018, February 07, 2019 and December 16, 2020 in relation to synchronised matched and reversal of trades between related parties in a scrip during March 2022. As on date of this Prospectus, our Company has paid the penalty and the matter is closed.

7. Basis a regular inspection conducted by NSE covering the period from January 2021 to July, 2021, and an alert based limited purpose inspection of our Company's books and records from March 2021 and September, 2021, the NSE pursuant to order dated November 22, 2022 imposed a total penalty of ₹22,30,000 on our Company for, *inter alia*, falsely reporting the margin collected from clients, non-settlement of clients' funds and securities and non-tagging of demat accounts. Further, NSE also issued warnings to our Company for, *inter alia*, not keeping appropriate evidence in respect of the order placed by their clients and shortfall in net worth of our Company. As on date of this Prospectus, our Company has paid the penalty and the matter is closed.

8. Basis an inspection conducted by NCDEX of our Company for the period between April 1, 2020 and March 31, 2021, NCDEX has noted an irregularity with respect to wrong reporting of margin, in its observation letter dated May 18, 2022, Thereafter, NCDEX issued an action letter dated June 30, 2022 to our Company imposing a penalty of ₹12,784 for non-compliance observed and reported during the inspection. As on date of this Prospectus, our Company has paid the penalty and the matter is closed.

9. Basis an inspection conducted by MCX of our Company for the period from April 1, 2020 to March 31, 2021, MCX has observed non-compliances/ violations, vide its letter of observation dated March 25, 2022 imposing penalty of ₹2,000 on our Company for not implementing 'inactive client code policy'. Our Company has submitted our reply dated April 4, 2022 to the letter of observation. Further, an intimation letter dated June 23, 2022 was issued by MCX to our Company, and subsequently a final action taken letter dated July 21, 2022 to make the necessary payment for the said penalty. As on date of this Prospectus, our Company has paid the penalty and the matter is closed.

10. During the last three financial years, NSE has conducted 107 alert-based inspections on a monthly basis pursuant to which, our Company has paid an aggregate of ₹57,69,100 as penalty for violations including, *inter alia*, false reporting

of margin collected from clients, non-settlement of client funds and securities and incorrect data uploaded towards weekly holding statement. As on date, our Company has paid these penalties and these inspections are closed.

11. During the last three financial years, there have been 28 instances of operational non-compliances identified by BSE wherein an aggregated amount of ₹6,18,640.06 was imposed as penalty by the BSE. These non-compliances include, *inter alia*, segregation penalties, unregistered client coded, not/ incorrect upload of IML/ BOLT locations. As on date, our Company has paid these penalties and these inspections are closed.

12. During the last three financial years, there have been 237 instances of operational non-compliances identified by NSE wherein an aggregated amount of ₹50,11,00,611.30 was imposed as penalty by the NSE. These non-compliances include, *inter alia*, currency derivatives short reporting, futures & options short reporting, capital market short reporting, penalty and commodity segment short reporting. As on date, our Company has paid these penalties and these inspections are closed.

13. During the last three financial years, there have been 719 instances of operational non-compliances identified by MCX wherein an aggregated amount of ₹50,152,021.87 was imposed as penalty by the MCX. These non-compliances include, *inter alia*, late/ non-submission of details pertaining to enhanced supervision, late/ non-submission of details pertaining to segregation and monitor of client collateral and margin shortfall. As on date, our Company has paid these penalties and these inspections are closed.

14. During the last three financial years, there have been 38 instances of operational non-compliances identified by NCDEX wherein an aggregated amount of ₹35,50,898.64 was imposed as penalty by the NCDEX. These non-compliances include, *inter alia*, delayed submission of details pertaining to segregation and monitor of client collateral and margin shortfall. As on date, our Company has paid these penalties and these inspections are closed.

Material Subsidiaries

Nil

Details of litigation or legal action pending or taken by any ministry or government department or statutory authority or regulatory body against our Promoters during the last three years and any direction issued by any such ministry or department or statutory authority or regulatory body upon conclusion of such litigation or legal action, as on date of this Prospectus.

Nil

Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of statutory dues; debentures and interests thereon; deposits and interest thereon; and loan from any bank or financial institution and interest thereon.

Please see section, "*Disclosures on existing financial indebtedness*" on page 193.

Summary of reservations, qualifications or adverse remarks of auditors in the last three Fiscals immediately preceding the year of circulation of this Prospectus and of their impact on the financial statements and financial position of our Company and the corrective steps taken and proposed to be taken by our Company for each of the said reservations or qualifications or adverse remarks.

Financial Year	Auditors Remark/ Qualifications	Impact on Financial Position	Corrective steps taken and proposed to be taken
Quarter and nine months ended December 31, 2023	Emphasis of matter paragraph in the audit report dated January 24, 2024 in the Q3 2024 Unaudited Standalone Financial Results of the Company for the quarter and nine months ended December 31, 2023 "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 the 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 accounts." Emphasis of matter paragraph in the audit report dated January 24, 2024 in the Q3 2024 Unaudited Consolidated Financial Results of the Company for the quarter and nine months ended December 31, 2023 "Note 6 of the Unaudited Consolidated financial results of the Company, regarding the Scheme of Arrangement to restructure the	Nil	NA

Financial Year	Auditors Remark/ Qualifications	Impact on Financial Position	Corrective steps taken and proposed to be taken
	business of the Company and two of its wholly owned subsidiaries w.e.f. April 1, 2023, for which subsequent to the approval of the relevant Board of such Companies, the Holding 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 respective books of account."		
2022-23	Not Applicable	Nil	NA
2021-22	Emphasis of matter paragraph in the audit report dated April 28, 2022 in the Standalone financial statements of the Company for the Financial year ended March 31, 2022 "We draw your attention to Note 42 of the consolidated financial results, as regards the management's assessment of the financial impact due to restrictions and conditions related to COVID-19 pandemic situation in respect of one of the subsidiary Company."	Nil	NA
2020-21	Emphasis of matter paragraph in the audit report dated April 29, 2021 in the Standalone financial statements of the Company for the Financial year ended March 31, 2021 "We draw attention to Note 42, which describes the impact of uncertain es relating to the effects of COVID-19 pandemic on expected credit loss recognised towards the housing loans to customers outstanding as at 31 March 2021. Our opinion is not modified in respect of this matter."	Nil	NA

Details of acts of material frauds committed against the Company in the last three financial years and current financial year, if any, and if so, the action taken by the Company in response:

Nil

Details of any disciplinary action taken by SEBI or stock exchange against the Promoters/Group Companies in last five financial years including outstanding action, if any.

Nil

Issuer's Absolute Responsibility

"*The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to the Issuer and the issue which is material in the context of the issue, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading, that the opinions and intentions expressed herein are honestly stated and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading.*"

Authority for this Issue

Our Board of Directors pursuant to resolution dated January 24, 2024 have approved the issuance of NCDs to the public, for an amount up to ₹3,000 crores. Further, our Finance Committee pursuant to its resolution dated March 26, 2024 has approved the issuance of NCDs of the face value ₹ 1,000 each, for an amount aggregating up to ₹1,000 crores (which includes a green shoe option of up to ₹500 crores). The Issue is within the borrowing limit approved by the shareholders which is ₹ 7,500 crores.

Pursuant to resolution passed by our Board of Directors on July 28, 2022**,** our Board has been authorised to borrow any sum or sums of monies, which together with the monies already borrowed (apart from temporary loans obtained or to be obtained in the ordinary course of business), in excess of our Company's aggregate paid-up capital, free reserves and securities premium reserve of our Company, up to a limit of an outstanding aggregate value of ₹ 7,500 crores.

Prohibition by SEBI/ Eligibility of our Company for the Issue

Our Company, persons in control of our Company and/or our Promoters and/or our Promoter Group and/or our Directors have not been restrained or prohibited or debarred by SEBI from accessing the securities market or dealing in securities and no such order or direction is in force. None of our Directors and/or our Promoters, is a director or promoter of another company which has been restrained, prohibited or debarred by SEBI from accessing the securities market or dealing in securities.

Our Company is not in default of payment of interest or repayment of principal amount in respect of non-convertible securities, for a period of more than six-months as on the date of this Prospectus.

Our Company confirms that there are no fines or penalties levied by SEBI or the Stock Exchanges pending to be paid by the Company as on the date of this Prospectus.

No regulatory action is pending against our Company or our Promoters or our Directors before SEBI or the RBI.

Categorisation as a Wilful Defaulter

Our Company or persons in control of our Company or any of our Directors or our Promoters have not been categorised as willful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI, ECGC or any other governmental / regulatory authority, nor are they in default of payment of interest or repayment of principal amount in respect of non-convertible securities, for a period of more than six months.

None of our Whole-time Directors and/or our Promoters, is a whole-time director or promoter of another company which has been categorised as a wilful defaulter.

Declaration as a Fugitive Economic Offender

None of our Directors and/or Promoters have been declared as Fugitive Economic Offender.

Other confirmations

None of our Company or our Directors or our Promoters, or person(s) in control of our Company was a promoter, director or person in control of any company which was delisted within a period of ten years preceding the date of this Prospectus, in accordance with Chapter V of the SEBI Delisting Regulations.

Disclaimer Clause of SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MANAGERS HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN

CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGERS, TRUST INVESTMENT ADVISORS PRIVATE LIMITED AND NUVAMA WEALTH MANAGEMENT LIMITED HAVE FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED APRIL 9, 2024, WHICH READS AS FOLLOWS:

(1) WE CONFIRM THAT NEITHER THE ISSUER NOR ITS PROMOTER(S) OR DIRECTOR(S) HAVE BEEN PROHIBITED FROM ACCESSING THE CAPITAL MARKET UNDER ANY ORDER OR DIRECTION PASSED BY SEBI. WE ALSO CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.

(2) WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN THE PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUE OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE NCDS OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE WILL BE GIVEN.

(3) WE CONFIRM THAT THE PROSPECTUS CONTAINS ALL DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021.

(4) WE CONFIRM THAT ALL RELEVANT PROVISIONS OF THE COMPANIES ACT, SECURITIES CONTRACTS (REGULATION) ACT, 1956, SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 AND THE RULES, REGULATIONS, GUIDELINES, CIRCULARS ISSUED THEREUNDER ARE COMPLIED WITH.

WE CONFIRM THAT WE HAVE NOT RECEIVED ANY COMMENTS ON THE DRAFT PROSPECTUS DATED MARCH 26, 2024, FILED WITH BSE LIMITED AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED.

*Note: Motilal Oswal Investment Advisors Limited is deemed to be an associate of the Company as per the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended ("**Merchant Bankers Regulations**"). Further, in compliance with the provisions of Regulation 21A and explanation to Regulation 21A of the Merchant Bankers Regulations, Motilal Oswal Investment Advisors Limited would only be involved in marketing of the Issue and as per Regulation 25 (3) of SEBI NCS Regulations shall not issue a due diligence certificate.*

Disclaimer Clause of BSE

BSE LIMITED ("THE EXCHANGE") HAS GIVEN, VIDE ITS LETTER NO DCS/BM/PI-BOND/02/24-2 DATED APRIL 5, 2024 PERMISSION TO THIS COMPANY TO USE THE EXCHANGE'S NAME IN THIS OFFER DOCUMENT AS ONE OF THE STOCK EXCHANGES ON WHICH THIS COMPANY'S SECURITIES ARE PROPOSED TO BE LISTED. THE EXCHANGE HAS SCRUTINIZED THIS OFFER DOCUMENT FOR ITS LIMITED INTERNAL PURPOSE OF DECIDING ON MATTER OF GRANTING THE AFORESAID PERMISSION TO THIS COMPANY. THE EXCHANGE DOES NOT IN ANY MANNER:

a. WARRANT, CERTIFY OR ENDORSE THE CORRECTNESS OR COMPLETENESS OF ANY OF THE CONTENTS OF THIS OFFER DOCUMENT; OR

b. WARRANT THAT THIS COMPANY'S SECURITIES WILL BE LISTED OR WILL CONTINUE TO BE LISTED ON THE EXCHANGE; OR

c. TAKE ANY RESPONSIBILITY FOR THE FINANCIAL OR OTHER SOUNDNESS OF THIS COMPANY, ITS PROMOTERS, ITS MANAGEMENT OR ANY SCHEME OR PROJECT OF THIS COMPANY;

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Disclaimer Clause of NSE

AS REQUIRED, A COPY OF THIS OFFER DOCUMENT HAS BEEN SUBMITTED TO NATIONAL STOCK EXCHANGE OF INDIA LIMITED (HEREINAFTER REFERRED TO AS NSE). NSE HAS GIVEN VIDE ITS LETTER REF.: NSE/LIST/D/2024/0137 DATED APRIL 5, 2024 PERMISSION TO THE ISSUER TO USE THE EXCHANGE'S NAME IN THIS OFFER DOCUMENT AS ONE OF THE STOCK EXCHANGES ON WHICH THIS ISSUER'S SECURITIES ARE PROPOSED TO BE LISTED. THE EXCHANGE HAS SCRUTINIZED THIS OFFER DOCUMENT FOR ITS LIMITED INTERNAL PURPOSE OF DECIDING ON THE MATTER OF GRANTING THE AFORESAID PERMISSION TO THIS ISSUER.

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Disclaimer statement from the Issuer

THE ISSUER ACCEPTS NO RESPONSIBILITY FOR STATEMENTS MADE OTHERWISE THAN IN THIS PROSPECTUS OR IN ANY ADVERTISEMENT OR ANY OTHER MATERIAL ISSUED BY OR AT THE INSTANCE OF OUR COMPANY AND THAT ANYONE PLACING RELIANCE ON ANY OTHER SOURCE OF INFORMATION WOULD BE DOING SO AT THEIR OWN RISK.

Undertaking by the Issuer

INVESTORS ARE ADVISED TO READ THE RISK FACTORS CAREFULLY BEFORE TAKING AN INVESTMENT DECISION IN THIS ISSUE. FOR TAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE OFFER INCLUDING THE RISKS INVOLVED. THE NCDs HAVE NOT BEEN RECOMMENDED OR APPROVED BY ANY REGULATORY AUTHORITY IN INDIA, INCLUDING THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) NOR DOES SEBI GUARANTEE THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. SPECIFIC ATTENTION OF INVESTORS IS INVITED TO THE STATEMENT OF THE "RISK FACTORS" GIVEN ON PAGE 17 OF THIS PROSPECTUS.

THE ISSUER, HAVING MADE ALL REASONABLE INQUIRIES, ACCEPTS RESPONSIBILITY FOR, AND CONFIRMS THAT THIS PROSPECTUS CONTAINS ALL INFORMATION WITH REGARD TO THE ISSUER AND THE ISSUE, THAT THE INFORMATION CONTAINED IN THIS PROSPECTUS IS TRUE AND CORRECT IN ALL MATERIAL ASPECTS AND IS NOT MISLEADING IN ANY MATERIAL RESPECT, THAT THE OPINIONS AND INTENTIONS EXPRESSED HEREIN ARE HONESTLY HELD AND THAT THERE ARE NO OTHER FACTS, THE OMISSION OF WHICH MAKE THIS PROSPECTUS AS A WHOLE OR ANY OF SUCH INFORMATION OR THE EXPRESSION OF ANY SUCH OPINIONS OR INTENTIONS MISLEADING IN ANY MATERIAL RESPECT.

THE ISSUER HAS NO SIDE LETTER WITH ANY DEBT SECURITIES HOLDER EXCEPT THE ONE(S) DISCLOSED IN THIS PROSPECTUS. ANY COVENANTS LATER ADDED SHALL BE DISCLOSED ON THE STOCK EXCHANGES WEBSITES WHERE THE DEBT IS LISTED.

THE ISSUER DECLARES THAT NOTHING IN THIS PROSPECTUS IS CONTRARY TO THE PROVISIONS OF COMPANIES ACT, 2013 (18 OF 2013), THE SECURITIES CONTRACTS (REGULATION) ACT, 1956 AND THE SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 AND THE RULES AND REGULATIONS MADE THEREUNDER.

THE ISSUER UNDERTAKES THAT CHARGE SHALL BE CREATED IN FAVOUR OF DEBENTURE TRUSTEE AS PER TERMS OF ISSUE BEFORE FILING OF LISTING APPLICATION.

Disclaimer statement from the Lead Managers

THE LEAD MANAGERS ACCEPT NO RESPONSIBILITY FOR STATEMENTS MADE OTHERWISE THAN IN THIS PROSPECTUS OR IN ANY ADVERTISEMENT OR ANY OTHER MATERIAL ISSUED BY OR AT THE INSTANCE OF THE COMPANY AND THAT ANYONE PLACING RELIANCE ON ANY OTHER SOURCE OF INFORMATION WOULD BE DOING SO AT THEIR OWN RISK.

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Disclosures in accordance with the SEBI Master Circular for Debenture Trustees

Appointment of Debenture Trustee

The Company has appointed the Debenture Trustee in accordance with the terms of the Debenture Trustee Agreement.

Separately, the Company and the Debenture Trustee have agreed the payment of an acceptance fee of ₹3,50,000 plus applicable taxes and a service charge of ₹2,50,000 on an annual basis, plus applicable taxes in terms of the letter dated January 8, 2024.

Debenture Trustee Agreement

Our Company has entered into a Debenture Trustee Agreement with the Debenture Trustee which provides for, inter alia, the following terms and conditions:

1. The Debenture Trustee, either through itself or its agents / advisors / consultants, shall carry out requisite diligence to verify the status of encumbrance and valuation of the assets and whether all permissions or consents (if any) as may be required to create the security as stipulated in the Offer Documents and the applicable laws, has been obtained. For the purpose of carrying out the due diligence as required in terms of the applicable laws, the Debenture Trustee, either through itself or its agents/ advisors/ consultants, shall have the power to examine the books of account of the Company and to have the Company's assets inspected by its officers and/or external auditors/ valuers/ consultants/ lawyers/ technical experts/ management consultants appointed by the Debenture Trustee;

2. Our Company shall provide all assistance to the Debenture Trustee to enable verification from the Registrar of Companies, sub-registrar of assurances (as applicable), CERSAI, depositories, information utility or any other authority, as may be required, where the assets and/or prior encumbrances in relation to the assets proposed to secure the NCDs, whether owned by our Company or any other person, are registered / disclosed;

3. The Debenture Trustee shall have the power to either independently appoint, or direct our Company to (after consultation with the Debenture Trustee) appoint intermediaries, valuers, chartered accountant firms, practicing company secretaries, consultants, lawyers and other entities in order to assist in the diligence by the Debenture Trustee and the Debenture Trustee shall subsequently form an independent assessment that the assets for creation of security are sufficient to discharge the outstanding amounts on NCDs at all times. All costs, charges, fees and expenses that are associated with and incurred in relation to the diligence as well as preparation of the reports / certificates / documentation, including all out of pocket expenses towards legal or inspection costs, travelling and other costs, shall be solely borne by our Company;

4. Our Company has undertaken to promptly furnish all and any information as may be required by the Debenture Trustee, including such information as required to be furnished in terms of the applicable laws and the Debenture Trust Deed on a regular basis; and

5. The Debenture Trustee, *ipso facto* does not have the obligations of a borrower or a principal debtor or a guarantor as to the monies paid/invested by investors for the NCDs.

Terms of carrying out due diligence

As per the SEBI Master Circular for Debenture Trustees, the Debenture Trustee is required to exercise independent due diligence to ensure that the assets of the Issuer are sufficient to discharge the interest and principal amount with respect to the debt securities of the Issuer at all times.

Accordingly, the Debenture Trustee shall exercise due diligence as per the following process, for which our Company has consented to.

(a) The Debenture Trustee, either through itself or its agents /advisors/consultants, shall carry out requisite diligence to verify the status of encumbrance and valuation of the assets and whether all permissions or consents (if any) as may be required to create the security as stipulated in this Prospectus and the Applicable Laws, has been obtained. For the purpose of carrying out the due diligence as required in terms of the Applicable Laws, the Debenture Trustee, either through itself or its agents /advisors/consultants, shall have the power to examine the books of account of the Company and to have the Company's assets inspected by its officers and/or external auditors/valuers/consultants/lawyers/technical-experts/management consultants appointed by the Debenture Trustee.

It is clarified that, while the Debenture Trustee may avail services of agents /advisors/consultants or independent professionals, the responsibility shall rest with the Debenture Trustee.

(b) The Company shall provide all assistance to the Debenture Trustee to enable verification from the registrar of companies, sub-registrar of assurances (as applicable), CERSAI, depositories, information utility or any other authority, as may be required, where the assets and/or prior encumbrances in relation to the assets proposed to secure the NCDs, whether owned by the Company or any other person, are registered / disclosed.

(c) Further, in the event that existing charge holders or the concerned trustee on behalf of the existing charge holders, have provided conditional consent / permissions to the Company to create further charge on the assets, the Debenture Trustee shall also have the power to verify such conditions by reviewing the relevant transaction documents or any other documents executed between existing charge holders and the Company. The Debenture Trustee shall also have the power to intimate the existing charge holders about proposal of creation of further encumbrance and seeking their comments/ objections, if any.

(d) Without prejudice to the aforesaid, the Company shall ensure that it provides and procures all information, representations, confirmations and disclosures as may be required in the sole discretion of the Debenture Trustee to carry out the requisite diligence in connection with the issuance and allotment of the NCDs, in accordance with the Applicable Laws.

(e) All costs, charges, fees and expenses that are associated with and incurred in relation to the diligence as well as preparation of the reports/certificates/documentation, including all out of pocket expenses towards legal or inspection costs, travelling and other costs, shall be solely borne by the Company.

Process of Due Diligence to be carried out by the Debenture Trustee

Due Diligence will be carried out as per SEBI (Debenture Trustees) Regulations, 1993, SEBI NCS Regulations, as amended and circulars issued by SEBI from time to time.

Other confirmations

The Debenture Trustee undertakes that the NCDs shall be considered as secured only if the charged asset is registered with sub-registrar and Registrar of Companies or CERSAI or depository, etc., as applicable, or is independently verifiable by the Debenture Trustee.

The Debenture Trustee confirms that they have undertaken the necessary due diligence in accordance with applicable law, including the SEBI (Debenture Trustees) Regulations, 1993, read with the SEBI Master Circular.

BEACON TRUSTEESHIP LIMITED HAVE FURNISHED TO STOCK EXCHANGES A DUE DILIGENCE CERTIFICATE DATED MARCH 26, 2024, AS PER THE FORMAT SPECIFIED IN ANNEX IIA OF SEBI MASTER CIRCULAR FOR DEBENTURE TRUSTEES AND SCHEDULE IV OF SEBI NCS REGULATIONS WHICH READS AS FOLLOWS:

1. WE HAVE EXAMINED DOCUMENTS PERTAINING TO THE SAID ISSUE AND OTHER SUCH RELEVANT DOCUMENTS, REPORTS AND CERTIFICATIONS.

2. ON THE BASIS OF SUCH EXAMINATION AND OF THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES AND ON INDEPENDENT VERIFICATION OF THE VARIOUS RELEVANT DOCUMENTS, REPORTS AND CERTIFICATIONS.

WE CONFIRM THAT:

A. THE ISSUER HAS MADE ADEQUATE PROVISIONS FOR AND/OR HAS TAKEN STEPS TO PROVIDE FOR ADEQUATE SECURITY FOR THE DEBT SECURITIES TO BE ISSUED AND LISTED.

B. THE ISSUER HAS OBTAINED THE PERMISSIONS / CONSENTS NECESSARY FOR CREATING SECURITY ON THE SAID PROPERTY(IES).

C. THE ISSUER HAS MADE ALL THE RELEVANT DISCLOSURES ABOUT THE SECURITY AND ITS CONTINUED OBLIGATIONS TOWARDS THE HOLDERS OF DEBT SECURITIES.

D. ISSUER HAS ADEQUATELY DISCLOSED ALL CONSENTS/ PERMISSIONS REQUIRED FOR CREATION OF FURTHER CHARGE ON ASSETS IN OFFER DOCUMENT AND ALL DISCLOSURES MADE IN THE OFFER DOCUMENT WITH RESPECT TO CREATION OF SECURITY ARE IN CONFIRMATION WITH THE CLAUSES OF DEBENTURE TRUSTEE AGREEMENT.

E. ISSUER HAS GIVEN AN UNDERTAKING THAT CHARGE SHALL BE CREATED IN FAVOUR OF DEBENTURE TRUSTEE AS PER TERMS OF ISSUE BEFORE FILING OF LISTING APPLICATION AND GIVEN AN UNDERTAKING THAT DEBENTURE TRUST DEED WOULD BE EXECUTED BEFORE FILING OF LISTING APPLICATION.

F. ISSUER HAS DISCLOSED ALL COVENANTS PROPOSED TO BE INCLUDED IN DEBENTURE TRUST DEED (INCLUDING ANY SIDE LETTER, ACCELERATED PAYMENT CLAUSE ETC.), OFFER DOCUMENT AND GIVEN AN UNDERTAKING THAT DEBENTURE TRUST DEED WOULD BY EXECUTED BEFORE FILING OF LISTING APPLICATION.

G. ALL DISCLOSURES MADE IN THE DRAFT OFFER DOCUMENT WITH RESPECT TO THE DEBT SECURITIES ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL-INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE.

WE HAVE SATISFIED OURSELVES ABOUT THE ABILITY OF THE ISSUER TO SERVICE THE DEBT SECURITIES.

Our Company undertakes that it has submitted the due diligence certificate from Debenture Trustee to the Stock Exchange as per format specified in Annex IIA of the SEBI Master Circular for Debenture Trustees and SEBI NCS Regulations.

Our Company and the Debenture Trustee will execute a Debenture Trust Deed specifying, inter alia, the powers, authorities and obligations of the Debenture Trustee and the Company, as per SEBI NCS Regulations applicable for the proposed NCD Issue.

Track record of past public issues handled by the Lead Managers

The track record of past issues handled by the Lead Managers, as required by SEBI circular number CIR/MIRSD/1/2012 dated January 10, 2012, are available at the following website:

Name of Lead Managers	Website
Trust Investment Advisors Private Limited	www.trustgroup.in
Motilal Oswal Investment Advisors Limited	www.motilaloswalgroup.com
Nuvama Wealth Management Limited	www.nuvama.com

Listing

The NCDs proposed to be offered through this Issue are proposed to be listed on BSE and NSE. An Application will be made to the BSE and NSE for permission to deal in and for official quotation of our NCDs. BSE has been appointed as the Designated Stock Exchange.

If permission to deal in and for an official quotation of our NCDs is not granted by the Stock Exchanges, our Company will forthwith repay, without interest, all monies received from the applications in pursuance of this Prospectus.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges mentioned above are taken within five Working Days from the date of closure of this Issue.

The Issue shall be kept open for a minimum period of three Working Days and a maximum of ten working days in compliance with Regulation 33A of SEBI NCS Regulations.

For the avoidance of doubt, it is hereby clarified that in the event of under subscription, NCDs shall not be listed and in the event of zero subscription to any one or more of the series, such series of NCDs shall not be listed.

Our Company shall pay interest at 15% per annum if Allotment is not made and refund orders/allotment letters are not dispatched and/or demat credits are not made to investors within 5 Working Days of the Issue Closing Date or date of refusal of the Stock Exchange(s), whichever is earlier. In case listing permission is not granted by the Stock Exchange(s) to our Company and if such money is not repaid within the day our Company becomes liable to repay it on such account, our Company and every officer in default shall, on and from expiry of such date, be liable to repay the money with interest at the rate of 15% as prescribed under Rule 3 of Companies (Prospectus and Allotment of Securities) Rules, 2014 read with Section 26 of the 2013 Act, provided that the beneficiary particulars relating to such Applicants as given by the Applicants is valid at the time of the upload of the demat credit.

Consents

Consents in writing of: (a) our Promoters, (b) Directors, (c) Compliance Officer for the Issue and Company Secretary, (d) Chief Financial Officer, (e) Lead Managers, (f) the Registrar to the Issue, (g) the Debenture Trustee to the Issue, (h) Legal Counsel to the Issue, (i) Credit Rating Agencies, (j) Banker to our Company, (k) CRISIL Limited in relation to use of the contents of the industry report, (l) Consortium Members, (m) Public Issue Account Bank, Refund Bank and Sponsor Bank, (n) lenders, and

(o) Senior Management to act in their respective capacities, have been obtained and will be filed along with a copy of the Prospectus with the RoC as required under Section 26 of the Companies Act, 2013. Further, such consents have not been withdrawn up to the time of delivery of this Prospectus with the Stock Exchanges.

The consent of the Statutory Auditor of our Company, Singhi & Co., Chartered Accountants dated March 26, 2024 for (a) inclusion of their name as the Statutory Auditor and "experts" as defined under the Companies Act; (b) Audited Standalone Financial Statement FY 2022, Audited Consolidated Financial Statement FY 2022, Audited Standalone Financial Statement FY 2023 and Audited Consolidated Financial Statement FY 2023; and (c) Limited review reports each dated November 1, 2023 and January 24, 2024 on the Q3 2024 Unaudited Financial Results and HY 2024 Unaudited Financial Results, respectively, in the form and context in which they appear in this Prospectus, have been obtained and has not withdrawn such consent as on the date of this Prospectus.

Our Company has received written consent dated April 9, 2024 from Walker Chandiok & Co. LLP, to include their name as an "expert" for (a) inclusion of their names as the Previous Statutory Auditor and (b) Audited Standalone Financial Statement FY 2021 and Audited Consolidated Financial Statement FY 2021, in the form and context in which they appear in this Prospectus, and has not withdrawn such consent as on the date of this Prospectus.

Further, the NCLT order dated March 11, 2022 for the approval of Scheme of Arrangement came into effect after the Previous Statutory Auditor issued the audit reports dated April 29, 2021. The audited numbers as at and for the year ended March 31, 2021 as audited by the Previous Statutory Auditor does not contain the impact of the said order as the same came into effect after the Previous Statutory Auditor issued their audit reports dated April 29, 2021 and the said financial statements were approved by the shareholders in their Annual General meeting dated August 9, 2021.

The consent from Aneel Lasod and Associates, Chartered Accountants dated March 26, 2024 for inclusion of: (a) their names as "experts" as defined under Section 2(38) of the Companies Act and (b) the Statement of Possible Tax Benefit dated March 26, 2024 available to the Debenture Holders in the form and context in which they appear in this Prospectus, have been obtained and has not withdrawn such consent and the same will be filed along with a copy of this Prospectus.

Expert Opinion

Except for (i) the Annual Financial Statements issued by our Statutory Auditor and Previous Statutory Auditor; (ii) the Q3 2024 Unaudited Financial Results and HY 2024 Unaudited Financial Results by our Statutory Auditor; and (iii) the statement of possible tax benefits issued by Aneel Lasod and Associates, Chartered Accountants dated March 26, 2024, our Company has not obtained any other expert opinion with respect to this Prospectus.

Further, the NCLT order dated March 11, 2022 for the approval of Scheme of Arrangement came into effect after the Previous Statutory Auditor issued the audit reports dated April 29, 2021. The audited numbers as at and for the year ended March 31, 2021 as audited by the Previous Statutory Auditor does not contain the impact of the said order as the same came into effect after the Previous Statutory Auditor issued their audit reports dated April 29, 2021 and the said financial statements were approved by the shareholders in their Annual General meeting dated August 9, 2021.

The above experts are not, and have not been, engaged or Interested in the formation or promotion or management, of the Company and have given their written consent to the Company as stated in the paragraph above and has not withdrawn such consent before the filing of this Prospectus with the Stock Exchanges.

Common form of Transfer

Our Company undertakes that there shall be a common form of transfer for the NCDs and the provisions of the Companies Act, 2013 applicable as on the date of this Prospectus and all applicable laws shall be duly complied with in respect of all transfer of debentures and registration thereof.

Minimum Subscription

In terms of the SEBI NCS Regulations for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall be 75% of the Base Issue Size being ₹375 crores. If our Company does not receive the minimum subscription of 75% of the Base Issue Size being ₹375 crores, prior to the Issue Closing Date, the entire Application Amount shall be unblocked in the relevant ASBA Accounts of the Applicants within eight Working Days from the Issue Closing Date or such time as may be specified by SEBI. In the event there is delay in unblocking of funds/refunds, our Company shall be liable to repay the money, with interest at the rate of 15% per annum for the delayed period.

Under Section 39(3) of the Companies Act, 2013 read with Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription was remitted. To the extent possible, where the required information for making such refunds is available with our Company and/or Registrar, refunds will be made to the account prescribed. However, where our Company and/or Registrar does not have the necessary information for making such refunds, our Company and/or Registrar will follow the guidelines prescribed by SEBI in this regard included in the SEBI Master Circular.

Filing of the Draft Prospectus

The Draft Prospectus has been filed with the Stock Exchanges in terms of Regulation 27 of the SEBI NCS Regulations for dissemination on its website(s) prior to the opening of the Issue. The Draft Prospectus was displayed on the website of the Company and the Lead Managers. The Draft Prospectus was also submitted with SEBI for record purpose.

Filing of this Prospectus with the RoC

This Prospectus has been filed with the RoC in accordance with Section 26 of the Companies Act, 2013.

Debenture Redemption Reserve ("DRR")

In accordance with recent amendments to the Companies Act, 2013, and the Companies (Share Capital & Debentures) Rules 2014, read with Regulation 16 of the SEBI NCS Regulations, a listed company that intends to issue debentures to the public are no longer required to create a DRR for the purpose of redemption of debentures. Pursuant to the amendment to the Companies (Share Capital and Debentures) Rules 2014, notified on August 16, 2019, read with Regulation 16 of the SEBI NCS Regulations, a listed company that intends to issue debentures to the public are no longer required to create a DRR for the purpose of redemption of debentures, therefore as on the date of filing this Prospectus, the Company is not required to create DRR for the purpose of redemption of the NCDs. Accordingly, no debenture redemption reserve shall be created by our Company for the purpose of redemption of the NCDs or in connection with this Issue. Our Company shall, as per the Companies (Share Capital and Debentures) Rules 2014 and other laws applicable from time to time, invest or deposit, as the case may be, the applicable amounts, within the specified timelines, in respect of debentures maturing during the year ending on the 3^{1s}t day of March of the next year, in any one or more methods of investments or deposits stipulated under the applicable law. Provided that the amount remaining invested or deposited, as the case may be, shall not at any time fall below the specified percentage, which is presently stipulated at 15% (fifteen percent) of the amount of the debentures maturing during the year ending on March 31 of the next year, in any of the following instruments or such other instruments as may be permitted under the applicable laws.

1. in deposits with any scheduled bank, free from any charge or lien;
2. in unencumbered securities of the Central Government or any State Government;
3. in unencumbered securities mentioned in sub-clause (a) to (d) and (ee) of section 20 of the Indian Trusts Act, 1882;
4. in unencumbered bonds issued by any other company which is notified under sub-clause (f) of section 20 of the Indian Trusts Act, 1882.

Provided further that the amount invested or deposited as above shall not be used for any purpose other than for redemption of debentures maturing during the year referred above.

Recovery Expense Fund

Our Company has created a recovery expense fund in the manner as specified by SEBI Master Circular for Debenture Trustees and Regulation 11 of the SEBI NCS Regulations with the Designated Stock Exchange and has informed the Debenture Trustee regarding the creation of such fund. The recovery expense fund may be utilised by Debenture Trustee, in the event of default by our Company under the terms of the Debenture Trust Deed, for taking appropriate legal action to enforce the security. Kindly note, any default committed by the Company in terms of the NCDs proposed to be issued shall be reckoned at each respective International Securities Identification Number level assigned to the respective Option(s) of NCDs issued.

Issue related expenses

The expenses of this Issue include, *inter alia*, lead management fees and selling commission to the Lead Managers, Consortium Member, fees payable to the debenture trustee, the Registrar to the Issue, SCSBs' commission/ fees, printing and distribution expenses, legal fees, advertisement expenses and listing fees. The Issue expenses and listing fees will be paid by our Company. For estimated breakdown of the total expenses for the Issue, please refer "*Objects of the Issue*" on page 85.

Underwriting

This Issue is not underwritten.

Refusal of listing of any security of the issuer during preceding three financial years and current financial year by any of the Stock Exchanges in India or abroad

There has been no refusal of listing of any security of our Company during preceding three years and current financial year by any Stock Exchanges in India or abroad.

Reservation

No portion of this Issue has been reserved.

Utilisation of Issue Proceeds

Our Board of Directors certifies that:

(i) all monies received out of the Issue of the NCDs to the public shall be transferred to a separate bank account maintained with a scheduled bank, other than the bank account referred to in section 40(3) of the Companies Act;

(ii) details of all monies utilised out of the Issue referred to in sub-item (i) shall be disclosed under an appropriate separate head in our balance sheet indicating the purpose for which such monies were utilised;

(iii) details of all unutilised monies out of the Issue referred to in sub-item (i), if any, shall be disclosed under an appropriate separate head in our balance sheet indicating the form in which such unutilised monies have been invested;

(iv) details of all utilised and unutilised monies out of the previous Issue, if any, shall be disclosed under an appropriate separate head in our balance sheet indicating the form in which such unutilised monies have been invested;

(v) we shall utilize the Issue proceeds only upon creation of security as stated in this Prospectus in the section titled "*Terms of the Issue*" on page 225 and after (a) permissions or consents for creation of specified charge have been obtained from the creditors who have specified charge over the assets sought to be provided as Security; (b) receipt of the minimum subscription of 75% of the Base Issue Size pertaining to the Issue; (c) completion of Allotment and refund process in compliance with Section 40 of the Companies Act, 2013; (d) creation of security and confirmation of the same in terms of NCDs; and (e) receipt of listing and trading approval from BSE;

(vi) the Issue proceeds shall not be utilized towards full or part consideration for the purchase or any other acquisition, *inter alia* by way of a lease, of any property;

(vii) the Issue proceeds shall not be utilized for providing loans to or acquisition of shares of any entity who is part of the Promoter Group or group companies;

(viii) the Issue proceeds shall be utilized in compliance with various guidelines, regulations and clarifications issued by RBI, SEBI or any other statutory authority from time to time. Further the Issue proceeds shall be utilised only for the purpose and objects stated in this Prospectus; and

(ix) If Allotment is not made, application monies will be refunded/unblocked in the ASBA Accounts within 6 Working Days from the Issue Closing Date or such lesser time as specified by SEBI, failing which interest will be due to be paid to the Applicants in accordance with applicable laws.

Previous Issues

Public / Rights Issues of Equity Shares in the last three years from this Prospectus

Public Issue:

Our Company, Subsidiaries or Group Companies have not undertaken any public issue of Equity Shares in last three years.

Rights Issue:

Our Company has not undertaken a rights issue of equity shares in the last three years.

Below are the details of rights issue undertaken by Subsidiaries, namely MO Investment Advisors, MO B&D and MOFL. The funds have been utilised from the proceeds from such issuances in accordance with the use of proceeds set out in the respective offer documents.

MO Investment Advisors

Date of Allotment	Number of equity shares	Issue price (₹)	Consideration in cash/Other than cash	Details of Utilisation
December 12, 2023	3,49,162	1,432.00	Cash	Business Purpose

MO B&D

Date of Allotment	Number of equity shares	Issue price (₹)	Consideration in cash/Other than cash	Details of Utilisation
October 6, 2020	30,00,000	10	Cash	Business purpose
August 28, 2023	70,00,000	10	Cash	Business purpose

MOFL

Date of Allotment	Number of equity shares	Issue price (₹)	Consideration in cash/Other than cash	Details of Utilisation
December 2, 2020	9,568,614	125.73	Cash	Business purpose
June 16, 2021	2,571,449	136.11	Cash	Business purpose
July 8, 2021	7,346,998	136.11	Cash	Business purpose
July 30, 2021	3,673,499	136.11	Cash	Business purpose
November 2, 2021	3,673,499	136.11	Cash	Business purpose

Below are the details of rights issue undertaken by one of our Group Companies, namely, Boundless Media Private Limited. The funds have been utilised from the proceeds from such issuances in accordance with the use of proceeds set out in the respective offer documents.

Boundless Media Private Limited

Date of Allotment	Number of equity shares	Issue price (₹)	Consideration in cash/Other than cash	Details of Utilisation
April 24, 2020	50,000	10	Cash	Business Purpose
May 26, 2020	60,000	10	Cash	Business Purpose
July 6, 2020	1,50,000	10	Cash	Business Purpose
September 10, 2020	1,50,000	10	Cash	Business Purpose
November 21, 2020	2,00,000	10	Cash	Business Purpose
January 5, 2021	1,65,000	10	Cash	Business Purpose
March 11, 2021	2,90,000	10	Cash	Business Purpose
March 17, 2021	2,00,000	10	Cash	Business Purpose
May 12, 2021	2,00,000	10	Cash	Business Purpose
July 16, 2021	2,00,000	10	Cash	Business Purpose
September 24, 2021	2,00,000	10	Cash	Business Purpose
October 28, 2021	2,00,000	10	Cash	Business Purpose
March 30, 2022	2,00,000	10	Cash	Business Purpose
April 29, 2022	2,00,000	10	Cash	Business Purpose
May 21, 2022	2,00,000	10	Cash	Business Purpose
June 30, 2022	2,00,000	10	Cash	Business Purpose
July 30, 2022	10,00,000	10	Cash	Business Purpose
October 4, 2022	10,00,000	10	Cash	Business Purpose
October 7, 2022	20,00,000	10	Cash	Business Purpose
November 2, 2022	5,00,000	10	Cash	Business Purpose
November 9, 2022	5,00,000	10	Cash	Business Purpose
January 1, 2023	5,00,000	10	Cash	Business Purpose
February 10, 2023	1,50,000	10	Cash	Business Purpose
March 6, 2023	7,00,000	10	Cash	Business Purpose

Non-Convertible Debenture public issues:

Our Company, Subsidiaries or Group Companies have not made any previous public issues of –on - convertible debentures.

Non-Convertible Debentures private placements:

Except as disclosed in " – *Utilisation details of previous issues – Our Company*" on page 299, our Company has not issued non-convertible debentures by way of various private placements.

Our Group Companies have not issued any non-convertible debentures by way of private placements.

Below are the details of non-convertible debentures issued by Subsidiaries, namely MOFL and MOHFL, by way of private placements. The funds have been utilised from the proceeds from such issuances in accordance with the use of proceeds set out in the respective offer documents.

MOFL

ISIN	Issue opening date	Issue closing date	Date of allotment	Issue size	Allotment amount	Objects of the Issue	Amount utilized (in ₹ crores)
INE01WN07011	September 18, 2020	September 18, 2020	September 18, 2020	37.50	37.50	General corporate purposes and working capital requirement including repayment of existing debt, and to fund margin funding facility of the Issuer as permitted by the regulator	37.50
INE01WN07011	September 29 2020	September 29 2020	September 29 2020	10.92	10.92	General corporate purposes and working capital requirement including repayment of existing debt, and to fund margin funding facility of the Issuer as permitted by the regulator	10.92
INE01WN07011	October 8 2020	October 8 2020	October 8 2020	10.04	10.04	General corporate purposes and working capital requirement including repayment of existing debt, and to fund margin funding facility of the Issuer as permitted by the regulator	10.04
INE01WN07011	October 29 2020	October 29 2020	October 29 2020	26.23	26.23	General corporate purposes and working capital requirement including repayment of existing debt, and to fund margin funding facility of the Issuer as permitted by the regulator	26.23
INE01WN07011	November 5 2020	November 5 2020	November 5 2020	0.50	0.50	General corporate purposes and working capital requirement including repayment of existing debt, and to fund margin funding facility of the Issuer as permitted by the regulator	0.50
INE01WN07011	February 26 2021	February 26 2021	February 26 2021	14.89	14.89	General corporate purposes and working capital requirement including repayment of existing debt, and to fund margin funding facility of the Issuer as permitted by the regulator	14.89
INE01WN07029	November 20 2020	November 20 2020	November 20 2020	12.80	12.80	General corporate purposes and working capital requirement including repayment of existing debt, and to fund margin funding facility of the Issuer as permitted by the regulator	12.80
INE01WN07029	November 27 2020	November 27 2020	November 27 2020	3.00	3.00	General corporate purposes and working capital requirement	3.00

ISIN	Issue opening date	Issue closing date	Date of allotment	Issue size	Allotment amount	Objects of the Issue	Amount utilized (in ₹ crores)
						including repayment of existing debt, and to fund margin funding facility of the Issuer as permitted by the regulator	
INE01WN07029	December 23 2020	December 23 2020	December 23 2020	14.16	14.16	General corporate purposes and working capital requirement including repayment of existing debt, and to fund margin funding facility of the Issuer as permitted by the regulator	14.16
INE01WN07029	January 29 2021	January 29 2021	January 29 2021	7.66	7.66	General corporate purposes and working capital requirement including repayment of existing debt, and to fund margin funding facility of the Issuer as permitted by the regulator	7.66
INE01WN07029	March 05 2021	March 05 2021	March 05 2021	8.55	8.55	General corporate purposes and working capital requirement including repayment of existing debt, and to fund margin funding facility of the Issuer as permitted by the regulator	8.55
INE01WN07037	March 26, 2021	March 26, 2021	March 30, 2021	200	200	General corporate purposes and working capital requirement including repayment of existing debt, and to fund margin funding facility of the Issuer as permitted by the regulator	200.00
INE01WN07052	August 04, 2022	August 04, 2022	August 04, 2022	14.00	14.00	General corporate purposes and working capital requirement including repayment of existing debt, and to fund margin funding facility of the Issuer as permitted by the regulator	14.00
INE01WN07052	September 08, 2022	September 08, 2022	September 08, 2022	32.74	32.74	General corporate purposes and working capital requirement including repayment of existing debt, and to fund margin funding facility of the Issuer as permitted by the regulator	32.74
INE01WN07060	November 02, 2022	November 02, 2022	November 03, 2022	900.00	900.00	(a) making loan and other loan disbursements to the borrowers; (b) re-financing and repayment of borrowing; (c) interest expenses (d) other working	900.00

ISIN	Issue opening date	Issue closing date	Date of allotment	Issue size	Allotment amount	Objects of the Issue	Amount utilized (in ₹ crores)
						capital requirements; I (e) general corporate purposes	
INE01WN07078	December 20, 2022	December 20, 2022	December 21, 2022	98.70	98.70	(a) making loan and other loan disbursements to the borrowers; (b) re-financing and repayment of borrowing; (c) interest expenses (d) other working capital requirements and (e) general corporate purposes	98.70
INE01WN07078	January 25, 2023	January 25, 2023	January 25, 2023	37.39	37.39	(a) making loan and other loan disbursements to the borrowers; (b) re-financing and repayment of borrowing; (c) interest expenses (d) other working capital requirements; and (e) general corporate purposes	37.39
INE01WN07086 (Unlisted NCD)	August 24, 2023	August 24, 2023	August 24, 2023	11.70	11.70	(a) making loan and other loan disbursements to the borrowers; (b) re-financing and repayment of borrowing; (c) interest expenses (d) other working capital requirements; and (e) general corporate purposes	11.70
INE01WN07094	September 11, 2023	September 11, 2023	September 12, 2023	810.00	810.00	(a) making loan and other loan disbursements to the borrowers; (b) re-financing and repayment of borrowing; (c) interest expenses (d) other working capital requirements; and (e) general corporate purposes	810.00
INE01WN07102	September 15, 2023	September 15, 2023	September 18, 2023	60.00	60.00	(a) making loan and other loan disbursements to the borrowers; (b) re-financing and repayment of borrowing; (c) interest expenses (d) other working capital requirements; and (e) general corporate purposes	60.00
INE01WN07110	February 13, 2024	February 13, 2024	February 14, 2024	50.00	50.00	(a) making loan and other loan disbursements to the borrowers; (b) re-financing and repayment of borrowing; (c) interest expenses (d) other working capital requirements; and (e) general corporate purposes	50.00

MOHFL

ISIN	Issue opening date	Issue closing date	Date of allotment	Issue size	Allotment amount	Objects of the Issue	Amount utilized (in ₹ crores)
INE658R08164	January 28, 2022	January 28, 2022	January 31, 2022	10	10	(a) onward lending to its customers; (b) general corporate purposes; (c) working capital requirements; (d) repayment/refinancing of existing debt and payment of transaction related expenses including interest payment and cost and expenses incurred towards obtaining the documentation in relation to the issue	10.00
INE658R08172	February 09, 2022	February 09, 2022	February 10, 2022	290	290	(a) onward lending to its customers; (b) general corporate purposes; (c) working capital requirements; (d) repayment/refinancing of existing debt and payment of transaction related expenses including interest payment and cost and expenses incurred towards obtaining the documentation in relation to the issue	290.00
INE658R07422	August 28, 2020	August 28, 2020	August 28, 2020	13.18	13.18	Funding requirements for on-lending purposes and regular business activities	13.18
INE658R07422	August 14, 2020	August 14, 2020	August 14, 2020	25.58	25.58	Funding requirements for on-lending purposes and regular business activities	25.58
INE658R07422	July 31, 2020	July 31, 2020	July 31, 2020	15.5	15.5	Funding requirements for on-lending purposes and regular business activities.	15.50
INE658R07414	July 29, 2020	July 29, 2020	July 30, 2020	25	25	Funding requirements for on-lending purposes and regular business activities.	25.00
INE658R07406	July 16, 2020	July 16, 2020	July 17, 2020	75	75	Funding requirements for on-lending purposes and regular business activities.	75.00
INE658R07364	July 15, 2020	July 15, 2020	July 15, 2020	7.26	7.26	Funding requirements for on-lending purposes and regular business activities.	7.26
INE658R07364	June 30, 2020	June 30, 2020	June 30, 2020	29.33	29.33	Funding requirements for on-lending purposes and regular business activities.	29.33

INE658R07398	June 26, 2020	June 26, 2020	June 29, 2020	50	50	Funding requirements for on-lending purposes and regular business activities.	50.00
INE658R07380	June 25, 2020	June 25, 2020	June 25, 2020	50	50	Funding requirements for on-lending purposes and regular business activities.	50.00
INE658R07372	June 22, 2020	June 22, 2020	June 22, 2020	25	25	Funding requirements for on-lending purposes and regular business activities.	25.00
INE658R07364	June 18, 2020	June 18, 2020	June 18, 2020	29.85	29.85	Funding requirements for on-lending purposes and regular business activities.	29.85
INE658R07364	June 11, 2020	June 11, 2020	June 11, 2020	33.8	33.8	Funding requirements for on-lending purposes and regular business activities.	33.80

Utilisation details of previous issues

Our Company

ISIN	Issue opening date	Issue closing date	Date of allotment	Issue size	Allotment amount	Objects of the Issue	Amount utilized (in ₹ crores)
INE338I07081	May 12, 2022	May 13, 2022	May 13, 2022	28.40	28.40	General corporate purposes and working capital requirement	28.40
INE338I07073	September 22, 2021	September 22, 2021	September 22, 2021	78.00	78.00	General corporate purposes and working capital requirement	78.00
INE338I07065	February 4, 2021	February 4, 2021	February 5, 2021	105	105	General corporate purposes and working capital requirement	105.00
INE338I07057	November 6, 2020	November 6, 2020	November 6, 2020	195	195	General corporate purposes and working capital requirement	195.00

Our Company has issued non-convertible debentures by way of various private placements, for which, our Company has utilised the proceeds from such issuances in accordance with the use of proceeds set out in the respective offer documents and/or information memorandums under which such non-convertible debentures were issued which include, among others, its various financing activities, to repay its existing loans and for its business operations and for general corporate purposes in accordance with the object clause of the Memorandum of Association of our Company.

Benefit/ interest accruing to Promoter/ Directors out of the Object of the Issue

Neither the Promoters nor the Directors of our Company are interested in the Objects of the Issue.

Details regarding the Company and other listed companies under the same management within the meaning of Section 370(1B) of the Companies Act, 1956 which made any capital issue during the last three years

There are no public or rights or composite issue of capital by listed companies under the same management within the meaning of Section 370(1B) of the Companies Act, 1956 during the last three years.

Utilisation of proceeds by our Group Companies

No proceeds of the Issue will be paid to our Group Companies.

Details of any other contingent liabilities of the issuer on standalone basis based on the last audited financial statements including amount and nature of liability

(in ₹ crores)

Particulars	As of March 31, 2023
Contingent Liabilities	
Guarantees/securities given	3,233.80
Demanded in respect of income tax matters for which appeal is pending	19.20
Claim against the Company	9.92
Capital & other commitments	
Estimated amount of contracts remaining to be executed on capital account (net of advances)	44.06
Uncalled liability on shares and other investments partly paid:	
1) India Business Excellence Fund IV	2.70
2) India Realty Excellence Fund V	1.30

Delay in listing and allotment of securities

There has been no delay in the listing of any non-convertible securities issued by our Company. In the event of failure to list such securities within such days from the date of closure of issue as may be specified by the Board (scheduled listing date), all application moneys received or blocked in the public issue shall be refunded or unblocked forthwith within two working days from the scheduled listing date to the applicants through the permissible modes of making refunds and unblocking of funds. For delay in refund/unblocking of funds beyond the timeline as specified above, the issuer shall be liable to pay interest at the rate of fifteen percent per annum to the investors from the scheduled listing date till the date of actual payment.

Default in payment

In case of default (including delay) in payment of interest and/ or redemption of principal on the due dates for debt securities issued on private placement or public issue, additional interest of at least 2% p.a. over the coupon rate shall be payable by the issuer for the defaulting period.

Promoter Shareholding

Please see "*Capital Structure*" on page 58 for details with respect to Promoters shareholding in our Company as on the date of this Prospectus.

Debentures or bonds and redeemable preference shares and other instruments issued by our Company and outstanding

As on April 4, 2024 our Company has outstanding non-convertible debentures. For further details see "*Disclosures on existing Financial Indebtedness*" on page 193.

Our Company does not have any outstanding preference shares as of March 31, 2023.

Further, save and except as mentioned in the "*Disclosures on existing Financial Indebtedness*" on page 193, our Company has not issued any other outstanding debentures or bonds.

Dividend

Our Company has formulated a dividend distribution policy in compliance with Regulation 43 of SEBI LODR Regulations.

Other than as disclosed below, our Company has not declared any Dividend in the last four financial years on a standalone basis.

Particulars	FY 2024	FY 2023	FY 2022	FY 2021
Equity share Capital *(in ₹)*	14,90,07,291	14,79,47,126	14,90,62,919	14,84,88,819
Face Value per share *(in ₹)*	1	1	1	1
Interim Dividend per share *(in ₹)*	14	7	7	5
Interim Dividend *(in ₹ crores)*	207.94	103.51	103.02	73.27
Interim Dividend Rate (%)	1400%	700%	700%	500%
Final Dividend per share *(in ₹)*	-	3	3	5
Final Dividend *(in ₹ crores)*	-	44.39	44.72	73.37
Final Dividend Rate (%)	-	300%	300%	500%

Other than as disclosed below, our Company has not declared any Dividend in the last four financial years, on a consolidated basis.

Particulars	FY 2024	FY 2023	FY 2022	FY 2021
Equity share Capital *(in ₹)*	14,90,07,291	14,79,47,126	14,90,62,919	14,84,88,819
Face Value per share *(in ₹)*	1	1	1	1
Interim Dividend per share *(in ₹)*	14	7	7	5
Interim Dividend *(in ₹ crores)*	207.94	103.51	103.02	73.27
Interim Dividend Rate (%)	1400%	700%	700%	500%
Final Dividend per share *(in ₹)*	-	3	3	5
Final Dividend *(in ₹ crores)*	-	44.39	44.72	73.37
Final Dividend Rate (%)	-	300%	300%	500%

Jurisdiction

Exclusive jurisdiction for the purpose of the Issue is with the competent courts of jurisdiction in Mumbai, India.

Commission or Brokerage on Previous Issues

This is the maiden public issue of NCDs by the Company. Hence no commission has been paid in relation to any public issue of the NCDs.

Revaluation of assets

Our Company has not revalued its assets in the last three years.

Mechanism for redressal of investor grievances

Link Intime India Private Limited has been appointed as the Registrar to the Issue to ensure that investor grievances are handled expeditiously and satisfactorily and to effectively deal with investor complaints.

Agreement dated March 26, 2024 between the Registrar to the Issue and our Company provides for settling of investor grievances in a timely manner and for retention of records with the Registrar to the Issue for a period of eight years from the last date of dispatch of the Allotment Advice, demat credit and refund through unblocking to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances relating to the Issue may be addressed to the Registrar to the Issue and Compliance Officer for the Issue giving full details such as name, address of the Applicant, number of NCDs applied for, amount paid on Application and the details of Member of Syndicate or Trading Member of the Stock Exchanges where the Application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to either (a) the relevant Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant, or (b) the concerned Member of the Syndicate and the relevant Designated Branch of the SCSB in the event of an Application submitted by an ASBA Applicant at any of the Syndicate ASBA Application Locations, giving full details such as name, address of Applicant, Application Form number, option applied for, number of NCDs applied for, amount blocked on Application.

All grievances related to the UPI process may be addressed to the Stock Exchanges, which shall be responsible for addressing investor grievances arising from applications submitted online through the app based/ web interface platform of stock exchange or through their Trading Members. The Intermediaries shall be responsible for addressing any investor grievances arising from the applications uploaded by them in respect of quantity, price or any other data entry or other errors made by them. We estimate that the average time required by us or the Registrar to the Issue for the redressal of routine investor grievances will be three (3) Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

Registrar to the Issue

Link Intime India Private Limited
C-101, 1st Floor, 247 Park
L.B.S. Marg, Vikhroli (West)
Mumbai 400 083
Maharashtra, India
Tel: + 91 810 811 4949
Facsimile: +91 22 4918 6195
Email: motilaloswal.ncd2024@linkintime.co.in
Investor Grievance Email: motilaloswal.ncd2024@linkintime.co.in
Webs**ite**: www.linkintime.co.in

Contact Person: Shanti Gopalkrishnan
Compliance Officer: B.N. Ramakrishnan
SEBI Registration No: INR000004058
CIN: U67190MH1999PTC118368

Compliance Officer for the Issue and Company Secretary of our Company

Kailash Purohit is the Compliance Officer for the Issue and Company Secretary of our Company for this Issue. The contact details of the Compliance Officer for the Issue and Company Secretary are as follows:

Motilal Oswal Tower, Rahimtullah Sayani Road
Opposite Parel ST Depot, Prabhadevi
Mumbai 400 025
Maharashtra, India
Contact Number: +91 22 7193 4200
Facsimile: +91 22 5036 2365
Email: shareholders@motilaloswal.com

Investors may contact the Registrar to the Issue or the Compliance Officer for the Issue and Company Secretary in case of any pre-Issue or post-Issue related issues such as non-receipt of Allotment Advice, demat credit or refund orders.

Change in Auditors of our Company during the last three financial years and current financial year

Except as disclosed below, there has been no changes in the statutory auditors of our Company during the last three financial years and current financial year:

Name of the Auditor	Address	Date of Appointment	Date of cessation if applicable	Date of Resignation if applicable
Singhi & Co., Chartered Accountants	B2, 402B, Marathon Innova, off Ganpatrao Kadam Marg, opposite Peninsula Corporate Park, Lower Parel, Mumbai 400 013, Maharashtra, India	August 13, 2021	-	-
Walker Chandiok & Co. LLP, Chartered Accountants	16th Floor, Tower 3One International Centre, SB Marg Prabhadevi (West), Mumbai 400 013, Maharashtra, India	July 27, 2017	-	August 12, 2021

Auditor's Remarks or Emphasis of Matter

Except as disclosed in *"Risk Factors"* and "*Outstanding Litigations and Defaults*" on pages 17 and 274, respectively, there are no reservations or qualifications or adverse remarks in the financial statements and financial position of our Company in the last three Fiscals immediately preceding this Prospectus.

Pre-Issue Advertisement

Subject to Regulation 30(1) of SEBI NCS Regulations, our Company will issue a statutory advertisement on or before the Issue Opening Date. This advertisement will contain the information as prescribed under Schedule V of the SEBI NCS Regulations in compliance with Section 30 of the Companies Act, 2013. Material updates, if any, between the date of filing of this Prospectus with ROC and the date of release of the statutory advertisement will be included in the statutory advertisement information as prescribed under SEBI NCS Regulations.

Trading

This is our Company's maiden public issue of debt securities. Consequently, there has been no material fluctuation in prices or volumes of such listed debt securities. The Equity shares of the Issuer are listed and traded on NSE and BSE.

Caution

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act,

2013 which is reproduced below:

"Any person who:

(a) makes or abets making of an application in a fictitious name to a company for acquiring or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a company to allot, or register any transfer of securities to him, or any other person in a fictitious name shall be liable for action under section 447."

Disclaimer statement from our Company, our Directors and the Lead Managers

Our Company, our Directors and the Lead Managers accept no responsibility for statements made other than in this Prospectus or in the advertisements or any other material issued by or at our Company's instance in connection with the Issue of the NCDs and anyone placing reliance on any other source of information including our Company's website, or any website of any affiliate of our Company would be doing so at their own risk. The Lead Managers accept no responsibility, save to the limited extent as provided in the Issue Agreement.

None among our Company or the Lead Managers or any Member of the Syndicate is liable for any failure in uploading the Application due to faults in any software/ hardware system or otherwise; the blocking of Application Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

Investors who make an Application in the Issue will be required to confirm and will be deemed to have represented to our Company, the Lead Managers and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the NCDs and will not issue, sell, pledge, or transfer the NCDs to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the NCDs. Our Company, the Lead Managers and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the NCDs being offered in the Issue.

REGULATIONS AND POLICIES

The following description is a summary of the important laws, regulations and policies that are applicable to our business. The information detailed below has been obtained from the various legislations, including rules and regulations promulgated by regulatory and statutory bodies, and the bye-laws of the respective local authorities that are available in the public domain. The regulations set out below may not be exhaustive and are merely intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice. The statements below are based on the current provisions of Indian law and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, statutory, administrative or judicial decisions.

In addition to the regulations and policies already specified in this Prospectus, taxation statutes, the Information Technology Act 2000, various labour laws, environmental laws, corporate laws and other laws apply to us as they do to any other Indian company.

Securities and Exchange Board of India Act, 1992 (the "SEBI Act")

The main legislation governing the activities in relation to the securities markets in India is the SEBI Act and the rules, regulations and notifications framed thereunder. The SEBI Act was enacted to provide for the establishment of SEBI whose function is to protect the interests of investors and to promote the development of, and to regulate, the securities market. The SEBI Act also provides for the registration and regulation of the function of various market intermediaries including stock brokers, depository participants, merchant bankers, portfolio managers, investment advisers, and research analysts. Pursuant to the SEBI Act, SEBI has formulated various rules and regulations to govern the functions and working of these intermediaries. SEBI also issues various circulars, notifications and guidelines from time to time in accordance with the powers vested with it under the SEBI Act. SEBI has the power to impose (i) monetary penalty under the SEBI Act and the regulations made thereunder, and (ii) penalties prescribed under various regulations, including suspending or cancelling the certificate of registration of an intermediary and initiating prosecution under the SEBI Act. Further, SEBI has the power to conduct inspection of all intermediaries in the securities market, including, stock brokers, investment advisers, merchant bankers, underwriters, research analysts, to ensure, amongst others, that the books of account are maintained in the manner required in accordance with applicable law.

In addition to the SEBI Act, the key activities of our Company are also governed by the following acts, rules, regulations, notifications and circulars:

Securities Contracts (Regulation) Act, 1956 (the "SCRA")

The SCRA seeks to prevent undesirable transactions in securities by regulating the business of dealing in securities and other related matters. The SCRA provides the conditions for grant of recognition for stock exchanges by the Central Government as also withdrawal of recognition. Every recognized stock exchange is required to have bye-laws for the regulation and control of contracts which inter alia include: (i) the opening and closing of markets and the regulation of the hours of trade; (ii) the fixing, altering or postponing of days for settlements; (iii) the determination and declaration of market rates, including the opening, closing, highest and lowest rates for securities; (iv) the listing of securities on the stock exchange, the inclusion of any security for the purpose of dealings and the suspension or withdrawal of any such securities, and the suspension or prohibition of trading in any specified securities; (v) the regulation of dealings by members for their own account; and (vi) the obligation of members to supply such information or explanation and to produce such documents relating to the business as the governing body may require.

Securities Contracts (Regulation) Rules, 1957 (the "SCRR")

The SCRR provides, among other things, the requirements with respect to listing of securities on a recognised stock exchange, the manner of submitting applications for recognition of stock exchanges, and the qualifications for membership of a recognised stock exchange. It also empowers SEBI to appoint persons to inspect the books of accounts and other documents to be maintained and preserved by every member of a recognised stock exchange, in terms of these rules.

SEBI (Stock Broker) Regulations, 1992

SEBI Stock Broker Regulations govern the registration and functioning of stock brokers, sub-brokers and clearing members. In terms of the SEBI Stock Broker Regulations, stock brokers are required to abide by a code of conduct and are subject to penalties for noncompliance of the SEBI Stock Broker Regulations. SEBI has the authority to inspect the books of accounts of stock brokers and in case of violations by the stock broker of the provisions of the SCRA, to take such appropriate action as it deems fit after giving an opportunity for hearing. Further, in case of any change in its status or constitution, the stock broker is required to obtain the prior permission of SEBI in order to continue to buy, sell or deal in securities in any stock exchange.

Stock Exchange Rules, Regulation, Byelaws and Notices issued from time to time

Being a trading and clearing member of BSE,NSE, MCX and NCDEX we are governed by the rules, regulations, bye laws and notices of such exchanges, as amended from time to time. The relevant exchange is empowered under the SCRA to make its own bye laws and rules to deal with its members and regulations to govern/ regulate the relations between the members and the

constituents. Further, the SEBI Master Circular dated December 16, 2016 regarding stock exchanges and clearing corporations provides for, amongst other things, the manner of trading, trading software and technology, settlement, exchange traded derivatives, the administration of stock exchanges and client-broker dispute resolution mechanism. Stock exchanges may undertake inspection of stock brokers based on the inspection policy specified by SEBI.

SEBI (Mutual Funds) Regulations, 1996 and AMFI Guidelines

The SEBI Mutual Funds Regulations govern the law pertaining to the business of mutual funds in India. SEBI has made it mandatory for all mutual funds to appoint agents/distributors who are registered with AMFI. In case of firms/companies, the requirement of certification from National Institute of Securities Markets is made applicable to the persons engaged in sales or distribution of mutual fund products. AMFI has issued guidelines for intermediaries in consonance with the SEBI Master Circular for Mutual Funds dated July 10, 2018. The primary objective of the AMFI Guidelines is to ensure that mutual fund intermediaries do not use unethical means to sell market or induce any investor to buy units of their scheme(s) and mobilize funds on the strength of professional fund management and good practices. The AMFI Guidelines are mandatory and all such intermediaries are required to strictly comply with the code of conduct prescribed by AMFI.

SEBI Circular on Mutual Fund Distributors

SEBI by way of its circulars no. CIR No.10 / 310 /01 dated September 25, 2001, MFD/CIR/20/23230/2002 dated November 28, 2002, SEBI/MFD/CIR No.01/6693/03 dated April 3, 2003, SEBI/IMD/CIR No.2/254/04 dated February 4, 2004 and Cir / IMD / DF / 5 / 2010 dated June 24, 2010, has amongst others directed that (a) agents/ distributors of mutual fund units are required to obtain certification from the National Institute of Securities Markets ("**NISM**") and registration from AMFI, (b) AMFI shall create a unique identity number of the employee/ relationship manager/ sales person of the distributor interacting with the investor for the sale of mutual fund products, in addition to the AMFI Registration Number ("**ARN**") of the distributor.

SEBI by way of its circular no MFD/CIR/ 06/210/2002 dated June 26, 2002, provided that all distributors and agents of mutual funds units are required to follow the code of conduct for intermediaries of mutual funds provided therein.

SEBI by way of circular no. SEBI/IMD/DF/13/2011 dated August 22, 2011, has provided guidance on due diligence process to be conducted by AMCs on certain categories of distributors.

SEBI by way of its circular on "Facilitating transaction in mutual fund schemes through the stock exchange infrastructure" bearing reference number CIR/IMD/DSA/32/2013 dated October 4, 2013, has permitted a mutual fund distributor registered with the Association of Mutual Funds in India ("**AMFI**") and who has been permitted by BSE to be eligible to use the stock exchanges' infrastructure, to purchase and redeem mutual fund units directly from mutual fund and asset management companies (AMC), in addition to the existing channels of mutual funds distribution. The recognized stock exchange shall grant permission to a mutual fund distributor on a request made by a AMFI registered mutual fund distributor on the basis of criteria including fee, code of conduct as laid down by AMFI. Additionally, it clarified that a mutual fund distributor shall not handle payout and pay in of funds as well as units on behalf of investors. The recognized stock exchange shall put necessary system in place to ensure that pay in will be directly received by recognized clearing corporation and payout will be directly made to investor account. In the same manner, units shall be credited and debited directly from the demit account of investors. SEBI has also by way of its circulars bearing reference no. SEBI/HO/MRD/DSA/CIR/P/2016/113 dated October 19, 2016 and SEBI/HO/MRD1/DSAP/CIR/P/2020/29 dated February 26, 2020, permitted (a) investment advisers registered with SEBI to use infrastructure of the recognized stock exchanges to purchase and redeem mutual fund units directly from mutual fund and AMCs, on behalf of their clients, including direct plans; and (b) investors to directly access infrastructure of the recognized stock exchanges to purchase and redeem mutual fund units directly from mutual fund and AMCs.

SEBI by its circular on "Categorization and Rationalization of Mutual Fund Schemes", bearing reference number SEBI/HO/IMD/DF3/CIR/P/2017/114 dated October 6, 2017 ("**SEBI Circular**") has specified the framework for categorization and rationalization of mutual fund schemes. This circular is applicable to the open-ended schemes of the mutual funds, which are either existing, or are in the process of being launched, or draft of the scheme document has been filed/ will be filed with SEBI. Pursuant to the SEBI Circular the mutual fund schemes are classified under five groups, namely, equity schemes, debt schemes, hybrid schemes, solution-oriented schemes and other schemes. These five groups collectively have 36 different categories of each of these schemes under them, details of which are provided in the SEBI Circular. Further, the investment objective, investment strategy and benchmark of each existing scheme, is required to be suitably modified to be aligned with these classifications.

In relation to investment universe for the equity schemes, the SEBI Circular has defined large cap, mid cap and small cap companies in terms of full market capitalization, as: (a) large ca^{p} to b^{e} in the range of 1st-100th; (b) ^{mi}d ca^{p} falling under 101st-250th; and (c) small cap to be a company which is 251stonwards. In this regard, mutual funds will be required to adopt the list of stocks prepared by AMFI and in the event of any updation thereto, mutual funds will have to rebalance their portfolios as per the updated list, within a period of one month thereof. Further, SEBI by its circular on "Asset Allocation of Multi Cap Funds", bearing reference number SEBI/HO/IMD/DF3/CIR/P/2020/172, dated September 11, 2020, has partially modified the scheme characteristics of multi cap funds, such that requirement for minimum investment in equity and equity related instruments has been increased from 65 per cent. To 75 per cent. Of the total assets, with minimum investment of 25 per cent. Of the respective total assets in equity and equity related instruments of large cap, mid cap and small cap companies, each.

Further, SEBI by its circular on "Introduction of "Flexi Cap Fund" as a new category under Equity Schemes", bearing reference number SEBI/HO/IMD/DF3/CIR/P/2020/228, dated November 6, 2020, has introduced a new category of scheme named "Flexi Cap Fund" under equity schemes which requires to make a minimum investment in equity and equity related instruments of 65% of total assets of the scheme and will be an open ended dynamic equity scheme investing across large cap, mid cap, small cap stocks.

SEBI by its circular on "Total Expense Ratio (TER) and Performance Disclosure for Mutual Funds" bearing reference number SEBI/HO/IMD/DF2/CIR/P/2018/137, dated October 22, 2018 provided that all scheme related expense including commission paid to distributors is required to necessarily be paid from the scheme only within the regulatory limits and not from the books of the AMC, its associate, sponsor, trustee or any other entity through any route and that the AMCs should adopt full trail model of commission in all schemes without payment of any upfront commission to mutual fund distributors. Further, SEBI by its circular on "Review of Commission, Expenses, Disclosure norms etc. – Mutual Fund" bearing reference number SEBI/HO/IMD/DF2/CIR/P/2019/42 dated March 25, 2019, carved out for upfronting of trail commission for inflows through systematic investment plans from new investors to the mutual fund industry.

SEBI (Research Analysts) Regulations, 2014

The SEBI Research Analysts Regulations provide that no person shall act or hold itself out as a research analyst or a research entity unless such person holds a certificate granted by SEBI under these regulations. The SEBI Research Analysts Regulations, lay down, amongst other things, the eligibility criteria, conditions for grant of certificate to research analyst and its general obligations and responsibilities. Further, every research analyst is required to abide by the code of conduct as specified under the SEBI Research Analysts Regulations.

SEBI (Intermediaries) Regulations, 2008

SEBI Intermediaries Regulations provides amongst other things, the manner of application for registration as an intermediary with SEBI, and the period of validity of the registration certificate. Further, the SEBI Intermediaries Regulations provides the general obligations of intermediaries, the appointment of compliance officer and the manner of redressal of investor grievances. All intermediaries are required to compulsorily abide by the code of conduct as specified under the SEBI Intermediaries Regulations. The SEBI Intermediaries Regulations also provide the criteria for determining "fit and proper person" for the purpose of other SEBI regulations, including the SEBI Merchant Bankers Regulations, the SEBI Stock Brokers and Sub-brokers Regulations, the SEBI Portfolio Managers Regulations, the SEBI Investment Advisers Regulations and the SEBI Research Analysts Regulations.

SEBI Intermediaries Circular on Conflicts

The SEBI Intermediaries Circular on Conflicts prescribes comprehensive guidelines to intermediaries and their associated persons for elimination of conflicts of interest. It prescribes guidelines for avoiding, dealing with, or managing, conflict of interest, including, developing internal procedures, maintaining high standards of integrity in conduct of business and developing an internal code of conduct to govern operations, appropriately disclosing potential sources or areas of conflict to clients and formulating standards of appropriate conduct in performance of their activities, which are in addition to the codes of conduct prescribed under relevant regulations governing intermediaries.

SEBI (Certification of Associated Persons) Regulations, 2007

The SEBI Certification of Associated Persons Regulations provide that any category of associated persons (as defined in terms of these regulations) may be required to obtain the requisite certifications for engagement or employment with intermediaries by SEBI. Through several notifications, SEBI has required approved users and sales personnel of trading members in currency derivative and equity derivative segments, distributors of mutual fund products, key managerial personnel of merchant bankers, compliance officers of intermediaries, research analysts and certain persons associated with stock brokers, trading members or clearing members to obtain the prescribed certification from National Institute of Securities Markets.

SEBI (Depositories and Participants) Regulations, 2018

SEBI Depositories and Participants Regulations provide, amongst other things, the manner of application for registration as a depository and a participant with SEBI. It provides the criteria for determining "fit and proper person" for the purposes of being considered as a depository. Further, the Depositories and Participants Regulations provide for the prescribed equity shareholding of a sponsor, a person or a participant in the capital of the depository. All depositories that have been granted a certificate of registration are required to make an application to SEBI for commencement of business. The Depositories and Participants Regulations provide for rights and obligations of depositories, participants, issuers, manner of surrender of certificate and creation of pledge. It further prescribes the mechanism for investor protection, evaluation of internal systems, manner for handling share registry work and liability of a participant or a depository in case of default.

SEBI Market Maker Guidelines

The SEBI Market Maker Guidelines provide for the registration, obligations, responsibilities and monitoring of Market Makers on the Small and Medium Enterprise (SME) platform. Any member of the concerned stock exchange would be eligible to act as Market Marker provided it is registered with the concerned stock exchange as a Market Maker to Market Makers are obligated to provide quotes from the day of listing or when designated as the Market Maker on the respective scrip, in accordance with the guidelines provided by the concerned stock exchange.

SEBI (Underwriters) Regulations, 1993 ("Underwriter Regulations")

Underwriter Regulations governs the certification, obligations, and responsibilities of all underwriters. While generally all underwriters must apply for and hold a certificate granted by SEBI under these regulations, a stock broker holding a valid certificate of registration under the SEBI Act, shall be entitled to act as an underwriter without obtaining a separate certificate under the Underwriter Regulations. The underwriter is prohibited from deriving any direct or indirect benefit from underwriting the issue other than the anticipated commission or brokerage payable for the same.

IRDAI (Registration of Corporate Agents) Regulations, 2015

Corporate agents are granted a certificate of registration by IRDAI in accordance with the IRDAI (Registration of Corporate Agents) Regulations. A corporate agent is permitted to act as a corporate agent for a maximum of three life, three general and three health insurers and is required to adopt a board policy on the same. The corporate agents are required to adhere to a code of conduct on soliciting and servicing of insurance policies as prescribed by these regulations. IRDAI has the power to inspect records of corporate agents, and review performance of their activities and initiate disciplinary action, in case of deficiencies.

EMPLOYEE AND LABOUR RELATED LEGISLATIONS:

Our Company is governed by various legislations for the safety and protection of the labour and employees either working for or engaged by the Company. Our Company is required to ensure compliance of various labour and employment laws to conduct its business and projects. These include, but are not limited to the following:

- The Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
- The Employees' State Insurance Act, 1948;
- The Contract Labour (Regulation and Abolition) Act, 1970;
- The Public Liability Insurance Act, 1991;
- The Maternity Benefit Act, 1961;
- The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
- The Equal Remuneration Act, 1976
- The Employee's Compensation Act, 1923;
- The Minimum Wages Act, 1948;
- The Payment of Wages Act, 1936;
- The Payment of Gratuity Act, 1972; and
- The Payment of Bonus Act, 1965.

The Code on Wages, 2019 (enacted by the parliament of India and assented to by the President of India on August 8, 2019) will come into force on such date as may be notified in the official gazette by the Central Government and different date may be appointed for different provisions of the Code on Wages, 2019. Once effective, it will subsume the Equal Remuneration Act, 1976, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Payment of Wages Act, 1936.

The Code on Social Security, 2020 (enacted by the Parliament of India and assented to by the President of India on September 28, 2020) will come into force on such date as may be notified in the official gazette by the Central Government and different date may be appointed for different provisions of the Code on Social Security, 2020. Once effective, it will subsume, inter alia, the Employees' Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employee's Provident Fund and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961 and the Payment of Gratuity Act, 1972.

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service)

Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the Central Government.

The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The provisions of this code will be brought into force on a date to be notified by the Central Government.

The Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017

The Company has its office at Mumbai, Maharashtra and accordingly, the provisions of the Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017 and the rules made thereunder are applicable to the Company. Such provisions regulate the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of inter alia registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures, and wages for overtime work. Whoever contravenes such provisions shall be punished with fine which may extend to ₹1,00,000 and in the case of a continuing contravention, with an additional fine which may extend to ₹2,000 per for every day during which such contravention continues. The total fine shall not exceed ₹2,000 per workers employed.

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("**SHWW Act**")

SHWW Act provides for the protection of women at work place and prevention of sexual harassment at work place. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behavior namely, physical contact and advances or a demand or request for sexual favors or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee which shall always be presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints

Committee i.e. a written complaint is to be made within a period of 3 (three) months from the date of the last incident. If the establishment has less than 10 (ten) employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee. The penalty for non-compliance with any provision of the SHWW Act shall be punishable with a fine extending to ₹50,000.

TAX RELATED LEGISLATIONS

Income Tax Act, 1961 ("**Income-tax Act**")

Income-tax Act is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of this Act or Rules made there under depending upon its 'Residential Status' and 'Type of Income' involved. Every assessee, under the Income-tax Act, which includes a company, is required to comply with the provisions thereof, including those relating to tax deduction at source, advance tax, minimum alternative tax and like.

Central Goods and Services Tax Act, 2017 ("CGST Act")

CGST Act regulates the levy and collection of tax on the intra-State supply of goods and services by the Central Government or State Governments. The CGST Act amalgamates a large number of Central and State taxes into a single tax. The CGST Act mandates every supplier providing the goods or services to be registered within the State or Union Territory it falls under, within 30 days from the day on which he becomes liable for such registration. Such registrations can be amended, as well as cancelled by the proper office on receipt of application by the registered person or his legal heirs. There would be four tax rates namely 5%, 12%, 18% and 28%. The rates of GST applied are subject to variations based on the goods or services.

Integrated Goods and Services Tax Act, 2017 ("IGST Act")

IGST Act is a Central Act enacted to levy tax on the supply of any goods and/ or services in the course of inter-State trade or commerce. IGST is levied and collected by Centre on interstate supplies. The IGST Act sets out the rules for determination of the place of supply of goods. Where the supply involves movement of goods, the place of supply shall be the location of goods at the time at which the movement of goods terminates for delivery to the recipient. The IGST Act also provides for determination of place of supply of service where both supplier and recipient are located in India or where supplier or recipient is located outside India. The provisions relating to assessment, audit, valuation, time of supply, invoice, accounts, records, adjudication, appeal etc. given under the CGST Act are applicable to IGST Act. Further, the Company is also governed by the Maharashtra Goods and Services Tax Act, 2017 for levy and collection of tax on intra-State supply of goods and services or both.

Professional Tax

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional taxes are classified under various tax slabs in India. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner. Every person liable to pay tax under these Acts (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority.

INTELLECTUAL PROPERTY LEGISLATIONS

The Trademarks Act, 1999 ("Trademarks Act")

Under the Trademarks Act, a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A 'mark' may consist of a device, brand, heading, label, ticket, name signature, word, letter, numeral, shape of goods, packaging or combination of colors or any combination thereof.

Section 18 of the Trademarks Act requires that any person claiming to be the proprietor of a trade mark used or proposed to be used by him, must apply for registration in writing to the registrar of trademarks. The trademark, once applied for and which is accepted by the Registrar of Trademarks ("the **Registrar**"), is to be advertised in the trademarks journal by the Registrar. Oppositions, if any, are invited and, after satisfactory adjudications of the same, a certificate of registration is issued by the Registrar. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is 10 (ten) years, which may be renewed for similar periods on payment of a prescribed renewal fee.

OTHER APPLICABLE LAWS

Companies Act, 2013 The Companies Act, 2013 ("**Companies Act**") deals with laws relating to companies and certain other associations. The Companies Act primarily regulates the formation, financing, functioning, and winding up of companies. The Companies Act prescribes regulatory mechanism regarding all relevant aspects, including organizational, financial, and managerial aspects of companies. It deals with issue, allotment and transfer of securities and various aspects relating to company management. It provides for standard of disclosure in public issues of capital, particularly in the fields of company management and projects, information about other listed companies under the same management, and management perception of risk factors.

The Registration Act, 1908 ("Registration Act")

Registration Act was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed was to ensure information about all deals concerning land so that correct land records could be maintained. The Registration Act is used for proper recording of transactions relating to other immovable property also. The Registration Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

Competition Act, 2002 ("Competition Act")

The Competition Act aims to prevent anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The Competition Act regulates anti-competitive agreements, abuse of dominant position and combinations. The Competition Commission of India ("**Competition Commission**") which became operational from May 20, 2009, has been established under the Competition Act to deal with inquiries relating to anti-competitive agreements and abuse of dominant position and regulate combinations. The Competition Act also provides that the Competition Commission has the jurisdiction to inquire into and pass orders in relation to an anti-competitive agreement, abuse of dominant position or a combination, which even though entered into, arising, or taking place outside India or signed between one or more non-Indian parties, but causes an appreciable adverse effect in the relevant market in India.

Legislations pertaining to Stamp Duty

Indian Stamp Act, 1899 ("Stamp Act")

Stamp duty in relation to certain specified categories of instruments as specified under Entry 91 of the list, is governed by the provisions of the Stamp Act which is enacted by the Central Government. All other instruments are required to be stamped, as per the rates prescribed by the respective State Governments in the respective schedules of the respective legislations pertaining to stamp duty as applicable in the State. Stamp duty is required to be paid on all the documents that are registered and as stated above the percentage of stamp duty payable varies from one State to another. Certain State in India have enacted their own

legislation in relation to stamp duty while the other State have adopted and amended the Stamp Act, as per the rates applicable in the State. On such instruments stamp duty is payable at the rates specified in Schedule I of the Stamp Act. Instruments chargeable to duty under the Stamp Act which are not duly stamped are incapable of being admitted in court as evidence of the transaction contained therein. The Stamp Act also provides for impounding of instruments which are not sufficiently stamped or not stamped at all. Unstamped and deficiently stamped instruments can be impounded by the authority and validated by payment of penalty. The amount of penalty payable on such instruments may vary from State to State.

The Maharashtra Stamp Act, 1958 (the "Maharashtra Stamp Act")

The purpose of the Maharashtra Stamp Act was to streamline and simplify transactions of immovable properties and securities by the State Government. The Maharashtra Stamp Act provides for the imposition of stamp duty at the specified rates on instruments listed in Schedule IA of the Maharashtra Stamp Act. Stamp duty is payable on all instruments/ documents evidencing a transfer or creation or extinguishment of any right, title or interest in immoveable property. However, under the Constitution of India, the states are also empowered to prescribe or alter the stamp duty payable on such documents executed within the state.

REGULATIONS REGARDING FOREIGN INVESTMENT

Foreign investment in India is governed by the provisions of Foreign Exchange Management Act, 1999 ("**FEMA**"), as amended, along with the rules, regulations and notifications made by the Reserve Bank of India thereunder, The Department for Promotion of Industry and Internal Trade (—DPIIT), Ministry of Commerce and Industry has issued the Consolidated FDI Policy which consolidates the policy framework on Foreign Direct Investment ("**FDI Policy**"), with effect from October 15, 2020. The FDI Policy consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DIPP till October 15, 2020.

In terms of the FDI Policy, foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which foreign investment is sought to be made. In terms of the FDI Policy, the work of granting government approval for foreign investment under the FDI Policy and FEMA Regulations has now been entrusted to the concerned Administrative Ministries/Departments. FDI for the items or activities that cannot be brought in under the automatic route may be brought in through the approval route. Where FDI is allowed on an automatic basis without the approval of the Government, the RBI would continue to be the primary agency for the purposes of monitoring and regulating foreign investment. In cases where Government approval is obtained, no approval of the RBI is required except with respect to fixing the issuance price, although a declaration in the prescribed form, detailing the foreign investment, must be filed with the RBI once the foreign investment is made in the Indian company.

The FDI Policy permits foreign investment upto 100% of equity/FDI cap through the automatic route in companies that fall under the Other Financial Services' sector. Our Company is a stock broking company engaged in the financial services sector and is regulated by SEBI. Accordingly, foreign investment upto 100% of equity/FDI cap is permitted in our Company under the automatic route subject to compliance of certain conditions which are *inter-alia* as follows:

(i) Minimum capitalization norms, inter alia shall be subject to conditionalities, as specified by the concerned Regulator/Government Agency.

(ii) The financial services need to be regulated by one of the Financial Sector Regulators.

(iii) Downstream investments by any of these entities will be subject to the extant sectoral regulations and provisions of Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, as amended from time to time, now being the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019.

PROVISIONS OF ARTICLES OF ASSOCIATION

Our Board of Directors and Shareholders, through their resolution dated April 27, 2023 and July 11, 2023, respectively, have approved an amendment to the Articles of Association of our Company.

Constitution	
Table 'F' excluded Company to be governed by these Articles	No regulation contained in Table "F" in the First Schedule to Companies Act, 2013 shall apply to this Company but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto.
Definitions and Interpretation: In these Articles —	
"The Act"	"The Act" means the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force.
"These Articles"	"These Articles" shall mean the Articles of Association of the Company as now framed or as altered from time to time vide special resolution.
"Auditors"	"Auditors" means and includes those persons appointed as such for the time being of the Company.
''Beneficial Owner"	'Beneficial Owner" means a person who holds beneficial interest in the Shares held by registered owner.
"Board of Directors" or "Board"	"Board of Directors" or "Board", means the collective body of the Directors of the Company.
"Capital"	"Capital" means the Share capital for the time being raised or authorized to be raised for the purpose of the Company.
"Dividend"	"Dividend" includes any interim dividend.
"Document"	"Document" includes summons, notice, requisition, order, declaration, form and register, whether issued, sent or kept in pursuance of the Act or under any other law for the time being in force or otherwise, maintained on paper or in electronic form.
"The Company"	"The Company" shall mean Motilal Oswal Financial Services Limited.
"Executor" or "Administrator"	"Executor" or "Administrator" means a person who has obtained probate or letter of administration, as the case may be, from a competent Court, and shall also include the holder of a succession certificate authorising the holder thereof to negotiate or transfer the Share or Shares of the deceased member, and shall also include the holder of a certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.
"Legal Representative"	"Legal Representative" means a person who in law represents the estate of a deceased member.
"Gender"	Words importing the masculine gender also include the feminine gender.
"In Writing" and "Written"	"In Writing" and "Written includes printing lithography and other modes of representing or reproducing words in a visible form.
"Marginal Notes"	The marginal notes hereto shall not affect the construction thereof.
"Meeting" or "General Meeting"	"Meeting" or "General Meeting" means a meeting of the members.
"Member"	"Member" in relation to a company means: (i) The subscriber to the memorandum of the Company who shall be deemed to have agreed to become member of the Company, and on its registration, shall be entered as member in its register of members; (ii) Every other person who agrees in writing to become a member of the Company and whose name is entered in the register of members of the Company; (iii) Every person holding Shares of the Company and whose name is entered as a beneficial owner in the records of the depository.
"Month"	"Month" means a calendar month.
"Annual General Meeting"	"Annual General Meeting" means a general meeting of the Members held in accordance with the provision of section 96 of the Act.
"Extra-Ordinary General Meeting"	"Extra-Ordinary General Meeting" means an Extra-Ordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof in accordance with the provision of section 100 of the Act.
"National Holiday"	"National Holiday" means and includes a day declared as National Holiday by the Central Government.
"Non-retiring Directors"	"Non-retiring Directors" means a Director not subject to retirement by rotation.
"Office"	"Office" means the registered office for the time being of the Company.
"Ordinary Resolution" and "Special Resolution"	"Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by Section 114 of the Act.
"Person"	"Person" shall be deemed to include corporations and firms as well as individuals.
"Proxy"	"Proxy" means an instrument whereby any person is authorized to vote for a Member at General Meeting or poll and include attorney duly constituted under the power of attorney.
Register of Members	'The Register of Members' means the Register of Members to be kept pursuant to Section 88(1)(a) of the Act.
"Share"	"Share" means a Share in the Share capital of the Company and includes stock.
"Seal"	"Seal" means the common seal for the time being of the Company.

"Singular number"	Words importing the Singular number include where the context admits or requires the plural number and vice versa.
"Statutes"	"The Statutes" means the Companies Act, 2013 and every other act for the time being in force affecting the Company.
"These presents"	"These presents" means the Memorandum of Association and Articles of Association as originally framed or as altered from time to time.
"Variation"	"Variation" shall include abrogation; and "vary" shall include abrogate.
"Year" and "Financial Year"	"Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by section 2(41) of the Act.
Expressions in the Articles to bear the same meaning as in the Act	Save as aforesaid any words or expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modification thereof for the time being in force.
Capital and Voting Rights	
Authorized capital	a) The authorized share capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time. b) The minimum paid-up share capital of the Company shall be Rs. 5,00,000 (Rupees Five Lacs) or such other higher sum as may be prescribed in the Act from time to time.
Increase of capital by the Company	The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such shares may be issued with a preferential or qualified right to Dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this article, the Directors shall comply with the provisions of Section 64 of the Act.
New capital shall rank pari passu	Except so far as otherwise provided by the conditions of issue or by these Presents, any capital raised by the creation of new shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.
Non-voting shares	The Board shall have the power to issue a part of authorized capital by way of non-voting shares at price(s) premium, Dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.
Redeemable preference shares	Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the Company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.
Voting rights of the preference shareholders	The holder of preference shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his preference shares.
Provisions to apply on issue of redeemable preference shares	On the issue of redeemable preference shares under the provisions of Article 7 hereof, the following provisions shall take effect: a) No such shares shall be redeemed except out of profits of the Company which would otherwise be available for Dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption; b) No such shares shall be redeemed unless they are fully paid; c) Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the shares are redeemed; d) Where any such shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for Dividend, be transferred to a "reserve fund", to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the shares redeemed, and the provisions of the Act relating to the reduction of the Share capital of the Company shall, except as provided in Section 55 of the Act apply as if the Capital Redemption Reserve Account were paid-up Share Capital of the Company; and e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue. The reduction of preference shares under the provisions by the Company shall not be taken as reducing the amount of its authorized Share Capital.
Reduction of Capital	The Company may (subject to the provisions of sections 52, 55, 56, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce: (a) the Share capital; (b) any capital redemption reserve account; or (c) any securities premium account. In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.
Debentures	Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not

	voting) at the General Meeting, appointment of Directors and otherwise. The issue and/or allotment of debentures or right to convert debentures into shares shall be made only with the consent of the Company in the General Meeting by a Special Resolution.
Issue of sweat equity shares	The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act or a class of shares already issued subject to such conditions as may be specified in governing sections and rules framed thereunder.
Employee stock options	The Company may issue shares to employees including its Directors other than independent Directors and such other persons as the rules may allow, under employee stock option scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.
Buy-back of shares	Notwithstanding anything contained in these Articles but subject to the provisions of sections 68 and 70 and rules made thereunder and any other applicable provisions of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.
Consolidation, sub-division and cancellation of Share Capital	The Company may in General Meeting alter the conditions of its Memorandum of Association as follows: a) consolidate and divide all or any of its Share Capital into shares of a larger amount than its existing shares: b) sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, so, however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced Share shall be the same as it was in the case of the Share from which the reduced Share is derived; c) cancel shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its Share capital by the amount of the shares so cancelled.
Sale of Fractional Shares	If and whenever as a result of issue of new shares or of any consolidation or sub-division of shares, any share becomes held by members in fractions, the Board shall, subject to the provisions of the Act, and the Articles and to the directions of the Company in general meeting, if any, sell those shares which members hold for the best price reasonably obtainable and shall pay and distribute amongst the members entitled to such shares in due proportions the net proceeds of the sale thereof. For the purpose of giving effect to any such sale, the Board may authorise any person to transfer and the purchaser shall not be bound to see to the application of the purchaser money nor shall his title to the shares be affected any irregularity or invalidity, in the proceedings with reference to the sale.
Issue of depository receipts	Subject to compliance with applicable provisions of the Act and rules framed thereunder the Company shall have power to issue depository receipts in any foreign country.
Power to issue shares on preferential basis	The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of section 62 subject to compliance with section 42 and 62 of the Act and rules framed thereunder.
Issue of securities	Subject to compliance with applicable provisions of the Act and rules framed thereunder the Company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.
Variation of class rights	
Variation of shareholder rights	(a) If at any time the share capital, by reason of the issue of preference shares or otherwise is divided into different classes of shares, all or any of the rights, privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction by way of a Special Resolution passed at a separate General Meeting of the holders of the shares of that class. The provisions of these Articles relating to General Meetings shall mutatis mutandis apply to every such separate class of meeting. Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation.
New issue of shares do not affect rights attached to existing shares of that class	(b) The rights conferred upon the holders of the shares including preference share, (if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari passu therewith.
shares at the disposal of the Directors	Subject to the provisions of Section 62 of the Act and these Articles, the shares in the Capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with the sanction of the Company in the General Meeting to give to any person or persons, the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares on payment in full or part by way of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid-up shares.
Shares and Certificates	
Shares should be numbered progressively and no Share to be subdivided	The shares in the Capital shall be numbered progressively according to their several denominations provided however that the provision relating to progressive numbering shall not apply to the shares of the Company which have been dematerialized and except in the manner hereinbefore mentioned no Share

	shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.
Acceptance of shares	An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register of Members shall for the purposes of these Articles, be a Member.
Directors may allot shares as fully paid-up	Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.
Deposits and calls to be a debt payable immediately	The money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them shall become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly.
Liability of Members	Every Member, or his heirs, executors, administrators, or legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time 'n accordance with the Company's regulations, require on date fixed for the payment thereof.
Registration of shares	Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.
Share certificate	a) Every Member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as provided in the relevant laws) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the common seal of the Company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the Directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holder. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letter of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the common seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and two Directors or their attorneys and the Secretary or other person shall sign the Share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a managing or whole-time Director. Particulars of every Share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue. b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single Member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees Fifty. The Company shall comply with the provisions of Section 39 of the Act. c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.
Issue of new certificates in place of defaced, lost or destroyed share certificates	If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer. Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulation or requirements of any stock exchange or the rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, or any other Act, or rules applicable in this behalf. The provisions of this Article shall mutatis mutandis apply to debentures of the Company.
The first named joint holder deemed sole holder	(a) If any share stands in the names of two or more persons, the person first named in the Register shall as regard to receipt of Dividend or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed to be the sole holder thereof

	but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such Share and for all incidentals thereof according to the Company's regulations.
Maximum number of joint holders	(b) The Company shall not be bound to register more than three persons as the joint holders of any share.
Company not bound to recognise any interest in share other than that of registered holders	Except as ordered by a court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.
Instalment on shares to be duly paid	If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installment, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative. Declaration by the person who does not hold beneficial interest in the shares as per Section 89 of the Act.
Returns on allotment to be made or restrictions on allotment	The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Sections 39 of the Act.
Underwriting and Brokerage	
Commission	Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.
Brokerage	The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.
Calls on shares	
Directors may make calls	

(1) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the dale fixed for the payment of the last preceding call and at the time and places appointed by the Board;

(2) A call may be revoked or postponed at the discretion of the Board; and

A call may be made payable by installments.'	
Notice of calls	Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid. Provided that the call may be revoked or postponed at the discretion of the Board.
Calls to date from resolutions	A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the Members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors.
Calls on uniform basis	Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid-up shall not be deemed to fall under the same class.
Directors may extend time	The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the Members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no Member shall be entitled to such extension save as a matter of grace and favour.
Calls to carry interest	If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 10% per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Member.
Sums deemed to be calls	If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.
Proof on trial of suit for money due on shares	On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, if shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the minute books; and that notice of such call was duly given to

	the Member or his representatives used in pursuance of these Articles; and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.
Judgment, decree, partial payment proceed for forfeiture	Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided.
Payments in anticipation of calls may carry interest	(a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the Member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to Dividend or to participate in profits. (b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.
Lien	
Company to have lien on shares	The Company shall have a first and paramount lien upon all the shares (other than fully paid-up shares) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all Dividend and bonuses from time to time declared in respect of such shares. Unless otherwise agreed the registration of a transfer of shares shall operate as a waiver of the Company's lien if any, on such shares. The Directors may at any time deciare any shares wholly or in part to be exempt from the provisions of this clause.
Enforcing lien by sale	For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such Member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfillment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new certificate or certificates in lieu thereof to the purchaser or purchasers concerned.
Application of sale proceeds	The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.
Forfeiture and surrender of shares	
If call or installment not paid, notice may be given	If any Member fails to pay the whole or any part of any call or installment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or installment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or installment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or installment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India, for the time being in force.
Terms of notice	The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or installment and such interest thereon as the Directors shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the nonpayment at or before the time and at the place or places appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.
Forfeiture of shares in on default in payment	If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or installments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all Dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.

Notice of forfeiture to a Member	When any shares have been forfeited, notice of the forfeiture shall be given to the Member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members.
Forfeited shares to be property of the Company and may be sold	Any shares so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit.
Members still liable to pay money owing at time of forfeiture and interest	Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so. The liability of such person shall cease if and when the Company shall have received payment in full of all such monies In respect of the forfeited shares.
Effect of forfeiture	The forfeited shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.
Evidence of forfeiture	A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have been duly forfeited in accordance with these Articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.
Title of purchaser and allottee of forfeited shares	The Company may receive the consideration, if any, given for the Share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration: if any, nor shall his title to the share be affected by any irregularly or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares.
Cancellation of share certificate respect of forfeited shares	Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate(s) originally issued in respect of the forfeited shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.
Forfeiture may be remitted	In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable.
Validity of sale	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the share' sold and cause the purchaser's name to be entered in the Register of Members in respect of the shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.
Surrender of shares	The Directors may, subject to the provisions of the Act, accept the surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.
Transfer and Transmission of shares or debentures	
Execution of the instrument for transfer of shares/debentures	a) The instrument of transfer of any share or debenture of the Company shall be executed by or on behalf of both the transferor and transferee; b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or register of debenture holders in respect thereof.
Transfer Form	The instrument of transfer of any share or debenture shall be in writing and in the form prescribed in rules as per Section 56(1) and all the provisions of section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof.
Transfer not to be registered except on production of instrument of transfer alongwith share certificate	The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or if no such Share certificate is in existence, along with the letter of allotment of the shares: Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp, required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.
Directors may refuse to register transfer	Subject to the provisions of section 58 Of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, decline to register- (a) any transfer of shares on which the Company has a lien. (b) any transfer of shares not being a fully paid-up shares, to a person of whom they do not approve.

Notice of refusal to be given to transferor and transferee	If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within 15 days from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply.
No fee on transfer	No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, certificate of death or marriage, power of attorney or similar other document with the Company.
Closure of Register of Members or debenture holder or other security holders	The Board of Directors shall have power on giving not less than seven days pervious notice in accordance with section 91 and rules made thereunder close the Register of Members and/or the register of debentures holders and/or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.
Custody of transfer deeds	The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to destroy all the transfer deeds with the Company after such period as they may determine.
Application for transfer of partly paid shares	Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.
Notice to transferee	For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.
Recognition of legal representative	(a) On the death of a Member, the survivor(s), where the Member was a joint holder, and his nominee(s) or Legal Representatives where he was a sole holder, shall be the only persons recognized by the Company as having any title to his interest in the shares; (b) Before recognizing any executor or administrator or Legal Representative, the Board may require him to obtain a grant of probate or letters administration or other legal representation as the case may be, from some competent court in India; (c) Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of probate or letter of administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate; and (d) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
Title to shares of deceased Member	Except where a deceased Member had made a nomination in respect of the shares held (in which case such shares shall be dealt with in the manner prescribed by the Act and the Rules thereunder), the executors or administrators of a deceased Member or holders of a succession certificate or the Legal Representatives in respect of the shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the shares registered in the name of such Members, and the Company shall not be bound to recognize such executors or administrators or holders of succession certificate or the Legal Representative unless such executors or administrators or Legal Representative shall have first obtained probate or letters of administration or succession certificate as the case may be from a duly constituted court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of probate or letters of administration or succession certificate and register shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72 of the Act.
Notice of application in case of partly paid-up shares	Where, in case of partly paid-up shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.
Registration of persons entitled to Share otherwise than by transfer (transmission clause)	Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence Of the death, lunacy, bankruptcy, insolvency of any Member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of this title as the Director shall require either be registered as Member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred ’o as the 'Transmission Clause'.
Refusal to register nominee	Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.
Board may require evidence of transmission	Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.

Company not liable for disregard of a notice prohibiting registration of transfer	The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or require to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.
Form of transfer outside India	In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in the rules as per Section 56(1) of the Act thereof as circumstances permit.
No transfer to insolvent etc.	No transfer shall be made to any minor, insolvent or person of unsound mind.
Nomination	
Nomination	i) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013 shall apply in respect of such nomination; ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014; iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination; and iv) If the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.
Transmission of securities by nominee	A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either – (i) to be registered himself as holder of the security, as the case may be; or (ii) to make such transfer of the security, as the case may be as the deceased security holder, could have made; (iii) if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased security holder as the case may be; and (iv) a nominee shall be entitled to the same Dividend and other advantages to which he would be entitled to, if he was the registered holder of the security except that he shall not, before being registered as a Member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company. Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all Dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.
Dematerialization of securities	
Dematerialization of securities	Subject to the provisions of the Act and Rules made thereunder the Company may offer its Members facility to hold securities issued by it in dematerialized form. Include Article pertaining to copies of memorandum & Articles to be sent by Company to every Member.
Joint holder Joint holders	Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles.
Vote of senior to be considered	a) The vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the votes of the other joint holders. b) For this purpose, seniority shall be determined by the order in which the names stand in the Register of Members.
Joint and several liabilities for all payments in respect of shares	(a) The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.
Title of survivors	(b) On death of any such joint holders, the survivor or survivors shall be the only person recognized by the Company as having title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person.
Sole recipient to be sufficient	(c) Any one or two more joint holders of a share may give effectual receipts of any Dividends or other moneys payable in respect of share.

Delivery of certificate and giving of notices to first named holders	(d) Only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall deemed to be service on all the holders.
Share warrants	
Power to issue share warrants	The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any share which is fully paid upon application in writing signed by the persons registered as holder of the share, and authenticated by such evidence (if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.
Deposit of share warrants	(a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the share included in the deposit warrant; (b) Not more than one person shall be recognized as depositor of the share warrant; and (c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor
Privileges and disabilities of the holders of share warrant	(a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company; (b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.
Issue of new share warrant coupons	The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.
Conversion of shares into stock	
Conversion of shares into stock or reconversion	The Company may, by ordinary resolution in General Meeting: a) convert any fully paid-up shares into stock; and b) re-convert any stock into fully paid-up shares of any denomination.
Transfer of stock	The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation under which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit, provided that, the Board may, from time to time, fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
Rights of stockholders	The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards Dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
Regulations	Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid-up share shall apply to stock and the words "Share" and "Shareholders" in those regulations shall include "stock" and "stockholders" respectively.
Borrowing Powers	
Power to borrow	Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash creditor by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, any body corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid-up capital of the Company and its free reserves that is to say reserves not set apart for any specified purpose.
Issue of any bonds, debentures etc. at discount or with special privileges	Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.
Securing payment or repayment of moneys borrowed	The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions In all respects as the Board may think fit, and in particular by mortgage, charter, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage,

	charge or lien to secure and guarantee, the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may be.
Bonds, debentures etc. to be under the control of the Directors	Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company.
Mortgage of uncalled Capital	If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the Members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.
Indemnity may be given	Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surety for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.
Meetings of Members	
General Meetings	All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings
Extra-Ordinary General Meeting by Board and by requisition	(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the Members.
When a Director or any two Members may call an Extra Ordinary General Meeting	(b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or If the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid-up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.
Meeting not to transact business not mentioned in notice	No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened
Chairman of General Meeting	The chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such chairman of the Board of Directors, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Members present shall elect another Director as chairman, and if no Director be present or if all the Directors present decline to take the chair then the Members present shall elect one of the Members to be the chairman of the meeting.
Business confined to election of chairman whilst chair is vacant	No business, except the election of a chairman, shall be discussed at any General Meeting whilst the chair is vacant.
Chairman with consent may adjourn meeting	a) The chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place. b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. c) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. d) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted a' an adjourned meeting.
Chairman's casting vote	In the case of an equality of votes the chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.
In what case poll taken without adjournment	Any poll duly demanded on the election of chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.
Demand for poll not to prevent transaction of other business	The demand for a poll except on the question of the election of the chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.
Votes of Members	
Members in arrears not to vote	No Member shall be entitled to vote either personally or by Proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or electronically, or be reckoned in a quorum in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien.
Number of votes each Member entitled	Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the Company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every Member present in person shall have one vote and upon a poll the voting right of every Member present in person or by Proxy shall be in proportion to his Share of the paid-up equity share capital of the Company, Provided, however, If any preference shareholder is present at any meeting of the Company, save as provided in sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares.
Casting of votes by a Member entitled to more than one vote Vote of Member of unsound mind and of minor	On a poll taken at a meeting of the Company, a Member who is entitled to more than one vote or his Proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses. A Member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by Proxy.

Postal Ballot	Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.
E-voting	A Member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
Votes of joint Members	(a) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the votes of the other joint holders. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof. (b) For this purpose, seniority shall be determined by the order in which the names stand in the register of Members.
Votes may be given by Proxy or by representative	Votes may be given either personally or by attorney or by Proxy or in case of a company, by a representative duly authorised as mentioned in Articles.
Representation of a body corporate	A body corporate (whether a company within the meaning of the Act or not) may, if it is Member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the Members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by Proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company.
Manners paying money in advance	(a) A Member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable.
Members not prohibited if share not held for any specified period	(b) A Member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken.
Votes in respect of shares of deceased or insolvent members	Any person entitled under Article 77 (transmission clause) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnify (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof.
No votes by Proxy on show of hands	No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body corporate present by a representative duly authorised under the provisions of the Act in which case such Members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a body corporate the production at the meeting of a copy of such resolution duly signed by a Director or secretary of such body corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment.
Appointment of a Proxy	The instrument appointing a Proxy and the power-of-attorney or other authority, if any under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting nr adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of Proxy shall not be treated as valid.
Form of Proxy	An instrument appointing a Proxy shall be in the form as prescribed in the rules made under section 105.
Validity of votes given by Proxy notwithstanding death of a Member	A vote given in accordance with the terms of an instrument of Proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the Proxy or of any power of attorney which such Proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the Proxy is used.
Time for objections to votes	No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
Chairperson of the meeting to be the judge of validity of any vote	Any such objection raised to the qualification of any voter in due time shall be referred to the chairperson of the meeting, whose decision shall be final and conclusive.
Directors	
Number of Directors	Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 and 151 of the Act, the number of Directors (including alternate directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen Directors after passing a Special Resolution.
Qualification shares	A Director of the Company shall not be bound to hold any qualification shares in the Company.
Nominee directors	(a) Notwithstanding anything to the contrary contained in these Articles, so long as any money shall he owing by the Company to any financial institutions, corporations, banks or such other financing entities or through debenture trustees on behalf of such financial institution or so long as any of the aforesaid financial institutions, corporations, banks or such other financing entities

	hold any securities in the Company as a result of subscription or so long as any guarantee given by any of the aforesaid entities in respect of any financial obligation or commitment of the Company remains outstanding in terms of payment of interest or repayment of principal amount, then in that event any of the said financial institutions, corporations, banks, or debenture trustees or such other financing entities shall, subject to an agreement in that behalf it and the Company, have a right but not an obligation, to appoint one or more persons as Director(s) on the Board of the Company as their nominee in accordance with the applicable laws and they will not be liable to retire by rotation. (b) The aforesaid financial institutions, corporations, banks or debenture trustees or such other financing entities may at any time and from time to time remove the nominee director appointed by it and may in the event of such removal and also in case of the nominee director ceasing to hold office for any reason whatsoever including resignation or death, appoint other or others to fill up the vacancy. Such appointment or removal shall be made in writing by the relevant institution and shall be delivered to the Company and the Company shall have no power to remove the nominee director from the Board. (c) Each such nominee director shall be entitled to the same rights, privileges and obligations as any other Director of the Company, and shall also be entitled to attend all General Meetings, Board Meetings and Meetings of the Committee of which he or she is a member and he or she and the financial institutions, corporations, banks or Debenture Trustees or such other financing entities appointing him/ her shall also be entitled to receive notice of all such meetings in accordance with the applicable laws.
Appointment of alternate director	The Board may appoint an alternate director to act for a Director (hereinafter called ("**The Original Director**") during his absence for or a period of not less than three months from India. An alternate director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the alternate director.
Additional Director	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an additional Director. Any such additional Director shall hold office only up to the date of the next Annual General Meeting.
Director's powers to fill casual vacancies	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, if the office of any Director appointed by the Company in General Meeting is vacated before his term of office expires in the normal course, who shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if it had not been vacated by him.
Sitting fees	Until otherwise determined by the Company in General Meeting, each Director other than the managing/whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof.
Travelling expenses incurred by Director on Company's business	The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.
Proceeding of the Board of Directors	
Meetings of Directors	(a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit; (b) A Director may, and the manager or secretary on the requisition of a Director shall, at any time, summon a meeting of the Board.
Chairperson	a) The Directors may from time to time elect from among their members a chairperson of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the chairman is not present within five minutes after the time appointed for holding the same, the Directors present may choose one of the Directors then present to preside at the meeting; b) Subject to Section 203 of the Act and rules made there under, one person can act as the chairman as well as the managing director/whole-time director and chief executive officer at the same time
Decision in case of equality of votes	Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the chairman will have a second or casting vote.
Continuing Directors may act notwithstanding any vacancy in the Board	The continuing Directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that fixed for the quorum, or of summoning a General Meeting of the Company, but for no other purpose.
Directors may constitute committee	Subject to the provisions of the Act, the Board may delegate any of their powers to a committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be framed from time to time by the Board. All acts done by any such committee in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.
Governance of committee meetings	The meetings and proceedings of any such committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations framed by the Directors under the last preceding Article.

Chairperson of committee meetings	A committee may elect a chairperson of its meetings. If no such chairperson is elected, or if at any meeting the chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be chairperson of the meeting
Meetings of the committee	a) A committee may meet and adjourn as it thinks fit. b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the chairperson shall have a second or casting vote.
Acts of Board or committee shall be valid notwithstanding defect in appointment	Subject to the provisions of the Act, all acts done by any meeting of the Board or by a committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director.
	The quorum for a meeting of the Board of Directors of a company shall be one third of its total strength or two Directors, whichever is higher, and the participation of the Directors by video conferencing or by other audio visual means shall also be counted for the purposes of quorum under this sub-section. (i) any fraction of a number shall be rounded off as one; (ii) "total strength" shall not include Directors whose places are vacant.
Passing of resolution through circulation	a) Resolution shall be deemed to have been duly passed by the Board or by a committee thereof by circulation only if the resolution has been circulated in draft, together with the necessary papers, if any, to all the Directors, or members of the committee, as the case may be, at their addresses registered with the Company in India by hand delivery or by post or by courier, or through such electronic means as may be prescribed and has been approved by a majority of the Directors or members, who are entitled to vote on the resolution. b) In case where not less than one-third of the total number of Directors of the company for the time being require that any resolution under circulation must be decided at a meeting, the chairperson shall put the resolution to be decided at a meeting of the Board.
Power to fill casual vacancy	
Duration of office of Director appointed to fill casual vacancy	Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.
Powers of the Board	
Powers of the Board	The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the memorandum or by the Articles which are required to be exercised by the Company in General Meeting. However no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.
Certain powers of the Board	Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say:
To acquire any property, rights etc.	Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on, in any part of India.
To take on lease	(1) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy.
To erect and construct	(2) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the Company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company.
To pay for property	(3) At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share may be issued either as fully paid-up or with such amount credited as paid-up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.
To insure properties of the Company	(4) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.

To open bank accounts	(5)	To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit.
To secure contracts by way of mortgage	(6)	To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit.
To accept surrender of shares	(7)	To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon.
To appoint trustees for the Company	(8)	To appoint any person to accept and hold in trust, for the property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.
To conduct legal proceedings	(9)	To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or foreign law and either in India or abroad and observe and perform or challenge any award thereon.
Bankruptcy and Insolvency	(10)	To act on behalf of the Company in all matters relating to bankruptcy and insolvency.
To issue receipts & give discharge	(11)	To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.
To invest and deal with money of the Company	(12)	Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.
To give security by way of indemnity	(13)	To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon.
To determine signing powers	(14)	To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, Dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.
Commission or share in profits	(15)	To give to any Director, officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the Company; and such commission or share of profits shall be treated as part of the working expenses of the Company.
Bonus to employees	(16)	To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company.
Transfer to Reserve Funds	(17)	To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a reserve fund, or sinking fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing Dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the depreciation fund, in the business of the Company or in the purchase or repayment of debentures or debenture stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper.
To appoint and remove officers and other employees	(18)	To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, ssupervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company In any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.
To appoint attorneys	(19)	At any time and from time to time by power of attorney under the seal of the Company, to appoint any person or persons to be the Attorney or attorneys of the Company, for such purposes

		and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, Directors, nominees or manager of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such attorneys as the Board may think fit, and may contain powers enabling any such delegated attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.
To enter into contracts	(20)	Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.
To make rules	(21)	From time to time to make, vary and repeal rules for the regulations of the business of the Company its officers and employees.
To effect contracts	(22)	To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company.
To apply & obtain concessions, licenses etc.	(23)	To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.
To pay commissions or interest	(24)	To pay and charge to the capital account of the Company, any commission or interest lawfully payable there out under the provisions of section 40 of the Act and of the provisions contained in these presents.
To redeem preference shares	(25)	To redeem preference shares.
To assist charitable or benevolent institutions	(26)	To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.
Payment of expenses	(27)	To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.
Providing for welfare of Directors	(28)	To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.
Purchase of intellectual property	(29)	To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.
Sale of articles, materials, etc.	(30)	To sell from time to time any articles, materials, machinery, plants, stores and other articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by products.
Adding, altering or enlarging building, factory etc.	(31)	From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.
Payment of rent and to acquire freehold estate or on lease	(32)	To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.
Rights and privileges relating to Company's Property	(33)	To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.
Sell, disposition of property	(34)	To let, sell or otherwise dispose of subject to the provisions of section 180 of the Act and of the other articles any property Of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.

Delegation of powers	(35) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.
Compliance with requirement of local law	(36) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.
Managing and whole-time directors	
Powers to appoint managing/ whole-time directors and liable to retire by rotation	a) Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more person of their Board to be a managing director(s) or whole- time director(s) of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places. b) Provided that no re-appointment shall be made earlier than one year before the expiry of his term. Such a managing director can also act as chairperson of the Company. c) The managing director(s) or whole-time director(s) so appointed shall be liable to retire by rotation. A managing director or whole-time director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as managing director or whole-time director and such re-appointment as such Director shall not affect his term of appointment as managing director or whole-time director.
Remuneration of managing and whole-time directors	The remuneration of a managing director or a whole-time director (subject to Section 197 and the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes.
Powers and duties of managing and whole-time directors	(1) Subject to control, direction and supervision of the Board of Directors, the day-to-day management of the Company will be in the hands of the managing director(s) or whole-time director(s) appointed in accordance with regulations of these Articles of Association with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board. (2) The Directors may from time to time entrust to and confer upon the managing director or whole-time director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers. (3) The Company in its General Meeting may also from time to time appoint any managing director(s) or whole-time director(s) of the Company and may exercise all the powers referred to in these Articles. (4) The managing director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transactions related to the affairs of the Company in any specified locality in such manner as they may think fit. (5) Notwithstanding anything contained in these Articles, the managing director is expressly allowed generally to enter contract to work for and especially to do the work of managing director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.
Chief executive officer, manager, company secretary or chief financial officer	
Board to appoint chief executive officer/ manager/ company secretary/ chief financial officer	a) Subject to the provisions of the Act,— i. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and-upon such conditions as it may thinks fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board; ii. A Director may be appointed as chief executive officer, manager, company secretary or chief financial officer. b) A provision of the Act or these regulations requiring or authorising a thing to be done by or to a Director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.
The seal	
The Seal, its custody and use	(a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority Of the Board or a Committee of the Board previously given. (b) The Company shall also be at liberty to have an official Seal in accordance with of the Act, for use in any territory, district or place outside India.

Deeds how executed	The Seal of the Company shall not be affixed to any Instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two Directors and of the secretary or such other person as the Board may appoint for the purpose; and those two Directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.
Dividend and reserves	
Division of profits	(1) Subject to the rights of persons, if any, entitled to shares with special rights as to Dividends, all Dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, Dividends may be declared and paid according to the amounts of the shares. (2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share. (3) All Dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the Dividend is paid; but if any share is issued on terms providing that it shall rank for Dividend as from a particular date such share shall rank for Dividend accordingly.
The Company in General Meeting may declare Dividends	The Company in General Meeting may declare Dividends, to be paid to Members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no Dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller Dividend in General Meeting.
Transfer to reserves	a) The Board may, before recommending any Dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, thinks fit. b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
Interim Dividend	Subject to the provisions of section 123, the Board may from time to time pay to the Members such interim Dividends as appear to it to be justified by the profits of the Company.
Application of dividend towards satisfaction of debts, liabilities etc.	The Directors may retain any Dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.
Capital paid-up in advance not to earn dividend	No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Articles as paid on the share.
Dividends in proportion to amount paid-up	All Dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for Dividends as from a particular date such share shall rank for Dividend accordingly.
Retention of Dividends until completion of transfer under Articles	The Board of Directors may retain the Dividend payable upon shares in respect of which any person under Articles has become entitled to be a Member, or any person under that Article is entitled to transfer, until such person becomes a Member, in respect of such shares or shall duly transfer the same.
No Member to receive Dividend whilst indebted to the Company and the Company's right of reimbursement thereof	No Member shall be entitled to receive payment of any interest or Dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or Dividend payable to any Member all such sums of money so due from him to the Company.
Effect of transfer of shares	A transfer of shares does not pass the right to any Dividend declared thereon before the registration of the transfer.
Dividend to joint holders	Any one of several persons who are registered as joint holders of any share may give effectual receipts for all Dividends or bonus and payments on account of Dividends in respect of such share.
Dividends how remitted	a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the Register of Members, or to such person and to such address as the holder or joint holders may in writing direct. b) Every such cheque or warrant shall be made payable to the order of the person to whom It is sent.
Notice of Dividend	Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
No interest on Dividends	No unclaimed dividend shall be forfeited and no unpaid dividend shall bear interest as against the Company.
Capitalization	
Capitalization	(1) The Company in General Meeting may, upon the recommendation of the Board, resolve: (a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

	(b) that such sum be accordingly set free for distribution in the manner specified in these Articles amongst the Members who would have been entitled thereto, if distributed by way of dividend and in the same proportions. (2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in these Articles either in or towards: (i) paying up any amounts for the time being unpaid on any shares held by such Members respectively (ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such Members in the proportions aforesaid (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii) (3) A securities premium account and capital redemption reserve account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to Members of the Company and fully paid bonus shares. (4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.
Powers of Board for capitalisation	(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall — (a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any, and (b) generally to do all acts and things required to give effect thereto. (2) The Board shall have full power – (a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also (b) to authorise any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares. (3) Any agreement made under such authority shall be effective and binding on all such Members. (4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.
Inspection of minutes books of General Meetings	(1) The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of Members without charge on such days and during such business hours as may consistent with the provisions of Section 119 of the Act be determined by the Company in General Meeting and the Members will also be entitled to be furnished with copies thereof on payment of regulated charges. (2) Any Member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of Rs. 10 per page or any part thereof.
Accounts	
Books of account to be kept by the Company and inspection of accounts	(1) The Company shall prepare and keep at its registered office proper books of account and other relevant books and papers and financial statement for every financial year in accordance with Section 128 of the Companies Act, 2013, as would give a true and fair view of the state of affairs of the Company including that of its branch office or offices, if any, and explain the transactions effected both at the registered office and its branches and such books shall be kept on accrual basis and according to the double entry system of accounting: Provided that all or any of the books of accounts aforesaid and other relevant papers may be kept at such other place in India as the Board of Directors may decide and when the Board of Directors so decide the Company shall within seven days of the decision file with the registrar a notice in writing giving the full address of that other place. Provided further that the company may keep such books of account or other relevant papers in electronic mode in such manner as may be prescribed. (2) The books of accounts and other books and paper maintained by the Company within India shall be open to inspection at the registered office of the Company or at such other place in India by any Director during business hours and in the case of financial information, if any, maintained outside the country, copies of such financial information shall be maintained and produced for inspection by any Director subject to such conditions as may be prescribed: Provided that the inspection in respect of any subsidiary of the Company shall be done only by the person authorised in this behalf by a resolution of the Board of Directors. (3) No Member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Board or by the Company in General Meeting. (4) The books of account of the Company relating to a period of not less than eight financial years immediately preceding a financial year, or where the Company had been in existence for a period less than eight years, in respect of all the preceding years together with the vouchers relevant to any entry in such books of account shall be kept in good order:

	Provided that where an investigation has been ordered in respect of the Company under Chapter XIV of the Companies Act, 2013, the Central Government may direct that the books of account may be kept for such longer period as it may deem fit.
Financial Statement	(1) The Board of Directors shall in accordance with Section 129, 133 and 134 of the Companies Act, 2013 and the rules made thereunder, cause to be prepared and laid before each Annual General Meeting, financial statements for the financial year of the Company which shall be a date which shall not precede the day of the Meeting by more than six months or such extended period as shall have been granted by the registrar under the provisions of the Act. (2) The financial statements of the Company shall give a true and fair view of the state of affairs of the Company and comply with the accounting standard notified under Section 133 of the Companies Act, 2013 and shall be in the form set out in Schedule III to the Companies Act, 2013. Provided that the items contained in such financial statements shall be in accordance with the accounting standards. (3) In case the Company has one or more subsidiaries, it shall, in addition to financial statements provided under sub-clause (1), prepare a consolidated financial statement of the Company and of all the subsidiaries in the same form and manner as that of its own which shall also be laid before the annual general meeting of the Company along with the laying of its financial statement under sub-section (1): Provided that the Company shall also attach along with its financial statement, a separate statement containing the salient features of the financial statement of its subsidiary or subsidiaries in such form as may be prescribed: Provided further that the Central Government may provide for the consolidation of accounts of companies in such manner as may be prescribed. For the purposes of this sub-clause, the word "subsidiary" shall include associate company and joint venture.
Foreign Register Foreign Register	The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of foreign register of its Members or debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such registers.
Documents and service of notices	
Signing of documents and notices to be served or given	Any document or notice to be served or given by the Company be signed by a Director or such person duly authorised by the Board for such purpose and the signature may be written or printed or lithographed.
Authentication of documents and proceedings	Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the Company may be signed by a Director, the manager, or secretary or other authorised officer of the Company and need not be under the Common Seal of the Company.
Winding up	
Winding up	Subject to the provisions of Chapter XX of the Act and rules made thereunder— (i) If the Company shall be wound up, the liquidator may, with the sanction of a Special Resolution of the Company and any other sanction required by the Act, divide amongst the Members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not. (ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members. (iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no Member shall be compelled to accept any shares or other securities whereon there is an' liability.
Indemnity Directors' and others right to indemnity	Subject to provisions of the Act, every Director, or officer or servant of the Company or any person (whether an officer of the Company or not) employed by the Company as auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, officer or auditor or other officer of the company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the court.
Liability of officers	Subject to the provisions of the Act, no Director, managing director or other officer of the company shall be liable for the acts, receipts, neglects or defaults of any other Directors or officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.
Secrecy	

Secrecy	(a)	Every Director, manager, auditor, treasurer, trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company shall, if so required by the Directors, before entering upon his duties, sign a declaration pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a court of law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.
Access to property information etc.	(b)	No Member or other person (other than a Director) shall be entitled to enter the property of the Company or ’o inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate.

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts which are or may be deemed material have been entered or are to be entered into by our Company. These contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company from 10:00 a.m. to 5:00 p.m. (IST) on any Working Day from the date of filing of this Prospectus until the Issue Closing Date.

B. Material Contracts

1. Issue Agreement dated March 26, 2024 executed between our Company and the Lead Managers.

2. Registrar Agreement dated March 26, 2024 executed between our Company and the Registrar to the Issue.

3. Debenture Trustee Agreement dated March 26, 2024 executed between our Company and the Debenture Trustee.

4. Public Issue Account and Sponsor Bank Agreement dated April 8, 2024 amongst the Company, the Lead Manager, the Registrar, the Public Issue Account Bank, the Sponsor Bank and the Refund Bank.

5. Consortium Agreement dated April 8, 2024 among our Company, the Lead Manager and the Consortium Member.

6. Agreed form of Debenture Trust Deed cum Deed of Hypothecation to be executed between our Company and the Debenture Trustee.

7. Tripartite Agreement dated July 6, 2007 entered into between our Company, Registrar to the Issue and NSDL.

8. Tripartite Agreement dated June 11, 2007 entered into between our Company, Registrar to the Issue and CDSL.

C. Material Documents

1. Memorandum of Association and Articles of our Company, as amended to date.

2. Certificate of incorporation dated May 18, 2005 issued to our Company by the Registrar of Companies, Maharashtra at Mumbai.

3. Certificate of commencement of business dated June 3, 2005 issued to our Company by the Registrar of Companies, Maharashtra at Mumbai.

4. Credit rating letter dated February 9, 2024 further revalidated *vide* their letters dated March 14, 2024 and March 19, 2024 with rating rationale dated February 9, 2024 from CRISIL assigning a rating of "CRISIL AA/Stable" (pronounced as CRISIL double A rating with Stable outlook) to the NCDs.

5. Credit rating letters dated January 29, 2024 further revalidated *vide* their letters dated February 23, 2024, March 14, 2024 and March 18, 2024 with rating rational dated January 29, 2024 from India Ratings assigning a rating of "IND AA/ Stable" to the NCDs.

6. Copy of the resolution passed at the meeting of our Board of Directors held on January 24, 2024 read with resolution passed at the meeting of our Finance Committee held on March 26, 2024, authorising this Issue for an amount aggregating up to ₹1,000 crore.

7. Copy of the resolution passed by our Board approving the overall borrowing limit and security creation limits at the meeting held on July 28, 2022.

8. Copy of the resolution passed by our Shareholders approving the overall borrowing limit and security creation limits at the meeting held on February 20, 2018.

9. Copy of the resolution of our Finance Committee dated March 26, 2024, for approval of the Draft Prospectus.

10. Copy of the resolution of our Finance Committee dated April 9, 2024, for approval of this Prospectus.

11. Copy of the resolution designating our Company Secretary as our Compliance Officer for the Issue passed by our Finance Committee at its meeting dated March 26, 2024.

12. Scheme of Arrangement under Sections 230 to 232 of the Companies Act, 2013 proposed to be filed by our Company, Motilal Oswal Broking and Distribution Limited (*in its erstwhile name Glide Tech Investment Advisory Private Limited*) and Motilal Oswal Wealth Limited (i*n its erstwhile name Motilal Oswal Wealth Management Limited*) before the National Company Law Tribunal to (i) transfer the broking and distribution undertaking of our Company, together with its assets, liabilities, contracts, arrangements, employees, permits, licences and approvals, as a going concern on a slump sale basis to Motilal Oswal Broking and Distribution Limited; and (ii) demerge the wealth business

undertaking of Motilal Oswal Wealth Limited, together with its assets, liabilities, contracts, arrangements, employees, permits, licences and approvals, as a going concern into our Company.

13. Consents of our Promoters, Directors, Lead Managers to the Issue, Chief Financial Officer, Compliance Officer for the Issue and the Company Secretary, Senior Management, Debenture Trustee for the NCDs, Credit Rating Agencies for this Issue, Legal Counsel to the Issue, bankers to the Company, Consortium Members, Bankers to the Issue, the Registrar to the Issue, CRISIL Limited in relation to use of the contents of the industry report, and lenders, to include their names in this Prospectus in their respective capacity.

14. The consent dated March 26, 2024 from the Statutory Auditor of our Company, namely Singhi & Co., for inclusion of: (a) their names as the Statutory Auditor and as "experts" as defined under Section 2(38) of the Companies Act; (b) Audited Standalone Financial Statement FY 2023 and Audited Consolidated Financial Statement FY 2023; (c) Audited Standalone Financial Statement FY 2022 and Audited Consolidated Financial Statement FY 2022; (d) HY 2024 Unaudited Financial Results; and (e) Q3 2024 Unaudited Financial Results.

15. The consent dated April 9, 2024 from the Previous Statutory Auditor of our Company, namely Walker Chandiok & Co LLP for inclusion of: (a) their names in Prospectus as previous statutory auditor and as "experts" as defined under Section 2(38) of the Companies Act, and (b) Audited Standalone Financial Statement FY 2021 and Audited Consolidated Financial Statement FY 2021. Further, the NCLT order dated March 11, 2022 for the approval of Scheme of Arrangement came into effect after the Previous Statutory Auditor issued the audit reports dated April 29, 2021. The audited numbers as at and for the year ended March 31, 2021 as audited by the Previous Statutory Auditor does not contain the impact of the said order as the same came into effect after the Previous Statutory Auditor issued their audit reports dated April 29, 2021 and the said financial statements were approved by the shareholders in their Annual General meeting dated August 9, 2021.

16. The consent dated March 26, 2024 from Aneel Lasod and Associates, Chartered Accountants for inclusion of: (a) their names as "experts" as defined under Section 2(38) of the Companies Act and (b) the Statement of Possible Tax Benefit Available to the Debenture Holders in the form and context in which they appear in this Prospectus.

17. Consent letter from CRISIL Limited dated February 27, 2024 in respect of permission to use and disclose the contents (along with the extracts of the content) of the industry report titled '*Analysis of broking and wealth management industry in India*' dated February 2024.

18. Certificate dated April 9, 2024 issued by Aneel Lasod and Associates, Chartered Accountant certifying the details of our Company's expected working capital requirements.

19. Scheme of Arrangement 2022 and corresponding NCLT order dated March 11, 2022.

20. Annual reports of our Company for the last three Financial Years.

21. Due diligence certificate dated March 26, 2024 filed by the Debenture Trustee to the Issue.

22. Due diligence certificate dated April 9, 2024 filed by the Lead Managers (except Motilal Oswal Investment Advisors Limited) with SEBI.

23. In-principle approval dated April 5, 2024 for the Issue issued by BSE.

24. In-principle approval dated April 5, 2024 for the Issue issued by NSE.

DECLARATION

We, the Directors of the Company, hereby certify and declare that all the applicable legal requirements in connection with the Issue including the all relevant provisions of the Companies Act, 2013, as amended, and the rules prescribed thereunder, to the extent applicable and the guidelines issued by the Government of India and/or the regulations/guidelines/circulars issued by the Reserve Bank of India and the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as applicable, including the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, provisions under the Securities Contracts (Regulation) Act, 1956, as amended, and rules made thereunder, including the Securities Contracts (Regulation) Rules, 1957, as amended, including the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable, as the case may be have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 or rules made there under, regulations or guidelines or circulars issued, as the case may be. We hereby confirm that the compliance with the Securities and Exchange Board of India Act, 1992 or rules made there under does not imply that payment of dividend or interest or repayment of debt securities, is guaranteed by the Central Government.

We further certify that all the disclosures and statements made in this Prospectus are true, correct and complete in all material respects, are in conformity with Companies Act, 2013, Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, the Securities Contracts (Regulation) Act, 1956, as amended and rules made thereunder including the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Securities and Exchange Board of India Act, 1992 or rules made there under, regulations or guidelines or circulars issued, as the case may be and do not omit disclosure of any material fact which may make the statements made therein, in light of circumstances under which they were made, misleading and that this Prospectus does not contain any misstatements. Furthermore, all the monies received under this Issue shall be used only for the purposes and objects indicated in this Prospectus. No information material to the subject matter of this form has been suppressed or concealed and whatever is stated in this Prospectus thereto is true, correct, and complete and is as per the original records maintained by the Promoters subscribing to the Memorandum of Association and Articles of Association.

Signed by the Directors of our Company

_____
Raamdeo Agarawal
Non-Executive Non-Independent Director, Chairperson
DIN: 00024533

Date: April 9, 2024
Place: Mumbai

_____
Motilal Oswal
Executive Director, Chief Executive Officer - Managing Director
DIN: 00024503

Date: April 9, 2024
Place: Mumbai

_____
Navin Agarwal
Non-Executive Non-Independent Director
DIN: 00024561

Date: April 9, 2024
Place: Mumbai

_____
Ajay Menon
Executive Director -Whole-time Director
DIN: 00024589

Date: April 9, 2024
Place: Mumbai

_____
Rajat Rajgarhia
Executive Director-Whole-time Director
DIN: 07682114

Date: April 9, 2024
Place: Mumbai

_____
Chitradurga Narasimha Murthy
Non-Executive Independent Director
DIN: 00057222

Date: April 9, 2024
Place: Mumbai

_____
Chandrashekhar Anant Karnik
Non-Executive Independent Director
DIN: 00003874

Date: April 9, 2024
Place: Mumbai

_____
Pankaj Bhansali
Non-Executive Independent Director
DIN: 03154793

Date: April 9, 2024
Place: Mumbai

_____
Divya Momaya
Non-Executive Independent Director
DIN: 00365757

Date: April 9, 2024
Place: Mumbai

_____
Swanubhuti Jain
Non-Executive Independent Director
DIN: 09006117

Date: April 9, 2024
Place: Mumbai

ANNEXURE A

FINANCIAL INFORMATION

Financial Statements	Page Numbers
Q3 2024 Unaudited Standalone Financial Results	F 1 – F 5
Q3 2024 Unaudited Consolidated Financial Results	F 6 – F 11
HY 2024 Unaudited Standalone Financial Results	F 12 – F 19
HY 2024 Unaudited Consolidated Financial Results	F 20 – F 28
Audited Standalone Financial Statement FY 2023	F 29 – F 121
Audited Consolidated Financial Statement FY 2023	F 122 – F 246
Audited Standalone Financial Statement FY 2022	F 247 – F 338
Audited Consolidated Financial Statement FY 2022	F 339 – F 451
Audited Standalone Financial Statement FY 2021	F 452 – F 524
Audited Consolidated Financial Statement FY 2021	F 525 – F 616

Singhi & Co.
Chartered Accountants

B2 402 B, Marathon Innova, 4th Floor, Off Ganpatrao Kadam Marg, Opp. Peninsula Corporate Park, Lower Parel, Mumbai - 400 013, India
Tel : +91 22 22 4042 5757 / 58 E-mail : singhiandco@singhiandco.com website : www.singhiandco.com

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

To the Board of Directors of Motilal Oswal Financial Services Limited

1. We have reviewed the accompanying Statement of Unaudited Standalone financial results of **Motilal Oswal Financial Services Limited** ("the Company"), for the quarter and nine months ended December 31, 2023 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"), including relevant circulars issued by the SEBI from time to time.

2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors of the Company, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 as amended, read with the relevant rules issued thereunder ("the Act") and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 and Regulation 52 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 and Regulation 52 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Emphasis of Matter

5. Attention is invited to:

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

   Our conclusion is not modified in respect of this matter.

Other Matter

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

Our conclusion is not modified in respect of this matter.

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

Amit Hundia
Partner
Membership No. 120761
UDIN: 24120761BKCMPB8603

Place: Mumbai
Date: January 24, 2024

[illegible]

[illegible] FINANCIAL SERVICES LIMITED

Registered office: [illegible]

Tel: [illegible], Fax: [illegible] Email: [illegible] Website: [illegible]

CIN: [illegible]

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

Standalone Notes:

1) The Standalone Financial results have been reviewed by the Audit Committee and approved by the Board of Directors of the MOSL Shoal Financial Services Limited ("the Company") at its Meeting held on Wednesday 24 January 2024. The results for the quarter and nine months ended 31 December 2023 have been reviewed by the Statutory Auditors M/s. Singhi & Co., Chartered Accountants.

2) The financial has been prepared in accordance with recognition and measurement principles of the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013.

3) Pursuant to Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), SEBI's Operational Circular [illegible] dated 19 August 2021 as the same applicable to Commercial Papers, information as required for nine months ended 31 December 2023 in respect of Non-convertible Debentures and Commercial Papers of the Company is enclosed as Annexure A.

4) Pursuant to Regulation 52 of Listing Regulations, we state that all secured Market Linked Debentures (MLDs) issued by the Company and outstanding as on 31 December 2023 are fully secured by first pari passu charge created over all present and future trade receivables and Margin Trading Facility receivables of the Company [illegible] a minimum cover of 1 times of MLDs outstanding and interest due on MLDs. Accordingly, the Company is maintaining the asset cover of 1x or such higher asset cover required as per the terms & conditions given in the offer documents/information memorandum. The details of security cover as per prescribed format under Regulation 52(4) of Listing Regulations is enclosed as Annexure B.

5) ARCI Limited has reaffirmed its ratings at CRISIL AA/Stable for Non-Convertible Debentures and CRISIL A1+ for the Commercial Paper Programme of the Company. ICRA Limited has reaffirmed ICRA AA- (Stable) on Non-Convertible Debentures and [illegible] (Stable) on Bank Loan of the Company and ICRA A1+(Stable) on Principal Protected Market Linked Debentures of the Company. The ICRA rating also reaffirmed and assigned for the enhanced amount [illegible] on the Commercial Paper Programme of the Company. Further, India Ratings & Research Private Limited has assigned and assigned and affirmed credit rating of IND A1+ on Commercial Paper Programme of the Company. India Ratings & Research Private Limited has also withdrawn the ratings on Non Convertible Debentures and Bank Loan of the Company and IND PP-MLD AA(Stable) on Principal Protected Market Linked Debentures of the Company.

6) The Board of Directors at its meeting held on 24 January 2024 has declared an interim dividend of Rs. 1.50/- per equity share (on face value of Rs 1/- per equity share) for the financial year 2023-24.

7) The Board of Directors of the Company at their Meeting held on July 21, 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 ("Hon'ble NCLT"), Mumbai Bench, approved the Scheme of Arrangement between Motilal Oswal Financial Services Limited ("the Transferor Company" or "Non Resulting Company" or "MOFSL") and Motilal Oswal Broking and Distribution Services Private Limited [illegible] Private Limited & [illegible] Limited Companies ("the Transferee Company" or "MOBDS") and Motilal Oswal Wealth Limited ("the Demerged Company" or "MOWL") and their respective Shareholders ("the Scheme"), under Sections 230-232 of the Companies Act, 2013. The appointed date subject to approval of the NCLT is April 01, 2023. Further, pursuant to the provisions of Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has filed the Scheme along with necessary documents with Stock Exchange(s) that consist of shareholder's approval. The Scheme will be implemented as highly probable for the purposes of disclosure requirements under IND AS 105 "Non Current Assets held for sale in discontinued operations".

8) The Board of Directors of the Company has considered and approved the proposal of issuance of Non Convertible Debentures not exceeding Rs. 5,000 crore by way of Public Issue on pre or post basis.

9) As per Ind AS 108 "Operating Segments", Segment has been disclosed in consolidated financial results. Hence, no separate disclosure has been given in standalone financial results of the Company.

10) Pursuant to the provisions of Employee Stock Options under various Employee Stock Options Schemes, the Company has allotted 1,89,120 and 1,83,888 equity shares to the employees during the quarter ended 31 December 2023 and nine months ended 31 December 2023 respectively.

11) The amounts reflected as "0" in the financial information are rounded off to nearest lakhs.

12) The previous quarter/period figures have been regrouped/reclassified wherever necessary to conform to the current quarter/period presentation.

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

Motilal Oswal
Managing Director and Chief Executive Officer
(DIN [illegible])

Place: Mumbai
Date: 24 January 2024

Annexure B

Pursuant to Regulation [illegible] of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), SEBI's Operational Circular [illegible] dated August 10, 2021 to the extent applicable to Commercial Papers, information as required for the nine months ended December 31, 2024 in respect of Non-convertible Debentures and Commercial Papers of the Company is as mentioned below:

Key Financial Information

Particulars	Nine months ended 31 December 2024	Year ended 31 March 2024
Debt Equity Ratio[1]	[illegible]	[illegible]
Debt Service Coverage Ratio[2]	[illegible]	[illegible]
Interest Service Coverage Ratio[3]	[illegible]	[illegible]
Net worth[4] (Rs. in Lakhs)	[illegible]	[illegible]
Net Profit after tax (Rs. in Lakhs)	[illegible]	[illegible]
Earnings per share (Basic)	[illegible]	[illegible]
Earnings per share (Diluted)	[illegible]	[illegible]
Outstanding redeemable preference shares	Not Applicable	Not Applicable
Capital Redemption Reserve (Rs. in Lakhs)	[illegible]	[illegible]
Debenture Redemption Reserve	[illegible]	[illegible]
Current Ratio[5]	[illegible]	[illegible]
Long Term Debt to Working Capital Ratio[6]	[illegible]	[illegible]
Bad Debts to Accounts Receivables Ratio[7]	[illegible]	[illegible]
Current Liability Ratio[8]	[illegible]	[illegible]
Total Debts to Total Assets[9]	[illegible]	[illegible]
Debtors Turnover Ratio[10]	[illegible]	[illegible]
Inventory Turnover Ratio	Not Applicable	Not Applicable
Operating Margin (%)[11]	[illegible]	[illegible]
Net Profit Margin (%)[12]	[illegible]	[illegible]

[1] Debt Equity Ratio = Debt (Borrowings + Accrued Interest) / Equity (Equity share capital + Other Equity)

[2] Debt Service Coverage Ratio = (Profit [illegible] + Interest and lease liabilities + Principal repayments of long term borrowings) / (Interest expense and lease liabilities + Principal repayments of long term borrowings)

[3] Interest Service Coverage Ratio = (Profit [illegible] + Interest and lease liabilities) / (Interest and lease liabilities)

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

[5] Current Ratio = Current Assets/Current Liabilities

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

[7] Debt debts includes provision made on identified debts, debtors overdue (including trade receivables and bills)

[8] Current Liability Ratio = Current Liabilities/Total Liabilities

[9] Total Debts to Total Assets = Total Debt/Total Assets (including Debt Assets)

[10] Debtors Turnover Ratio = Net sale/Consideration (Revenue from Trade Receivables)

[11] Operating Margin = (Profit before tax / Total Revenue from operations)

[12] Net Profit Margin = (Profit after tax / Total Revenue from operations)

Singhi & Co.
Chartered Accountants

[illegible]

Independent Auditor's Limited Review Report on the Unaudited Consolidated Financial Results of Motilal Oswal Financial Services Limited for the quarter and nine months ended December 31, 2023, pursuant to the Regulation 33 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 Consolidated financial results of **Motilal Oswal Financial Services Limited** ("the Holding Company") and its Subsidiaries (the Holding Company and its Subsidiaries together referred to as "the Group"), its Associate (refer Annexure 1 for the list of Subsidiaries and Associate included in the Statement) for the quarter and nine months ended December 31, 2023 ("the Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"), including the relevant circulars issued by the SEBI from time to time.

2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Board of Directors of the Holding 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 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. 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.

   We also performed procedures in accordance with the Circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. Based on our review as conducted above and the procedures performed by us as stated in paragraph 3 above and upon consideration of the review reports of the other auditors referred to in paragraph 5 below, 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 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 6 of the Unaudited Consolidated financial results of the Company, regarding the Scheme of Arrangement to restructure the business of the Company and two of its wholly owned subsidiaries w.e.f April 1, 2023, for which subsequent to the approval of the relevant Board of such Companies, the Holding 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 respective books of account.

Our conclusion is not modified in respect of this matter.

Other Matters

6. We did not review the interim financial results of eight subsidiaries included in the Statement, whose financial results before consolidation adjustments reflects total revenues of Rs. 37,296 Lakh and Rs. 77,470 lakhs, total net profit after tax of Rs. 6,449 lakhs and Rs. 22,062 lakhs, total comprehensive income of Rs. 10,602 lakhs and Rs.26,908 lakhs for the quarter and nine months ended December 31, 2023 respectively. These interim financial results have been reviewed by other auditors whose review reports have been furnished to us by the Holding Company's Management, and our conclusion on the Statement in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the review reports of such other auditors and the procedures performed by us as stated in paragraph 3 above.

7. The Statement includes the interim financial results of seven subsidiaries, which have not been reviewed by their auditors, whose interim financial results before consolidation adjustments reflects total revenues of Rs.610 lakhs and Rs. 1,812 lakhs, net profit after tax of Rs. 227 lakhs and Rs. 764 lakhs and total comprehensive income of Rs. 227 lakhs and Rs.764 lakhs for the quarter and nine months ended December 31, 2023 respectively. The Statement also includes the Group's share of net profit (loss) after tax of Rs. (25) lakhs and Rs. (1) lakh for the quarter and nine months ended December 31, 2023 respectively in respect of one associate, based on its interim financial results, which have not been reviewed by its auditor, and have been furnished to us by the Holding Company's Management. Our conclusion on the Statement in so far as it relates to the amounts and disclosures included in respect of these Subsidiaries and Associate are based solely on such management certified unreviewed interim financial results. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group.

Our conclusion on the Statement in respect of matters stated in para 6 and 7 above is not modified in respect of our reliance on the work done and the reports of other auditors and the financial results certified by the Management.

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

Amit Hundia
Partner
Membership No. 120761
UDIN: 24120761BKCMPC7719

Place: Mumbai
Date: January 24, 2024

Annexure 1

List of subsidiaries and associate included in the Statement for the quarter and nine months ended December 31, 2023

Subsidiaries:

1	Motilal Oswal Home Finance Limited
2	Motilal Oswal Asset Management Company Limited
3	MO Alternate Investment Advisors Private Limited
4	Motilal Oswal Capital Limited
5	Motilal Oswal Trustee Company Limited
6	Motilal Oswal Investment Advisors Limited
7	Motilal Oswal Commodities Broker Private Limited
8	Motilal Oswal Finvest Limited
9	Motilal Oswal Wealth Limited
10	Motilal Oswal Securities International Private Limited
11	Motilal Oswal Capital Markets (Singapore) Pte. Limited
12	Motilal Oswal Capital Markets (Hong Kong) Private Limited
13	Motilal Oswal Asset Management (Mauritius) Private Limited
14	India Business Excellence Management Company
15	Motilal Oswal Finsec IFSC Limited
16	Motilal Oswal Broking and Distribution Limited (formerly known as Glide Tech Investment Advisory Private Limited)
17	TM Investment Technologies Private Limited
18	MO Alternative IFSC Private Limited

Associate:

1	India Realty Excellence Fund II LLP

[illegible]

[illegible]

Particulars	For the quarter ended			For the nine months ended		For the year ended
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]						
[illegible]						
[illegible]					

[illegible]

[illegible]

[illegible]

Particulars	For the quarter ended			For the year ended		For the year ended
	[illegible] (Unaudited)	[illegible] (Unaudited)	[illegible] (Unaudited)	[illegible] (Unaudited)	[illegible] (Unaudited)	[illegible] (Audited)
Tax expenses						
Current tax	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Deferred tax	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Short/(excess) provision for earlier years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Profit/(loss) before exceptional items and share of profit/(loss) of associates	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Share of profit/(loss) from associates (net of taxes)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Profit/(loss) after tax excluding share of associates	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Less: Non controlling interest	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Net consolidated profit/(loss) to Owners of Parent	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
B. Segment Assets						
(a) Capital market	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
(b) Asset and Wealth Management	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
(c) Other Income	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
(d) Treasury investments	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
(e) Unallocated	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Less: Inter segment assets	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total segment assets	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
C. Segment liabilities						
(a) Capital market	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
(b) Asset and Wealth Management	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
(c) Other Income	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
(d) Treasury investments	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
(e) Unallocated	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Less: Inter segment liabilities	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total segment liabilities	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]

[illegible]

Singhi & Co.
Chartered Accountants

B2 402 B, Marathon Innova, 4th Floor, Off Ganpatrao Kadam Marg, Opp. Peninsula Corporate Park, Lower Parel, Mumbai - 400 013 India
Tel : +91 (0) 22-6662 5557 / 58 E-mail : mumbai@singhico.com website : www.singhico.com

Independent Auditor's Limited Review Report on the Unaudited Standalone Financial Results of Motilal Oswal Financial Services Limited for the quarter and half year ended September 30, 2023, pursuant to the Regulation 33 and 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (as amended)

To the Board of Directors of Motilal Oswal Financial Services Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of **Motilal Oswal Financial Services Limited** ("the Company") for the quarter and half year ended September 30, 2023 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"), including relevant circulars issued by the SEBI from time to time.

2. This Statement, which is the responsibility of the Company's management and approved by the Company's Board of Directors, 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 ("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 6 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 the 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 accounts.

Our conclusion is not modified in respect of this matter.

SINGHI & CO. Chartered Accountants

Other Matter

6. Share of profit from investment in a limited liability partnership aggregating to Rs. (120) lakhs and Rs 24 lakhs for the quarter and half year ended September 30, 2023 respectively included in the Statement, is based on the management accounts of such entity. These accounts have been furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts, is based solely on the report of such management accounts.

Our conclusion is not modified in respect of this matter.

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

Amit Hundia
Partner
Membership No. 122781
UDIN: 23122781BGYVVP5347

Place: Mumbai
Date: November 1, 2023

[illegible]

Registered office: [illegible]

Tel: [illegible] Fax: [illegible] Email: [illegible] Website: [illegible]

CIN: [illegible]

Statement of Consolidated Financial Results for the quarter and half year ended [illegible] (Rs. in lakhs, unless otherwise stated)

Particulars	For the quarter ended			For the half year ended		For the year ended
	[illegible] (Unaudited)	[illegible] (Unaudited)	[illegible] (Unaudited)	[illegible] (Unaudited)	[illegible] (Unaudited)	[illegible] (Audited)
Revenue from operations						
(a) Interest income	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
(b) Dividend income	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
(c) Rent income	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
(d) Fees and commission income						
Brokerage income	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Other commission income	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
(e) Net gain/(loss) on fair value changes	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
(f) Other operating income	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
(I) Total revenue from operations	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
(II) Other income	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
(III) Total income (I+II)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Expenses						
(a) Finance costs	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
(b) Fees and commission expense	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
(c) Impairment on financial instruments	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
(d) Employee benefit expenses	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
(e) Depreciation and amortisation expense	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
(f) Other expenses	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
(IV) Total expenses (IV)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
(V) Profit before tax (III-IV)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Tax expense/(Credit)						
(1) Current tax	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
(2) Deferred tax (asset/liability)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
(3) Excess/ short provision for earlier years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
(VI) Total tax expenses / (credit)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
(VII) Profit after tax (V-VI)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Other comprehensive income						
(i) Items that will not be reclassified to profit or loss						
(a) Remeasurement of the defined employee benefit plans	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
(b) Changes in fair value gain/(loss) of FVOCI equity instruments	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
(ii) Tax relating to items that will not be reclassified to profit or loss						
(a) Tax expense	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
(VIII) Other comprehensive income (net of tax)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
(IX) Total comprehensive income for the period	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
(X) Paid-up equity share capital (Face value of Rs. 5)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
(XI) Other equity						[illegible]
Earnings per share (EPS)*						
Face value Rs. 5 per equity share						
Basic (amount in Rs.)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Diluted (amount in Rs.)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

* EPS for the quarters/periods are not annualised

MOTILAL OSWAL FINANCIAL SERVICES LIMITED

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

Tel: +91 22 [illegible] Fax: +91 22 [illegible] Email: [illegible] Website: www.motilaloswalgroup.com

CIN: L67190MH1987PLC038991

Standalone Statement of Assets and Liabilities

(Rs. in lakhs unless otherwise stated)

Particulars	As at 30 September 2023 (Unaudited)	As at 31 March 2023 (Audited)
I ASSETS		
1. Financial assets		
Cash and cash equivalents	[illegible]	[illegible]
Bank balance other than above	[illegible]	[illegible]
Receivables		
(i) Trade receivables	[illegible]	[illegible]
(ii) Other receivables	[illegible]	[illegible]
Loans	[illegible]	[illegible]
Investments	[illegible]	[illegible]
Other financial assets	[illegible]	[illegible]
Sub - total financial assets	[illegible]	[illegible]
2. Non - financial assets		
Investment Property	[illegible]	[illegible]
Property, plant and equipment	[illegible]	[illegible]
Other intangible assets	[illegible]	[illegible]
Other non - financial assets	[illegible]	[illegible]
Sub - total non - financial assets	[illegible]	[illegible]
Total assets	[illegible]	[illegible]
II LIABILITIES AND EQUITY		
Liabilities		
1. Financial liabilities		
Payables		
(i) Trade payables		
(a) total outstanding dues of micro enterprises and small enterprises	[illegible]	[illegible]
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	[illegible]	[illegible]
(ii) Other payables		
(a) total outstanding dues of micro enterprises and small enterprises	[illegible]	[illegible]
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	[illegible]	[illegible]
Debt securities	[illegible]	[illegible]
Borrowings (Other than debt securities)	[illegible]	[illegible]
Deposits	[illegible]	[illegible]
Other financial liabilities	[illegible]	[illegible]
Sub - total financial liabilities	[illegible]	[illegible]
2. Non - financial liabilities		
Current tax liabilities	[illegible]	[illegible]
Provisions	[illegible]	[illegible]
Deferred tax liabilities (net)	[illegible]	[illegible]
Other non - financial liabilities	[illegible]	[illegible]
Sub - total non - financial liabilities	[illegible]	[illegible]
3. Equity		
Equity share capital	[illegible]	[illegible]
Other equity	[illegible]	[illegible]
Sub - total equity	[illegible]	[illegible]
Total liabilities and equity	[illegible]	[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible] activities		
[illegible]	[illegible]	[illegible]
[illegible]		
[illegible]	[illegible]	[illegible]
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[illegible]	[illegible]	[illegible]
[illegible] for working capital changes		
[illegible]	[illegible]	[illegible]
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[illegible] activities		
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[illegible]	[illegible]	[illegible]
[illegible] activities		
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Annexure B

Pursuant to Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), SEBI's Guidelines circular [illegible] dated August 13, 2021 to the extent applicable to Commercial Papers, information as required for the half year ended September 30, 2021 in respect of Non-convertible Debentures and Commercial Papers of the Company is as mentioned below:

Key Financial Information

Particulars	Half year ended 30 September 2021	Year ended 31 March 2021
Debt Equity Ratio[1]	[illegible]	[illegible]
Debt Service Coverage Ratio[2]	[illegible]	[illegible]
Interest Service Coverage Ratio[3]	[illegible]	[illegible]
Net Worth[4] (Rs. in Lakhs)	[illegible]	[illegible]
Net Profit after tax (Rs. in Lakhs)	[illegible]	[illegible]
Earnings per share (Basic)	[illegible]	[illegible]
Earnings per share (Diluted)	[illegible]	[illegible]
Debenture redemption reserve (Rs. in Lakhs)	Not Applicable	Not Applicable
Capital Redemption Reserve (Rs. in Lakhs)	[illegible]	[illegible]
Debenture Redemption Reserve	Nil	Nil
Current Ratio[5]	[illegible]	[illegible]
Long Term Debt to Working Capital Ratio[6]	[illegible]	[illegible]
Bad debts to Accounts Receivable Ratio[7]	[illegible]	[illegible]
Current Liability Ratio[8]	[illegible]	[illegible]
Total Debts to Total Assets[9]	[illegible]	[illegible]
Debtors Turnover Ratio[10]	[illegible]	[illegible]
Inventory Turnover Ratio	Not Applicable	Not Applicable
Operating Margin (%)[11]	[illegible]	[illegible]
Net Profit Margin (%)[12]	[illegible]	[illegible]

[1] Debt Equity Ratio = Debt (Borrowings + Accrued interest)/Equity (Equity share cap[illegible])

[2] Debt Service Coverage Ratio = Profit/(Loss before exceptional items, interest and tax [illegible] / Interest expenses[illegible] excludes interest costs on leases as per IND AS 116 on Ca[illegible]

[3] Interest Service Coverage Ratio = Profit/(Loss before exceptional items, interest and [illegible] on Lease)/Interest expenses[illegible] excludes interest costs on leases as per IND AS 116 on [illegible]

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

[5] Current Ratio = Current Assets/Current Liabilities

[6] Long Term Debt to Working Capital Ratio = Long Term Borrow[illegible]

[7] [illegible] includes provision made on doubtful debts. Accounts[illegible]

[8] Current Liability Ratio= Current Liabilities/Total Liabilities

[9] Total Debts to Total Assets= Total Debt(Borrowings+Debt Securities)/Total Ass[illegible]

[10] Debtors Turnover Ratio = Fee and Commission Income /Average Trade Receiv[illegible]

[11] Operating Margin = Profit Before tax / Total Revenue from operations

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

Singhi & Co.
Chartered Accountants

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Tel: +91 (0) 22 4002 5117 / 18 E-mail: mumbai@singhico.com website www.singhico.com

Independent Auditor's Limited Review Report on the Unaudited Consolidated Financial Results of Motilal Oswal Financial Services Limited for the quarter and half year ended September 30, 2023, pursuant to the Regulation 33 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 consolidated financial results of **Motilal Oswal Financial Services Limited** ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associate (refer Annexure 1 for the list of subsidiaries and associate included in the Statement) for the quarter and half year ended September 30, 2023 ("the Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 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 Holding Company's management and approved by the Holding Company's Board of Directors, 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 ("the Act"), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. 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.

   We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. Based on our review conducted and procedures performed as stated in paragraph 3 above and upon consideration of the review reports of the other auditors referred to in paragraph 5 below, 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 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 5 of the unaudited consolidated financial results of the Company, regarding the Scheme of

Arrangement to restructure the business of the Company and two of its wholly owned subsidiaries w.e.f.

April 1, 2023, for which subsequent to the approval of the relevant Board of such Companies, the Holding Company has initiated the process of obtaining necessary statutory and regulatory approvals and approval of its Shareholders. Post receipt of the requisite approvals and on completion of the related procedural aspects towards the scheme, effect of such scheme will be given in the respective books of accounts.

Our conclusion is not modified in respect of this matter.

Other Matters

6. We did not review the interim financial results of eight subsidiaries included in the Statement, whose financial results before consolidation adjustments reflects total assets of Rs. 6,57,679 Lakh as at September 30, 2023, total revenues of Rs. 22,341 Lakh and Rs. 50,179 Lakh, total net profit after tax of Rs. 4,862 Lakh and Rs. 13,643 Lakh, total comprehensive income of Rs. 6,383 Lakh and Rs 18,305 Lakh for the quarter and half year ended September 30, 2023 respectively and net cash outflows of Rs. (42,317) Lakh for the period from April 1, 2023 to September 30, 2023. These interim financial results have been reviewed by other auditors whose review reports have been furnished to us by the Holding Company's management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the review reports of such other auditors and the procedures performed by us as stated in paragraph 3 above.

7. The Statement includes the interim financial results of seven subsidiaries, which have not been reviewed by their auditors, whose interim financial results before consolidation adjustments reflects total assets of Rs. 7,149 Lakh as at September 30, 2023, total revenues of Rs. 819 Lakh and Rs. 1,193 Lakh, net profit after tax of Rs. 323 Lakh Rs. and Rs. 530 Lakh, total comprehensive income of Rs. 323 Lakh and Rs. 530 Lakh for quarter and half year ended September 30, 2023 respectively and net cash outflows of Rs. (62) Lakh for the period from April 1, 2023 to September 30, 2023. The Statement also includes the Group's share of net profit after tax of Rs. (130) Lakh and Rs. 24 Lakh for the quarter and half year ended September 30, 2023 respectively in respect of one associate, based on its interim financial results, which have not been reviewed by its auditor, and have been furnished to us by the Holding Company's management. Our conclusion on the Statement in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate are based solely on such management certified unreviewed interim financial results. According to the information and explanations given to us by the management, these interim financial results are not material to the Group.

Our conclusion is not modified in respect of these matters.

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

Amit Mundra
Partner
Membership No. 120791
UDIN: 23120791BGYVVG1311

Place: Mumbai
Date: November 1, 2023

Annexure 1

List of subsidiaries and associate included in the Statement for the quarter and half year ended September 30, 2023

Subsidiaries:

1	Motilal Oswal Home Finance Limited
2	Motilal Oswal Asset Management Company Limited
3	MO Alternate Investment Advisors Private Limited
4	Motilal Oswal Capital Limited
5	Motilal Oswal Trustee Company Limited
6	Motilal Oswal Investment Advisors Limited
7	Motilal Oswal Commodities Broker Private Limited
8	Motilal Oswal Finvest Limited
9	Motilal Oswal Wealth Limited
10	Motilal Oswal Securities International Private Limited
11	Motilal Oswal Capital Markets (Singapore) Pte. Limited
12	Motilal Oswal Capital Markets (Hong Kong) Private Limited
13	Motilal Oswal Asset Management (Mauritius) Private Limited
14	India Business Excellence Management Company
15	Motilal Oswal Finsec IFSC Limited
16	Motilal Oswal Broking and Distribution Limited (formerly known as Globe Tech Investment Advisory Private Limited)
17	TM Investment Technologies Private Limited
18	MO Alternative IFSC Private Limited

Associate:

1	India Realty Excellence Fund II LLP

[illegible]

[illegible]

[illegible]

[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]
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[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

[illegible]

[illegible]

[illegible]

[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]
A. Cash flow from operating activities		
[illegible]		
Profit before taxation	[illegible]	[illegible]
Adjustments for:		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Operating profit	[illegible]	[illegible]
Adjustment for working capital changes		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
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[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Cash [illegible] from operations	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Net cash [illegible] from operating activities (A)	[illegible]	[illegible]
B. Cash flow from investing activities		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Net cash [illegible] from investing activities (B)	[illegible]	[illegible]
C. Cash flow from financing activities		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
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[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Net cash [illegible] from financing activities (C)	[illegible]	[illegible]
Net increase/decrease in cash and cash equivalents during the year (A+B+C)	[illegible]	[illegible]

[illegible]

[illegible]

[illegible]

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[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]
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Singhi & Co.
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Tel: +91 (0)22-6662 5337/38 | Email: [illegible] | website: www.singhi.co.in

INDEPENDENT AUDITOR'S REPORT

To

The Members of **Motilal Oswal Financial Services Limited**

Report on the Audit of the Standalone Financial Statements

1. Opinion

We have audited the accompanying standalone financial statements of **Motilal Oswal Financial Services Limited** (the "Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

2. Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act ("SAs"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

3. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current year. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key audit matters	How our audit addressed the key audit matter
1.	**Information Technology (IT) Systems and Controls** The Company's key financial accounting and reporting processes are highly dependent on the automated controls over the Company's information systems, such that there exists a risk that gaps in the IT general control environment could result in a misstatement of the financial accounting and reporting records. Accordingly, we have considered user access management, segregation of duties and controls over system changes over key financial accounting and reporting systems, as a key audit matter	**Our Audit Approach:** With the help of our IT specialists, we obtained an understanding of the Company's IT applications, databases and operating systems relevant to financial reporting and the control environment. Our audit approach was a combination of test of internal controls and substantive procedures which included the following **General IT controls design, observation and operation:** ➢ Tested key controls operating over the information technology in relation to financial accounting and reporting systems including system access and system change management, program development and computer operations **User access controls operation:** ➢ Obtained management's evaluation of the access rights granted to applications relevant to financial accounting and reporting systems and tested resolution of a sample of expectations. ➢ Further, we assessed the operating effectiveness of controls over granting, removal and appropriateness of access rights **Application controls.** ➢ We tested the design and operating effectiveness of automated controls critical to financial accounting and reporting. ➢ For any identified deficiencies, tested the design and operating effectiveness of compensating controls and where necessary, extended the scope of our substantive audit procedure.
2.	**Valuation of equity investments carried at fair value** **Refer note 2.6 for significant accounting policies and note 54 for financial disclosures**	Our audit procedures in relation to valuation of investment with the involvement of our valuation experts included, but were not limited to, the following:

Sr. No.	Key audit matters	How our audit addressed the key audit matter
	As at March 31, 2023, the Company held investments in i) Shubham Housing Development Finance Company Private Limited whose carrying amount is of Rs. 73.8 crores which represents 0.53 % of the total assets of the Company. iii) Bund Technologies Private Limited whose carrying amount is of Rs. 64.48 crores which represents 0.46 % of the total assets of the Company These investments are not traded in the active market. The fair valuation of these investments are determined by a management appointed independent valuation expert. The process of computation of fair valuation of investment includes use of unobservable inputs and management judgements and estimates which are complex The valuation of these investments were considered to be one of the areas which required significant audit attention and was one of the matters of most significance in the standalone financial statements due to the materiality of total value of investments to the standalone financial statements and the complexity involved in the valuation of these investments	**Design/Controls:** ➢ Obtained a detailed understanding of the management's process and controls for determining the fair valuation of this investment. The understanding was obtained by performance of walkthroughs which included inspection of documents produced by the Company and discussion with those involved in the process of valuation; ➢ Evaluated the design and the operational effectiveness of relevant key controls over the valuation process, including the Company's review and approval of the estimates and assumptions used for the valuation including key authorization and data input controls, independent price verification performed by the management expert and model governance and validation; **Substantive tests:** ➢ Assessed the appropriateness of the valuation methodology used for these investments in accordance with the Company's policy and tested the mathematical accuracy of the management's model adopted; ➢ Obtained the valuation report from management's expert and assessed the expert's competence, objectivity and independence in performing the valuation of these investments; ➢ Assessed the appropriateness of the valuation model used by the management and the assumptions used relating to projected cash flows and the discounting factor; ➢ Ensured the appropriateness of the carrying value of these investments in the financial statements and the gain or loss recognised in the financial statements as a result of such fair valuation; and

Sr. No.	Key audit matters	How our audit addressed the key audit matter
		➢ Ensured the appropriateness and adequacy of disclosures in accordance with the applicable accounting standards

4 **Information other than the Financial Statements and Auditor's Report thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Report on Corporate Governance (but does not include the Financial Statements and our auditor's report thereon) which we obtained prior to the date of this auditor's report and Board's Report, Management Discussion and Analysis and Business Responsibility and Sustainability report, which is expected to be made available to us after that date.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the other information included in the above reports, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance and determine the actions under the applicable laws and regulations.

5 **Responsibilities of Management and those Charged with Governance for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to

going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

6. **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

i. Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

ii. Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

iv. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

v. Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of the misstatement in the statement that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user

of the statement may be influenced. We consider quantitative materiality and qualitative factors in: (i) planning the scope of our audit work and evaluating the results of our work, and (ii) to evaluate the effects of any identified misstatements in the financial statement.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of standalone financial statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

7. **Other Matters**

Share of profit from investment in a limited liability partnership aggregating to Rs. 196 lakhs for the year ended March 31, 2023 included in the Statement, is based on the audited financial statements of such entity. These financial statements have been furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this entity, is based solely on the report of the other auditor.

Our opinion is not modified in respect of the above matter.

8. **Report on Other Legal and Regulatory Requirements**

i. As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

ii. As required by section 143 (3) of the Act, based on our audit we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c. The standalone Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flow and Statement of Changes in Equity dealt with by this report are in agreement with the relevant books of account;

d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

e. On the basis of written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of section 164 (2) of the Act.

f. With respect to the adequacy of the internal financial controls with reference to the financial statements of the Company and the operating effectiveness of such controls, we request you to refer to our separate Report in 'Annexure B' to this report. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.

g. With respect to the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us the managerial remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on the financial position in its financial statements – Refer Note 38 to the financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2023;

iv. (a) The Management has represented that to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.;

(b) The Management has represented that to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies) including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on audit procedures that have been considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

SINGHI & CO. Chartered Accountants

v. As stated in note 25 of the standalone financial statement, the dividend declared / paid during the year and declared during the year but paid subsequent to the year-end by the Company till the date of this report, is in compliance with Section 123 of the Act. Further, as stated in note 49 of the standalone financial statement, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

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

Nikhil Singhi
Partner
Membership No. 061557
UDIN: 23061557BGYHII6996

Place: Mumbai
Date: April 27, 2023

Annexure A to the Independent Auditor's Report of even date on the standalone financial statements of Motilal Oswal Financial Services Limited

Referred to in paragraph [8(i)] under Report on Other Legal and Regulatory Requirements of our report of even date

According to the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) a) A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of Right-of-use Assets.

B) The Company has maintained proper records showing full particulars of intangible assets.

b) The Company has a program of physical verification of property, plant and equipment whereby all the items of property, plant and equipment are verified once in three years. The property, plant and equipment were not physically verified during the year by the Management as it was not due. In our opinion, the periodicity of the physical verification is reasonable having regard to the size of the Company and the nature of its assets.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties included in Property, Plant and Equipment are held in the name of the Company.

d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or Intangible Assets during the year.

e) According to the information and explanations and representation given to us, no proceedings have been initiated or is pending against the Company during the year for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) a) The Company's business does not involve inventory and accordingly, paragraph 3(ii)(a) of the Order is not applicable to the Company.

b) As disclosed in Note 18 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. one crores, in aggregate, from banks on the basis of security of current assets. The Company has not obtained any sanction from financial institutions in this regard. Basis the information and explanation provided to us and basis our audit procedures undertaken, we have not come across any material difference between the information submitted in the quarterly returns / statements filed by the Company with such banks when compared with the audited/unaudited books of account and other relevant information provided by the Company.

(iii) a) The Company is in the business of providing loans which are called as margin trading funding (MTF). According to the explanations and representations given to us by the Company, this is one of the principal business of the Company which is also described in its object clause specified in Memorandum of Association. Accordingly, clause (iii)(a) is not applicable to the Company.

b) In our opinion, having regard to the nature of the Company's business, the investments made and the terms and conditions of the grant of all loans and advances in the nature of loans are prima facie, not prejudicial to the Company's interest. Further, during the year the Company has not provided guarantees, given security and granted loans and advances in the nature of guarantees to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on these is not applicable to the Company.

c) According to the information and explanations given to us, in case of loans given in the nature of MTF, the schedule of payment of interest has been stipulated but the schedule of repayment of principal amount of such loans are not stipulated. In respect of loans and advances in the nature of loans other than MTF given by the Company, the Company has stipulated the schedule of repayment of principal and payment of interest. Repayment of such other loans are regular.

d) In respect of loans granted and advances in the nature of loans provided by the Company there is no overdue amount for more than ninety days as at the Balance Sheet date.

e) The Company is in the business of providing loans which are MTF. According to the explanations and representations given to us by the Company, this is one of the principal business of the Company which is also described in its object clause specified in Memorandum of Association. Accordingly, clause (iii) (e) is not applicable to the Company.

f) In our opinion and according to the information and explanations given to us there are no loans/advances given during the year in the nature of loans granted to promoters or related parties as defined in clause (76) of section 2 of the Companies Act, 2013 which are repayable on demand or without specifying any terms or period of repayment. Accordingly, the requirement to report on this clause is not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 with respect to the loans and investments. Further, as no guarantees/security has been given towards the parties specified in section 185 clause with regard to these matters are not applicable to the Company.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and does not have any unclaimed deposit as at March 31, 2023 and therefore, the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules made thereunder are not applicable to the Company. We are informed by the management that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal against the Company in this regard.

(vi) The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus, reporting under paragraph 3(vi) of the Order is not applicable to the Company.

(vii) In respect of Statutory dues,

a) The Company has generally been regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income tax, goods and service tax,

ness and other material statutory dues applicable to it to the appropriate authorities. As explained to us, the Company did not have any dues on account of sales tax, wealth tax, duty of customs, duty of excise and value added tax.

b) There were no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, goods and services tax, cess and other material statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable.

c) The details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2023, on account of disputes are given below:

Name of the Statute	Nature of Due	Amount (Rs. in Lakhs)	Amount paid under Protest (Rs. in Lakhs)	Period to the which amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	43	-	F.Y 2012-13	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	1,522	168	F.Y 2013-14	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	229	92	F.Y 2014-15	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	17	-	F.Y 2015-16	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	19	-	F.Y 2016-17	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	15	-	F.Y 2017-18	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	699	-	F.Y 2019-20	Commissioner of Income Tax (Appeals)
	Total	3,944	260		

(vii) According to the information and explanations given to us, there are no transactions which have not been recorded in the books of account but have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) a) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in the payment of interest thereon to any lender.

b) Basis the information and explanation provided to us, the Company has not been declared a wilful defaulter by any bank or financial institution or other lender.

c) The Company has not availed any term loans accordingly, reporting under paragraph 3(ix)(c) of the Order is not applicable to the Company.

d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long term purposes by the company.

e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries and associate during the year.

f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised any loans during the year on the pledge of securities held in its subsidiaries. Hence the requirement to report on clause ix(f) of the order is not applicable to the Company.

(x) a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under paragraph 3 (x)(a) of the Order is not applicable to the Company.

b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence reporting under paragraph 3 (x)(b) of the Order is not applicable to the Company.

(xi) a) According to the information, explanation and representations given to us no fraud by the Company or no fraud on the Company has been noticed or reported during the year.

b) During the year, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by secretarial auditor or by us in Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) We have taken into consideration the whistle blower complaint received by the Company during the year (and up to the date of this report) and provided to us, while determining the nature, timing and extent of our audit procedures.

(xii) The Company is not a nidhi company and hence reporting under paragraph 3 (xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given by the management, all the transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details of related party transactions have been disclosed in the notes to the financial statements etc. as required by the applicable accounting standards.

(xiv) a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.

b) We have taken into consideration, the internal audit reports for the period under audit issued to the Company till the date while determining the nature, timing and extent of audit procedures.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with them as

referred to in section 192 of the Act. Thus, paragraph 3(xv) of the Order is not applicable to the Company.

(xvi) a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India (RBI) Act, 1934

b) The Company has not conducted any Non-Banking Financial or Housing Finance Activities without obtaining a valid Certificate of Registration (CoR) from Reserve Bank of India as per the Reserve Bank of India Act, 1934.

c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence reporting under paragraph 3 (xvi)(c) of the Order is not applicable.

d) According to the information and explanations given to us, there is no CIC in the Group

(xvii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year

(xviii) There has been no resignation of the Statutory Auditors during the year and accordingly requirement to report on clause 3(xviii) of the order is not applicable

(xix) According to the information and explanations given to us and on the basis of the ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.

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(xx) (a) There are no unspent amounts towards Corporate Social Responsibility ('CSR'). Accordingly, reporting under paragraph 3(xx)(a) of the Order is not applicable for the year.

(b) The Company does not have any ongoing projects in accordance with the requirements of CSR guidelines and hence, reporting under paragraph 3(xx)(b) of the Order is not applicable for the year.

(xxi) As the Company is also preparing its consolidated financial statements, reporting under paragraph 3 (xxi) is given in the consolidated audit report.

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

Nikhil Singhi
Partner
Membership No. 061537
UDIN: 23061537BGYHLL3096

Place: Mumbai
Date: April 27, 2023

Annexure B to the Independent Auditors Report of even date on the financial statements of Motilal Oswal Financial Services Limited

Referred to in paragraph [8(ii)(f)] under Report on Other Legal and Regulatory Requirements of our report of even date

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting with reference to the Financial Statements of Motilal Oswal Financial Services Limited (the "Company") as of March 31, 2023 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

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Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

SINGHI & CO. * Chartered Accountants

Opinion

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India.

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

Nikhil Singhi
Partner
Membership No. 067567
UDIN: 23067567BGYLLL6995
Place: Mumbai
Date: April 27, 2023

Mo[illegible] Oswal Financial Services Limited
Standalone Balance Sheet
[illegible]

Particulars	Note	As at 31 March 2023	As at 31 March 2022
ASSETS			
Financial assets			
(a) [illegible]	4	[illegible]	[illegible]
(b) [illegible]	5	[illegible]	[illegible]
(c) Receivables			
(i) Trade receivables	6	[illegible]	[illegible]
(ii) Other receivables		[illegible]	[illegible]
(d) Loans	7	[illegible]	[illegible]
(e) [illegible]	8	[illegible]	[illegible]
(f) [illegible]	9	[illegible]	[illegible]
Sub-total financial assets (A)		[illegible]	[illegible]
2. Non-financial assets			
(a) [illegible]	11		[illegible]
(b) [illegible]		[illegible]	[illegible]
(c) [illegible]	12A	[illegible]	[illegible]
(d) [illegible]	12B	[illegible]	[illegible]
(e) Other non-financial assets	13	[illegible]	[illegible]
Sub-total non-financial assets (B)		[illegible]	[illegible]
Total assets (A+B)		[illegible]	[illegible]
B. LIABILITIES AND EQUITY			
1. Liabilities			
I. Financial liabilities			
(a) Payables			
(i) Trade payables			
(a) total outstanding dues of micro enterprises and small enterprises			
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	14	[illegible]	[illegible]
(ii) Other payables			
(a) total outstanding dues of creditors other than micro enterprises and small enterprises			-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises			-
(b) Debt securities	15	[illegible]	[illegible]
(c) Borrowings (other than debt securities)	16	[illegible]	[illegible]
(d) Deposits	17	[illegible]	[illegible]
(e) Other financial liabilities	18	[illegible]	[illegible]
Sub-total financial liabilities (A)		[illegible]	[illegible]
II. Non-financial liabilities			
(a) Current tax liabilities (net)	19	[illegible]	[illegible]
(b) Provisions	20	[illegible]	[illegible]
(c) Deferred tax liabilities (net)	21	[illegible]	[illegible]
(d) Other non-financial liabilities	22	[illegible]	[illegible]
Sub-total non-financial liabilities (B)		[illegible]	[illegible]
2. Equity			
(a) Equity share capital	23	[illegible]	[illegible]
(b) Other equity	24	[illegible]	[illegible]
Sub-total equity (C)		[illegible]	[illegible]
Total Liabilities and equity (A+B+C)		[illegible]	[illegible]

The accompanying notes form an integral part of the financial statements

[illegible]

For Sunil & Co.
Chartered Accountants
Firm Registration No. [illegible]

Nitin Singhi
Partner
Membership Number [illegible]

Sunil & Co. Chartered Accountants

For and on behalf of the Board of Directors
Motilal Oswal Financial Services Limited
CIN: [illegible]

Motilal Oswal
Managing Director and CEO
DIN: [illegible]

Raamdeo Agrawal
Executive Director
DIN: [illegible]

Niti Dhirendra Shah
Chief Financial Officer

Rakesh Purohit
Company Secretary

Place: Mumbai
Date: [illegible]

Motilal Oswal Financial Services Limited Mumbai

Motilal Oswal Financial Services Limited
Standalone Statement of Profit and Loss
(All amounts are in INR lakhs, unless otherwise stated)

Particulars	Note	For the Year ended 31 March 2023	For the Year ended 31 March 2022
Revenue from operations			
(a) Interest income	21	67,291	33,143
(b) Dividend income	22	192	7,357
(c) Rental income	23	[illegible]	1,171
(d) Fees and commission income	24		
Brokerage and [illegible] income		1,71,249	1,[illegible]
Fees and commission income		1,443	8,[illegible]
(e) Net gain on fair value changes	25	13,546	51,858
(f) Other operating income	26	5,207	4,[illegible]
I) Total revenue from operations		2,66,928	2,[illegible],938
2) Other income	5	2,615	3,515
3) Total Income (1+2)		2,69,571	2,[illegible],546
Expenses			
(a) Finance cost	28	71,171	1,[illegible],816
(b) Fees and commission expense	29	77,856	75,205
(c) Impairment on financial instruments	30	1,374	1,952
(d) Employee benefit expenses	31	41,795	34,6[illegible]
(e) Depreciation, amortisation and impairment	16	3,035	3,876
(f) Other expenses	32	23,123	23,[illegible]
4) Total expenses		2,19,341	1,75,513
5) Profit/(Loss) before tax (3-4)		74,530	46,033
Tax expense	33		
(a) Current tax		13,797	4,[illegible]
(b) Deferred tax expense		37	1,123
(c) Adjustment of tax relating to earlier years		(225)	[illegible]
6) Total tax expenses		15,630	15,536
7) Profit for the year (5-6)		56,891	72,692
Other Comprehensive Income			
(a) Items that will not be reclassified to profit or loss			
(i) Actuarial gain/(loss) on post retirement benefit plans		74	(9[illegible])
(ii) Fair value gain/(loss) on investments		(3,961)	3,721
(b) Tax impact on above		446	(7[illegible])
8) Other Comprehensive income for the year		(3,465)	2,038
Total Comprehensive Income for the year (7 + 8)		53,425	72,730
Earnings per share (EPS) (Face Value Rs. 1 per equity share)	41		
Basic EPS (amount in Rs.)		54.70	10[illegible]
Diluted EPS (amount in Rs.)		54.[illegible]	97.9

The accompanying notes form an integral part of the financial statements

As per our report of even date

For Singhi & Co.
Chartered Accountants
Firm Registration No. [illegible]

Nikhil Singhi
Partner
Membership Number: [illegible]

Place: Mumbai
Date: 27 April 2023

For and on behalf of the Board of Directors
Motilal Oswal Financial Services Limited
CIN: L67190MH2005PLC153397

Motilal Oswal
Managing Director and Chief Executive Officer
DIN: [illegible]

Raamdeo Agrawal
Non-Executive Chairman
DIN: [illegible]

Shalibhadra Shah
Chief Financial Officer

Kailash Purohit
Company Secretary

Place: Mumbai
Date: [illegible]

Motilal Oswal Financial Services Limited
Standalone Cash Flow Statement
(All amounts are in INR Lakhs unless otherwise stated)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
A. Cash flow from operating activities		
Profit before tax	[illegible]	[illegible]
Adjustment for		
Unrealised gain/(loss)	[illegible]	[illegible]
Employee stock option expense	[illegible]	[illegible]
Interest income on loans	[illegible]	[illegible]
Depreciation/amortisation/impairment	[illegible]	[illegible]
Dividend income	[illegible]	[illegible]
Finance costs on borrowings	[illegible]	[illegible]
Loss on partnership firm	[illegible]	[illegible]
Profit on sale property, plant and equipment		[illegible]
Impairment on financial instruments	[illegible]	[illegible]
Operating profit	[illegible]	[illegible]
Adjustments for working capital changes		
Increase/(decrease) in provisions	[illegible]	[illegible]
Increase/(decrease) in other financial liabilities	[illegible]	[illegible]
Increase/(decrease) in trade payables	[illegible]	[illegible]
Increase/(decrease) in other liabilities	[illegible]	[illegible]
Increase/(decrease) in other non financial liabilities	[illegible]	[illegible]
Increase/(decrease) in other bank balances	[illegible]	[illegible]
Increase/(decrease) in other financial assets	[illegible]	[illegible]
Increase/(decrease) in other non financial assets	[illegible]	[illegible]
Increase/(decrease) in trade receivables	[illegible]	[illegible]
Increase/(decrease) in loans (Refer note iv)	[illegible]	[illegible]
Increase/(decrease) in liquid investment	[illegible]	[illegible]
Cash generated/(used) from operations	[illegible]	[illegible]
Direct taxes paid (net)	[illegible]	[illegible]
Net cash generated/(used) from operating activities (A)	[illegible]	[illegible]
B. Cash flow from investing activities		
Proceeds from sale of investments	[illegible]	[illegible]
Proceeds from sale of equity shares in subsidiary company	[illegible]	
Purchase of equity shares in subsidiary company	[illegible]	[illegible]
Purchase of investments	[illegible]	[illegible]
Purchase of property, plant and equipment	[illegible]	[illegible]
Purchase of intangible assets/intangible assets under development	[illegible]	[illegible]
Dividend income	[illegible]	[illegible]
Net cash generated/(used) from investing activities (B)	[illegible]	[illegible]
C. Cash flow from financing activities		
Cash Payment of lease liability (ind AS 116)	[illegible]	[illegible]
Interest on lease liabilities (ind AS 116)	[illegible]	
Proceeds/(repayment) of borrowings (other than debt securities)	[illegible]	[illegible]
Proceeds from issuance of other securities	-	[illegible]
Repayment of other securities	[illegible]	-
Proceeds from issuance of equity shares	[illegible]	[illegible]
Proceeds from issuance of equity shares	[illegible]	[illegible]
Proceeds from equity share capital	[illegible]	[illegible]
Dividend paid	[illegible]	[illegible]
Proceeds/(loss) on equity dividend	[illegible]	-
Effect of change of non-controlling interest	-	[illegible]
Buyback of shares (including buyback expenses paid)	[illegible]	
Net cash generated/(used) from financing activities (C)	[illegible]	[illegible]
Net increase/(decrease) in cash and cash equivalents during the year (A+B+C)	[illegible]	[illegible]

Name of Oswal Financial Services Limited
Cash Flow Statement
(All amounts are in INR [illegible])

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Cash and cash equivalents at the beginning of the year		
Cash in hand	[illegible]	[illegible]
Scheduled bank – In current account	[illegible]	[illegible]
Bank deposits with original maturity of upto three months		[illegible]
Other cash and cash equivalents (Mutual funds within 3 months)	[illegible]	[illegible]
Total	[illegible]	[illegible]
Cash and cash equivalents at the end of the year		
Cash in hand	[illegible]	[illegible]
Scheduled bank – In current account	[illegible]	[illegible]
Fixed deposit with banks (Maturity within 3 months)	[illegible]	[illegible]
Total	[illegible]	[illegible]
Reconciliation of cash and cash equivalents as per above with cash and bank balances		
Cash and cash equivalents as at end of the year as per above	[illegible]	[illegible]
Add: Fixed deposit with banks (Maturity within 3 months)	[illegible]	[illegible]
Total Cash and bank balances as per balance sheet at the year end	[illegible]	[illegible]

(A) Changes in liabilities arising from financing activities

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening balance of debt securities, borrowings (other than debt securities) and subordinated liabilities	[illegible]	[illegible]
Proceeds / (repayment) of other borrowings	[illegible]	[illegible]
Proceeds from issuance of debt securities	-	[illegible]
Repayment of debt securities	[illegible]	
Closing balance of debt securities, borrowings (other than debt securities) and subordinated liabilities	[illegible]	[illegible]

(B) Additional information regarding activities in securities:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Purchase of securities	[illegible]	[illegible]
Sale of securities	[illegible]	[illegible]

Notes:

(i) The cash flow statement is prepared under the indirect method as set out in Ind AS 7, Statement of Cash Flows, read with Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

(ii) Net cash flow from operating, investing and financing activities for the year ended 31 March 2023 and year ended 31 March 2022 respectively.

(iii) Figures in brackets indicate cash outflow.

As per our report of even date

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

Nikhil Singhi
Partner
Membership Number: [illegible]

Place: Mumbai
Date: [illegible] April 2023

For and on behalf of the Board of Directors
Oswal Financial Services Limited
CIN: L67100MH2005PLC153357

Mrigul Oswal
Managing Director and Chief Executive Officer
DIN: [illegible]

Himanshu Agrawal
Non-Executive Director
DIN: [illegible]

Shailendra Shah
Chief Financial Officer

Kalpesh Parekh
Company Secretary

Place: Mumbai
Date: [illegible] April 2023

Shanthi Gopal Financial Services Limited
Standalone Statement of Changes in Equity for the year ended 31 March 2023
(All amounts are in Rs. Crores unless otherwise stated)

(a) Equity share capital

Particulars	Equity share capital	
	No. of equity shares	Amount
As at 01 April 2021	14,84,35,519	1,485
Changes in Equity Share Capital during the year (refer note 6)	-	-
Restated balance at the beginning of the previous reporting year	14,84,35,519	1,485
Changes during the year due to exercise of Employee Stock Option Scheme	5,54,100	-
Changes during the year due to bonus	14,78,445	19
Shares pending for allotment	5,03,154	0.5
As at 31 March 2022	14,98,63,010	1,491
Changes in Equity Share Capital during the year (refer note 6)	-	-
Restated balance at the beginning of the previous reporting year	14,98,63,010	1,491
Changes during the year due to exercise of Employee Stock Option Scheme	3,38,773	-
Changes during the year due to rights of shares	2,11,13,112	1.9
As at 31 March 2023	17,12,14,896	1,479

(b) Other Equity

Particulars	Reserves and Surplus							Other comprehensive income	Total
	Capital Redemption Reserve	Capital Reserve	Securities Premium	Share based payment Reserve	General Reserve	Statutory Reserve	Retained Earnings #	Equity instruments through other comprehensive income	
Balance as at 01 April 2021	90	11	34,586	4,956	11,684	1,253	2,53,371	50,130	3,01,172
Changes in accounting policy or prior period errors	-	-				-	-		
Restated balance at the beginning of the previous reporting year	90	11	34,586	4,956	11,684	1,253	2,53,371	50,130	3,01,172

Actuarial gains/losses on post retirement benefit plans are recognised in Other Comprehensive Income and hence not included in Retained Earnings

The notes are integral part of the financial statements

For S.R. Gopal & Co.
Chartered Accountants

Oswal Financial Services Ltd.
Mumbai

Motilal Oswal Financial Services Limited
Standalone Statement of Changes in Equity for the year ended 31 March 2023
(All amounts [illegible] INR [illegible] lakhs, unless otherwise stated)

(b) Other Equity-Continued

Particulars	Reserves and Surplus							Other comprehensive income	Total
	Capital Redemption Reserve	Capital Reserve	Securities Premium	Share based payment Reserve	General Reserve	Statutory Reserve	Retained Earnings	Equity instruments through other comprehensive income	
Balance as [illegible]			[illegible]						[illegible]
Addition during the year			[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]
Amount [illegible]					[illegible]		[illegible]	[illegible]	[illegible]
Share [illegible] provided during the year [illegible]	-	-	-	-		-	[illegible]		[illegible]
Transfer to general reserve	-	-	-		[illegible]	[illegible]	-		-
Income			-	-			[illegible]		[illegible]
Transfer to [illegible]				[illegible]				-	[illegible]
Impact due to [illegible]				-		-	[illegible]	-	[illegible]
Balance as at 31 March 2022 (Refer note 20)	80	16	38,816	6,360	37,167	-	3,03,292	12,995	4,22,730
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting year	80	16	38,816	6,360	37,167	-	3,03,292	12,995	4,22,730
Income of operations	-	-	24						[illegible]
Profit for the year			[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]
Other comprehensive income for the year, net of tax	-	-	-	-			[illegible]		[illegible]
Dividend paid	12	-	(16,149)				-		[illegible]
Dividend distribution							[illegible]		[illegible]
Transfer to [illegible]				-	-	-	-	[illegible]	[illegible]
Buyback	-	-	-	-	-	-	[illegible]	-	[illegible]
Transfer to [illegible]	-	-	-	[illegible]	-		-		[illegible]
Business Combination Cost							[illegible]		[illegible]
Balance as at 31 March 2023 (Refer note 20)	105	24	43,865	5,516	36,519	-	3,44,331	9,935	4,43,895

*Equity investments which are not held for trading, where irrevocable election is made at the date of initial recognition, fair value changes are recognised in Other Comprehensive Income. On disposal of investments, the cumulative changes in fair value are reclassified to profit or loss. However, [illegible] are not [illegible] in General reserve.

The accompanying notes form an integral part of the financial statements
As per our report of even date

For Sharp & Co.
Chartered Accountants
Firm Registration No. 103004E

Nikhil Sabnis
Partner

Mumbai, July [illegible] 03 2023

For and on behalf of the Board of Directors
Motilal Oswal Financial Services Limited
CIN: L67190MH1987PLC043860

Motilal Oswal
Managing Director and Chief Executive Officer
DIN: [illegible]

Raamdeo Agrawal
Non-Executive Chairman
DIN: [illegible]

Shailendra Shah
Chief Financial Officer

Rajesh Gandhi
Company Secretary

Place : Mumbai
Date : 27 April 2023

Place : Mumbai
Date : 27 April 2023

1A. Corporate Information

Motilal Oswal Financial Services Limited ("MOFSL" or 'the Company') is a public limited company and incorporated under the provisions of Companies Act. The Company is domiciled in India and the addresses of its registered office and principal place of business is Motilal Oswal Tower (Mumbai).

The Company is registered with Securities and Exchange Board of India ("SEBI") under the Stock Brokers and sub brokers Regulations, 1992 and is a member of Bombay Stock Exchange Limited, National Stock Exchange of India Limited, Multi Commodity Exchange of India Ltd. and National Commodity and Derivatives Exchange Limited. The Company acts as a stock broker and commodities broker to execute proprietary trades and also trades on behalf of its clients which include retail customers (including high net worth individuals), mutual funds, foreign institutional investors, financial institutions and corporate clients. It is registered with Central Depository Services (India) Limited and National Securities Depository Limited in the capacity of Depository Participant and also registered with SEBI in capacity of Research Analyst and Investment Adviser.

The Financial statements were approved for issuance by the Company's Board of Director on 27 April 2023.

1B. Business Combination under Common Control

A common control business combination, involving entities or businesses in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and where the control is not transitory, is accounted for in accordance with Appendix C to Ind AS 103 'Business Combinations'.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values, or recognize new assets or liabilities. Adjustments are made only to harmonize significant accounting policies.
- The financial information in the financial statements in respect of prior periods are restated as if the business combination had occurred from the beginning of the preceding period in the financial statements.
- The identity of the reserves are preserved and appear in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor.

The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves with disclosure of its nature and purpose in the notes. (Refer Note 60 for additional details)

2. Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below

2.1 Basis of preparation

(i) Compliance with Ind AS

The financial statements of the Company comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act.

The financial statements have been prepared using the significant accounting policies and measurement bases summarized as below. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitherto in use.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following

- Certain Financial instruments are measured at fair value;
- Assets held for sale – measured at fair value less cost to sell;
- Defined benefit plans – plan assets measured at fair value; and
- Share based payments

(iii) Preparation of financial statements

The Company is covered in the definition of Non-Banking Financial Company as defined in Companies (Indian Accounting Standards) (Amendment) Rules, 2016. As per the format prescribed under Division III of Schedule III to the Companies Act, 2013 on 11 October 2018 (as amended), the Company presents the Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity in the order of liquidity. A maturity analysis of recovery or settlement of assets and liabilities within 12 months after the reporting date and more than 12 months after the reporting date is presented in note 57.

(iv) Use of estimates and judgments

The preparation of financial statements in conformity with Ind AS which requires management to make estimates, judgments, and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities (including contingent liabilities) and disclosures as of the date of financial statements and the reported amounts of revenue and expenses for the reporting period. Actual results could differ from these estimates. Accounting estimates and underlying assumptions are reviewed on an ongoing basis and could change from period to period. Appropriate changes in estimates are recognized in the period in which the Company becomes aware of the changes in circumstances surrounding the estimates. Any revisions to accounting estimates are recognized prospectively in the period in which the estimate is revised and future periods. The estimates and judgments that have significant impact on carrying amount of assets and liabilities at each balance sheet date are discussed at note 3.

(c) Determining whether an arrangement contains a lease

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgment in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option.

2.2 Revenue Recognition

The Company recognizes revenue from contracts with customers based on a five step model as set out in Ind AS 115, Revenue from Contracts with Customers, to determine when to recognize revenue and at what amount. Revenue is measured based on the consideration specified in the contract with a customer. Revenue from contracts with customers is recognised when services are provided and it is highly probable that a significant reversal of revenue is not expected to occur.

Revenue is measured at fair value of the consideration received or receivable. Revenue is recognised when (or as) the Company satisfies a performance obligation by transferring a promised service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

When (or as) a performance obligation is satisfied, the Company recognizes as revenue the amount of the transaction price (excluding estimates of variable consideration) that is allocated to that performance obligation.

The Company applies the five-step approach for recognition of revenue:

- Identification of contract(s) with customers;
- Identification of the separate performance obligations in the contract;
- Determination of transaction price;
- Allocation of transaction price to the separate performance obligations; and
- Recognition of revenue when (or as) each performance obligation is satisfied.

(i) Brokerage fee income

It is recognised on trade date basis in accordance with the terms of contract and is exclusive of goods and service tax and securities transaction tax (STT) wherever applicable.

(ii) Research and advisory income

Research and advisory income is accounted for on an accrual basis in accordance with the terms of the respective agreements entered into between the Company and the counter party.

(iii) Interest income

Interest income on a financial asset at amortised cost is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate (EIR). The EIR is the rate that exactly discounts estimated future cash flows of the financial assets through the expected life of the financial asset or, where appropriate, a shorter period, to the net carrying amount of the financial instrument. The internal rate of return on financial assets after netting off the fees received and cost incurred approximates the effective interest rate method of return for the financial asset. The future cash flows are estimated taking into account all the contractual terms of the instrument.

(iv) Dividend income

Dividend income is recognized in the Statement of profit and loss on the date that the Company's right to receive payment is established, it is probable that the economic benefits associated with the dividend will

flow to the entity and the amount of dividend can be reliably measured. This is generally when the shareholders approve the dividend.

(e) Portfolio management commission income
Portfolio management commissions is recognised on an accrual basis in accordance with the terms of the agreement entered with asset management company.

(f) Rental income
Lease income from operating leases where the Company is a lessor is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

(g) Profit and loss from partnership firm / LLP
Profit and loss from partnership firm / LLP are accounted on accrual basis and as per terms of respective Partnership / LLP agreement.

vii) Depository services income
Revenue from depository services on account of annual maintenance charges have been accounted for over the period of the performance obligation.
Revenue from depository services on account of transaction charges is recognized point in time when the performance obligation is satisfied

x) Delayed payment charges

Interest is earned on delayed payments from customers and is recognised on a time proportion basis taking into account the amount outstanding from customers and the rates applicable.

2.3 Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Current and deferred tax is recognized in Statement of profit and loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

Current Tax

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Current tax assets and current tax liabilities are off set when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred Tax

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax liabilities are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiaries and associates where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

2.4 Leases

Company as a Lessee

For any new contracts entered into on or after 1 April 2019, the Company considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. The Company assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Measurement and recognition of leases as a lessee
The Company has adopted Ind AS 116 "Leases" using the cumulative catch-up approach. Company has recognized Right of Use assets as at 1 April 2019 for leases previously classified as operating leases and measured at an amount equal to lease liability (adjusted for related prepayments / accruals). The Company has discounted lease payments using the incremental borrowing rate for measuring the lease liability.

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right of use asset for impairment when such indications exist.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognized as an operating expense in Statement of profit and loss on a straight-line basis over the lease term.

When the Company revises its estimate of the term of any lease, it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted using a revised discount rate. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised, except the discount rate remains unchanged. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term. If the carrying amount of the right-of-use asset is adjusted to zero, any further reduction is recognised in statement of profit and loss.

For contracts that both convey a right to the Company to use an identified asset and require services to be provided to the Company by the lessor, the Company has elected to account for the entire contract as a lease, i.e. it does allocate any amount of the contractual payments to, and account separately for, any services provided by the supplier as part of the contract.

Company as a Lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfers substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

2.5 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Outstanding bank overdrafts are not considered integral part of the Company's cash management.

2.6 Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognized when the entity becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognized on trade date, the date on which the Company commits to purchase or sell the asset.

At initial recognition, the Company measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees and commissions. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in Statement of profit and loss. Immediately after initial recognition, an expected credit loss allowance (ECL) is recognized for financial assets measured at amortized cost.

When the fair value of financial assets and liabilities differs from the transaction price on initial recognition, the entity recognizes the difference as follows:

a) When the fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets, the difference is recognized as a gain or loss.
b) In all other cases, the difference is deferred and the timing of recognition of deferred day one profit or loss is determined individually. It is either amortized over the life of the instrument, deferred until the instrument's fair value can be determined using market observable inputs, or realized through settlement.

When the Company revises the estimates of future cash flows, the carrying amount of the respective financial assets or financial liability is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognized in Statement of profit and loss.

Fair value of financial instruments:

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date regardless of whether that price is directly observable or estimated using another valuation technique.

Fair value measurements under Ind AS are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurement are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs) that the Company can access at measurement date.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in note 54.

Financial assets

A. Classification and subsequent measurement

The Company has applied Ind AS 109 and classifies its financial assets in the following measurement categories:

- Fair value through profit or loss (FVTPL);
- Fair value through other comprehensive income (FVOCI); or
- Amortised cost.

1. Financial assets carried at amortised cost

A financial asset is measured at the amortised cost if both the following conditions are met:
• The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
• Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss

2. Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets

All investments in equity instruments classified under financial assets are initially measured at fair value; the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognised as revenue from operations in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognized in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'Revenue from operations' in the Statement of Profit and Loss

3. Investment in Subsidiaries

Investments in subsidiaries, joint ventures and associates are recognised at cost as per Ind AS 27. Except where investments accounted for at cost shall be accounted for in accordance with Ind AS 105, Non-current Assets Held for Sale and Discontinued Operations, when they are classified as held for sale

4. Investments in mutual funds

Investments in mutual funds are measured at fair value through profit and loss (FVTPL).

(ii) Impairment

The Company recognizes impairment allowances using Expected Credit Losses ("ECL") method on all the financial assets that are not measured at Fair value through profit or loss(FVTPL).
ECL are probability-weighted estimate of credit losses. They are measured as follows:

- Financials assets that are not credit impaired – as the present value of all cash shortfalls that are possible within 12 months after the reporting date.
- Financials assets with significant increase in credit risk - as the present value of all cash shortfalls that result from all possible default events over the expected life of the financial assets.
- Financials assets that are credit impaired – as the difference between the gross carrying amount and the present value of estimated cash flows.

Financial assets are written off/fully provided for when there is no reasonable of recovering financial assets in its entirety or a portion thereof.

However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in the Statement of Profit and Loss.

(iii) **Derecognition**

A financial asset is derecognised only when:
The Company has transferred the rights to receive cash flows from the financial asset or retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Financial liabilities

(i) **Initial recognition and measurement**

All financial liabilities are recognized when the Company becomes a party to the contract and provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs.

(ii) **Subsequent measurement**

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss is measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

(iii) Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

2.7 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.8 Financial guarantee contracts and loan commitments

Financial guarantee contracts are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a debt instrument. Such financial guarantees are given to banks, financial institutions and others on behalf of customers to secure loans, overdrafts and other banking facilities.

Financial guarantee contracts are initially measured at fair value and subsequently measured at the higher of:

- The amount of the loss allowance, and
- The premium received on initial recognition less income recognized in accordance with the principles of Ind AS 115.

2.9 Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition and installation of the assets.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of profit and loss during the reporting period in which they are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-financial assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in progress'

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful life prescribed under Schedule II to the Companies Act, 2013. The Company provides pro-rata depreciation from the month in which the asset is first put to use, till date the assets are sold or disposed. Leasehold improvements are amortised over the term of underlying lease.

Assets	Useful life
Building	60 years
Furniture and Fixtures	10 years
Office Equipment's	5 years
Plant and Machinery	3 to 5 years
Vehicles	8 to 10 years
Leasehold Improvements	Over the primary lease period or useful life. Whichever is less.

Derecognition:

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognized in the statement of profit and loss when the asset is derecognized.

2.10 Intangible assets

Measurement at recognition:

Intangible assets are recognized where it is probable that the future economic benefit attributable to the assets will flow to the Company and its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortization and impairment, if any.

Expenditure incurred on acquisition/development of intangible assets which are not put/ready to use at the reporting date is disclosed under intangible assets under development. The Company amortizes intangible assets on a straight-line basis over the five years commencing from the month in which the asset is first put to use. The Company provides pro-rata amortization from the day the asset is put to use.

Asset	Useful life
Computer Software	5 years
Customer rights	5 years

Derecognition:

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognized in the statement of profit and loss when the asset is derecognized.

2.11 Investment Property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not used by the group for business purposes, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured

reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

Depreciation on investment property is calculated using the straight line method to write down the cost of property and equipment to their residual values over their estimated useful lives in the manner prescribed in Schedule II of the Act.

2.12 Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount of asset is the higher of its fair value or value in use. Value in use is based on the estimated future cash flows, discounted to their present value using a pre tax discount rate that reflects the current market assessment of time value of money and the risks specific to it. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An Impairment loss is reversed if there has been a change in estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the assets carrying amount would have been determined, net of depreciation or amortization, had no impairment loss been recognised.

2.13 **Provisions** and contingencies:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the reporting date.

Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost. Expected future operating losses are not provided for.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

2.14 Employee benefits

(i) **Short-term obligations**

Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related services are rendered. The Company recognises the costs of bonus payments when it has a present obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made.

Compensated absences

The Company does not have a policy of encashment of unavailed leaves for its employees but are permitted to carry forward subject to a prescribed maximum day. Provision is made on actual basis for expected cost of accumulating compensated absences as a result of unused leave entitlement which has accumulated as at the balance sheet date.

(ii) **Post-employment obligations**

Defined contribution plan:
Contribution paid/payable to the recognised provident fund and Employee State Insurance Corporation , which is a defined contribution scheme, is charged in the Statement of Profit and Loss in the period in which they occur.

Defined benefits plan:
Gratuity is post employment benefit and is in the nature of defined benefit plan. The liability recognised in the Balance Sheet in respect of gratuity is the present value of defined benefit obligation at the Balance Sheet date together with the adjustments for unrecognised actuarial gain or losses and the past service costs. The defined benefit obligation is calculated at or near the Balance Sheet date by an independent actuary using the projected unit credit method. Actuarial gains and losses comprise experience adjustment and the effects of changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

National Pension Scheme and Employee State Insurance Corporation
Contribution paid/payable to the recognised NPS and ESIC, which is a defined contribution scheme, is charged in the Statement of Profit and Loss in the period in which they occur.

(iii) **Other long-term employee benefits obligations**

Heritage club benefit

Heritage club benefits are recognised as liability at the present value of defined benefits obligation as at the Balance Sheet date. The defined obligation benefit is calculated at the Balance Sheet date by an independent actuary using the projected unit credit method.

2.15 Share-based payments

Employee Stock Option Scheme (ESOS)

The Employees Stock Options Scheme ("the Scheme") has been established by the Company. The Scheme provides that employees are granted an option to subscribe to equity shares of the Company that vests on the satisfaction of vesting conditions. The fair value of options granted under ESOS is recognized as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined reference to the fair value of the options granted excluding the impact of any service conditions. Information about the valuation techniques and inputs used in determining the fair value of assets and liabilities disclosed in note 32.

The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the service conditions. It recognizes the impact of the revision to original estimates, if any, in Statement of profit and loss, with a corresponding adjustment in equity.

The stock options of the Subsidiary Company, granted to employees pursuant to the Company's Stock Options Schemes, are measured at the fair value of the options at the grant date as per Black and Scholes model. The fair value of the options is treated as discount and accounted as employee compensation cost, with a corresponding increase in other equity, over the vesting period on a straight line basis. The amount recognised as expense in each year is arrived at based on the number of grants expected to vest. If a grant lapses after the vesting period, the cumulative discount recognised as expense with a corresponding increase in other equity, in respect of such grant is transferred to the General reserve within other equity.

2.16 Foreign currency translation

(i) Functional and presentation currency

Items included in financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is MOFSL's functional and presentation currency.

(ii) Translation and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognized in Statement of profit and loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non - monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognized in Statement of profit and loss as part of the fair value gain or loss and translation differences on non monetary assets such as equity investments classified as FVOCI are recognized in other comprehensive income.

2.17 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.18 Earnings per share

a) Basic earnings per share

Basic earnings per share is calculated by dividing the net profit for the period (excluding other comprehensive income) attributable to equity share holders of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus element in equity shares issued during the year.

b) Diluted earnings per share

Diluted earnings per share is computed by dividing the net profit for the period attributable to equity shareholders by the weighted average number of shares outstanding during the period as adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.

2.19 Borrowing Costs

Expenses related to borrowing cost are accounted using effective interest rate. Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that

they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred. The difference between the discounted amount mobilised and redemption value of commercial papers is recognised in the statement of profit and loss over the life of the instrument using the EIR.

2.20 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirements.

2.21 Events after reporting date

When events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

3. Key accounting estimates and judgements

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on ongoing basis. Any changes to accounting estimates are recognized prospectively.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect on the amounts recognised in the financial statements are included in the following notes:

(a) Business Model Assessment: Classification and measurement of financial assets depends on the results of the SPPI (Solely Payments of Principal and Interest) and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the standalone statement of profit and loss in the period in which they arise.

(b) Provision and contingent liability. On an ongoing basis, Company reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is recorded as an accrual in financial statements. Loss Contingencies that are considered possible are not provided for but disclosed as Contingent liabilities in the financial statements. Contingencies the likelihood of which is remote are not disclosed in the financial statements. Gain contingencies are not recognized until the contingency has been resolved and amounts are received or receivable

(c) Effective Interest Rate (EIR) Method : The Company's EIR methodology, recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioral life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the financial instruments.

This estimation, by nature, requires an element of judgment regarding the expected behavior and life-cycle of the instruments, as well expected changes to India's base rate and other fee income/ expense that are integral parts of the instrument.

(d) Allowance for impairment of financial assets: The Company applies expected credit loss model (ECL) for measurement and recognition of impairment loss. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. At each reporting date, the Company assesses whether the loans have been impaired. The Company is exposed to credit risk when the customer defaults on his contractual obligations. For the computation of ECL, the loan receivables are classified into three stages based on the default and the aging outstanding. The Company recognises lifetime expected credit loss for trade receivables and has adopted simplified approach of computation as per Ind AS 109. The Company considers outstanding overdue for more than 90 days for calculation of expected credit loss.

(e) Recognition of deferred tax assets: Deferred tax assets are recognised for unused tax losses carry forwards and unused tax credits to the extent that realisation of the related tax benefit is probable. The assessment of the probability with regard to the realisation of the tax benefit involves assumptions based on the history of the entity and budgeted data for the future.

(f) Defined benefit plans: The cost of defined benefit plans and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long - term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(g) Share based payment: The Company account for share based payment by measuring and recognizing as compensation expense the fair value of all share based payment awards made to employees based on estimated grant date fair values. The determination of fair value involves a number of significant estimates. The Company uses the Black Scholes option pricing model to estimate the value of employee stock options which requires a number of assumptions to determine the model inputs. These include the expected volatility of Company's stock and employee exercise behavior which are based on historical data as well as expectations of future developments over the term of the option. As stock-based compensation expense is based on awards ultimately expected to vest. Management's estimate of exercise is based on historical experience but actual exercise could differ materially as a result of voluntary employee actions and involuntary actions which would result in significant change in our share based compensation expense estimates in the future.

(h) Property, plant and equipment and Intangible Assets: Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values as per schedule II of the Companies Act, 2013 or are based on the Company's historical experience with similar assets and taking into account anticipated technological changes, whichever is more appropriate.

(i) Leases : The Company evaluates if an arrangement qualifies to be a lease as per Ind AS 116.
- The Company determines lease term as a non-cancellable period of a lease, together with both the period covered by an option to extend the lease if the Company is reasonably certain to exercise lessee options.

- The determination of the incremental borrowing rate used to measure lease liabilities.

Mental Overt Financial Services Limited
Notes to Standalone Financial Statements
[illegible]

Note 4: Cash and cash equivalents	As at 31 March 2025	As at 31 March 2024
Cash on hand	[illegible]	[illegible]
Balances with banks:		
- [illegible]	[illegible]	[illegible]
- [illegible]	[illegible]	[illegible]
	[illegible]	[illegible]

Note 5: Bank balance other than cash equivalents	As at 31 March 2025	As at 31 March 2024
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

[illegible]

Note 6: Receivables	As at 31 March 2025	As at 31 March 2024
Trade receivables		
Considered good - [illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Trade receivables - Credit impaired	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]
Other receivables		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]

[illegible]

[illegible]

[illegible]

Mental Overal Financial Services Limited
Notes to Standalone Financial Statements
(Amounts in [illegible] INR Lakhs, unless otherwise stated)

Note 6: Receivables continued

Receivable ageing schedule

For the year ended 31 March 2023

Particulars	Outstanding for following periods from due date of payment					Less Allowance	Total
	Less than 6 months	6 months - 1 year	1 - 2 year	2 - 3 year	More than 3 years		
(i) Undisputed Trade receivables – considered good	[illegible]	[illegible]	[illegible]	-	-	[illegible]	[illegible]
(ii) Undisputed Trade receivables – which have significant increase in credit risk			-			-	-
(iii) Undisputed Trade receivables – credit impaired	-	[illegible]	[illegible]	-	-	[illegible]	-
(iv) Disputed Trade receivables – considered good		-	-		-	-	-
(v) Disputed Trade receivables – which have significant increase in credit risk			-			-	-
(vi) Disputed Trade receivables – credit impaired	-	-		-	-		-
Total	[illegible]	[illegible]	[illegible]	-		[illegible]	[illegible]

For the year ended 31 March 2022

Particulars	Outstanding for following periods from due date of payment					Less Allowance	Total
	Less than 6 months	6 months - 1 year	1 - 2 year	2 - 3 year	More than 3 years		
(i) Undisputed Trade receivables – considered good	[illegible]	[illegible]	[illegible]	-		[illegible]	[illegible]
(ii) Undisputed Trade receivables – which have significant increase in credit risk		-			-		-
(iii) Undisputed Trade receivables – credit impaired	[illegible]	[illegible]	[illegible]	-		[illegible]	-
(iv) Disputed Trade receivables – considered good		-			-		-
(v) Disputed Trade receivables – which have significant increase in credit risk			-			-	-
(vi) Disputed Trade receivables – credit impaired	-	-		-	-		-
Total	[illegible]	[illegible]	[illegible]	-	-	[illegible]	[illegible]

[illegible]

Motilal Oswal Financial Services Limited
Notes to Standalone Financial Statements
(All amounts are in INR Lacs unless otherwise stated)

Note 5 Loans	As at 31 March 2023	As at 31 March 2022
Loans - At amortised cost		
(A) Others		
Loans repayable on demand	34	34
Loan to employees	274	345
Margin trading facility	[illegible]	[illegible]
Total (A) Gross	1,23,332	93,701
Less: Impairment loss allowance	(355)	(375)
Total (A) Net	1,22,977	93,326
(B) Secured/Unsecured		
Secured by share/securities	1,22,577	93,520
Unsecured	436	181
Total (B) Gross	1,23,332	93,701
Less: Impairment loss allowance	(355)	(375)
Total (B) Net	1,22,977	93,326
(C) Loans in India		
Public sector		-
Others	1,23,332	93,701
Total (C) Gross	1,23,332	93,701
Less: Impairment loss allowance	(355)	(375)
Total (C) Net	1,22,977	93,326
Stage wise breakup is given		
(a) Low credit risk (Stage 1)	1,21,332	93,312
(b) Significant increase in credit risk (Stage 2)	-	-
(c) Credit impaired (Stage 3)	-	-
Total	1,22,332	93,312

Note: Loans have been given to employees, Directors, Key Managerial people (KMP's), and related parties of Company on arm's length basis. Other disclosures are as applicable in terms of:
(i) Other mandatory conditions to share on of company

As per our Annexed Report of even date

SINGHI & CO. Chartered Accountants

Motilal Oswal Financial Services Ltd. Mumbai

[illegible]

[illegible]

Note 6: Investments

Particulars	Subsidiary / Associate / Others	Opening Balance		Acquisitions	
		As at 31 March 2023	As at 31 March 2022		
		Number	Number	31 March 2023	31 March 2022
[illegible]					
(a) Investment in Subsidiaries, Unquoted					
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Aadhar Housing Financial Services Limited
Notes to Standalone Financial Statements
[illegible]

Note 8 Investments

Particulars	Subsidiary / Associates / Others	Shares / Units As at 31 March 2025 Number	Shares / Units As at 31 March 2024 Number	Amount as at 31 March 2024	Amount as at 31 March 2024
(i) Bonds in Government Fund					
[illegible]	Others	-	[illegible]	-	[illegible]
[illegible]	Others	-	[illegible]	-	[illegible]
[illegible]	Others	-	[illegible]		[illegible]
[illegible]	Others	-	[illegible]		[illegible]
Kotak Mahindra Bank Ltd	Others	-	[illegible]		[illegible]
[illegible] Ltd	Others	-	[illegible]	-	[illegible]
[illegible]	Others	-	[illegible]	-	[illegible]
[illegible]	Others	-	[illegible]	-	[illegible]
[illegible]	Others		[illegible]	-	[illegible]
[illegible]	Others		[illegible]	-	[illegible]
[illegible]	Others		[illegible]		[illegible]
[illegible]	Others		[illegible]		[illegible]
Axis Bank Ltd	Others	-	[illegible]		[illegible]
[illegible]	Others	-	-	-	[illegible]
Total (i)				[illegible]	[illegible]
(ii) Investment in fair value through profit and loss (FVTPL)					
(a) Investment in Real Estate Equity Unquoted					
[illegible]	Associate			[illegible]	[illegible]
[illegible]	Others	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	Others	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	Others	[illegible]	[illegible]	[illegible]	[illegible]
Total				[illegible]	[illegible]
(b) Investment in equity shares - Unquoted - Fully paid-up					
[illegible]	Others	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	Others	[illegible]	[illegible]		
[illegible]	Others	[illegible]	-	[illegible]	
Total				[illegible]	[illegible]
(c) Investment in Equity Shares Quoted - Fully paid-up					
[illegible]	Others	[illegible]	-	[illegible]	-
[illegible]	Others	[illegible]	[illegible]	[illegible]	[illegible]
Total				[illegible]	[illegible]
(d) Investment in Preference Shares Unquoted - Fully paid-up					
[illegible]	Others	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	Others	[illegible]	[illegible]	[illegible]	[illegible]
Total				[illegible]	[illegible]
(e) Investment in units of Mutual Funds (Equity) - Unquoted - Fully paid-up					
[illegible]	Others	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	Others	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	Others	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	Others	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	Others	-	[illegible]	-	[illegible]
[illegible]	Others	-	[illegible]	-	[illegible]
[illegible]	Others	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	Others	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	Others	[illegible]	[illegible]	[illegible]	-
[illegible]	Others	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	Others	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	Others	[illegible]	[illegible]	-	[illegible]
Total				[illegible]	[illegible]
(f) Investment in units of Mutual Funds (Debt) - Quoted - Fully paid up					
[illegible]	Others		[illegible]		[illegible]
[illegible]	Others		[illegible]		[illegible]
[illegible]	Others	-	[illegible]	-	[illegible]
Total		-		-	[illegible]

Motilal Oswal Financial Services Limited
Notes to Standalone Financial Statements
(Amount in Rs. in Lakhs, unless otherwise stated)

Note 8 Investment

Particulars	Subsidiary/ Associate/ Others	Shares / Units As at 31 March 2023 Number	Shares / Units As at 31 March 2022 Number	Amount As at 31 March 2023	Amount As at 31 March 2022
(a) Investment in units of Mutual Funds (Equity)-Quoted-Fully paid up					
[illegible]	Others	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	Others	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	Others	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	Others	[illegible]	-	[illegible]	
[illegible]	Others	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	Others	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	Others	[illegible]	-	[illegible]	
[illegible]	Others	[illegible]	-	[illegible]	-
[illegible]	Others	[illegible]		[illegible]	-
Total				[illegible]	[illegible]
(b) Investment in debt securities (Equity - Unquoted - Fully paid up					
[illegible]	Others		[illegible]		[illegible]
[illegible]	Others	[illegible]		[illegible]	
[illegible]	Others	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	Others	-	[illegible]		[illegible]
[illegible]	Others		[illegible]		[illegible]
[illegible]	Others	[illegible]	[illegible]	[illegible]

Note 9: Other financial assets	As at 31 March 2023	As at 31 March 2022
Electricity and other deposits	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]

Note 10: Current tax assets (net)	As at 31 March 2023	As at 31 March 2022
Advance tax (Net of provision)	-	[illegible]
[illegible]	-	[illegible]
	-	[illegible]

Note 11: Investment Property	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	[illegible]	[illegible]
Additions during the year		-
Deletions during the year		
Depreciation for the year	[illegible]	[illegible]
	[illegible]	[illegible]

Fair value of investment property

Particulars	As at 31 March 2023	As at 31 March 2022
Building	[illegible]	[illegible]

Estimation of fair value

The fair value of the investment property has been determined by a registered valuer who are professional companies not related to the Company and engaged in the business of valuation of investment property. The valuer is fully trained and has the relevant skills and knowledge in the valuation of investment properties and has recent experience in the location and category of the property. The result of the valuation is used for measuring investment properties and identifying impairment.
Fair Value of the investment property was determined on FY 2022-23 through a valuation report dated 17 December 2023.

Amounts recognized in the statement of profit and loss in relation to investment property

Particulars	As at 31 March 2023	As at 31 March 2022
Rental income derived from investment property (Refer note 30)	[illegible]	[illegible]
Less: Operating expenses arising from investment property that generated rental income during the year	-	-
Direct operating expenses arising from investment property that did not generate rental income during the year	-	-

As per Annexed report of even date

Motilal Oswal Financial Services Limited
Notes to Standalone Financial Statements
(All amounts are in INR Lakhs, unless otherwise stated)

Note 3 : Property Plant and Equipment

Current year

Particulars	Gross block				Accumulated depreciation/amortization				Net block	
	Balance as at 01 April 2022	Additions	Disposals	Balance as at 31 March 2023	Balance as at 01 April 2022	Additions	Disposals	Balance as at 31 March 2023	Balance as at 31 March 2022	Balance as at 31 March 2023
Property, plant and equipment										
Land	2,667	2,206	-	4,874	-				2,667	4,874
Building	22,941	3,033	-	25,974	5,345	1,020		6,376	17,595	19,598
Plant and machinery	11,119	2,544	-	13,663	7,785	1,579	-	9,367	3,334	4,296
Furniture and fixtures	2,694	60	-	2,754	1,982	97		2,079	712	675
Vehicles	1,242	218	-	1,460	730	120	-	850	512	610
Office equipments	4,448	316	-	4,764	3,964	271	-	4,235	479	529
Right of use (Office Premise)	4,846	3,218	-	8,065	3,900	1,075	-	4,974	1,946	3,091
Total (A)	49,957	13,595	-	62,554	23,888	3,959	-	27,847	26,069	34,707
Intangible assets										
Goodwill	90	-	-	90	90		-	90	-	
Computer software	7,304	1,859	-	9,163	5,150	910	-	6,060	2,154	3,103
BSE/MCX Cards	648	-	-	648	648		-	648	-	-
Customer rights	1,108	-	-	1,108	856	81	-	937	252	171
Total (B)	9,150	1,859	-	11,010	6,721	1,000	-	7,741	2,406	3,274
Total (A) + (B)	57,932	15,458	-	73,294	32,552	4,951	-	37,586	25,380	35,612

Previous year

Particulars	Gross block				Accumulated depreciation/amortization				Net block	
	Balance as at 01 April 2021	Additions	Disposals	Balance as at 31 March 2022	Balance as at 01 April 2021	Additions	Disposals	Balance as at 31 March 2022	Balance as at 31 March 2021	Balance as at 31 March 2022
Property, plant and equipment										
Land	2,667	-	-	2,667	-				2,667	2,667
Building	22,619	1,322	-	23,941	7,515	865		8,376	15,104	15,565
Plant and machinery	9,371	1,748	-	11,119	6,850	935	-	7,785	2,521	3,334
Furniture and fixtures	2,623	71	-	2,694	1,850	132		1,982	773	712
Vehicles	938	304	-	1,242	616	114		730	322	512
Office equipments	4,314	134	-	4,448	3,759	205		3,964	555	479
Right of use (Office Premise)	4,846	-	-	4,846	2,154	1,746		3,900	2,692	1,946
Total (A)	45,378	3,579	-	48,957	22,744	3,997		26,737	23,634	23,220
Intangible assets										
Goodwill	90			90	90	-	-	90		
Computer software	6,669	635		7,304	4,358	792	-	5,150	2,311	2,154
BSE/MCX Cards	648			648	648	-	-	648		
Customer rights	1,108			1,108	772	83	-	855	336	252
Total (B)	8,515	635	-	9,150	5,868	875		6,743	2,647	2,406
Total (A) + (B)	53,893	4,214	-	57,932	28,612	4,872		33,480	25,281	25,626

Note: a) There are no capitalisations through business combination or as a result of acquisition, purchased assets and other intangible assets during the year ended 31 March 2023 and 31 March 2022.
b) The company does not hold any immovable property whose title deeds are not held in the name of the company. All the lease agreements are duly executed in favour of the Company for properties where the Company is the lessee.

F74

Modi Oswal Financial Services Limited
Notes to Standalone Financial Statements
(All amounts are in INR lakhs, unless otherwise stated)

Note 12: Other non - financial assets	As at 31 March 2023	As at 31 March 2022
Capital advances	[illegible]	[illegible]
Prepaid expenses	[illegible]	[illegible]
Deposit with [illegible]	[illegible]	[illegible]
Others	[illegible]	[illegible]
	[illegible]	[illegible]

Note 16: Payables	As at 31 March 2023	As at 31 March 2022
Trade payables*		
(i) total outstanding dues of micro enterprises and small enterprises (Reference to MSE)	-	-
(ii) total outstanding dues of other than micro enterprises and small enterprises	[illegible]	[illegible]
	[illegible]	[illegible]

* Trade payables disclosure includes balances due to parties with whom we have negotiated terms of trade

[illegible]

Note 34: Payables-continued

Trade Payable ageing schedule

For the year ended 31 March 2023

Particulars	Outstanding for following periods from the date of payment				Total
	Less than 1 year	1-2 year	2 - 3 year	More than 3 years	
(i) MSME					-
(ii) Others	3,00,929	-			3,00,929
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Other	-	-	-	-	-

For the year ended 31 March 2022

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 year	2 - 3 year	More than 3 years	
(i) MSME					-
(ii) Others	3,46,641				3,46,641
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Other			-	-	-

This space is intentionally left blank

Note 35: Debt securities	As at 31 March 2024	As at 31 March 2023
A) Amortised cost		
Commercial paper (Unsecured)		
Other loans		
Other debt securities*	[illegible]	[illegible]
Other (Secured)		
Debentures other than convertible debentures		[illegible]
Market Linked Debentures**	[illegible]	[illegible]
Total (A)	[illegible]	[illegible]
Other securities outside India	[illegible]	[illegible]
Debt securities outside India	-	-
Total (B)	[illegible]	[illegible]

*Redeemable non-convertible debentures

Series I of FY [illegible] – [illegible] Lakhs, Coupon rate – [illegible]% PA

Series II of FY [illegible] – FY [illegible] – [illegible] Lakhs, Coupon rate – [illegible]% PA

Other [illegible] [illegible] [illegible]

**Market Linked Debentures (MLD)

Series [illegible] of FY [illegible] – [illegible] Lakhs, Coupon rate – [illegible]% PA

Series [illegible] of FY [illegible] – [illegible] Lakhs, Coupon rate – [illegible]% PA

Coupon rate is linked to gold [illegible] [illegible]

Assets Cover available in case of Market Linked Debentures:

The Debentures will be secured by first pari passu charge on all present and future [illegible] of the Company with a minimum asset cover of [illegible] times of the aggregate outstanding Debentures as on the [illegible]

*Commercial Paper

[illegible]

Terms of repayment:

[illegible] days

Note 36: Borrowings (Other than debt securities)	As at 31 March 2024	As at 31 March 2023
A) Amortised cost		
Demand loans		
From banks (Secured)	[illegible]	[illegible]
From other parties (Unsecured)#	-	[illegible]
	[illegible]	[illegible]
Borrowings in India	[illegible]	[illegible]
Borrowings outside India	-	-
	[illegible]	[illegible]

[illegible] from banks are secured against the property, plant and equipment and [illegible] of the company respectively

Rate of Interest is ranging from 7.00 % to [illegible]%

Rate of Interest is ranging from 11.00 % to 13.25 %.

Note:

1) During the year, the Company has [illegible] [illegible] [illegible]

Note 18: Other Financial Liabilities	As at 31 March 2023	As at 31 March 2022
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Other payable	[illegible]	[illegible]
Other payable to [illegible]	[illegible]	[illegible]
Lease liability (Refer note 46)	[illegible]	[illegible]
	[illegible]	[illegible]

Note 19: Current tax liabilities	As at 31 March 2023	As at 31 March 2022
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]

Note 20: Provisions	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]

Note 21: Deferred tax liabilities	As at 31 March 2023	As at 31 March 2022
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]

Note 22: Other non - financial liabilities	As at 31 March 2023	As at 31 March 2022
Advance received from customers	[illegible]	[illegible]
Statutory liabilities	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]

The notes are an integral part of the financial statements

Motilal Oswal Financial Services Limited
Notes to Standalone Financial Statements
[illegible]

Note 23: Share capital	As at 31 March 2023 Number of shares	As at 31 March 2023 In lakhs	As at 31 March 2022 Number of shares	As at 31 March 2022 In lakhs
Authorized				
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]
Issued, subscribed and paid up				
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

23.2 Reconciliation of number of shares outstanding	As at 31 March 2023 Number of shares	As at 31 March 2023 In Rupees	As at 31 March 2022 Number of shares	As at 31 March 2022 In Rupees
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	-	-	[illegible]	[illegible]
[illegible]	-	-	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	-	-
At the end of the year	[illegible]	[illegible]	[illegible]	[illegible]

23.3 Shareholders holding more than 5% equity holding in the Company

Name of Shareholder	As at 31 March 2023 No. of shares held	% of holding	As at 31 March 2022 No. of shares held	% of holding
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]		
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

23.4 Shareholding of promoters in the Company

Name of shareholder	As at 31 March 2023 No. of shares held	% of holding	As at 31 March 2022 No. of shares held	% of holding	% change
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]
Notes to Standalone Financial Statements
[illegible] (Amount in INR Million unless stated otherwise)

Name of Shareholder	As at 31 March 2023		As at 31 March 2022		
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	% change
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

Note 24: Reserves & surplus	As at 31 March 2023	As at 31 March 2022
Capital redemption reserve		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Balance at the end of the reporting year	[illegible]	[illegible]
Capital reserve		
Balance at the beginning of the reporting year	[illegible]	[illegible]
Balance at the end of the reporting year	[illegible]	[illegible]
Securities premium		
Balance at the beginning of the year	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	-
Balance at the end of the reporting year	[illegible]	[illegible]
Share based payment reserve		
Balance at the beginning of the reporting year	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Balance at the end of the reporting year	[illegible]	[illegible]
General reserve		
Balance at the beginning of the reporting year	[illegible]	[illegible]
[illegible]	-	[illegible]
[illegible]	-	[illegible]
[illegible]	[illegible]	-
Balance at the end of the reporting year	[illegible]	[illegible]
Retained earnings		
Balance at the beginning of the reporting year	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	-
Balance at the end of the reporting year	[illegible]	[illegible]

[illegible] Financial Services Limited
Notes to Standalone Financial Statements
[illegible]

Note 26: Income & supplies contents

[illegible]

Interest on income		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	-
[illegible]	[illegible]	[illegible]
	4,17,855	[illegible]

Capital Redemption reserve

[illegible]

Capital reserve

[illegible]

Securities Premium

[illegible]

Employee benefit reserve

[illegible]

General reserve

[illegible]

Statutory reserve

[illegible] PIIFPL

Retained earnings

[illegible]

Other comprehensive income

[illegible]

[illegible]

Note 26: Interest Income	For the Year ended 31 March 2023	For the Year ended 31 March 2022
On financial assets measured at amortised cost		
Interest on loan	-	50
Interest on deposits with banks	2,260	1,026
Margin funding	14,854	22,340
Delayed payment by customers	1,172	5,019
Total	17,251	33,435

Note 27: Dividend Income	For the Year ended 31 March 2023	For the Year ended 31 March 2022
Dividend income		
From investments	177	110
From subsidiary companies	414	5,277
Total	591	5,387

Note 28: Rent income	For the Year ended 31 March 2023	For the Year ended 31 March 2022
Income from [illegible]	1,302	1,302
Total	1,302	1,302

Note 29: Fees and Commission income	For the Year ended 31 March 2023	For the Year ended 31 March 2022
Brokerage and fees income		
Brokerage income	1,16,418	1,[illegible]
Research and advisory fees	1,078	1,[illegible]
Depository income	7,[illegible]	6,[illegible]
Total	1,25,645	1,[illegible]
Other [illegible] income		
Income on arrangement and service	18,115	18,625
Total	18,115	18,625

Note 30: Net gain on fair value changes	For the Year ended 31 March 2023	For the Year ended 31 March 2022
Net gain/(loss) on financial instruments at fair value through profit or loss		
Trading	55,[illegible]	[illegible]
Investments (Net)	(16,[illegible])	[illegible]
Total	17,[illegible]	26,[illegible]

Note 31: Other operating income	For the Year ended 31 March 2023	For the Year ended 31 March 2022
Partnership gain from private equity fund		
Gain from	470	282
Other operating income		
Others	1,[illegible]	1,[illegible]
Total	[illegible]	[illegible]

Note 32: Other income	For the Year ended 31 March 2023	For the Year ended 31 March 2022
Interest on [illegible]	3	7
Profit on sale of fixed assets		4
Miscellaneous other income (Refer note 40)	2,[illegible]	3,[illegible]
Total	2,[illegible]	3,[illegible]

Note 33: Finance cost	For the Year ended 31 March 2023	For the Year ended 31 March 2022
On financial liabilities measured at amortised cost		
Interest on borrowings	3,011	5,117
Interest on debt securities	15,[illegible]	5,[illegible]
Other borrowing cost	2,[illegible]	1,[illegible]
Interest on lease liabilities (Refer note 41)	[illegible]	202
Total	21,[illegible]	11,[illegible]

Note 35 : Financial uncertainties expenses	For the Year ended 31 March 2023	For the Year ended 31 March 2022
Bad debts / Write off / Provision / Sundry	[illegible]	[illegible]
Impairment charges	1,775	[illegible]
Advisory and other fees	[illegible]	[illegible]
Total	[illegible]	[illegible]

Note 36 : Impairment on financial instruments	For the Year ended 31 March 2023	For the Year ended 31 March 2022
ECL on trade receivables	[illegible]	[illegible]
ECL on Loans	[illegible]	[illegible]
Bad debts	1,111	[illegible]
Total	1,516	[illegible]

Note 38 : Employee benefits expense	For the Year ended 31 March 2023	For the Year ended 31 March 2022
Salary, bonus and allowances	[illegible]	[illegible]
Staff welfare expenses (after note 36)	[illegible]	[illegible]
Contribution to provident and other funds (refer note 37)	[illegible]	[illegible]
Gratuity and other long term employee benefits (note 37)	[illegible]	[illegible]
Staff training expenses	[illegible]	[illegible]
Total	[illegible]	[illegible]

Note 39 : Depreciation and amortisation expenses	For the Year ended 31 March 2023	For the Year ended 31 March 2022
Depreciation on Property, plant & equipment	[illegible]	[illegible]
Amortisation on Other intangible assets	[illegible]	[illegible]
Depreciation on Investment property	[illegible]	[illegible]
Amortisation on lease [refer note 47]	[illegible]	[illegible]
Total	[illegible]	[illegible]

Note 40 : Other expenses	For the Year ended 31 March 2023	For the Year ended 31 March 2022
Rent	[illegible]	[illegible]
Hydro charges	[illegible]	[illegible]
Rates and taxes	[illegible]	[illegible]
Insurance	[illegible]	[illegible]
Legal and professional fees	[illegible]	[illegible]
Remuneration to auditors [refer note 41]	[illegible]	[illegible]
Advertisement expenses	[illegible]	[illegible]
Marketing and brand promotion	[illegible]	[illegible]
Printing and Stationery	[illegible]	[illegible]
Communication Costs	[illegible]	[illegible]
Travelling, lodging and boarding expenses	[illegible]	[illegible]
Expenses on Meeting	[illegible]	[illegible]
Expenses on maintenance - others	[illegible]	[illegible]
Computer maintenance and software charges	[illegible]	[illegible]
Professional fees	[illegible]	[illegible]
Foreign exchange gain/loss	[illegible]	[illegible]
Donations	[illegible]	[illegible]
Expenditure on Corporate Social Responsibility [refer note 42]	[illegible]	[illegible]
Debit notes		[illegible]
Miscellaneous expenses	[illegible]	[illegible]
Total	[illegible]	[illegible]

[illegible]

[illegible]

[illegible]

Particulars	As at 31 March 2021	As at 31 March 2020
Liabilities		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Capital & other equities		
[illegible]	[illegible]	[illegible]
[illegible]		[illegible]
[illegible]		[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

[illegible]

[illegible]

	Number of [illegible] as at March 2021	As at 31 March 2021	Number of [illegible] as at March 2020	As at 31 March 2020
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]	[illegible]	[illegible]

Note

[illegible]

[illegible]

Particulars	As at 31 March 2021	As at 31 March 2020
[illegible]		
[illegible]	[illegible]	[illegible]
[illegible]		
[illegible]	[illegible]	
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

[illegible]

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

[illegible]

Note 43. Provisions

Particulars	Opening balance as at 01 April 2021	Provided during the year	Provision reversed/paid during the year	Closing balance as at 31 March 2022
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]	[illegible]	[illegible]

Particulars	Opening balance as at 01 April 2021	Provided during the year	Provision reversed/paid during the year	Closing balance as at 31 March 2022
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]	[illegible]	[illegible]

Note 44. Leases

[illegible]

[illegible]

(A) Right of use assets

Particulars	As at 31 March 2022	As at 31 March 2021
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Balance as at 31 March	[illegible]	[illegible]

[illegible]

(B) Lease liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

(C) Maturity analysis - [illegible] Cash flows of financial [illegible] lease liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

(D) Maturity analysis of lease liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

(E) Amounts recognised in statement of profit or loss

Particulars	As at 31 March 2022	As at 31 March 2021
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

(F) Amounts recognised in statement of cash flows

Particulars	As at 31 March 2022	As at 31 March 2021
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

Motilal Oswal Financial Services Limited
Notes to the Standalone Financial Statements
[illegible]

Note 45: Ratings assigned by credit rating agencies

Rating Agency	Instrument Type	Rating / Outlook	
		As at 31 March 2024	As at 31 March 2023
[illegible]	Fixed deposits	[illegible]	[illegible]
	Bank loans	[illegible]	[illegible]
	Non-Convertible Debentures	[illegible]	[illegible]
[illegible]	Commercial Paper	[illegible]	[illegible]
	Non-Convertible Debentures	[illegible]	[illegible]
	Commercial Paper	[illegible]	[illegible]
[illegible]	Commercial Paper	[illegible]	[illegible]
	Non-Convertible Debentures	[illegible]	[illegible]
	Long term bank loans	[illegible]	[illegible]
	Principal protected market linked debentures	[illegible]	[illegible]

Note 46: [illegible]

[illegible]

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
[illegible]	-	-
[illegible]	-	-
[illegible]		-
[illegible]	-	-
[illegible]	-	-
[illegible]	-	
[illegible]	-	-

Note 47: [illegible]

[illegible]

Note 48: Revenue from operations

(i) [illegible]

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
[illegible]	79	-
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

(ii) [illegible]

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

[illegible]

[illegible]
Notes to Standalone Financial Statements
(All [illegible] INR Lakhs unless [illegible] stated)

Note 46 Unhedged foreign currency exposure:

a) Receivables

Particulars	Currency	As at 31 March 2023	As at 31 March 2022
Foreign currency exposure on receivables	USD (US Dollar)	137	112
	INR (Indian Rupee)	11,267	9,614
	GBP (British Pound)	1	910
	INR (Indian Rupee)	-	1,027
	AUD (Australian Dollar)		3.4
	INR (Indian Rupee)	-	170
	SGD (Singapore Dollar)	31	231
	INR (Indian Rupee)	2,347	15,1
Foreign currency receivables [illegible]	AED (United Arab Emirates Dirham)	127	1,126
	INR (Indian Rupee)	37,24	4,015
	CHF (Swiss Franc)	-	2,3
	INR (Indian Rupee)		7,1
	[illegible]		2,2
	INR (Indian Rupee)		1,2
	[illegible]	184	1,2
	INR (Indian Rupee)	1,5	1,0
	[illegible]	92	1,5
	INR (Indian Rupee)	7,73	5,1
	[illegible]		2,1
Unhedged foreign currency exposure	INR (Indian Rupee)		1,10
	[illegible]	-	1,74
	INR (Indian Rupee)		2,1
	[illegible]	1,4	77
	INR (Indian Rupee)	11,19	12,10

b) Payables

Particulars	Currency	As at 31 March 2023	As at 31 March 2022
Foreign currency exposure on payables	[illegible]	0,6	1,45
	INR (Indian Rupee)	2,57	1,1
	[illegible]	2,4	2,1
	INR (Indian Rupee)	2,21	1,5
	[illegible]	0,0	2,2
	INR (Indian Rupee)	37,23	17,14
	[illegible]	0,06	1,42
Foreign currency payables on [illegible]	INR (Indian Rupee)	3,3	1,1
	[illegible]	2,5	1,7
	INR (Indian Rupee)	2,34	1,1
	[illegible]	1,1	2,2
	INR (Indian Rupee)	22,22	17,18
Unhedged foreign currency exposure	[illegible]	2,6	0,8
	INR (Indian Rupee)	21,3	1,1
	[illegible]	1,1	2,7
	INR (Indian Rupee)	2,6	1,1
	[illegible]	1,1	2,1
	INR (Indian Rupee)	27,37	17,18

c) Investments

Category	Currency	As at 31 March 2023	As at 31 March 2022
Foreign currency exposure on investments	INR (Indian Rupee)	3,30	0,1
	INR (Indian Rupee)	42,0	41,22
	SGD (Singapore Dollar)	2,3	1,0
	INR (Indian Rupee)	12,0	17,21
Foreign currency exposure on investments [illegible]	INR (Indian Rupee)	2,30	0,1
	INR (Indian Rupee)	42,17	41,22
	SGD (Singapore Dollar)	2,30	1,30
	INR (Indian Rupee)	12,73	17,21
Unhedged foreign currency exposure	INR (Indian Rupee)	2,3	0,0
	INR (Indian Rupee)	1,00	41,1
	SGD (Singapore Dollar)	2,3	1,30
	INR (Indian Rupee)	12,0	17,21

[illegible]

Note 47 Subsequent events

[illegible]

The Board of Directors [illegible] approved by the Board of Directors and authorised for issue on [illegible] by the Company's Chief Financial Officer.

[illegible]

Motilal Oswal Financial Services Limited
Notes to Standalone Financial Statements
(All amounts are in INR Lakhs unless otherwise stated)

Note No: Employee benefits
Disclosure pursuant to Ind AS 19 "Employee benefits" are given as below:

Defined contribution plan:
Contributions to Provident Fund, Employee State Insurance Corporation, Superannuation Fund and National Pension System are recognized as expenses in the statement of profit and loss as follows:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Contribution to provident fund	1,167	1,151
Contribution to ESIC	93	102
Contribution to NPS	5	4
Contribution to NPS 80CCD	2	2
Total	1,266	1,259

Defined benefit plan:
The Company provides for gratuity, a defined benefit plan, payable on retirement or on termination of employment, an amount equivalent to 15 days salary for each completed year of service. The gratuity liability is unfunded. The gratuity liability is actuarially determined and provided for as at the balance sheet date.
The Company operates a defined benefit plan viz. Gratuity plan, payable under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 as amended. Under Ind AS 19 "Employee benefits" the amounts recognized in the statement of profit and loss are as follows:

Particulars	Gratuity (unfunded)		Compensated absences	
	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2023	Year ended 31 March 2022
Actuarial assumptions				
Mortality	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Discount rate (per annum)	7.35%	6.15%	6.95%	5.85%
Rate of salary increase (per annum)	8.40%	8.40%	-	-
Expected rate of return on plan assets (per annum)	-	-	-	-
Employee Attrition / Withdrawal rate	[illegible]	[illegible]	[illegible]	[illegible]
Expected average remaining working lives	9.18	1.93	1.42	1.52
I) Changes in present value of Obligations (PVO)				
Present value of obligation at beginning of period	2,313	1,936	112	131
Interest cost	171	93		
Current service cost	77	109	27	32
Past service cost (including vested benefits)				
Liabilities assumed on acquisition/ settlement		-	-	
Exchange difference	-	9	-	-
Amount Due/(Outstanding) from/ to Holding Co.	-	(91)	-	
Benefits paid	(87)	(77)		
Actuarial (gain) / loss on obligations - due to change in financial assumptions			-	-
- due to change in demographic assumptions	-	-		-
- due to experience	-	-		-
Actuarial (Gain)/loss on obligation	-	314	-	-
Present value of obligation at end of period	2,474	2,314	141	163
II) Expenses recognized in the statement of profit and loss				
Current service cost	77	93		
Interest cost				
Past service cost				
Total expenses	77	93		
III) Fair value of plan assets				
Fair Value of Plan Assets at the beginning	-	-	-	-
Actual return	-	-	-	-
IV) Net Liability				
Present value of obligation at the beginning of period	2,313	1,936		
Fair Value of plan assets at the beginning of period				
Net Liability	2,313	1,936		
V) Net Financial				
Interest Income	-	-	-	-
Interest Expense	-	-	-	-
Net Interest	-	-	-	-
VI) Actuarial (gain) / loss recognized				
Actuarial (gain) / loss on obligation	-	-	-	
Actuarial (gain) / loss on plan assets	-	-	-	-

[illegible] Oswal Financial Services Limited
Notes to standalone Financial Statements
[illegible]

Note 63 : Disclosure as per Ind-AS Standards

Particulars	Standalone (Rs. in lakhs)		Consolidated (Rs. in lakhs)	
	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2021	Year ended 31 March 2020
VIII) Income/(Gain)/Loss on disposal				
[illegible]	[illegible]	[illegible]		
[illegible]	[illegible]	[illegible]		
[illegible]	[illegible]	[illegible]	-	
[illegible]	[illegible]	[illegible]	-	
VIII) Fair Value of Plan Assets				
[illegible]				
[illegible]				
[illegible]				
[illegible]	-	-	-	
[illegible]	[illegible]	[illegible]	-	
[illegible]	-	-	-	-
[illegible]	[illegible]	[illegible]	-	-
[illegible]			-	-
Gai Pan Service Cost Recognised				
[illegible]				
[illegible]				
[illegible]		-		
[illegible]	-	-	-	-
[illegible]	-	-	-	-
[illegible]		-	-	-
X) Amounts to be recognised in the balance sheet and statement of profit & loss account				
[illegible]	[illegible]	[illegible]		
[illegible]		-	-	-
[illegible]	[illegible]	[illegible]		-
[illegible]	[illegible]	[illegible]		
XI) Expenses recognised in the statement of profit and loss				
[illegible]	301	110	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]		
[illegible]	-		-	
[illegible]	-	-	-	-
[illegible]	-	-	-	-
[illegible]		-	-	-
[illegible]			-	-
[illegible]				
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
XII) Other Comprehensive Income (OCI)				
[illegible]	[illegible]	[illegible]	-	
[illegible]	-	-	-	-
[illegible]	-	-	-	-
[illegible]		-	-	-
[illegible]	[illegible]	[illegible]	-	-
XIII) Movement in liability recognised in balance sheet				
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]		-		
[illegible]	-	[illegible]		
[illegible]	-	[illegible]	-	
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	-	-
[illegible]	[illegible]	[illegible]	-	-
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Motilal Oswal Financial Services Limited
Notes to Standalone Financial Statements
(Amounts in INR lakhs, unless stated otherwise)

Note 41: Employee Benefit Obligations

Particulars	Gratuity (unfunded)		Other long term benefits	
	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2023	Year ended 31 March 2022
XIV (a) Accrued Sick Leave as at 31 Mar 2023	50	50	-	
XV) Asset Information				
Cash and Cash Equivalents				-
Gratuity Fund				-
Debt Securities - Government Bond				
Debt Securities - Corporate Bond				
Other financial assets	-	-	-	
Plan assets	-	-	-	-
Fair Value of Plan Assets			-	-
XVI) Sensitivity Analysis				

	25 basis points		25 basis points	
	[illegible]	[illegible]	[illegible]	[illegible]
Transaction Cost (Gross)	[illegible]	[illegible]	[illegible]	[illegible]

XVII) Financial Risks

Year	Deposit Outstanding year	Deposit Accepted year	Repayment during the year	Deposit Outstanding year	Deposit Matured but not claimed	Deposit Matured but not claimed period
XVIII) Joint Liability Companies						
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
[illegible]	-		-	-		
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
[illegible]						

[illegible]

Note 51 : Related Party Disclosure :

Names of Related Parties :-

As per Ind AS 24 - Related Party Disclosures, specified under section 133 of the Companies Act, 2013, read with The Companies (Indian Accounting Standards) Rules, 2015, the name of related party where control exists / able to exercise significant influence along with the transactions and year end balances with them as identified and certified by the management are as follows:

1. List of related parties and their relationship

a) Subsidiary / Step-down subsidiaries companies

- Motilal Oswal Investment Advisors Limited (formerly known as Motilal Oswal Investment Advisors Private Limited)
  Motilal Oswal Commodities Broker Private Limited
- Motilal Oswal Private Limited (formerly known as Motilal Oswal Capital Markets Limited)
  Motilal Oswal Wealth Limited
- MO Alternate Investment Advisors Private Limited (formerly known as Motilal Oswal Finserv Private Limited)
  Motilal Oswal Asset Management Company Limited
  Motilal Oswal Asset Management (Mauritius) Private Limited
- Motilal Oswal Trustee Company Limited
- Motilal Oswal Capital Market (Hong Kong) Private Limited
- Motilal Oswal Capital Markets (Singapore) Pte. Limited
  Motilal Oswal Securities International Private Limited
- Motilal Oswal Home Finance Limited (Formerly known as Aspire Home Finance Corporation Limited)
- India Business Excellence Management Company
- Motilal Oswal Capital Limited
  Motilal Oswal Finsec LSEC Limited
- Click Tech Investment Advisory Private Limited
- TM Investment Technologies Private Limited
- MO Alternative IFSC Private Limited (Effective from 12 December 2022)

b) Associate

- India Realty Excellence Fund II LLP

c) Key management personnel

- Mr. Motilal Oswal	Managing Director and Chief executive officer
- Mr. Raamdeo Agarwal	Non Executive Chairman
- Mr. Navin Agarwal	Non-Executive Director
- Mr. Ajay Menon	Whole-time Director
Mr. Rajat Rajgarhia	Whole-time Director
- Mr. Sunil Sharda Shah	Chief Financial Officer
Mr. Kailash Purohit	Company Secretary & Compliance Officer
- Mr. Chiradeepa Narasimha Murthy	Independent Director
- Mr. Pankaj Bhansali	Independent Director
Mrs. Divya Satish Maniya	Independent Director
- Mr. Chandrashekhar Anant Kanitkar	Independent Director
Mrs. Swarnalata Jain	Independent Director

e) Relatives of Key management personnel

- Ms. Vina Oswal	- Spouse of Mr. Motilal Oswal
Mr. Pratik Oswal	- Son of Mr. Motilal Oswal
Ms. Venkatesvari Saleeha	- Sister of Mr. Motilal Oswal
Mr. Rajendra Gopilal Oswal	Brother of Mr. Motilal Oswal
- Ms. Natasha Oswal	- Daughter-in-law of Mr. Motilal Oswal
Mr. Pratik Mehta	- Son-in-law of Mr. Motilal Oswal
- Ms. Sumeet Agarwal	Spouse of Mr. Raamdeo Agarwal
- Mr. Vaibhav Agarwal	- Son of Mr. Raamdeo Agarwal
- Mr. Dhairya Agarwal	- Grandson of Mr. Raamdeo Agarwal
Ms. Vedika Kanani	- Daughter-in-law of Mr. Raamdeo Agarwal
- Dr. Kanoon Ramgopal Agarwal	Brother of Mr. Raamdeo Agarwal
- Mr. Vinay R. Agarwal	- Brother of Mr. Raamdeo Agarwal
- Mr. Sukhdeo Ramgopal Agarwal	- Brother of Mr. Raamdeo Agarwal
- Mr. Govindder R. Agarwal	Brother of Mr. Raamdeo Agarwal
- Mr. Satish Agarwal	- Brother of Mr. Raamdeo Agarwal
- Ms. Suman Agarwal	- Sister of Mr. Raamdeo Agarwal
Ms. Asha Anandmurthy Agarwal	- Sister of Mr. Raamdeo Agarwal
- Ms. Chanda Agarwal	Mother of Mr. Navin Agarwal
- Ms. Asha Menon	- Sister of Mr. Ajay Menon
- Ms. Kamalam Menon	- Mother of Mr. Ajay Menon
Ms. Preti Shah	- Spouse of Mr. Shabbhudra Shah
- Ms. Leena Rajgarhia	Mother of Mr. Rajat Rajgarhia

f) Enterprises in which Key Managerial Personnel have control

OSAG Enterprises LLP

g) Enterprises in which Key Managerial Personnel and their relatives exercise significant influence

- Raamdeo Agarwal HUF
- Textile Exports Private Limited
- Motilal Oswal Foundation
- Motilal Oswal HUF
- Motilal Oswal Family Trust
- Boundless Media Private Limited
- Shabbhudra N Shah HUF
- Like Minded Welfare Creation Trust
- Agarwal Portfolios
- Navshiel Consultants LLP
- Gracious Advisors LLP
- Opulency Advisors and Consultants LLP

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Motilal Oswal Financial Services Ltd. Mumbai

[illegible]

[illegible]

[illegible]

7. Transactions with related parties

Nature of transaction	Name of the related party	Subsidiary companies		Key management personnel (directors/KMP's)		Total	
		For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
Income (Income/Expense)	[illegible]	-	[illegible]	-	-	-	[illegible]
	[illegible]	[illegible]	[illegible]	-	-	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	-	-	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]			[illegible]	[illegible]
	[illegible]	[illegible]				[illegible]	
	[illegible]	[illegible]	[illegible]				
	[illegible]	[illegible]	[illegible]			[illegible]	[illegible]
	[illegible]	-	[illegible]	-			[illegible]
Total fees received		[illegible]	[illegible]	-		[illegible]	[illegible]
Total fees paid		[illegible]	[illegible]	-		[illegible]	[illegible]
Managerial remuneration paid	[illegible]	-		[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]			[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]		-	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]		-	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]
Total managerial remuneration paid		-	-	[illegible]	[illegible]	[illegible]	[illegible]
Sitting fees	[illegible]			[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]			[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]			[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]			[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]			[illegible]	[illegible]	[illegible]	[illegible]
Total sitting fees paid			-	[illegible]	[illegible]	[illegible]	[illegible]
Commission	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]
Total commission paid		-	-	[illegible]	[illegible]	[illegible]	[illegible]
Advance fee/Advance fee received	[illegible]	[illegible]	[illegible]	-	-	-	[illegible]
	[illegible]	[illegible]	[illegible]	-	-	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	-	-	[illegible]	[illegible]
Interest fee/Advisory fee paid	[illegible]	[illegible]	[illegible]	-	-	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	-	-	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	-	-	[illegible]	[illegible]
Total advisory fee/advisory fee received		[illegible]	[illegible]	-		[illegible]	[illegible]
Total advisory fee/advisory fee paid		[illegible]	[illegible]			[illegible]	[illegible]
Share warrant/Share fee	[illegible]	[illegible]	[illegible]	-	-	[illegible]	[illegible]
Total placement/Equity/Share fee received		[illegible]	[illegible]	-	-	[illegible]	[illegible]

Motilal Oswal Financial Services Limited
Notes to Standalone Financial Statements
(All amounts in INR Lakhs unless otherwise stated)

Nature of transaction	Name of the related party	Subsidiaries / Associates		Key managerial personnel/relative of key managerial personnel/entity of KMP		Total	
		For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
Income/expenses/reimbursement	Motilal Oswal Commodities Advisory Services Limited	[illegible]	[illegible]	-	-	[illegible]	[illegible]
	Motilal Oswal Wealth Limited	[illegible]	[illegible]	-	-	[illegible]	[illegible]
	Motilal Oswal Home Finance Limited	[illegible]	[illegible]	-	-	[illegible]	[illegible]
	Motilal Oswal Asset Management Company Limited	[illegible]	[illegible]	-	-	[illegible]	[illegible]
	Motilal Oswal Securities Advisory Limited	[illegible]	[illegible]	-	-	[illegible]	[illegible]
	MOFL Alternate Investment Advisors Private Limited	[illegible]	[illegible]	-	-	[illegible]	[illegible]
	Motilal Oswal Private Limited	[illegible]	[illegible]	-	-	[illegible]	[illegible]
	Wide Tech Investment Advisory Private Limited	[illegible]	[illegible]	-	-	[illegible]	[illegible]
	Rosedale Wealth Private Limited	-	-	[illegible]	[illegible]	[illegible]	[illegible]
	TM Investment Technologies Limited	[illegible]	[illegible]	-	-	[illegible]	[illegible]
	Motilal Oswal Private Limited	[illegible]	[illegible]	-	-	[illegible]	[illegible]
Total Revenue expenses/reimbursement (income)		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total Revenue expenses/reimbursement paid		[illegible]	[illegible]	-	-	[illegible]	[illegible]
Training fee	MO Alternate Investment Advisors Private Limited	-	[illegible]	-	-	-	[illegible]
	Wide Tech Investment Advisory Private Limited	[illegible]	-	-	-	[illegible]	-
Total Training fee (paid)		[illegible]	[illegible]	-	-	[illegible]	[illegible]
Brokerage/other income	Motilal Oswal Wealth Limited	[illegible]	[illegible]	-	-	[illegible]	[illegible]
	Mr. [illegible] Aggarwal (partner)	-	-	[illegible]	[illegible]	-	-
	Dr. Kumar Sangvi (partner)	-	-	[illegible]	-	[illegible]	-
	Mr. Kumar Mirchandani	[illegible]	-	[illegible]	-	[illegible]	-
	Mr. [illegible] Mirchandani	-	-	[illegible]	-	[illegible]	-
	Jigar A/ Patel [illegible]	-	-	-	[illegible]	-	-
Total Brokerage income		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Contract management/other distribution fee	Motilal Oswal Asset Management Company Limited	[illegible]	[illegible]	-	-	[illegible]	[illegible]
Total Portfolio management/other distribution fee		[illegible]	[illegible]	-	-	[illegible]	[illegible]
Allowance towards [illegible]	Motilal Oswal Asset Management Company Limited	[illegible]	[illegible]	-	-	[illegible]	[illegible]
Total Allowance towards [illegible]		[illegible]	[illegible]	-	-	[illegible]	[illegible]
Rent/other expenses	Motilal Oswal Investment Advisors Limited	[illegible]	[illegible]	-	-	[illegible]	[illegible]
	Motilal Oswal Asset Management Company Limited	[illegible]	[illegible]	-	-	[illegible]	[illegible]
	MOFL Alternate Investment Advisors Private Limited	[illegible]	[illegible]	-	-	[illegible]	[illegible]
	Motilal Oswal Wealth Management Limited	[illegible]	[illegible]	-	-	[illegible]	[illegible]
	Motilal Oswal Private Limited	[illegible]	[illegible]	-	-	[illegible]	[illegible]
	Motilal Oswal Wealth Management Limited	[illegible]	[illegible]	-	-	[illegible]	[illegible]
Rent/other expenses	Other Key Management Advisory Private Limited	[illegible]	[illegible]	-	-	[illegible]	[illegible]
	Dr. Kumar Sangvi (partner)	-	-	[illegible]	[illegible]	[illegible]	[illegible]
	Motilal Oswal Home Finance Limited	[illegible]	[illegible]	-	-	[illegible]	[illegible]
	Motilal Oswal Private Limited	[illegible]	[illegible]	-	-	[illegible]	[illegible]
	Wide Tech Investment Advisory Private Limited	-	-	[illegible]	[illegible]	[illegible]	[illegible]
	MO Alternate Investment Advisors Private Limited	[illegible]	-	-	-	[illegible]	-
	Motilal Oswal Private Limited	[illegible]	[illegible]	-	-	[illegible]	[illegible]
Total rent (received)		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total rent paid		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

Name of transaction	Name of the related party	Subsidiaries / associates		Key managerial personnel/relatives of key management personnel / Associates/JV		Total	
		For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2025	For the year ended 31 March 2024
[illegible]	[illegible]			[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]		-	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]		-	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-		[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-		[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-		[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-

Mythri Overseas Financial Services Limited
Notes to Consolidated Financial Statements
(All amounts in INR Crores, unless stated)

Nature of transaction	Name of the related party	Subsidiaries / associates		Key management personnel / associates of key management personnel / associates / JV		Total	
		For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
Dividends received	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]
Total purchase price received		-	-	[illegible]	[illegible]	[illegible]	[illegible]
Loan to sale of investment	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]
Total Loan on sale of investment		-	-	[illegible]	[illegible]	[illegible]	[illegible]
Income	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]
Total Income paid		-	-	[illegible]	[illegible]	[illegible]	[illegible]
Commission on Pledge/Bank Guarantee	[illegible]	[illegible]	[illegible]			[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	-	-	[illegible]	[illegible]
	[illegible]	-	[illegible]	-	-	-	[illegible]
Total Commission for Pledge/Bank Guarantee (reversal)		-	[illegible]	-	-	-	[illegible]
Total Commission for Pledge/Bank Guarantee paid		[illegible]	[illegible]			[illegible]	[illegible]
Other Expenses/paid	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	

Motilal Oswal Financial Services Limited
Notes to Standalone Financial Statements
All amounts are in INR Lakhs, unless otherwise stated

Nature of transaction	Name of the related party	Subsidiaries / Companies		Key managerial personnel/relative of key managerial personnel (associates)		Total	
		For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
Share purchase/(sale) of equity shares	Motilal Oswal Home Finance Limited	-	33,916	-	-	-	33,916
	Motilal Oswal Asset Management Company Limited	-	2,250	-	-	-	2,250
	Club Trade Investment Advisory Private Limited	-	200	-		-	200
	MO Alternates ITAC Private Limited	-	-			-	
	Motilal Oswal Home ITAC Limited	-	100	-	-	-	100
Total		-	37,416	-	-	-	37,416
Purchase/(Sale) of Investments	Motilal Oswal Wealth Limited	(11,000)	-	-	-	(11,000)	-
	Motilal Oswal Home Finance Limited	(19,000)	-	-	-	(19,000)	
	Motilal Oswal Capital Limited	20,125				20,125	-
Total Sale		(30,000)	-	-		(30,000)	-
Total purchase		20,125	-	-		20,125	-
Loans given / (taken)	Mimansa Technologies Pvt Ltd.	-	11	-	-	-	11
	Motilal Oswal Asset Management Company Limited	(18,372)	(21,150)	-	-	(18,372)	(21,150)
	MO Alternates Investment Advisors Private Limited	(2,625)	15,250	-	-	(2,625)	15,250
	Motilal Oswal Investment Advisors Limited	(3,300)				(3,300)	-
	Motilal Oswal Wealth Limited	(17,000)	(6,35,500)	-		(17,000)	(6,35,500)
	Motilal Oswal Home Finance Limited	(1,74,000)	(5,55,500)	-	-	(1,74,000)	(5,55,500)
Total Loans (received)		(17,49,197)	(10,97,260)	-	-	(17,49,197)	(10,97,260)
Total Loans given		-	11			-	11
Loans repayment given / (received)	Motilal Oswal Asset Management Company Limited	3,375	32,153	-		3,375	32,153
	MO Alternates Investment Advisors Private Limited	3,675	6,250	-	-	3,675	6,250
	TD Investment Trade Agro Pvt Ltd	-	(11)			-	(11)
	Motilal Oswal Wealth Limited	17,000	4,17,500	-		17,000	4,17,500
	Motilal Oswal Investment Advisors Limited	4,500	-	-			
	Motilal Oswal Home Finance Limited	1,78,000	5,55,500	-	-	4,23,000	5,55,500
Total loans repayment (received)		-	(11)	-	-		(11)
Total loans repayment given		11,50,385	10,41,057	-	-	11,50,385	10,41,057
Pledge of Security	Motilal Oswal Asset Management Company Limited	20,000				20,000	
Total		20,994	-	-		20,994	-

Motilal Oswal Financial Services Limited
Notes to Standalone Financial Statements
(All amounts are in INR Lakhs, unless otherwise stated)

Nature of transaction	Name of the related party	Subsidiaries / sub-sidiaries		Key management personnel/ relatives of key management personnel/ associates/ JV		Total	
		For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
Outstanding balances							
Accounts receivable (income)	Motilal Oswal Asset Management Company Limited	(13)	(2,214)	-	-	(13)	(2,214)
	Motilal Oswal Investment Advisors Limited	(11)	-	-	-	(11)	-
	Motilal Oswal Wealth Limited	-	(8,222)	-	-	-	(8,102)
	MO Alternate Investment Advisors Private Limited		(13)				(13)
Total loans and advances (payable)		(16)	(10,447)	-	-	(16)	(10,447)
Total loans and advances receivable		-	-	-	-		-
	Motilal Oswal Investment Advisors Limited	10	11	-	-	10	11
	Motilal Oswal Wealth Limited	(73)	(116)	-	-	(73)	(116)
	Motilal Oswal Commodities Broker Private Limited	3	34	-	-	34	31
	Motilal Oswal Asset Management Company Limited	158	1,201	-	-	158	1,201
	Motilal Oswal Finsec Limited	(98)	(127)			(98)	(127)
	Motilal Oswal Capital Markets (Singapore) Pte Limited	115	112			115	112
	Motilal Oswal Capital Markets (Singapore) Pte Limited	(266)	(145)			(266)	(145)
Other receivables (payable)	Motilal Oswal Capital Markets (Hong Kong) Private Limited	(37)	(15)			(37)	(15)
	MO Alternate Investment Advisors Private Limited	63	14	-	-	63	361
	MO Alternate IIFL Private Limited	13		-	-	13	
	Globe Tech Investment Advisory Private Limited	(8)	(1)			(8)	(1)
	Motilal Oswal Securities International Private Limited	(91)	(127)			(91)	(107)
	OSAC Enterprises LLP	-		-	2	2	2
	Upsydey Media Private Limited		-	2	-	2	-
	TIM Investment Advisors Pvt Ltd	(26)	(5)			(26)	(5)
	Motilal Oswal Home Finance Limited	(24)	(27)	-	-	(24)	(27)
Total others (payable)		(1,171)	(1,63)	-	-	(1,171)	(1,98)
Total others receivables		731	1,46	2	2	733	1,46
Net deposits (liabilities) / asset	Motilal Oswal Wealth Management Limited	55	51	-	-	55	51
Total net deposits assets		55	51	-		55	51

Motilal Oswal Financial Services Limited
Notes to Standalone Financial Statements
(All amounts are in INR lakhs unless otherwise stated)

Nature of transaction	Name of the related party	Subsidiaries / step-down s		Key managerial personnel/ relatives of key managerial personnel / Associates/ JV		Total	
		For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
Outstanding balance in respect of investments in related parties							
Investments	Motilal Oswal Commodities Broker Private Limited	20	9[illegible]	-	-	9	20
	Motilal Oswal Investment Advisors Limited	4,11[illegible]	4,107	-	-	4,11[illegible]	4,107
	MOS Venture Investment Advisors Private Limited	[illegible]	[illegible]	-	-	[illegible]	[illegible]
	Motilal Oswal Home Finance Limited	32,757	30,033	-	-	32,757	30,033
	Motilal Oswal Finvest Limited	91,595	91,76[illegible]	-	-	91,595	91,760
	Motilal Oswal Securities Commercial Credit Limited	4[illegible]	4[illegible]	-	-	[illegible]	4[illegible]
	Motilal Oswal Wealth Limited	1,331	1,33[illegible]	-	-	1,331	1,331
	Motilal Oswal Asset Management Company Limited	15,657	16,067	-	-	15,657	16,067
	Motilal Oswal Trustee Company Limited	[illegible]	[illegible]	-	-	[illegible]	[illegible]
	Motilal Oswal Capital Markets (Hong Kong) Private Limited	4[illegible]	4[illegible]	-	-	[illegible]	412
	Motilal Oswal Investment Advisors Private Limited	7[illegible]	[illegible]	-	-	7[illegible]	[illegible]
	MOS Venture [illegible] Pte Ltd	[illegible]				[illegible]	
	Motilal Oswal Finsec IFSC Limited	1,[illegible]	1,[illegible]		-	1,[illegible]	1,[illegible]
	Motilal Oswal Capital Markets (Singapore) Pte Limited	[illegible]	[illegible]		-	[illegible]	[illegible]
	[illegible] Investment Enterprises Pte Ltd	[illegible]	[illegible]		-	[illegible]	[illegible]
	India Realty Developers and [illegible]		-	1,455	[illegible]	[illegible]	[illegible]
Outstanding balance in respect of pledge of security by related parties							
Pledge of Security	Motilal Oswal Asset Management Company Limited	[illegible]	[illegible]	-	-	[illegible]	[illegible]
	Motilal Oswal Finvest Limited	[illegible]	[illegible]	-	-	[illegible]	[illegible]

The notes are integral part thereof.

SINGHI & CO. Chartered Accountants

Motilal Oswal Financial Services Ltd. Mumbai

Note 52 : Disclosure relating to Employee Stock Option Purchase Plan

Details of stock options in the Company for the employee stock option schemes

Motilal Oswal Financial Services Limited -Employee Stock Option Scheme -V (ESOS-V)

The scheme was approved by the Board of Directors on 14 December 2011 and by the shareholders on 4 January 2012 by postal ballot and is for issue of 2,[illegible],000 options representing 2,[illegible],000 Equity shares of Rs. 1 each.

Motilal Oswal Financial Services Limited -Employee Stock Option Scheme -VI (ESOS-VI)

The scheme was approved by Board of Directors on 2[illegible] April 20[illegible] and by the shareholders in AGM held on [illegible] for issue of 5,[illegible] options representing [illegible] Equity shares of Rs. [illegible]

Motilal Oswal Financial Services Limited -Employee Stock Option Scheme -VII (ESOS-VII)

The scheme was approved by Board of Directors on 13 July 2[illegible] and by the shareholders in AGM held on [illegible] August 2014 and is for issue of 2,500,000 options representing 2,500,000 Equity shares of Rs. 1 each

Motilal Oswal Financial Services Limited -Employee Stock Option Scheme -VIII (ESOS-VIII)

The scheme was approved by Board of Directors on 27 April 2017 and by the shareholders in AGM held on 27 July 2017 and is for issue of 30,000,000 options representing 30,000,000 Equity shares of Rs. 1 each

Motilal Oswal Financial Services Limited -Employee Stock Option Scheme -IX (ESOS-IX)

The scheme was approved by Board of Directors on 25 April 2021 and by the shareholders in AGM held on [illegible] August 2021 and is for issue of 30,000,000 options representing 30,000,000 Equity shares of Rs. 1 each

The activity in the ESOS-V, ESOS-VI, ESOS-VII, ESOS-VIII and ESOS-IX during the year ended 31 March 2023 and 31 March 2022 is set forth below:

Particulars	For the year ended 31 March 2023		For the year ended 31 March 2022	
	In Numbers	Weighted Average Exercise Price (in Rs.)	In Numbers	Weighted Average Exercise Price (in Rs.)
ESOS-V (Face value of Rs. 1 each)				
Option outstanding as at beginning of the year	20,000	671.10	[illegible]	[illegible]
Add: Granted	[illegible]	675.70		
Less: Lapsed	[illegible]	227.20	[illegible]	329.45
Less: Forfeited	-	-	-	-
Less: Exercised			[illegible]	[illegible]
Option outstanding as at end of the year	30,000	791.10	26,100	450.10
Exercisable at the end of the year	10,000	571.50	[illegible]	[illegible]
ESOS-VI (Face value of Rs. 1 each)				
Option outstanding as at beginning of the year	55,505	340.20	45,205	372.75
Add: Granted	[illegible]	[illegible]	[illegible]	[illegible]
Less: Exercised		-	[illegible]	[illegible]
Less: Forfeited			-	
Less: Lapsed	23,750	[illegible]		
Option outstanding as at end of the year	69,755	685.46	[illegible]	618.30
Exercisable at the end of the year	28,055	588.50	[illegible]	573.30
ESOS-VII (Face value of Rs. 1 each)				-
Option outstanding as at beginning of the year	3,72,650	533.05	1,38,020	530.05
Add: Granted	50,000	[illegible]	2,27,000	[illegible]
Less: Exercised	39,200	599.72	[illegible]	535.35
Less: Forfeited		-	-	-
Less: Lapsed	[illegible]	[illegible]	[illegible]	[illegible]
Option outstanding as at end of the year	3,31,850	679.64	[illegible]	615.66
Exercisable at the end of the year	1,46,150	591.13	[illegible]	555.49
ESOS-VIII (Face value of Rs. 1 each)				
Option outstanding as at beginning of the year	[illegible]	[illegible]	[illegible]	721.26
Add: Granted	[illegible]	741.35	[illegible]	[illegible]
Less: Exercised	[illegible]	[illegible]	[illegible]	[illegible]
Less: Forfeited	-	-		
Less: Lapsed	[illegible]	736.26	[illegible]	[illegible]
Option outstanding as at end of the year	24,75,585	737.82	[illegible]	710.71
Exercisable at the end of the year	7,59,900	719.51	4,14,230	708.6
ESOS-IX (Face value of Rs. 1 each)				
Option outstanding as at beginning of the year	[illegible]	671.70		
Add: Granted	[illegible]	[illegible]	[illegible]	[illegible]
Less: Exercised	[illegible]	[illegible]		
Less: Forfeited		-		
Less: Lapsed	[illegible]	856.27	-	
Option outstanding as at end of the year	24,55,016	735.60	26,59,175	692
Exercisable at the end of the year	3,65,870	451.33	-	-

Multi Commodity Exchange of India Limited
Annexure to Standalone Financial Statements
(All amounts are in INR lakhs unless otherwise stated)

Employee Stock Options Schemes (ESOS):

Particulars	Scheme V	Scheme VI	Scheme VII	Scheme VIII	Scheme IX
Date of grant	Various Dates	Various Dates	Various Dates	Various Dates	Various Dates
Date of board approval	Various Dates	Various Dates	Various Dates	Various Dates	Various Dates
Date of shareholders' approval	1 December 2007	8 July 2015	27 August 2021	21 July 2021	9 August 2021
Method of settlement	Equity shares	Equity shares	Equity shares	Equity Shares	Equity Shares
Vesting period	1 year to 5 years	1 year to 5 years	1 year to 4 years	1 year to 6 years	1 Year to 6 Years
Weighted average share price on the date of exercise for options exercised during the year					
Options outstanding at the end of the year	1.44 years (Previous year 0 years)	4.62 years (Previous year 3.87 years)	4.88 years (Previous year 5.67 years)	1.77 years (Previous year 4.5 years)	2.19 years (Previous year 0.13 years)
Weighted average remaining contractual life	0.72 years (Previous year 0 years)	[illegible] (Previous year 1.32 years)	0.61 years (Previous year 1.61 years)	0.99 years (Previous year 0.75 years)	0.32 years (Previous year 0 years)
Weighted average fair value of options granted on the date of grant	Rs. 477.0 (Previous year Rs. 530.63)	N.A. (Previous year Rs. 570.3)	Rs. 446.07 (Previous year Rs. 593.75)	Rs. 742.24 (Previous year Rs. [illegible])	Rs. 652.24 (Previous year Rs. [illegible])
Exercise period	Within 1 to 3 years of vesting dates				
Vesting conditions	Vesting of options would be subject to continued employment with the Company and/or fulfilment of performance criteria as specified in the Company's Employee Compensation Committee Guidelines, as amended from time to time, which the Company would use, in case of any, to grant stock options to employees in recognition of performance and/or as an incentive for the future.				
Weighted average share price at the date of exercise for options exercised during the year	Rs. 154.35 (Previous year Rs. [illegible])	Rs. 264.45 (Previous year Rs. 150.75)	Rs. 264.74 (Previous year Rs. 199.11)	Rs. 257.82 (Previous year Rs. 254.25)	Rs. 192.11 (Previous year Rs. 116.71)

Fair value disclosures:

The fair value of options granted have been estimated on the date of grant using Black Scholes model and are as under:
The expected price volatility is based on the historical volatility of the Company's share price.

Particulars	Scheme V	Scheme VI	Scheme VII	Scheme VIII	Scheme IX
Range of risk free interest rate	7.07% - 7.16%	5.69% - 7.81%	5.69% - 6.26%	6.28% - 6.28%	6.28% - 6.28%
Dividend yield	1.6%	1.5%	1.5%	0.00% - 1.50%	0.00% - 1.50%
Expected volatility	40%	42.5%	40%	38%	38%

Inputs for Pricing Formula

Scheme V

Exercise price shall be the closing price of the Company's equity shares quoted on the BSE immediately preceding the date of Grant of the Stock Options, which the Compensation Committee shall, at the time of Grant, determine the Stock Options, discounted by such percentage as may be determined by the Committee at the best interest of the Company which shall be the prevailing market conditions.

Scheme VI

Exercise price shall be the closing price of the Company's equity shares, prior to the date of grant of the Options, on the Stock Exchange where the highest trading volume is recorded, discounted by such percentage as may be determined by the Committee.

Scheme VII

Exercise price shall be the closing price of the Company's equity shares, prior to the date of grant of the Options, on the Stock Exchange where the highest trading volume is recorded, discounted by such percentage as may be determined by the Committee.

Scheme VIII

Exercise price shall be the closing price of the Company's equity shares, prior to the date of grant of the Options, on the Stock Exchange where the highest trading volume is recorded, discounted by such percentage as may be determined by the Committee.

Scheme IX

Exercise price shall be the closing price of the Company's Equity Shares, prior to the date of Grant of the Options, on the Stock Exchange where the highest trading volume is recorded, discounted by such percentage as may be determined by the Committee.

Other Information regarding employee share based payment plan is as follows:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2022
Expense arising from employee share based payment plans	[illegible]	[illegible]
Total carrying amount at the end of the year of liabilities arising from share based payment transactions	[illegible]	[illegible]

The company provides a sensitivity analysis to show the impact on the Company's profit before tax, in the event that the risk free rate and volatility were increased or decreased by 1% and 5% respectively.

Impact on Profit before tax for the year on account of change in the assumptions of risk free rate and volatility	For the year ended 31 March 2022	For the year ended 31 March 2021
(-1%)	(-71)	(222)
(+1%)	71	222

[illegible]

Note [illegible] Tax Expense

[illegible]

Particulars

	Year ended 31 March 2023	Year ended 31 March 2022
(a) Tax expense recognised in profit and loss:		
Current tax expense		
[illegible]	[illegible]	[illegible]
[illegible]	(225)	[illegible]
Total current tax expense	15,014	[illegible]
Deferred tax		
[illegible]	[illegible]	[illegible]
Net deferred tax expense	[illegible]	[illegible]
	[illegible]	[illegible]

(b) Tax recognised in other comprehensive income

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

(c) Tax reconciliation (profit and loss)

Profit/(loss) before income tax expense	[illegible]	[illegible]
Tax at the rate of 25.168%	[illegible]	[illegible]
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	
Income tax expense	[illegible]	[illegible]

Applicable tax rate

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
[illegible]	[illegible]	[illegible]

(d) Net Deferred Tax

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Deferred tax liability arises on account of		
[illegible]	[illegible]	[illegible]
[illegible]	-	[illegible]
[illegible]	[illegible]	[illegible]
Total deferred tax liabilities (A)	[illegible]	[illegible]
Deferred tax asset arises on account of:		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]		[illegible]
Total deferred tax assets (B)	[illegible]	[illegible]
Net deferred tax liability/(asset) (A-B)	[illegible]	[illegible]

[illegible]

Particulars	As at 31 March 2023	Recognised through profit and loss	Recognised through Other Comprehensive Income	As at 31 March 2022	Recognised through Retained Earnings	Recognised through profit and loss	Recognised through Other Comprehensive Income	As at 01 April 2021
Deferred tax liabilities arises on account of								
[illegible]	[illegible]	[illegible]	-	[illegible]	-	[illegible]		[illegible]
[illegible]	-	[illegible]	-	[illegible]				[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]
Total deferred tax liabilities	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]
Deferred tax asset arises on account of								
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		[illegible]		[illegible]
[illegible]	[illegible]		-	[illegible]	[illegible]	-	-	[illegible]
[illegible]	[illegible]	[illegible]	-	[illegible]	-	[illegible]		[illegible]
[illegible]	-	[illegible]		[illegible]			-	[illegible]
Total deferred tax assets	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]
Net deferred tax Asset/Liability (net)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]

[illegible]

Particulars	Gross Carrying Amount				Impairment			
[illegible]	[illegible]	[illegible]	Accrued [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]								
[illegible]	-	-	[illegible]	[illegible]		-	-	
[illegible]			[illegible]	[illegible]		-	-	-
[illegible]								
[illegible]		-	[illegible]	[illegible]	-	-	-	-
[illegible]			[illegible]	[illegible]				
[illegible]	-	-	[illegible]	[illegible]			-	
[illegible]	[illegible]	[illegible]		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	-	-	[illegible]	[illegible]				
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]								
[illegible]								
[illegible]								
[illegible]							-	-
[illegible]			[illegible]	[illegible]	-	-		
[illegible]		-	[illegible]	[illegible]	-	-		-
[illegible]			[illegible]	[illegible]				
[illegible]		-	[illegible]	[illegible]	-	-	-	-
[illegible]	-	-	[illegible]	[illegible]	-	-		
[illegible]								

Particulars	Gross Carrying Amount				Impairment			
[illegible]	[illegible]	[illegible]	Accrued [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]								
[illegible]			[illegible]	[illegible]			-	-
[illegible]	-	-	[illegible]	[illegible]				
[illegible]								
[illegible]			[illegible]	[illegible]				
[illegible]	-	-	[illegible]	[illegible]	-	-	-	-
[illegible]			[illegible]	[illegible]				
[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	-		[illegible]	[illegible]	-	-	-	-
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]								
[illegible]								
[illegible]								
[illegible]		-	-	-				
[illegible]								
[illegible]	-	-	[illegible]	[illegible]				
[illegible]	-	-	[illegible]	[illegible]	-			
[illegible]			[illegible]	[illegible]		-	-	-
[illegible]	-	-	[illegible]	[illegible]	-			
[illegible]			[illegible]	[illegible]	-	-	-	-
[illegible]	-	-	[illegible]	[illegible]				

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

Particulars	The Orchard Equity Fund	MF Units / Debt Funds	Unquoted Shares	Total
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

Particulars	As on March 31, 2021	As on March 31, 2020
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

[illegible]

Note 35 Financial risk management

Company has exposure to risks which are inherent in the Company's services, it is managed through an integrated risk management framework by including ongoing identification, measurement and monitoring subject to risk limits and other controls. The process of risk management is critical to the Company's continuing profitability and each individual within the Company is accountable for the risk exposures relating to his or her responsibilities. The Company is exposed to credit risk, liquidity risk and market risk arising from its financial instruments which are in the ordinary course of business.

A. Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties, and by monitoring exposures in relation to such limits.

The maximum exposure to credit risk for each class of financial instrument is the carrying amount of that class of financial instruments presented in the balance sheet. The Company's major classes of financial assets are cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables and security deposits.

Deposits with banks are considered to have negligible risk of default, as these are maintained with reputed banks/financial institutions approved by the Board of directors.

Investments comprise of liquid investment in mutual fund units that are marketable securities of a public financial institution for a specified time period with high credit rating given by domestic credit rating agencies.

The management has established accounts receivable policies under which customer accounts are regularly monitored. The Company's trade receivables are [illegible] management feels, which mainly consists of the balances expected and [illegible]

Following provides exposure to credit risk for trade receivables and loans as at the year ended:

	As at 31 March 2023	As at 31 March 2022
Trade Receivables (Net of impairment)	85,713	66,631
Bharat housing finance loan (Net of impairment)	1,22,802	84,310

The financial instruments covered within the scope of Ind AS include financial assets measured at amortised cost, such as trade receivables and loans.

Trade Receivables :

Below all exposures have been measured using Expected Credit Loss approach for financial assets on which there has been no significant increase in credit risk since initial recognition. At each reporting date, the Company assesses whether financial assets carried at amortised cost is credit impaired. A financial asset is credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred since initial recognition.

A simplified approach has been considered by measuring expected credit losses (ECL) of trade receivables at an amount equal to lifetime ECL. The ECL on trade receivables are calculated based on actual historical credit loss experience over the preceding three to five years on the total balance of trade receivables. For the purpose of computation of ECL, the term default implies an event when amount due towards margin or unsecured and / or mark to market losses for which the client was unable to provide funds / collaterals to bridge the shortfall, the same is termed as margin call trigger etc.

Based on the industry practice and business environment in which the entity operates, Management considers that trade receivables defaults if the payment is overdue for more than 90 days for Group companies. For franchise customers, aggregate of unsecured receivables is collected by way of security deposits. Loans Exchange are considered as defaults. Management would also consider Lakhs in clients funds accounts and collaterals in form of other than the securities which are providing the secured nature of the company. Company would also consider impairment on client balance which are unsecured and overdue for less than 90 days on case to case basis, based on their scope of recoverability. For litigation cases management could provide additional provision if the probability of outflow of economic resources is higher. If there are specific cases which are overdue for more than 90 days and the management is very confident of recovery in coming months then loss would not be considered such cases based on the approval of business head, which approving period is not more than 1 year (365 days) or there receivables is considered as 100% unsecured and credit impaired.

Loans :

Loans includes Margin Trading Funding (MTF), Loans to SME in Business Finance segment, for which equal approach is taken into consideration for ECL computation of ECL.

Stage 1

All exposures in the MTF loan books are considered as stage 1 asset for computation of expected credit loss. The exposures where there has not been a significant increase in credit risk since initial recognition and that is not credit impaired upon origination. Margin trading facility, [illegible] considered as credit loss in stage 1. The determination of Loss Exposure at credit risk in stage 1 is computed considering included probability of default, market movements and macro economic factors.

Stage 2

Exposures in Stage 2 include overdue up to 90 days pertaining to principal amount, interest and any other charges on the loan book which are not received. While in Stage 2 the normal process of Secured management would the outstanding balance in clients' loan accounts, and also in other segment and initiatives in fixed value than the outstanding value outstanding the secured position of the unit. As at reporting date the Company assess whether there has been a significant increase in credit risk since initial recognition. In determining whether credit risk has increased significantly since initial recognition, the Company uses the past due information and other relevant information in credit quality of financial asset.

The credit exposures where there has been a significant increase in credit risk since initial recognition and are credit impaired which are ECL is calculated.

Stage 3

Exposures under Stage 3 include overdue past 90 days pertaining to principal amount, interest and any other charges on NPL loan book which are accounted.

Financial assets are considered to be credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the asset have occurred. For financial assets that have been credit impaired, a lifetime ECL is recognized.

Following table provide information about exposure to credit risk and ECL for deposits, trading receivables

Stage	As at 31 March 2023		As at 31 March 2022	
	Carrying value	ECL	Carrying value	ECL
Stage 1	1,52,782	350	51,452	[illegible]
Stage 2	-	-	-	-
Stage 3	-	-	-	-

The movement in the allowance for impairment in respect of trade receivables is as follows

Particulars	Carrying amount As at 31 March 2023	Carrying amount As at 31 March 2022
Opening balance	2,213	1,212
Impairment loss recognized	[illegible]	221
Closing balance	[illegible]	2,213

B. Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the entity's reputation.

Accordingly, liquidity risk management requires, the company maintains cash and available lines of funds through adequate committed credit facilities to meet obligations when due and to close out market positions.

The Company has a policy of maintaining liquidity with minimal risk while making investments. The Company invests surplus funds in short term liquid assets in bank deposits and liquid mutual funds. The Company monitors its cash and bank balances periodically to ensure that it does not have any material exposure to its financial liabilities.

Refer Note 32 for analysis of maturities of financial assets and financial liabilities.

C. Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

Foreign currency risk management

In the part of the foreign currency transactions, the company does not hedge the exposure since the management believes that the current foreign currency risk is minimal and will not have a material impact on the Company.

The company's exposure to foreign currency risk at the end of reporting period is shown in note 39

(b) Interest rate risk

The Company is exposed to interest rate risk. The fair value or future cash flows of its financial instruments will fluctuate as a result of changes in market interest rates. Our exposure to interest rate risk is the risk of changes in fair value of fixed rate assets, e.g. investments, loans and the interest rate.

The Company's interest rate risk arises from loans, investments, equity, debt and bank and loans given to customers. Such instruments expose the Company to the risk of fluctuations in the value based on interest rates. Accordingly we believe that the interest rate risk attributable to financial assets do not significantly vary due to the nature of the financial assets.

Interest rate risk exposure

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows:

Particulars	As at 31 March 2023	As at 31 March 2024
Loans:		
Loans	1,32,872	58,315
Total Loans	1,32,872	58,315
Borrowings		
Variable rate borrowing	9,187	26,256
Fixed rate borrowing	2,21,162	2,10,737
Total Borrowing	3,18,350	2,37,003

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of the Company's borrowings and the impact on equity.

Parameters	Impact on profit after tax	
	31 March 2023	31 March 2024
Loans		
Interest rate – increase by 1%	1,329	583
Interest rate – decrease by 1%	(1,329)	(583)
Borrowings		
Interest rate – increase by 1%	(92)	(263)
Interest rate – decrease by 1%	92	263

(c) Market price risks

The Company is exposed to market price risk, which arises from DVR PLC and DVOCL investments. The management monitors the proportion of these investments in its investment portfolio based on market indices. Material investments within the portfolio are managed on a portfolio basis and are subject to periodic review and disclosure to the appropriate authority.

Particulars	As at 31 March 2023	As at 31 March 2024
Investment price risk	2,35,776	2,10,210

Sensitivity to price risk

The following table summarizes the impact of sensitivity of DVR PLC's price with all other variables held constant. The table shows the impact on the Company's result based on changes in the DVR PLC's price of the investments held as FVTPL/FVOCI at balance sheet date.

Sensitivity	As at March 31 2023	As at March 31 2024
Impact on profit before tax for 10% increase in NAV/price	23,578	20,022
Impact on profit before tax for 10% decrease in NAV/price	(23,578)	(20,022)

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Note 36: Capital Management

Risk management

The company's objectives when managing capital are to:

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

The capital composition is as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Gross debt*	3,73,550	2,17,093
Less: Cash and cash equivalents	94,958	1,03,955
Net debt (A)	2,78,592	1,13,138
Total equity (B)	4,45,351	4,24,211
Gearing ratio (A / B)	**62.56%**	26.67%

*Debt includes debt securities as well as borrowings(Other than debt securities)

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Note 37: Maturity Analysis of Assets and Liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

	As at 31 March 2023			As at 31 March 2022		
Assets	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial assets						
Cash and cash equivalents	94,958		94,958	1,03,996	-	1,03,996
Bank balance other than cash and cash equivalents above	6,85,379	35,957	6,21,337	1,89,796	1,23,308	3,13,004
Trade receivables	64,344	3,574	66,918	66,209	412	66,621
Other receivables	882		882	1,001	-	1,001
Loans	1,32,782	-	1,32,782	88,762	-	88,762
Investments		4,05,604	4,05,604	79,891	4,05,177	4,84,068
Other financial assets	15,827	2,022	17,849	32,563	1,470	34,033
	8,93,225	**4,46,925**	**13,40,150**	**5,08,225**	**5,30,561**	**10,48,786**
Non-Financial assets						
Current Tax assets			-	-	831	831
Investment Property	-	7,643	7,643	-	7,699	7,699
Property, plant and equipment	1,152	31,661	32,813	805	22,338	23,143
Other Intangible assets	-	2,999	2,999	-	2,162	2,162
Other non-financial assets	5,670	-	5,670	3,934		3,934
	6,822	**42,303**	**49,125**	**4,739**	**33,028**	**37,767**
Total Assets	**9,00,047**	**4,89,228**	**13,89,273**	**5,12,964**	**5,66,579**	**10,79,543**
Liabilities						
Financial Liabilities						
Trade payables	3,09,979	-	3,09,979	4,44,641	-	4,44,641
Loans	2,71,925	2,618	2,74,543	1,40,502	37,600	1,78,102
Borrowings	99,387	-	99,387	98,691	-	98,691
Deposits	-	115	115		58	58
Other financial liabilities	2,30,157	3,505	2,34,662	30,802	1,566	32,428
	9,11,446	**6,260**	**9,17,706**	**6,57,796**	**39,464**	**6,97,260**
Non Financial Liabilities						
Current tax liabilities (net)	1,272		1,272	1,315	-	1,315
Provisions	1,699	734	10,337	14,205	1,202	15,507
Deferred tax liabilities		8,483	8,483	-	9,994	9,994
Other non financial liabilities	3,103	-	3,103	2,465		2,465
	16,978	**9,237**	**26,215**	**17,876**	**10,196**	**28,072**
Total Liabilities	**9,28,424**	**15,498**	**9,43,921**	**6,06,672**	**49,660**	**6,55,332**

The gain / (loss) is recognised in profit or loss.

Note 38: Revenue from contract with customers

The Company derives revenue primarily from the share broking business. Its other major revenue sources are the Portfolio management fees and commission income and Interest income.

Disaggregate revenue information

The table below presents disaggregate revenues from contracts with customers for the year ended 31 March 2023 and 31 March 2022. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenue and cash flows are affected by market and other economic factors.

Nature of Services

(a) Broking Income - Income from services rendered as a broker is recognised upon rendering of the services, in accordance with the terms of contract.

(b) Portfolio management fees and commission Income - Fees for subscription based services are received periodically but are recognised as earned on a pro rata basis over the term of the contract. Commissions from distribution of financial products are recognised upon allotment of the securities to the applicant or as the case may be. Commissions and fees recognised as aforesaid are exclusive of goods and service tax, securities transaction tax, stamp duties and other levies by SEBI and stock exchanges.

(c) Interest Income - Interest is earned on delayed payments from clients and amounts funded to them as well as term deposits with banks. Interest income is recognized on a time proportion basis taking into account the amount outstanding from customers or on the financial instrument and the rate applicable.

(d) Depository Income-Income from services rendered on behalf of depository is recognised upon rendering of the services, in accordance with the terms of contract.

A. Disaggregate revenue information

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Operating segment :		
Brokerage income	1,67,785	1,58,070
Portfolio management fees and commission income	18,748	18,505
Interest income	41,291	33,145
Depository income	7,095	6,527

Nature, timing of satisfaction of the performance obligation and significant payment terms.

(i) Income from services rendered as a broker is recognised upon rendering of the services.

(ii) Fees for subscription based services are received periodically but are recognised as earned on a pro-rata basis over the term of the contract.

(iii) Commissions from distribution of financial products are recognised upon allotment of the securities to the applicant or as the case may be, on issue of the insurance policy to the applicant.

(iv) Interest is earned on delayed payments from clients and amounts funded to them as well as term deposits with banks.

(v) Interest income is recognized on a time proportion basis taking into account the amount outstanding from customers or on the financial instrument and the rate applicable.

(vi) Income from services rendered on behalf of depository is recognised upon rendering of the services, in accordance with the terms of contract.

The above services are point in time in nature, and no performance obligation remains once the transaction is executed.

Fees for subscription based services are received periodically but are recognised as earned on a pro-rata basis over the term of the contract, and are over the period in nature.

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Note 59 : Assets pledged as security

The amounts of assets pledged as security for borrowings are:

Particulars	As at 31 March 2023	As at 31 March 2022
Financial assets		
First charge		
Receivables		
Trade receivables	32,250	52,200
Loans		
Margin trading facility	1,05,000	40,500
Floating charge		
Investments	72,740	
Non-financial assets		
First charge		
Property, plant and equipment	39,864	39,864
Total assets pledged as security	**2,49,854**	**1,52,564**

Terms and conditions:

1. Investments, Trade receivables, Loans and Property, plant and equipments are pledge with Banks and NBFCs to against borrowing facilities taken by the Group.
2. The margin of two times cover is provided against the loan facilities for pledge of MF/Shares/PMS Investments and 1.33 times for Trade receivables and Property, plant and equipment.

Notes:

The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

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Note 60 : Business Combination-

Compliance with Approved Scheme of Arrangements

The Board of Directors of the Company at its Meeting held on 24 December 2020 has, inter alia, subject to approval of shareholders of the Company and other applicable statutory and regulatory approvals including the approval of Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT"), approved the Scheme of Arrangement between Premier Investment Management Private Limited (Ultimate Holding Company of Motilal Oswal Financial Services Limited) ("the Transferor Company 1") and MOPE Investment Advisors Private Limited ("the Transferee Company 2" or "the Demerged Company 1" or "the Transferee Company 3") and Motilal Oswal Real Estate Investment Advisors Private Limited ("the Transferor Company 2") and Motilal Oswal Top Pick Investment Advisors II Private Limited ("the Demerged Company 2" or "the Transferee Company 4") and MOI Alternate Investment Advisors Private Limited (erstwhile Motilal Oswal Private Equity Limited) ("the Holding Company") and Motilal Oswal Finance Services Limited ("the Transferor Company 3" or "the Holding Company of the Resulting Company" or "the Company") and their respective shareholders ("the Scheme") under sections 230-232 of the Companies Act, 2013. Further, pursuant to the provisions of regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has received No Objection Certificate from Stock Exchanges and the Company has filed at application with Hon'ble NCLT. Pursuant to the directions issued by Hon'ble NCLT, the Meeting of equity shareholders was scheduled on 16 June, Year 2021 and the Scheme was approved by shareholders with requisite majority. Consequently, the Hon'ble NCLT sanctioned the Scheme of Arrangement vide order dated 11 March 2022. The effective date of the said scheme was given as 30 March 2022 from the Appointed Date of 01 April 2020 by restating the financial statements for the year ended 31 March 2022.

(a) The accounting treatment of the said Scheme given in the books of accounts is in accordance with the Scheme and in conformity with the accounting standards prescribed under section 133 of the Companies Act, 2013. Further, figures for the year ended 31 March 2021 as shown above are the correct figures based on the audited accounts of the Transferor, Transferee and Resulting Company.

Accounting treatment given in the books for the Scheme:

1. Amalgamation And Vesting Of Assets And Liabilities And Entire Business Of The Transferor Company 1

1.1 The Transferee Company shall give effect to the amalgamation in its books of accounts as per the prevailing accounting principles prescribed under the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) notified under Section 133 of the Companies Act, 2013, as may be amended from time to time, on the date determined in accordance with applicable Ind AS.

1.2 Upon effectiveness of the Scheme, the investments of the Transferee Company 1 (including shares of the Transferee Company 1 held by the Transferor Company 1 which shall get cancelled) will be reflected at fair value as at the Effective Date.

1.3 The investments in equity/ intercompany loans and advances, if any, in the books of accounts of the Transferee Company 1 and the Transferee Company 1 will stand cancelled as at the Effective Date.

1.4 The difference, if any, being excess or deficit arising pursuant to the amalgamation, after giving effect to the above adjustments, shall be accounted based on generally accepted accounting principles under Ind AS.

1.5 The Transferee Company 1 shall issue and allot equity shares of face value of Re. 1/- each, credited as fully paid up, in the ratio indicated below, to the equity shareholders holding fully paid up equity shares of the Transferor Company 1 and whose name appears in the register of members of the Transferor Company 1 on the limited Record Date to be fixed by the respective heirs, successors, administrators or other legal representatives or other successors in interest as may be designated by the Board of Directors of the Transferee Company 1/ the Transferee Company 1

Note 61 : Business Combinations

2. Amalgamation And Vesting Of Assets And Liabilities And Entire Business Of The Transferor Company 2

The Transferee Company 2 shall account for the amalgamation in its books/ financial statements as per "Pooling of Interests Method" under Appendix C of Indian Accounting Standard (Ind AS) 103, Business Combinations and any other relevant Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time including as provided herein below:

2.1 The Transferee Company 2 shall record the assets and liabilities of the Transferor Company 2 transferred to and vested in it at their respective carrying values as appearing in the books of the Transferor Company 2 in accordance with Para 9(b) of Appendix C of Ind AS 103.

2.2 The Transferee Company 2 shall preserve the identity and character of the Transferor Company 2 from Great Eastern Holdings and shall record in its books in the same form as which they appear in the books of the Transferor Company 2 and shall be aggregated with corresponding balances appearing in the financial statements of the Transferee Company 2.

2.3 The shares held by the Transferee Company 2 in the Transferor Company 2 on the Effective Date shall be cancelled.

2.4 Inter-corporate deposits, loans and advances, trade receivables and payables, investments, etc. outstanding between the Transferor Company 2 and the Transferee Company 2 will stand cancelled and shall have no further obligation or outstanding in respect thereof.

2.5 The difference between the amount transferred to the Transferee Company 2 pursuant to Clause 2.1 as reduced by the investment in the Transferee Company 2 pursuant to Clause 2.2 and after giving effect to Clause 2.3 and 2.4 above shall be adjusted against General Reserve of the Transferee Company 2.

2.6 In case of any difference in accounting policy between the Transferor Company 2 and the Transferee Company 2, the accounting policies followed by the Transferee Company 2 shall prevail and the difference in the Appointed Date will be quantified and accounted as per Ind AS. In order to ensure that the financial statements of Transferee Company 2 reflects the financial position on the basis of consistent accounting policy.

2.7 The Transferee Company 2 is a wholly owned subsidiary of the Transferor Company 2 and therefore on amalgamation of the Transferee Company 2 into the Transferee Company 2 there shall be no issue of shares by the Transferee Company 2 in this regard as envisaged.

3. Demerger Of The Fund Management Undertaking 1 From The Demerged Company 1 Into The Resulting Company

3.1 The Demerged Company 1 shall account for the Scheme from the Appointed Date in its books/ financial statements upon receipt of all relevant/ requisite approvals for the Scheme, in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time including as provided herein below:

Accounting treatment in the books of the Demerged Company 1

3.1.1 The Demerged Company 1 shall reduce the carrying value of assets and liabilities pertaining to the Fund Management Undertaking 1, transferred to and vested in the Resulting Company from the carrying value of assets and liabilities as appearing in its books.

3.1.2 Loans and advances, receivables, payables and other outstanding between the Demerged Company 1 and the Resulting Company relating to the Fund Management Undertaking 1 will stand cancelled and cease and be no further obligation/ outstanding in respect thereof.

3.1.3 The Demerged Company 1, as on the Appointed Date, shall transfer the balances of all the reserves to the Resulting Company, in the proportion of the net assets transferred to the Resulting Company and the net assets retained by the Demerged Company 1 ("Transferred Reserves").

3.1.4 The difference, being the excess of carrying value of assets over the carrying value of liabilities transferred pursuant to Clause 3.1 and after giving effect to clause 3.1.2 and clause 3.1.3 above shall be adjusted to the other equity of the Demerged Company.

Accounting treatment in the books of the Holding Company of the Resulting Company

3.1.5 The Holding Company of the Resulting Company shall credit its share capital with the aggregate face value of the equity shares issued and corresponding debit shall be made to Investment in Resulting Company Account.

Note 40 : Business Combinations

1. Amalgamation Of The Transferor Company 3 With The Transferee Company 1

The Transferee Company 1 shall account for the amalgamation in its books of financial statements as per "Accounting of Interests Method" under Appendix C of "Indian Accounting Standard (Ind AS) 103, Business Combinations" as specified under the notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, including as provided below.

4.1 The Transferee Company 1 shall record the assets and liabilities of the Transferor Company 3, transferred to and vested in it pursuant to the Scheme, carrying values appearing in the books of the Transferor Company 3 in accordance with Para 9(d) of Appendix C of Ind AS 103.

4.2 The Transferee Company 1 shall preserve the identity of the reserves of the Transferor Company 3 transferred to and vested in it and shall record in its books in the same form in which they appear in the books of the Transferor Company 3 and it shall be aggregated with the corresponding balance appearing in the financial statements of the Transferee Company 1.

4.3 The shares held by the Transferee Company 1 in the Transferor Company 3 in the Effective Date shall be cancelled.

4.4 The Transferee Company 1 shall credit to its share capital in its books the aggregate face value of the equity shares issued by it to shareholders of the Transferee Company 3.

4.5 Loans and inter-corporate deposits, payables and other dues outstanding between the Transferee Company 3 and the Transferee Company 1 will stand cancelled and there shall be no further obligations / outstanding in respect thereof.

4.5.1 The difference between the net assets transferred to the Transferee Company 1 pursuant to Clause 4.1 as reduced by Reserves recorded in the Transferee Company 1 pursuant to Clause 4.2 and after giving effect to Clause 4.3 to 4.5, the difference shall be adjusted against Capital Reserve of the Transferee Company 1.

4.6 In case of any difference in accounting policy between the Transferor Company 3 and the Transferee Company 1, the accounting policies followed by the Transferee Company 1 shall prevail and the difference shall be quantified and adjusted as per Ind AS to ensure that the financial statements of Transferee Company 1 reflects the financial position on the basis of consistent accounting policy.

4.7 Upon the Scheme becoming effective and upon the amalgamation of the Transferor Company 3 with the Transferee Company 1 in terms of the Scheme, the Transferee Company 1 shall, without any application or deed, issue and allot New Equity Shares of face value of Rs. 1/- each, credited as fully paid up, in the ratio mentioned below, to the equity shareholders holding fully paid up equity shares of the Transferee Company 3 (except shares held by the Transferee Company 1) and whose name appears in the register of members of the Transferee Company 3 on the Record Date or to such other person as may, in accordance with the applicable laws, succeed to the shareholdings of such shareholders or other as per respective shares or other securities in title as may be recognised by the Board of Directors of the Transferee Company.

Note 60 : Business Combinations

5. Demerger Of The Fund Management Undertaking 2 From The Demerged Company 2 Into The Resulting Company

5.1 The Demerged Company 2 shall account for the Scheme from the Appointed Date in its books of account on the basis of all relevant applicable approvals for the Scheme in accordance with applicable Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time including prescribed Section 133 thereof.

<u>Accounting treatment in the books of the Demerged Company 2</u>

5.1.1 The Demerged Company 2 shall reduce the carrying value of assets and liabilities pertaining to the Fund Management Undertaking 2, transferred to and vested in the Resulting Company from the carrying value of assets and liabilities as appearing in its books.

5.1.2 Loans and advances, accounts payables and other balances outstanding between the Demerged Company 2 and the Resulting Company relating to the Fund Management Undertaking 2 will be cancelled and there shall be no further obligation / outstanding in that behalf.

5.1.3 The Demerged Company 2, as on the Appointed Date, shall transfer in relation of all the assets to the Resulting Company in the proportion of the net assets transferred to the Resulting Company and the net assets retained by the Demerged Company 2 ("Transferred Assets").

5.1.4 The difference arising on account of carrying value of assets over the carrying value of liabilities transferred pursuant to Clause 5.1.1 above shall be treated as Capital Reserve. 5.1.3 above shall be adjusted to the other equity of the Demerged Company 2.

5.2 The Holding Company of the Resulting Company shall account for the Scheme in its respective books of financial statements upon receipt of all relevant / applicable approvals for the Scheme, in accordance with applicable Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time including prescribed Section 133 thereof.

<u>Accounting treatment in the books of the Holding Company of the Resulting Company</u>

The Holding Company of the Resulting Company shall credit its share capital with the aggregate face value of the equity shares issued pursuant to Clause 5.7 of this Scheme and corresponding debit shall be made to the investment in Resulting Company Account.

5.3 Upon the Scheme becoming effective, i.e., on implementation of the Transfer Company 2 with the Transferee Company 1, the Demerged Company 2 will become a subsidiary of the Holding Company of the Resulting Company.

Upon the Scheme becoming effective and upon the demerger of the Fund Management Undertaking 2 of the Demerged Company 2 into the Resulting Company in terms of this Scheme, the Holding Company of the Resulting Company shall without any application or deed, issue and allot New Equity Shares of face value of Re. 1/- each, credited as fully paid up, in the same standard ratio as the equity shareholders holding any equity shares of the Demerged Company 2 (except shares held by the Holding Company of the Resulting Company) and whose name appears in the register of members of the Demerged Company 2 on the Record Date or in case of their respective heirs, successors, administrators or other legal representatives or other successors in title as may be recognized by the Board of Directors of the Demerged Company 2/ the Holding Company of the Resulting Company.

Note 40 : Business Combinations

6. Amalgamation Of The Transferor Company 4 With The Transferee Company 1

The Transferee Company 1 and Transferor Company 4 in the amalgamation in its separate financial statements as per "Pooling of Interest Method" under Appendix C of Indian Accounting Standard (Ind-AS) 103, Business Combinations and any other relevant Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, in the manner provided hereinafter.

6.1 The Transferee Company 1 shall record the assets and liabilities of the Transferor Company 4, transferred to and vested in it pursuant to this Scheme, at their respective carrying values as appearing in the books of the Transferor Company 4 immediately prior to the Date of Transfer (as defined in Clause 3.1 of Part B of Appendix C of Ind AS 103).

6.2 The Transferee Company 1 shall preserve the identity of the reserves of the Transferor Company 4 transferred to and vested in it and shall treat them in the same form in which they appear in the books of the Transferor Company 4 and it shall be aggregated with the corresponding balances appearing in the financial statements of the Transferee Company 1.

6.3 Investments held by the Transferee Company 1 in the Transferor Company 4 on the Effective Date shall be cancelled.

6.4 The Transferee Company 1 shall credit to its share premium in its books the aggregate face value of the equity shares issued by it to shareholders of the Transferor Company 4 pursuant to Clause 6.1 of this Scheme.

6.5 Loans and advances, receivables and other assets standing between the Transferor Company 4 and the Transferee Company 1 will stand cancelled and there shall be no liability or obligation outstanding on their behalf.

6.6 The difference between the net assets transferred to the Transferee Company 1 pursuant to Clause 6.1 as reduced by Reserves transferred to the Transferee Company 1 pursuant to Clause 6.2 and after giving effect to Clause 6.3 to 6.5, the difference shall be added to/reduced from Capital Reserve of the Transferee Company 1.

6.7 In case of any difference in accounting policy between the Transferor Company 4 and the Transferee Company 1, the accounting policies followed by the Transferee Company 1 will prevail and the difference in the Appointed Date will be quantified and adjusted against Capital Reserve so that the financials of Transferee Company 1 reflects the financial position as the Transferee's accounting policy.

6.8 Upon the Scheme becoming effective, i.e., on amalgamation of the Transferor Company 4 with the Transferee Company 1, the Transferor Company 4 will become a subsidiary of the Transferee Company 1.

Upon the scheme becoming effective and upon the amalgamation of the Transferor Company 4 with the Transferee Company 1 in terms of this Scheme, the Transferee Company 1 shall without any application or other deed, issue and allot New Equity Shares of face value of Re 1/- each, credited as fully paid up, to the extent indicated below, to the equity shareholders holding fully paid up equity shares of the Transferor Company 4 (except shares held by the Transferee Company 1) and whose name appears in the register of members of the Transferor Company 4 on the Record Date or their respective heirs, executors or other legal representatives or other successors-in-title as may be recognized by the Board of Directors of the Transferee Company 1.

Additional disclosures

c) Voting interest acquired

- Amalgamation of Premium Investment Management Private Limited (PIMPL) with Motilal Oswal Financial Services Limited ("the Company") and consequently equity shares were issued by the Company to the shareholders of PIMPL.
- Post the merger of MOOR Investment Advisors Private Limited (MOIAL) it got merged with the Company and consequently equity shares were issued by the Company to the shareholders of MOIAL.
- Post the demerger of Motilal Oswal Real Estate Investment Advisors II Private Limited (MOREIL) it got merged with the Company and consequently equity shares were issued by the Company to the shareholders of MOREIL.

Note 62 : Business Combinations

a) Reason for business combination

Business Combination will lead to clear cut and simple Parent-Subsidiary structure and eliminating needless layers of shareholding, and at the same time demonstrate the Promoter Group's direct commitment and engagement and improve the confidence of all stakeholders.

- Concentrated management focus on Core business, more professional approach
- Greatly combined human resources, strategies and financial policies
- Optimal rationalization, organization, efficiency and operational position of resources.
- From a governance perspective, and keeping in mind amendments as per Section 186(7) and Section 186(11) of the Companies Act, 2013, group intends to reduce the cross layers and simplify the corporate structure
- Reduced layers of entities will enhance flexibility to integrate the businesses, to acquire companies or any other body corporates with controlling stake as per Core business strategies.

c) Acquisition date & date of control : 01 April 2020

d) Consideration transferred

- To the shareholders of the Business Investment Management Private Limited –

8,102,203 fully paid up equity shares of the face value of Rs. 1/- each of Motilal Oswal Financial Services Limited shall be issued and allotted to the equity shareholders of the Business Investment Management Private Limited in the proportion of their holding in the Company.

- To the shareholders of the MOPE Investment Advisors Private Limited

14,29,445 fully paid up equity shares of Rs.10/- each of the Company shall be issued and allotted to the equity shareholders of MOPE Investment Advisors Private Limited

- To the shareholders of the Motilal Oswal Real Estate Investment Advisors II Private Limited

3,28,209 fully paid up equity shares of Rs.10/- each of Motilal Oswal Financial Services Limited shall be issued and allotted to the equity shareholders of Motilal Oswal Real Estate Investment Advisors II Private Limited

g) Identifiable assets acquired and liabilities assumed

Particulars	As at March 31, 2021	Adjustments on account of amalgamation			As at April 01, 2021
	As per signed annual report	PIMPL	MOPE II	MOPE	(Restated)
Assets					
Financial Assets					
Cash and Cash Equivalents	57,673	6	-		57,679
Bank balance other than cash and cash equivalents above	2,14,245	99	-	-	2,14,344
Trade Receivables	61,457	34	152	250	61,893
Investments	3,86,110		2,413	3,625	3,94,147
Other Financial Assets	66,792	31	-	-	66,823
Non Financial Assets					
Current Tax Asset	2,355	354	-		2,709
Other Non Financial Assets	2,454	1	-	-	2,455
Liabilities					
Financial Liabilities					
Other Financial Liabilities	57,739	3			57,742
Non Finance Liabilities					
Deferred tax Liability (net)	7,819	(21)	127	314	8,239
Other Non Financial Liabilities	2,976	(4)	-	-	2,972
Equity					
Equity Share Capital	1,466	19	-	-	1,485
Other Equity	3,57,673	540	2,132	3,515	3,63,860

Note 60 : Business Combinations

h) Acquisition related costs

i) Recognized as expense in the statement of P&L

Nature of Expense	Year ended 31 March 2022	Year ended 31 March 2021	Expense head	Note number reference
Legal and Professional Fees	-	33	Other Expense	Note 37
Filing and Listing Fees	-	-	Other Expense	Note 37

ii) Not recognized as an expense in the statement of P&L

Transfer Company Fees: Provision for stamp duty amounting to Rs. 3,000 lakhs towards issuance of shares to the shareholders of FMPL (the government has been adjusted net of income tax benefit of Rs. 2,216 lakhs) from the free reserves of the Company. The treatment has been carried out as the transaction accounted as per the requirement of para 37 of Ind AS 32 "Financial Instruments: Presentation". It includes also cost for transaction costs of an equity transaction are accounted for as a deduction from equity (net of any related income tax benefit)

i) Non-controlling interest

Amount of Non-controlling interest at the acquisition date is Rs.11,205 lakhs. The Discounted Cash Flow (DCF) technique was used for calculation of Non-controlling interest. Additional cost acquired, and liabilities assumed on the date of merger were recorded at their fair value

j) Revenue & Profit or loss of the acquiree included in P&L

Name of the Entities	Year ended 31 March 2022		Year ended 31 March 2021	
	Revenue	PAT	Revenue	PAT
Transferor Company 1 - FMPL	102	55	307	402
Demerged Company 1 - MOPE	1,342	1,201	2,415	1,563
Demerged Company 2 - MOSWIT	324	-63	1,110	983

k) Combined Revenue & Profit or loss of the merged entity

Name of the Entities	Year ended 31 March 2022		Year ended 31 March 2021	
	Revenue	PAT	Revenue	PAT
Transferor Company - MOPSL	261,344	51,683	222,462	53,067

l) Nature of business of the combining entities

Name of combining entities	General nature of business of combining entities
Transferor Company 1 - FMPL	Stock Broking services
Demerged Company 1 - MOPE	Investment Managers to Private Equity Funds
Demerged Company 2 - MOSWIT	Investment Manager of Real Estate funds

m) Description and number of shares issued, together with the % of each entity's equity shares exchanged to effect the business combination

Note 61 : Business Combinations-

Name of combining entities	Description of shares issued	Number of shares issued	% of entity's equity share exchanged to extent of business combination
Name of the Transferor Company - MOPL	Equity Shares	3,63,54,092	97.58%
Demerged Company 1 - MOPK	Equity Shares	2,66,170	0.71%
Transferee Company 3 - MOPF	Equity Shares	3,66,355	0.98%
Demerged Company 2 - MOPF II	Equity Shares	3,32,997	0.89%
Transferee Company 4 - MOPE II	Equity Shares	24,000	0.07%

*The amount of any difference between the provide above and the value of net identifiable assets acquired and the business combination [illegible]

See accompanying notes forming part of the financial statements

[illegible]

[illegible]

[illegible]

Note 42 : Corporate social responsibility

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]		
[illegible]		
[illegible]	[illegible]	NA
[illegible]	[illegible]	
[illegible]	[illegible]	
[illegible]	[illegible]	[illegible]

Notes

1. [illegible]
2. [illegible]
3. [illegible]
4. [illegible]
5. [illegible]

[illegible]

[illegible]

[

[illegible]

[illegible]

[illegible]

Singhi & Co.
Chartered Accountants
[illegible]

INDEPENDENT AUDITOR'S REPORT

To

The Members of **Motilal Oswal Financial Services Limited**

Opinion

1. We have audited the accompanying consolidated financial statements of **Motilal Oswal Financial Services Limited** (the "Holding Company") and its subsidiaries (Holding company and its subsidiaries together referred to as the "Group") and its associate for the year ended March 31, 2023 attached herewith, which comprise the Consolidated Balance Sheet as at March 31, 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate audited financial statements and on the other financial information of the subsidiaries and associate, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ("Ind AS") specified under section 133 of the Act, of the consolidated state of affairs of the Group and its associate as at March 31, 2023, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit of the financial statements in accordance with the Standards on Auditing (SA's) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are Independent of the Group and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (the "ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, 2013 ("the Act") and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidences obtain by us and by other auditor in terms of their reports referred to in the paragraph 18 of other matter section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries and associate, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5. We have determined the matters described below to be the key audit matters to be communicated in the auditor's report issued by us for the Holding Company and of its Subsidiary:

Sr. No.	Key audit matters	How our audit addressed the key audit matter
1.	**Expected Credit Loss (ECL) on Loans and Advances (MOHFL)** Ind AS 109 requires the Group to provide for impairment of its loan receivables (designated at amortised cost and fair value through other comprehensive income) using the expected credit loss (ECL) approach. As at March 31, 2023 (Motilal Oswal Home Finance Limited, (MOHFL)), the carrying value of loan assets measured at amortised cost, aggregated Rs. 3,77,173 lakhs (net of allowance of ECL Rs. 7,080 lakhs). The estimation of ECL on financial instruments involves significant judgement and estimates. As part of our risk assessment, we determined that the allowance for ECL on loan assets has a high degree of estimation uncertainty, with a potential range of reasonable outcomes for the financial statements. The elements of estimating ECL which involved increased level of audit focus are the following: a) Data inputs - The application of ECL model requires several data inputs.	**Our Audit Approach:** Our audit approach was a combination of test of internal controls and substantive procedures which included the following: a) Testing the design and effectiveness of internal controls over the following: ➢ key controls over the completeness and accuracy of the key inputs, data and assumptions into the Ind AS 109 impairment models, ➢ key controls over the application of the staging criteria consistent with the definitions applied in accordance with the policy approved by the Board of Directors including the appropriateness of the qualitative factors ➢ management's controls over authorisation and calculation of post model adjustments and management overlays to the output of the ECL model. b) Also, for a sample of ECL allowance on loan assets tested: ➢ Sample testing over key inputs, data and assumptions impacting ECL calculations to assess the completeness, accuracy and relevance of data, reasonableness of economic forecasts, weights, and model assumptions applied. ➢ we evaluated reasonableness of LGD estimates by comparing actual recoveries post the loan asset

Sr. No.	Key audit matters	How our audit addressed the key audit matter
	b) Model estimations -- Inherently judgmental models are used to estimate ECL which involves determining Probabilities of Default ("PD"), Loss Given Default ("LGD"), and Exposures at Default ("EAD"). The PD and the LGD are the key drivers of estimation complexity in the ECL and as a result are c) considered the most significant judgmental aspect of the Group's modelling approach. d) Qualitative and quantitative factors used in staging the loan assets measured at amortised cost. e) Economic scenarios -- Ind AS 109 requires the Group to measure ECLs on an unbiased forward-looking basis reflecting a range of future economic conditions. Significant management judgement is applied in determining the economic scenarios used and the probability weights applied to them. f) Adjustments to model driven ECL results to address emerging trends. Refer Note 30 of the Financial Statements. (MOHFL)	becoming credit impaired with estimates of LGD; and ➢ we tested the mathematical accuracy and computation of the allowances by using the same input data used by the Group. c) We also evaluated the adequacy of the adjustment after stressing the inputs used in determining the output as per the ECL Model and ensured that the adjustment was in conformity with the amount approved by the Audit Committee. d) Testing management's controls on compliance with disclosures to confirm the compliance with the provisions of relevant provisions of Ind AS 109 and the RBI. e) Evaluating the appropriateness of MOHFL's Ind AS 109 impairment methodologies and reasonableness of assumptions used, including management overlays. f) For models which were changed or updated during the year, evaluating whether the changes were appropriate by assessing the updated model methodology. g) Read and assessed the disclosures included in the Ind AS financial statements in respect of expected credit losses with the requirements of Ind AS 107 and Ind AS 109.
2.	**Information Technology (IT) Systems and Controls – MOFSL and MOHFL (Enterprises)** The Enterprise's key financial accounting and reporting processes are highly dependent on the automated controls over the Enterprises's information systems. MOHFL has separate software applications for management of its loan portfolio from origination to	**Our Audit Approach:** With the help of our IT specialists, we obtained an understanding of the Enterprise's IT applications, databases and operating systems relevant to financial reporting and the control environment. Our audit approach was a combination of test of internal controls and substantive procedures which included the following:

Sr. No.	Key audit matters:	How our audit addressed the key audit matter.
	servicing and closure and for the routine accounting. Transfer of data from/to this software are critical for accurate compilation of financial information. Due to extensive volumes, variety and complexity of transactions the operating system is functioning, consistently and accurately, specifically with respect to following: • Interest, Fee income and other charges collected on Loans • Bifurcation of the Loan Portfolio based on maturity pattern and Assets Classification based on ageing of default So, there exists a risk that gaps in the IT general control environment which could result in a misstatement of the financial accounting and reporting records of the Enterprises. Accordingly, we have considered user access management, segregation of duties and controls over system change over key financial accounting and reporting systems, as a key audit matter for the Enterprises.	**General IT controls design, observation and operation:** ➢ Tested key controls operating over the information technology in relation to financial accounting and reporting systems, including system access and system change management, program development and computer operations. **User access controls operation:** ➢ Obtained management's evaluation of the access rights granted to applications relevant to financial accounting and reporting systems and tested resolution of a sample of expectations. ➢ Further, we assessed the operating effectiveness of controls over granting, removal and appropriateness of access rights. **Application controls:** ➢ We tested the design and operating effectiveness of automated controls critical to financial accounting and reporting. ➢ For any identified deficiencies, tested the design and operating effectiveness of compensating controls and, where necessary, extended the scope of our substantive audit procedure.
3.	**Valuation of equity investments carried at fair value** **Refer note 2.6 for significant accounting policies and note 54 for financial disclosures** (MOFSL) As at March 31, 2023, the MOFSL hold investments in – i) Shubham Housing Development Finance Company Private Limited whose carrying amount is of Rs. 73.8 crores which represents 0.53 % of the total assets of the Company.	Our audit procedures in relation to valuation of investment with the involvement of our valuation experts included, but were not limited to, the following: **Design/Controls:** ➢ Obtained a detailed understanding of the management's process and controls for determining the fair valuation of this investment. The understanding was obtained by performance of walkthroughs which included inspection of documents produced by the Company and discussion with those involved in the process of valuation;

Sr. No.	Key audit matters	How our audit addressed the key audit matter
	ii) Bundl Technologies Private Limited whose carrying amount is of Rs. 64.48 crores which represents 0.46 % of the total assets of the Company. These investments are not traded in the active market. The fair valuation of those investments are determined by a management appointed independent valuation expert. The process of computation of fair valuation of investment includes use of unobservable inputs and management judgements and estimates which are complex. The valuation of these investments were considered to be one of the areas which required significant auditor attention on and was one of the matters of most significance in the standalone financial statements of MOFSL due to the materiality of total value of Investments to such standalone financial statements and the complexity involved in the valuation of these investments.	➢ Evaluated the design and the operational effectiveness of relevant key controls over the valuation process, including the Company's review and approval of the estimates and assumptions used for the valuation including key authorization and data input controls, independent price verification performed by the management expert and model governance and valuation. **Substantive tests:** ➢ Assessed the appropriateness of the valuation methodology used for the of this investment in accordance with the Company's policy and tested the mathematical accuracy of the management's model adopted; ➢ Obtained the valuation report from management's expert and assessed the expert's competence, objectivity and independence in performing the valuation of these investments; ➢ Assessed the appropriateness of the valuation model used by the management and the assumptions used relating to projected cash flows and the discounting factor. ➢ Ensured the appropriateness of the carrying value of these investments in the financial statements and the gain or loss recognised in the financial statements as a result of such fair valuation; and ➢ Ensured the appropriateness and adequacy of disclosures in accordance with the applicable accounting standards.

6. The auditors Aneel Lasod and Associates, Chartered Accountants, of Motilal Oswal Commodities Broker Private Limited (MOCBPL) vide their audit report dated April 25, 2023, have expressed an unmodified opinion on the financial statements. Based on consideration of their report and information submitted by them, we have reproduced the matter described below to be the key audit matter to be communicated in our report.

Key Audit Matters	Audit Procedures performed
Legal & Regulatory Risk: Refer Note 6 point 3 of the Consolidated financial statements Following default at National Spot Exchange Limited ('NSEL') in 2012 and initial investigations by Economic Offences Wing (EOW) and complaints received from investors against the broker of the now defunct spot exchange, NSEL and EOW in March and April 2015 had requested SEBI to take appropriate actions. However, in EOW report there was no allegation against Motilal Oswal Commodities Broker Private Limited (MOCBPL). In this manner, SEBI has issued Show Cause Notice to MOCBPL in financial year i.e. 2017-18 relating to NSEL Scam, for which management has replied accordingly. SEBI vide its order dated 22nd February 2019, rejected MOCBPL's registration application on the grounds that it is not fit and proper person to hold, directly or indirectly, the certificate of registration as commodity derivatives broker.	Following are the areas where risks are assessed & procedures were followed. • **Recording of Receivables & Dues** - NSEL: After scrutinising the books of accounts and discussion with the management it has been found that the amounts receivable from NSEL (Exchange) and due to the clients have direct nexus and MOCBPL has the role of a broker only. Hence, the amount receivable from Exchange has not been provided for Doubtful debts as they are directly payable to the Clients. • **Impact of SEBI order on the MOCBPL business:** The Company has already ceased its Commodity Broking business from April 2018. Also, the order of SEBI signifies that MOCBPL's registration application as Commodities Broker may be rejected; however the management doesn't plan to continue its Commodities Broking business under the company (MOCBPL). The company has also filed an appeal against the order of SEBI before the Securities Appellate Tribunal (SAT) & the same is currently pending. • MOCBPL may have to refund the brokerage charged from the clients against which the management has already made provision in the books of accounts. Our procedures with respect to approaching the KAM: **–Enquiring with Accounts and Finance Team:** We have discussed with Finance team, Management and have scrutinised books of account.

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	– Assessing management's conclusions and ensuring that updates regarding the manner are informed to us on timely basis. Our results: Based on the above procedures, whilst noting the inherent uncertainty with such legal matters, we concluded treatment of the matter as satisfactory.

7. The auditors Shah & Savla LLP Chartered Accountants, of Motilal Oswal Finvest Limited vide their audit report dated April 26, 2023, have expressed an unmodified opinion on the financial statements. Based on consideration of their report and information submitted by them, we have reproduced the matter described below to be the key audit matter to be communicated in our report.

Key Audit Matter	Principal audit procedures performed
1. Information Technology system for the financial reporting process The Company is highly dependent on its information technology (IT) systems for carrying on its operations which require large volume of transactions to be processed on a daily basis. Further, the Company's accounting and financial reporting processes are dependent on the automated controls enabled by IT systems which impacts key financial accounting and reporting items such as Interest income, Loan Balance, Non Performing Assets amongst others. The controls implemented by the Company in its IT environment determine the integrity, accuracy, completeness and validity of data that is processed by the applications and is ultimately used for financial reporting. Accordingly, since our audit strategy has focused on key IT systems and controls due to pervasive impact on the financial statements and performing testing of automated process controls and General controls; we have determined the same as a key audit matter for current year audit.	Our key audit procedures were relying on the work carried out by the IT specialists audit team, but were not limited to, the following: • Obtained an understanding of the Company's IT environment and conducted risk assessment and identified IT applications, databases and operating systems that are relevant to our audit. Also, obtained an understanding of key automated controls operating over such identified IT applications; For deficiencies identified if any by the IT specialist, specialist team tested compensating controls or performed alternative procedures.
2. Impairment of loans Ind AS 109, Financial Instruments requires the Company to provide for impairment of its financial assets using	**Principal audit procedures performed** a) Assessed and tested the design and operating effectiveness of key internal financial controls over the loan impairment process used to calculate the impairment. b) Assessed the critical assumptions used by the management for expected credit losses as at March 31, 2023.

the expected credit loss ('ECL') approach which involves estimates for probability of loss on the financial assets over their life, unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12- month ECL, considering reasonable and supportable information about past events, current conditions and forecasts of future economic conditions which could impact the credit quality of the Company's financial assets. In this process, substantial judgement has been applied by the management in assessing the 'significant increase in credit risk' in respect of following matters:	c) Assessed the assumptions used by the Company for grouping and staging of loan portfolio into various categories and default buckets based on their past-due status and other qualitative factors identified by the management which indicate significant increase in credit risk. For a sample of exposures, we tested the appropriateness of such staging. d) Understood and checked the key data sources and assumptions for data used in the ECL model used by the Company to determine impairment provisions.
a) The Company has grouped its loan portfolio based on days past due and other qualitative criteria as mentioned in the Credit-risk section. Loans grouped under a particular category are assumed to represent a homogenous pool thereby expected to demonstrate similar credit characteristics. b) Staging of loans and estimation of behavioral life. c) Estimation of expected loss from historical observations. d) Estimation of losses in respect of those groups of loans which had no/ minimal defaults in the past	e) On sample basis tested the completeness and accuracy of the input data used and agreed the data with the underlying books of accounts and records. Tested the arithmetical accuracy of computation of ECL provision performed by the Company. We examined Board Policy that address policies, procedures and controls for assessing and measuring credit risk on all lending exposures, commensurate with the size, complexity and risk profile specific to the borrowers.
Considering the significance of above model for impairment to the overall financial statements and the degree of management's estimates and judgments involved including the regulatory announcement of moratorium facility and restructuring facility for eligible customers, this area required significant auditor attention to test such complex accounting estimates. Therefore, we have determined this to be a key audit matter for the current year audit.	We evaluated the design and operating effectiveness of controls across the processes relevant to ECL, including the judgements and estimates. We tested the completeness of loans and advances included in the Expected Credit Loss calculations as of March 31, 2023 by reconciling it with the balances as per loan balance register as on that date.
3. Management estimates impairment provision using Expected Credit loss model for the loan exposure as per the Board approved policy which is in line with Ind AS and the Regulations. Measurement of loan impairment involves application of significant	We tested assets in stage 1, 2 and 3 on sample basis to verify that they were allocated to the appropriate stage.

judgement by the management. The most significant judgements are:

a) Timely identification and classification of the impaired loans, including classification of assets to stage 1, 2, or 3 using criteria in accordance with Ind AS 109 which also include considering the impact of RBI's regulatory circulars,

b) The segmentation of financial assets when their ECL is assessed on a collective basis

c) Determination of probability of defaults (PD) and loss given defaults (LGD) based on the default history of loans, subsequent recoveries made and other relevant factors and

d) Assessment of qualitative factors having an impact on the credit risk.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

8. The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Report on Corporate Governance (but does not include the Consolidated Financial Statements and our auditor's report thereon) which we obtained prior to the date of this auditor's report and Board's Report, Management Discussion and Analysis and Business Responsibility and Sustainability Report, which is expected to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the other information included in the above reports, if we conclude that there is material misstatement therein, we are required to communicate the matter to

those charged with governance and determine the actions under the applicable laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

9. The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with regard to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. The respective Board of Directors/management of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

10. In preparing of these consolidated financial statements, the respective Board of Directors/ Management of the companies included in the Group and of its associate are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

11. Those respective Board of Directors/Management included in the Group and of its associate are also responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

12. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

13. As part of an audit in accordance with Standards on auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    i. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

    ii. Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

    iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

    iv. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.

    v. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

    vi. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the of which we are the independent

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auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

14. Materiality is the magnitude of the misstatement in the statement that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the statement may be influenced. We consider quantitative materiality and qualitative factors in; (i) planning the scope of our audit work and evaluating the results of our work; and (ii) to evaluate the effects of any identified misstatements in the consolidated financial statements.

15. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

16. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

17. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

18. We did not audit the financial statements of eight subsidiaries, whose financial statements reflects total assets of Rs. 5,62,858 lakhs as at March 31, 2023, total revenue of Rs. 59,414 lakhs, total net profit after tax of Rs. 12,461 lakhs, net cash (outflow) / inflow of Rs. 48,483 lakhs and total comprehensive income of Rs. 11,210 lakhs for the year ended March 31, 2023 respectively, as considered in the consolidated financial Statements. The consolidated financial Statements also includes the Group's share of the net profit after tax and total comprehensive income of Rs. 262 lakhs for the year ended March 31, 2023, in respect of one associate, whose financial statements have not been audited by us. These financial statements have been audited by other

auditors whose audit report have been furnished to us by the management, and our opinion in so far as it relates to the amount and disclosures included in respect of those subsidiaries/associate is based solely on the audit report of such other auditors, and the procedure performed by us as stated in the paragraph 3 above.
Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

19. The consolidated financial statements includes the consolidated financial statements of four subsidiaries which have not been audited, whose annual financial statements reflect total assets of Rs. 4,448 lakhs as at March 31, 2023, total revenue of Rs. 1,349 lakhs, total net profit after tax of Rs. (217) lakhs, net cash (outflow) / inflow of Rs. 382 lakhs and total comprehensive income of Rs. (217) lakhs for the year ended March 31, 2023 respectively. These financial statements have been furnished to us by the Holding Company's management. Our opinion is so far as it relates to the amounts and disclosures included in respect of aforesaid subsidiaries is based solely on such unaudited financial statements. In our opinion, and accordance to the information and explanation given to us by the management, are not material to the Group.

    Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the financial statements certified by the management.

Report on Other Legal and Regulatory Requirements

20. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies, as noted in the 'Other Matter' paragraph we give in the "Annexure A" a statement on the matters specified in paragraph 3(xxi) of the Order.

21. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and associate as noted in the 'other matter' paragraph we report, to the extent applicable, that:

    a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

    b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

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c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

e. On the basis of written representations received from the directors of the Holding Company as on March 31, 2023, taken on record by the Board of Directors of the Holding Company and reports of the statutory auditors who are appointed under Section 139 of the Act, of its Indian subsidiary companies, none of the directors of the Group's companies, is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

f. With respect to the adequacy of the internal financial controls with reference to the consolidated financial statements of the Group and the operating effectiveness of such controls, we request you to refer to our separate Report in "Annexure B" to this report.

g. In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, the managerial remuneration for the year ended March 31, 2023 has been paid/provided by the Group to their Directors is in accordance with the provisions of Section 197 read with Schedule V to the Act.

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and associate:

   i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and associate. in its consolidated financial statements – Refer Note 39 to the consolidated financial statements;

   ii. The Group and associate did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2023;

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group during the year ended March 31, 2023;

   iv. (a) The respective managements of the Group and associate which are Companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, no funds have been

advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries or associate to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf

of the respective Holding Company or any of such subsidiaries or associate ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The respective managements of the Group and associate which are Companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the respective Holding Company or any of such subsidiaries from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries or associate shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on audit procedures that have been considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The dividend declared or paid during the year and subsequent to the year- end by the Group and associate is in compliance with Section 123 of the Act.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Group and associate w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

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

Nikhil Singhi
Partner
Membership No. 061567
UDIN: 23061567BGYHLM6195

Place: Mumbai
Date: April 27, 2023

Singhi & Co.
Chartered Accountants

Independent Auditors' Report of even date on the Consolidated Financial Statements of Motilal Oswal Financial Services Limited

Annexure A referred to in paragraph 20 under Report on Other Legal and Regulatory Requirements of our report of even date

According to information and explanations given to us, out of the companies incorporated in India, following companies included in consolidated financial statements, have certain remarks included in their reports under Companies (Auditors Report) Order, 2020 ("CARO") which have been reproduced as per the requirement of the Guidance Note on CARO:

Sr. No.	Name	CIN	Holding Company/ Subsidiary	Clause number of the CARO report
1	Motilal Oswal Financial Services Limited	L67190MH2005PLC153397	Holding	3 (vii)(c)
2	Motilal Oswal Home Finance Limited	U65923MH2013PLC248741	Subsidiary	3 (vii)(c)
3	Motilal Oswal Asset Management Company Limited	U67120MH2008PLC188186	Subsidiary	3 (vii)(c)

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

Nikhil Singhi
Partner
Membership No. 061567
UDIN: 23061567BGYHLM6195

Place: Mumbai
Date: April 27, 2023

Annexure B to the Independent Auditor's Report of even date on the Consolidated Financial Statements of Motilal Oswal Financial Services Limited

Referred to in paragraph [21(f)] under Report on Other Legal and Regulatory Requirements of our report of even date

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of Motilal Oswal Financial Services Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as the "Group"), as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary companies, which are companies covered under the Act are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company and subsidiary considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's and its subsidiaries companies internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed

risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls over Financial Reporting with reference to consolidated financial statements

A Company's internal financial control over financial reporting with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements

Inherent Limitations of Internal Financial Controls over Financial Reporting with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements of such subsidiary companies, the Group which comprises of the companies incorporated in India, have in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at March 31, 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matter

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to the eight subsidiaries which are audited by other auditors, is based on the corresponding reports of the auditors of such subsidiaries. Further as associate is a Limited Liability Partnership (LLP) firm hence report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls is not applicable to it.

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

Nikhil Singhi
Partner
Membership No. 061567
UDIN: 23061567BGYHLM6195

Place: Mumbai
Date: April 27, 2023

Motilal Oswal Financial Services Limited
Consolidated Balance Sheet
[illegible]

Particulars	Note No.	As at 31-Mar-23	As at 31-Mar-2022
I. ASSETS :			
Financial assets			
(a) Cash and cash equivalents	1	[illegible]	[illegible]
(b) Bank balance other than (a) above	2	[illegible]	[illegible]
(c) Receivables			
(i) Trade receivables	3	[illegible]	[illegible]
(ii) Other receivables	3	[illegible]	[illegible]
(d) Loans	4	[illegible]	[illegible]
(e) Investments	5	[illegible]	[illegible]
(f) Other financial assets	6	[illegible]	[illegible]
Sub total financial assets (A)		[illegible]	[illegible]
2. Non-financial assets			
(a) Current tax assets (net)	11	[illegible]	[illegible]
(b) Deferred tax assets (net)	12	[illegible]	[illegible]
(c) Property, plant and equipment	13(a)	[illegible]	[illegible]
(d) Other intangible assets	13(b)	[illegible]	[illegible]
(e) Other non-financial assets	9	[illegible]	[illegible]
Sub total non-financial assets (B)		[illegible]	[illegible]
Total Assets (A+B)		[illegible]	[illegible]
II. LIABILITIES AND EQUITY			
Liabilities			
1. Financial Liabilities			
(a) Payables			
(i) Trade payables			
(a) total outstanding dues of micro enterprises and small enterprises	1	-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	14	[illegible]	[illegible]
(b) Debt securities	7	[illegible]	[illegible]
(c) Borrowings (Other than Debt securities)	15	[illegible]	[illegible]
(d) Deposits	17	[illegible]	[illegible]
(e) Other financial liabilities	8	[illegible]	[illegible]
Sub total financial liabilities (A)		[illegible]	[illegible]
2. Non-financial liabilities			
(a) Current tax liabilities (net)	18	[illegible]	[illegible]
(b) Provisions	22	[illegible]	[illegible]
(c) Deferred tax liabilities (net)	21	[illegible]	[illegible]
(d) Other non-financial liabilities	22	[illegible]	[illegible]
Sub total non-financial liabilities (B)		[illegible]	[illegible]
3. Equity			
(a) Equity share capital	23	[illegible]	[illegible]
(b) Other equity	24	[illegible]	[illegible]
(c) Non controlling interest		[illegible]	[illegible]
Sub total equity (C)		[illegible]	[illegible]
Total Liabilities and Equity (A+B+C)		[illegible]	[illegible]

Summary of significant accounting policies and accompanying notes to the consolidated financial statements 1-31

[illegible]

For Singhi & Co.
Chartered Accountants
[illegible]

Nidhi Singhi
[illegible]
Membership No. [illegible]

[illegible]
Motilal Oswal Financial Services Limited
CIN: [illegible]

Motilal Oswal
Managing Director and Chief Executive Officer
DIN: [illegible]

Rajniesh Agarwal
[illegible]
DIN: [illegible]

Shailendra Shah
Chief Financial Officer

Rahul Pandit
Company Secretary

[illegible]
Date: [illegible] Apr 2023

[illegible]
Date: [illegible] Apr 2023

Motilal Oswal Financial Services Limited
Consolidated Statement of Profit and Loss
[illegible] (unless otherwise stated)

Particulars	Note No.	Quarter ended 31 March, 2023	Year to date ended 31 March, 2023
I) Income			
(a) Revenue from operations			
(i) Interest income	21	[illegible]	[illegible]
(ii) Dividend income	22	[illegible]	[illegible]
(iii) Rental income	23	[illegible]	[illegible]
(iv) Fees and commission income	24	[illegible]	[illegible]
(v) Net gain on fair value changes	25	[illegible]	[illegible]
(vi) Other operating income	27	[illegible]	[illegible]
Total revenue from operations		[illegible]	[illegible]
(b) Other income	28	[illegible]	[illegible]
Total income (a+b) (I)		[illegible]	[illegible]
II) Expenses			
(a) Finance costs	29	[illegible]	[illegible]
(b) Fees and commission expense	30	[illegible]	[illegible]
(c) Net loss on fair value changes	31	[illegible]	[illegible]
(d) Impairment on financial instruments	32	[illegible]	[illegible]
(e) Employee benefits expense	33	[illegible]	[illegible]
(f) Depreciation and amortisation expense	34	[illegible]	[illegible]
(g) Other expenses	35	[illegible]	[illegible]
Total expenses (II)		[illegible]	[illegible]
III) Profit before exceptional items (I - II)		[illegible]	[illegible]
IV) Exceptional items	36		
(i) Gain/(loss)		[illegible]	[illegible]
(ii) Share of profit/(loss) of associates		[illegible]	[illegible]
(iii) Impairment on investment in subsidiary		[illegible]	[illegible]
Total tax expense (IV)		[illegible]	[illegible]
V) Profit before tax (III - IV)		[illegible]	[illegible]
VI) Tax expense:			
(1) Current tax		[illegible]	[illegible]
(2) Deferred tax		[illegible]	[illegible]
(3) Short/(excess) provision for tax of earlier years		[illegible]	[illegible]
Total tax expense (VI)		[illegible]	[illegible]
VII) Profit after tax (V - VI)		[illegible]	[illegible]
VIII) Share of profit/(loss) of associates (net of taxes)		[illegible]	[illegible]
IX) Profit after tax and share in profit of associates (VII + VIII)		[illegible]	[illegible]
X) Other comprehensive income			
(a) Items that will not be reclassified to profit or loss			
- Remeasurement of the net defined benefit liability/asset		[illegible]	[illegible]
- Fair value gain/(loss) on investments in equity instruments designated through other comprehensive income		[illegible]	[illegible]
(b) Income tax relating to items that will not be reclassified to profit or loss		[illegible]	[illegible]
Total other comprehensive income, net of taxes (X)		[illegible]	[illegible]
XI) Total comprehensive income (IX + (X))		[illegible]	[illegible]
XII) Net profit attributable to:			
Owners of parent		[illegible]	[illegible]
Non-controlling interest		[illegible]	[illegible]
XIII) Other comprehensive income/(loss) attributable to:			
Owners of parent		[illegible]	[illegible]
Non-controlling interest		[illegible]	[illegible]
XIV) Total comprehensive income attributable to (XI) + (XII)=(XIII)			
Owners of parent		[illegible]	[illegible]
Non-controlling interest		[illegible]	[illegible]
XV) Earnings per share (Face Value [illegible])	42		
[illegible]		[illegible]	[illegible]
[illegible]		[illegible]	[illegible]

Summary of significant accounting policies and accompanying notes to the consolidated financial statements 1-3

[illegible]

For Shah & Co.
Chartered Accountants
Firm Registration No. [illegible]

Kalpesh Shah
Partner
Membership No. [illegible]

For and on behalf of the Board of Directors
Motilal Oswal Financial Services Limited
CIN: L67190MH1987PLC043860

Motilal Oswal
Managing Director
DIN: [illegible]

Raheel Lakhani
Non-Executive Director
DIN: [illegible]

Aditi Bhatia Shah
Chief Financial Officer

Neha Parekh
Company Secretary

Place: Mumbai
Date: [illegible]

Place: Mumbai
Date: [illegible]

Motilal Oswal Financial Services Limited
Consolidated Cash Flow Statement
(All amounts in INR Lakhs unless otherwise stated)

Particulars	For the year ended 31 Mar 2023	For the year ended 31 Mar 2022
A. Cash flows from operating activities		
Profit before taxation	1,24,221	1,[illegible],582
Adjustments for		
Add:		
Increase in [illegible] investments	1,270	[illegible]
Depreciation and amortisation expense	5,526	4,879
Provision for gratuity	[illegible]	[illegible]
Employee Stock Option Expenditure	3,101	[illegible]
Foreign Currency Translation Reserve	102	[illegible]
Interest expense on [illegible]	424	192
Profit from partnership in joint venture	[illegible]	[illegible]
Less		
Net loss/(gain) on fair value changes	(13,575)	15,200
Profit on sale of property, plant and equipment (Net)	[illegible]	[illegible]
Interest Income	[illegible]	[illegible]
Dividend Income	(612)	[illegible]
Operating profit	1,11,651	1,[illegible]
Adjustments for working capital changes:		
(Increase) / Decrease in trade receivables	(6,115)	[illegible]
(Increase) / Decrease in other receivables	13	37
Increase / (Decrease) in trade payables	[illegible]	[illegible]
(Increase) / Decrease in other financial assets	(3,038)	[illegible]
(Increase) / Decrease in loans	(2,11,612)	[illegible]
Increase in other deposits having maturity more than 3 months (net [illegible])	(9,09,270)	[illegible]
(Increase) / Decrease in other investments	[illegible]	[illegible]
Increase / (Decrease) in trade payables	(23,[illegible])	[illegible]
Increase / (Decrease) in deposits	72	53
Increase / (Decrease) in other financial liabilities	[illegible]	[illegible]
Increase / (Decrease) in other non financial liabilities	(511)	[illegible]
Increase / (Decrease) in Provision	(1,760)	[illegible]
Cash generated from / (used in) operations	(2,75,355)	1,21,[illegible]
Direct taxes paid (net of refunds) (Net [illegible])	[illegible]	[illegible]
Net cash generated from / (used in) Operating activities (A)	(3,05,735)	[illegible]
B. Cash flow from investing activities		
Purchase of Property, plant and equipment	(16,[illegible])	[illegible]
Purchase of Investments	[illegible]	[illegible]
Sale of Investments	33,[illegible]	[illegible]
Interest received	54	122
Dividend received	612	[illegible]
Net cash generated from / (used in) Investing activities (B)	(28,748)	[illegible]
C. Cash flow from financing activities		
Proceeds from issue of equity shares including securities premium	[illegible]	[illegible]
Buy back of shares	[illegible]	
Proceeds from issue of debentures	1,[illegible]	[illegible]
Repayment of debentures	[illegible]	[illegible]
Proceeds from/(Repayment of) commercial paper	2,68,[illegible]	[illegible]
Proceeds from/(Repayment of) other borrowings	[illegible]	[illegible]
Payment of Dividend	[illegible]	[illegible]
Increase/ (Decrease) in unpaid dividend	1	[illegible]
Gain/ (Loss) on lease liability modification	[illegible]	[illegible]
Reserve adjustment of merger		[illegible]
Minority interest/ (purchase) from Non controlling interest	32	[illegible]
Net cash generated from / (used in) Financing activities (C)	3,38,413	[illegible]
Net increase / (decrease) in cash and cash equivalents during the year (A+B+C)	[illegible]	[illegible]
Cash and cash equivalents as at beginning of the year		
Cash on hand	200	[illegible]
Balances with banks in current accounts	[illegible]	[illegible]
Cheques in hand	50	[illegible]
Total Cash and cash equivalents maturity within 3 months	[illegible]	[illegible]
Cash and cash equivalents as at beginning of the year	2,13,254	1,25,204

Motilal Oswal Financial Services Limited
Consolidated Cash Flow Statement
(All amounts are in INR Lakhs, unless otherwise stated)

Cash & Cash Equivalents comprise of (at end of the year		
Cash on hand	59	309
Balances with banks in current accounts	1,52,217	1,35,210
Cheques on hand	85	27
Fixed Deposits with original maturity within 3 months	6,014	10,244
Cash and cash equivalents at end of the year	7,53,651	7,15,784
Changes in liabilities arising from financing activities		
Opening balance - Borrowings	6,13,171	5,09,747
Proceeds from issue of debentures	1,07,850	37,810
Redemption of debentures	(71,845)	(70,306)
Proceeds from/Repayment of commercial paper	(26,151)	79,461
Proceeds from/Repayment of other borrowings	1,13,499	1,17,019
Closing balance of borrowings	10,27,191	6,13,631
Cashflow from operating activities includes:		
Interest received	1,33,574	1,11,435
Interest paid	55,191	47,465

Notes:

1) The cash flow statement of Cash Flows has been prepared under the indirect method as set out in "Ind AS 7, Statement of Cash Flows", as specified in the Companies (Indian Accounting Standards) Rules, 2015.

2) Net cash flow from operating activities excluding interest received and interest paid for the year ended 31 March 2021 are Rs. 1,91,[illegible] and Rs. [illegible] for the year ended 31 March 2020 respectively.

3) Figures in brackets indicate cash outflows.

*This is net off mark to market fair value of investment.

As per our attached report of even date.

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

Nikhil Singhi
Partner
Membership No. 067507

Place: Mumbai
Date: 27 April 2021

Do and on behalf of the Board of Directors
Motilal Oswal Financial Services Limited
CIN: L67190MH1987PLC042799

Motilal Oswal
Managing Director and Chief executive officer
DIN: 00024506

Raamdeo Agrawal
Non Executive Chairman
DIN: 00024532

Shailjaliaka Shah
Chief financial Officer

Kailash Purohit
Company Secretary

Place: Mumbai
Date: 27 April 2021

(A) Equity share capital

Particulars	Number	Amount
As at 01 April 2021	[illegible]	[illegible]
Add/(Less): Changes due to prior period errors	-	
Restated as at 01 April 2021	[illegible]	[illegible]
Stock options exercised under the ESOS	[illegible]	6
As at 31 March 2022	16,90,62,919	1,401
Add/(Less): Changes due to prior period errors		-
Restated as at 01 April 2022	16,90,62,919	1,401
Changes during the year due to exercise of Employee stock		
Up-to-date vesting	[illegible]	6
Changes due to movement in treasury shares	[illegible]	[illegible]
As at 31 March 2023	16,90,47,226	1,407

(B) Other equity

Particulars	Reserves and surplus									Items of other comprehensive income	Total other equity	Non-controlling interest (NCI)	Total
	Statutory reserve	Capital redemption reserve	Securities premium	Employee stock options outstanding reserve	Capital Reserve (on consolidation)	General reserve	Foreign currency translation reserve	Impairment reserve	Retained earnings	Equity instruments through other comprehensive income			
Balance as at 01 April 2021	10,156	2,525	46,612	5,755	5,144	12,447	(215)	63	3,30,178	41,051	4,54,112	3,226	4,57,338
Add/(Less): Changes due to prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance as at 01 April 2021	10,156	2,525	46,612	5,755	5,144	12,447	(215)	63	3,30,178	41,050	4,54,112	3,226	4,57,338
Profit or (loss) for the year		-			-	-	-		1,17,934	4,072	1,22,006	(6)	1,22,212
Dividends paid		-			-	-	-		(8,073)	-	(8,073)	-	(8,073)
Transfer from Employee stock option reserve		-	1,147		-	-	-		-	-	1,147	-	1,147
Transfer to capital reserve	[illegible]	-	-		-	-	-		[illegible]		-	-	-
Transfer to statutory reserve	[illegible]	-	-		-	5,253	-		-	-	-	-	-
Transfer to general reserve		-	-		-	-	-	72	[illegible]	-	-	-	-
Transfer to securities premium		-	-	[illegible]		-	-			-	(2,417)	-	(2,417)
Share-based payment expense		-	-				-		(2,245)	-	(2,245)	-	(2,245)
Income tax on share-based payment									[illegible]	-	(7,131)	-	(7,131)
Transfer to securities premium on account of share-based payment			3,392			-	-				3,392	-	3,392
Net mark-to-market gain/(loss) during the year			-	[illegible]	[illegible]	-	177				916	-	916
Actuarial gains/(losses) on post retirement benefit plans									151		151	-	151
Movement on non-controlling interest (NCI)											-	(1,064)	(1,064)
Transfer to NCI									(157)		(157)	157	-
Balance as at 31 March 2022	3,932	2,525	51,051	7,155	5,400	18,080	(38)	93	4,38,695	15,815	5,65,546	2,028	5,67,574
Add/(Less): Changes due to prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance as at 01 April 2022	3,932	2,525	51,051	7,155	5,400	18,080	(38)	93	4,38,695	15,815	5,65,546	2,028	5,67,574
Profit or (loss) for the year	-	-	-	-	-	-	-	-	93,160	[illegible]	88,396	333	88,729
Transfer from Other comprehensive income		-	-		-	18,227				[illegible]	0		0
Interim Dividend	-	-			-	-			(10,559)		(10,559)		(10,559)
Final Dividend		-	-		-	-			(6,472)		(6,472)		(6,472)
Transfer to Securities premium		-		[illegible]	-	-			-		(24)		(24)
Transfer to statutory reserve		-	-			-			(4,027)		(4,027)		(4,027)
Refund of dividend		-	(36,720)			-			-		(36,002)		(36,002)
Effect of tax on share-based payment		-				-			(3,847)		(3,847)		(3,847)
Transfer from Employee stock option reserve		-	31			-					34		34
Transfer to Employee stock option reserve		-				-			(2,223)		(2,223)		(2,223)
Transfer to General Reserve		-		[illegible]		403			-		3		3
Share-based payment expense on account of share-based payment	-	-	2,222			-			-		2,222		2,222
Net mark-to-market gain/(loss) during the year	4,027	23		[illegible]	359		[illegible]				2,948		2,948
Actuarial gains/(losses) on post retirement benefit plans	-				-				[illegible]		125		125
Movement on non-controlling interest (NCI)	-	-	-		-			-				[illegible]	[illegible]
Transfer to NCI		-	-			-			[illegible]		(173)	173	
Balance as at 31 March 2023	12,149	2,530	37,495	5,419	5,759	37,336	376	93	6,08,050	33,793	6,23,315	3,534	6,26,849

Motilal Oswal Financial Services Limited
Notes to the Consolidated Financial Statements
[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

Jai Singh & Co.
Chartered Accountants
Firm Registration No. [illegible]

Nikhil Singh
Partner
Membership No. [illegible]

Place: Mumbai
Date: 27 April 2023

For and on behalf of the Board of Directors
Motilal Oswal Financial Services Limited
CIN: L67190MH1987PLC038597

Motilal Oswal
Managing Director and Chief Executive Officer
DIN: [illegible]

Raamdeo Agrawal
Non Executive Chairman
DIN: [illegible]

Shalibhadra Shah
Chief Financial Officer

Kalpesh Parekh
Company Secretary

Place: Mumbai
Date: 27 April 2023

A. Corporate information

Motilal Oswal Financial Services Limited ("MOFSL" or "the Holding Company") is a public listed company and incorporated under the provisions of Companies Act. The Company is domiciled in India and the addresses of its registered office and principal place of business are disclosed in the introduction to the annual report. The Holding Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

Motilal Oswal Financial Services Limited, its subsidiaries and associate entity (collectively, "the Group") are engaged in stock broking, asset management and mutual funds, private equity, investment banking, loan finance, wealth management services, distribution of financial products, proprietary investments and other activities in financial services.

These consolidated financial statements contain financial information of the Group and were authorized for issue by the Board of Directors on 27 April 2018.

Information on the Group's structure is provided in note 57.

B. Business Combination under Common Control

A common control business combination, involving entities or businesses in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and where the control is not transitory, is accounted for in accordance with Appendix C to Ind AS 103 'Business Combinations'.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values, or recognize new assets or liabilities. Adjustments are made only to harmonize significant accounting policies.
- The financial information in the financial statements in respect of prior periods are restated as if the business combination had occurred from the beginning of the preceding period in the financial statements.
- The identity of the reserves are preserved and appear in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor.

The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferee is transferred to capital reserve and is presented separately from other capital reserves with disclosure of its nature and purpose in the notes (Refer Note 61 for additional details)

C. Business Combination under Acquisition method

The Group applies the acquisition method in accounting for business combinations for the businesses which are not under common control. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Group elects whether to measure the non-

controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

a) Deferred tax assets or liabilities and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 'Income Tax' and Ind AS 19 'Employee Benefits' respectively.
b) Potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise as a result of the acquisition are accounted in accordance with Ind AS 12.
c) Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 'Financial Instruments', is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS.

Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and its subsequent settlement is accounted for within equity.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate. (Refer Note 60 for additional details)

2. Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitherto in use.

2.1. Basis of preparation

(i) Compliance with Ind AS

The consolidated financial statements of the Group comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The Balance Sheet, the Statement of Changes in Equity, the Statement of Profit and Loss and disclosures are presented in the format prescribed under Division III of Schedule III of the companies Act, as

amended from time to time that are required to comply with Ind AS. The Statement of Cash Flows has been presented as per the requirements of Ind AS 7 Statement of Cash Flows.

(ii) Historical cost convention

The consolidated financial statements have been prepared on a historical cost and on accrual basis, except for the following:

- Certain financial instruments are measured at fair values;
- Assets held for sale – measured at fair value less cost to sell;
- Defined benefit plans – plan assets measured at fair value; and
- Share based payments – fair value as on the grant date

(iii) Preparation of consolidated financial statements

The Holding Company is covered in the definition of Non-Banking Financial Group as defined in Companies (Indian Accounting Standards) (Amendment) Rules, 2016. As per the format prescribed under Division III of Schedule III to the Companies Act, 2013 on 11 October 2018 and as amended on 21 March 2021, the Holding Company presents the Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity in the order of liquidity. A maturity analysis of recovery or settlement of assets and liabilities within 12 months after the reporting date and more than 12 months after the reporting date is presented in note 53.

(iv) Use of estimates and judgements

The preparation of consolidated financial statements in conformity with Ind AS which requires management to make estimates, judgements, and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities (including contingent liabilities) and disclosures as of the date of consolidated financial statements and the reported amounts of revenue and expenses for the reporting period. Actual results could differ from these estimates. Accounting estimates and underlying assumptions are reviewed on an ongoing basis and could change from period to period. Appropriate changes in estimates are recognized in the period in which the Group becomes aware of the changes in circumstances surrounding the estimates. Any revisions to accounting estimates are recognized prospectively in the period in which the estimate is revised and future periods. The estimates and judgements that have significant impact on carrying amount of assets and liabilities at each balance sheet date are discussed at note 3.

2.2. Principles of consolidation and equity accounting

(i) Subsidiaries

The consolidated financial statement has comprised financial statements of the Company and its subsidiaries. Subsidiaries are all the entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the financial statements of the Holding Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions within the Group are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, consolidated statement of changes in equity and balance sheet respectively. Statement of Profit and Loss including Other Comprehensive Income (OCI) is attributable to the equity holders of the Holding Company and to the non-controlling interest basis the respective ownership interest and such balance is attributed even if this results in controlling interest is having a deficit balance.

(ii) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see (iii) below), after initially being recognized at cost.

(iii) Equity method

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Profit distribution from associates are recognized as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity accounted investment equals or exceeds its interest in the entity, including any other unsecured long term receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in those entities. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

(iv) Changes in ownership interests

The Group treats transactions with non controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non controlling interests and any consideration paid or received is recognized within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is re-measured to its fair value with

the change in carrying amount recognized in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss.

If the ownership interest in an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognized in other comprehensive income are reclassified to profit or loss where appropriate.

2.A. Revenue Recognition

The Group recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115, Revenue from Contracts with Customers, to determine when to recognize revenue and at what amount. Revenue is measured based on the consideration specified in the contract with a customer. Revenue from contracts with customers is recognised when services are provided and it is highly probable that a significant reversal of revenue is not expected to occur.

Revenue is measured at fair value of the consideration received or receivable. Revenue is recognized when (or as) the Group satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

When (or as) a performance obligation is satisfied, the Group recognizes as revenue the amount of the transaction price (excluding estimates of variable consideration) that is allocated to that performance obligation.

The Group applies the five-step approach for recognition of revenue:

- Identification of contract(s) with customers: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
- Identification of the separate performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
- Determination of transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
- Allocation of transaction price to the separate performance obligations: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.
- Recognition of revenue when (or as) each performance obligation is satisfied.

(i) Brokerage fee income

It is recognised on trade date basis and is exclusive of goods and service tax and securities transaction tax (STT) wherever applicable.

(ii) Interest income

Interest income on a financial asset at amortised cost is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate (EIR). The EIR is the rate that exactly discounts estimated future cash flows of the financial asset through the expected life of the financial asset or, where appropriate, a shorter period, to the net carrying amount of the financial instrument. The internal rate of return on financial asset after netting off the fees received and cost incurred approximates the effective interest rate method of return for the financial asset. The future cash flows are estimated taking into account all the contractual terms of the instrument.

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for ECLs).

(iii) Portfolio management fee income

Performance obligations are satisfied over a period of time and portfolio management fees are recognized in accordance with the Portfolio Management Agreement entered with respective clients, which is as follows:

a) Processing fees is recognized on upfront basis in the year of receipt;
b) Management fees is recognized as a percentage of the unaudited net asset value at the end of each month;
c) Return based fees is recognized as a percentage of annual profit, in accordance with the terms of the agreement with clients on the completion of the period.

(iv) Mutual fund management fee income

Performance obligations are satisfied over a period of time and mutual fund management fee is recognized on monthly basis in accordance with Investment Management Agreement and SEBI (Mutual Fund) Regulations, 1996, based on daily average assets under management (AUM) of the Schemes of Motilal Oswal Mutual Fund.

(v) Private equity fund management fee income

Performance obligations are satisfied over a period of time and private equity fund management fee is recognized on monthly basis in accordance with Private Placement Memorandum based on capital commitment / capital contribution of the fund.

(vi) Alternative investment fund management fee income

Performance obligations are satisfied over a period of time and alternate investment management fee is recognized on monthly basis in accordance with Private Placement Memorandum.

(vii) Investment advisory fees

Performance obligations are satisfied over a period of time and investment advisory fee is recognized on monthly basis in accordance with the terms of the contract with the clients.

(viii) Research and advisory fees

Performance obligations are satisfied over a period of time and investment advisory fee is recognized on monthly basis in accordance with the terms of the contract with the clients.

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Motilal Oswal Financial Services Ltd. Mumbai

(ix) Dividend income

Dividend income is recognized in the statement of profit or loss on the date that the Group's right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be reliably measured. This is generally when the shareholders approve the dividend.

(x) Net gain on fair value changes.

The Company designates certain financial assets for subsequent measurement at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI). The Company recognizes gains on fair value change of financial assets measured at FVTPL and realized gains on de-recognition of financial asset measured at FVTPL and FVOCI on net basis in profit or loss.

(xi) Trustee fees

Performance obligations are satisfied over a period of time and trustee fees are recognized at the specific rates/amount approved by the Board of Directors of the Company, within the limits specified under the Trust Deed and is applied on the assets under management of each scheme of Motilal Oswal Mutual Fund

(xii) Depository services income

Revenue from depository services on account of annual maintenance charges have been accounted for over the period of the performance obligation.

Revenue from depository services on account of transaction charges is recognized point in time when the performance obligation is satisfied.

(xiii) Delayed payment charges

Interest is earned on delayed payments from customers and is recognised on a time proportion basis taking into account the amount outstanding from customers and the rates applicable.

2.4. Distribution cost

Portfolio Management Services

Distribution cost for Portfolio Management Services are charged to Statement of Profit and Loss on accrual basis. Upfront distribution cost paid till 30th September 2020 is amortised over the contractual period. On this account, an asset (prepaid expenses) is recognised at the time of actual payment or becoming due for payment and charged evenly to the Statement of Profit and Loss over the commitment period of the respective investor.

Alternate Investment Fund Services

Distribution cost for Alternate Investment Fund Management Services are charged to Statement of Profit and Loss on accrual basis. On this account, an asset (prepaid expenses) is recognised at the time of actual payment or becoming due for payment and charged to the Statement of Profit and Loss over the period of the scheme.

Fund related expenses

New fund offer expenses

Expenses relating to initial issue of Mutual Fund Schemes of the Fund are charged to the Statement of Profit and Loss in the year in which such expenses are incurred which is in compliance with SEBI (Mutual Funds) Regulations, 1996.

Recurring fund expenses

Expenses incurred (inclusive of advertisement / brokerage expenses) on behalf of schemes of Motilal Oswal Mutual Fund till 22nd October 2019 are recognised in the Statement of Profit and Loss unless considered recoverable from the schemes of the Fund in accordance with the provisions of SEBI (Mutual Fund) Regulations, 1996

2.6. Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

Current Tax:

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred Tax:

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred tax is also not accounted for, if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable profits will be available to utilize those temporary differences and losses.

Deferred tax liabilities are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiaries and associates where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

2.6. Leases

For any new contracts entered into on or after 1 April 2019, the Company considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. The Company assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Measurement and recognition of leases as a lessee

The Company has adopted Ind AS 116 "Leases" using the cumulative catch-up approach. Company has recognised Right of Use assets as at 1 April 2019 for leases previously classified as operating leases and measured at an amount equal to lease liability (adjusted for related prepayments/ accruals). The Company has discounted lease payments using the incremental borrowing rate for measuring the lease liability.

The Company recognises right of use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right of use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities.

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of use asset for impairment when such indicators exist.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

When the lease liability is re-measured, the corresponding adjustment is reflected in the right of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Company has elected to account for short-term leases and leases of low value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight line basis over the lease term.

When the Company revises its estimate of the term of any lease, it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted using a revised discount rate. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised, except the discount rate remains unchanged. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term. If the carrying amount of the right-of-use asset is adjusted to zero, any further reduction is recognised in statement of profit and loss.

For contracts that both convey a right to the Company to use an identified asset and require services to be provided to the Company by the lessor, the Company has elected to account for the entire contract as

a lease, i.e. it does not allocate any amount of the contractual payments to, and account separately for, any services provided by the supplier as part of the contract.

2.7. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Outstanding bank overdrafts are not considered integral part of the Company's cash management.

2.8. Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognized when the entity becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognized on trade-date, the date on which the Group commits to purchase or sell the asset.

At initial recognition, the Group measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees and commissions. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit or loss. Immediately after initial recognition, an expected credit loss allowance (ECL) is recognized for financial assets measured at amortized cost.

When the fair value of financial assets and liabilities differs from the transaction price on initial recognition, the entity recognizes the difference as follows.

a) When the fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets, the difference is recognized as a gain or loss.
b) In all other cases, the difference is deferred and the timing of recognition of deferred day one profit or loss is determined individually. It is either amortized over the life of the instrument, deferred until the instrument's fair value can be determined using market observable inputs, or realized through settlement.

When the Group revises the estimates of future cash flows, the carrying amount of the respective financial assets or financial liability is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognized in profit or loss.

Fair value of financial instruments

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date regardless of whether that price is directly observable or estimated using another valuation technique.

Fair value measurements under Ind AS are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurement are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs) that the Company can access at measurement date.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in note 54.

Financial assets

(i) **Classification and subsequent measurement**

The Group has applied Ind AS 109 and classifies its financial assets in the following measurement categories:

- Fair value through profit or loss (FVTPL);
- Fair value through other comprehensive income (FVOCI); or
- Amortised cost.

Classification and subsequent measurement of financial assets depends on:

- The Company's business model for managing the asset; and
- The cash flow characteristics of the asset.

1 **Financial assets carried at**

a. Amortised cost.

A Financial asset is measured at the amortised cost if both the following conditions are met:

• The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

• Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss.

b. Fair value through other comprehensive income

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

c. Fair value through profit or loss
A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

2. Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

All investments in equity instruments classified under financial assets are initially measured at fair value; the Group may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Group makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognised as revenue from operations in the Statement of Profit and Loss unless the Group has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognized in OCI. Amounts recognized in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'Revenue from operations' in the Statement of Profit and Loss.

3. Investments in mutual funds

Investments in mutual funds are measured at fair value through profit and loss (FVTPL)

(ii) Impairment

The Group recognizes impairment allowances using Expected Credit Losses ("ECL") method on all the financial assets that are not measured at FVPTL.
ECL are probability-weighted estimate of credit losses. They are measured as follows:

- Financials assets that are not credit impaired – as the present value of all cash shortfalls that are possible within 12 months after the reporting date.
- Financials assets with significant increase in credit risk – as the present value of all cash shortfalls that result from all possible default events over the expected life of the financial assets.
- Financials assets that are credit impaired – as the difference between the gross carrying amount and the present value of estimated cash flows.

Financial assets are written off/fully provided for when there is no reasonable of recovering a financial assets in its entirety or a portion thereof.
However, financial assets that are written off could still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in the Statement of Profit and Loss.

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Motilal Oswal Financial Services Ltd. Mumbai

(iii) Derecognition

A financial asset is derecognised only when:
The Group has transferred the rights to receive cash flows from the financial asset or retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Group has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Group has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Transfer of loans through assignment transaction can be made only after contractual involvement in loans or retaining a minimum specific percentage of loan but without retaining any substantial risk and reward in the loan assigned. The assigned portion of loans is derecognized and gains/losses are accounted for, only if the Company transfers substantially all risks and rewards specified in the underlying assigned loan contracts. Gain/loss arising on such assignment transactions is recorded upfront in the Statement of Profit and Loss and the corresponding loan is derecognized from the Balance Sheet immediately. Further, if the transfer of loan qualifies for derecognition, entire interest spread at its present value (discounted over the life of the asset) is recognized on the date of derecognition itself as interest strip receivable (interest strip on assignment) and correspondingly presented as gain/loss on derecognition of financial asset.

Financial liabilities

(i) Initial recognition and measurement

All financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs.

(ii) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

(iii) Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

2.9. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

2.10. Derivative Financial Instruments and Hedge Accounting:

The Company enters into forward contracts to hedge the foreign currency risk of firm commitments and highly probable forecast transactions. Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the Statement of Profit and Loss depends on the nature of the hedging relationship and the nature of the hedged item.
The Company enters into derivative financial instruments viz. foreign exchange forward contracts, interest rate swaps and cross currency swaps to manage its exposure to interest rate and foreign exchange rate risks. The Company does not hold derivative financial instruments for speculative purposes.

Hedge Accounting: The Company designates certain hedging instruments in respect of foreign currency risk and interest rate risk as cash flow hedges. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows, and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated. The effective portion of changes in the fair value of the designated portion of derivatives that qualify as cash flow hedges is recognised in Other Comprehensive Income and accumulated under the heading of cash flow hedging reserve.

The gain or loss relating to the ineffective portion is recognised immediately in the Statement of Profit and Loss. Amounts previously recognised in Other Comprehensive Income and accumulated in other equity relating to (effective portion as described above) are re-classified to the Statement of Profit and Loss in the periods when the hedged item affects profit or loss. However, when the hedged forecast transaction results in the recognition of a non financial asset or a non-financial liability, such gains and losses are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability. Hedge accounting is discontinued when the hedging instrument expires, terminated, or exercised, without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in Other Comprehensive Income and accumulated in other equity at that time remains in other equity and is recognised when the forecast transaction is ultimately recognised in Statement of Profit and Loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in other equity is recognised immediately in the Statement of Profit and Loss.

2.11. Financial guarantee contracts and loan commitments

Financial guarantee contracts are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a debt instrument. Such financial guarantees are given to banks, financial institutions and others on behalf of customers to secure loans, overdrafts and other banking facilities.

Financial guarantee contracts are initially measured at fair value and subsequently measured at the higher of:

- The amount of the loss allowance; and

- The premium received on initial recognition less income recognized in accordance with the principles of Ind AS 115.

2.12. Repossessed collateral

Repossessed collateral represents non-financial assets acquired by the Company in settlement of overdue loans. Any collateral obtained as a result of foreclosure is not recognized as a separate asset unless it is acquired by the Company in settlement of overdue loans.

2.13. Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition and installation of the assets.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non financial assets and the cost of assets not put to use before such date are disclosed under 'Capital work in progress'

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful life prescribed under Schedule II to the Companies Act, 2013. The Group provides pro rata depreciation from the month of installation till the date assets are sold or disposed. Leasehold improvements are amortised over the term of underlying lease.

Assets	Useful life
Building	60 years
Furniture and Fixtures	10 years
Office Equipments	5 years
Computers and Network Equipments	3 to 6 years
Plant and Machinery	5 years
Electrical Equipments	10 years
Vehicles	8 to 10 years
Leasehold improvements	Over the primary lease period or useful life Whichever is less.

Derecognition

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognized in the statement of profit and loss when the asset is derecognized.

2.14. Intangible assets

Measurement at initial recognition:
Intangible assets are recognized where it is probable that the future economic benefit attributable to the assets will flow to the Group and its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortization and impairment, if any.

Expenditure incurred on acquisition/development of intangible assets which are not put/ready to use at the reporting date is disclosed under intangible assets under development. The Group amortizes intangible assets on a straight-line basis over the five years commencing from the month in which the asset is first put to use. The Group provides pro rata amortization from the day the asset is put to use.

Asset	Useful life
Computer Software	5 years
Licences	Over the licence period
Customer rights	5 years

Derecognition:
The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognized in the statement of profit and loss when the asset is derecognized.

2.15. Impairment of non-financial assets

At each reporting date, the Group assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. The recoverable amount of asset is the higher of its value in use or its fair value. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects the current market assessment of time value of money and the risks specific to it. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment loss is reversed if there has been a change in estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the assets carrying amount would have been determined, net of depreciation or amortization, had no impairment loss been recognised.

2.16. Expected credit loss (ECL) model:

The Company applies the ECL model in accordance with Ind AS 109 for recognising impairment loss on financial assets. The ECL allowance is based on the credit losses expected to arise from all possible default events over the expected life of the financial asset (lifetime ECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12-month ECL. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is calculated on a collective basis, considering the retail nature of the underlying portfolio of financial assets.

The impairment methodology applied depends on whether there has been a significant increase in credit risk. When determining whether the risk of default on a financial asset has increased significantly since initial recognition, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on a provision matrix which takes into account the Company's historical credit loss experience, current economic conditions, forward looking information and scenario analysis.

The expected credit loss is a product of exposure at default ('EAD'), probability of default ('PD') and loss given default ('LGD'). The Company has devised an internal model to evaluate the PD and LGD based on the parameters set out in Ind AS 109. Accordingly, the financial assets have been segmented into three stages based on the risk profiles. The three stages reflect the general pattern of credit deterioration of a financial asset. The company categorises financial assets at the reporting date into stages based on the days past due ('DPD') status as under.

- Stage 1: Low credit risk, i.e. 0 to 30 days past due
- Stage 2: Significant increase in credit risk, i.e. 31 to 90 days past due
- Stage 3: Impaired assets, i.e. more than 90 days past due

LGD is an estimate of loss from a transaction given that a default occurs. PD is defined as the probability of whether the borrowers will default on their obligations in the future. For assets which are in Stage 1, a 12 month PD is required. For Stage 2 assets a lifetime PD is required while Stage 3 assets are considered to have a 100% PD. EAD represents the expected exposure in the event of a default and is the gross carrying amount in case of the financial assets held by the Company.

The Company incorporates forward looking information into both assessments of whether the credit risk of an instrument has increased significantly since its initial recognition and its measurement of ECL. Based on the consideration of external actual and forecast information, the Company forms a 'base case' view of the future direction of relevant economic variables. This process involves developing two or more additional economic scenarios and considering the relative probabilities of each outcome. The base case represents a most likely outcome while the other scenarios represent more optimistic and more pessimistic outcomes.

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances. The Company's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of the financial statements. The Company regularly reviews its models in the context of actual loss experience and makes adjustments when such differences are significantly material.

The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised as an impairment gain or loss in profit or loss.

After initial recognition, trade receivables are subsequently measured at amortised cost using the effective interest method, less provision for impairment. The Company follows the simplified approach required by Ind AS 109 for recognition of impairment loss allowance on trade receivables, which requires lifetime ECL to be recognised at each reporting date, right from initial recognition of the receivables.

2.17. Provisions and contingencies

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost. Expected future operating losses are not provided for.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

2.18. Employee benefits

(i) Short-term obligations

Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related services are rendered. The Group recognises the costs of bonus payments when it has a present obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made.

Compensated absences

The Group does not have a policy of encashment of unavailed leaves for its employees but are permitted to be carried forward subject to some prescribed maximum days. Provision is made on actual basis of accumulating compensated absences as a result of unused leave entitlement which has accumulated as at the balance sheet date.

(ii) Post-employment obligations

Defined contribution plan:
Contribution paid/payable to the recognised provident fund, which is a defined contribution scheme, is charged to the Statement of Profit and Loss in the period in which they occur.

Defined benefits plan:

Gratuity is post employment benefit and is in the nature of defined benefit plan. The liability recognised in the Balance Sheet in respect of gratuity is the present value of defined benefit obligation at the Balance Sheet date together with the adjustments for unrecognised actuarial gain or losses and the past service costs. The defined benefit obligation is calculated at or near the Balance Sheet date by an independent actuary using the projected unit credit method. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

National Pension Scheme and Employee State Insurance Corporation

Contribution paid/payable to the recognised NPS and ESIC, which is a defined contribution scheme, is charged to the Statement of Profit and Loss in the period in which they occur.

(ii) Other long-term employee benefit obligations

Heritage club benefit

Heritage club benefits are recognised as liability at the present value of defined benefits obligation as at the Balance Sheet date. The defined obligation benefit is calculated at the Balance Sheet date by an independent actuary using the projected unit credit method.

2.19. Share-based payments

Employee Stock Option Scheme (ESOS)

The Employees Stock Options Scheme ("the Scheme") has been established by the Group. The Scheme provides that employees are granted an option to subscribe to equity share of the Group that vest on the satisfaction of vesting conditions. The fair value of options granted under ESOS is recognized as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined reference to the fair value of the options granted excluding the impact of any service conditions. Information about the valuation techniques and inputs used in determining the fair value of options disclosed in note 50.

The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the service conditions. It recognizes the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment in equity.

2.20 Foreign currency translation

(i) Functional and presentation currency

Items included in consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates ('the functional currency'). The consolidated financial statements are presented in Indian rupee (INR) in lakhs rounded off to two decimal places except when otherwise stated as permitted by Schedule III to the Companies Act, 2013, which is Group's functional and presentation currency.

(ii) Translation and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognized in profit or loss

(iii) Translation of foreign subsidiaries.

All income and expense items are converted at the average rate of exchange applicable for the period. All assets and liabilities are translated at the closing rate as on the balance sheet date. The exchange difference arising out of the year-end translation is debited or credited to Translation Reserve of the respective subsidiary and is disclosed in Reserves and surplus.

2.21. Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.22. Earnings per share

a) Basic earnings per share

Basic earnings per share is calculated by dividing the net profit for the period (excluding other comprehensive income) attributable to equity share holders of the Group by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus element in equity shares issued during the year.

b) Diluted earnings per share

Diluted earnings per share is computed by dividing the net profit for the period (excluding other comprehensive income) attributable to equity shareholders by the weighted average number of shares outstanding during the period as adjusted for the effects of all dilutive potential equity shares except where the results are anti-dilutive. Further, when a subsidiary issue the potential ordinary shares that are convertible into the ordinary shares of the subsidiary, to parties other than the parent and if these potential ordinary shares of the subsidiary have a dilutive effect on the basic earnings per share of the reporting entity, they are included in the calculation of diluted earnings per share

2.23. Borrowing Costs

Expenses related to borrowing cost are accounted using effective interest rate. Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred. The difference between the discounted amount mobilised and redemption value of commercial paper is recognised in the statement of profit and loss over the life of the instrument using the EIR.

2.24 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker of the Group.

The power to assess the financial performance and position of the Group and make strategic decisions is vested in the managing director who has been identified as the Chief Operating Decision Maker

The primary business of the Group comprises of "Capital market", "Fund based activities", "Asset Management and Advisory" and "Home Finance". The business segments have been identified considering the nature of services, the differing risks and returns, the organization structure and the internal financial reporting system. Capital market activities includes Broking services to clients, research and advisory services, financial product distribution, depository services and investment banking. Fund based activities include investment activities (investment in securities and property) and financing activity. Asset management and advisory includes fee based services for management of assets. Home Finance represents interest and other related income from affordable housing finance business.

2.25. Rounding of amounts

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest lakh as per the requirements.

2.26. Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the consolidated financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed

2.27. Fiduciary assets

Assets held by the Company in its own name, but on the account of third parties, are not reported in the balance sheet. Commissions received from fiduciary activities are shown in fee and commission income.

3 Key accounting estimates and judgements

The preparation of consolidated financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.

Information about critical judgements in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes.

(a) Provision and contingent liability: On an ongoing basis, Group reviews pending cases, claims by third parties and other contingencies. Contingent losses that are considered probable, an estimated loss is

recorded as an accrual in consolidated financial statements. Loss Contingencies that are considered possible are not provided for but disclosed as Contingent liabilities in the consolidated financial statements. Contingencies the likelihood of which is remote are not disclosed in the consolidated financial statements. Gain contingencies are not recognized until the contingency has been resolved and amounts are received or receivable.

(b) Allowance for impairment of financial asset: Judgements are required in assessing the recoverability of overdue loans and determining whether a provision against those loans is required. Factors considered include the aging of past dues, value of collateral and any possible actions that can be taken to mitigate the risk of non-payment.

(c) Recognition of deferred tax assets - Deferred tax assets are recognised for unused tax-loss carryforwards and unused tax credits to the extent that realisation of the related tax benefit is probable. The assessment of the probability with regard to the realisation of the tax benefit involves assumptions based on the history of the entity and budgetal data for the future.

(d) Defined benefit plans - The cost of defined benefit plans and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long - term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(e) Share based payment – The Group account for share based payment by measuring and recognizing as compensation expense the fair value of all share-based payment awards made to employees based on estimated grant date fair values. The determination of fair value involves a number of significant estimates. The Group uses the Black Scholes option pricing model to estimate the value of employee stock options which requires a number of assumptions to determine the model inputs. These include the expected volatility of Group's stock and employee exercise behavior which are based on historical data as well as expectations of future developments over the term of the option. As stock based compensation expense is based on awards ultimately expected to vest. Management's estimate of exercise is based on historical experience but actual exercise could differ materially as a result of voluntary employee actions and involuntary actions which would result in significant changes in our share based compensation expense amounts in the future.

(f) Property, plant and equipment and Intangible Assets - Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values as per schedule II of the Companies Act, 2013 or are based on the Group's historical experience with similar assets and taking into account anticipated technological changes, whichever is more appropriate.

(g) Leases - The Group evaluates if an arrangement qualifies to be a lease as per IND AS 116.
The Group determines lease term as a non-cancellable period of a lease, together with both the period covered by an option to extend the lease if the Company is reasonably certain to exercise those options
- The determination of the incremental borrowing rate used to measure lease liabilities.

(h) Business Model assessment - Classification and measurement of financial assets depends on the results of the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This

assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company considers the frequency, volume and timing of sales in prior years, the reason for such sales, and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of a holistic assessment of how company's stated objective for managing the financial assets is achieved and how cash flows are realized. Therefore, the Company considers information about past sales in the context of the reasons for those sales, and the conditions that existed at that time as compared to current conditions.

Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

(i) De-recognition of financial instruments - In case of transfer of loans through securitisation and direct assignment transactions, the transferred loans are de-recognised and gains/losses are accounted for, only if the Company transfers substantially all risks and rewards specified in the underlying assigned loan contract. In accordance with the Ind AS 109, on derecognition of a financial asset under assigned transactions, the difference between the carrying amount and the consideration received are recognised in the Statement of Profit and Loss.

Note 4 : [illegible]	As at 31-Mar-23	As at 31-Mar-22
[illegible]	[illegible]	[illegible]
[illegible]		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]		
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]

Note 5 : Bank balances other than cash and cash equivalents	As at 31-Mar-23	As at 31-Mar-22
[illegible]*	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]

[illegible]

Note 6 : Receivables	As at 31-Mar-23	As at 31-Mar-22
(a) Trade receivables		
a) Secured, considered good	[illegible]	[illegible]
b) Unsecured, considered good	[illegible]	[illegible]
c) Credit impaired	[illegible]	[illegible]
Less : Allowance for expected credit losses	[illegible]	[illegible]
	[illegible]	[illegible]
(b) Other receivables		
a) Others	[illegible]	[illegible]
	[illegible]	[illegible]
	[illegible]	[illegible]

[illegible]

[illegible]

[illegible]

For the year ended 31 March 2023

Particulars	Outstanding for following periods from due date of payment					Loss Allowance	Total
	Less than 6 months	6 months-1 year	1 - 2 year	2 - 3 year	More than 3 years		
(i) Undisputed Trade receivables - considered good	72,662	1,477	4,858	3	408	(1,506)	77,903
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	11		-		-	11
(iii) Undisputed Trade receivables - credit impaired	-	309	749	-	-	(1,057)	-
(iv) Disputed Trade receivables - considered good	-	-	-		24,995		24,995
(v) Disputed Trade receivables - which have significant increase in credit risk			-	-	-		-
(vi) Disputed Trade receivables - credit impaired	-	-					-
Total	72,662	1,798	5,606	3	25,402	(2,563)	102,909

For the year ended 31 March 2022

Particulars	Outstanding for following periods from due date of payment					Loss Allowance	Total
	Less than 6 months	6 months-1 year	1 - 2 year	2 - 3 year	More than 3 years		
(i) Undisputed Trade receivables - considered good	72,731	1,765	1,960	2	408	(1,552)	75,314
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-		5	-	(5)	-
(iii) Undisputed Trade receivables - credit impaired	119	294	434	-	-	(846)	0
(iv) Disputed Trade receivables - considered good	-				24,995	-	24,995
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-					-
Total	72,850	2,059	2,394	7	25,402	(2,403)	100,309

SINGHI & CO. Chartered Accountants

Oswal Financial Services Ltd. Mumbai

Note 5 : Loans	As at 31-Mar-23	As at 31-Mar-22
(a) Loans-Amortised Cost		
Loans - Housing finance business	[illegible]	[illegible]
Term loans	-	[illegible]
Loans repayable on demand	[illegible]	[illegible]
Loans to staff	[illegible]	[illegible]
Mortgage backed loans	[illegible]	[illegible]
Total (a) Net	[illegible]	[illegible]
Less: Impairment loss allowance	[illegible]	[illegible]
Total (A) Net	[illegible]	[illegible]
(B) Secured by tangible assets	[illegible]	[illegible]
Secured by the right to receive future cash flows		
Unsecured	[illegible]	[illegible]
Total (B) Gross	[illegible]	[illegible]
Less: Impairment loss allowance		
Secured by tangible assets	[illegible]	[illegible]
Unsecured	[illegible]	[illegible]
Total (B) Net	[illegible]	[illegible]
(C) Loans in India		
Public sector	-	
Others	[illegible]	[illegible]
Total (C) Gross	[illegible]	[illegible]
Less: Impairment loss allowance	[illegible]	[illegible]
Total (C) Net	[illegible]	[illegible]
(D) Loans made to related parties		
Loans repayable on demand		
Term loans		-
Others	-	-
Gross amount due from related parties	-	[illegible]
Other receivables	[illegible]	[illegible]
	[illegible]	[illegible]
Notes:		
Secured	-	
Unsecured		
Key management personnel		[illegible]
Other related parties	[illegible]	[illegible]

Loans Stage and ECL Movement Notes (Gross):

(a) Loans housing finance

Particulars	As at 31 March 2023	As at 31 March 2022
Opening	[illegible]	[illegible]
Origination of new loan	[illegible]	[illegible]
Derecognition of loans	[illegible]	[illegible]
Derecognition of loans on sale of loan	[illegible]	[illegible]
Closing	[illegible]	[illegible]

(b) Break-up of loans under various stages

Particulars	As at 31 March 2023	As at 31 March 2022
Low credit risk (Stage 1)	[illegible]	[illegible]
Significant increase in credit risk (Stage 2)	[illegible]	[illegible]
Credit impaired (Stage 3)	[illegible]	[illegible]
Gross	[illegible]	[illegible]

(c) ECL movement

Particulars	As at 31 March 2023	As at 31 March 2022
Opening	[illegible]	[illegible]
ECL impairment loss allowance / Reversal of loan	[illegible]	[illegible]
Additions during the year	[illegible]	[illegible]
Closing	[illegible]	[illegible]

(d) Break-up of ECL under

Particulars	As at 31 March 2023	As at 31 March 2022
Low credit risk (Stage 1)	[illegible]	[illegible]
Significant increase in credit risk (Stage 2)	[illegible]	[illegible]
Credit impaired (Stage 3)	[illegible]	[illegible]
Closing	[illegible]	[illegible]

Note 8 : Investments

Sr. No.	Particulars	As at 31 March 2022 (Units)	As at 31 March 2022 (Amount)	As at 31 March 2021 (Units)	As at 31 March 2021 (Amount)
I	**Investments at Amortised cost**				
a)	**Investment in Non Convertible Debentures**				
	[illegible] Private Limited	-	-	[illegible]	[illegible]
	[illegible] Limited	-	-	[illegible]	[illegible]
	[illegible] Private Limited	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible] Developers Limited			[illegible]	[illegible]
	[illegible] Developers Private Limited	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible] Private Limited - Assigned	[illegible]	[illegible]		-
	[illegible] Private Limited - Stockpiled	[illegible]	[illegible]		
	[illegible] Developers Limited	[illegible]	[illegible]		-
	[illegible] Developers Private Limited	[illegible]	[illegible]		
	[illegible] Infrastructure [illegible]	[illegible]	[illegible]		-
	[illegible] Private Limited	[illegible]	[illegible]		
	Total (a)		5,227		[illegible]
	Total (I)		[illegible]		[illegible]
II.	**Investments at fair value through profit and loss account (FVTPL)**				
a)	**Equity Instruments - Unquoted - Fully paid-up**				
	Samara [illegible] Limited	[illegible]	-	[illegible]	-
	[illegible] Developers Private Limited	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible] Services Limited	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible] Private Limited	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible] Limited	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible] Limited	[illegible]	[illegible]		
	Total (a)		[illegible]		[illegible]
	Equity Instruments - Quoted - Fully paid-up				
	[illegible] Management Services [illegible]	[illegible]	[illegible]		
	[illegible] Services Limited	[illegible]	[illegible]		
	[illegible]	[illegible]	[illegible]		
	Total (b)		[illegible]		
(c)	**Preference Shares - Unquoted - fully paid-up**				
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible] Technologies Private Limited	[illegible]	[illegible]	[illegible]	[illegible]
	Total (c)		[illegible]		[illegible]
(d)	**Mutual Funds (Equity) - Quoted - fully paid-up**				
	[illegible] ETF	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]

S. No.	Particulars	As at 31 March 2023 (Units)	As at 31 March 2023 (Amount)	As at 31 March 2022 (Units)	As at 31 March 2022 (Amount)
	Motilal Oswal Nifty Bank Index Fund	[illegible]	[illegible]	[illegible]	[illegible]
	Motilal Oswal Nifty Next 50 Index Fund	[illegible]	[illegible]	[illegible]	[illegible]
	Motilal Oswal Nifty 50 Index Fund	[illegible]	[illegible]	[illegible]	[illegible]
	Motilal Oswal Nifty Next 50 Index Fund	[illegible]	[illegible]	[illegible]	[illegible]
	Motilal Oswal S&P BSE Low Volatility Index Fund	[illegible]	[illegible]	[illegible]	[illegible]
	Motilal Oswal Long Term Equity Fund	[illegible]	[illegible]	[illegible]	[illegible]
	Motilal Oswal S&P 500 Index Fund	[illegible]	[illegible]	[illegible]	[illegible]
	Motilal Oswal Nifty Bank Index Fund	[illegible]	[illegible]	[illegible]	[illegible]
	Motilal Oswal Asset Allocation Passive Fund of Fund - Conservative	[illegible]	[illegible]	[illegible]	[illegible]
	Motilal Oswal Nifty [illegible] Index Fund	[illegible]	[illegible]	[illegible]	[illegible]
	Motilal Oswal 5 Year G-Sec Fund	[illegible]	[illegible]	[illegible]	[illegible]
	Motilal Oswal Hang Seng 100 Exchange Traded Fund	[illegible]	[illegible]	[illegible]	[illegible]
	Motilal Oswal Hang Seng TECH Exchange Traded Fund	[illegible]	[illegible]		
	Motilal Oswal Fixed Maturity Plan Series [illegible]	[illegible]	[illegible]		
	Motilal Oswal Fixed Maturity Plan Series [illegible]	[illegible]	[illegible]		
	Motilal Oswal Nifty Quality Value Fund	[illegible]	[illegible]		
	Motilal Oswal NIFTY [illegible]	2,02,020	[illegible]	2,00,007	17
	Mutual Funds (Debt) - Unquoted - Fully paid units				
	HDFC Liquid Fund Fund Fund	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible] Fund	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]			[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	SBI Savings Fund	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]			[illegible]	[illegible]
	[illegible]		-	[illegible]	[illegible]
	[illegible]	15,6[illegible]	[illegible]		-
	[illegible]	[illegible]	[illegible]		-
	[illegible]	[illegible]	[illegible]		
	[illegible]	[illegible]	[illegible]		
	[illegible]	[illegible]	[illegible]		
	[illegible]	[illegible]	[illegible]		
	[illegible]	[illegible]	[illegible]		
	Total (d)		3,[illegible]		2,[illegible]
iv.	Investment in Alternative Investment funds (Equity) - Unquoted - Fully paid-up				
	Motilal Oswal Private Growth Opportunities Fund			[illegible]	[illegible]
	Motilal Oswal Private Opportunities Fund Series I	[illegible]	[illegible]		
	Motilal Oswal [illegible] Opportunities Fund [illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	Motilal Oswal [illegible] Advantage Fund	-	-	[illegible]	[illegible]
	Motilal Oswal [illegible] Advantage Fund (CIS)	-	-	[illegible]	[illegible]
	Motilal Oswal Business Advantage Fund Series-II	[illegible]	[illegible]	[illegible]	[illegible]
	Motilal Oswal Business Advantage Fund - SEQUIS-II (Class X)	[illegible]	[illegible]		[illegible]
	Motilal Oswal Malaysia Focus Fund	[illegible]	[illegible]	[illegible]	[illegible]
	Motilal Oswal Real Opportunities Fund Series I	[illegible]	[illegible]	[illegible]	[illegible]
	Motilal Oswal Real Opportunities Fund Series II (Class X)	[illegible]	[illegible]	[illegible]	[illegible]
	Motilal Oswal Real Opportunities Fund - Series III	[illegible]	[illegible]	[illegible]	[illegible]
	Motilal Oswal Real Opportunities Fund - Series III (Class X)	[illegible]	[illegible]	[illegible]	[illegible]
	Motilal Oswal Daily Dividend Fund II	[illegible]	[illegible]	[illegible]	[illegible]
	Motilal Oswal Daily Dividend Fund (class X)	[illegible]	[illegible]	[illegible]	[illegible]
	Motilal Oswal Equity Opportunities Fund Series II	[illegible]	[illegible]	[illegible]	[illegible]
	Motilal Oswal Equity Opportunities Fund Series II (Class X)	[illegible]	[illegible]	[illegible]	[illegible]
	Motilal Oswal Equity Opportunities Fund Series II	[illegible]	[illegible]	[illegible]	[illegible]
	Motilal Oswal Equity Opportunities Fund Series II (Class X)	[illegible]	[illegible]		-
	Motilal Oswal Equity Opportunities Fund Series	[illegible]	[illegible]	[illegible]	[illegible]
	Motilal Oswal Opportunities Strategy	[illegible]	[illegible]	[illegible]	[illegible]
	Motilal Oswal Opportunities Fund (Class X)	[illegible]	[illegible]	[illegible]	-
	Motilal Oswal Equity Opportunities Fund	[illegible]	1,[illegible]		1,[illegible]
	Motilal Oswal [illegible] Fund - [illegible] Series I	[illegible]	[illegible]		-
	Motilal Oswal [illegible] Fund - [illegible] Series II (Class X)	[illegible]	[illegible]		-
	Motilal Oswal Vision [illegible] Fund	[illegible]	[illegible]		-
	Motilal Oswal Vision [illegible] Fund (Class X)	[illegible]	[illegible]	-	-
	Motilal Oswal Growth Gaining Fund	[illegible]	[illegible]	-	-
	Motilal Oswal Daily Growth Fund	[illegible]	[illegible]	-	
	Total (e)		[illegible]		[illegible]
II	Associates				
	Associates - Structured units - Unquoted				
	[illegible]		[illegible]		[illegible]
	Total (f)		[illegible]		[illegible]

Sr. No.	Particulars	As at 31 March 2022 (Units)	As at 31 March 2022 (Amount)	As at [illegible] 2021 (Units)	As at [illegible] 2021 (Amount)
(c)	Other Equity Funds - Unquoted				
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	2,15,737	[illegible]	2,17,771	2,171
	[illegible]	12,95,159	[illegible]	12,25,356	12,151
	[illegible]	12,02,260	[illegible]	6,[illegible]	[illegible]
	[illegible]	7,502	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	Real Estate Funds - Unquoted				
	Investment in India Realty Excellence Fund [illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	Investment in Excellence Fund [illegible]	[illegible]	10,477	[illegible]	[illegible]
	Investment in Excellence Fund [illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	Total (g)		[illegible]		[illegible]
(d)	Investment in Security Receipt - Unquoted				
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	Total (d)		[illegible]		[illegible]
(e)	Investment in Non Convertible Debentures				
	[illegible]	[illegible]	[illegible]		
	[illegible]	[illegible]	[illegible]		
	[illegible]	[illegible]	[illegible]		
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]		[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	Total (e)		[illegible]		[illegible]
	Total (f) (a) + (b) + (c) + (d) + (e)		[illegible]		[illegible]
(f)	Investments at fair value through other comprehensive income FVOCI				
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	Investment in mutual funds - Portfolio Management Services (PMS)				
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

S. No.	Particulars	As at 31 March 2025 (Units)	As at 31 March 2025 (Amount)	As at 31 March 2024 (Units)	As at 31 March 2024 (Amount)
	[illegible]			[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]

Motilal Oswal Financial Services Limited
Consolidated Financial Statements
[illegible]

Sr. No.	Particulars	As at 31 March 2025		As at 31 March 2024	
		(Units)	(Amount)	(Units)	(Amount)
	[illegible]	3,624	[illegible]	[illegible]	[illegible]
	[illegible]	-		[illegible]	-
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Sr. No.	Particulars	As at 31 March 2022 (Crore)	(Amount)	As at 31 March 2023 (Crore)	(Amount)
	NMDC Steel Ltd	2,562	-	[illegible]	0
	Odisha Rail Ltd	[illegible]	[illegible]		
	[illegible]	[illegible]	[illegible]		
	[illegible]			[illegible]	[illegible]
	[illegible]			[illegible]	
	[illegible]	3,257	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	[illegible]	-
	[illegible]	6,351	[illegible]	-	
	[illegible]	[illegible]	[illegible]	-	
	[illegible]			[illegible]	[illegible]
	[illegible]			[illegible]	[illegible]
	[illegible]	-		[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]		[illegible]
	[illegible]			[illegible]	[illegible]
	[illegible]			[illegible]	[illegible]
	[illegible]	[illegible]		[illegible]	
	[illegible]			[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Sr. No.	Particulars	As at 31 March 2023		As at 31 March 2022	
		(Units)	(Amount)	(Units)	(Amount)
	[illegible]	195	[illegible]	[illegible]	[illegible]
	[illegible]	48,147	492	12,757	612
	[illegible]	1,525	[illegible]		[illegible]
	[illegible]	-		[illegible]	
	[illegible]	63,347	559	151,120	1,692
	[illegible]	645	[illegible]		
	[illegible]	-		[illegible]	
	[illegible]	45	[illegible]	[illegible]	-
	[illegible]		-	[illegible]	[illegible]
	[illegible]		-	[illegible]	
	[illegible]		-	[illegible]	-
	[illegible]		-	[illegible]	[illegible]
	[illegible]	-		[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]		
	[illegible]	-		[illegible]	[illegible]
	[illegible]		[illegible]	-	[illegible]
	Total (III)		[illegible]		[illegible]
	Total (I+II+III)		1,78,650		[illegible]

(i) Investments outside India	[illegible]	[illegible]
(ii) Investments in India	4,01,461	[illegible]
Total	1,78,650	[illegible]

Note 9 : Other financial assets

	As at 31-Mar-23	As at 31-Mar-22
Bank deposits, with interest accrued	[illegible]	[illegible]
Deposits with exchanges and other [illegible]	[illegible]	[illegible]
Securities [illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]

[illegible]

Note 10 : Current tax assets (net)

	As at 31-Mar-23	As at 31-Mar-22
Advance tax (net of provision for taxation)	[illegible]	[illegible]
	[illegible]	[illegible]

Note 11 : Deferred tax assets (net)

	As at 31-Mar-23	As at 31-Mar-22
Deferred tax assets (refer note [illegible])	[illegible]	[illegible]
	[illegible]	[illegible]

Note 2 - Property, plant and equipment

Particulars	Gross Block				Depreciation / amortisation				Net Block	
	Balance as at 31 April 2021	Additions	Disposal	Balance as at 31 March 2021	Balance as at 01 April 2021	During the year	Disposal	Balance as at 31 March 2021	Balance as at 31 March 2021	Balance as at 31 March 2020
(a) Property, plant and equipment										
Computer	1,721	414	-	2,045	1,213	223		1,436	609	507
Furniture and fixtures	3,211	54	-	3,265	3,015	120		3,135	117	197
Office equipment	4,845	370		5,215	4,215	404	-	4,619	596	631
Mobile phone	1			1	1	-		1	-	-
Building	20,315	7,777		28,092	1,450	1,301	-	2,751	25,341	2,[illegible]
Plant and machinery	11,127	3,534		14,661	1,419	1,519	-	2,938	11,723	9,708
Motor vehicle	219	-		219	207	3	-	210	10	12
Leasehold improvements	1,351	42		1,393	1,301	115		1,416	277	52
Land	3,857	2,205	-	6,062	-				6,062	3,857
Vehicles	1,116	593	-	1,709	543	182		1,727	982	573
Office premises	5,500	3,582	-	9,082	5,196	1,113	-	6,309	2,773	304
Total (a)	53,513	18,567		72,080	20,067	4,981	-	25,048	47,032	33,446
(b) Other Intangible assets										
Trademarks	618			618	618			618	-	-
Domain name	1			1	1			1		-
Customer rights	1,152	-		1,152	856	39		895	257	296
Licenses	19	-	-	19	3			3		
Software	9,199	3,943	-	13,142	5,152	1,377		7,529	5,613	4,047
Goodwill	9	-	-	9	20	-	-	20		
Total (b)	11,018	3,943		14,961	6,650	1,416	-	8,066	6,895	4,368
Total (a + b)	64,531	22,510		87,041	26,717	6,397	-	33,114	53,927	37,814

Particulars	Gross Block				Depreciation / amortisation				Net Block	
	Balance as at 01 April 2021	Additions	Disposal	Balance as at 31 March 2021	Balance as at 01 April 2021	During the year	Disposal	Balance as at 31 March 2022	Balance as at 31 March 2022	Balance as at 31 March 2021
(a) Property, plant and equipment										
Computer	1,515	211		1,726	1,136	154	-	1,290	436	379
Furniture and fixtures	3,145	71		3,216	3,030	155		3,185	031	115
Office equipments	4,692	218		4,929	3,511	395		4,231	698	1,181
Mobile phone	1	-		1	1			1		
Building	20,673	1,422	-	22,220	7,573	877		8,450	13,770	13,100
Plant and machinery	9,561	1,448	-	11,017	1,561	958		2,519	8,498	9,711
Furniture equipment	219	1	-	220	103	15	-	118	102	116
Leasehold improvements	1,316	172	-	1,488	1,165	122	-	1,287	201	151
Land	3,857		-	3,857	-	-	-	-	3,857	3,857
Vehicles	573	211		784	543	113	-	655	129	103
Office premises	7,751	302		8,053	5,314	1,113	-	6,427	1,626	2,773
Total (a)	53,303	4,442	-	57,745	23,937	3,902	-	27,839	29,906	29,366
(b) Other Intangible assets										
Trademarks	618			618	618	-	-	618		
Domain name	1			1	1	-	-	1		
Customer rights	1,152			1,152	856	61	-	917	235	297
Licenses	19			19	19		-	19	-	-
Software	8,142	1,023		9,165	5,953	1,464		7,417	1,748	2,189
Goodwill	9	-	-	9	20			20	9	-
Total (b)	10,941	1,023		11,964	7,467	1,525		8,992	2,972	2,486
Total (a + b)	64,244	5,465		69,709	31,404	5,427	-	36,831	32,878	31,852

Note: [illegible] have no change of control due to revaluation to Property, plant and equipment and other Intangible assets during the year ended 31 March 2021 and 31 March 2022. There has been acquisition of a subsidiary during the year as a result of which 70% of the same has been consolidated above as per Ind AS 103.

[illegible] Financial Services Limited
Notes to the Consolidated Financial Statements
(a) Currency: [illegible] (Amount in [illegible])

Note 13 : Other non financial assets	As at 31-Mar-23	As at 31-Mar-22
Prepaid expenses	[illegible]	[illegible]
Advances and other non financial assets	[illegible]	[illegible]
Balance with Government	[illegible]	[illegible]
Stock of stamps	6	6
Cash balances	[illegible]	[illegible]
	75,638	30,540

Note 14 : Payables	As at 31-Mar-23	As at 31-Mar-22
(a) Trade payables#		
(i) total outstanding dues of Micro & small enterprises*	-	-
(ii) total outstanding dues of creditors other than Micro enterprises and small enterprises	[illegible]	[illegible]
	1,64,142	3,10,169

Trade payables include balances that are payable on demand or within a short period of time, which are insignificant in terms of value.

*Due to Micro and Small Enterprises
The Micro and Small Enterprises have been identified on the basis of the information provided by the vendors to the Company.

	As at 31-Mar-23	As at 31-Mar-22
The principal amount remaining unpaid at the year end		
Interest amount remaining unpaid at the year end		
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year, total accumulated		-
The amount of interest due and payable for the year (where the interest has been paid but not included in the MSMED Act, 2006 not exceed)		
The amount of interest accrued and remaining unpaid at the year end		-
The amount of further interest due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23		
Tax benefit of [illegible] per section at the year end		

SINGHI & CO. Chartered Accountants

Oswal Financial Services Ltd. Mumbai

Note 14 (i) : Trade Payables ageing schedule

For the year ended 31 March 2023

Particulars	Outstanding for following periods from the date of transactions				
	Less than 1 year	1 - 2 year	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	
(ii) Others	3,19,635	248	55	320	3,20,266
(iii) Disputed dues - MSME	-	-	-	-	
(iv) Disputed dues - others	-	-	-	24,576	24,576
Total	**3,19,635**	**248**	**55**	**24,905**	**3,44,842**

For the year ended 31 March 2022

Particulars	Outstanding for following periods from the date of transactions				
	Less than 1 year	1 -2 year	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	3,45,081	73	45	311	3,45,510
(iii) Disputed dues - MSME	-				-
(iv) Disputed dues - others	-	-	-	24,576	24,576
Total	**3,45,081**	**73**	**45**	**24,887**	**3,70,086**

Note 15 : Debt securities	As at 31-Mar-22	As at 31-Mar-21
At Amortised cost		
Secured		
Secured redeemable non convertible debentures	1,15,750	1,15,250
Unsecured		
Unsecured redeemable non convertible debentures	[illegible]	[illegible]
Commercial paper	[illegible]	[illegible]
	6,96,512	3,50,550
Debt Securities in India	[illegible]	[illegible]
Debt Securities Outside India	-	-
	6,96,512	3,96,580

Note: Reference of Security details of secured provided against the debt securities issued by the Group

Note 16 : Borrowings (Other than debt securities)	As at 31-Mar-22	As at 31-Mar-21
At Amortised cost		
Term loans		
(i) from banks	1,42,620	1,45,[illegible]
(ii) from financial institutions	11,583	11,[illegible]
(iii) [illegible] NHB Refinance	[illegible]	[illegible]
(iv) [illegible]	[illegible]	[illegible]
Repayable on demand loans*		
(i) from banks	99,382	25,[illegible]
(ii) [illegible]	[illegible]	[illegible]
Cash credit from banks #	[illegible]	[illegible]
Total (A)	3,51,091	3,16,271
In India	3,05,672	2,[illegible]
Borrowings outside India	[illegible]	[illegible]
Total (B)	3,51,091	3,16,271
Secured	3,51,091	2,[illegible]
Unsecured		
Total (C)	3,51,091	3,16,271

*Secured loan from banks and non banks are secured against the property, plant and equipment and trade receivables of the group. Further, the [illegible] of disclosure in the quarterly returns to stock exchanges filed by the Group with Bombay Stock Exchange [illegible] are in agreement with the books of accounts.

Cash credit from banks of Rs. 0.48 lakhs and [illegible] lakhs represents drawn bank overdraft [illegible] as at 31 March 2022 and 31 March 2021 respectively.

[illegible] It includes borrowings from Non-Banking Financial Company which is secured against [illegible] Rs. [illegible] lakhs from The Tata Power Renewable Energy Limited [illegible] of 9% p.a. which is payable on [illegible]

SINGHI & CO. Chartered Accountants

Kotak Mahindra Prime Ltd. Mumbai

As at 31 March 2023

NCD Series	Units	Amount	Security provided	Charge %	Rate of Interest	Maturity Date
SERIES [illegible] / FY 21 / FY 24	10	192	Pari Passu on All present & future margin funding receivables	1 times of the amount outstanding principal & interest	8.25%	15-Apr-23
SERIES [illegible] / FY 22 / FY 24	30	360	Pari Passu on All present & future margin funding receivables	1 times of the amount outstanding including interest	8.00%	[illegible]
SERIES [illegible] / FY 21 / FY 24	149	2,886	Pari Passu on All present & future margin funding receivables	1 times of the amount outstanding including interest	8.00%	[illegible]
SERIES [illegible] / FY 21 / FY 24	321	3,807	Pari Passu on All present & future margin funding receivables	1 times of the amount outstanding including interest	8.00%	[illegible]
SERIES [illegible] / FY 23 / FY 25	5,000	50,000	Pari Passu on all present & future receivables (Margin Funding receivables & receivables from Other Receivables etc)	1.1 times of the amount outstanding including interest	[illegible]	[illegible]
SERIES M-2 / FY 22 / FY 25	967	10,000	Pari Pass on All present & future receivables arising from security receipts & or Receivables of the Company	1.1 times of the amount outstanding including interest	8.50%	30-Dec-[illegible]
SERIES M-3 / FY 23 / FY 25	358	3,000	Pari Passu on All present & future receivables arising from security receipts & or Receivables of the Company	1.1 times of the amount outstanding including interest	8.50%	[illegible]
SERIES M-1 / FY 22 / FY 24	155	1,580	Pari - passu charge on all present and future Margin funding facility receivables	1.1 times of the amount outstanding including interest	7.25%	[illegible]
SERIES M-2 / FY 23 / FY 25	284	2,840	Pari - passu charge on all present and future Margin funding facility receivables	1.1 times of the amount outstanding including interest	7.60%	[illegible]
SERIES A-6 / FY 21 / FY 21 INE[illegible]	500	5,000	Exclusive charge over specific receivables	1.1 times of the amount outstanding	9.60%	[illegible]
SERIES A-7 / FY 21 / FY 21 INE[illegible]	[illegible]	5,000	Exclusive charge over specific receivables	1.1 times of the amount outstanding	9.50%	[illegible]
SERIES A-8 / FY 21 / FY 21 INE[illegible]	250	2,500	Exclusive charge over specific receivables	1.1 times of the amount outstanding	9.75%	[illegible]
SERIES A (2016-17) / 07 INE[illegible]	977	9,771	Exclusive charge over specific receivables	1.25 times of the amount outstanding	9.85%	15-May-23
SERIES A-9 / FY 22 / FY 24 INE[illegible]	750	7,500	Exclusive charge over specific receivables	1.25 times of the amount outstanding	9.15%	[illegible]
Grand Total	14,300	1,12,062				

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Motilal Oswal Financial Services Ltd. Mumbai

As at 31 March 2022

NCD Series	Units	Amount	Security provided	Charge %	Rate of Interest	Maturity date
SERIES FY 22/ FY 24	700	7,000	Pari - passu charge on all present and future Margin funding facility receivables	1 times of NCDs outstanding and Interest/Coupon due on the NCDs.	7.20%	14-Mar-24
SERIES FY 21/ FY 23	1,050	10,500	Pari - passu charge on all present and future Margin funding facility receivables	05 times of NCDs outstanding and Interest/Coupon due on the NCDs.	7.90%	03-Mar-24
SERIES FY 21/ FY 24	1,900	19,000	Pari - passu charge on all present and future Margin funding facility receivables	1.05 times of NCDs outstanding and Interest/Coupon due on the NCDs	7.95%	30-Nov-23
SERIES NCD 2 /FY 21 /FY 24	128	1,280	Pari - passu charge on Margin funding receivables	1 times of the amount outstanding	8.00%	26-Jul-23
SERIES NCD 3 /FY 21 /FY 24	30	300	Pari - passu charge on Margin funding receivables	1 times of the amount outstanding	8.00%	23-Sep-23
SERIES NCD 4 /FY 21 /FY 24	140	1,400	Pari - passu charge on Margin funding receivables	1 times of the amount outstanding	7.80%	20-Oct-23
SERIES NCD 5 /FY 21 /FY 24	75	750	Pari - passu charge on Margin funding receivables	1 times of the amount outstanding	7.70%	20-Jul-23
SERIES NCD 6 /FY 21 /FY 24	63	630	Pari - passu charge on Margin funding receivables	1 times of the amount outstanding	7.61%	20-Jul-23
SERIES NCD 7 /FY 21/ FY 23	500	5,000	Exclusive charge over specific receivables	1.1 times of the amount outstanding	9.90%	30-Jun-23
SERIES NCD 8 /FY 21/ FY 23	500	5,000	Exclusive charge over specific receivables	1.1 times of the amount outstanding	9.90%	30-Jun-23
SERIES NCD 9 /FY 21/ FY 23	250	2,500	Exclusive charge over specific receivables	1.1 times of the amount outstanding	9.75%	30-Jun-23
SERIES MD /FY 21 /FY 23	512	5,120	Exclusive charge over specific receivables	1 times of the amount outstanding	8.50%	01 Jun 23
SERIES A (2019-10/11)	900	9,000	Exclusive charge over specific receivables	1.2 times of the amount outstanding	9.05%	15 Nov 21
SERIES A-9 / FY 21 / FY 23	750	7,500	Exclusive charge over specific receivables	1.25 times of the amount outstanding	9.45%	21 Apr 23
SERIES M 1 /FY 21 /FY 24	375	3,750	Pari - passu charge on Margin funding receivables	1 times of the amount outstanding	9.25%	18-Aug-23

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[illegible]	[illegible]	1,095	Pari-passu charge on Margin funding receivables	1 times of the amount outstanding	8.25%	18-Apr-23
[illegible]	[illegible]	1,084	Pari-passu charge on Margin funding receivables	1 times of the amount outstanding	8.25%	18-Apr-23
[illegible]	250	2,500	Pari-passu charge on Margin funding receivables	1 times of the amount outstanding	8.25%	[illegible]-Apr-23
[illegible]	3	31	Pari-passu charge on Margin funding receivables	1 times of the amount outstanding	8.25%	[illegible]-Apr-23
[illegible]	162	1,490	Pari-passu charge on Margin funding receivables	1 times of the amount outstanding	9.50%	18-Apr-23
[illegible]	570	5,705	Exclusive charge over specific receivables	1 times of the amount outstanding	9.80%	[illegible]
[illegible]	2,000	20,000	Exclusive charge over specific investments	1.5 times of the amount outstanding	[illegible]	21-Sep-22
[illegible]	351	3,351	Exclusive charge over specific receivables	1 times of the amount outstanding	9.25%	18-May-22
Grand Total	11,477	1,14,975				

Note : Repayment schedule excludes unamortised borrowing cost of Rs. 262 lacs and Rs. 126 lakhs respectively as at 31 March 2023 and 31 March 2022.

Unsecured Debentures and Bonds- As at 31 March 2023

NCD Series	Amount	Units	Interest Rate	Maturity date
SERIES A (2016-17)/11 INE658I08125	2,500	250	11.00%	10-Aug-23
Series MOFIL C 61 FY2021-22 INE658I08156 (previous ISIN INE658I08175)	29,000	2,900	7.72%	6-Feb-25
Total	**31,500**	**3,150**	Total	

Unsecured Debentures and Bonds As at 31 March 2022

NCD Series	Amount	Units	Interest Rate	Maturity date
SERIES A (2016-17)/11 INE658I08125	2,500	250	11.00%	10-Aug-23
Series MOFIL C 61 FY2021-22 INE658I08175	29,000	2,900	6.70%	6-Feb-25
Series MOFIL C 71 FY2021-22 INE658I08184	1,000	100	6.75%	31-Jan-25
Total	32,500	3,250	Total	

i) Rate of interest on term credit is 10.10% [illegible] and is secured by way of hypothecation of receivables [illegible] and repayable on demand.

h) Securitised liability represents amounts received on sale of securitised transactions (net of repayments & [illegible]) [illegible]

[illegible] Income equity [illegible] are secured by way of hypothecation of designated receivables.

g) The International Development Finance Corporation (JDFC) has provided long term [illegible] and some [illegible] acquired in [illegible] Gold Loan.

e) During the year under audit, the group had made [illegible] payments to banks or financial institutions as described earlier; however, there were no [illegible] noted in the [illegible] financial statements / returns filed and the financial statements of the respective quarter.

c) Terms of repayment of term loans

As at 31 March 2023

(i) Term loans from banks, NHFC and others

Maturity	0-1 years	1-3 years	3-5 years	> 5 years	Total
Rate of interest					
4.00% to 10.21% annually*	43,522	66,940	46,271	32,920	1,91,653
Total	43,522	66,940	46,271	32,920	1,91,653

(ii) Terms of maturity of securitisation liability

Maturity	0-1 years	1-3 years	3-5 years	> 5 years	Total
Rate of interest					
9.00% per annum	338	1,100	1,081	8,865	11,584
Total	338	1,100	1,081	8,865	11,584

(iii) Term loan ECB

Maturity	0-1 years	1-3 years	3-5 years	> 5 years	Total
Rate of interest					
6.31% to 7.16% (6 M Libor + [illegible] bps)*		2,051	3,801	17,777	24,401
Total	-	2,051	3,801	17,777	24,401

As at 31 March 2022

(i) Term loans from banks, NHFC and others

Maturity	0-1 years	1-3 years	3-5 years	> 5 years	Total
Rate of interest					
4.25% to 9.65% annually*	54,333	58,296	26,840	24,277	1,63,746
Total	54,333	58,296	26,840	24,277	1,63,746

(ii) Terms of maturity of securitisation liability

Maturity	0-1 years	1-3 years	3-5 years	> 5 years	Total
Rate of interest					
7.30% annually	640	1,389	1,423	11,281	14,733
Total	640	1,389	1,423	11,281	14,733

(iii) Term loan ECB

Maturity	0-1 years	1-3 years	3-5 years	> 5 years	Total
Rate of interest					
7.12% annually*	-	2,264	5,053		7,317
Total	-	2,264	5,053	-	7,317

* Secured against hypothecation of receivables [illegible] (Refer note 47)

Commercial Papers As at 31 March 2023

Rate of interest ranging from 5.00% - 9.9% on commercial paper outstanding.

The aforesaid commercial paper are repayable on maturity and the tenure is 30 days to 365 days

Commercial Papers As at 31 March 2022

Rate of interest is ranging from 4.55% - 6.25% on commercial paper outstanding

The aforesaid commercial paper are payable on maturity and the tenure is 30 days to 365 days

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Motilal Oswal Financial Services Ltd. Mumbai

Note 34: Deposits	As at 31-Mar-23	As at 31-Mar-22
Security deposit	[illegible]	[illegible]
	[illegible]	[illegible]

Note 35: Other financial liabilities	As at 31-Mar-23	As at 31-Mar-22
Interest accrued but not due on borrowings and debentures	[illegible]	[illegible]
Unpaid dividend	[illegible]	[illegible]
Employee payable	[illegible]	[illegible]
Other payable	[illegible]	[illegible]
Accrued Gratuity and Leave Encashment	[illegible]	[illegible]
Provision for Expenses	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible] (refer note 41)	[illegible]	[illegible]
	2,43,436	33,500

Note 36: Current tax liabilities (net)	As at 31-Mar-23	As at 31-Mar-22
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]

Note 37: Provisions	As at 31-Mar-23	As at 31-Mar-22
Employee benefits		
Gratuity (refer note 41.4)	[illegible]	[illegible]
Earned Leave (refer note 41.4)	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible] (refer note [illegible])	[illegible]	[illegible]
Compensated absences (refer note 41)	[illegible]	[illegible]
	[illegible]	24,423

Note 38: Deferred tax liabilities (net)	As at 31-Mar-23	As at 31-Mar-22
Deferred tax liabilities (Refer note 38)	[illegible]	[illegible]
	[illegible]	[illegible]

Note 38: Other non financial liabilities	As at 31-Mar-23	As at 31-Mar-22
[illegible]	[illegible]	[illegible]
Withholdings and other taxes payable	[illegible]	[illegible]
Other liabilities*	[illegible]	
	[illegible]	[illegible]

*[illegible]

[illegible]

[illegible]

[illegible]	[illegible]		[illegible]	
	Number	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]	[illegible]		[illegible]	
	[illegible]	[illegible]	Number	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]

[illegible]

[illegible]	[illegible]		[illegible]	
	Number	[illegible]	Number	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]	[illegible]		[illegible]		
	Number	[illegible]	Number	[illegible]	
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

Note 24: Other Equity	As at 31 Mar 23	As at 31-Mar-22
1) Reserves and surplus:		
a) Statutory reserve		
Balance at the beginning of the year	7,987	9,487
Add: Transfer from Retained earnings	1,021	2,121
Less: Transfer to general reserve	-	(3,621)
Balance at end of the year	8,008	7,987

In the previous year ended, Reserve of Rs.3,621 lakhs pertaining to Tax, DPT, or securities premium, was been transferred to general reserve after taking appropriate [illegible]
[illegible]

b) Capital redemption reserve		
Balance at the beginning of the year	2,527	1,527
Add: Transfer from Retained earnings	15	-
Balance at end of the year	2,538	2,527
c) Securities premium		
Balance at the beginning of the year	51,251	46,612
Add: Premium during the year on issue of equity shares	2,473	3,392
Add: Transfer from Employee stock options reserve	79	1,047
Less: Buyback of shares	(10,346)	
Balance at end of the year	43,457	51,251
e) Employee stock options outstanding reserve		
Balance at the beginning of the year	7,111	3,751
Add: Granted during the year	1,816	5,411
Less: Vested Stock options transferred to capital	(76)	(1,147)
Less: Transfer to General reserve	(325)	
Balance as at end of the year	8,548	7,015
f) Capital reserve on consolidation		
Balance at the beginning of the year	3,609	5,034
Add: Gain on Bargain Purchase*	315	
Less: Adjustment during the period		(1,425)
Balance as at end of the year	3,924	3,609
*Refer note [illegible]		
2) General reserve		
Balance at the beginning of the year	14,091	14,411
Add: Transfer from Employee stock options outstanding reserve	325	-
Add: Transfer from Other comprehensive income	18,027	
Add: Transfer from Statutory reserve		2,121
Balance as at end of the year	32,443	14,091
g) Foreign currency translation reserve		
Balance at the beginning of the year	(26)	(26)
Add: Gain during the year	412	[illegible]
Balance as at end of the year	386	(98)
3) Retained earnings		
Balance at the beginning of the year	4,30,698	3,2,,438
Add: Profit for the year	93,101	1,02,971
Add: Actuarial gain/(loss) - net of income tax (refer note [illegible])	177	[illegible]
Less: Dividend Paid	(1,419)	(7,302)
Less: Transfer to General reserve	(18,027)	(1,342)
Less: Transfer to Statutory reserve	(1,021)	(2,121)
Less: Effect of [illegible]		(15)
Less: Provision of Stamp Duty*	-	(2,469)
Less: [illegible]	(3,545)	-
Less: Dividend distributed	(2,211)	
Less: Transfer to Non-controlling interest	(129)	(7,171)
Balance at end of the year	4,94,992	4,18,858

4. As per [illegible] charge, [illegible] other income under the head income and expenses [illegible] Transfer Company Ltd [illegible] Transfer Company Ltd. Mandate vide Internal Service [illegible]

[illegible] Transfer Company [illegible] Rs.[illegible] lakhs [illegible] Transfer Company [illegible] Transfer Company [illegible] Rs.[illegible] lakhs [illegible]

[illegible] Transfer Company [illegible] Rs.[illegible] lakhs [illegible]

j) Other comprehensive income		
Balance at the beginning of the year	46,125	41,150
Add: Other comprehensive income for the year	(1,771)	3,975
Less: Transfer to general reserve	(1,197)	
	21,154	46,125
k) Impairment reserve		
Balance at the beginning of the year	90	57
Add: Transfer from statement of profit and loss	-	33
	90	90
	6,33,745	5,03,745

Nature and purpose of Other Reserves:

Statutory Reserve

The Company maintains statutory reserve in accordance with the provisions of section 45-IC of the Reserve Bank of India Act, 1934 and transfers therein an amount of not less than twenty percent of the net profit of the year, before dividend, as disclosed.

Capital Redemption Reserve

The capital redemption reserve is created on the redemption of preference shares or any other securities by such entity. The reserve shall be utilized in accordance with provisions of the Act.

Securities Premium

Security premium reserve is created for premium received on issue of shares and is utilized for purchase of shares, issue of bonus shares, etc. in accordance with the provisions of the Act.

Employee stock options outstanding reserve

Stock options outstanding reserve represents the grant date fair value of equity settlement share based payments to employees and other parties, to the extent not expired or forfeited.

Capital reserve on consolidation

Capital reserve represents the excess of net assets over the cost of investment in subsidiaries.

General reserve

The general reserve is a free reserve maintained by the Company. As and when a portion of the profit is transferred to the general reserve, the Company is required to transfer an amount equal to the difference between the cost of the shares and the nominal value of the shares held by the Company in its subsidiaries to the general reserve. The general reserve is used to transfer the profits from one period to another.

Foreign currency translation reserve

The foreign currency translation reserve represents the exchange differences arising on the financial statements of foreign operations.

Impairment reserve

Where in accordance with the requirements of Ind AS 109 read with Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 read with Companies (Indian Accounting Standards) Amendment Rules, 2020 read with Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 read with Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Amendment Directions, 2023 the balance in the Impairment reserve is less than the required expected credit loss provision, the difference is transferred to the Impairment reserve. The balance in the Impairment reserve shall not be reversed or utilised for any purpose but shall be transferred to the statutory reserve upon the expiry of the prescribed period.

Retained earnings

Retained earnings represents the accumulated profits of the company.

Other comprehensive income

Other comprehensive income consists of cumulative gain on the fair valuation of equity instruments measured at FVOCI, net of tax, foreign currency translation reserve.

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Note 25 : Interest Income	For the year ended 31 March 2024	For the year ended 31 March 2023
On financial assets measured at amortised cost		
Interest Income on Loan		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Interest Income on other activity		
Brokerage income	[illegible]	[illegible]
Margin Funding	[illegible]	[illegible]
Other advances to customers	[illegible]	[illegible]
Interest on deposits with Banks		
Fixed deposits	[illegible]	[illegible]
	1,27,570	1,03,425

[illegible]

Note 26 : Dividend income	For the year ended 31 March 2024	For the year ended 31 March 2023
Dividend Income	[illegible]	[illegible]
	[illegible]	[illegible]

Note 27 : Rental Income	For the year ended 31 March 2024	For the year ended 31 March 2023
Rent income	[illegible]	[illegible]
	[illegible]	[illegible]

Note 28 : Fees and commission income	For the year ended 31 March 2024	For the year ended 31 March 2023
Brokerage and related activities		
Brokerage income	[illegible]	[illegible]
Research advisory fees	[illegible]	[illegible]
Distribution income	[illegible]	[illegible]
Demat income	[illegible]	[illegible]
	[illegible]	[illegible]
Investment banking fees	[illegible]	[illegible]
Asset management and advisory fees		
Portfolio Management fees	[illegible]	[illegible]
Investment management and advisory fee from		
- Mutual fund	[illegible]	[illegible]
- Alternate investment fund	[illegible]	[illegible]
Private Equity	[illegible]	[illegible]
Wealth management	[illegible]	[illegible]
	[illegible]	[illegible]
	2,24,442	2,16,130

Note 29 : Net gain on fair value changes	For the year ended 31 March 2024	For the year ended 31 March 2023
On financial instruments designated at fair value through profit or loss	[illegible]	[illegible]
	15,606	69,904
Fair value changes:		
Realised	[illegible]	12,714
Unrealised	[illegible]	[illegible]
	13,570	49,505
Net gain on fair value changes attributable to		
Profit or Loss [illegible]	[illegible]	[illegible]
Brokerage and related revenue	[illegible]	[illegible]
Asset Management and Advisory fees	[illegible]	[illegible]
Other Income	[illegible]	[illegible]
	13,570	49,505

Note 30 : Other operating income	For the year ended 31 March 2024	For the year ended 31 March 2023
Dividend Income		
Profit on sale of investments	[illegible]	[illegible]
Investment [illegible]	[illegible]	[illegible]
Asset management fees	[illegible]	[illegible]
Miscellaneous Income		[illegible]
Other Income [illegible]	[illegible]	[illegible]
	[illegible]	[illegible]

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Oswal Financial Services Ltd. Mumbai

Note 31 : Other income	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit on sale of property, plant and equipment	-	5
Interest income	64	122
Other non operating income	1,899	1,825
Dividend [illegible]	12	6
Net gain/loss on foreign currency transaction and translation	32	36
	2,008	1,994

Note 32 : Finance cost	For the year ended 31 March 2023	For the year ended 31 March 2022
On Financial liabilities measured at Amortised Cost		
Interest on borrowings	32,375	38,132
Interest on debentures	11,451	[illegible]
Other borrowing cost	2,156	[illegible]
Interest on lease liability (refer note 41)	451	[illegible]
	38,353	47,177

Note 33 : Fees and commission expense	For the year ended 31 March 2023	For the year ended 31 March 2022
Brokerage, Sourcing and intermediaries		
Brokerage	32,360	31,150
Credit [illegible]	1,476	361
	33,836	31,511
Processing fees		
Processing	290	306
	290	306
Depository and processing charges		
Demat	1,271	1,302
Asset Management	77	223
	1,348	1,511
Distribution cost and sell cost expense		
[illegible]	[illegible]	[illegible]
Advertisement [illegible]	[illegible]	[illegible]
	31,356	16,345
Advisory, referral and other expenses		
Brokerage	331	332
Travel expense	231	[illegible]
	1,016	1,460
	66,131	48,355

Note 34 : Impairment on financial instruments	For the year ended 31 March 2023	For the year ended 31 March 2022
Impairment on financial instruments at Amortised cost		
Loans	2,731	7,115
Receivables	1,318	2,317
	4,074	9,432

Note 35 : Employee benefits expenses	For the year ended 31 March 2023	For the year ended 31 March 2022
Salary, bonus and allowances	10,601	14,207
Contribution to provident fund and other funds	3,195	2,210
Expenses on employee stock option scheme (refer note 40)	2,307	2,469
Staff welfare expenses	3,630	2,000
Leave encashment and gratuity benefits (refer note 40)	1,163	637
	20,936	22,521

Note 36 : Depreciation and amortisation expenses	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation on property, plant and equipment (refer note 1)	2,224	2,663
Amortisation of intangible assets	1,994	1,561
Amortisation on right of use assets (refer note 41)	1,312	1,004
	5,530	5,226

Note 27 Other expenses	For the year ended 31 March 2023	For the year ended 31 March 2022
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

Note : 35.1 Tax expense

The Group uses the accounting profit method to reconcile its tax expense. The taxes of foreign companies are based on the income generated and taxes payable for the reporting period (current tax), but there is also a deferred tax liability or deferred tax asset arising from prior periods due to income or expenses being recognized in a different period for tax and accounting purposes (deferred tax). Tax is charged to equity when the tax benefit exceeds the cumulative income or expense in the profit or loss. The tax expense for the current year is according to the tax laws of India. Income taxes have been charged or otherwise provided by the balance sheet date. Management periodically evaluates positions taken in tax returns in respect of situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate, on the basis of amounts expected to be paid to the tax authorities. Deferred tax is provided, using the liability method, on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax is recognized in respect of all temporary differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. A deferred tax asset is recognized when it is probable that future taxable profits will be available against which temporary differences can be utilized. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the periods in which the temporary differences are realized or settled, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
A. Tax expense recognized in Profit & loss		
Current tax expense		
Current tax for the year	29,662	29,568
Total current tax expense	35,064	31,585
Deferred taxes		
Changes in deferred tax liabilities	[illegible]	[illegible]
Net deferred tax expense	3,823	7,139
Short/(excess) provision for earlier years	55	(189)
	38,943	38,535
B. Tax recognized/(reversed) through other comprehensive income		
Particulars		
Remeasurement of defined benefit plan	(63)	(64)
Equity instruments through other comprehensive income	695	(214)
Total	632	(278)

Note : 35.2 Tax reconciliation (for profit and loss)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Profit/(loss) before income tax expense	1,24,225	1,51,581
Applicable tax rate	25.14%	25.14%
Tax at the rate	31,237	38,070
Tax effect of amounts which are not deductible / not taxable in calculating taxable income		
Expenses not deductible for tax purposes	641	141
Tax-exempt income	(19,[illegible])	(9,[illegible])
Reversal of Deferred tax	(73)	(5,[illegible])
Tax adjustment of previous years	55	(189)
Tax exemption on capital reserve	(531)	(2,[illegible])
[illegible]		125
Prior Period tax liability on assessment	51	(9)
[illegible] for the year		(14)
Miscellaneous disallowance	(110)	(76)
Remeasurement of defined benefit plan	71	25
Origination and reversal of temporary difference	2,448	[illegible]
Effect of different tax rate in subsidiaries and associates	(2,617)	(3,[illegible])
Effective tax	30,943	30,101

Note 14A Net Deferred Tax

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Deferred tax liability on account of:		
Timing differences in property, plant and equipment as per books and Income Tax Act, 1961	1,620	1,324
Unrealised gain / (loss) on financial instruments	11,749	11,100
Amortisation of debenture issue	2,372	4,712
Impairment of loans and trade receivables	(1,770)	(190)
Provision for employee benefits	(1,530)	(248)
Deferred tax liability / (asset) on account of income taxes	(84)	(75)
Expense disallowance u/s 43B on payment basis	(510)	(561)
Impairment of investments		(325)
Loss on private equity investment	-	4
Net deferred tax liability		(1,175)
Remeasurement of defined benefit plan	-	41
Effect of difference between carrying value and tax base of investments	(11)	(127)
Total deferred tax liabilities (A)	21,836	16,757
Deferred tax assets on account of:		
Impairment of loans and trade receivables	1,782	1,314
Capital loss carry forward	6	30
Timing differences in property, plant and equipment as per books and as per Income Tax Act, 1961	104	42
Amortisation of debenture issue	4,184	3,620
Provision for employee benefits	71	120
Deferred tax asset on account of income taxes	11	15
Unrealised gain / (loss) on financial instruments	1,132	95
Preliminary expense	5	5
Unrealised accounting gain	(216)	419
Deposit and term liquidation	58	59
Business remained u/s 35(1)(ii) of Income Tax Act	45	46
Total deferred tax assets (B)	6,987	6,352
Net Deferred tax (assets) / Liabilities (A-B)	14,879	10,412

Note : 28.6 Movement of Deferred Tax

Particulars	As at 31 March 2023	Recognised through retained earnings	Recognised through Other Comprehensive Income	As at 31 March 2022	Recognised through profit and loss	Recognised through Other Comprehensive Income	As at 01 April 2021
Deferred tax liabilities on account of:							
Timing difference in Property, plant and equipment as per Income Tax Act, 1961	1,629	105		1,521	56		1,465
Unrealised gain / (loss) on financial instruments	15,647	(769)		16,416	3,011		13,405
Amortisation of distribution costs	7,507	1,535	-	5,972	3,420		2,552
Impairment of loans and trade receivables	(1,306)	(510)	-	(796)	(271)		(525)
Provision for employee benefits	(135)	103		(238)	(122)		(116)
Long term Capital Loss carried forward	(29)	46	-	(75)	(54)	-	-
Provision for leave encashment / Bonus payment	(631)	(73)		(558)	(93)		(465)
Section 35 CD disallowance	-	-	-		8	-	(8)
Impairment of investments		270		(276)	(1,620)		6
Loss on private equity investment	-	-5	-	5	-	-	5
MAT credit receivable		1,170		(1,170)	31		(1,201)
Remeasurement of defined benefit plan	-			45			15
Effect of difference between carrying value and cost of investments	(24)	174		(198)	(198)		
Total deferred tax liabilities	21,948	2,283	-	19,297	3,696	-	15,676
Deferred tax assets on account of:							
Impairment of loans and trade receivables	1,755	(394)		2,149	394	-	1,755
Unabsorbed losses	60	(630)		690	(3,411)		4,101
Timing difference in property, plant and equipment as per books and as per Income Tax Act, 1961	108	56	-	149	(51)	-	156
Deferred revenue		-	-	-	(146)	-	146
Amortisation of distribution costs	4,166	119		4,047	1,024		3,023
Provision for employee benefits	74	51	43	30	(69)	(59)	158
Provision for VAT	19			19			19
Unrealised gain / (loss)	(152)	516	(503)	(165)	(501)	716	(1)
Preliminary expenses	6	1		5	2		3
Unamortised borrowing cost	(249)	(99)	-	(150)	(147)	-	(3)
Dividend and Tax liabilities	59	(6)		65	(2)		67
Assets created u/s 35D(2)(c) of Income Tax Act	68	48	-	20	141	-	(121)
Total deferred tax assets	5,867	365	(630)	6,363	(3,010)	727	9,646
Total deferred tax Assets/liability (net)	16,079	1,923	630	12,934	7,016	(727)	6,642

Note:

i) The company recognises deferred tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

ii) Deferred tax recognised through profit and loss also includes deferred tax on goodwill.

Note: 38.1 Tax expense

The Group pays taxes according to the rates applicable in India on the taxable income. These taxes are charged in the income statement and are to be paid for the ensuing period (current tax), but there is also a charge or credit relating to tax payable for future periods due to income or expenses being recognised in a different period for tax and accounting purposes (deferred tax). Tax is charged to equity when tax on benefit exceeds the cumulative income statement expense of share plans. The Group accounts for current tax according to the tax laws of India. Deferred tax assets are recognised only to the extent that there is reasonable certainty that there will be sufficient taxable income in future against which such deferred tax assets can be realised. Deferred tax assets are subject to impairment. In addition provisions, which are appropriate on the basis of amounts expected to be paid to the tax authorities. Deferred tax is provided using the balance sheet method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax is recognised in respect of all temporary differences that have originated but not reversed at the balance sheet date, which are expected to result in an obligation or entitlement to pay less tax in the future. Deferred tax assets are recognised to the extent it is probable that future taxable profits against which the deferred tax assets can be utilised will be available. Deferred tax assets are recognised for all deductible temporary differences and tax losses to the extent that it is probable that future taxable profits against which the deferred tax assets can be utilised will be available. Deferred tax is measured at the tax rate that is expected to apply in the periods in which the temporary differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
A. Tax expense recognised in Profit & loss:		
Current tax expense		
Current tax for the year	29,052	25,358
Total current tax expense	29,169	25,358
Deferred tax:		
Change in deferred tax liabilities	1,893	5,150
Net deferred tax expense	1,891	7,109
Short/(excess) provision for earlier years	27	(149)
	30,943	30,918
B. Tax recognised/(credit) through other comprehensive income		
Particulars		
Remeasurement of defined benefit plan	(14)	(1)
Equity instruments through other comprehensive income	653	(357)
Total	639	(358)

Note: 38.A Tax reconciliation (for profit and loss)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Profit/(loss) before income tax expense	1,36,716	1,16,581
Applicable tax rate	27.17%	27.17%
Tax at tax rate	31,257	40,450
Tax effect of amounts which are not deductible / not taxable in calculating taxable income:		
Expenses not deductible for tax purpose	148	115
Exempt income	(176)	(5,472)
Share of Profit of JV	(55)	(1,025)
Tax adjustment of prior years	27	(149)
Tax credit not recognised earlier	(991)	(2,221)
MAT credit reversal	-	(4)
Prior Period reversal of deferred tax	91	70
Investment allowances for the year		(94)
Non taxable dividends	(146)	(161)
Remeasurement of deferred benefit plan	11	23
Origination and reversal of temporary tax differences	1,444	3,202
Effect of deferred tax due to revaluations and investments	(2,857)	(1,109)
Effective tax	30,943	30,918

Note : 28.3 Net Deferred Tax

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Deferred tax liability on account of :		
Timing difference on Property, plant and equipment as per books and Income Tax Act, 1961	1,625	1,322
Unrealised gain / (loss) on financial instruments	[illegible]	[illegible]
Amortisation of financial assets	7,537	6,152
Impairment of loans and trade receivables	(1,[illegible])	(6,10)
Provision for employee benefits	(135)	(250)
Long Term Capital Loss of previous years	[illegible]	[illegible]
Expenses disallowed u/s 43B (Tax payment basis)	(601)	(351)
Impairment of investments	-	(326)
Fair value [illegible] equity investment		1
MAT credit adjustment		[illegible]
Income [illegible] of Defined benefit plan	-	42
Effect of difference between carrying amount and tax base	[illegible]	[illegible]
Total deferred tax liabilities (A)	21,245	15,757
Deferred tax assets on account of:		
Impairment allowance on trade receivables	1,[illegible]	[illegible]
Unused tax credit	90	150
Timing difference on property, plant and equipments as per books and as per Income Tax Act, 1961	98	142
Amortisation of intangible assets	4,[illegible]	[illegible]
Provision for employee benefits	34	30
Provision for NPA	13	[illegible]
Unrealised gain / (loss) on financial instruments	[illegible]	[illegible]
Preliminary expenses	5	7
[illegible]	[illegible]	139
Deposit and non Cancellable [illegible]	35	46
[illegible]	16	12
Total deferred tax assets (B)	6,057	6,353
Net deferred tax (Assets) / Liabilities (A-B)	14,919	9,415

SINGHI & CO. Chartered Accountants

Motilal Oswal Financial Services Ltd. Mumbai

Note 14B.4 Movement of Deferred Tax

Particulars	As at 31 March 2023	Recognized through retained earnings	Recognized through Other Comprehensive Income	As at 31 March 2022	Recognized through profit and loss	Recognized through Other Comprehensive Income	As at 01 April 2021
Deferred tax liabilities on account of:							
Timing difference on Property, plant and equipment as per Income Tax Act, 1961	[illegible]	[illegible]	-	[illegible]	[illegible]	-	[illegible]
Goodwill on Consolidation / Intangible Financial Instruments	[illegible]	[illegible]		[illegible]	[illegible]	-	[illegible]
Amortisation of Intangible assets	[illegible]	[illegible]	-	[illegible]	[illegible]		[illegible]
Impairment of financial instrument receivables	[illegible]	[illegible]	-	[illegible]	[illegible]	-	[illegible]
Provision for employee benefits	[illegible]	[illegible]	-	[illegible]	[illegible]		[illegible]
Long Term Capital Loss of previous years	[illegible]	[illegible]		[illegible]	[illegible]	-	
Expenses disallowable u/s 40 on payment basis	[illegible]	[illegible]	-	[illegible]	[illegible]		[illegible]
Sec. 43B H - Gratuity	-	-		-	[illegible]		[illegible]
Impairment of Investments		[illegible]	-	[illegible]	[illegible]		[illegible]
Loss on Fair equity movement	-	[illegible]		[illegible]	[illegible]	-	[illegible]
MAT credit receivable		[illegible]	-	[illegible]	[illegible]		[illegible]
Amortisation of Actual benefit plan	-			[illegible]			[illegible]
Effect of difference on fair value on equity shares and investments	[illegible]	[illegible]	-	[illegible]	[illegible]		-
Total deferred tax liabilities	[illegible]	[illegible]	-	[illegible]	[illegible]	-	[illegible]
Deferred tax assets on account of:							
Impairment of financial instrument receivables	[illegible]	[illegible]	-	[illegible]	[illegible]		[illegible]
[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]		[illegible]
Timing difference on property, plant and equipment as per books and as per Income Tax Act, 1961	[illegible]	[illegible]		[illegible]	[illegible]	-	[illegible]
Effective Interest Rate				-	[illegible]	-	[illegible]
Amortisation of deferred concession	[illegible]	[illegible]	-	[illegible]	[illegible]		[illegible]
Provision for employee benefits	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Provision for MAT	[illegible]	-	-	[illegible]			[illegible]
Unrealised gain / (loss)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Unabsorbed depreciation	[illegible]	[illegible]	-	[illegible]	[illegible]		[illegible]
Unamortised Processing fee	[illegible]	[illegible]		[illegible]	[illegible]	-	[illegible]
Disallowance u/s 40(a)(ia)	[illegible]	[illegible]	-	[illegible]	[illegible]		[illegible]
Provisions under u/s 36(1)(viii) of Income Tax Act	[illegible]	[illegible]		[illegible]	[illegible]	-	[illegible]
Total deferred tax assets	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total Deferred tax Assets/liability (net)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Note:

i) The company offers tax assets and liabilities if and only when it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities related to income tax levied by the same tax authorities.

ii) Deferred tax recognized through profit and loss also includes deferred tax on [illegible]

Note 35 Contingent liabilities and commitments to the extent not provided for

(A) i) The Company has provided Bank guarantees aggregating Rs 2,35,260 lakhs (Previous year Rs. [illegible]) as at March 2023 as the financial guarantee

1) Kotak Mahindra Bank Limited - Rs. 21,625 lakhs (Previous year - Rs 1,[illegible] lakhs) towards working capital facilities.
2) ICICI Bank - Rs. 1,200 lakhs (Previous year - Rs Nil) towards working capital facilities
3) [illegible] - Rs. [illegible] lakhs (Previous year Rs Nil) towards working capital facilities
4) Unique Manufacturing Solutions - Rs. Nil (Previous year Rs 26 lakhs) towards working capital
5) [illegible] - Rs. 1,377 lakhs (Previous year Rs 1,377 lakhs) towards [illegible]
6) Maharashtra Cooperative Credit Bank - Rs. [illegible] lakhs (Previous year Rs. [illegible] lakhs) towards working capital
7) [illegible] - Rs. [illegible] (Previous year Rs. [illegible] lakhs) towards working capital
8) Bank of Maharashtra - Rs. Nil (Previous year Rs. [illegible]) towards working capital

(B) Particulars	As at 31 March 2023	As at 31 March 2022
Demand from income tax authorities for [illegible] capital gain differences	[illegible]	1,[illegible]

i) Demand from income tax authorities for [illegible] capital gain differences [illegible] lakhs (Previous year [illegible] lakhs) [illegible] by the Company and accordingly provided for. The Company has paid demand of Rs [illegible] lakhs till date. [illegible] lakhs [illegible] Rs [illegible] lakhs [illegible] 2023 and [illegible] 2022 [illegible] in the [illegible] of Income.

The [illegible] Appeals [illegible] Income Tax [illegible] Mumbai [illegible] Income Tax [illegible] Appeals [illegible] Income Tax [illegible] Appeals [illegible] Income Tax [illegible] Appeals

(C) Movement in Provisions - Employee benefits and Other provisions (other than liabilities as per Ind AS 109) as at 31 March 2023

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for gratuity	[illegible]	[illegible]
Provision for leave encashment	1,335	[illegible]
Other provisions	[illegible]	[illegible]
Provision for CSR	[illegible]	[illegible]
Total	[illegible]	[illegible]

(D) Amounts recognised in statement of profit & loss for the year ended 31 March 2023

Particulars	As at 31 March 2023	As at 31 March 2022
Interest on defined benefit liability	[illegible]	[illegible]
Amount charged to statement of profit and loss	[illegible]	1,124
Total Expense recognised in the statement of profit and loss (Interest on defined benefit obligation is recognised in finance costs in the statement of profit and loss)	[illegible]	[illegible]

(E) Amounts recognised in statement of other comprehensive income for the year ended 31 March 2023

Particulars	As at 31 March 2023	As at 31 March 2022
Remeasurements of the net defined benefit liability/(asset) arising from changes in financial assumptions	[illegible]	[illegible]
Remeasurements of the net defined benefit liability/(asset) arising from experience adjustments	[illegible]	[illegible]

Note 31 Earnings per share:

Basic earnings per share
Basic earnings per share (EPS) is calculated by dividing the profit for the year by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share
Diluted EPS is calculated by dividing the profit for the year by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Net Profit attributable to equity shareholders [A]	[illegible]	[illegible]
Weighted average number of equity shares outstanding during the year [B] (in numbers)	[illegible]	[illegible]
Basic Earnings per share (EPS) as PAT (Before OCI) [A/B]	62.89	30.31
Net Profit attributable to equity shareholders [A]	[illegible]	[illegible]
Net Profit attributable to equity shareholders [A] after adjusting for EPS as PAT (Before OCI) [A + [illegible]]	[illegible]	[illegible]
Weighted average number of equity shares outstanding [B]	[illegible]	[illegible]
Weighted average number of equity shares outstanding for calculating Diluted EPS (in numbers) [C]	[illegible]	[illegible]
Weighted average number of equity shares outstanding for calculating Diluted EPS [B + C = E]	[illegible]	[illegible]
Diluted Earnings per share (EPS) as PAT (Before OCI) [A/E] [G/F]	62.63	30.30

Note 32 Provisions made for the year ended 31 March 2023 comprises of:

Particulars	Opening balance as on 01 April 2022	Provided during the year ended 31 March 2023	Paid/ Reversed during the year ended 31 March 2023	Closing balance as on 31 March 2023
Payment	[illegible]	[illegible]	[illegible]	[illegible]
Compensated absences	[illegible]	[illegible]	[illegible]	[illegible]
Gratuity	[illegible]	[illegible]	[illegible]	[illegible]
Mortgage Debt	[illegible]	[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]	[illegible]	[illegible]

Provisions made for the year ended 31 March 2022 comprises of:

Particulars	Opening balance as on 01 April 2021	Provided during the year ended 31 March 2022	Paid/ Reversed during the year ended 31 March 2022	Closing balance as on 31 March 2022
Payment	[illegible]	[illegible]	[illegible]	[illegible]
Compensated absences	[illegible]	[illegible]	[illegible]	[illegible]
Gratuity	[illegible]	[illegible]	[illegible]	[illegible]
Mortgage Debt	[illegible]	[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]	[illegible]	[illegible]

Note 33 Dividend Distribution

During the year ended 31 March 2023, declared and paid an interim dividend of equity shareholders at Rs. [illegible] per share and a final dividend of Rs. [illegible] per share for the year ended 31 March 2023 as declared at Rs. [illegible] per share for the year ended 31 March 2022.

SINGHI & CO. Chartered Accountants

Grand Financial Services Ltd. Mumbai

Note 45 **Credit Ratings**

Nature of Borrowing	As at 31 March 2023			As at 31 March 2022		
	Rating / Outlook			Rating / Outlook		
	CRISIL	India Ratings	ICRA	CRISIL	India Ratings	ICRA
I. Short Term						
a. Commercial paper						
Motilal Oswal Financial Services Limited	CRISIL A1+	IND A1+	ICRA A1+	CRISIL A1	IND A1+	ICRA A1+
Motilal Oswal Home Finance Limited	CRISIL A1+		ICRA A1+	CRISIL A1+	IND A1+	ICRA A1+
Motilal Oswal Private Limited	CRISIL A1+	IND A1+	-	CRISIL A1+	IND A1+	-
II. Long Term						
a. Non-Convertible Debentures						
Motilal Oswal Financial Services Limited	CRISIL AA Stable	IND AA/Stable	ICRA AA (Stable)		IND AA/Stable	ICRA AA (Stable)
Motilal Oswal Home Finance Limited	CRISIL AA /Stable	IND AA / Stable	ICRA AA (Stable)	CRISIL AA /Stable	IND AA / Stable	ICRA AA- (Stable)
Motilal Oswal Private Limited	CRISIL AA/Stable	IND AA / Stable		CRISIL AA/Stable	IND AA / Stable	-
b. Market linked Debentures						
Motilal Oswal Financial Services Limited	-	IND PP MLD AA/Stable	PP-MLD ICRA AA (Stable)	-	IND PP MLD AA emr/Stable	PP MLD ICRA (Stable)
Motilal Oswal Home Finance Limited	CRISIL PPMLD AA / Stable	-	-	CRISIL PP-MLD AA -/Stable	-	ICRA PP-MLD AA /Stable
Motilal Oswal Private Limited	CRISIL PPMLD AA /Stable	IND PP-MLD AA/Stable	-	CRISIL PPMLD AA+ /Stable	IND PP-MLD AA emr/Stable	-
c. Bank Borrowings						
Motilal Oswal Financial Services Limited	-	IND AA/Stable	ICRA AA (Stable)		IND AA emr/ Stable	ICRA AA (Stable)
Motilal Oswal Home Finance Limited	CRISIL AA / Stable	IND AA / Stable	-	CRISIL AA /Stable	IND AA / Stable	-

Note: These ratings indicate strong degree of safety regarding timely servicing of financial obligations of the Group.

SINGHI & CO. Chartered Accountants

Motilal Oswal Financial Services Ltd. Mumbai

Note 46 Corporate social responsibility

The Ministry of Corporate Affairs has notified Section 135 of the Companies Act, 2013 and applicable rules thereunder with effect from April 1, 2014. As per the provisions of the said section, the Company has undertaken the following CSR activities during the financial year 2022-23.

CSR activities expenditure as required under section 135 read with Schedule VII of the Companies Act, 2013 are as under:

a) Gross amount required to be spent by the Group

Particulars	31 March 2023	31 March 2022
Amount required to be spent	[illegible]	[illegible]
Amount actual spent	[illegible]	[illegible]
Shortfall/(excess) at the end of the year	[illegible]	[illegible]
Total previous year shortfall	-	-
Reason for shortfall	-	-
Nature of CSR activities	Education, Healthcare, Environment, Rural development	Education, Healthcare, Environment, Rural development

b) Amount spent during the year on :

Particulars	Amount Paid 31 March 2023	Amount Paid 31 March 2022
i) Construction/acquisition of any asset	[illegible]	-
ii) On purposes other than (i) above	[illegible]	[illegible]
Total	[illegible]	[illegible]

c) Amount unspent in relation to ongoing projects [illegible]

d) Shortfall at the end of the year [illegible]

e) Details of related party transactions [illegible]

Note 47 Assets pledged as security :

Particulars	As at 31 March 2023	As at 31 March 2022
Financial assets		
Fixed charge		
Debentures		
(i) Trade receivables	[illegible]	[illegible]
Loans	[illegible]	[illegible]
Floating charge		
Investments	[illegible]	[illegible]
Non-Financial Assets		
First charge		
Property, plant and equipment	[illegible]	[illegible]
Total assets pledged as security	[illegible]	[illegible]

Terms and conditions

1. Investments, Trade receivables, Loans and Property, plant and equipment are pledged with Banks, NBFCs and other financial institutions as security against the borrowings availed by the Group.

2. The security cover in respect of assets provided for the borrowings includes assets amounting to the pledged investments [illegible] Trade receivables [illegible] property, plant and equipment.

Note

The Company does not have any dealings in [illegible] which are not recognised with RBI. Hence the statement [illegible]

SINGHI & CO. Chartered Accountants

Mudra Owel Financial Services Ltd. Mumbai

Note 45 Related Party Disclosures

A) List of related parties and their relationship:

A) Entities in which Key Management Personnel have control
1. [illegible] LLP

B) Entities in which Key Management Personnel or their relatives exercise significant influence
1. Rekha Agarwal HUF
2. Trustee Express Private Limited
3. Motilal Oswal Foundation
4. Motilal Oswal HUF
5. Motilal Oswal Family Trust
6. PramCon Multi Private Limited
7. Philips [illegible] Shah HUF
8. The Motilal Oswal Creative Trust
9. Agrawal Pvt Ltd
10. Nirshital Consultancy LLP
11. Creative Advisors LLP
12. Opulency Advisors and Consultants LLP

C) Key Management Personnel

1. Mr. Motilal Oswal	Managing Director and Chief executive officer
2. Mr. Raamdeo Agrawal	Non Executive Chairman
3. Mr. Navin Agrawal	Non Executive Director
4. Mr. Ajay Menon	Whole-time Director
5. Mr. Raja Rajgarhia	Whole-time Director
6. Mr. Shashikant Bhat	Chief Financial Officer
7. Mr. Rakesh Parekh	Company Secretary & Compliance Officer
8. Mr. Chandrasekhar Natarajan Mandy	Independent Director
9. Mr. Pankaj Phansal	Independent Director
10. Mr. Vijayananda Menon	Independent Director
11. Mr. Chandrasekhar Jayant Karvat	Independent Director
12. Mr. Suresh Chandra	Independent Director

D) Relatives of Key Management Personnel

1. Ms. Vidhi Oswal	- Spouse of Mr. Motilal Oswal
2. Mr. Pratik Oswal	- Son of Mr. Motilal Oswal
3. Ms. Vishakha Valecha	- Sister of Mr. Motilal Oswal
4. Mr. Rajendra Gopal Oswal	- Brother of Mr. Motilal Oswal
5. Ms. Nandini Oswal	- Daughter-in-law of Mr. Motilal Oswal
6. Ms. Preeti Mehta	- Sister-in-law of Mr. Motilal Oswal
7. Ms. Namita Agrawal	- Spouse of Mr. Raamdeo Agrawal
8. Mr. Vaibhav Agrawal	- Son of Mr. Raamdeo Agrawal
9. Ms. Chhaya Agrawal	- Daughter of Mr. Raamdeo Agrawal
10. Mr. Vaibhav Kumar	- Daughter-in-law of Mr. Raamdeo Agrawal
11. Dr. Kamal Kumar Agrawal	- Brother of Mr. Raamdeo Agrawal
12. Mr. Vinay R. Agrawal	- Brother of Mr. Raamdeo Agrawal
13. Mr. Rajendra Kumar Agrawal	- Brother of Mr. Raamdeo Agrawal
14. Mr. Govindram R. Agrawal	- Brother of Mr. Raamdeo Agrawal
15. Mr. Sunil Agrawal	- Brother of Mr. Raamdeo Agrawal
16. Ms. Suman Agrawal	- Sister of Mr. Raamdeo Agrawal
17. Ms. Anita Anandrao Ghy Agrawal	- Sister of Mr. Raamdeo Agrawal
18. Ms. Chanda Agrawal	- Mother of Mr. Navin Agrawal
19. Ms. Asha Menon	- Sister of Mr. Ajay Menon
20. Ms. Kamalam Menon	- Mother of Mr. Ajay Menon
21. Ms. Shashi	- Spouse of Mr. Shashikant Bhat
22. Ms. Tarita Rajgarhia	- Mother of Mr. Raja Rajgarhia

E) Associates
1. Oswal Realty Investment Fund II LLP

SINGHI & CO. Chartered Accountants

Motilal Oswal Financial Services Ltd. Mumbai

11. Transactions with related parties and outstanding balances

a) Transactions with related parties:

Particulars	Name of the related party	Key managerial personnel/relatives of key managerial personnel		Other related parties		Total	
		For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
[illegible]	[illegible]	[illegible]	[illegible]			[illegible]	[illegible]
	[illegible]			[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]			[illegible]	[illegible]
Total		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Remuneration*	Mr. Motilal Oswal	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	Mr. Navin Agarwal	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Interest income	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Interest expense	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Dividend income	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Other income	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Other expenses	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Sitting fees/fees paid	Tusk Equity Private Limited	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Commission paid/payable	[illegible]			[illegible]		[illegible]	
	[illegible]				[illegible]		[illegible]
Total		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Sitting fees/ expenses reimbursement	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Sitting fees and reimbursement of expenses	Rajendra Gandhi and Co. LLP	-	-	0	0	0	0
	Lakshmi Subramanian	-	-	0	0	0	0
	Lakshmi Subramanian and Associates LLP	-	-	0	0	0	0
	Mr. Navneet Agarwal	0	0	-	-	0	0
	Mr. Neha Manoj	1	1	-	-	1	1
	Mr. Vivek Agarwal	0	-	-	-	0	-
	Mr. Sumeet Agarwal	1	-	-	-	1	-
	Mr. Deepak Sunder Kumar	0	-	-	-	0	-
	Mr. Raj Shah	0	0	-	-	0	0
	Siddharth Shah HUF	-	-	0	0	-	0
Total		30	13	13	30	33	32
Interest on Convertible Debentures	Mr. Pratik Mehta	-	24	-	-	-	24
Total		-	24	-	-	-	24
Rent and remuneration expenses	Mr. Siddharth Sevantilal Agarwal	4	4	-	-	4	4
	Agarwal Sons LLP	-	-	-	49	-	49
Total		4	4	-	49	4	53
Partnership contribution	India Realty Excellence Fund II LLP	-	-	433	241	433	241
Total		-	-	433	241	433	241
Investment made/(redeemed)	Mr. Siddharth Shah	-	89,21	-	-	-	89,21
	Lion Shield Wealth Creation Trust	-	-	45	17	45	17
	Mr. Ajay Menon	-	-	5	-	5	-
Total		-	49,379	91	17	49	49,396
Investment redemption/ gain	Mr. Siddharth Shah	-	(87,235)			-	(87,235)
	Lion Shield Wealth Creation Trust	-	-		(70)		(70)
	Mr. Ajay Menon	-	(0)		-		(0)
Total		-	(87,235)		(70)	-	(87,305)

Particulars	Name of the related party	Key managerial personnel/relative of key managerial personnel		Other related parties*		Total	
		For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
Dividend paid	Mr. Motilal Oswal	774	951		-	774	951
	Mr. Raamdeo Agarwal	4,014	9,0	-	-	4,014	9,0
	Motilal Oswal HUF	-	-	0	0	0	0
	Raamdeo Agarwal HUF	-	-	451	77	451	77
	Mr. Rajesh Agarwal	610	76	-	-	610	76
	Mr. Vinde Oswal	12	16	-	-	12	16
	Mr. Jitendra Gupta Oswal	5	7		-	5	7
	Dr. Karwar Ramgopal Agarwal	10	12			10	12
	Mr. Vinay R. Agarwal	10	12			10	12
	Mr. Sukhdev Ramgopal Agarwal	0	0			0	0
	Mr. Shashikant K. Agarwal	6	7			6	7
	Mr. Bhaiya Agarwal	0	-			0	
	Mr. Pankaj Mehta	1	-			1	-
	Mr. Sumeet Agarwal	10	12	-	-	10	12
	Mr. Satish Agarwal	4	9	-	-	4	9
	Mr. Anita Jitendra Agarwal	1	10	-	-	1	1
	Mr. Vimalkumar Sharma	0	0			0	-
	Ms. Neha Kanoi	10	12			10	12
	Mr. Nilesh Ramdeo Agarwal	25	5	-		25	5
	Motilal Oswal Trustee Ltd	-	-	4,205	10	4,205	-
	Mr. Navin Agarwal	692	924	-	-	692	924
	Mr. Ajay Menon	97	-	-	-	97	48
	Mr. Raja Gongadhar	173	304		-	173	304
	Mr. Shubham Shah	1	1			-	1
	OSVC Enterprise LLP	-	-	0	0	0	0
Total		6,510	3,244	4,709	87	11,219	3,331
Professional management services fee	Mr. Raamdeo Agarwal	4	4	-	-	4	4
	Mr. Sumeet Agarwal	-4	-4	-	-	44	41
	Mr. Shubham Shah	-	-	-	-	2	-
	Mr. Ajay Menon	-	-		-	1	-
	Mr. Vinde Agarwal	0	0			0	-
	Ms. Neha Kanoi	0	0			1	-
	Mr. Vaibhav Agarwal	14	12	-		14	12
Total		67	62	-	-	67	67

b) Outstanding balances of related parties:

Particulars	Name of the related party	Key managerial personnel/relative of key managerial personnel		Other related parties*		Total	
		For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
Loans and advances, [illegible] payable**	[illegible]	-	2,000	-	-	-	2,000
	[illegible]	-	-	41	26	41	26
Total		-	2,000	41	26	41	2,026
Other receivable / payable**	OSAC Properties LLP			2	2	2	2
	Bundles Media Private Limited			0		0	-
	Liva Motilal Wealth Growth Trust	-	-	1	0	1	-
Total		-	-	3	2	3	2

c) Maximum / outstanding balance in respect of loans/advances to related parties :

Particulars	Name of the related party	Key managerial personnel/relative of key managerial personnel		Other related parties*		Total	
		For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
Loans and advances [illegible]	[illegible]	-	-	[illegible]	2,064	[illegible]	[illegible]

Note: [illegible] provided on normal terms to the Company's [illegible], in ventures participating in Key Management Personnel are not included here.

*Other related parties include [illegible] and Enterprises over which Key Management Personnel/Relatives of Key Management Personnel exercise significant influence.

** The above numbers are in the nature of short term employee benefits as per IND AS 24. Employee [illegible] are not included, provision for gratuity and leave encashment [illegible] of life.

Note 49: Disclosure pursuant to Ind AS-19 "Employee benefits" is given as below:

a) Defined Contribution Plan

Contribution towards defined contribution plans, recognised as expense for the year is as under:

Particulars	31 March 2023	31 March 2022
Contribution to Provident Fund and Administrative Expenses	2,756	2,775
Superannuation	159	213
Contribution to Employee's Pen. Fund	41	1
Contribution to NPS	154	85
Total	3,096	2,958

(b) Defined benefit plan

The Group provides for gratuity benefit which is a defined benefit plan covering all its eligible employees. This plan is unfunded. The gratuity benefits are subject to a maximum limit of INR [illegible] lakhs.

The following table set out the status of the gratuity plan as specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules 2014 (as amended) under Ind AS 19 "Employee Benefits" and the amount plan of opening and closing balance of the present value of the defined benefit obligation:

Particulars	Gratuity		Phantom club benefits	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
I) Actuarial assumptions				
Mortality	[illegible]	[illegible]	[illegible]	[illegible]
Discount rate (per annum)	[illegible]	[illegible]	[illegible]	[illegible]
Rate of increase in salary (per annum)	[illegible]	[illegible]	-	-
Expected rate of return on plan assets (per annum)	-	-	-	-
Employee Attrition Rate (Post Service)	[illegible]	[illegible]	[illegible]	[illegible]
II) Changes in present value of obligations (PVO)				
PVO at beginning of period	2,335	2,031	212	232
Interest cost	140	94		
Current service cost	652	370	158	(23)
Transfer In Liability	9	53	-	
Transfer Out Liability	(4)	[illegible]		
Benefits paid	(385)	(294)	-	[illegible]
Contributions by plan participants		1	-	
Actuarial (Gain) / Loss on obligation	(279)	(130)		
PVO at end of period	2,769	2,335	366	212
III) Interest expense				
Interest cost	140	94	-	-
IV) Fair value of plan assets				
V) Net Liability				
PVO at beginning of period	2,335	2,031	212	232
Net Liability at the beginning of the period	2,335	2,031	212	232
VI) Net Interest				
Interest expenses	140	94		
Net Interest	140	94	-	-
VII) Actual return on plan assets				
VIII) Actuarial (Gain)/Loss on obligations				
Due to demographic Assumption	[illegible]	[illegible]		
Due to financial Assumption	(94)	(377)	-	-
Due to experience	79	110		
Total Actuarial (Gain)/Loss	(279)	(130)		-

Particulars	Gratuity		Compensated absences	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
IX) Fair Value of Plan Assets				
Actual return on Plan Assets	307	254	-	-
Benefits Paid	(383)	(274)	-	-
X) Past Service Cost Recognized				
Recognized Past service Cost non vested benefits	-	-		
XI) Amounts to be recognized in the balance sheet and statement of profit & loss account				
PVO at end of period	3,206	3,315	39	219
Funded status	(3,162)	(3,332)	(39)	(219)
Net Asset/(Liability) recognized in the balance sheet	(3,409)	(3,332)	(39)	(219)
XII) Expense recognized in the statement of profit and loss				
Current service cost	157	174	166	175
Net Interest	140	95	-	-
Transfer in Liability	-	17	-	-
Transfer Out Liability	(1)	(21)	-	-
Expense recognized in the statement of profit and loss	298	317	166	175
XIII) Other Comprehensive Income (OCI)				
Actuarial (Gain)/Loss recognized for the period	(159)	(276)	-	-
Unrecognized Actuarial (Gain)/Loss from previous period				
Total Actuarial (Gain)/Loss recognized in (OCI)	(159)	(276)	-	-
XIV) Movement in liability recognized in balance sheet				
Opening net liability	3,332	2,957	219	219
Expenses as per opening balance	-	52	-	-
Transfer in Liability	9	14		
Transfer Out Liability	(9)	(38)	-	-
Expense as above	298	317	166	175
Contribution paid	(383)	(274)		
Other Comprehensive Income (OCI)	(159)	(276)	-	-
Closing net liability	3,238	3,332	386	219
XV) Projected Service Cost 31 Mar 2025	337	1,220	-	-
XVI) Sensitivity Analysis				

Particulars	DR: Discount Rate		ER: Salary escalation rate	
	FY25 INR Cr	FY24 INR Cr	FY25 INR Cr	FY24 INR Cr
PVO	3,359	3,365	3,057	3,285

XVII) Expected Payout

Year	Expected Outgo Gratuity	Expected Outgo Gratuity	Expected Outgo Compensated Absence	Expected Outgo Compensated Absence
Amount	2,059	500	392	349

Year	Expected Outgo Gratuity	Expected Outgo Gratuity
	Fifth	Sixth onwards
Amount	170	793

Asset Liability Comparisons

Year	31 Mar 25	31 Mar 24	31 Mar 23	31 Mar 22	31 Mar 21
PVO at Year Ended	3,206	3,245	2,931	3,235	3,165
Plan Assets				-	
Surplus / (Deficit)	(3,162)	(3,244)	(2,931)	(3,235)	(3,165)
Experience adjustments on plan assets					

Note: 50 Disclosures relating to Employee Stock Option Scheme

Details of stock options

Motilal Oswal Asset Management Company Limited - Employees' Stock Option Scheme - I (ESOP - I)

The ESOP - I was approved by the Board of Directors at their meeting held on July 22, 2010 for grant of 20 lakhs equity shares of Rs. 10 each.

Motilal Oswal Asset Management Company Limited - Employees' Stock Option Scheme - II (ESOP - II)

The ESOP - II was approved by the Board of Directors at their meeting held on 21 July, 2011 for grant of 57 lakhs equity shares of Rs.10 each.

During the year ended 31 March 2012, the Company has sub divided 650 lakhs equity shares of Rs. 10 each into 6500 lakhs equity shares of Re. 1 each. Hence, the options granted are also sub divided in the same proportion.

Motilal Oswal Financial Services Limited - Employees Stock Option Scheme - V (ESOS-V)

The Scheme was approved by Board of Directors on 18 October 2007 and by the shareholders on 4 December 2007 by postal ballot and is for issue of 2,500,000 options representing 2,500,000 Equity shares of Re. 1 each.

Motilal Oswal Financial Services Limited - Employees Stock Option Scheme - VI (ESOS-VI)

The Scheme was approved by Board of Directors on 21 April 2008 and by the shareholders in AGM dated 08 July 2008 and is for issue of 5,000,000 options representing 5,000,000 Equity shares of Re. 1 each.

Motilal Oswal Financial Services Limited - Employees Stock Option Scheme - VII (ESOS-VII)

The Scheme was approved by Board of Directors on 19 July 2014 and by the shareholders in AGM dated 22 August 2014 and is for issue of 2,500,000 options representing 2,500,000 Equity shares of Re. 1 each.

Motilal Oswal Financial Services Limited - Employees Stock Option Scheme - VIII (ESOS-VIII)

The Scheme was approved by Board of Directors on 27 April 2017 and by the shareholders in AGM dated 27 July 2017 and is for issue of 30,000,000 options representing 30,000,000 Equity shares of Re. 1 each.

Motilal Oswal Financial Services Limited - Employee Stock Option Scheme - IX (ESOS-IX)

The Scheme was approved by Board of Directors on 29 April 2021 and by the shareholders in AGM dated 05 August 2021 and is for issue of 30,000,000 options representing 30,000,000 Equity shares of Re. 1 each.

Motilal Oswal Wealth Management Company Limited - Employees' Stock Option Scheme - I (ESOS - I)

The ESOS - I was approved by the Board of Directors at its meeting on April 22, 2016 and by the members at the meeting held on April 23, 2016, consisting of 8,000 Stock Option of Rupees 10 each. Pursuant to approval of the members at its meeting dated February 23, 2017 for sub division of face value of equity shares from Rupees 10 to Rupee 1 each, the total number of options allotted and granted also stands sub divided i.e. total kitty of 80,000 stock option of Rupee 1 each.

Motilal Oswal Home Finance Ltd - Employee Stock Option Scheme 2014 - (ESOS - 2014)

The Scheme was approved by Board of Directors on 11 September 2014 and by the shareholders in EGM dated 16 October 2014 for issue of 50,000,000 options representing 50,000,000 Equity shares of Re. 1 each. The grant of stock options for the aforesaid scheme has been done in two tranches.

Motilal Oswal Home Finance Ltd - Employee Stock Option Scheme 2016 (ESOS-2016)

The Scheme was approved by Board of Directors on 27 April 2016 and by the shareholders in AGM dated 07 July 2016 for issue of 70,000,000 options representing 70,000,000 Equity shares of Re. 1 each. The grant of stock options for the aforesaid scheme has been done in five tranches.

Motilal Oswal Home Finance Ltd - Employees' Stock Option Scheme 2017 (ESOS-2017)

The Scheme was approved by Board of Directors on 25 April 2017 and by the shareholders in EGM dated 25 May 2017 for issue of 10,000,000 options representing 10,000,000 Equity shares of Re. 1 each. The grant of stock options for the aforesaid scheme has been done in two tranches.

Motilal Oswal Home Finance Ltd – Employees' Stock Option Scheme 2017 (ESOS-2017 H Co) (Issued to Holding Company Employees)

The Scheme was approved by Board of Directors on 25 April 2017 and by the shareholders in EGM dated 25 May 2017 for a grant of 30,000,000 options representing 30,000,000 equity shares of Rs. 1 each.

Motilal Oswal Home Finance Ltd – Employee Stock Option Scheme 2023 (IV)

The Scheme was approved by Board of Directors on 26 April 2023 and by the shareholders meeting dated 24 June 2023 for a grant of 100,000,000 options representing 100,000,000 equity shares of Rs. 1 each.

The activity in the stock options during the year ended 31 March 2023 and 31 March 2022 is set below:

Particulars	As at 31 March 2023 In Numbers	Weighted Average Exercise Price (In Rs.)	As at 31 March 2022 In Numbers	Weighted Average Exercise Price (In Rs.)
The MOAVC (ESOS-I) : (face value of Rs 1 each)				
Options outstanding at the beginning of the year			82,00,000	12.40
Add: Granted			-	NA
Less: Exercised	-	-	-	NA
Less: Forfeited				
Less: Lapsed	-	-	82,00,000	12.40
Option outstanding end of the year	-	-		-
Exercisable at the end of the year	-	-	-	-
The MOAVC (ESOS-II) : (face value of Rs 1 each)				
Options outstanding at the beginning of the year	5,00,000	15.00	15,25,741	16.00
Add: Granted		NA	-	NA
Less: Exercised		NA	-	NA
Less: Forfeited		NA	-	NA
Less: Lapsed	5,00,000	22.00	11,25,741	12.00
Option outstanding end of the year	-	-	4,00,000	15.00
Exercisable at the end of the year	-	-	-	-
The MOHSL (ESOS-V) : (face value of Rs. 1 each)				
Options outstanding at the beginning of the year	20,000	452.10	94,500	478.50
Add: Granted	20,000	505.00		
Less: Exercised	10,000	287.50	59,500	539.45
Less: Forfeited			-	-
Less: Lapsed		-	15,000	527.40
Option outstanding end of the year	30,000	794.10	20,000	440.10
Exercisable at the end of the year	10,000	572.50	20,000	440.10
The MOHSL (ESOS-VI) : (face value of Rs. 1 each)				
Options outstanding at the beginning of the year	59,595	613.20	46,555	572.75
Add: Granted	30,000	905.00	35,000	720.00
Less: Exercised		-	22,000	572.50
Less: Forfeited		-		-
Less: Lapsed	20,000	615.00	-	-
Option outstanding end of the year	69,595	685.06	59,595	649.20
Exercisable at the end of the year	29,095	388.60	23,385	572.30

Particulars	As at 31 March 2023 In Numbers	Weighted Average Exercise Price (In Rs.)	As at 31 March 2022 In Numbers	Weighted Average Exercise Price (In Rs.)
The MOSL (ESOP-VI) : (Face value of Rs. 1 each)				
Option outstanding at the beginning of the year	3,92,650	633.26	4,53,500	554.55
Add: Granted	90,000	907.60	2,22,000	705.00
Less: Exercised	29,750	906.02	2,16,400	535.53
Less: Forfeited	-	-		
Less: Lapsed	82,350	653.22	64,950	597.06
Option outstanding end of the year	3,31,050	679.64	3,92,550	633.06
Exercisable at the end of the year	1,46,050	581.45	1,92,550	563.49
The MOFSL (ESOP-VII) : (Face value of Rs. 1 each)				
Option outstanding at the beginning of the year	24,44,550	745.24	24,04,950	720.59
Add: Granted	6,58,755	741.45	2,40,000	761.21
Less: Exercised	3,750	705.00	1,76,750	597.36
Less: Forfeited	-	-	-	-
Less: Lapsed	5,13,250	756.28	3,24,650	691.50
Option outstanding end of the year	25,85,585	737.87	24,44,050	740.74
Exercisable at the end of the year	7,89,900	739.52	4,14,200	736.66
The MOFSL (ESOP-IX) : (Face value of Re. 1/- each)				
Option outstanding at the beginning of the year	26,59,172	691.70		
Add: Granted	1,74,634	733.70	26,59,172	692
Less: Exercised	2,03,901	233.24	-	
Less: Forfeited	-	-	-	-
Less: Lapsed	2,15,899	855.27	-	-
Option outstanding end of the year	23,23,004	735.60	26,59,172	691.70
Exercisable at the end of the year	2,88,870	481.03	-	-
The MOWC (ESOS I) : (Face value of Rs. 1 each)				
Option outstanding at the beginning of the year	-	-	6,000	815.00
Add: Granted	-	NA		NA
Less: Exercised	-	NA	-	NA
Less: Forfeited	-	NA	-	NA
Less: Lapsed	-	-	6,000	815.00
Option outstanding end of the year	-	-	-	-
Exercisable at the end of the year	-	-	-	-
The MOTFL (ESOS 2014) : (Face value of Re. 1 each)				
Option outstanding at the beginning of the year	2,42,23,000	3.39	99,85,000	2.88
Add: Granted	92,80,500	4.25	2,35,95,000	3.50
Less: Exercised	20,49,000	3.26	10,39,000	2.62
Less: Lapsed	77,11,000	3.56	82,18,000	3.20
Option outstanding end of the year	2,27,49,500	3.65	2,42,23,000	3.39
Exercisable at the end of the year	1,44,750	3.50	5,09,000	3.00
The MOFL (ESOS 2016) : (Face value of Re. 1 each)				
Option outstanding at the beginning of the year	4,10,72,000	3.54	3,83,31,500	3.28
Add: Granted	2,08,09,250	4.25	2,30,95,000	2.61
Less: Exercised	3,77,610	3.08	29,75,500	1.68
Less: Lapsed	3,60,23,100	3.75	1,44,35,000	3.37
Option outstanding end of the year	5,38,40,640	3.94	4,10,72,000	3.54
Exercisable at the end of the year	9,19,493	3.44	3,31,000	2.88

Motilal Oswal Financial Services Limited
Notes to the consolidated financial statements
(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	As at 31 March 2023 In Numbers	Weighted Average Exercise Price (In Rs.)	As at 31 March 2022 In Numbers	Weighted Average Exercise Price (In Rs.)
The MOTIFL (ESOS 2017) - Grant I (Face value of Rs. 1 each)				
Option outstanding at the beginning of the year	12,42,500	3.93	19,11,750	3.03
Add: Granted	81,17,500	4.25	-	NA
Less: Exercised	6,16,000	4.20	1,93,500	1.60
Less: Lapsed	27,36,000	4.16	3,74,250	1.60
Option outstanding end of the year	60,07,500	4.16	13,42,000	3.68
Exercisable at the end of the year	-	-	3,19,750	4.28
The MOTIFL (ESOS 2019) (Holding company) (Face value of Rs. 1 each)				
Option outstanding at the beginning of the year	43,53,000	2.05	27,02,000	1.60
Add: Granted	1,00,000	4.25	9,12,000	2.78
Less: Exercised	29,78,500	1.64	10,43,750	1.61
Less: Lapsed	9,24,500	2.42	21,15,250	1.73
Option outstanding end of the year	5,50,000	4.05	43,53,000	2.05
Exercisable at the end of the year	-	-	24,72,835	1.60
The MOTIFL (ESOS 2017) (Holding company) (Face value of Re. 1 each)				
Option outstanding at the beginning of the year	-	-		
Add: Granted	5,55,17,500	4.25		
Less: Exercised		-		
Less: Lapsed	61,62,500	4.25		
Option outstanding end of the year	4,93,85,000	4.25		
Exercisable at the end of the year	-	-		

SINGHI & CO. Chartered Accountants

Motilal Oswal Financial Services Ltd. Mumbai

[illegible]

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

The exercise pricing formula for MOAMC ESOP schemes are as under:

Scheme I

The Committee shall have the authority to determine the Exercise Price having regard to the valuation report of an independent practicing chartered accountant that may be based on such valuation method, as may be considered suitable by him, including but not restricted to the Net Asset Value Method, Discounted Cash Flow Method, Earnings Capitalisation Method, Dividend Yield Model, etc. and may also rely upon the future projections of the Company which would be prepared by the management from time to time having regard to the future potential and prospects of the Company.

The Committee shall in its absolute discretion, have the authority to grant the Options at such discount as it may deem fit.

Scheme II

The Committee shall have the authority to determine the Exercise Price having regard to the valuation report of an independent practicing chartered accountant that may be based on such valuation method, as may be considered suitable by him, including but not restricted to the Net Asset Value Method, Discounted Cash Flow Method, Earnings Capitalisation Method, Dividend Yield Model, etc. and may also rely upon the future projections of the Company which would be prepared by the management from time to time having regard to the future potential and prospects of the Company.

The Committee shall in its absolute discretion, have the authority to grant the Options at such discount as it may deem fit.

The exercise pricing formula for MOWML ESOP schemes are as under:

The Committee shall have the authority to determine the Exercise Price having regard to the valuation report of an independent practicing chartered accountant that may be based on such valuation method, as may be considered suitable by him, including but not restricted to the Net Asset Value Method, Discounted Cash Flow Method, Earnings Capitalisation Method, Dividend Yield Model, etc. and may also rely upon the future projections of the Company which would be prepared by the management from time to time having regard to the future potential and prospects of the Company.

The Committee shall in its absolute discretion, have the authority to grant the Options at such discount as it may deem fit.

The exercise pricing formula for MOFSL ESOP schemes are as under:

Scheme V

Exercise price shall be the closing price of the Company's equity shares quoted on the BSE immediately preceding the date of Grant of the Stock Options, which for this purpose shall be the date on which the Committee grant the Stock Options, discounted by such percentage as may be determined by the Committee in the best interest of the various stakeholders in the prevailing market conditions.

Scheme VI

Exercise price shall be the closing price of the Company's Equity Shares, prior to the date of grant of the Options, on the Stock Exchanges where the highest trading volume is recorded, discounted/increased by such percentage as may be determined by the Committee.

Scheme VII

Exercise price shall be the closing price of the Company's Equity Shares, prior to the date of grant of the Options, on the Stock Exchanges where the highest trading volume is recorded, discounted/increased by such percentage as may be determined by the Committee.

Scheme VIII

Exercise price shall be the closing price of the Company's Equity Shares, prior to the date of grant of the Options, on the Stock Exchanges where the highest trading volume is recorded, discounted/increased by such percentage as may be determined by the Committee.

Scheme IX

Exercise price shall be the closing price of the Company's Equity Shares, prior to the date of grant of the Options, on the Stock Exchanges where the highest trading volume is recorded, discounted/increased by such percentage as may be determined by the Committee.

The exercise pricing formula for MOHFL ESOS 2014, MOHFL ESOS 2016, MOHFL ESOS 2017 & MOHFL ESOS 2017 II Co are as under:

The nomination and remuneration committee shall have the authority to determine the exercise price having regard to the valuation report of an independent practicing chartered accountant that may be based on such valuation methods, as may be considered suitable by him, including but not restricted to the Net Asset Value Method, Discounted Cash Flow Method, Earnings Capitalisation Method, Dividend Yield Model, etc. and may also rely upon the future projections of the Company, which would be prepared by the management from time to time having regard to the future potential and prospects of the Company. The said committee shall in its absolute discretion, have the authority to grant the options at such discount as it may deem fit.

Other Information regarding Employee Share Based Payment Plan is as below

	Year ended 31 March 2023	Year ended 31 March 2022
Expense arising from employee share based payment plans	2,897	2,449
Total carrying amount at the end of the period	23,644	21,122

The Company provides a sensitivity analysis to show the impact to the Company's profit before taxation in the event that forfeiture and performance condition assumptions exceed or are below the Company's estimations by the stated percentages.

Impact on the income statement on account of change in the assumption of estimate of exercising of options	Year ended 31 March 2023	Year ended 31 March 2022
(+)5%	(171)	(228)
(-)5%	171	228

Note 51 Segment Reporting

The Chief Operating Decision Maker monitors the operating results of the business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. The operating segments have been identified considering the nature of services, the differing risks and returns, the organisation structure and the internal financial reporting system.

The business segment has been considered as the primary segment for disclosure. The primary business of the Group comprises of "Capital market", "Fund based activities", "Asset Management and Advisory" and "Home Finance".

Capital market activities include broking services to clients, research and advisory services, financial product distribution, depository services, investment banking, margin trading funding, etc.

Fund based activities include investment activities (including investment in securities and property) and financing activity.

Asset Management and Advisory services include fee based services for management of assets.

Home finance represents interest and other related income from affordable housing finance business.

Since the business operations of the Group are primarily concentrated in India, the Group is considered to operate only in the domestic segment.

The accounting principles consistently used in the preparation of the financial statements are also consistently applied to record income and expenditure of individual segments.

Income and direct expenses in relation to segments are categorised based on items that can be individually identifiable to that segment. Certain expenses such as taxes, etc. are not specifically allocable to specific segments.

Assets / liabilities to the extent directly identifiable to a segment have been categorized separately; others have been shown as "unallocated" in the tabular column. Other balance sheet items such as deferred tax liability are similarly not allocated to segments.

Particulars	For the year ended	
	31 March 2023	31 March 2022
1. Revenue:		
1. Capital market	2,83,239	2,54,481
a) External Revenue	2,10,950	2,01,227
b) Interest Income	72,289	53,254
2. Fund based activities	14,252	50,494
a) External Revenue	12,939	49,235
b) Interest Income	1,314	1,259
3. Asset management and advisory	96,228	**1,12,853**
a) External Revenue	94,410	1,12,012
b) Interest Income	1,818	841
4. Home finance	53,193	**57,841**
a) External Revenue	1,861	2,655
b) Interest Income	51,332	50,186
5. Unallocated	47	100
a) External Revenue	47	100
b) Interest Income		
6. Inter-Segment	(27,247)	(39,159)
a) External Revenue	(22,613)	(36,131)
b) Interest Income	(4,634)	(3,028)
7. Total	4,19,712	**4,31,641**
a) External Revenue	2,96,892	3,29,115
b) Interest Income (including gain or derecognition of financial assets)	1,22,820	1,02,526

1. Capital market		
a) Interest Expense	37,686	25,497
b) Net Interest Revenue	35,301	27,761
c) Depreciation and amortization	5,009	3,832
2. Fund based activities		
a) Interest Expense	3,896	2,204
b) Net Interest Revenue	(2,572)	(965)
c) Depreciation and amortization		
3. Asset management and advisory		
a) Interest Expense	1,417	495
b) Net Interest Revenue	402	376
c) Depreciation and amortization	443	435
4. Home finance		
a) Interest Expense	21,856	23,124
b) Net Interest Revenue	29,487	27,062
c) Depreciation and amortization	399	469
5. Inter-Segment		
a) Interest Expense	(3,264)	(3,843)
b) Net Interest Revenue	630	814
c) Depreciation and amortization	-	-
6. Total		
a) Interest Expense	61,563	47,577
b) Net Interest Revenue	63,248	55,049
c) Depreciation and amortization	5,838	4,826
2. Segment results		
(a) Capital market	67,933	67,475
(b) Fund based activities	6,402	46,262
(c) Asset management and advisory	36,238	24,182
(d) Home finance	17,158	12,851
(e) Unallocated	(1,156)	(9,510)
Total segment results	**1,24,225**	**1,61,581**
Tax expense:		
Current tax	29,062	23,588
Deferred tax	1,823	7,100
Short/(excess) provision for earlier years	93	(189)
Profit from ordinary activities	**93,282**	**1,31,075**
Add : Share of profit/(loss) from associate (net of taxes)	196	172
Profit after tax including share of associate	**93,478**	**1,31,245**
Less: Non controlling interest	309	267
Net profit/(loss) attributable to Owners of parent	**93,169**	**1,30,978**
3. Segment assets		
(a) Capital market	13,99,127	8,63,353
(b) Fund based activities	4,66,266	4,21,165
(c) Asset management and advisory	42,757	60,084
(d) Home finance	4,12,294	3,72,782
(e) Unallocated	10,647	12,600
Less : Inter segment assets	(30,088)	(37,630)
Total segment assets	**23,00,994**	**16,92,354**

4. Segment liabilities		
(a) Capital market	13,25,571	9,00,162
(b) Fund based activities	17,181	[illegible]
(c) Asset management and advisory	16,122	23,008
(d) Housing finance	2,99,729	2,75,353
(e) Unallocated	26,681	36,730
Less: Inter segment liabilities	(12,657)	(27,165)
Total segment liabilities	16,73,676	12,22,269

*Home Finance segment derives a majority of its revenue from interest. Management primarily relies on net interest revenue, not the gross revenue and expense amounts, in managing that segment. Therefore, as permitted by paragraph 23 of Ind AS 108 only the net amount is disclosed.

Note: 52 Revenue from contracts with customers

The Group determines revenue recognition through the following steps:

1. Identification of the contract, or contracts, with a customer.
2. Identification of the performance obligations in the contract.
3. Determination of the transaction price.
4. Allocation of the transaction price to the performance obligations in the contract.
5. Recognition of revenue when or as, we satisfy a performance obligation.

a) Nature of services

(i) Broking and other related activities - Income from services rendered as a broker is recognised upon rendering of the services, in accordance with the terms of contract. Income from services rendered on behalf of depository is recognised upon rendering of the services, in accordance with the terms of contract.

(ii) Interest income on home loan, loan against shares, MTF and other securities - Interest is earned from clients on amounts funded to them and on delayed payments. Interest income is recognised on a time proportion basis taking into account the amount outstanding from customers or on the financial instrument and the rate applicable.

(iii) Portfolio management fee, investment management and advisory fees - The Group is an Investment Manager and provides investment management and administrative services to the Schemes of Motilal Oswal Mutual Fund ("the Fund"), provides Portfolio Management Services (PMS) to clients, investment management services on Alternate Investment Funds and provide investment advisory services to onshore and offshore clients. The Group earns managements fees from respective businesses.

b) Disaggregation of revenue

Revenue from contracts with customers:

Particulars	31 March 2023	31 March 2022
(i) Broking and other related activities	1,89,149	1,74,619
(ii) Interest income	1,22,829	1,03,425
(iii) Portfolio management fee, Investment management and advisory fees	84,201	86,112
	3,96,179	3,64,156

Revenue disaggregated by business segment has been included in segment information (refer note 51).

c) Contract balances

Receivables - The outstanding as on as at 31 March 2023 : INR 1,32,912 lakhs, 31 March 2022: INR 1,00,332 lakhs (also refer note 6).

Loans and advances - The outstanding balance as at 31 March 2023 : Rs. 7,31,764 Lakhs, 31 March 2022: Rs. 4,90,452 lakhs (also refer note 7)

d) Performance obligations and timing of revenue recognisation

(i) Broking and other related activities -

Income from services rendered as a broker & referral fees is recognised upon rendering of the services.

Fees for subscription based services & training fees are received periodically but are recognised as earned on a pro rata basis over the term of the contract.

Commissions from distribution of financial products are recognised upon allotment of the securities to the applicant or as the case may be, on issue of the insurance policy to the applicant.

(ii) Interest income on loans and MTF:

Interest income is recognised on a time proportion basis taking into account the amount outstanding from customers or on the financial instrument and the rate applicable.

Interest is earned on delayed payments from clients and investors funded to them as well as earn deposits with banks.

(iii) Portfolio management fee, investment management fees and advisory:

Performance obligation of fee from asset management and portfolio management services are completed as per the terms and conditions of the asset management agreement. The usual payment term for the performance obligation of the company is one to three months.

Income from advisory services is recognised upon rendering of the services.

Note 53 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Particulars	As at 31 March 2023			As at 31 March 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial assets						
Cash and cash equivalents	2,57,551	-	2,57,551	[illegible]		[illegible]
Bank balance other than cash and cash equivalents above	6,87,811	38,238	6,87,811	1,01,211	1,21,530	[illegible]
Receivables						
(I) Trade receivables	31,897	31,012	1,02,909	24,405	20,943	1,01,909
(II) Other receivables	3	-	3	23	-	23
Loans	3,86,641	3,35,123	7,21,764	2,05,229	2,54,235	4,90,152
Investments	59,050	4,19,016	4,78,066	60,016	4,08,445	4,68,461
Other financial assets	26,323	2,915	29,238	33,805	1,365	35,170
Non-financial assets						
Current tax assets (net)	56	3,131	3,187		3,381	3,381
Deferred tax assets (net)	27	6,840	6,867		6,553	6,553
Property, plant and equipment	4,244	44,919	49,163	2,028	70,539	72,567
Other intangible assets	-	3,930	3,930	-	3,299	3,299
Other non financial assets	8,426	20,192	28,620	13,300	10,191	23,500
Total assets	14,02,619	8,98,375	23,00,994	7,88,692	9,03,682	16,92,374

Particulars	As at 31 March 2023			As at 31 March 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial liabilities						
Payables						
(I) Trade payables	[illegible]	[illegible]	3,14,842	2,45,162	2,[illegible]	[illegible]
(II) Other payables	[illegible]	1,4[illegible]	[illegible]	[illegible]	[illegible]	3,96,850
Borrowings (other than debt securities)	1,51,709	1,79,372	3,31,080	57,988	1,20,384	2,[illegible]
Deposits		170	170		53	[illegible]
Other financial liabilities	2,41,[illegible]	[illegible]	2,45,[illegible]	[illegible]	4,[illegible]	[illegible]
Non-financial liabilities						
Current tax liabilities (net)	3,666	-	3,666	3,[illegible]		3,[illegible]
Provisions	16,539	5,[illegible]	21,644	21,125	2,556	21,[illegible]
Deferred tax liabilities (net)	-	21,146	21,146	-	[illegible]	[illegible]
Other non-financial liabilities	6,070	68	6,138	6,749	-	6,749
Total liabilities	12,94,888	3,77,788	16,72,676	8,51,133	3,91,156	12,22,289
Net	1,07,731	5,20,586	6,28,318	(62,459)	6,12,526	5,70,065

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Note 54 Fair value measurement

a) Financial instruments by category

Particulars	As at 31 March 2023			As at 31 March 2022		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Cash and cash equivalents			2,57,631	-	-	3,13,774
Bank balance other than cash and cash equivalents above		-	6,36,069	-	-	3,17,771
Receivables						
(i) Trade receivables			1,02,909			1,02,305
(ii) Other receivables			3			22
Loans			7,21,761			4,93,652
Investments	1,11,815	61,728	5,127	3,97,376	68,811	2,303
Other financial assets			25,168			35,591
Total financial assets	**4,11,843**	**61,728**	**17,42,662**	**3,97,376**	**68,811**	**11,60,306**
Financial liabilities						
Payables						
(i) Trade payables						
(a) total outstanding dues of micro enterprises and small enterprises			3,34,642	-	-	3,70,386
(b) total outstanding dues of creditors other than micro enterprises and small enterprises						
Debt securities	-	-	6,96,512	-	-	2,96,860
Borrowings (Other than debt securities)	-	-	3,51,080	-	-	2,19,271
Deposits	-	-	170	-	-	59
Other financial liabilities	-	-	2,45,478	-	-	83,602
Total financial liabilities	-	-	**15,18,082**	-	-	**10,69,158**

b) Fair value hierarchy

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation sale.

The section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value and (b) measured at amortised cost. To provide an indication about the reliability of the inputs used in determining fair value, the Group classifies its financial instruments into three levels prescribed under the Indian Accounting Standards. An explanation of each level follows underneath the table.

Level 1: Level 1 hierarchy includes financial instruments measured using unadjusted quoted prices. For example listed equity securities, units of mutual funds, quoted market prices.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification assets included in level 3.

As at 31 March 2023

Assets and liabilities measured at fair value - recurring fair value measurements	Level 1	Level 2	Level 3	Total
Financial assets				
Financial investments at FVTPL				
Mutual funds	2,11,498	-	-	2,11,498
Quoted equity instruments shares	2,129			2,129
Alternative investment funds	-	15,613	-	15,613
Private equity funds			99,527	99,527
Real estate funds			25,390	25,390
Unquoted equity and preference shares	-	-	32,671	32,671
Unquoted security receipts			19,646	19,646
Debentures and Bonds - Unquoted			5,170	5,170
Financial investments at FVOCI				
Quoted equity shares	62,926	-	-	62,926
Total financial assets	2,75,552	15,613	1,82,404	4,73,569

As at 31 March 2022

Assets and liabilities measured at fair value - recurring fair value measurements	Level 1	Level 2	Level 3	Total
Financial assets				
Financial investments at FVTPL				
Mutual funds	2,11,356		-	2,11,356
Quoted equity and preference shares				
Alternative investment funds	-	4,439	-	4,439
Private equity funds		-	55,205	55,205
Real estate funds	-	-	20,395	20,395
Unquoted equity and preference shares	-	-	35,197	35,197
Unquoted security receipts			21,746	21,746
Debentures and Bonds - Unquoted			8,106	8,106
Financial investments at FVOCI				
Quoted equity shares	69,811	-		69,811
Total financial assets	2,80,167	14,439	1,71,582	4,66,188

II. Valuation techniques used to determine fair value

Specific valuation techniques used to value financial instruments include:

Quoted equity investments - Quoted closing price on stock exchange

Mutual fund - net asset value of the scheme

- Alternative investment funds - net asset value of the scheme
- Unquoted equity and preference investments - price multiple of comparable companies
- Private equity funds - NAV of the underlying financial assets of the funds

The fair value of investment in security receipts are based on the quoted market prices given by independent rating agency.

- Real estate funds - net asset value, based on the independent valuation report on financial statements of the company income approach or market approach based on the independent valuation report.

III. Fair value of financial instruments measured at amortised cost

Financial assets are measured at fair value including cash and cash equivalents, trade receivables, loans and other financial assets. These are financial assets where carrying amount approximates fair value, due to their short term nature.

Additionally, financial liabilities such as trade payables and other financial liabilities are not measured at FVTPL, where carrying amount approximates fair value because of their short term nature.

c) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the year ended 31 March 2023 and 31 March 2022:

Particulars	Private Equity Funds	Real Estate Funds	Debentures and Bonds	Security receipts	Unquoted Shares	Total
As at 1 April 2021	67,980	30,663	3,013	21,647	5,863	4,19,156
Additions	9,622	3,[illegible]	16,[illegible]	7,110	21,129	38,946
Disposals	(439)	(4,3[illegible])	(1,75[illegible])	(5,211)	-	(59,141)
Gain/(loss) recognised in statement of profit and loss	9,010	311	21	(1,476)	6,525	25,688
As at 31 March 2022	85,203	31,395	5,836	22,784	36,397	4,24,609
Additions	9,041	13,179	3,316	5,140	150	29,176
Disposals	(6,127)	(9,329)	(4,8[illegible]6)	(5,618)	(950)	(25,8[illegible]0)
Gains/(losses) recognised in statement of profit and loss	1,372	175	-	(1,590)	(2,172)	(2,675)
As at 31 March 2023	89,226	35,390	5,470	19,616	32,655	4,67,306

d) Transfers between Level 2 and 3

[illegible] Level 2 to Level 3 during the year

e) Valuation inputs and relationships to fair value

The quantitative information about the significant unobservable inputs used in level 3 fair value measurements is commercial in nature.

Sensitivity analysis

Particulars	As at 31 March 2023	As at 31 March 2022
Fair value of the investments	1,82,731	1,71,502
Significant unobservable inputs		
Net worth of the fund at Fair value		
- increase by 10% or [illegible]	18,240	17,153
- decrease by 10% or [illegible]	(18,240)	(17,150)

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Note 55: Financial risk management

The Group is exposed mainly to fluctuations in credit, liquidity and price risk which may adversely impact the fair value of its financial instrument. The Group has a risk management policy which covers risk associated with the financial assets and liabilities. The firm of the risk management is to assess the unpredictability of the financial environment, and to mitigate potential adverse effects on the financial performance of the Group.
The Group's principal financial liabilities comprise of borrowings, bank/financial institutions, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include loans, investments, trade receivables and cash and cash equivalents that derive directly from its operations.

A. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or a counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's loans and advances to customers. For risk management reporting purposes, the Group considers and consolidates all elements of credit risk exposure.

Management of credit risk

The Board of Directors has the global responsibility for the oversight of credit risk in the Risk Management Committee, which has been appointed the Internal Risk Rating Committee (IRRC) which is the internal committee and the meeting of the said commitment (MoC) is conducted on a monthly basis, the objective of which is to determine the retail prime lending rates (RPLR) based on various scenarios such as borrowing costs of the Group, repo rate by Reserve Bank of India (RBI), the Treasury Bills Yield Curve, inflation, economic data, Asset Liability Management Committee (ALM) changes to the operating level (OL) for Gold Loan as approved.

The Risk Management Committee develops the credit risk management framework, policies, procedures, reviews the same on periodic basis which is further noted and approved by the Board of Directors. The Risk Management Committee also reviews delinquent scenarios and makes decisions on recovery actions. Credit reviews are conducted regularly to monitor the health of the loan portfolio and to detect early signs of weakness and deviations.

The Risk Management Committee manages risk on a portfolio wide basis and recommends alternative portfolio strategies, analysis trends of portfolio management reports and develops portfolio limits for each portfolio segment for approval of the Board of Directors. Credit risk control is achieved by analyzing credit portfolio mix in real time monitoring processes on a regular basis. Credit stress tests are also conducted periodically to determine the impact of security prices and other stress parameters on the loan portfolio. The Group also conducts annual valuation of delinquent accounts, to determine the actual value and sustainability of the collateral which is adequately factored in Capital Adequacy Ratio. This allows the Group to assess the potential financial impact of losses arising from plausible events or changes in the Group's loan portfolio.

Expected credit loss measurement

(i) Expected credit loss measurement for Loans :

Ind AS 109 requires a three-stage model for impairment based on changes in credit quality since initial recognition summarised below:

1. A financial instrument that is not credit-impaired on initial recognition is classified in Stage 1 and has its credit risk continuously monitored by the Group.

2. If a significant increase in credit risk (SICR) since initial recognition is identified, the financial instrument is moved to Stage 2 but is not yet deemed to be credit-impaired.

3. If the financial instrument is credit-impaired, the financial instrument is then moved to Stage 3.

Financial instruments at Stage 1 have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from default events that are possible within the next 12 months. Instruments in Stages 2 or 3 have their ECL measured based on expected credit losses on a lifetime basis.

The following diagram summarises the impairment requirements under Ind AS 109 (other than purchased or originated credit impaired financial assets):

Change in credit quality since initial recognition

Stage 1	Stage 2	Stage 3
(Initial recognition)	(Significant increase in credit risk since initial recognition)	(Credit-impaired assets)
12-month expected credit losses	Lifetime expected credit losses	Lifetime expected credit losses

The key judgements and assumptions adopted by the Group in estimating the amount of ECL are discussed below:

Significant increase in credit risk (SICR)

The Group considers a financial instrument which experiences a significant increase in credit risk when one or more of the following quantitative, qualitative or backstop criteria have been met:

a. Quantitative criteria

When loan passes 30 days past due or more or more than 30 days past due 90 days.

b. Qualitative criteria:

If the borrower meets one or more of the following criteria:

a. Internal credit rating

b. Significant adverse change in business

c. Significant adverse change in the area financed.

d. Previous arrears within the last 24 months

Default and credit-impaired assets

The Group defines a financial instrument as in default when it fully aligned with the definition of credit-impaired, which is more consistent with the Group's internal credit risk management practices. The Group defines a financial instrument as in default when it meets one or more of the following criteria:

a. Quantitative criteria

Individual is more than 90 days past due on its contractual payments.

b. Qualitative criteria

The borrower meets qualitative criteria when it shows indicators of significant financial difficulty. These are indicators where:

a. The borrower is in significant financial difficulty.

b. The borrower is insolvent

c. The borrower is in default

d. Contractual terms of loan are being breached by the borrower due to financial difficulty.

e. It is likely that the borrower will enter bankruptcy

The criteria above have been applied to homogeneous portfolios consistent with the definition of default in the internal credit risk management process. The default definition has been applied to consistently to model the Probability of Default (PD), Exposure at Default (EAD) and Loss given Default (LGD) throughout the Group's expected loss calculations.

In accordance with the RBI guidelines dated 27 March 2020 & subsequent guidelines dated 17 April 2020 and 23 May 2020, the subsidiary company Mortgal Oswal Home Finance Limited granted a moratorium of three months on payment of instalments falling due all qualified between 1 March 2020 to 31 August 2020 to eligible borrowers. Due to the accounts where the moratorium is granted, the days past due is not reset to zero during the moratorium period. (i.e. the number of days overdue at the commencement of the moratorium period) for the purpose of asset classification.

Measuring ECL – Explanation of inputs, assumptions and estimation techniques

The Expected Credit Loss (ECL) is measured on either a 12-month basis (12M) or Lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit-impaired. Expected credit losses are the discounted product of the Probability of Default (PD), Exposure at Default (EAD), and Loss Given Default (LGD), defined as follows:

- The PD represents the likelihood of a borrower defaulting on its financial obligation (as per "Definition of default" above), either over the next 12 months (12M PD), or over the remaining lifetime (Lifetime PD) of the obligation.

- The exposure at default (EAD) represents the gross carrying amount of the financial instrument subject to the impairment calculation, considering permitted drawdowns by the client, expected utilisation of the undrawn commitment, and accrued interest from missed payments.

To calculate the EAD for Stage 1 loan, the Group assesses the possible default events within 12 months for the calculation of the 12M ECL. For stage 2 and 3 financial assets, the exposure at default is considered over the lifetime of the instrument.

Loss Given Default (LGD) represents the Group's expectation of the extent of loss on a defaulted exposure. The LGD varies by type of counterparty, type and seniority of claim and availability of collateral or other credit support. LGD is expressed as a percentage loss per unit of exposure at the time of default. The LGD is calculated on a 12-month or lifetime basis, where Forward LGD is the percentage of loss expected to be made if the default occurs in the next 12 months and Lifetime LGD is the percentage of loss expected if the default occurs over the remaining expected lifetime of the loan.

The ECL is determined by multiplying the PD, EAD and LGD for each stage buckets explained above and for each individual exposure or collective segment. These three components are multiplied together and adjusted for the likelihood of survival (i.e. the exposure has not prepaid or defaulted in an earlier month). The effective calculation of ECL for each stage buckets which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof.

The Lifetime PD is determined by applying a statistical model to the current 12M PD. The model uses the Markov Chain Matrix to model the movement of loans from the point of loan origination throughout the lifetime of the loan. The monthly profile is based on historical observed data and is assumed to be independent of future economic data and credit risk profile. This is supported by historical analysis.

The 12 month and Lifetime EAD are determined based on the expected payment profile, which varies by product type. For amortising products, this is equal to the contractual payments owed by the borrower over a period of 12 months or lifetime, respectively, discounted back to the reporting date. This will also be adjusted for any expected overpayments of principal by borrowers. Early repayment/refinance assumptions are also incorporated into the calculation.

The 12 month and Lifetime ECLs are determined based on the probability of default occurring over the next 12 months and over the lifetime of the loan respectively, taking into account the expected cash flows from the collateral and other credit enhancements.

* For secured products, ECL is primarily based on collateral type and projected collateral values, historical observed loss rates, roll rates, haircuts and other factors that are expected to affect the recovery from the collateral. The Group uses the repossession of the collateral as a last resort to recover the outstanding amount. However, the Group has not taken possession of any property in the past. Hence the Group has taken 100% as LGD for its secured loan ECLs on Stage 3 Loans and Stage 2 Loans.

* For unsecured products, based on written off cases, the LGD has been calculated as 100% as was given. Details of the Group's forward looking cash flow on 100% basis.

Forward looking economic variables/assumptions used are such as how the macro economic cycle of the PDs and how collateral values affect the probability of default and recovery on a quarterly basis. While estimating the expected credit losses, the Group reviews macroeconomic developments occurring in the economy and assesses if any adjustments are required to the ECL provisions. The Group analyses if there is any relationship between key economic trends like GDP, inflation, unemployment rate, interest rate, international Monetary Fund (IMF) projections and the estimates of PD, LGD determined by the Group based on its own credit risk. While the internal estimates of PD, LGD and EAD by the Company may not be always in line with such relationships, the Company analyses and embeds in its methodologies to reflect such macro economic factors reasonably.

Impact of RBI Circular on subsidiary company Motilal Oswal Home Finance Limited- COVID-19 – Regulatory Package

As per Ind AS 116 - Financial Instruments, the subsidiary company Motilal Oswal Home Finance Limited has made the assessment that credit risk on its financial assets has increased significantly since initial recognition when contractual payments are due for more than 30 days, for the customers who have availed moratorium under the "Regulatory Package" in RBI circular of COVID-19 - Regulatory Package. The contractual extent of 90 days for the cases where moratorium is granted, the asset classification was kept stand still during the moratorium period.

RBI on 6 August 2020 came up with resolution plan Framework for COVID-19-related Stress, it is now feasible to provide resolution under the Prudential Framework to enable the lenders to implement a resolution plan in respect of eligible borrowers. Company's view of some duly implemented resolution measures to retain its existing or its eligible customers. Detailed basis RBI circular on resolution plan & joint decision of credit risk, collection & legal department of the Company.

Company is of the view that the asset classification under Pre-adoption moratorium is not a trigger of increase in credit risk. Accordingly, the same should actually not be considered as a trigger for considering SICR and in turn, should not result in shifting of the financial instruments from one stage to another. However, considering the requirements of RBI circular on resolution plan, Company's management has recognised provisions in terms of the new requirements of this circular.

The Company has identified certain pool of assets where as per Company's internal evaluation risk is higher considering their repayment history, customer profile, current period, past loss experience period & valuation of its collateral. Based on evaluation the company has decided to recognise additional provision on such pool of assets.

Loss allowance

The loss allowance recognised in the period is impacted by a variety of factors, as described below:

a. Transfers between Stage 1 and Stage 2 or 3 due to financial instruments experiencing significant increases (or decreases) of credit risk or becoming credit impaired in the period, and the resulting "transfer" between 12-month and lifetime ECLs;

b. Additional allowances for financial instruments recognised in the period;

c. Impact on the measurement of ECL due to changes in PDs, EADs and LGDs in the period, arising from regular refreshing of inputs to models;

d. Financial assets derecognised during the period and write-offs of allowances related to assets that were written off during the period.

Write off policy

The Group writes off a financial asset, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include:

(i) ceasing enforcement activity; and

(ii) where the Group's recovery method is foreclosing on collateral and the value of the collateral is such that there is no reasonable expectation of recovery in full.

The Group may write off financial assets that are still subject to enforcement activity. The Group may still seek to recover amounts it is legally entitled to, which may be in full, but which have been fully / partially written off due to no reasonable expectation of full recovery.

Modification of financial assets

The Group sometimes modifies the terms of loans provided to its clients due to commercial renegotiations, or for economic or other reasons relating to the borrower's financial difficulty.

Such restructuring activities include extended payment arrangements, grace periods, payment holidays and payment forgiveness. Restructuring strategies and practices are based on evaluations of current or past, and the judgement of management, indicate that payment will most likely continue. These policies are kept under continuous review.

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The risk of default of such assets after modification is assessed on the reporting date and compared with the risk under the original terms at initial recognition, when the modification is not substantial and do does not result in derecognition of the original asset. The Group monitors the subsequent performance of modified assets and it may determine that the credit risk has significantly improved after modification such that the assets are moved from Stage 3 (Lifetime ECL) to Stage 1 (12-month ECL). This is only in case the loan which have performed in accordance with the new terms for a year or more. Company does not have any such case.

(ii) Expected credit loss measurement for Trade receivables :

The loss allowance has been measured using lifetime ECL except for financial assets on which there has been no significant increase in credit risk since initial recognition. At each reporting date, the Company assesses whether financial assets carried at amortised cost is credit impaired. A financial asset is credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred since initial recognition.

A provision matrix has been constructed for assessing expected credit losses (ECL) of trade receivables at an amount equal to lifetime ECLs. The ECL on trade receivables are calculated based on actual historical credit loss experience over the previous years for the total balance of trade receivables. For the purpose of computation of ECL, the term default implies a contractual payment not made on the due date in respect of which the client was unable to provide further collaterals or bridge the shortfall, the same is termed as margin call triggered.

Based on the industry practices and business environment in which the entity operates, management considers financial assets as default if the payment is overdue for more than 90 days from the due date of payment. For financial assets, expected credit losses are calculated by from the date of initial recognition considering the ECL. Management would also consider the client's family properties and collaterals in form other than securities while considering the secured position of the client. Management would also consider unpaid client balance which are unsecured and overdue for less than 90 days on the basis of past loss based on the history of recoverability. For litigation cases, management would provide provisional provision after considering the flow of economic consideration. In case such trade receivables are overdue for more than 90 days and the management is not sure of collection of the money in the future, impairment loss would not be provided for such cases based on the approval of business head for each reporting period. Probability of default (PD) of these receivables is considered as 100% and treated as credit impaired.

(iii) Expected credit loss measurement for Margin Trading Facility(MTF) loan :

Loans under Margin Trading Facility (MTF) are considered and treated as financial instruments for which simplified approach is not taken into consideration for the calculation of ECL.

Stage 1 : All exposures in the MTF loan book are considered as stage 1 asset for computation of expected credit loss. For exposures where there has not been a significant increase in credit risk since initial recognition and not credit impaired post origination, loan is unlikely and do not considered in stage 1 for determination of ECL. Exposure to credit risk in stage 1 is computed considering historical probability of default, market movements and macro-economic environment.

Stage 2 : Exposures under stage 2 include those over 90 days pertaining to principal amount, interest and any other charges on the MTF loan book which are overdue. While analysing the secured position of the client, management would also consider balance in client's family accounts, securities in other segment and collaterals in form other than the securities while considering the secured position of the client. At each reporting date, the Company assesses whether there has been a significant increase in credit risk for financial assets since initial recognition. To determine whether credit risk has increased significantly since initial recognition, the Company uses reasonable information and other qualitative factors to make consideration in credit quality of a financial asset.

For credit exposures where there has been a significant increase in credit risk since initial recognition but not yet credit impaired, a lifetime ECL is recognised.

Stage 3 : Exposures under stage 3 include those past 90 days pertaining to principal amount, interest and any other charges on MTF loan book which are overdue.

Financial assets are assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the asset have occurred. For loan exposures that have become credit impaired, a lifetime ECL is recognised.

H Liquidity risk and funding management

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, the Company aims at maintaining flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash and cash equivalents on the basis of its current and future liquidity. In addition, the Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

SINGHI & CO. Chartered Accountants

Motilal Oswal Financial Services Ltd. Mumbai

(i) **Analysis of financial assets and liabilities by remaining contractual maturities**

The table below summarises the maturity profile of the Company's financial assets and liabilities.

As at 31 March 2025

Contractual maturities of assets and liabilities	Less than 1 year	1 to 5 years	Above 5 Years	Total
Financial assets				
Cash and cash equivalents	2,57,231		-	2,57,231
Bank balance other than cash and cash equivalents above	5,87,5[illegible]	38,348	-	6,26,[illegible]
Receivables				
(I) Trade receivables	71,[illegible]	31,[illegible]	-	1,02,[illegible]
(ii) Other receivables	[illegible]			[illegible]
Loans	3,56,64[illegible]	3,35,123	-	7,21,[illegible]
Investments	39,350	1,19,510	-	1,58,[illegible]
Other financial assets	26,323	2,843		29,[illegible]
Total financial assets	13,59,338	8,26,573	-	22,16,231
Financial liabilities				
Payables				
(i) Trade payables	3,[illegible]	25,[illegible]	-	3,44,[illegible]
Debt securities	5,30,65[illegible]	1,47,65[illegible]	-	6,78,51[illegible]
Borrowings (Other than debt securities)	1,[illegible]	1,[illegible]		3,32,000
Deposits	-	170	-	170
Other financial liabilities	2,[illegible],61[illegible]	3,05[illegible]	-	[illegible],3,176
Total financial liabilities	12,66,613	3,52,369	-	16,19,982

As at 31 March 2024

Contractual maturities of assets and liabilities	Less than 1 year	1 to 5 years	Above 5 Years	Total
Financial assets				
Cash and cash equivalents	2,13,75[illegible]		-	2,13,75[illegible]
Bank balance other than cash and cash equivalents above	1,90,341	1,27,380	-	3,17,721
Receivables				
(I) Trade receivables	72,906	27,509	-	1,00,[illegible]
(II) Other receivables	30			30
Loans	2,05,920	2,8[illegible],382	-	[illegible]
Investments	60,946	4,08,445	-	4,[illegible]
Other financial assets	33,[illegible]	1,[illegible]		35,591
Total financial assets	7,76,298	8,50,096	-	16,26,394
Financial liabilities				
Payables				
(i) Trade payables	3,[illegible]	28,[illegible]	-	3,[illegible]
Debt securities	2,26,[illegible]	1,19,[illegible]	-	3,35,[illegible]
Borrowings (Other than debt securities)	57,[illegible]	1,20,234	-	2,1[illegible]
Deposits		98		98
Other financial liabilities	79,741	6,056		85,[illegible]
Total financial liabilities	7,40,780	2,69,315	-	10,09,[illegible]

C. **Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk and price risk.

(i) **Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign currency rates.

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Motilal Oswal Financial Services Ltd. Mumbai

Foreign currency risk management

In respect of the foreign currency transactions, the Group is exposed to foreign currency. However, the management believes that the current foreign currency risk will not have a material impact on the Group.

(ii) Cash flow and fair value interest rate risk

The Group's main interest rate risk arises from long-term borrowings. Debt securities and loans are in variable rates, which expose the Group to cash flow interest rate risk. The Group is exposed to interest rate risk as it is involved in lending business. Interest rate risk can arise from other mismatches in the company due to company's financial position. Group tries to mitigate this risk by mix of positive margin which has better profitability and strengthens company's balance sheet. Group has an investment office to manage its interest risk by diversifying its lending units and deepening its relationship with lenders.

The Group's financial instruments are subject to interest rate risk as defined in Ind AS 107. Since neither the carrying amount nor the future cash flows will fluctuate because of changes in market interest rates.

Interest rate risk exposure

Out of the total financial liabilities, exposure to interest rate risk of the Group's lending towards borrowings/ debt securities (other than non-convertible debentures and non-convertible preference shares).

Sensitivity

Profit or loss sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. Other components of equity change as result of an increase/decrease in the fair value of the cash flow hedges related to borrowings.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on the other variables being constant of the Group's statement of profit and loss and equity.

Particulars	Impact on profit after tax	
	31 March 2023	31 March 2022
Loans		
Interest rates – increase by 100 basis points	5,925	2,665
Interest rates – decrease by 100 basis points	(5,925)	(2,665)
Borrowings		
Interest rates – increase by 100 basis points	(2,196)	(3,314)
Interest rates – decrease by 100 basis points	2,196	3,314

Exposure of price risk

The company is exposed to price risk from its investment in mutual funds, equity shares, exchange traded funds classified in the balance sheet at fair value through profit and loss or fair value through other comprehensive income.

The investments held by the Company are subject to the fluctuations in market interest rate risk.

The investment in long term mutual fund is for high-PAT generating units. They also maintain a highly liquid "treasury" available for investments to business if required.

Particulars	31 March 2023	31 March 2022
Exposure to price risk	4,53,552	4,56,158

Sensitivity to price risk

The following table demonstrates the impact of sensitivity of NAVs / price with all other variables held constant. The below impact on the Company's profit before tax is based on changes in the NAVs / price of the investments held as FVTPL/FVOCI at balance sheet date:

Sensitivity	31 March 2023	31 March 2022
Impact on profit before tax for 10% increase in NAV/price	17,357	16,519
Impact on profit before tax for 10% decrease in NAV/price	(17,357)	(16,519)

Sensitivity to foreign currency risk

The following table demonstrates the sensitivity to a reasonably possible change in foreign exchange rates (all other variables being constant) of the Group's net monetary/(payable)

Particulars	31 March 2023	31 March 2022
Exposure to foreign currency risk	77	33

Sensitivity	31 March 2023	31 March 2022
Impact on profit before tax for 10% increase foreign currency rate	8	6
Impact on profit before tax for 10% decrease foreign exchange rate	(8)	(6)

Note 46 : Capital management

The Group manages its capital to ensure that the Group will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

For the purpose of the Group's capital management, capital includes issued capital and other equity reserves. The primary objective of the Group's capital management is to maximise shareholders value. The Group manages its capital structure and makes adjustments in the light of changes in economic conditions and the requirements of the financial covenants.

The capital composition is as follows:

Particulars	31 March 2023	31 March 2022
Gross debt*	[illegible]	[illegible]
Cash and cash equivalents	(2,57,681)	(2,13,754)
Net debt (A)	7,73,319	4,08,087
Total equity (B)	5,28,318	4,79,065
Gearing ratio (A / B)	1.33	0.85

*Debt includes debt securities and borrowings (other than debt securities) including outstanding interest.

Note: 37 Principles and assumptions used for consolidated financial statements and proforma adjustments:

a) The Consolidated Financial Statements have been prepared by applying the principles laid in the Indian Accounting Standard (Ind AS) - 110 "Consolidated Financial Statements" and Ind AS - 28 "Investments in Associates and Joint Ventures" issued by the Institute of Chartered Accountants of India for the purposes of these Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, Consolidated Statement of Cash Flows, Consolidated Statement of Changes in Equity and Summary of significant accounting policies and other explanatory information to the consolidated financial statements, together referred to in as "Consolidated Financial Statements."

The list of subsidiaries and associates in the consolidated financial statement are as under :-

Motilal Oswal Financial Services Limited (the 'Company' or 'the holding company') shareholding in the following companies as on 31 March 2023 and 31 March 2022 is as under:

Name of the Entities	Country of incorporation	Proportion of ownership interest	
		As at 31 March 2023	As at 31 March 2022
I) Name of the Subsidiary Companies			
a) Direct Subsidiaries			
Motilal Oswal Commodities Broker Private Limited	India	100	100
Motilal Oswal Investment Advisors Limited (Formerly known as Motilal Oswal Investment Advisors Private Limited)	India	100	100
MO Alternate Investment Private Limited (formerly known as Motilal Oswal Finance Private Limited)	India	100	100
Motilal Oswal Finvest Limited (formerly known as Motilal Oswal Capital Markets Ltd)	India	100	100
Motilal Oswal Wealth Management Limited	India	100	100
Motilal Oswal Asset Management Company Limited	India	100	100
Motilal Oswal Trustee Company Limited	India	100	100
Motilal Oswal Securities International Private Limited	India	100	100
Motilal Oswal Capital Markets (Singapore) Pte. Limited	Singapore	100	100
Motilal Oswal Capital Markets (Hong Kong) Private Limited	Hong Kong	100	100
Motilal Oswal Home Finance Limited (formerly known as Aspire Home Finance Corporation Ltd)	India	97.63	97.71
Motilal Oswal Finsec IFSC Limited	India	100	100
Glide Tech Investment Advisory Private Limited	India	100	100
IM Investment Technologies Private Limited	India	61.64	63.93
MO Alternates IFSC Limited	India	100.00	100
b) Step down Subsidiaries			
India Business Excellence Management Company	Mauritius	100.00	100.00
Motilal Oswal Asset Management (Mauritius) Limited	Mauritius	100.00	100.00
Motilal Oswal Digital Limited	India	100.00	100.00
II) Associate Enterprise			
India Realty Excellence Fund II LLP	India	20.44	31.44

Note 55 Additional disclosure pertaining to Subsidiaries/Associates as per Schedule III of Companies Act, 2013

FY 22-23

Name of the entity	Net Assets (i.e. Total Assets - Total Liabilities)		Share in Profit & (Loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit / (Loss)	Amount	As % of Consolidated OCI	Amount	As % of Total Consolidated Income	Amount
Parent								
Motilal Oswal Financial Services Limited	71.28%	4,47,954	99.85%	50,025	94.35%	(3,140)	62.[illegible]%	53,229
Subsidiaries								
Indian								
Motilal Oswal Commodities Broker Private Limited	0.14%	883	0.00%	(1)	0.00%		0.00%	(1)
Motilal Oswal Investment Advisors Limited (Formerly known as Motilal Oswal Investment Advisors Private Limited)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Motilal Oswal Finvest Limited (Formerly known as Motilal Oswal Capital Markets Ltd)	18.31%	1,15,201	0.59%	2,197	27.39%	(1,267)	[illegible]	[illegible]
Motilal Oswal Wealth Management Limited	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
MOFL Alternate Investment Trust Limited (formerly known as Motilal Oswal Finsec Private Limited)	[illegible]	12,233	[illegible]	[illegible]	[illegible]	23	[illegible]	[illegible]
Motilal Oswal Asset Management Company Limited	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Motilal Oswal Trustee Company Limited	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Motilal Oswal Securities International Private Limited	[illegible]	525	[illegible]	23	[illegible]	[illegible]	[illegible]	23
Motilal Oswal Home Finance Limited	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	5	[illegible]	[illegible]
Motilal Oswal Capital Limited	[illegible]		[illegible]	31	[illegible]		[illegible]	31
Motilal Oswal Investment Advisory Private Limited	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	7	[illegible]	[illegible]
Motilal Oswal Private IFSC Limited	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	0	[illegible]	[illegible]
TOL Investment Technologies Private Limited	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	1	[illegible]	[illegible]
MO Alternative DEC Private Limited Foreign	[illegible]	5	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Motilal Oswal Capital Markets (Hongkong) Private Limited	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]
Motilal Oswal Global Markets (Singapore) Pte Limited	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		[illegible]	[illegible]
Motilal Oswal Wealth Management Company	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]
Motilal Oswal Asset Management (Mauritius) Private Limited	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]
Total	136.20%	8,81,567	112.30%	1,04,620	99.29%	(4,640)	112.93%	99,971
Associates								
Indian								
Indo Rotary Textile Pvt Ltd (11.11%)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		[illegible]	[illegible]
Total	0.23%	1,455	0.21%	196	0.00%		0.22%	196
Minority Interest	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	1	[illegible]	[illegible]
Net Total	150.49%	9,84,389	100.23%	93,376	99.86%	(4,641)	[illegible]	88,438
Inter Controlling Share in all Subsidiaries	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	(1)	[illegible]	[illegible]
Grand Total	100%	6,35,734	100%	94,149	100%	(4,641)	100%	89,120

Motilal Oswal Financial Services Limited
Notes to the consolidated financial statements
(All amounts are in ₹ '000 Lakhs, unless otherwise stated)

[illegible]

Name of the entity	Net Assets (i.e. Total Assets - Total Liabilities)		Share in Profit or (Loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit / (Loss)	Amount	As % of Consolidated other comprehensive income	Amount	As % of Total Consolidated Comprehensive Income	Amount
Parent								
Motilal Oswal Financial Services Limited	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Subsidiaries								
Indian								
Motilal Oswal Commodities Broker Private Limited	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]
Motilal Oswal Investment Advisors Limited (Formerly known as Motilal Oswal Securities Advisors Private Limited)	[illegible]	[illegible]	[illegible]	1,349	[illegible]	10	[illegible]	[illegible]
Motilal Oswal Finvest Limited (Formerly known as Motilal Oswal Capital Markets Ltd)	[illegible]	[illegible]	[illegible]	13,645	[illegible]	[illegible]	[illegible]	[illegible]
Motilal Oswal Wealth Management Limited	[illegible]	15,317	[illegible]	8,218	[illegible]	63	[illegible]	[illegible]
MO Alternate Investment Partner Limited (formerly known as Motilal Oswal Group Private Limited)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	11	[illegible]	[illegible]
Motilal Oswal Asset Management Company Limited	[illegible]	[illegible]	[illegible]	28,436	[illegible]	74	[illegible]	[illegible]
Motilal Oswal Trustee Company Limited	[illegible]	62	[illegible]	1	[illegible]	0	[illegible]	[illegible]
Motilal Oswal Investment Advisors International Private Limited	[illegible]	[illegible]	[illegible]	30	[illegible]	4	[illegible]	[illegible]
Motilal Oswal Home Finance Limited	[illegible]	[illegible]	[illegible]	9,450	[illegible]	13	[illegible]	[illegible]
Motilal Oswal Capital Limited	[illegible]	[illegible]	[illegible]	(1)	[illegible]	-	[illegible]	[illegible]
Shiloh Tech Investment Advisory Private Limited	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Motilal Oswal Finsec IFSC Limited	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
MOFI Investment Technologies Private Limited	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Foreign								
Motilal Oswal Capital Markets (Hong Kong) Private Limited	[illegible]	[illegible]	[illegible]	22	[illegible]		[illegible]	22
Motilal Oswal Capital Markets (Singapore) Pte Limited	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		[illegible]	[illegible]
Motilal Oswal Business Excellence Management Company	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]
Motilal Oswal Asset Management (Mauritius) Private Limited	[illegible]	[illegible]	[illegible]	457	[illegible]	-	[illegible]	457
Total	151.19%	7,85,815	115.01%	1,50,650	101.09%	4,106	114.35%	1,54,757
Associates								
Indian								
India Realty Excellence Fund III LLP	[illegible]	-	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]
Total	[illegible]	-	[illegible]	172	[illegible]		[illegible]	172
Elimination / Adjustment	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Net Total	101.41%	5,50,063	100.20%	1,31,244	100.07%	4,106	100.27%	1,35,350
Non Controlling Interest in all subsidiaries	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Grand Total	100%	5,67,450	100%	1,30,978	100%	4,103	100%	1,35,081

Note 39: Foreign currency transactions

(i) Expenditure in foreign currency (On accrual basis)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Travelling and conveyance expenses	[illegible]	[illegible]
Legal and professional charges	[illegible]	[illegible]
Marketing & brand promotion expense	[illegible]	[illegible]
Membership and subscription	[illegible]	[illegible]
Repairs and maintenance	[illegible]	[illegible]
Remuneration to consultants	[illegible]	
Premium	-	[illegible]
Rates and taxes	[illegible]	[illegible]
Advertising and sales [illegible]	[illegible]	[illegible]
Placement fees	[illegible]	-
Salary and other benefits	[illegible]	-
Other miscellaneous expenses	[illegible]	[illegible]
Total	2,977	[illegible]

(ii) Income in foreign currency (On accrual basis)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest and delayed fees	[illegible]	[illegible]
Total	1,388	1,289

(iii) Unhedged foreign currency exposure:

a) Receivables

Particulars	Currency	As at 31 March 2023	As at 31 March 2022
Foreign currency exposure outstanding	USD (USA Dollar)	1	1
	INR (Indian Rupees)	124	91
	GBP (Pound Sterling)	0	0
	INR (Indian Rupees)	6	10
	EUR(EURO Dollar)		0
	INR (Indian Rupees)	-	[illegible]
Foreign currency receivable in next 5 years including interest	USD (USA Dollar)	1	1
	INR (Indian Rupees)	124	[illegible]
	GBP (Pound Sterling)	0	0
	INR (Indian Rupees)	5	10
	EUR(EURO Dollar)		0
	INR (Indian Rupees)		4
Unhedged foreign currency exposure	USD (USA Dollar)	1	1
	INR (Indian Rupees)	121	91
	GBP (Pound Sterling)	0	0
	INR (Indian Rupees)	5	[illegible]
	EUR(EURO Dollar)	-	0
	INR (Indian Rupees)	-	4

b) Payables

Particulars	Currency	As at 31 March 2023	As at 31 March 2022
Foreign currency exposure outstanding	USD (USA Dollar)	0	0
	INR (Indian Rupees)	41	34
	SGD (Singapore Dollar)	0	0
	INR (Indian Rupees)	9	6
Foreign currency payable in next 5 years including interest	USD (USA Dollar)	0	0
	INR (Indian Rupees)	41	34
	SGD (Singapore Dollar)	0	0
	INR (Indian Rupees)	9	6
Unhedged foreign currency exposure	USD (USA Dollar)	0	0
	INR (Indian Rupees)	41	34
	SGD (Singapore Dollar)	0	0
	INR (Indian Rupees)	9	6

c) Investments

Particulars	Currency	As at 31 March 2023	As at 31 March 2022
Foreign currency exposure outstanding	USD (USA Dollar)	3	1
	INR (Indian Rupees)	216	57
Foreign currency exposure in next 5 years including interest	USD (USA Dollar)	7	
	INR (Indian Rupees)	216	[illegible]
Unhedged foreign currency exposure	USD (USA Dollar)	3	1
	INR (Indian Rupees)	216	[illegible]

d) Deposits

Particulars	Currency	As at 31 March 2023	As at 31 March 2022
Foreign currency exposure outstanding	USD (USA Dollar)	2	2
	INR (Indian Rupees)	155	157
Foreign currency exposure in next 5 years including interest	USD (USA Dollar)	2	2
	INR (Indian Rupees)	176	180
Unhedged foreign currency exposure	USD (USA Dollar)	2	2
	INR (Indian Rupees)	166	170

e) Loans

Particulars	Currency	As at 31 March 2023	As at 31 March 2022
Foreign currency exposure outstanding	USD (USA Dollar)	0	
	INR (Indian Rupees)	0	
Foreign currency exposure in next 5 years including interest	USD (USA Dollar)	0	
	INR (Indian Rupees)	0	-
Unhedged foreign currency exposure	USD (USA Dollar)	0	-
	INR (Indian Rupees)	0	-

f) Lease Liability

Particulars	Currency	As at 31 March 2023	As at 31 March 2022
Foreign currency exposure outstanding	USD (USA Dollar)	1	-
	INR (Indian Rupees)	90	-
Foreign currency exposure in next 5 years including interest	USD (USA Dollar)	1	-
	INR (Indian Rupees)	80	
Unhedged foreign currency exposure	USD (USA Dollar)	1	
	INR (Indian Rupees)	80	

Source for conversion rate as on 31 March : Oanda.com

Motilal Oswal Financial Services Limited
Notes to the Consolidated Financial Statements
(All amounts are in INR lakhs, unless otherwise stated)

Note 62: Business Combinations

(A) Summary of Acquisition:

[illegible] equity capital of [illegible] in MOF Alternative [illegible], Private Ltd. from its [illegible] shareholders resulting in [illegible] PSC Private Ltd. becoming a subsidiary w.e.f. 29th December [illegible]. The acquisition was brought [illegible] the Group's MOF Overseas [illegible] Private Ltd. is in the same line of business as the Motilal Oswal Group is.

1. Accounting consideration – Rs 0 lakhs

2. Pending proposed acquisition of the Group's [illegible] equity, MOF Alternative [illegible] Private Ltd. has been considered as subsidiary w.e.f. [illegible] 29th December 2023.

The assets and liabilities recognised as a result of the acquisition as on 30th November 2024 are as follows:

Particulars	Fair value (Rs. in Lakhs)
Property, plant and equipment	48
Total non - current assets	48
Current assets	
Trade receivables	503
Cash & cash equivalents	111
Loans	3
Other financial assets	3
Other Non - financial assets	906
Total current assets	1,569
Total assets - (1)	1,617
Financial liabilities	
(a) Payables	[illegible]
(b) Other financial liabilities	[illegible]
Total non - current liabilities	[illegible]
Current liabilities	
Other non - financial liabilities	[illegible]
Total current liabilities	5
Contingent liabilities	-
Total liabilities - (2)	[illegible]
Net assets - (3) = (1) - (2)	[illegible]

Note: The above figures are from the unaudited financials of MOF Alternative PSC Private Ltd as on 30th November 2024. There were minor [illegible] changes in the above figures between the acquisition date and 30th November 2024.

3

Calculation of Capital Reserve / Goodwill	(Rs. in lakhs)
Total Consideration	0
Add: NCI based on Fair Value of net assets	
Less: Net assets acquired	(614)
Goodwill / (Capital Reserve) arising on acquisition	(649)

Motilal Oswal Financial Securities Limited

Notes to the Consolidated Financial Statements

(All amounts in INR Lakhs, unless otherwise stated)

(B) Accounting policy choice of non controlling interest:

The group recognises non controlling interest in acquiree entity at the acquisition date at either consolidated proportionate share of the recognised amount of the acquiree's identifiable net assets.

(C) Revenue and profit / (loss) contribution:

Revenue amounting to Rs. [illegible] Lakhs and Profit after Tax of Rs. [illegible] Lakhs has been included in the Group's Consolidated Statement of Profit & Loss.

(D) Purchase Consideration – Cash Outflows:

Particulars	(Rs. in Lakhs)
Outflow of cash to acquire the stake	
Cash Consideration	5
Less Balance acquired	[illegible]
Net Outflow of Cash – Investing Activities	(196)

(E) There is no proportionate share held prior to acquisition of the stake in this Company.

(F) There is no net profit/loss attributable to the non controlling interest for the current accounting period. [illegible] Lakhs and Rs. [illegible] Lakhs respectively, if the acquisition had taken place at the beginning of the year in Ind AS Alternative [illegible]. [illegible] Lakhs has been considered as beginning of the financial reporting period (i.e. 1st April, 2022).

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Motilal Oswal Financial Services Ltd. Mumbai

Note 6 Compliance with approved Scheme of Amalgamation

(a) The Board of Directors of the holding Company in its Meeting held on 30 December 2021 has inter alia subject to approval of shareholders of the holding Company and other applicable statutory and regulatory approvals including the approval of Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") approved the Scheme of Amalgamation of Gawai Investment Management Limited ("Transferor Company 1") and Gawai Investment Advisors Private Limited ("Transferor Company 2") and Gawai Investment Advisors Private Limited ("Transferor Company 3") and Gawai Investment Advisors Private Limited ("Transferor Company 4") and Gawai Investment Advisors Private Limited ("Transferor Company

5. Treatment of The Fund Management Undertaking From The Demerged Company To The Resulting Company

5.1 The Demerged Company shall account for the Fund Management Undertaking from the Appointed Date in its books/ financial statements upon coming into effect of this Scheme, in accordance with applicable Indian Accounting Standards (Ind AS) prescribed under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, or any other applicable Indian GAAP as provided herein below.

Accounting treatment in the books of the Demerged Company :

5.1.1 The Demerged Company shall reduce its carrying value of Contracts and liabilities pertaining to the Fund Management Undertaking transferred to and vested in the Resulting Company from the carrying value of Contracts and liabilities appearing in its books.

5.1.2 Loans and advances, receivables, payables and other inter-company balances of the Demerged Company and the Resulting Company arising out of the Fund Management Undertaking shall be cancelled and extinguished in the books of the Demerged Company.

5.1.3 The Demerged Company shall on the Appointed Date and thereafter [illegible] all the [illegible] to the Resulting Company in the proportion in which the equity shares held in the Resulting Company are held in the Demerged Company (the "Inward Reserve").

5.1.4 [illegible], notwithstanding anything contained in this Scheme, the Demerged Company shall not be required to make any provision for any liabilities transferred pursuant to Clause 5.1 [illegible] after giving effect to Clause 5.1.1 and 5.1.2 [illegible] the Demerged Company.

Accounting treatment in the books of the Holding Company of the Resulting Company

5.1.5 The Holding Company of the Resulting Company shall reflect the equity shares issued and accounting debit shall be made to investment in Resulting Company securities.

Upon the Scheme becoming effective and upon the transfer of the Fund Management Undertaking from the Demerged Company to the Resulting Company, the Holding Company of the Resulting Company shall reflect the equity shares issued and also the [illegible] equity shares of the Demerged Company [illegible] Holding Company in the Resulting Company, [illegible] fully paid up equity shares of the Demerged Company [illegible] Holding Company in the Resulting Company, [illegible] of the Demerged Company [illegible] in terms of the applicable laws, [illegible] shall be recorded by the Board of Directors of the Demerged Company [illegible] Holding Company of the Resulting Company.

6. Amalgamation Of The Transferee Company With The Transferee Company :

The Transferee Company shall account for the amalgamation in its books/ financial statements as per accounting of business combinations under Ind AS 103, Business Combinations and any other applicable Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, or any other applicable Indian GAAP as provided herein below:

6.1 The Transferee Company shall record the assets and liabilities of the Transferee Company, mentioned in and vested in it pursuant to this Scheme, at the carrying amounts appearing in the books of the Transferee Company, in accordance with Ind AS applicable to business combinations.

6.2 The Transferee Company shall [illegible] the balance of the reserves of the Transferee Company [illegible] and shall [illegible] the balance of the [illegible] which [illegible] on the books of the Transferee Company [illegible] the aggregate of such [illegible] appearing in the books of the Transferee Company.

6.3 The deferred tax liability in the Transferee Company [illegible] the Transferee Company for the Effective Date shall be transferred.

6.4 The Transferee Company shall issue and allot equity shares [illegible] aggregate face value of the equity shares [illegible] of the Transferee Company.

6.5 Loans and advances, receivables, payables and other inter-company balances between the Transferee Company and the Transferee Company shall be cancelled and shall be deemed to be fully discharged.

6.6 The difference between the net assets transferred to the Transferee Company pursuant to Clause 6.1 as reduced by the Reserves recorded in the Transferee Company pursuant to Clause 6.2 and after giving effect to Clause 6.3 to 6.5, the difference shall be adjusted against the Capital Reserve of the Transferee Company.

6.7 In case of any difference in accounting policy between the Transferee Company and the Transferee Company, the accounting policies followed by the Transferee Company shall prevail and the affected assets and liabilities shall be restated and adjusted to give effect to the accounting policies of the Transferee Company. The financial statements shall be prepared following uniform accounting policies.

6.8 Upon the Scheme becoming effective, upon the amalgamation of the Transferee Company with the Transferee Company, in terms of this Scheme, the Transferee Company shall issue equity shares in the ratio of [illegible] New Equity Shares of face value of Rs. [illegible] each, credited as fully paid up, to the [illegible] equity shareholders holding fully paid up equity shares of the Transferee Company [illegible] the Transferee Company, [illegible] the Transferee Company, [illegible] the Transferee Company, [illegible] the Board of Directors of the Transferee Company.

5. Transfer Of The Fund Management Undertaking From The Demerged Company 2 Into The Resulting Company

5.1 The Demerger Company 2 shall transfer the Scheme to be approved Fund Management Undertaking [illegible] in accordance with applicable Indian Accounting Standards and Indian Accounting Standards Rules, 2015, as amended from time to time, or any other applicable law.

6. Accounting treatment in the books of the Demerged Company 2

6.1 The Demerged Company 2 will transfer the assets and liabilities pertaining to the Fund Management Undertaking [illegible] and vested in the Resulting Company from the carrying value of assets and liabilities as appearing in its books.

6.2 Loans and advances, receivables, payables and other dues outstanding between the Demerged Company 2 and the Resulting Company relating to the Fund Management Undertaking [illegible] shall cease to be [illegible] from the date of transfer of Fund Management Undertaking in the Scheme.

6.3 The Demerged Company 2 as on the Appointed Date and immediately before transfer of the assets to the Resulting Company, will have no [illegible] transferred to the Resulting Company or the [illegible] owned by the Demerged Company 2 ("Provisional Reserves").

6.4 [illegible], being the excess of [illegible] over the aggregate of [illegible] transferred pursuant to Clause 6.1 and [illegible] pursuant to Clause 6.2 and Clause 6.3 above as on the Appointed Date, shall be credited to the Capital Reserve of the Demerged Company 2.

7. The Holding Company of the Resulting Company shall issue its shares in the aggregate [illegible] to the equity shareholders of the Demerged Company 2 [illegible] approval of the Scheme by the competent authority under applicable Indian Accounting Standards and other applicable laws, rules and regulations, as may be required and as applicable from time to time, as provided herein below:

Accounting treatment in the books of the Holding Company of the Resulting Company

7.1 Holding Company of the Resulting Company shall make an share capital [illegible] in the aggregate [illegible] to Clause 7.2 of the Scheme and the corresponding [illegible] of the Resulting Company accounted.

7.2 Upon the Scheme becoming effective, [illegible] of the Demerged Company 2 and the Demerged Company 1, the Demerged Company 2 and Demerged Company 1 shall become the [illegible] of the Holding Company of the Resulting Company.

Upon the Scheme becoming effective and upon the demerger of the Fund Management Undertaking of the Demerged Company 2 into the Resulting Company in terms of the Scheme, the Holding Company of the Resulting Company shall without any application or deed, notice or other formality or further [illegible] the [illegible] shareholders holding fully paid up equity shares of the Demerged Company 2 except [illegible] by the Holding Company of the Resulting Company) and whose names appear in the register of members of the Demerged Company 2 on the Record Date or such other date as may be fixed by the Board of Directors of the Demerged Company 2 or the Holding Company of the Resulting Company.

8. Amalgamation Of The Transferor Company 1 With The Transferee Company 1

The Transferor Company 1 shall account for the amalgamation in its books of account in accordance with Ind AS 103 "Business Combinations" as specified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, or any other applicable law.

8.1 The Transferor Company 1 shall record the assets and liabilities of the Transferor Company 1 transferred to and vested in it pursuant to the Scheme at the carrying amounts and in the books of the Transferor Company 1 in accordance with Ind AS 103.

8.2 The Transferor Company 1 shall give effect to the accounting of the assets of the Transferor Company 1 transferred to and vested in it and shall recognize its share in the net assets in the books of the Transferee Company 1 and shall be accounted with the corresponding balance appearing in the reserves and surplus of the Transferee Company 1.

8.3 The net worth of the Transferor Company 1 in the Transferee Company 1 on the Effective Date shall be recorded.

8.4 The Transferee Company 1 shall credit to its share capital in its books the aggregate [illegible] of the equity shareholders of the Transferor Company 1 pursuant to Clause 9 of the Scheme.

8.5 [illegible] payable by the Transferee Company 1 to the Transferor Company 1 on the Effective Date shall be [illegible].

8.6 The Transferee Company 1 shall credit to its share capital in its books the aggregate [illegible] of the equity shareholders of the Transferor Company 1 pursuant to Clause 9 of the Scheme.

8.7 [illegible] payable by the Transferee Company 1 to the Transferor Company 1 on the Effective Date shall be [illegible].

8.8 Upon the Scheme becoming effective, [illegible] of the Transferor Company 1 with the Transferee Company 1, the Transferee Company 1 shall become the holding company of the Transferee Company 1.

Upon the Scheme becoming effective and upon the amalgamation of the Transferor Company 1 with the Transferee Company 1, the Transferee Company 1 shall without any application or deed, notice or other formality or further [illegible] the equity shares of the Holding Company of the Transferee Company 1 except those held by the Transferee Company 1, and whose names appear in the register of members of the Transferee Company 1 on the Record Date or such other date as may be fixed by the Board of Directors of the Transferee Company 1.

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Motilal Oswal Financial Services Limited Mumbai

Additional disclosures as per Ind AS 103 - Business combinations

(a) Purchase price allocation

[illegible]

(b) Rationale for business combination

[illegible]

(c) Acquisition date & date of control - 01 April 2021

(d) Consideration transferred

[illegible]

(e) Identifiable assets acquired and liabilities assumed

Particulars	As at 31 March 2021 As per agreed valuation	Adjustments on account of amalgamation			As at 01 Apr 2021 (Revised)
		PIMPL	MORCHI	NOPR	
Assets					
Financial Assets					
Cash & Cash Equivalents	[illegible]	6			[illegible]
Bank Balance other than cash and cash equivalents above	[illegible]	[illegible]			[illegible]
Trade Receivables	[illegible]	[illegible]			[illegible]
Other Financial Assets	[illegible]	[illegible]	-	-	[illegible]
Non Financial Assets					
Current Tax Asset	[illegible]	[illegible]		-	[illegible]
Liabilities					
Financial Liabilities					
Other Financial Liabilities	[illegible]	[illegible]			[illegible]
Non Financial Liabilities					
Deferred Tax Liabilities (net)	[illegible]	[illegible]	-		[illegible]
Current Tax Liabilities (net)	[illegible]	[illegible]	-	-	[illegible]
Equity					
Equity Share Capital	[illegible]		-	[illegible]	[illegible]
Other Equity	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Net Assets Transferred	[illegible]		[illegible]	[illegible]	[illegible]

(f) Acquisition related costs

[illegible] in the statement of P&L.

Nature of Expense	Year ended 31 Mar 2022	Year ended 31 March 2021	Expense head	Refer note/ reference
Legal and Professional Fees	[illegible]	[illegible]	Other Expenses	Note [illegible]
Deferred Employee		[illegible]	Other Expenses	Note [illegible]

[illegible]

Transferor Company [illegible] PISCFL [illegible] Rs. [illegible] [illegible] [illegible] [illegible] [illegible]

2. Non-controlling interest

Amount of Non-controlling interest in the acquiree at the acquisition date i.e. Rs. [illegible] lakhs. The Consolidated Cash flow [illegible] [illegible]

3. Revenue & profit or loss of the acquiree included in Consolidated P&L

Name of the entities	Year ended 31 March 2022		Year ended 31 March 2021	
	Revenue	PAT	Revenue	PAT
Transferor Company 1 - PISCFL	102	[illegible]	946	[illegible]
Transferee Company - [illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Transferee Company 2 - [illegible]	514	[illegible]	[illegible]	[illegible]

4. Combined revenue & profit or loss of the merged entity

Name of the Entities	Year ended 31 March 2022		Year ended 31 March 2021	
	Revenue	PAT	Revenue	PAT
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

5. Nature of business of the combining entities

Name of combining entities	Given nature of business of combining entities
Transferee Company 1 - PISCFL	Stock Broking services
Demerged Company 1 - [illegible]	Investment Manager of [illegible]
Transferee Company 2 - [illegible]	Investment Manager of Real estate fund
Demerged Company 2 - [illegible]	Investment Manager of Real Estate fund

6. Date, price and number of shares issued, mode (in cash, the % of each entity's equity shares exchanged to effect the business combination

Name of combining entities	Description of shares issued	Number of shares issued	% of entity's equity shares exchanged to consummate business combination
Stockholders of Transferee Company - PISCFL	Equity shares	[illegible]	[illegible]
Demerged Company 1 - [illegible]	Equity shares	[illegible]	[illegible]
Transferee Company 1 - [illegible]	Equity shares	[illegible]	[illegible]
Demerged Company 2 - [illegible]	Equity shares	[illegible]	[illegible]
Transferee Company 2 - [illegible]	Equity shares	[illegible]	[illegible]

7. The amount of any difference arising on consolidation and the nature of such difference and the reasons for such difference: Nil

Note: [illegible] Companies Act, 2013 read with [illegible] Companies Act, 1956 [illegible]

Note: [illegible] Company Act, 2013 read with [illegible] Companies Act, 1956 [illegible] 31 March 2022 and 31 March 2021

Note: [illegible] Company has [illegible] 12,918 equity shares amounting to [illegible] Market Offer on July 18, 2022 [illegible] date [illegible] has been completed on 27 July 2022

Note: [illegible] Company's Holding Company Permanent [illegible] under the Bonus Transfer [illegible] Act, [illegible] 31 March 2023 and 31 March 2022

Note: [illegible] Company [illegible] Reserve Bank of India, [illegible] 31 March 2022 [illegible] 31 March 2022

SINGHI & CO. Chartered Accountants

Oswal Financial Services Limited Mumbai

Note 61 The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

The Company has not received any fund from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding that the Company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note 62 The Company has no unfavourable impact of regulatory, statutory, nature of dues, proceedings pending with RBI.

Note 63 Accounting standards issued but not yet effective

a. Newly issued standards
There are no standards notified by the Ministry of Corporate Affairs ("MCA") during the year ended 31 March 2023.

b. Amendments to prevailing standards but not effective
Ministry of Corporate Affairs ("MCA") has notified certain amendments to the existing standards under Companies (Indian Accounting Standards) Rules as amended from time to time. MCA vide its notification dated 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015. The effective date for adoption of these amendments is for accounting periods commencing on or after 01 April 2023. The Company is evaluating the impact of these amendments.

(i) Ind AS 1 - Presentation of Financial Statements
Ind AS 1 has been amended to require companies to disclose their material accounting policies rather than their significant accounting policies. The Company does not expect this amendment to have a significant impact on its financial statements.

(ii) Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
The amendments to Ind AS 8 clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. The Company has evaluated the amendment and there is no impact on its financial statements.

(iii) Ind AS 12 - Income Taxes
The amendments to Ind AS 12 narrow the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The Company has evaluated the amendment and there is no significant impact on its financial statements.

Note 64 Comparative figures have been rounded off to the nearest Rs. 1.

Note 65 Previous year figures have been regrouped/reclassified wherever necessary.

As per our report of even date

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

Nikhil Singhi
Partner
Membership No. 061561

Place: Mumbai
Date: 27 April 2023

For and on behalf of the Board of Directors
Motilal Oswal Financial Services Limited
CIN: L67190MH1987PLC038899

Motilal Oswal
Managing Director and Chief Executive Officer
DIN: 00024503

Raamdeo Agrawal
Non Executive Chairman
DIN: 00024532

Spandan Shah
Chief Financial Officer

Kailash Purohit
Company Secretary

Place: Mumbai
Date: 27 April 2023

Singhi & Co.
Chartered Accountants
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INDEPENDENT AUDITOR'S REPORT

To

The Members of **Motilal Oswal Financial Services Limited**

1. Opinion

We have audited the accompanying standalone financial statements of **Motilal Oswal Financial Services Limited** (the "Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

2. Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

3. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current year. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key audit matters	How our audit addressed the key audit matter
1.	**Business combination arising pursuant to the scheme of arrangement** Accounting for business combination from the appointed date 1st April, 2020, where the scheme of arrangement became effective from 30th March, 2022 between Passionate Investment Management Pvt. Ltd. (transferor Company 1) and MOPE Investment Advisors Pvt. Ltd. (the transferee Company 2 / the demerged Company / the transferor Company 3) and Motilal Oswal Real Estate Investment Advisors Pvt. Ltd. (the transferor Company 2) and Motilal Oswal Real Estate Investment Advisors II Pvt. Ltd. (the demerged Company 2 / the transferor Company 4) and MO Alternate Investment Advisors Pvt. Ltd. (the resulting Company) and Motilal Oswal Financial Services Ltd. (the transferee Company 1 / the holding Company of the resulting Company) and the respective shareholders. The Company accounted for the merger as per Appendix C of Ind AS 103 under the principles of common control. We have determined this to be a key audit matter in view of the nature of the transaction, number of Companies involved in the scheme of arrangement, complexity involved in demerging the businesses operations and getting it merged between the Company and its subsidiary Company / resulting Company, significant management judgment involved with respect to identification of uniform accounting policies, estimates & accounting for minimum alternate tax of the transferor Company and recognition of share issue related costs.	Our audit procedures included but were not limited to the following: • Read the scheme of arrangement. • Evaluated the appropriateness of 'Pooling of interest method of accounting adopted by the management to account for the business combination. • Corroborated management's alignment of accounting policies and estimates by comparing the significant accounting policies and estimates of all the Companies which were part of the scheme of arrangement and comparing with the Company's accounting policies and estimates. • Assessed accounting for non-routine transaction, estimates and judgements in respect of the recognition and measurement of the minimum alternate tax of the transferor company, share issue expenses etc.. • Verified that the reserves of the transferor Companies are aggregated with the respective reserves of the transferee Company and the identity of the reserves are preserved. • Verified that the assets and liabilities of the Transferor Companies are recognised at the carrying value (as appearing in their respective books immediately prior to the appointed date) in the transferred Company. • Examined the disclosures in respect of this transaction of business combination including those disclosures related to significant accounting judgements and estimates.

Sr. No.	Key audit matters	How our audit addressed the key audit matter
2.	**Information Technology (IT) Systems and Controls** The Company's key financial accounting and reporting processes are highly dependent on the automated controls over the Company's information systems, such that there exists a risk that gaps in the IT general control environment could result in a misstatement of the financial accounting and reporting records. Accordingly, we have considered user access management, segregation of duties and controls over system change over key financial accounting and reporting systems, as a key audit matter.	**Our Audit Approach:** Our audit approach was a combination of test of internal controls and substantive procedures which included the following: **General IT controls design, observation and operation:** ➢ Tested key controls operating over the information technology in relation to financial accounting and reporting systems, including system access and system change management, program development and computer operations. **User access controls operation:** ➢ Obtained management's evaluation of the access rights granted to applications relevant to financial accounting and reporting systems and tested resolution of a sample of expectations. ➢ Further, we assessed the operating effectiveness of controls over granting, removal and appropriateness of access rights. **Application controls:** ➢ We tested the design and operating effectiveness of automated controls critical to financial accounting and reporting. ➢ For any identified deficiencies, tested the design and operating effectiveness of compensating controls and, where necessary, extended the scope of our substantive audit procedure.
3.	**Valuation of equity investments carried at fair value** **Refer note 2.8 for significant accounting policies and note 54 for financial disclosures** As at 31 March 2022, the Company held investment in Shubham Housing Development Finance Company Private Limited amounting to Rs. 67.97 crores which represents 0.63 %	Our audit procedures in relation to valuation of investment with the involvement of our valuation experts included, but were not limited to, the following: **Design/Controls**: ➢ Obtained a detailed understanding of the management's process and controls for determining the fair valuation of this investment. The understanding was obtained by performance of

Sr. No.	Key audit matters	How our audit addressed the key audit matter
	of the total assets of the Company as at 31 March 2022. This investment is not traded in the active market. The fair valuation of this investment is determined by a management appointed independent valuation expert based on discounted cash flow method. The process of computation of fair valuation of investment includes use of unobservable inputs and management judgements and estimates which are complex. The key assumptions underpinning management's assessment of fair value of this investment, includes application of liquidity discounts; calculation of discounting rates and the estimation of projections of revenues, projections of future cash flows and growth rates. The valuation of this investment was considered to be one of the areas which required significant auditor attention on and was one of the matters of most significance in the standalone financial statements due to the materiality of total value of investment to the standalone financial statements and the complexity involved in the valuation of this investment.	walkthroughs which included inspection of documents produced by the Company and discussion with those involved in the process of valuation; ➢ Evaluated the design and the operational effectiveness of relevant key controls over the valuation process, including the Company's review and approval of the estimates and assumptions used for the valuation including key authorization and data input controls, independent price verification performed by the management expert and model governance and valuation. **Substantive tests:** ➢ Assessed the appropriateness of the valuation methodology used for the of this investment in accordance with the Company's policy and tested the mathematical accuracy of the management's model adopted; ➢ Obtained the valuation report from management's expert and assessed the expert's competence, objectivity and independence in performing the valuation of these investments; ➢ Assessed the appropriateness of the valuation model used by the management and the assumptions used relating to projected cash flows and the discounting factor. ➢ Ensured the appropriateness of the carrying value of these investments in the financial statements and the gain or loss recognised in the financial statements as a result of such fair valuation; and ➢ Ensured the appropriateness and adequacy of disclosures in accordance with the applicable accounting standards.

4. Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Report on Corporate Governance (but does not include the Financial Statements and our auditor's report thereon) which we obtained prior to the date of this auditor's report and Board's Report, Management Discussion and Analysis and Business Responsibility Report, which is expected to be made available to us after that date.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the other information included in the above reports, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance and determine the actions under the applicable laws and regulations.

5. Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

6. Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Standards on auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

i. Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

ii. Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

iv. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

v. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of the misstatement in the statement that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the statement may be influenced. We consider quantitative materiality and qualitative factors in: (i) planning the scope of our audit work and evaluating the results of our work; and (ii) to evaluate the effects of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

7. Other Matters

i. The comparative standalone financial statements of the Company as stated in the Financial Statements for the year ended March 31, 2021, were audited by the predecessor auditor who expressed an unmodified opinion on those financial statements on April 29, 2021. Accordingly, we do not express any opinion on the figures reported in the Financial Statements for the year ended March 31, 2021.

ii. As mentioned in note no. 60 of the standalone financial statements, figures for the year ended March 31, 2021 as shown in the financial statements are the figures which have been arrived after giving effect to the scheme of arrangement, which is based on the audited accounts of the transferor and transferee Company, which were audited by the respective auditors of that period. Hence, those merged figures are neither audited nor reviewed. The Company has given effect to the scheme of arrangement with effect from the appointed date April 1, 2020. Accordingly, we, do not express any opinion, as the case may be, on the figures reported in the financial statements for the year ended March 31, 2021.

iii. Share of profit from investment in a limited liability partnership aggregating to Rs. 255 lakhs for the year ended March 31, 2022, included in the Statement, is based on the audited financial statements of such entity. These financial statements have been furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this entity, is based solely on the report of the other auditor.

Our opinion is not modified in respect of the above matters.

8. Report on Other Legal and Regulatory Requirements

i. As required by the Companies (Auditor's report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

ii. As required by section 143 (3) of the Act, based on our audit we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c. The standalone Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flow and Statement of Changes in Equity dealt with by this report are in agreement with the relevant books of account.

d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

e. On the basis of written representations received from the directors as on March 31, 2022, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022, from being appointed as a director in terms of section 164 (2) of the Act.

f. With respect to the adequacy of the internal financial controls with reference to the financial statements of the Company and the operating effectiveness of such controls, we request you to refer to our separate Report in "Annexure B" to this report.

g. With respect to the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us the managerial remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on the financial position in its financial statements – Refer Note 38 to the financial statements;

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2022;

   iv. (a) The Management has represented that to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner

whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.;

(b) The Management has represented that to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on audit procedures that have been considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. As stated in note 23 of the standalone financial statements, the dividend declared / paid during the year and declared during the year but paid subsequent to the year-end by the Company till the date of this report, is in compliance with Section 123 of the Act. Further, as stated in note 49 of the standalone financial statements the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act.

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

Nikhil Singhi
Partner
Membership No. 061567
UDIN: 22061567AIAAQD6166

Place: Mumbai
Date: April 28, 2022

Annexure A to the Independent Auditor's Report of even date on the standalone financial statements of Motilal Oswal Financial Services Limited

Referred to in paragraph [8(i)] under Report on Other Legal and Regulatory Requirements of our report of even date

According to the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) a) A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of Right-of-use Assets.

B) The Company has maintained proper records showing full particulars including quantitative details and situation of Intangible Assets.

b) The Company has a program of physical verification of property, plant and equipment whereby all the items of property, plant and equipment are verified once in three years. The property, plant and equipment were physically verified during the previous year by the Management with a regular programme of verification. In our opinion, the periodicity of the physical verification is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification carried out during the previous year.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties included in Property, Plant and Equipment are held in the name of the Company.

d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or Intangible Assets during the year.

e) According to the information and explanations and representation given to us, no proceedings have been initiated or is pending against the Company during the year for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) a) The Company's business does not involve inventory and accordingly, paragraph 3(ii)(a) of the Order is not applicable to the Company.

b) As disclosed in Note 16 to the financial statements, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. The Company has not obtained any sanction from financial institutions in this regard. Basis the information and explanation provided to us and basis our audit procedures undertaken, we have not come across any material difference between the information submitted in the quarterly returns / statements filed by the Company with such banks when compared with the books of account and other relevant information provided by the Company.

(iii) a) The Company is in the business of providing loans which are called as margin trading funding (MTF). According to the explanations and representations given to us by the Company, this is one of the principal business of the Company which is also described in its object clause specified in Memorandum of Association. Accordingly, clause (iii)(a) is not applicable to the Company.

b) In our opinion, having regard to the nature of the Company's business, the investments made and the terms and conditions of the grant of all loans and advances in the nature of loans are prima facie. not prejudicial to the Company's interest. Further, during the year the Company has not provided guarantees, given security and granted loans and advances in the nature of guarantees to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on these is not applicable to the Company.

c) According to the information and explanations given to us, in case of loans given in the nature of MTF, the schedule of payment of interest has been stipulated but the schedule of repayment of such loans are not stipulated. In respect of loans and advances in the nature of loans other than MTF given by the Company, the Company has stipulated the schedule of repayment of principal and payment of interest. Repayment of such other loans are regular.

d) In respect of loans granted and advances in the nature of loans provided by the Company there is no overdue amount for more than ninety days as at the Balance Sheet date.

e) The Company is in the business of providing loans which are MTF. According to the explanations and representations given to us by the Company, this is one of the principal business of the Company which is also described in its object clause specified in Memorandum of Association Accordingly, clause (iii) (e) is not applicable to the Company.

f) In our opinion and according to the information and explanations given to us there are no loans/advances given during the year in the nature of loans granted to promoters or related parties as defined in clause (76) of section 2 of the Companies Act, 2013 which are repayable on demand or without specifying any terms or period of repayment. Accordingly, the requirement to report on this clause is not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 with respect to the loans and investments. Further, as no guarantees/security has been given towards the parties specified in section 185 clause with regard to these matters are not applicable to the Company.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and does not have any unclaimed deposit as at March 31, 2022 and therefore, the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules made thereunder are not applicable to the Company. We are informed by the management that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal against the Company in this regard.

(vi) The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus, reporting under paragraph 3(vi) of the Order is not applicable to the Company.

(vii) In respect of Statutory dues:

a) The Company has generally been regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income tax, goods and service

tax, cess and other material statutory dues applicable to it to the appropriate authorities. As explained to us, the Company did not have any dues on account of sales tax, wealth tax, duty of customs, duty of excise and value added tax.

b) There were no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, goods and services tax, cess and other material statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable.

c) The details of statutory dues referred to in sub- clause (a) above which have not been deposited as on 31 March 2022, on account of disputes are given below:

Name of the Statute	Nature of Due	Amount (Rs. in Lakhs)	Amount paid under Protest (Rs. In Lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	2	15.21	F.Y 2008-09	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	4		F.Y 2008-09	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	41	20	F.Y 2011-12	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	41	-	F.Y 2012-13	ITAT referred back to AO
Income Tax Act, 1961	Income Tax	140	19	F.Y 2012-13	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	2,269	168	F.Y 2013-14	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	1,220	92	F.Y 2014-15	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	1,610	137	F.Y 2015-16	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	2,720	-	F.Y 2016-17	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	553	-	F.Y 2017-18	Commissioner of Income Tax (Appeals)
	Total	8,600	451		

(viii) According to the information and explanations given to us, there are no transactions which have not been recorded in the books of account but have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) a) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in the payment of interest thereon to any lender.

b) Basis the information and explanation provided to us, the Company has not been declared a wilful defaulter by any bank or financial institution or other lender.

c) The Company has not availed any term loans accordingly, reporting under paragraph 3(ix)(c) of the Order is not applicable to the Company.

d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.

e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries and associate during the year.

f) According to the information and explanations given to us and procedures performed by us, we report that the company has raised loans during the year on the pledge of securities held in its subsidiaries as per details below. Further, the company has not defaulted in repayment of such loans raised.

Nature of loan taken	Name of lender	Amount of loan	Name of the subsidiary	Relation	Details of security pledged
Working Capital Demand Loan	Kotak Mahindra Bank Limited	7,500 Lakh	Motilal Oswal Asset Management Company	Subsidiary	Mutual Funds

(x) a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under paragraph 3 (x)(a) of the Order is not applicable to the Company

b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence reporting under paragraph 3 (x)(b) of the Order is not applicable to the Company.

(xi) a) According to the information, explanation and representations given to us no fraud by the Company or no fraud on the Company has been noticed or reported during the year.

b) According to the information, explanation and representations given to us and to the best of our knowledge, no report under sub-section (12) of section 143 of the Act has been filed in Form ADT- 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

c) According to the information and explanations given to us by the management there were no whistle blower complaints received by the Company during the year and hence reporting under paragraph 3 (xi)(c) of the Order is not applicable to the Company.

(xii) The Company is not a nidhi company and hence reporting under paragraph 3 (xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given by the management, all the transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable, and the details of related party transactions have been disclosed in the notes to the financial statements etc, as required by the applicable accounting standards.

(xiv) a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.

b) We have taken into consideration, the internal audit reports for the period under audit issued to the Company till the date while determining the nature, timing and extent of audit procedures.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with them as referred to in section 192 of the Act. Thus, paragraph 3(xv) of the Order is not applicable to the Company.

(xvi) a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India (RBI) Act, 1934.

b) The Company has not conducted any Non- Banking Financial or Housing Finance Activities without obtaining a valid Certificate of Registration (CoR) from Reserve Bank of India as per the Reserve Bank of India Act, 1934.

c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence reporting under paragraph 3 (xvi)(c) of the Order is not applicable.

d) According to the information and explanations given to us, there is no CIC in the Group.

(xvii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been a resignation of the Statutory Auditors during the year. No issues, objections or concerns were raised by the outgoing auditor.

(xix) According to the information and explanations given to us and on the basis of the ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.

(xx) a) There are no unspent amounts towards Corporate Social Responsibility ('CSR'). Accordingly, reporting under paragraph 3(xx)(a) of the Order is not applicable for the year.

b) The Company does not have any ongoing projects in accordance with the requirements of CSR guidelines and hence, reporting under paragraph 3(xx)(b) of the Order is not applicable for the year.

(xxi) As the Company is also preparing its consolidated financial statements, reporting under paragraph 3 (xxi) is given in the consolidated audit report.

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

Nikhil Singhi
Partner
Membership No. 061567
UDIN: 22061567AIAAQD6166

Place: Mumbai
Date: April 28, 2022

Annexure B to the Independent Auditor's Report of even date on the Standalone financial statements of Motilal Oswal Financial Services Limited

Referred to in paragraph [8(ii)(f)] under Report on Other Legal and Regulatory Requirements of our report of even date

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting with reference to the Standalone Financial Statements of Motilal Oswal Financial Services Limited (the "Company") as of March 31, 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022 based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India.

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

Nikhil Singhi
Partner
Membership No. 061567
UDIN: 22061567AIAAQD6168

Place: Mumbai
Date: April 28, 2022

[illegible]

Particulars	Note	As at 31 March 2023	As at 31 March 2022
[illegible]			
[illegible]			
[illegible]			

Motilal Oswal Financial Services Limited

Standalone Statement of Profit and Loss

[illegible]

Particulars	Notes	For the Year ended 31 March 2022	For the Year ended 31 March 2021
Revenue from operations			
(a) Interest income	22	[illegible]	[illegible]
(b) Dividend income	23	[illegible]	[illegible]
(c) Rental income	24	[illegible]	[illegible]
(d) Net gain on fair value changes	25		
Profit on sale of investments		[illegible]	[illegible]
Other fair value changes		[illegible]	[illegible]
(e) Sale of services	26	[illegible]	[illegible]
(f) Other operating income	27	[illegible]	[illegible]
I. Total revenue from operations		[illegible]	[illegible]
II. Other income	28	[illegible]	[illegible]
III. Total Income (I + II)		[illegible]	[illegible]
Expenses			
(a) Finance cost	29	[illegible]	[illegible]
(b) Fees and commission expense	30	[illegible]	[illegible]
(c) Impairment on financial instruments	31	[illegible]	[illegible]
(d) Employee benefits expense	32	[illegible]	[illegible]
(e) Depreciation, amortisation and impairment	33	[illegible]	[illegible]
(f) Other expenses	34	[illegible]	[illegible]
IV. Total expenses		[illegible]	[illegible]
V. Profit before exceptional items and tax (III-IV)		[illegible]	[illegible]
VI. Exceptional items	35		[illegible]
VII. Profit before tax (V-VI)		[illegible]	[illegible]
Tax expense	36		
(1) Current tax		[illegible]	[illegible]
(2) Deferred tax		[illegible]	[illegible]
(3) Tax adjustment for earlier years			[illegible]
(4) Tax on gain on fair value changes		[illegible]	[illegible]
VIII. Tax expenses		[illegible]	[illegible]
IX. Profit for the year (VII-VIII)		[illegible]	[illegible]
X. Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
(a) Remeasurement gain/(loss) on defined benefit plans		[illegible]	[illegible]
(b) Fair value gain/(loss) on investments		[illegible]	[illegible]
(c) Fair value gain/(loss) on hedges		[illegible]	[illegible]
(d) Other comprehensive income		[illegible]	[illegible]
Total comprehensive income for the year (IX + X)		[illegible]	[illegible]
Earnings per share (EPS) (Face Value of ₹ [illegible] per equity share)	37		
Basic EPS (amount in ₹)		[illegible]	[illegible]
Diluted EPS (amount in ₹)		[illegible]	[illegible]

The accompanying notes form an integral part of the standalone financial statements

[illegible]

For Sharma & Co.
Chartered Accountants
Firm Registration No. [illegible]

[illegible]
Partner
Membership Number [illegible]

Place: Mumbai
Date: [illegible]

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

Raamdeo Agrawal
Chairman & Managing Director
DIN: [illegible]

Navin Agrawal
Whole-time Director
DIN: [illegible]

Santosh Hegde
Independent Director
DIN: [illegible]

Rajesh Dhawan
Company Secretary

Place: Mumbai
Date: [illegible]

Modi Modi Financial Services Limited
Standalone Cash Flow Statement
[illegible]

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
A. Cash flow from operating activities		
Profit before taxation	26,113	[illegible]
Adjustments for:		
Unrealised loss	(12,551)	[illegible]
Expense on ESOP	2,819	[illegible]
Income tax paid	[illegible]	[illegible]
Depreciation and amortisation expense	3,194	3,078
Interest income	[illegible]	[illegible]
Profit on sale of investments, net	[illegible]	[illegible]
Loss on sale of property, plant and equipment	[illegible]	[illegible]
Provision for employee benefits	1,962	64
Operating profit	60,821	[illegible]
Adjustments for working capital changes		
Trade receivables and other financial assets	[illegible]	[illegible]
Other financial liabilities	[illegible]	[illegible]
Other assets	[illegible]	[illegible]
Other financial assets	[illegible]	[illegible]
Other liabilities	[illegible]	[illegible]
Provisions	[illegible]	[illegible]
Trade payables	[illegible]	[illegible]
Cash generated/(used in) from operations	90,941	[illegible]
Income tax paid (net)	[illegible]	[illegible]
Net cash generated/(used) from operating activities (A)	57,962	[illegible]
B. Cash flow from investing activities		
Proceeds from sale of property, plant and equipment	[illegible]	[illegible]
Purchase of equity shares of subsidiary company	[illegible]	[illegible]
Purchase of investments	[illegible]	[illegible]
Purchase of property, plant and equipment	[illegible]	[illegible]
Sale of property, plant and equipment		[illegible]
Purchase of intangibles	[illegible]	[illegible]
Interest income	[illegible]	[illegible]
Net cash generated/(used) from investing activities (B)	(55,034)	[illegible]
C. Cash flow from financing activities		
Proceeds of issue of equity shares	[illegible]	[illegible]
Proceeds from exercise of ESOP		[illegible]
Proceeds from borrowings	[illegible]	[illegible]
Repayment of borrowings	[illegible]	[illegible]
Proceeds from issuance of debentures	5	[illegible]
Proceeds from issuance of equity shares	3,115	[illegible]
Proceeds from exercise of ESOP	41	[illegible]
Dividend paid	[illegible]	[illegible]
Interest paid on lease liabilities	[illegible]	
Payment of lease liabilities	[illegible]	[illegible]
Interest paid	[illegible]	[illegible]
Net cash generated/(used) in financing activities (C)	[illegible]	[illegible]
Net increase/(decrease) in cash and cash equivalents during the year (A+B+C)	[illegible]	[illegible]

Motilal Oswal Financial Services Limited
Cash Flow Statement
(Formerly known as MOB Estate Services Private Limited)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Cash and cash equivalents at the beginning of the year:		
Cash in hand	32	32
Transferred by L[illegible] on acquisition	34,490	11,054
Bank balance [illegible]	0	
Fixed deposit with bank (Maturity within 3 months)	33,333	46,[illegible]
Total	67,855	57,[illegible]
Cash and cash equivalents at end of the year:		
Cash in hand	32	32
Balance with banks - In current account	6,[illegible]	[illegible]
Bank balance [illegible]	-	2
Fixed deposit with bank (Maturity within 3 months)	70,[illegible]	[illegible]
Total	1,03,355	57,[illegible]
Reconciliation of cash and cash equivalents above with cash and bank balances		
Cash and cash equivalents at end of the year as per above	65,702	34,[illegible]
Add: Fixed deposit with bank (Maturity within 3 months)	33,[illegible]	22,[illegible]
Total Cash and bank balances equivalents as at end of the year	1,03,[illegible]	57,[illegible]

(A) Changes in liabilities arising from financing activities

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Opening balance of debt securities, borrowings (other than debt securities) and subordinated liabilities	[illegible]	1,82,[illegible]
Proceeds / (repayments) of borrowings	1,[illegible]	6,[illegible]
Proceeds / (repayments) of debt securities	[illegible]	30,[illegible]
Expenses on debt securities		[illegible]
Closing balance of debt securities, borrowings (other than debt securities) and subordinated liabilities	[illegible]	[illegible]

(B) Cashflow from operating activities includes

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest received	[illegible]	[illegible]
Interest paid	14,559	[illegible]

Notes:
(i) The above Statement of Cash Flows has been prepared under indirect method as set out in the Ind AS 7 "Statement of Cash Flows" as specified under section [illegible] of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended).
(ii) Figures in brackets indicate cash outflows.
This is the Cash Flow Statement referred to in our report of even date.

For Singhi & Co.
Chartered Accountants
Firm Registration No. [illegible]

Nikhil Singhi
Partner
Membership no. 021357

Place: Mumbai
Date: 21 April 2022

Proposed on behalf of the Board of Directors
Motilal Oswal Financial Services Limited

Motilal Oswal
Managing Director and Chief Executive Officer
DIN: 00246503

Raamdeo Agrawal
Non Executive Chairman
DIN: 00024525

Shailibhadra Shah
Chief Financial Officer

Kailash Purohit
Company Secretary

Place: Mumbai
Date: 21 April 2022

[illegible] Overall Financial Services Limited
[illegible] Statement of Changes in Equity [illegible] the year ended 31 March 2022
[illegible] Crores, [illegible] Crores [illegible]

(a) Equity share capital

Particulars	Equity share capital	
	No. of Shares	Amount
As at 01 April 2021	[illegible]	[illegible]
[illegible]		-
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
As at 31 March 2021	[illegible]	[illegible]
[illegible]		-
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	-
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
As at 31 March 2022	[illegible]	[illegible]

(b) Other Equity

Particulars	Reserves and Surplus							Other comprehensive income		Total
	Capital Redemption Reserve	Capital Reserve	Securities Premium	Share based payment Reserve	General Reserve	Statutory Reserve	Retained Earnings	Equity instruments through other comprehensive income	Actuarial gains/(losses) on defined benefit plans	
Balance as at 01 April 2021	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]										
[illegible]					[illegible]	[illegible]	[illegible]			[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Motilal Oswal Financial Services Limited

Statement of Changes in Equity for the year ended 31 March 2022

(All amounts in ₹ Crore, unless otherwise stated)

Particulars	Reserves and Surplus						Other comprehensive income			
	Capital Redemption Reserve	Capital Reserve	Securities Premium	Share based payment Reserve	General Reserve	Statutory Reserve	Retained Earnings	Equity instruments through other comprehensive income	Actuarial gains/(losses) on post employment benefit plans	Total
[illegible]		-	[illegible]		-					[illegible]
[illegible]		-	[illegible]	[illegible]	-		[illegible]	[illegible]	[illegible]	[illegible]
Payment to Shares	[illegible]		[illegible]	-			[illegible]			[illegible]
Dividends		-					[illegible]	-		[illegible]
[illegible]		-		[illegible]				-	-	[illegible]
[illegible]					[illegible]		[illegible]	-	-	[illegible]
Balance as at 31 March 2021	[illegible]	34	[illegible]	[illegible]	11,856	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Comprehensive income for the year		-	-		-			-	-	
Restated balance as at beginning of the current reporting year	[illegible]	34	[illegible]	1,952	11,614	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]		-	[illegible]	-						[illegible]
[illegible]		-	[illegible]	[illegible]	[illegible]		[illegible]	[illegible]	[illegible]	[illegible]
[illegible]		-					[illegible]			
Transfer to general reserve				-	[illegible]	[illegible]				
Dividend							[illegible]			[illegible]
[illegible]				[illegible]						[illegible]
[illegible]							[illegible]	-		[illegible]
Balance as at 31 March 2022 (Refer note [illegible])	[illegible]	34	[illegible]	6,755	27,862	-	[illegible]	32,356	[illegible]	[illegible]

The accompanying notes [illegible] are an integral part of the financial statements

[illegible]

For S Singhi & Co.
Chartered Accountants
Firm Registration No. 302 [illegible]

Nikhil Singhi
Partner
Membership No. [illegible]

[illegible]
Motilal Oswal Financial Services Limited

Motilal Oswal
Managing Director and Chief Executive Officer
DIN: [illegible]

Raamdeo Agarwal
Non-Executive Chairman
DIN: [illegible]

Abhishek Shah
Chief Financial Officer

Kailash Purohit
Company Secretary

Place: Mumbai
Date: [illegible]

Place: Mumbai
Date: [illegible]

Motilal Oswal Financial Services Limited
Summary of significant accounting policies and other explanatory information

1A. Corporate Information

Motilal Oswal Financial Services Limited ("MOFSL" or 'the Company') is a public limited company and incorporated under the provisions of Companies Act. The Company is domiciled in India and the addresses of its registered office and principal place of business is Motilal Oswal Tower (Mumbai).

The Company is registered with Securities and Exchange Board of India (SEBI) under the Stock brokers and sub brokers Regulations, 1992 and is a member of Bombay Stock Exchange Limited, National Stock Exchange of India Limited, Multi Commodity Exchange of India Ltd and National Commodity and Derivatives Exchange Limited. The Company acts as a stock broker and commodities broker to execute proprietary trades and also trades on behalf of its clients which include retail customers (including high net worth individuals), mutual funds, foreign institutional investors, financial institutions and corporate clients. It is registered with Central Depository Services (India) Limited and National Securities Depository Limited in the capacity of Depository Participant and also registered with SEBI in capacity of Research Analyst and Investment Adviser.

The Financial statements were approved for issuance by the Company's Board of Directors on 28 April 2022.

1B. Business Combination under Common Control

A common control business combination involving entities or businesses in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and where the control is not transitory, is accounted for in accordance with Appendix C to Ind AS 103 'Business Combinations'.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method as follows.

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values, or recognise new assets or liabilities. Adjustments are made only to harmonise significant accounting policies.
- The financial information in the material statements in respect of prior periods are restated as if the business combination had occurred from the beginning of the preceding period in the financial statements.
- The identity of the reserves are preserved and appear in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor.

The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves with disclosure of its nature and purpose in the notes (Refer Note 61) for additional details.

2. Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

2.1 Basis of preparation

(i) Compliance with Ind AS

The financial statements of the Company comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act.

The financial statements have been prepared using the significant accounting policies and measurement bases summarized as below. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitherto in use.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial instruments are measured at fair value;
- Assets held for sale - measured at fair value less cost to sell;
- Defined benefit plans - plan assets measured at fair value; and
- Share based payments

(iii) Preparation of financial statements

The Company is covered in the definition of Non Banking Financial Company as defined in Companies (Indian Accounting Standards) (Amendment) Rules, 2016. As per the format prescribed under Division III of Schedule III to the Companies Act, 2013 on 11 October 2018 (as amended), the Company presents the Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity in the order of liquidity. A maturity analysis of recovery or settlement of assets and liabilities within 12 months after the reporting date and more than 12 months after the reporting date is presented in note 37.

(iv) Use of estimates and judgments

The preparation of financial statements in conformity with Ind AS which requires management to make estimates, judgments, and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities (including contingent liabilities) and disclosures as of the date of financial statements and the reported amounts of revenue and expenses for the reporting period. Actual results could differ from these estimates. Accounting estimates and underlying assumptions are reviewed on an ongoing basis and could change from period to period. Appropriate changes in estimates are recognized in the period in which the Company becomes aware of the changes in circumstances surrounding the estimates. Any revisions to accounting estimates are recognized prospectively in the period in which the estimate is revised and future periods. The estimates and judgments that have significant impact on carrying amount of assets and liabilities as each balance sheet date are discussed at note 3.

(v) Determining whether an arrangement contains a lease

The Company evaluates if an arrangement qualifies as be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgment in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option.

2.2 Revenue Recognition

The Company recognizes revenue from contracts with customers based on a five step model as set out in Ind AS 115, Revenue from Contracts with Customers, to determine when to recognize revenue and at what amount. Revenue is measured based on the consideration specified in the contract with a customer. Revenue from contracts with customers is recognised when services are provided and it is highly probable that a significant reversal of revenue is not expected to occur.

Revenue is measured at fair value of the consideration received or receivable. Revenue is recognised when (or as) the Company satisfies a performance obligation by transferring a promised service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

When (or as) a performance obligation is satisfied, the Company recognizes as revenue the amount of the transaction price (excluding estimates of variable consideration) that is allocated to that performance obligation.

The Company applies the five-step approach for recognition of revenue:

- Identification of contract(s) with customers;
- Identification of the separate performance obligations in the contract;
- Determination of transaction price;
- Allocation of transaction price to the separate performance obligations; and
- Recognition of revenue when (or as) each performance obligation is satisfied.

(i) Brokerage fee income

It is recognized on trade date basis and is exclusive of goods and service tax and securities transaction tax (STT) wherever applicable.

(ii) Research and advisory income

Research and advisory income is accounted for on an accrual basis in accordance with the terms of the respective agreements entered into between the Company and the counter party.

(iii) Interest income

Interest income on a financial asset at amortised cost is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate (EIR). The EIR is the rate that exactly discounts estimated future cash flows of the financial assets through the expected life of the financial asset or, where appropriate, a shorter period, to the net carrying amount of the financial instrument. The income rate or return on financial assets (after netting off the fees received and incurred) approximates the effective interest rate method of return for the financial asset. The future cash flows are estimated taking into account all the contractual terms of the instrument.

(iv) Dividend income

Dividend income is recognized in the Statement of profit and loss on the date that the Company's right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be reliably measured. This is generally when the shareholders approve the dividend.

(v) Portfolio management commission income

Portfolio management commissions is recognised on an accrual basis in accordance with the terms of the agreement entered with asset management company.

(vi) Rental income

Lease income from operating leases where the Company is a lessor is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

(vii) Profit and loss from partnership firm / LLP

Profit and loss from partnership firm / LLP are accounted on accrual basis and as per terms of respective Partnership / LLP agreement.

2.3 Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Current and deferred tax is recognized in Statement of profit and loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

Current Tax

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred Tax

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.
Deferred tax liabilities are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiaries and associates where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

2.4 Leases

Company as a Lessee

For any new contracts entered into on or after 1 April 2019, the Company considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. The Company assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Measurement and recognition of leases as a lessee:
The Company has adopted Ind AS 116 "Leases" using the cumulative catch-up approach. Company has recognized Right of Use assets as at 1 April 2019 for leases previously classified as 'operating' leases and measured at an amount equal to lease liability (adjusted for related prepayments/ accruals). The Company has discounted lease payments using the incremental borrowing rate for measuring the lease liability.

The Company depreciates the right-of-use assets on a straight line basis from the lease commencement date to the earlier of the end of the useful life of the right of use asset, or the end of the lease term. The Company also assesses the right of use asset for impairment when such indicators exist.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right of use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Company has elected to account for short term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognized as an operating expense in Statement of profit and loss on a straight-line basis over the lease term.

When the Company revises its estimate of the term of any lease, it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted using a revised discount rate. The carrying value of lease liabilities is similarly revised when the variable elements of future lease payments dependent on a rate or index is revised, except the discount rate remains unchanged. In both cases an equivalent adjustment is made to the carrying value of the right of use asset, with the revised carrying amount being amortised over the remaining (revised) lease term. If the carrying amount of the right of use asset is adjusted to zero, any further reductions is recognised in statement of profit and loss.

For contracts that both convey a right to the Company to use an identified asset and require services to be provided to the Company by the lessor, the Company has elected to account for the entire contract as a lease, i.e. it does allocate any amount of the contractual payments to, and account separately for, any services provided by the supplier as part of the contract.

Company as a Lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the term of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

2.5 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Outstanding bank overdrafts are not considered integral part of the Company's cash management.

2.6 Financial instruments

Initial recognition and measurement:

Financial assets and financial liabilities are recognized when the entity becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on trade date, the date on which the Company commits to purchase or sell the asset.

At initial recognition, the Company measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees and commissions. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in Statement of profit and loss. Immediately after initial recognition, an expected credit loss allowance (ECL) is recognized for financial assets measured at amortized cost.

When the fair value of financial assets and liabilities differs from the transaction price on initial recognition, the entity recognizes the difference as follows:

a) When the fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. Level 1 input) or based on a valuation technique that uses only data from observable markets, the difference is recognized as a gain or loss.
b) In all other cases, the difference is deferred and the timing of recognition of deferred day one profit or loss is determined individually. It is either amortised over the life of the instrument, deferred until the instrument's fair value can be determined using market observable inputs, or realised through settlement.

When the Company revises the estimates of future cash flows, the carrying amount of the respective financial assets or financial liability is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognised in Statement of profit and loss.

Fair value of financial instruments:

Some of the Company's assets and liabilities are measured at fair value for financial reporting purpose. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date regardless of whether that price is directly observable or estimated using another valuation technique.

Fair value measurements under Ind AS are categorised in to Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurement are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs) that the Company can access at measurement date.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in note 54.

Financial assets

a) Classification and subsequent measurement

The Company has applied Ind AS 109 and classifies its financial assets in the following measurement categories:

- Fair value through profit or loss (FVTPL);
- Fair value through other comprehensive income (FVOCI); &
- Amortised cost.

1. Financial assets carried at amortised cost

A financial asset is measured at the amortised cost if both the following conditions are met:
+ The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
+ Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. After initial recognition, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss.

2. Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

All investments in equity instruments classified under financial assets are initially measured at fair value. The Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognised as revenue from operations in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'Revenue from operations' in the Statement of Profit and Loss.

3. Investment in Subsidiaries

Investments in subsidiaries, joint ventures and associates are recognised at cost as per Ind AS 27. Except where investments accounted for at cost shall be accounted for in accordance with Ind AS 105, Non-current Assets Held for Sale and Discontinued Operations, when they are classified as held for sale.

4. **Investments in mutual funds**

Investments in mutual funds are measured at fair value through profit and loss (FVTPL).

(ii) **Impairment**

The Company recognizes impairment allowances using Expected Credit Losses (ECL) method on all the financial assets that are not measured at fair value through profit or loss (FVTPL).
ECL are probability-weighted estimate of credit losses. They are measured as follows:

- Financial assets that are not credit impaired – as the present value of all cash shortfalls that are possible within 12 months after the reporting date.
- Financial assets with significant increase in credit risk – as the present value of all cash shortfalls that result from all possible default events over the expected life of the financial asset.
- Financial assets that are credit impaired – as the difference between the gross carrying amount and the present value of estimated cash flows.

Financial assets are written off/fully provided for when there is no reasonable of recovering financial assets in its entirety or a portion thereof.

However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in the Statement of Profit and Loss.

(iii) **Derecognition**

A financial asset is derecognised only when:
The Company has transferred the rights to receive cash flows from the financial asset or retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Financial Liabilities

(i) **Initial recognition and measurement**

All financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs.

(ii) **Subsequent measurement**

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss is measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

(iii) **Derecognition**

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

2.7 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.8 Financial guarantee contracts and loan commitments

Financial guarantee contracts are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a debt instrument. Such financial guarantees are given to banks, financial institutions and others on behalf of customers to secure loans, overdrafts and other banking facilities.

Financial guarantee contracts are initially measured at fair value and subsequently measured at the higher of:

- The amount of the loss allowance and
- The premium received on initial recognition less income recognized in accordance with the principles of Ind AS 115.

2.9 Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition and installation of the assets.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of profit and loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives prescribed under Schedule II to the Companies Act, 2013. The Company provides pro-rata depreciation from the month in which the asset is first put to use, till date the assets are sold or deposed. Leasehold improvements are amortised over the term of underlying lease.

Assets	Useful life
Building	60 years
Furniture and Fixtures	10 years
Office Equipment's	5 years
Plant and Machinery	3 to 5 years
Vehicles	8 to 10 years
Leasehold improvements	Over the primary lease period or useful life, Whichever is less.

Derecognition:

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognized in the statement of profit and loss when the asset is derecognized.

2.10 Intangible assets

Measurement at recognition:
Intangible assets are recognized where it is probable that the future economic benefit attributable to the assets will flow to the Company and its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortisation and impairment, if any.

Expenditure incurred on acquisition/development of intangible assets which are not put/ready to use as the reporting date is disclosed under intangible assets under development. The Company amortises intangible assets on a straight line basis over the two years commencing from the month in which the asset is first put to use. The Company provides pro-rata amortisation from the day the asset is put to use.

Asset	Useful life
Computer Software	5 years
Customer rights	5 years

Derecognition:

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognized in the statement of profit and loss when the asset is derecognized.

2.11 Investment Property

Property that is held for long term rental yields or for capital appreciation or both, and that is not used by the group for business purposes, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

Depreciation on investment property is calculated using the straight-line method to write down the cost of property and equipment to their residual values over their estimated useful lives in the manner prescribed in Schedule II of the Act.

2.12 Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indicator based on internal/external factors, that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount of asset is the higher of its fair value or value in use. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects the current market assessment of time value of money and the risks specific to it. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment loss is reversed if there has been a change in estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the assets carrying amount would have been determined, net of depreciation or amortisation, had no impairment loss been recognised.

2.13 Provisions and contingencies:

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the reporting date.

Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost. Expected future operating losses are not provided for.

Contingent tax/ loss are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognized nor disclosed in the financial statements.

2.14 Employee benefits

(i) Short-term obligations

Short-term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related services are rendered. The Company recognises the costs of bonus payments when it has a present obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made.

Compensated absences

The Company does not have a policy of encashment of unavailed leaves for its employees but are permitted to carry forward subject to a prescribed maximum day. Provision is made on actual basis for expected cost of accumulating compensated absences as a result of unused leave entitlement which has accumulated as at the balance sheet date.

(ii) Post-employment obligations

Defined contribution plan:
Contribution paid/payable to the recognised provident fund and employee State Insurance Corporation , which is a defined contribution scheme, is charged to the Statement of Profit and Loss in the period in which they occur.

Defined benefits plan:
Gratuity is post employment benefit and is in the nature of defined benefit plan. The liability recognised in the Balance Sheet in respect of gratuity is the present value of defined benefit obligation at the Balance Sheet date together with the adjustments for unrecognised actuarial gain or losses and the past service costs. The defined benefit obligation is calculated at or near the Balance Sheet date by an independent actuary using the projected unit credit method. Actuarial gains and losses comprise experience adjustment and the effects of changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

(iii) Other long-term employee benefits obligations

Heritage club benefit

Heritage club benefits are recognised as liability at the present value of defined benefits obligation as at the Balance Sheet date. The defined obligation benefit is calculated at the Balance Sheet date by an independent actuary using the projected unit credit method.

2.15 Share-based payments

Employee Stock Option Scheme (ESOS)

The Employee Stock Options Scheme ("the Scheme") has been established by the Company. The Scheme provides that employees are granted an option to acquire the equity shares of the Company that vests on the satisfaction of vesting conditions. The fair value of options granted under ESOS is recognized as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined reference to the fair value of the options granted excluding the impact of any service conditions. Information about the valuation techniques and inputs used in determining the fair value of assets and liabilities disclosed in note 42.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the service conditions. It recognises the impact of the revision to original estimates, if any, in statement of profit and loss, with a corresponding adjustment to equity.

The stock options of the Subsidiary Company, granted to employees pursuant to the Company's Stock Options Schemes, are measured at the fair value of the options at the grant date as per Black and Scholes model. The fair value of the options is treated as discount and accounted as employee compensation cost, with a corresponding increase in other equity, over the vesting period on a straight line basis. The amount recognised as expense at each year is arrived at based on the number of grants expected to vest. If a grant lapses after the vesting period, the cumulative discount recognised as expense with a corresponding increase in other equity, in respect of such grant is transferred to the General reserve within other equity.

2.16 Foreign currency translation

(i) Functional and presentation currency

Items included in financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is MOFSL's functional and presentation currency.

(ii) Translation and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognized in Statement of profit and loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non - monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognized in Statement of profit and loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVTOCI are recognized in other comprehensive income.

2.17 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.18 Earnings per share

a) Basic earnings per share

Basic earnings per share is calculated by dividing the net profit for the period (including other comprehensive income) attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

b) Diluted earnings per share

Diluted earnings per share is computed by dividing the net profit for the period attributable to equity shareholders by the weighted average number of shares outstanding during the period as adjusted for the effects of all dilutive potential equity shares except where the results are anti-dilutive.

2.19 Borrowing Costs

Expenses related to borrowing over are accounted using effective interest rate. Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred. The difference between the discounted amount mobilised and redemption value of commercial papers is recognised in the statement of profit and loss over the life of the instrument using the EIR.

2.20 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirements.

2.21 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

2.22 Recent Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23 March, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 01 April, 2022, as below:

Ind AS 16 – Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after 01 April, 2022. The Company has evaluated the amendment, and there is no impact on its financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after 01 April, 2022, although early adoption is permitted. The Company has evaluated the amendment, there is no impact on its financial statements.

3. Key accounting estimates and judgements

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on ongoing basis. Any changes to accounting estimates are recognized prospectively.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect on the amounts recognised in the financial statements are included in the following notes:

(a) Business Model Assessment: Classification and measurement of financial assets depends on the results of the SPPI (Solely Payments of Principal and Interest) and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgements reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Fair value through profit or loss (FVTPL) where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the standalone statement of profit and loss in the period in which they arise.

(b) Provision and contingent liability: On an ongoing basis, Company reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is recorded as an accrual in financial statements. Less Contingencies that are considered possible are not provided for but disclosed as Contingent Liabilities in the financial statements. Contingencies the likelihood of which is remote are not disclosed in the financial statements. Gain contingencies are not recognized until the contingency has been resolved and amounts are received or receivable.

(c) Effective Interest Rate (EIR) Method: The Company's EIR methodology, recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioral life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the financial instruments.

This estimate, by nature, requires an element of judgement regarding the expected behaviour and life cycle of the instruments, as well expected changes to India's base rate and other fair income/ expense that are integral parts of the instrument.

(d) Allowance for impairment of financial assets: The Company applies expected credit loss model (ECL) for recognition and recognition of impairment loss. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. At each reporting date, the Company assesses whether the loans have been impaired. The Company is exposed to credit risk when the customer defaults on his contractual obligations. For the computation of ECL, the loan receivables are classified into three stages based on the default and the aging outstanding. The Company recognises life time expected credit loss for trade receivables and has adopted simplified method of computation as per Ind AS 109. The Company considers outstanding overdue for more than 90 days for calculation of expected credit loss.

(e) Recognition of deferred tax assets: Deferred tax assets are recognised for unused tax-loss carry forwards and unused tax credits to the extent that realisation of the related tax benefit is probable. The assessment of the probability with regard to the realisation of the tax benefit involves assumptions based on the history of the entity and budgeted data for the future.

(f) Defined benefit plans: The cost of defined benefit plans and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rate. Due to the complexities involved in the valuation and its long - term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(g) Share based payment: The Company accounts for share based payment by measuring and recognizing as compensation expense the fair value of all share-based payment awards made to employees based on estimated grant date fair values. The determination of fair value involves a number of significant estimates. The Company uses the Black Scholes option pricing model to estimate the value of employee stock options which requires a number of assumptions to determine the model inputs. These include the expected volatility of Company's stock and employee exercise behavior which are based on historical data as well as expectations of future developments over the term of the option. As stock based compensation expense is based on awards ultimately expected to vest, Management's estimate of expense is based on historical experience but actual expense could differ materially as a result of voluntary employee actions and involuntary actions which would result in significant change in our share based compensation expense estimates in the future.

(h) Property, plant and equipment and Intangible Assets: Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values as per schedule II of the Companies Act, 2013 or are based on the Company's historical experience with similar assets and taking into account anticipated technological changes, whichever is more appropriate.

(i) Leases: The Company evaluates if an arrangement qualifies to be a lease as per IND AS 116.
The Company determines lease term as a non-cancellable period of a lease, together with both the period covered by an option to extend the lease if the Company is reasonably certain to exercise those options.

The determination of the incremental borrowing rate used to measure lease liabilities.

[illegible] Global Finance Services Limited
Statement of significant accounting policies and other explanatory information
[illegible]

Note 6: Cash and cash equivalents	As at 31 March 2022	As at 31 March 2021
1. Cash and cash equivalents		
Cash on hand	[illegible]	[illegible]
Balance with banks		
- In current accounts	[illegible]	[illegible]
Fixed deposit with banks [illegible]	[illegible]	[illegible]
Unpaid [illegible] fixed deposits	[illegible]	[illegible]
	[illegible]	[illegible]

Note 6: Bank balances other than (6) above	As at 31 March 2022	As at 31 March 2021
[illegible]	[illegible]	[illegible]
Fixed deposit with banks (pledged against [illegible])	[illegible]	[illegible]
Fixed deposit with banks [illegible]	[illegible]	[illegible]
	[illegible]	[illegible]

[illegible]

[illegible]

Note 7: Receivables	As at 31 March 2022	As at 31 March 2021
Trade receivables		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Trade receivables [illegible]		-
Trade receivables [illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]
Other receivables		
[illegible]		-
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]

[illegible]

[illegible]

Motilal Oswal Financial Services Limited
Summary of significant accounting policies and other explanatory information
(Amount in Lakhs of Indian rupees)

Note 5: Receivables-continued

Receivable ageing schedule

For the year ended 31 March 2022

Particulars	Outstanding for following periods from due date of payment					Less Allowance	Total
	Less than 6 months	6 months - 1 year	1 - 2 year	2 - 3 year	More than 3 years		
(i) Undisputed Trade receivables – considered good	[illegible]	[illegible]	[illegible]	-	-	[illegible]	[illegible]
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-		-
(iii) Undisputed Trade receivables – credit impaired	115	254	[illegible]	-	[illegible]		
(iv) Disputed Trade receivables – considered good	-		-	-	-		-
(v) Disputed Trade receivables – which have significant increase in credit risk		-	-	-	-		-
(vi) Disputed Trade receivables – credit impaired	-	-	-	-	-		-
Total	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]

For the year ended 31 March 2021

Particulars	Outstanding for following periods from due date of payment					Less Allowance	Total
	Less than 6 months	6 months - 1 year	1 - 2 year	2 - 3 year	More than 3 years		
(i) Undisputed Trade receivables – considered good	[illegible]	[illegible]	[illegible]	-	-	[illegible]	[illegible]
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-		-
(iii) Undisputed Trade receivables – credit impaired	[illegible]	[illegible]	[illegible]	-	-	[illegible]	
(iv) Disputed Trade receivables – considered good	-		-	-	-		-
(v) Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-		-
(vi) Disputed Trade receivables – credit impaired	-	-	-	-	-		-
Total	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]

Model Oswal Financial Services Limited

Summary of significant accounting policies and other explanatory information

(All amounts are in INR Crores unless otherwise specified)

Note 3: Loans	As at 31 March 2022	As at 31 March 2021
Term Advances [illegible]		
(A) Class		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total (A) Gross	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total (A) Net	[illegible]	[illegible]
(B) Secured/Unsecured		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total (B) Gross	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total (B) Net	[illegible]	[illegible]
(C) Loans in India		
Public sector	-	-
Others	[illegible]	[illegible]
Total (C) Gross	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total (C) Net	[illegible]	[illegible]
Stage wise breakup of loans		
(a) [illegible]	[illegible]	[illegible]
(b) [illegible]		
(c) [illegible]		
Total	[illegible]	[illegible]

[illegible]

Motilal Oswal Financial Services Limited

Notes to the financial statements for the year ended March 31, 2022 and other explanatory information

Notes to financial statements

Particulars	Unit/Nature of Other	As at 31 March 2022 Number	As at 31 March 2021 Number	As at 31 March 2022	As at 31 March 2021
		Shares / Units		Amount	
1) Investment in equity shares					
2) Investment in Mutual Funds					
Aditya Birla Sun Life Trustee Pvt Ltd	Units	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

Particulars	Rate/Value of Debentures	Notes / Units		Amount	
		As at [illegible]	As at 31 March 2021	As at [illegible]	As at 31 March 2021
		Number	Number	[illegible]	[illegible]
[illegible]					
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

Particulars	Face value per share	As at 31 March 2022 Number	As at [illegible] Number	As at 31 March 2022	As at [illegible]
[illegible]					
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Motilal Oswal Financial Services Limited
Summary of significant accounting policies and other explanatory information
(all amounts in INR [illegible] unless otherwise stated)

Note 8: Other financial assets	As at 31 March 2022	As at 31 March 2021
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]

Note 9: Other non-financial assets	As at 31 March 2022	As at 31 March 2021
Advances for [illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]

Note 10: Investment Property	As at 31 March 2022	As at 31 March 2021
[illegible]	[illegible]	[illegible]
[illegible]	-	-
[illegible]		-
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]

The value of investment property

	As at 31 March 2022	As at 31 March 2021
Particulars		
Building	[illegible]	[illegible]

Derivation of fair value

[illegible]

Amounts recognised in the statement of profit and loss in relation to investment

Particulars	As at 31 March 2022	As at 31 March 2021
For the year ended [illegible]	[illegible]	[illegible]
Direct operating expenses arising from investment property that generated rental income during the year		
Direct operating expenses arising from investment property that did not generate rental income during the year		

Muthoot Gold Financial Services Limited

Summary of significant accounting policies and other explanatory information

(A Company under CIN U [illegible] "the company")

Note 10 : Property Plant and Equipment

Current year

Particulars	Gross Block				Accumulated depreciation/amortisation				Net block	
	Balance as at 01 April 2021	Additions	Disposals	Balance as at 31 March 2022	Balance as at 01 April 2021	Additions	Disposals	Balance as at 31 March 2022	Balance as at 31 March 2021	Balance as at 31 March 2022
Property, plant and equipment										
Land	2,647			2,647					2,647	2,647
Buildings	21,810	1,922	-	23,732	7,541	835	-	8,376	14,269	15,356
Plant and machinery	5,241	1,715		6,956	4,657	979		5,636	584	1,320
Furniture and fixtures	2,625	71	-	2,696	1,886	142	-	2,028	739	668
Vehicles	946	844		1,790	616	96		712	330	1,078
Office equipments	1,275	269	-	1,544	1,079	255	-	1,334	196	210
Right of use (Office Premises)	4,346	-	-	4,346	2,116	474		2,590	2,230	1,756
Total (A)	38,890	5,364	-	44,254	17,895	2,781	-	20,676	20,995	23,578
Intangible assets										
Goodwill	92	-		92	92	-	-	92		
Computer software	4,479	675		5,154	2,555	712		3,267	1,924	1,887
Software licenses	845	-		845	845	-	-	845		
Customer right	1,363	-	-	1,363	777	79		856	586	507
Total (B)	7,779	675		8,454	4,269	791	-	5,060	2,510	2,394
Total (A) + (B)	46,669	6,039	-	52,708	22,164	3,572	-	25,736	23,505	25,972

Previous year

Particulars	Gross block					Accumulated depreciation/amortisation			Net block	
	Balance as at 01 April 2020	Additions	Disposals	Balance as at 31 March 2021	Balance as at 01 April 2020	Additions	Disposals	Balance as at 31 March 2021	Balance as at 31 March 2020	Balance as at 31 March 2021
Property, plant and equipment										
Land	2,647	-	-	2,647	-	-			2,647	2,647
Buildings	19,597	2,213		21,810	6,917	624	-	7,541	12,680	14,269
Plant and machinery	7,059	1,422	4	8,477	6,119	541	2	6,658	1,940	1,819
Furniture and fixtures	2,543	71		2,614	2,781	59	-	2,840	766	741
Vehicles	587	106	-	693	495	87		582	92	111
Office equipments	4,404	297		4,701	3,971	253		4,224	433	477
Right of use (Office Premises)	5,186	265	-	5,451	1,910	1,206		3,116	3,276	2,335
Total (A)	41,761	4,374	4	46,131	22,193	2,770	2	24,961	21,568	22,170
Intangible assets										
Goodwill	92	-		92	92			92	-	-
Computer software	3,130	973		4,103	2,714	634	-	3,348	416	755
ERP/MSN [illegible]	248	-	-	248	248			248		
Software licenses	1,136			1,136	639	86		725	497	411
Total (B)	4,606	973	-	5,579	3,693	720	-	4,413	913	1,166
Total (A) + (B)	46,367	5,347	4	51,710	25,886	3,490	2	29,374	22,481	23,336

Note: a) There have been no revaluations during the financial year and no revaluations of Property, plant and equipment and other intangible assets during the years ended 31 March 2022 and 31 March 2021

b) The company does not own any immovable property which is not held in the name of the company. Of the above approximately [illegible] percent of the Company's properties where the Company is the lessee

F291

Motilal Oswal Financial Services Limited
Standalone Balance Sheet for the year ended March 31, 2022
(Amount in INR [illegible])

Note 9: Other non-financial assets	As at 31 March 2022	As at 31 March 2021
Capital advances	[illegible]	[illegible]
Prepaid expenses	[illegible]	[illegible]
Prepaid expenses	[illegible]	[illegible]
Others	[illegible]	[illegible]
	[illegible]	[illegible]

Note 10: Payables	As at 31 March 2022	As at 31 March 2021
Trade payables		
(i) total outstanding dues of micro enterprises and small enterprises (refer note [illegible])		-
(ii) total outstanding dues other than micro enterprises and small enterprises	[illegible]	[illegible]
	[illegible]	[illegible]

The accompanying notes form an integral part of the financial statements. As per our report of even date

Motilal Oswal Financial Services Limited
Summary of significant accounting policies and other explanatory information
[illegible] as at [illegible] (Amount in [illegible])

Note [illegible] Payables-continued

[illegible] Payable ageing schedule

For the year ended 31 March 2022

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 year	2-3 year	More than 3 years	
(i) MSME					
(ii) Others	[illegible]				[illegible]
(iii) Disputed dues - MSME					
(iv) Disputed dues - Others					

For the year ended 31 March 2021

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 year	2-3 year	More than 3 years	
(i) MSME					
(ii) Others	[illegible]				[illegible]
(iii) Disputed dues - MSME					
(iv) Disputed dues - Others					

[illegible]

[illegible]

[illegible]

Note 15 Deferred tax liabilities	As at 31 March 2022	As at 31 March 2021
A. Accounting tax:		
Commercial power generation		
[illegible]		
[illegible]	[illegible]	[illegible]
Other depreciation		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]		
[illegible]	[illegible]	[illegible]
[illegible]		
[illegible]	[illegible]	[illegible]

[illegible]

[illegible]

[illegible]

Note 16 [illegible] (Value [illegible])	As at 31 March 2022	As at 31 March 2021
31 [illegible]		
Bank loans		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]
[illegible]	[illegible]	
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

[illegible]

Note:

[illegible]

Note 17 Deposits	As at 31 March 2022	As at 31 March 2021
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]
	[illegible]	[illegible]

[illegible]

[illegible]

Note 18: Other financial liabilities	As at 31 March 2022	As at 31 March 2021
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]

Note 19: Current tax liabilities	As at 31 March 2022	As at 31 March 2021
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]

Note 20: Provisions	As at 31 March 2022	As at 31 March 2021
Provision for employee benefits		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]

Note 21: Deferred tax liabilities	As at 31 March 2022	As at 31 March 2021
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]

Note 22: Other non-financial liabilities	As at 31 March 2022	As at 31 March 2021
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]

[illegible]

[illegible]	As at 31 March 2022 Rupees in Crores	As at 31 March 2021 Rupees in Crores	As at 31 March 2020 Rupees in Crores	As at 31 March 2019 Rupees in Crores
Attributed				
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]				
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]				
[illegible]		[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]	As at 31 March 2022 Rupees in Crores	As at 31 March 2021 Rupees in Crores	As at 31 March 2020 Rupees in Crores	As at 31 March 2019 Rupees in Crores
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]		[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]			[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Manual Overall Financial Services Limited

Statement of Significant Accounting Policies and other explanatory information

[illegible]

[illegible] Shareholder holding more than 5% equity holding in the Company

Name of shareholder

	As at 31 March 2022		As at 31 March 2021	
	No. of shares held	% of holding	No. of shares held	% of holding
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible] Shareholding of promoters in the Company

Name of the shareholder

	As at 31 March 2022		As at 31 March 2021		
	No. of shares held	% of holding	No. of shares held	% of holding	% change
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]

[illegible]

Note No.	Particulars	As at [illegible]	As at [illegible]
	Current liabilities		
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
	Capital reserve		
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
	Securities premium		
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
	[illegible]		
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
	General reserve		
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
	Security reserve		
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]

[illegible]

Revenue recognition

[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

[illegible]

Other comprehensive income

[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

Capital Redemption reserve

[illegible]

Capital reserve

[illegible]

Securities premium

[illegible]

Share based payment reserve

[illegible]

General reserve

[illegible]

Retained earnings

[illegible]

Proposed dividend

[illegible]

Other comprehensive income

[illegible]

[illegible]

Note 26: Interest Income	For the Year ended [illegible]	For the Year ended 31 March 2021
On financial assets measured at amortised cost		
Loans [illegible]	[illegible]	[illegible]
Interest on [illegible]	[illegible]	[illegible]
Other interest income		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

Note 27: Dividend Income	For the Year ended [illegible]	For the Year ended 31 March 2021
[illegible]		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

Note 28: Fees and Commission Income	For the Year ended [illegible]	For the Year ended 31 March 2021
Brokerage [illegible]		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]
Other commission income		
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

Note 29: Net gain on fair value changes	For the Year ended 31 March 2022	For the Year ended [illegible]
Net gain/(loss) on financial instruments [illegible] through profit or loss		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

Note 30: Other operating income	For the Year ended 31 March 2022	For the Year ended 31 March 2021
Fees and other operating income [illegible]		
[illegible]	[illegible]	[illegible]
Other operating income		
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

Note 31: Other Income	For the Year ended [illegible]	For the Year ended 31 March 2021
[illegible]		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

Nandal Steel Private Limited
Summary of significant accounting policies and other explanatory information
[illegible]

Note 28: Other Income	For the Year ended 31 March 2022	For the Year ended 31 March 2021
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

Note 29: Finance costs expense	For the Year ended 31 March 2022	For the Year ended 31 March 2021
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

Note 30: Depreciation and amortisation expense	For the Year ended 31 March 2022	For the Year ended 31 March 2021
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

Note 31: Employee benefits expense	For the Year ended 31 March 2022	For the Year ended 31 March 2021
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

Note 32: Depreciation and amortisation expense	For the Year ended 31 March 2022	For the Year ended 31 March 2021
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

Note 33: Other expenses	For the Year ended 31 March 2022	For the Year ended 31 March 2021
Rent	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]

[illegible]

Particulars	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]	[illegible]	[illegible]

Particulars	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]

[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

[illegible]

[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

[illegible]

[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

[illegible]

[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

Investment Type	Date / Status	
	[illegible]	[illegible]
[illegible]	[illegible]	
[illegible]	[illegible]	
[illegible]	[illegible]	
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

[illegible]

[illegible]

[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]

[illegible] Gujarat Pipavav Seaport Limited
Statement of significant accounting policies and other explanatory information
[illegible]

Note 31: Employee benefits
Disclosure pursuant to Ind AS-19 "Employee benefits" is given below:

General contribution plan:
[illegible]

Particulars	Year ended 31 March [illegible]	Year ended 31 March [illegible]
[illegible]	[illegible]	[illegible]

Defined benefit plan
[illegible]

Particulars	Gratuity (unfunded)		Other long term benefits	
	Year ended 31 March [illegible]	Year ended 31 March [illegible]	Year ended 31 March [illegible]	Year ended 31 March [illegible]
[illegible]				
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	-	-
[illegible]	-	-	-	-
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]				
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]		
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]				
[illegible]	[illegible]	[illegible]		
[illegible]	[illegible]	[illegible]		
[illegible]	[illegible]	[illegible]		
[illegible]	[illegible]	[illegible]		
[illegible]	[illegible]	[illegible]		
[illegible]				
[illegible]	[illegible]	[illegible]		
[illegible]	[illegible]	[illegible]		
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]				
[illegible]	[illegible]	[illegible]		
[illegible]				
[illegible]	[illegible]	[illegible]		
[illegible]				
[illegible]	[illegible]	[illegible]		
[illegible]				
[illegible]	[illegible]	[illegible]		
[illegible]	[illegible]	[illegible]		
[illegible]	[illegible]	[illegible]		
[illegible]	[illegible]	[illegible]		
[illegible]	[illegible]	[illegible]

[illegible]

[illegible]

Particulars	Consolidated		Standalone	
	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2023	Year ended 31 March 2022
VII) [illegible]				
[illegible]	[illegible]	[illegible]		[illegible]
[illegible]	[illegible]	[illegible]		[illegible]
[illegible]	[illegible]	[illegible]		[illegible]
[illegible]	[illegible]	[illegible]		[illegible]
VIII) [illegible]				
[illegible]		[illegible]		
[illegible]				
[illegible]	[illegible]		[illegible]	
[illegible]	[illegible]		[illegible]	
[illegible]	[illegible]	[illegible]		
[illegible]	[illegible]	[illegible]		
IX) [illegible]				
[illegible]		[illegible]		[illegible]
[illegible]		[illegible]		
[illegible]	[illegible]		[illegible]	
[illegible]	[illegible]		[illegible]	
[illegible]	[illegible]		[illegible]	
[illegible]				
X) [illegible]				
[illegible]	[illegible]	[illegible]		[illegible]
[illegible]				
[illegible]	[illegible]	[illegible]		
[illegible]	[illegible]	[illegible]		
XI) [illegible]				
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]			
[illegible]	[illegible]		[illegible]	
[illegible]	[illegible]		[illegible]	
[illegible]	[illegible]	[illegible]		
[illegible]	[illegible]	[illegible]		
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
XII) Other Comprehensive Income (OCI)				
[illegible]	[illegible]	[illegible]		[illegible]
[illegible]		[illegible]		[illegible]
[illegible]	[illegible]		[illegible]	
[illegible]	[illegible]		[illegible]	
[illegible]	[illegible]	[illegible]		
XIII) [illegible]				
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]				
[illegible]	[illegible]	[illegible]		
[illegible]	[illegible]	[illegible]		
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]		
[illegible]	[illegible]	[illegible]		
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]

[illegible]

Particulars	[illegible]		[illegible]	
	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021
XIV (B) Fixed Assets [illegible]	[illegible]			
[illegible]				
[illegible]				
[illegible]

Motilal Oswal Finance Services Limited
Summary of significant accounting policies and other explanatory information
All amounts are in INR Lakhs unless stated otherwise

Note 41: Related Party Disclosure :

Names of Related Parties (As per Ind AS on Management of the Company)

[illegible]

I. Entities exercising control over the company:

Ultimate holding Company: Motilal Oswal Financial Services Limited (MOFSL), a listed company in India. [illegible]

[illegible]

II. Subsidiaries:

[illegible]

a) Subsidiary / Step-down subsidiaries companies

- [illegible]
- [illegible]
- [illegible]

c) Relatives of Key Management Personnel

[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]

d) Enterprises in which Key Management Personnel have [illegible]

[illegible] Group Sets LLP

e) Enterprises in which Key Management Personnel and their relatives are significant influence

- [illegible]
  - [illegible]
  - [illegible]
  - [illegible]
  - [illegible]
  - [illegible]
- [illegible]
  - [illegible]
  - [illegible]
  - [illegible]
  - [illegible]
- [illegible]

[illegible]

[illegible]

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]

[illegible]	Name of the related party	Subsidiary Companies		Key management personnel/relatives of key management personnel/companies in [illegible]		Total	
		For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2022	For the year ended 31 March 2021
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

Name of the subsidiary company	Subsidiary company profits		Non-controlling interests in subsidiaries		Total	
	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2022	For the year ended 31 March 2021
[illegible]						
[illegible]						
[illegible]					

Global Vital Financial Services Limited

Summary of significant accounting policies and other explanatory information

Nature of transaction	Name of the related party	Subsidiaries - Operations		Key managerial personnel / relatives of key managerial personnel / Associates		Total	
		For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2022	For the year ended 31 March 2021
[illegible]	[illegible]			[illegible]	[illegible]	[illegible]	[illegible]
[illegible]				[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]			[illegible]		[illegible]	
[illegible]				[illegible]		[illegible]	
[illegible]	[illegible]			[illegible]	[illegible]	[illegible]	[illegible]
[illegible] paid				[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]			[illegible]	[illegible]
	[illegible]					[illegible]	
	[illegible]	[illegible]	[illegible]			[illegible]	[illegible]
[illegible]		[illegible]	[illegible]			[illegible]	[illegible]
[illegible]							
[illegible]	[illegible]						[illegible]
[illegible]			[illegible]				[illegible]
	[illegible]			[illegible]	[illegible]

Motilal Oswal Financial Services Limited

Statement of Related Party transactions and other explanatory information

all amounts are in INR lakhs [illegible]

Nature of transaction	Name of the related party	Subsidiaries / associates		Key management personnel/relatives of key management personnel/JV		Total	
		For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2022	For the year ended 31 March 2021
[illegible]	[illegible]		[illegible]				[illegible]
	[illegible]	[illegible]	[illegible]			[illegible]	[illegible]
	[illegible]						
	[illegible]	[illegible]				[illegible]	[illegible]
	[illegible]						
	[illegible]	[illegible]	[illegible]			[illegible]	[illegible]
	[illegible]	[illegible]				[illegible]	[illegible]
Total		[illegible]	[illegible]			[illegible]	[illegible]
[illegible]	[illegible]	[illegible]				[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]			[illegible]	[illegible]
	[illegible]		[illegible]				[illegible]
	[illegible]	[illegible]				[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]			[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]			[illegible]	[illegible]
Total Loans (received)		[illegible]	[illegible]			[illegible]	[illegible]
[illegible]		[illegible]				[illegible]	
	[illegible]	[illegible]	[illegible]			[illegible]	[illegible]
	[illegible]		[illegible]				[illegible]
[illegible]	[illegible]	[illegible]				[illegible]	[illegible]
	[illegible]	[illegible]				[illegible]	
	[illegible]	[illegible]	[illegible]			[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]			[illegible]	[illegible]
Total Loans (repaid)		[illegible]				[illegible]	[illegible]
Total loans repayment given		[illegible]	[illegible]			[illegible]	[illegible]

Motilal Oswal Financial Services Limited
Summary of significant accounting policies and other explanatory information
[illegible]

Nature of transaction	Name of the related party	Subsidiary / step down subsidiary		Key management personnel/relatives of key managerial personnel/enterprise of KMP/JV		Total	
		For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2022	For the year ended 31 March 2021
Other expenses							
Brokerage	Motilal Oswal Wealth Management Services Limited	[illegible]	[illegible]	-	-	[illegible]	[illegible]
	Motilal Oswal Private Limited	-	-	-	-	-	-
	Motilal Oswal Wealth Management Limited	[illegible]	[illegible]	-	-	[illegible]	[illegible]
	Mo Alternate Investment Advisor Private Limited	[illegible]	-	-	-	[illegible]	-
Total income and advances (payable)		(10,617)	326	-	-	(10,617)	326
Total interest and service fee receivable		-	9	-	-	-	9
Other receivables (payable)	Motilal Oswal Investment Advisors Limited	[illegible]	33	-	-	[illegible]	33
	Motilal Oswal Wealth Management Limited	[illegible]	[illegible]	-	-	[illegible]	[illegible]
	Motilal Oswal Commodities Broker Private Limited	31	34	-	-	34	34
	Motilal Oswal Asset Management Company Limited	[illegible]	[illegible]	-	-	[illegible]	[illegible]
	Motilal Oswal Private Limited	[illegible]	[illegible]	-	-	[illegible]	[illegible]
	Motilal Oswal Capital Markets Singapore Pte. Limited	[illegible]	[illegible]	-	-	[illegible]	[illegible]
	Motilal Oswal Capital Markets Hong Kong Private Limited	[illegible]	[illegible]	-	-	[illegible]	[illegible]
	Motilal Oswal Capital Markets (Hong Kong) Private Limited	[illegible]	[illegible]	-	-	[illegible]	[illegible]
	MO Alternate Investment Advisors Private Limited	[illegible]	[illegible]	-	-	[illegible]	[illegible]
	MOFSL Employee Welfare Trust	13	[illegible]	-	-	13	10
	Motilal Oswal Securities International Private Limited	[illegible]	[illegible]	-	-	[illegible]	[illegible]
	OswalCo Investments LLP	-	-	-	[illegible]	[illegible]	[illegible]
	Motilal Oswal Finance (HK) Limited	-	[illegible]	-	-	-	[illegible]
	[illegible]	[illegible]	[illegible]	-	-	[illegible]	[illegible]
	Motilal Oswal Home Finance Limited	[illegible]	[illegible]	-	-	[illegible]	[illegible]
Total other receivables		[illegible]	[illegible]	-		[illegible]	[illegible]
Total other transactions		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Outstanding guarantees given on behalf of customers (Cash)	Motilal Oswal Home Finance Limited	-	[illegible]	-		-	[illegible]
Total corporate guarantees		-	[illegible]	-	-		[illegible]
Net deposits (payable) / receivable	Motilal Oswal Wealth Management Limited	[illegible]	[illegible]	-		[illegible]	[illegible]
Total net deposits taken		[illegible]	[illegible]	-		[illegible]	[illegible]

F316

[illegible]

Nature of transaction	Name of the related party	[illegible]		Key management personnel [illegible]		[illegible]	
		[illegible] 31 March 2022	[illegible] 31 March 2021	[illegible] 31 March 2022	[illegible] 31 March 2021	[illegible] 31 March 2022	For the year ended 31 March 2021
Outstanding balances in respect of [illegible]							
[illegible]	[illegible]	[illegible]	[illegible]			[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]			[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]			[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]			[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]			[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]			[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]			[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]			[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]			[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]			[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]			[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]			[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]			[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]			[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]			[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]			[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]			[illegible]	[illegible]

* [illegible]

Motilal Oswal Financial Services Limited
Summary of significant accounting policies and other explanatory information
[illegible]

Note 52: Disclosure relating to Employee Stock Option Purchase Plan

[illegible]
Motilal Oswal Financial Services Limited - Employee Stock Option Scheme V (ESOS-V)
[illegible]

Motilal Oswal Financial Services Limited - Employee Stock Option Scheme VI (ESOS-VI)
[illegible]

Motilal Oswal Financial Services Limited - Employee Stock Option Scheme VII (ESOS-VII)
[illegible]

Motilal Oswal Financial Services Limited - Employee Stock Option Scheme VIII (ESOS-VIII)
[illegible]

Motilal Oswal Financial Services Limited - Employee Stock Option Scheme IX (ESOS-IX)
[illegible]

[illegible]

Particulars	As at the year ended 31 March 2020		As at the year ended 31 March 2019	
	In Number	Weighted Average Exercise Price (in Rs.)	In Number	Weighted Average Exercise Price (in Rs.)
ESOS-V (Year - End of Reporting)				
Options outstanding at the beginning of the year	[illegible]	[illegible]	[illegible]	[illegible]
Add: Granted	[illegible]	[illegible]	[illegible]	[illegible]
Less: Forfeited	[illegible]	[illegible]	[illegible]	[illegible]
Less: Lapsed	[illegible]	[illegible]	[illegible]	[illegible]
Options outstanding at the end of the year	[illegible]	[illegible]	[illegible]	[illegible]
Exercisable at the end of the year	[illegible]	[illegible]	[illegible]	[illegible]
ESOS-VI (Year - End of Reporting)				
Options outstanding at the beginning of the year	[illegible]	[illegible]	[illegible]	[illegible]
Add: Granted	[illegible]	[illegible]		
Less: Forfeited	[illegible]	[illegible]		
Less: Lapsed				
Options outstanding at the end of the year	[illegible]	[illegible]	[illegible]	[illegible]
Exercisable at the end of the year	[illegible]	[illegible]	[illegible]	[illegible]
ESOS-VII (Year - End of Reporting)				
Options outstanding at the beginning of the year	[illegible]	[illegible]	[illegible]	[illegible]
Add: Granted	[illegible]	[illegible]		
Less: Forfeited	[illegible]	[illegible]	[illegible]	[illegible]
Less: Lapsed				
Options outstanding at the end of the year	[illegible]	[illegible]	[illegible]	[illegible]
Exercisable at the end of the year	[illegible]	[illegible]	[illegible]	[illegible]
ESOS-VIII (Year - End of Reporting)				
Options outstanding at the beginning of the year	[illegible]	[illegible]	[illegible]	[illegible]
Add: Granted	[illegible]	[illegible]	[illegible]	[illegible]
Less: Forfeited	[illegible]	[illegible]	[illegible]	[illegible]
Less: Lapsed				
Options outstanding at the end of the year	[illegible]	[illegible]	[illegible]	[illegible]
Exercisable at the end of the year	[illegible]	[illegible]	[illegible]	[illegible]
ESOS-IX (Year - End of Reporting)				
Options outstanding at the beginning of the year	[illegible]	[illegible]		
Add: Granted				
Less: Forfeited				
Less: Lapsed				
Options outstanding at the end of the year	[illegible]	[illegible]		
Exercisable at the end of the year				

[illegible] Limited
Summary of significant accounting policies and other explanatory information
[illegible] in INR lakhs unless stated otherwise

[illegible]

[illegible]	Scheme V	Scheme VI	Scheme VII	Scheme VIII	Scheme IX
[illegible]	Various Dates	[illegible]	Various Dates	[illegible]	[illegible]
[illegible]	Various Dates	[illegible]	Various Dates	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	Equity shares	Equity shares	Equity shares	Equity shares	Equity Shares
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]					
[illegible]	[illegible] (Previous year [illegible])	[illegible] (Previous year [illegible])	[illegible] (Previous year [illegible])	[illegible] (Previous year [illegible])	[illegible] (Previous year [illegible])
[illegible]	[illegible] (Previous year [illegible])	[illegible] (Previous year [illegible])	[illegible] (Previous year [illegible])	[illegible] (Previous year [illegible])	[illegible] (Previous year [illegible])
[illegible]	[illegible] (Previous year [illegible])	[illegible] (Previous year [illegible])	[illegible] (Previous year [illegible])	[illegible] (Previous year [illegible])	[illegible] (Previous year [illegible])
[illegible]	Vesting period [illegible]				
[illegible]	[illegible]				
[illegible]	N.A. (Previous year [illegible])	[illegible] (Previous year [illegible])	[illegible] (Previous year [illegible])	[illegible] (Previous year [illegible])	[illegible] (Previous year [illegible])

Fair Value Measurement

[illegible]

Particulars	Scheme V	Scheme VI	Scheme VII	Scheme VIII	Scheme IX
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Description of Schemes

Scheme V

[illegible]

Scheme VI

[illegible]

Scheme VII

[illegible]

Scheme VIII

[illegible]

Scheme IX

[illegible]

Other information regarding employee share based payment plans are as below:

	For the year ended 31 March 2023	For the year ended 31 March 2022
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

[illegible]

	For the year ended 31 March 2023	For the year ended 31 March 2022
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

[illegible]

[illegible]

[illegible]	[illegible]	[illegible]
Current tax expense		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Deferred tax		
[illegible]	[illegible]	[illegible]
Net income tax expense	[illegible]	[illegible]
	[illegible]	[illegible]

[illegible]

	[illegible]	[illegible]
Particulars		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

Profit before income tax expense	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Income tax expense	[illegible]	[illegible]

Applicable tax rate

Particulars	[illegible]	[illegible]
Tax rate	[illegible]	[illegible]

[illegible]

Net Deferred Tax
Particulars

	[illegible]	[illegible]
Deferred tax liability arising out of		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total (Deferred tax liabilities) (A)	[illegible]	[illegible]
Deferred tax assets arising out of		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total (Deferred tax assets) (B)	[illegible]	[illegible]
Net Deferred tax liabilities/(assets) (A-B)	[illegible]	[illegible]

Deferred tax related to the following:

Particulars	[illegible]	Recognised through Profit and Loss	Recognised through profit and loss	Recognised through Other Comprehensive Income	[illegible]	Recognised through profit and loss	Acquisition through Business Combination	[illegible]
Deferred tax liabilities arising out of								
[illegible]	[illegible]		[illegible]	[illegible]	[illegible]	[illegible]		[illegible]
[illegible]	[illegible]							
[illegible]	[illegible]		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total (Deferred tax liabilities)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Deferred tax assets arising out of								
[illegible]	[illegible]				[illegible]	[illegible]		[illegible]
[illegible]	[illegible]	[illegible]			[illegible]			
[illegible]	[illegible]		[illegible]		[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]				[illegible]			[illegible]
[illegible]	[illegible]	[illegible]	[illegible]		[illegible]	[illegible]		[illegible]
Total (Deferred tax assets) (B)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]

[illegible]

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

Note [illegible] Risk management

[illegible]

A. Credit risk

[illegible]

The maximum exposure to credit risk for the [illegible] financial instruments presented in the balance sheet is [illegible]. The Company's [illegible] of financial assets are [illegible] cash and cash equivalents, investments, trade receivables, [illegible] and other financial assets.

[illegible]

[illegible]

[illegible]

	As at March 31, 2022	As at March 31, 2021
Trade Receivables [illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

[illegible]

Trade Receivables: [illegible] The loss allowance [illegible]

[illegible]

Liquidity risk:

[illegible]

Market risk:

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

Stage	As at March 31, 2022		As at March 31, 2021	
	Carrying value	ECL	Carrying value	ECL
Stage 1	[illegible]	[illegible]	[illegible]	[illegible]
Stage 2	[illegible]	[illegible]	[illegible]	[illegible]
Stage 3	[illegible]	[illegible]	[illegible]	[illegible]

The movement in the loan book for impairment allowance is as follows:

Particulars	Carrying amount As at March 31, 2022	Carrying amount As at March 31, 2021
Opening balance	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Closing balance	[illegible]	1,512

[illegible]

[illegible]

[illegible]

[illegible]

C. Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The objective of [illegible] management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

(i) Foreign currency risk

[illegible] currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Foreign currency risk management

In respect of foreign currency transactions, the company does not hedge its foreign currency exposure. The company adheres to the foreign currency policy [illegible] approved by the Board of Directors.

The company's exposure to foreign currency risks as at the end of reporting period is as follows:

(ii) Interest rate risk

[illegible] is exposed to interest rate risk [illegible] fluctuations in interest rates will affect the interest income of the company [illegible] interest rate risk [illegible] interest bearing assets and liabilities.

The Company's interest income and expenses from interest bearing assets and liabilities of the company [illegible] Management advises [illegible] the Board of Directors and accordingly [illegible] interest rates.

Interest rate risk exposure

The exposure of the company's interest rate risk as on the end of the reporting period is as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Loans		
[illegible]	[illegible]	[illegible]
Total Loans	[illegible]	[illegible]
Borrowings		
Variable [illegible]	[illegible]	[illegible]
Fixed [illegible]	[illegible]	[illegible]
Total Borrowing	[illegible]	2,09,307

Sensitivity

[illegible]

The following table indicates the sensitivity to a reasonably possible change in interest rates, [illegible] the profit before tax of the company's [illegible] of the effect on equity.

Particulars	Impact on profit before tax	
	31 March 2022	31 March 2021
Loans		
Interest rate - increase by [illegible]	[illegible]	[illegible]
Interest rate - decrease by [illegible]	[illegible]	[illegible]
Borrowings		
Interest rate - increase by [illegible]	[illegible]	[illegible]
Interest rate - decrease by [illegible]	[illegible]	[illegible]

(iii) Market price risk

[illegible] exposed to market price risk [illegible] The company manages its portfolio [illegible] investments in [illegible] equity shares [illegible] Board of Directors [illegible] managed [illegible] and [illegible] decisions [illegible] the company's investment portfolio.

Particulars	As at 31 March 2022	As at 31 March 2021
Equity [illegible]	[illegible]	[illegible]

Sensitivity to price risk

The following table shows the impact on [illegible] of the company [illegible] on the stated [illegible] of the Company's [illegible] investments held [illegible] 31 March 2022 [illegible] shareholders.

Sensitivity	As at March 31 2022	As at March 31 2021
Impact on profit before tax [illegible] increase in [illegible] price	[illegible]	[illegible]
Impact on profit before tax for [illegible] decrease in [illegible] price	[illegible]	[illegible]

Motilal Oswal Financial Services Limited
Summary of significant accounting policies and other explanatory information
(All amounts in US Dollars unless [illegible])

Note 36 Capital Management

[illegible]

The company's objective [illegible] capital [illegible]

[illegible] and net debt [illegible] shareholders and benefits to other stakeholders, and

[illegible]

The capital [illegible]

Particulars	As at March 31, 2022	As at March 31, 2021
Borrowings	[illegible]	[illegible]
Less: Cash and bank balances	[illegible]	[illegible]
Net debt (A)	[illegible]	[illegible]
Equity (B)	[illegible]	[illegible]
Gearing ratio (A / B)	[illegible]	[illegible]

Debt [illegible] debt securities [illegible] borrowings.

[illegible] Oswal Financial Services Limited
Summary of significant accounting policies and other explanatory information
[illegible]

Note [illegible] Maturity Analysis of Assets and Liabilities
[illegible]

	As at March 31, 2022			As at [illegible], 2021		
Assets	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial assets						
[illegible]	[illegible]		[illegible]	[illegible]	-	[illegible]
Bank balances other than cash and cash equivalent above	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Trade receivables	[illegible]		[illegible]	[illegible]		[illegible]
Other receivables	[illegible]		[illegible]	[illegible]	-	[illegible]
Loans	[illegible]		[illegible]	[illegible]		[illegible]
Investments	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Other financial assets		[illegible]	[illegible]		[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Non-financial assets						
Current tax assets		[illegible]	[illegible]		[illegible]	[illegible]
Investment Property		[illegible]	[illegible]		[illegible]	[illegible]
Property, plant and equipment		[illegible]	[illegible]		[illegible]	[illegible]
Other intangible assets	-	[illegible]	[illegible]		[illegible]	[illegible]
Other non-financial assets	[illegible]		[illegible]	[illegible]		[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total Assets	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Liabilities						
Financial Liabilities						
Trade payables	[illegible]		[illegible]	[illegible]		[illegible]
Debt	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Borrowings	[illegible]	-	[illegible]	[illegible]		[illegible]
Deposits		[illegible]	[illegible]		[illegible]	[illegible]
Other financial liabilities	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Non-Financial Liabilities						
Current tax liabilities (net)	[illegible]		[illegible]			
Provisions	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Deferred tax liabilities		[illegible]	[illegible]		[illegible]	[illegible]
Other non-financial liabilities	[illegible]		[illegible]	[illegible]		[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total Liabilities	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Motilal Oswal Financial Services Limited
Summary of significant accounting policies and other explanatory information
(All amounts are in Rs. Lakhs unless otherwise stated)

Note 35: Revenue from contract with customers

[illegible]

Disaggregated revenue information

The table below presents disaggregated revenue from contracts with customers for the year ended 31 March 2022 and 31 March 2021. The [illegible] table also includes the disaggregation of revenue from the [illegible] revenue, timing and uncertainty of revenue and cash flows affected by economic factors.

Nature of Services

a) Broking Income: Income from services rendered is recognised upon rendering of the services in accordance with the terms of contract.

b) Portfolio management fee and commission income: Fees for services rendered are recognised prorata basis over the term of the contract. Commission from distribution of financial products is recognised upon execution of the underlying transaction and is net of [illegible] and is net of [illegible] and [illegible] transaction costs, [illegible] deferred over the [illegible] period of [illegible] contracts.

c) Income from [illegible]: Income is recognised on receipt of payments from clients and accounts for the [illegible] and [illegible] proportionate basis taking into account the [illegible] outstanding from [illegible] to the financial year end and the [illegible] contracts.

d) Depository Income: Income for [illegible] half of [illegible] is recognised upon rendering of the services, [illegible] within [illegible] of contract.

2. Disaggregation of revenue

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Type of service		
Brokerage income	1,381.50	[illegible]
Portfolio management fee and commission income	19.69	30.55
Interest income	50.13	17.34
Depository income	9.28	4.47

a) Revenue disaggregated by timing of the transfer of goods or services to customers:

i) Services transferred over time: Fees for services rendered over a period of time.

ii) Fees for [illegible] and [illegible] are recognised on a prorata basis over the [illegible] period of the contract.

iii) Commission for distribution of financial products are recognised upon allotment of the [illegible] to the customer, [illegible] of the [illegible] policy in the applicable [illegible].

iv) Interest income: Interest on delay of payments from clients and interest on fixed deposits are accrued on a time proportion basis taking into account the amount outstanding and the applicable rate of interest.

v) Revenue from services rendered: Income is recognised upon rendering of the services, in accordance with the terms of contract.

Revenue excludes any goods or taxes collected on behalf of third parties and is net of [illegible] and [illegible] discounts.

Note: In the complete broad revenue [illegible] are recognised [illegible] and [illegible] [illegible] the [illegible] and [illegible] [illegible] [illegible].

[illegible]

[illegible]

[illegible]

Particulars	As at [illegible]	As at [illegible]
Financial assets		
Investments		
Trade receivables		
Trade receivables	[illegible]	[illegible]
Loans		
Other financial assets	[illegible]	[illegible]
Non-financial assets		
Inventories	[illegible]	[illegible]
Non-financial assets		
Other assets		
Deferred tax assets (net)	[illegible]	[illegible]
Total assets classified as held for sale	[illegible]	[illegible]

[illegible]

[illegible]

Notes

[illegible]

Motilal Oswal Financial Services Limited
Summary of significant accounting policies and other explanatory information
[illegible] (INR Lakhs, unless otherwise stated)

Note 60 : Business Combinations

Compliance with Approved Scheme of Arrangements

[illegible] The Board of Directors of the Company in its Meeting held on 21 December 2021, inter alia, [illegible] approval of shareholders of the Company and other [illegible] statutory and regulatory approvals [illegible] the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT"), approved the scheme of amalgamation between Premier Investments, Management Private Limited (Illustrative Holding Company of Motilal Oswal Financial Services Limited ("the Transferee Company") and [illegible] Investment Advisors Private Limited ("the Transferee Company 2") or ("the Transferee Company 1") and Motilal Oswal Real Estate Investment Advisors Private Limited ("the Transferor Company 2") and Motilal Oswal Real Estate Investment Advisor II Private Limited ("the Transferor Company 2") or ("the Transferor Company 1") and Motilal Oswal Private Limited and Motilal Oswal Finance Private Limited ("the Resulting Company") and Motilal Oswal Financial Services Limited ("the Transferee Company") or ("the Holding Company") or ("the Company") and their respective shareholders ("the Scheme") under Section 230-232 of the Companies Act, 2013 read with, pertinent provisions of Regulation [illegible] of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has received the Observation Letter dated [illegible] Stock Exchanges and has complied with the applicable conditions stipulated therein. The NCLT Mumbai Bench in its proceedings issued by [illegible] NCLT, the Meeting of equity shareholders was conducted on 16 November 2022 and the scheme was approved by shareholders with requisite majority. Thereafter, the Hon'ble NCLT approved the Scheme of Arrangement vide order dated 31 March 2023. Therefore, the Scheme was given effect to on 30 March 2023 from the Appointed Date of 1 April 2022 by restating the financial statements for the year ended 31 March 2023.

[illegible] The financial statements of the transferee company give a true and fair view of the state of affairs of the Company in conformity with the accounting principles prescribed under section 133 of the Companies Act, 2013. Further, figures for the year ended 31 March 2021 are shown as reported figures based on the audited accounts of the transferee and Resulting Company.

Accounting treatment given in the books for the Scheme:

1. Analgamation And Vesting Of Assets And Liabilities And Entire Business Of The Transferor Company 2

1.1 The Transferee Company 1 shall give effect to the amalgamation in the books of accounts as per the applicable accounting standards notified under the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) notified under Section 133 of the Companies Act, 2013, as amended from time to time and other relevant provisions of Ind AS.

1.2 Upon the coming into effect of the Scheme, the assets of the Transferor Company 1 (including assets of the Transferor Company 2 held by the Transferor Company 1) shall be recorded at the values as on the Appointed Date.

1.3 The inter-company transactions between the Transferor Company 1 and Transferor Company 2 shall be treated as at the Appointed Date.

1.4 [illegible] provisions of the Scheme, the Transferee Company 1 shall be entitled to the benefit of any [illegible] that be received/paid to/by any statutory authority pursuant to the Scheme.

1.5 The Transferee Company 1 shall [illegible] equity [illegible] credit to fair value of the assets and liabilities of the Transferor Company 2 and [illegible] the Transferee Company 1 [illegible] Transferee Company 1 [illegible] Directors of the Transferee Company 1 and Transferee Company 2.

Motilal Oswal Financial Services Limited

Summary of significant accounting policies and other explanatory information

[illegible]

2. Amalgamation And Vesting Of Assets And Liabilities And Other Business Of The Transferor Company 2

The Transferee Company 2 will account for the amalgamation in its books of accounts as per Ind AS 103 "Business Combinations" read with Appendix C of Indian Accounting Standards (Ind AS) 103, Business Combinations as notified under Section 133 of the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time including as provided in clause below.

2.1 The Transferee Company 2 shall record the assets and liabilities of the Transferor Company 2, as recorded in and vested in and transferred to the Transferee Company 2 pursuant to the Scheme, at their respective carrying values as appearing in the books of the Transferor Company 2 in accordance with Ind AS or Appendix C to Ind AS 103.

2.2 The Transferee Company 2 shall preserve the reserves of the Transferor Company 2 transferred to and vested in it and shall record in its books in the same manner in which they appear in the books of the Transferor Company 2 and in that respect shall be treated as if the amalgamation had taken place at the commencement of the Transferor Company 2.

2.3 Investments held by the Transferee Company 2 in the Transferor Company 2 and the Transferor Company 2 in the Transferee Company 2 shall be cancelled.

2.4 Loans and advances, balances, amounts, inter-company transactions, other dues, outstanding payments between the Transferee Company 2 and the Transferor Company 2 and shares held by the Transferee Company 2 in the Transferor Company 2 shall be [illegible] and be [illegible].

2.5 The difference between the net assets transferred to the Transferee Company 2 pursuant to Clause 2.1 above and the Reserves recorded in the Transferee Company 2 pursuant to Clause 2.2 above, after giving effect to Clauses 2.3 and 2.4, shall be adjusted against General Reserve of the Transferee Company 2.

2.6 In case of any difference in accounting policy between the Transferor Company 2 and the Transferee Company 2, the accounting policies followed by the Transferee Company 2 shall prevail and the financials of the Appointed Date will be accounted and restated as per Ind AS 103 mutatis mutandis. The financials of the Transferor Company 2 will follow the accounting policies of the Transferee Company 2 and shall be in line with the Transferee Company 2 accounting policy.

2.7 The Transferor Company 2 is a wholly owned subsidiary of the Transferee Company 2. [illegible] in the Transferee Company 2 and the Transferee Company 2 [illegible] the Transferee Company 2 in this regard [illegible].

3. Demerger Of The Bond Management Undertaking From The Demerged Company 1 Into The Resulting Company

3.1 The Demerged Company 1 shall account for the Scheme in its books of accounts with the Appointed Date in its books of accounts in compliance with the provisions of all applicable laws, including the Companies Act, 2013 and the rules and regulations made thereunder, including Indian Accounting Standards (Ind AS) and other accounting principles generally accepted in India, as amended from time to time including as provided hereunder.

Accounting treatment in the books of the Demerged Company 1

3.1.1 The Demerged Company 1 shall account the carrying value of assets and liabilities pertaining to the Bond Management Undertaking, transferred to and vested in the Resulting Company 1 at the carrying value as appearing in its books.

3.1.2 Loans and receivables, investments and other assets and liabilities between the Demerged Company 1 and the Resulting Company relating to the Bond Management Undertaking, will stand cancelled and there shall be no further obligations outstanding in the books.

3.1.3 The Demerged Company 1 is entitled to apply to the Securities and Exchange Board of India for the reduction of the net assets transferred to the Resulting Company 1 [illegible] issued by the Demerged Company 1 ("Transferred Reserves").

3.1.4 The difference being the excess of carrying value of assets over the carrying value of liabilities transferred pursuant to Clause 3.1.1 and the carrying value of the shares of Bond Clause 3.1.3 above will be adjusted against the equity of the Demerged Company 1.

3.2 [illegible] in the books of the Resulting Company 1 ("the Resulting Company").

3.2.1 The Resulting Company will record the Resulting Undertaking [illegible] at the carrying value as appearing in the books of the Demerged Company 1 [illegible] and record goodwill/debit balance in the books of the Resulting Company as [illegible].

4. Amalgamation Of The Transferor Company 3 With The Transferee Company 1

[illegible]

4.1 The Transferee Company 1 shall account for the amalgamation in its books of accounts in accordance with the Scheme and in terms of Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended from time to time, to the extent applicable, and other generally accepted accounting principles in India as prescribed under the Companies (Accounting Standards) Rules, 2015, as amended from time to time, to the extent applicable, as prescribed under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014

Motilal Oswal Financial Services Limited
Summary of significant accounting policies and other explanatory information
(All amounts are in INR Lakhs unless stated)

5. Demerger Of The Fund Management Undertaking 2 From The Demerged Company 2 Into The Resulting Company

5.1 The Demerged Company 2 is [illegible] for the Scheme [illegible] Date in its books of accounts and [illegible] approvals [illegible] in accordance with applicable Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time [illegible] provided herein below.

Accounting treatment in books of the Demerged Company 2

5.1.1 The Demerged Company 2 will reduce the carrying value of investment in [illegible] pertaining to the Fund Management Undertaking 2 [illegible] and record in the accounting summary from the carrying value of [illegible] as appearing in its books.

5.1.2 Loans and advances, receivables, payables and other dues outstanding between the Demerged Company 2 and the Resulting Company 2 [illegible] Fund Management Undertaking 2 will stand [illegible] be the [illegible] and [illegible] the Board.

5.1.3 The Demerged Company 2 [illegible] Appointed Date shall transfer the business of all the assets [illegible] Resulting Company 2 [illegible] property of [illegible] assets transferred to the Resulting Company and the [illegible] by the Demerged Company 2 "Transferred Liabilities".

5.1.4 The difference, being the excess of carrying value of assets over the carrying value of liabilities transferred pursuant to Clause 5.1.1 and the [illegible] in Clause 5.1.3 and Clause 5.1.2 above shall be adjusted to the other equity of the Demerged Company 2.

5.2 The Holding Company of the Resulting Company shall account for the business [illegible] in accordance with Ind AS [illegible] of the Resulting Company [illegible] under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time [illegible] as provided herein below.

Accounting treatment in the books of the Holding Company of the Resulting Company

The Holding Company of the Resulting Company shall credit its share capital with the aggregate face value of the equity shares issued pursuant to Clause 5.4 of the Scheme [illegible] and the balance [illegible] shall be credited to the Resulting Company Account.

5.3 Upon the Scheme becoming effective, the participation of the Transferor Company 2 with the Transferee Company of the Demerged Company 2 in [illegible] Holding Company of the Resulting Company.

Upon the Scheme becoming effective and upon the demerger of the Fund Management Undertaking 2 of the Demerged Company 2 [illegible] the accounting treatment in terms of the Scheme, the Resulting Company of the Resulting Company without any approval or deed, [illegible] allot New Equity Shares of face value of Re. 1/- each credited as fully paid-up [illegible] equity shares [illegible] Demerged Company 2 [illegible] the Resulting Company and the Resulting Company [illegible] the register of members of the Demerged Company 2 [illegible] in the proportion of their respective holdings, [illegible] or their legal representatives or their successors-in-title [illegible] by the Board of Directors of the Demerged Company 2 or the Holding Company of the Resulting Company.

6. Amalgamation Of The Transferor Company 1 With The Transferee Company 1

[illegible] Company 1 will serve [illegible] for the amalgamation [illegible] Pooling of Interests Method [illegible] Indian Accounting Standard (Ind-AS) 103 Business Combinations [illegible] Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time [illegible] provided hereunder.

6.1 The Transferee Company 1 shall account the assets and liabilities of the Transferor Company 1, [illegible] in accordance with Ind-AS 103.

6.2 The Transferee Company 1 shall [illegible] the amount of the investment in the Transferor Company 1 [illegible] and shall record [illegible] shall be in the books of the Transferee Company 1 and [illegible] the corresponding future opening [illegible] of the Transferee Company 1.

6.3 The shares held by the Transferee Company 1 in the Transferor Company 1 on the Effective Date shall be cancelled.

6.4 The Transferee Company 1 shall credit to its share capital [illegible] the aggregate face value of the equity shares issued by the shareholders of the Transferee Company 1 pursuant to Clause 6.5 of this Scheme.

6.5 [illegible] receivables, royalty and other contractual rights of the Transferor Company 1 and the Transferee Company 1 shall stand cancelled and there shall be no liabilities or obligations in respect thereof.

6.6 The difference between the net assets transferred to the Transferee Company 1 pursuant to Clause 6.1 [illegible] recorded in the Transferee Company 1 pursuant to Clause 6.4 and the amount in Clause 6.4 [illegible] shall be adjusted against Capital Reserve of the Transferee Company 1.

6.7 In case of any difference in accounting policies between the Transferor Company 1 and the Transferee Company 1, the accounting policies followed by the Transferee Company 1 will prevail and the difference [illegible] will be quantified and be adjusted as per Ind-AS [illegible] Transferee Company 1 after [illegible] of consideration [illegible] policy.

6.8 Upon the Scheme becoming effective [illegible] of the Transferor Company 1 [illegible] Transferee Company 1, the Transferee Company 1 will become a subsidiary of the Transferee Company 1.
[illegible] the amalgamation of the Transferor Company 1 with the Transferee Company 1 [illegible] Transferee Company 1 shall [illegible] New Equity Shares [illegible] of Rs. 1/- each, fully paid up [illegible] indicated below to the equity shareholders holding fully paid up equity shares of the Transferor Company 1 [illegible] provided have been issued to the Transferee Company 1 and were outstanding in the books of the Transferor Company 1 on the Record Date in respect of their respective holdings, [illegible] or other kind of provisions [illegible] by the Board of Directors of the Transferee Company 1.

Additional disclosures

1. Pooling interest acquired

- Amalgamation of Pasamai Investment Manager [illegible] (PIMPL) with Motilal Oswal Financial Services [illegible] ("the Company") and consequently [illegible] the Company in the exchange of [illegible].
- For the elements of MOPE Investment [illegible] Funds (MOPE) [illegible] the Company [illegible] equity shares [illegible] issued by the Company in the exchange of [illegible].
- [illegible] the demergers of Motilal Oswal Real Estate Investment Advisors [illegible] (MOREIA) [illegible] with the Company and consequently [illegible] issued by the Company in the exchange of [illegible].

Motilal Oswal Financial Services Limited
Summary of significant accounting policies and other explanatory information
(All amounts are in INR Lakhs unless otherwise stated)

d) Reason for business combination

* Business Combination will result in shareholders of the right Demerged and holders [illegible] of shareholding [illegible] the Promoter Group's [illegible] and engagement and improve the performance of shareholders.
* Cash flows management [illegible] provisional [illegible]
* Post up combined [illegible] are financial [illegible]
* [illegible]
* [illegible] Companies Act, 2013 [illegible]
* [illegible] equity [illegible] any other [illegible] business structure

e) Acquisition date & date of control: [illegible]

f) Consideration transferred
* [illegible] Investment Managers [illegible]
[illegible] fully paid [illegible] equity shares of [illegible] Ltd [illegible] Financial Services [illegible] allotted [illegible] the Promoter [illegible] Company
* [illegible] Investment Advisors [illegible]
[illegible] fully paid up equity [illegible] of the Company [illegible] and allotted to the equity [illegible] Investment Advisors Private Limited
* [illegible] Real Estate Investment Advisors [illegible] Private Limited
[illegible] equity [illegible] Financial Services Limited [illegible] and allotted to the [illegible] Real Estate Investment Advisors Private Limited

g) Identifiable assets acquired and liabilities assumed

Particulars	As at March 31, 2022	Adjustments on account of amalgamation			As at April 01, 2021
	As per signed annual report	MIMSF	MOROCD	MOPPL	(Restated)
Assets					
Financial Assets					
Cash and Cash Equivalent	57,[illegible]	[illegible]			57,[illegible]
Bank Balance other than cash and cash equivalents above	[illegible]	[illegible]	-		[illegible]
Trade Receivables	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Investments	3,85,[illegible]		[illegible]	[illegible]	[illegible]
Other Financial Assets	[illegible]	[illegible]			[illegible]
Non Financial Assets					
Current tax Asset	[illegible]	[illegible]		-	[illegible]
Other Non Financial Assets	[illegible]			-	[illegible]
Liabilities					
Financial Liabilities					
Other Financial Liabilities	[illegible]	[illegible]		-	[illegible]
Non Financial Liabilities					
Deferred tax liability (net)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Other Non Financial Liabilities	[illegible]	[illegible]	-		[illegible]
Equity					
Equity Share Capital	[illegible]	[illegible]			[illegible]
Other Equity	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Motilal Oswal Financial Services Limited
Summary of significant accounting policies and other explanatory information
(Amounts [illegible] in crore rupees)

h) Acquisition-related costs

[illegible] in the statement of P&L

Nature of Expense	Year ended 31 March 2022	Year ended 31 March 2021	Legislation Based	Note number in Annexure
Legal and Professional Fees	[illegible]	[illegible]	Other [illegible]	Note [illegible]
Filing and Listing Fees	[illegible]	[illegible]	Other [illegible]	Note [illegible]

i) Net liabilities in excess of the assets in P&L

[illegible] Company [illegible] Acquisition [illegible] company [illegible] [illegible] of the consolidated [illegible] [illegible] has been adjusted net of income tax [illegible] Rs. 2,345 [illegible] from the [illegible] of the Company. The [illegible] has been [illegible] in the financial statements [illegible] as per the requirement as per [illegible] and Ind AS [illegible] "Business Combinations [illegible]", which [illegible] the [illegible] of an equity transaction as [illegible] to a distribution from equity (net of any [illegible] [illegible]).

j) Non controlling interest

[illegible] of Non controlling interest [illegible] Non controlling interest [illegible] Non controlling interest [illegible] [illegible] [illegible]

j) Revenue & Profit or loss of the acquiree included in P&L

Name of the Entities	Year ended 31 March 2022		Year ended 31 March 2021	
	Revenue	PAT	Revenue	PAT
[illegible] from Company [illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Deemed Company [illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Deemed Company 2 [illegible]	[illegible]	[illegible]	[illegible]	[illegible]

k) Combined Revenue & Profit or loss of the merged entity

Name of the Entities	Year ended 31 March 2022		Year ended 31 March 2021	
	Revenue	PAT	Revenue	PAT
Holding Company [illegible]	[illegible]	[illegible]	[illegible]	[illegible]

l) Nature of business of the combining entities

Name of combining entities	General nature of business of combining entities
Deemed Company [illegible]	[illegible]
Deemed Company [illegible]	Investment Management [illegible]
Deemed Company [illegible]	[illegible] Management of Mutual Funds

m) Description and number of shares issued, together with the fair value of each entity's equity shares exchanged to effect the business combination

Manibhai Oswal Financial Services Limited

Summary of significant accounting policies and other explanatory information

[illegible]

Name of combining entity	Description of shares issued	Number of shares issued	% of entity's equity share capital issued as cost of business combination
Shareholder of the closed company 1 – [illegible]	Equity Shares	[illegible]	[illegible]
Closed Company 1 – [illegible]	Equity Shares	[illegible]	[illegible]
Closed Company 2 – [illegible]	Equity Shares	[illegible]	[illegible]
Amalgamated Company 2 – MOBFSL	[illegible]	[illegible]	[illegible]
Closed Company 3 – MOBFSL	[illegible]	[illegible]	[illegible]

n/ The amount is [illegible] the consolidated [illegible] value [illegible] Other assets acquired and [illegible] NIL

[illegible]

[illegible]

[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

[illegible]

[illegible]

[illegible]

Singhi & Co.
Chartered Accountants
[illegible]

INDEPENDENT AUDITOR'S REPORT

To

The Members of Motilal Oswal Financial Services Limited

Opinion

1. We have audited the accompanying consolidated financial statements of **Motilal Oswal Financial Services Limited** (the "Holding Company") and its subsidiaries (Holding company and its subsidiaries together referred to as the "Group") and its associate for the year ended March 31, 2022 attached herewith, which comprise the Consolidated Balance Sheet as at 31 March 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement, and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate audited financial statements and on the other financial information of the subsidiaries and associate, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the consolidated state of affairs of the Group and its associate as at 31 March 2022 and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit of the s in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (the 'ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, 2013 ('the Act') and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidences obtained by us and by other auditor in terms of their reports referred to in the paragraph 19 of other matter section below, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

4. We draw your attention to Note 42 of the consolidated financial results, as regards the management's assessment of the financial impact due to restrictions and conditions related to COVID-19 pandemic situation in respect of one of the subsidiary Company.

Our opinion is not modified in respect of this matter.

Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries and associate, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

6. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key audit matters	How our audit addressed the key audit matter
1	**Impairment of loans and advances to customers** Refer to the accounting policies in 'Note 2.9 (ii) to the Financial statements: Impairment', 'Note 3 (b) to the consolidated Financial Statements: Significant Accounting Policies - Use of estimates and judgement' and 'Note 7 to the consolidated Financial Statements: Loans' As at March 31, 2022 Motilal Oswal Home Finance Limited ('MOHFL') has reported the carrying value of loan assets measured at amortised cost, aggregated Rs. 3,43,455 lakhs (net of allowance of ECL Rs. 8,533 lakhs). The estimation of ECL on financial instruments involves significant judgement and estimates. As part of our risk assessment, we determined that the allowance for ECL on loan assets has a high degree of estimation uncertainty with a potential range of reasonable outcomes for the financial statements.	**Our Audit Approach:** Our audit approach was a combination of test of internal controls and substantive procedures which included the following: a) Testing the design and effectiveness of internal controls over the following: ➢ key controls over the completeness and accuracy of the key inputs data and assumptions into the Ind AS 109 impairment models ➢ key controls over the application of the staging criteria consistent with the definitions applied in accordance with the policy approved by the Board of Directors including the appropriateness of the qualitative factors. ➢ management's controls over authorisation and calculation of post model adjustments and management overlays to the output of the ECL model. b) Also, for a sample of ECL allowance on loan assets tested: ➢ Sample testing over key inputs, data and assumptions impacting ECL calculations to assess the completeness, accuracy and relevance of data; reasonableness of

Sr. No.	Key audit matters	How our audit addressed the key audit matter
	The elements of estimating ECL which involves increased level of audit focus are the following a) Data inputs - The application of ECL model requires several data inputs. b) Model estimations – Inherently judgmental models are used to estimate ECL which involves determining Probabilities of Default ("PD"), Loss Given Default ("LGD"), and Exposures at Default ("EAD"). The PD and the LGD are the key drivers of estimation complexity in the ECL and as a result are considered the most significant judgmental aspect of the Company's modelling approach. c) Qualitative and quantitative factors used in staging the loan assets measured at amortised cost. d) Economic scenarios – Ind AS 109 requires the Company to measure ECLs on an unbiased forward-looking basis reflecting a range of future economic conditions. Significant management judgement is applied in determining the economic scenarios used and the probability weights applied to them especially when considering the current uncertain economic environment arising from ongoing COVID-19 pandemic. e) Adjustments to model driven ECL results to address emerging trends.	economic forecasts, weights and model assumptions applied ➢ we evaluated reasonableness of LGD estimates by comparing actual recoveries post the loan asset becoming credit impaired with estimates of LGD; and ➢ we tested the mathematical accuracy and computation of the allowances by using the same input data used by the Company. c) We also evaluated the adequacy of the adjustment after assessing the factors used in determining the output as per the ECL Model and ensuring that the adjustment was in conformity with the amount approved by the Audit Committee. d) Testing management's controls on compliance with disclosures to confirm the compliance with the provisions of relevant provisions of Ind AS 109 and the RBI. e) Evaluating the appropriateness of the Company's Ind AS 109 impairment methodologies and reasonableness of assumptions used, including management overlays. f) For models which were changed or updated during the year evaluating whether the changes were appropriate by assessing the updated model methodology. g) The reasonableness of the Company's considerations of the impact of the current ongoing economic environment due to COVID-19 on the ECL determination. h) Read and assessed the disclosures included in the Ind AS financial statements in respect of expected credit losses with the requirements of Ind AS 107 and Ind AS 109.

Sr. No.	Key audit matters	How our audit addressed the key audit matter
2	**Information Technology (IT) Systems and Controls** The Motilal Oswal Financial Services Limited and Motilal Oswal Home Finance Limited key financial accounting and reporting processes are highly dependent on the automated controls over the Company's information systems, such that there exists a risk that gaps in the IT general control environment could result in a misstatement of the financial accounting and reporting records. Accordingly, we have considered user access management, segregation of duties and controls over system change over key financial accounting and reporting systems as a key audit matter.	**Our Audit Approach:** Our audit approach was a combination of test of internal controls and substantive procedures which included the following: **General IT controls design, observation and operation:** ➢ Tested key controls operating over the information technology in relation to financial accounting and reporting systems, including system access and system change management program development and computer operations. **User access controls operation:** ➢ Obtained management's evaluation of the access rights granted to applications relevant to financial accounting and reporting systems and tested resolution of a sample of exceptions. ➢ Further we assessed the operating effectiveness of controls over granting, removal, and appropriateness of access rights. **Application controls:** ➢ We tested the design and operating effectiveness of automated controls critical to financial accounting and reporting. ➢ For any identified deficiencies, tested the design and operating effectiveness of compensating controls and, where necessary, extended the scope of our substantive audit procedure.
3.	**Valuation of equity investments carried at fair value** **Refer note 2.8 (2) for significant accounting policies and note 55 for financial disclosures** As at 31 March 2022, the Company held investment in Southern Housing Development Finance Company Private Limited amounting to Rs. 67.97 crores which represents 0.85 %	Our audit procedures in relation to valuation of investment with the involvement of our valuation experts included, but were not limited to, the following: **Design/Controls:** ➢ Obtained a detailed understanding of the management's process and controls for determining the fair valuation of this investment. The understanding was obtained by the performance of

Sr. No.	Key audit matters	How our audit addressed the key audit matter
	of financial assets of the Company as at 31 March 2022. This investment is not traded in the active market. The fair valuation of this investment is determined by a management appointed independent valuation expert, based on discounted cash flow method. The process of computation of fair valuation of investment includes use of unobservable inputs and management judgements and estimates which are complex. The key assumptions underpinning management's assessment of fair value of this investment, includes application of liquidity discounts; calculation of discounting rates and the estimation of projections of revenues, projections of future cash flows and growth rates. The valuation of this investment was considered to be one of the areas which required significant audit attention and was one of the matters of most significance in the financial statements due to the materiality of total value of investment to the financial statements and the complexity involved in the valuation of this investment.	walk-throughs which included inspection of documents produced by the Company and discussion with those involved in the process of valuation; ➢ Evaluated the design and the operational effectiveness of relevant key controls over the valuation process, including the Company's review and approval of the estimates and assumptions used for the valuation including key authorization and data input controls, independent price verification performed by the management expert and model governance and valuation. Substantive tests: ➢ Assessed the appropriateness of the valuation methodology used for the of this investment in accordance with the Company's policy and tested the mathematical accuracy of the management's model adopted; ➢ Obtained the valuation report from management's expert and assessed the expert's competence, objectivity and independence in performing the valuation of these investments; ➢ Assessed the appropriateness of the valuation model used by the management and the assumptions used relating to projected cash flows and the discounting factor. ➢ Ensured the appropriateness of the carrying value of these investments in the financial statements and the gain or loss recognised in the financial statements as a result of such fair valuation; and ➢ Ensured the appropriateness and adequacy of disclosures in accordance with the applicable accounting standards.

7. The auditors Areel Isaad and Associates, Chartered Accountants, of Motilal Oswal Commodities Broker Private Limited (MOCBPL) vide their audit report dated April 25, 2022 have expressed an unmodified opinion on the financial statements. Based on consideration of their report and information submitted by them, we have reproduced the matter described below to be the key audit matter to be communicated in our report.

Key Audit Matters	Audit Procedures performed
Legal & Regulatory Risk: Refer Note 6 point 2 of the Consolidated financial statements Following default at National Spot Exchange Limited (NSEL) in 2012 and initial investigations by Economic Offences Wing (EOW) and complaints received from investors against the broker of the now defunct spot exchange, NSEL and EOW in March and April 2015 had requested SEBI to take appropriate actions. However, in EOW report there was no allegation against Motilal Oswal Commodities Broker Private Limited (MOCBPL). In this manner, SEBI has issued Show Cause Notice to MOCBPL in financial year i.e. 2017-18 relating to NSEL Scam, for which management has replied accordingly. SEBI vide its order dated 22nd February 2019, rejected MOCBPL's registration application on the grounds that it is not a fit and proper person to hold, directly or indirectly, the certificate of registration as commodity derivatives broker.	Following are the areas where risks are assessed & procedures were followed. • **Recording of Receivables & Dues** - NSEL: After scrutinising the books of accounts and discussion with the management it has been found that the amounts receivable from NSEL (Exchange) and due to the clients have direct nexus and MOCBPL has the role of a broker only. Hence, the amount receivable from Exchange has not been provided for Doubtful debts as they are directly payable to the Clients. • **Impact of SEBI order on the MOCBPL business:** The Company has already ceased its Commodity Broking business from April 2018. Also, the order of SEBI signifies that MOCBPL's registration application as Commodities Broker may be rejected; however the management doesn't plan to continue its Commodities Broking business under the company (MOCBPL). The company has also filed an appeal against the order of SEBI before the Securities Appellate Tribunal (SAT) & the same is currently pending. • MOCBPL may have to refund the brokerage charged from the clients against which the management has already made provision in the books of accounts. Our procedures with respect to approaching the KAM: - **Enquiring with Accounts and Finance Team:** We have discussed with Finance team, Management and have scrutinised books of account. Assessing management's conclusions and ensuring that updates regarding the

	manner are informed to us on a timely basis Our results: Based on the above procedures while noting the inherent uncertainty with such legal matters we concluded treatment of the matter as satisfactory.

D. The auditors Shah & Savla LLP Chartered Accountants, of Motilal Oswal Finvest Limited vide their audit report dated April 27, 2022, have expressed an unmodified opinion on the financial statements. Based on consideration of their report and information submitted by them, we have reproduced the matter described below to be the key audit matter to be communicated in our report.

Key Audit Matter	Principal audit procedures performed
1. **Information Technology system for the financial reporting process** The Company is highly dependent on its information technology (IT) systems for carrying on its operations which require large volume of transactions to be processed on a daily basis. Further the Company's accounting and financial reporting processes are dependent on the automated controls enabled by IT systems which impacts key financial accounting and reporting items such as Interest Income Loan balance, Non Performing Assets amongst others. The controls implemented by the Company in its IT environment determine the integrity, accuracy, completeness and validity of data that is processed by the applications and is ultimately used for financial reporting. Accordingly, since our audit strategy has focused on key IT systems and controls due to pervasive impact on the financial statements and performing testing of automated process controls and General controls, we have determined the same as a key audit matter for current year audit.	Our key audit procedures were relying on the work carried out by the IT specialists audit team, but were not limited to, the following: • Obtained an understanding of the Company's IT environment and conducted risk assessment and identified IT applications, databases and operating systems that are relevant to our audit. Also, obtained an understanding of key automated controls operating over such identified IT applications; For deficiencies identified if any by the IT specialist, specialist team tested compensating controls or performed alternative procedures.

2. Impairment of loans	Principal audit procedures performed
Ind AS 109 Financial Instruments requires the Company to provide for impairment of its financial assets using the expected credit loss ("ECL") approach which involves estimates for probability of loss on the financial assets over their life, unless there has been no significant increase in credit risk since origination in which case, the allowance is based on the 12-month ECL, considering reasonable and supportable information about past events, current conditions and forecasts of future economic conditions which could impact the credit quality of the Company's financial assets. In this process, substantial judgement has been applied by the management in assessing the 'significant increase in credit risk' in respect of following matters: a) The Company has grouped its loan portfolio based on days past due and other qualitative criteria as mentioned in the Credit-risk section. Loans grouped under a particular category are assumed to represent a homogeneous pool thereby expected to demonstrate similar credit characteristics. b) Staging of loans and estimation of behavioral life. c) Estimation of expected loss from historical observations. d) Estimation of losses in respect of those groups of loans which had not minimal defaults in the past. Considering the significance of above mode for impairment to the overall financial statements and the degree of management's estimates and judgments involved including the regulatory announcement of moratorium facility and restructuring facility for eligible customers this area required significant auditor attention to test such complex accounting estimates. Therefore, we have determined this to be a key audit matter for the current year audit.	a) Assessed and tested the design and operating effectiveness of key internal financial controls over the loan impairment process used to calculate the impairment. b) Assessed the critical assumptions used by the management for expected credit losses as at 31 March 2022. c) Assessed the assumptions used by the Company for grouping and staging of loan portfolio into various categories and default buckets based on their past-due status and other qualitative factors identified by the management which indicate significant increase in credit risk. For a sample of exposures, we tested the appropriateness of such staging. d) Understood and checked the key data sources and assumptions for data used in the ECL model used by the Company to determine impairment provisions. e) On sample basis tested the completeness and accuracy of the input data used and agreed the data with the underlying books of accounts and records. Tested the arithmetical accuracy of computation of ECL provision performed by the Company.

8 Management estimates impairment provision using Expected Credit Loss model for the loan exposure as per the Board approved policy which is in line with Ind AS and the Regulations. Measurement of loan impairment involves application of significant judgement by the management. The most significant judgements are	We examined Board Policy that address policies, procedures and controls for assessing and measuring credit risk on all lending exposures commensurate with the size, complexity and risk profile specific to the borrowers.
a) Timely identification and classification of the impaired loans, including classification of assets to stage 1, 2, or 3 using criteria in accordance with Ind AS 109 which also include considering the impact of RBI's regulatory circulars,	We evaluated the design and operating effectiveness of controls across the processes relevant to ECL, including the judgements and estimates
b) The segmentation of financial assets when their ECL is assessed on a collective basis	We tested the completeness of loans and advances included in the Expected Credit Loss calculations as of March 31, 2022 by reconciling it with the balances as per loan balance register as on that date.
c) Determination of probability of defaults (PD) and loss given defaults (LGD) based on the default history of loans, subsequent recoveries made and other relevant factors and	We tested assets in stage 1, 2 and 3 on sample basis to verify that they were allocated to the appropriate stage.
d) Assessment of qualitative factors having an impact on the credit risk.	

Information other than the Consolidated Financial Statements and Auditor's Report thereon

5. The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Report on Corporate Governance (but does not include the Consolidated Financial Statements and our auditor's report thereon) which we obtained prior to the date of this auditor's report and Board's Report, Management Discussion and Analysis and Business Responsibility Report which is expected to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the other information included in the above reports, if we conclude that there is material misstatement therein, we are required to communicate the matter to

those charged with governance and determine the actions under the applicable laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

10. The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with regard to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. The respective Board of Directors/management of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

11. In preparing these consolidated financial statements, the respective Board of Directors/Management of the companies included in the Group and of its associate are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

12. Those respective Board of Directors/Management included in the Group and of its associate are also responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

13. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

14. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

i. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

ii. Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

iv. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.

v. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

vi. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

15. Materiality is the magnitude of the misstatement in the statement that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the statement may be influenced. We consider quantitative

materiality and qualitative factors in (i) planning the scope of our audit work and evaluating the results of our work; and (ii) to evaluate the effects of any identified misstatements in the consolidated financial statements.

17. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

18. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

19. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of consolidated financial statements of the current period and are therefore the key audit matters. We describe those matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

20. We did not audit the financial statements of eight subsidiaries, whose financial statements reflects total assets of Rs. 3,27,428 lakhs as at March 31, 2022, total revenue of Rs. 56,899 lakhs, total net profit after tax of Rs. 23,678 lakhs for the year ended March 31, 2022 respectively, total comprehensive income of Rs. 25,647 lakhs for the year ended March 31, 2022, as considered in the consolidated financial Statements. The consolidated financial Statements also includes the Group's share of the net profit after tax and total comprehensive income of Rs. 178 lakhs for the year ended March 31, 2022, in respect of one associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose audit report have been furnished to us by the management, and our opinion in so far as it relates to the amount and disclosures included in respect of these subsidiaries/associate is based solely on the audit report of such other auditors, and the procedure performed by us as stated in the paragraph 3 above.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

21. The consolidated financial statements includes the consolidated financial statements of four subsidiaries which have not been audited whose annual financial statements reflect total assets of Rs. 4,302 lakhs as at March 31, 2022, total revenue of Rs. 12,241 lakhs, total net profit after tax and total comprehensive income of Rs. 6,313 lakhs for the year ended March 31, 2022 respectively. These financial statements have been furnished to

us by the Holding Company's management. Our opinion is so far as it relates to the amounts and disclosures included in respect of aforesaid subsidiaries is based solely on such unaudited financial statements. In our opinion, and according to the information and explanation given to us by the management, are not material to the Group.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the financial statements certified by the management.

21. As mentioned in note no. 61 of the consolidated financial statements, figures for the year ended March 31, 2021 as shown in the consolidated financial statements are the figures which have been arrived after giving effect to the scheme of arrangement, which is based on the audited accounts of the transferor and transferee Company, which were audited by the respective auditors of that period. Hence, those the past figures are neither audited nor reviewed. The Company has given effect to the scheme of arrangement with effect from the appointed date April 1, 2020. Accordingly, we do not express any opinion, as the case may be, on the figures reported in the financial statements for the year ended March 31, 2021.

Report on Other Legal and Regulatory Requirements

22. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies, as noted in the 'Other Matter' paragraph we give in the 'Annexure A' a statement on the matters specified in paragraph 3(xxi) of the Order.

23. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and associate as noted in the 'Other matter' paragraph we report, to the extent applicable, that:

    a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements.

    b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

    c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.

c. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

e. On the basis of written representations received from the directors of the Holding Company as on March 31, 2022, taken on record by the Board of Directors of the Holding Company and reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies, is disqualified as on 31 March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

f. With respect to the adequacy of the internal financial controls with reference to the consolidated financial statements of the Group and the operating effectiveness of such controls, we request you to refer to our separate Report in 'Annexure B' to this report.

g. In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, the managerial remuneration for the year ended March 31, 2022 has been paid/provided by the Group to their directors is in accordance with the provisions of Section 197 read with Schedule V to the Act.

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and associate:

i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and associate, in its consolidated financial statements – refer note 38 to the consolidated financial statements;

ii. The Group and associate did not have any long term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2022;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group during the year ended 31 March 2022;

iv. (a) The respective managements of the Group and associate whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries or associate to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries or associate ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The respective managements of the Group and associate whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the respective Holding Company or any of such subsidiaries from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries or associate shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v The dividend declared or paid during the year and subsequent to the year end by the Group and associate is in compliance with Section 123 of the Act.

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

Nikhil Singhi
Partner
Membership No. 061567
UDIN: 22061567AHIZZX6933

Place: Mumbai
Date: April 28, 2022

Independent Auditor's Report of even date on the financial statements of Motilal Oswal Financial Services Limited

Annexure A referred to in paragraph 12 under Report on Other Legal and Regulatory Requirements of our report of even date

According to information and explanations given to us, out of the companies incorporated in India, following companies are also included in consolidated financial statements, have certain remarks included in their reports under Companies (Auditors Report) Order, 2020 ("CARO") which have been reproduced as per the requirement of the Guidance Note on CARO:

Sr. No.	Name	CIN	Holding Company/ Subsidiary	Clause number of the CARO report
1	Motilal Oswal Financial Services Limited	L67190MH1987PLC043097	Holding	3 (vii)(a)
2	Motilal Oswal Home Finance Limited	U65923MH2011PLC218711	Subsidiary	3 (vii)(a)
3	Motilal Oswal Asset Management Company Limited	U67120MH2008PLC188186	Subsidiary	3 (vii)(a)

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

Nikhil Singhi
Partner
Membership No. 061567
UDIN: 22061567AHZZXQ6338

Place: Mumbai
Date: April 28, 2022

Annexure B to the Independent Auditor's Report of even date on the Consolidated Financial Statements of Motilal Oswal Financial Services Limited

Referred to in paragraph [23(f)] under Report on Other Legal and Regulatory Requirements of our report of even date

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of Motilal Oswal Financial Services Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as the "Group"), as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary companies, which are companies covered under the Act are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company and subsidiary considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's and its subsidiaries companies' internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed

risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls over Financial Reporting with reference to consolidated financial statements

A Company's internal financial control over financial reporting with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements of the subsidiary companies, the Group covered under the Act have in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matter

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to the eight subsidiaries which are audited by other auditors, is based on the corresponding reports of the auditors of such subsidiaries. Further as associate is a Limited Liability Partnership (LLP) firm, hence report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls is not applicable to it.

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

Nikhil Singhi
Partner
Membership No. 061567
UDIN: 22061567AIZZXU5323

Place: Mumbai
Date: April 28, 2022

[illegible]

[illegible]	Note No.	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]			
[illegible]		[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
Total Non-Current Assets		[illegible]	[illegible]
Current assets			
[illegible]		[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
Total Current Assets		[illegible]	[illegible]
TOTAL ASSETS		[illegible]	[illegible]
EQUITY AND LIABILITIES			
Equity			
Liabilities			
Non-Current Liabilities			
[illegible]			
[illegible]			
[illegible]		[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
Total Non-Current Liabilities		[illegible]	[illegible]
Current Liabilities			
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
Total Current Liabilities		[illegible]	[illegible]
Total Equity and Liabilities		[illegible]	[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

Particulars	Note No.	[illegible]	[illegible]
[illegible]			
[illegible]			
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]		[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]		[illegible]	[illegible]
[illegible]		[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]

[illegible]
Consolidated Cash Flow Statement
[illegible]

Particulars	For the Year Ended 31st March 2012	For the Year Ended 31st March 2011
A. Cash flows from operating activities		
Net Profit before taxation	[illegible]	[illegible]
Adjustments for		
Add:		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Provision & [illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Profit from partnership [illegible]	[illegible]	[illegible]
Less:		
Net [illegible] income & dividends	[illegible]	[illegible]
Profit on sale of [illegible] property, plant and equipment (Net)	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Interest [illegible]	[illegible]	[illegible]
Operating profit before working capital changes	[illegible]	[illegible]
Adjustments for changes in working capital assets:		
Increase / (Decrease) in [illegible]	[illegible]	[illegible]
Increase / (Decrease) in [illegible]	[illegible]	[illegible]
Increase / (Decrease) in other financial assets	[illegible]	[illegible]
Increase / (Decrease) in other non-financial assets	[illegible]	[illegible]
Increase / (Decrease) in [illegible]	[illegible]	[illegible]
Increase / (Decrease) in [illegible]	[illegible]	[illegible]
Increase / (Decrease) in other financial liabilities	[illegible]	[illegible]
Increase / (Decrease) in other non-financial liabilities	[illegible]	[illegible]
Increase / (Decrease) in [illegible]	[illegible]	[illegible]
Cash generated from operations	[illegible]	[illegible]
Direct taxes paid (net of refunds)	[illegible]	[illegible]
Net cash generated from Operating activities (A)	[illegible]	[illegible]
B. Cash flow from investing activities		
Purchase of Property, Plant and Equipment	[illegible]	[illegible]
Purchase of Investments	[illegible]	[illegible]
Sale of Investments	[illegible]	[illegible]
Sale of Property, Plant and equipment	[illegible]	[illegible]
Interest received	[illegible]	[illegible]
Dividend received	[illegible]	[illegible]
Net cash used in / generated from investing activities (B)	[illegible]	[illegible]
C. Cash flow from financing activities		
Issue of Share capital including [illegible] premium	[illegible]	[illegible]
Repayment of [illegible]	[illegible]	[illegible]
Proceeds from sale of debentures	[illegible]	[illegible]
Repayment of debentures	[illegible]	[illegible]
Proceeds from Repayment of commercial paper	[illegible]	[illegible]
Proceeds from [illegible]	[illegible]	[illegible]
Repayment of [illegible]	[illegible]	[illegible]
Proceeds from [illegible]	[illegible]	[illegible]
Repayment of [illegible]	[illegible]	[illegible]
Increase / (Decrease) in [illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Interest on [illegible]	[illegible]	[illegible]
Dividend paid	[illegible]	[illegible]
Net cash used in / generated from financing activities (C)	[illegible]	[illegible]
Net increase / (decrease) in cash and cash equivalents during the year (A+B+C)	[illegible]	[illegible]

[illegible]

Consolidated Cash Flow Statement

[illegible]

[illegible]	257	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	
[illegible]	[illegible]	[illegible]
Cash and cash equivalents at beginning of the year	1,27,216	[illegible]
Cash & Cash Equivalents comprises as at end of the year		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Cash and cash equivalents at end of the year	[illegible]	1,27,216

Changes in liabilities arising from financing activities

[illegible]	[illegible]	[illegible]
Proceeds from issue of Debentures	[illegible]	[illegible]
Repayment of [illegible]	[illegible]	[illegible]
Proceeds from issue of Repayment of Commercial paper	[illegible]	[illegible]
Proceeds from [illegible]	[illegible]	[illegible]
Repayment [illegible]	[illegible]	[illegible]
Proceeds from / Repayment of Other [illegible]	[illegible]	[illegible]
Closing net cash outflows arising from financing activities (A+B+C)	3,15,151	[illegible]

Cash flows from operating activities includes:

[illegible]	1,03,157	[illegible]
[illegible]	[illegible]	[illegible]

Notes:

[illegible] Consolidated Cash Flow Statement.

[illegible]

The accompanying Notes forming part of the Consolidated Cash Flow Statement [illegible]

For Sergio & Co.
Chartered Accountants
Firm Registration No. 102 [illegible]

[illegible]
Partner
Membership No. [illegible]

For and on behalf of the Board of Directors
Mindtree Consulting Services Limited

[illegible]
Managing Director & Chief Executive Officer
DIN: [illegible]

[illegible]
Non-Executive Director
DIN: [illegible]

[illegible]
Chief Financial Officer

[illegible]
Company Secretary

Place: Bangalore
Date: [illegible]

Place: Bangalore
Date: 21 April 2022

[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]	As at 31 March 2022	As at 31 March 2021
[illegible]	[illegible]	[illegible]
[illegible]		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]

[illegible]	As at 31 March 2022	As at 31 March 2021
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]

[illegible]

[illegible]	As at 31 March 2022	As at 31 March 2021
(a) Trade receivables		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]
(b) Other receivables		
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]
	[illegible]	[illegible]

[illegible]

[illegible]

Note 6(i) : Receivable ageing schedule

For the year ended 31 March 2022

Particulars	Outstanding for following periods from due date of payment						Less Allowance	Total
	Unbilled	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years		
[illegible]		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]		[illegible]	[illegible]	[illegible]			[illegible]	[illegible]
[illegible]	[illegible]			[illegible]		[illegible]		[illegible]
[illegible]								
[illegible]								
Total	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

For the year ended 31 March 2021

Particulars	Outstanding for following periods from due date of payment						Less Allowance	Total
	Unbilled	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years		
[illegible]		[illegible]	[illegible]	[illegible]		[illegible]	[illegible]	[illegible]
[illegible]		[illegible]	[illegible]	[illegible]	[illegible]			[illegible]
[illegible]		[illegible]	[illegible]	[illegible]			[illegible]	[illegible]
[illegible]	[illegible]					[illegible]		[illegible]
[illegible]								
Total	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Note 21(i) : Trade Payables ageing schedule

For the year ended 31 March 2022

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]		[illegible]	[illegible]
[illegible]	[illegible]		[illegible]		[illegible]
[illegible]		[illegible]	[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

For the year ended 31 March 2021

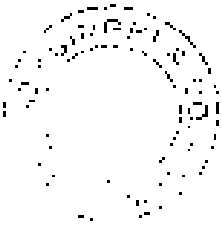
Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
[illegible]	[illegible]	[illegible]		[illegible]	[illegible]
[illegible]	[illegible]		[illegible]	[illegible]	[illegible]
[illegible]					
[illegible]				[illegible]	[illegible]
Total	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

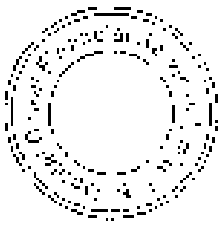
[illegible]

[illegible]

[illegible]

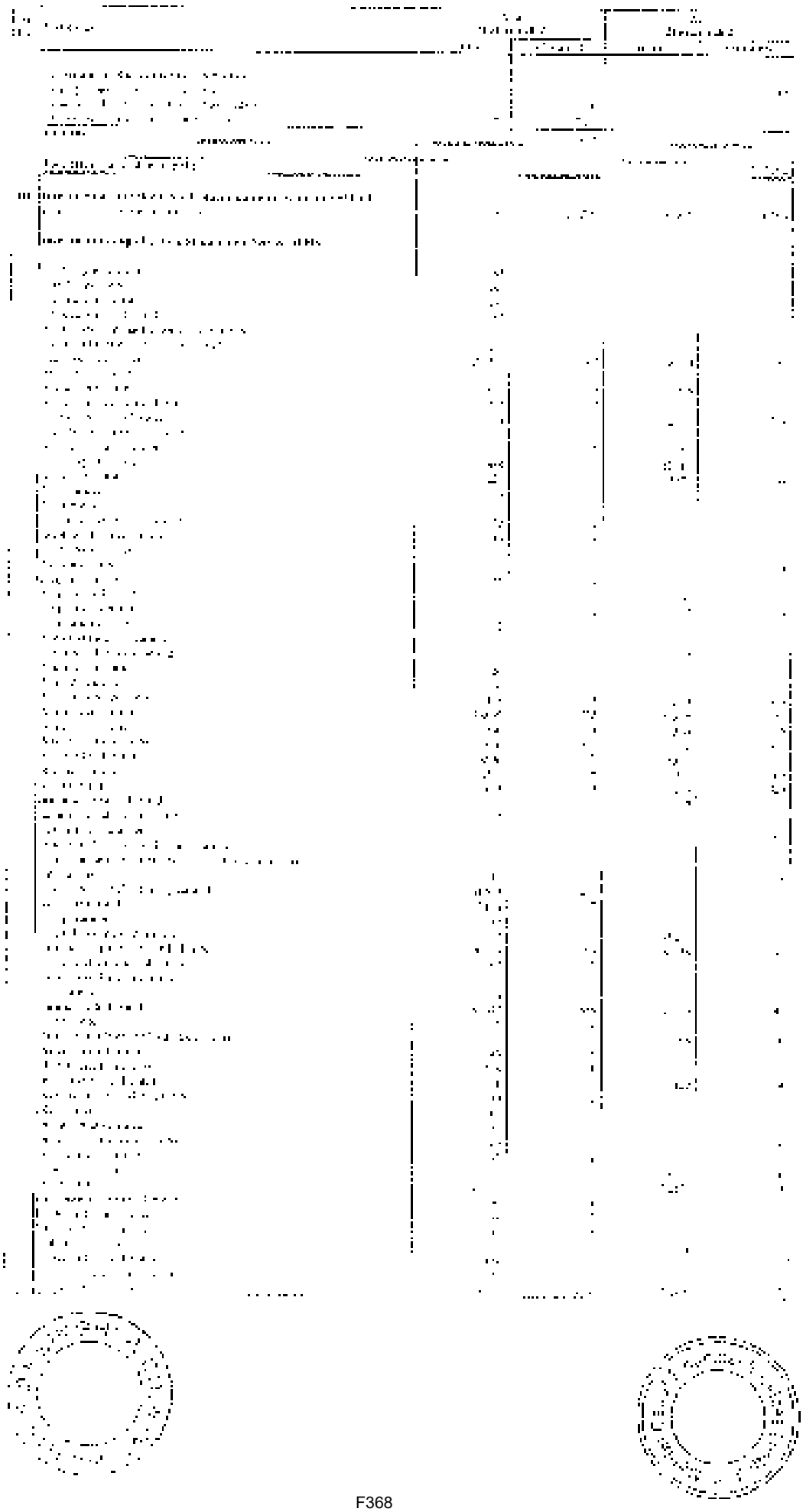
Note 7 [illegible]	As at 31 March 2022	As at 31 March 2021
[illegible]		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]



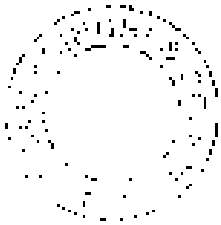


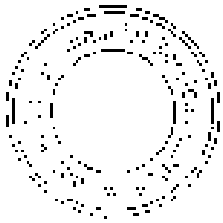
[illegible]

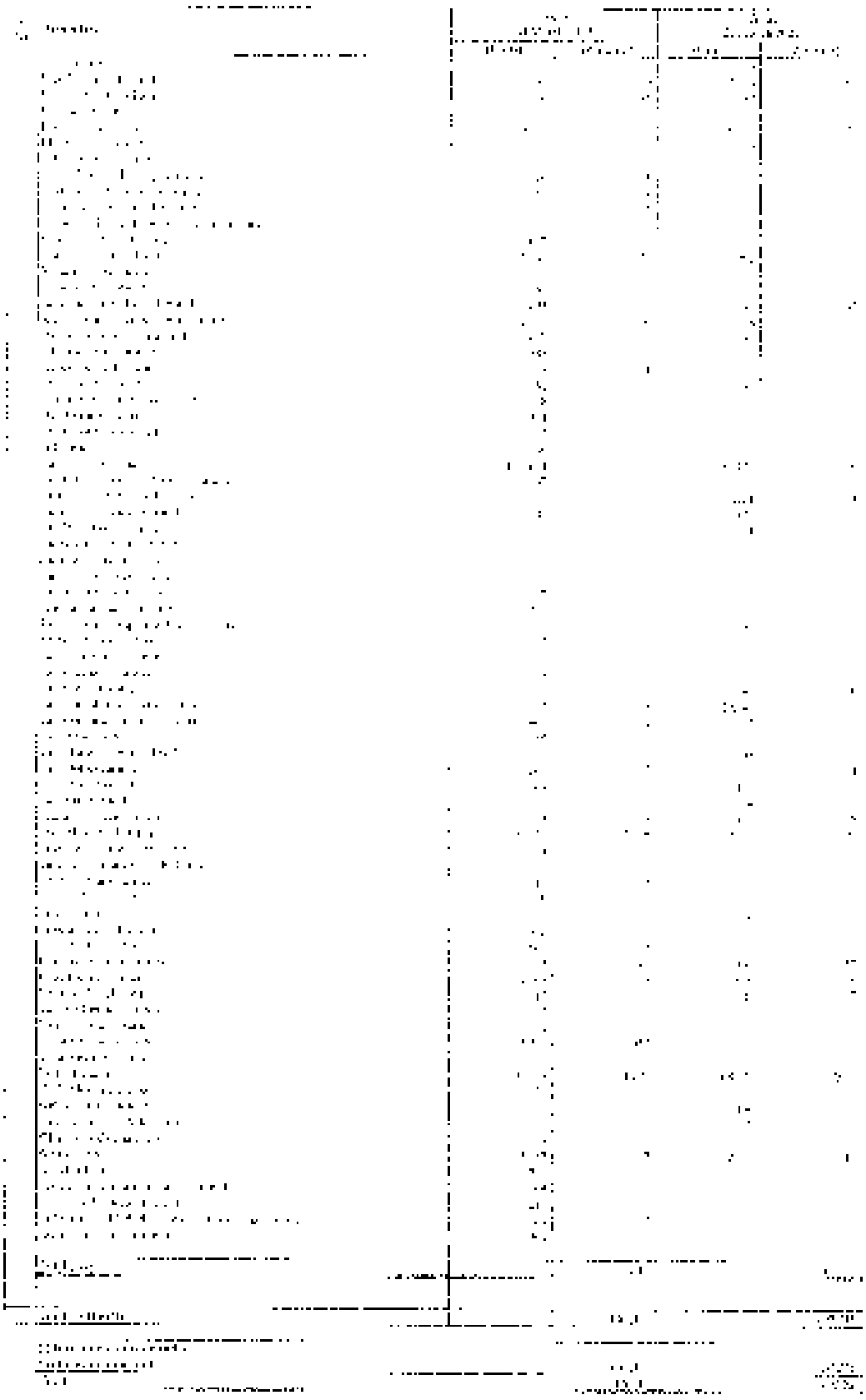
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]



[illegible]







Note [illegible] ESOP movement

Particulars	As at 31 March 2022	As at 31 March 2021
Opening	7,507	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Closing	8,078	7,507

Note [illegible] Share capital [illegible]

Particulars	As at 31 March 2022	As at 31 March 2021
[illegible] (Stage 1)	[illegible]	[illegible]
Significant increase in credit risk (Stage 2)	1,715	[illegible]
Credit impaired (Stage 3)	[illegible]	[illegible]
Closing	8,078	7,507

Note [illegible] Other financial assets

	As at 31 March 2022	As at 31 March 2021
[illegible]	935	552
Deposit [illegible]	[illegible]	[illegible]
Security [illegible]	[illegible]	[illegible]
[illegible]	617	[illegible]
Receivable from exchange	277	---
	35,591	38,162

[illegible]

Note 10 : Current tax assets (net)

	As at 31 March 2022	As at 31 March 2021
[illegible]	[illegible]	[illegible]
	3,351	4,394

Note 11 : Deferred tax assets (net)

	As at 31 March 2022	As at 31 March 2021
Deferred tax [illegible]	[illegible]	[illegible]
	[illegible]	[illegible]

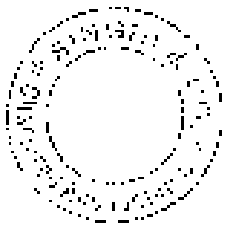
[illegible]

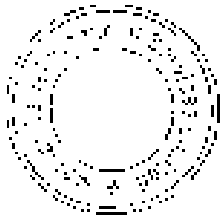
[illegible]

[illegible]

[illegible]

[illegible]





[illegible] Overseas Services Limited

[illegible]

Note 11: Other [illegible]

	As at 31 March 2022	As at 31 March 2021
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]		[illegible]
[illegible]	[illegible]	[illegible]
	[illegible]	11,621

Note 12: Trade Payables

	As at 31 March 2022	As at 31 March 2021
(i) Trade payables*		
[illegible]		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

*[illegible]

Note 13: Dues to Micro and Small Enterprises

[illegible]

	As at 31 March 2022	As at 31 March 2021
The principal [illegible]	-	-
[illegible]	-	-
[illegible]		-
The amount of [illegible] paid to the supplier [illegible]		-
[illegible]	-	-
[illegible]	-	-
[illegible]	-	-

Note 14: Other [illegible]

	As at 31 March 2022	As at 31 March 2021
(a) Accrued [illegible]		
Salaries	[illegible]	[illegible]
[illegible]		
[illegible]	[illegible]	[illegible]
[illegible]	2,19,[illegible]	[illegible]
	2,96,580	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]		
	3,96,580	[illegible]

[illegible]

[illegible]

[illegible]

As at 31 March 2022

NCD Series	[illegible]	Amount	Security provided	Charge	Rate of Interest	Maturity Date
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Grand Total	[illegible]	[illegible]				

[illegible]

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

[illegible] mentioned in the consolidated financial statements

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
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[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Grand Total	[illegible]	[illegible]			

[illegible]

Unsecured Debentures and Bonds [illegible] March 2022

NCD Series	Amount	[illegible]	Interest Rate	Maturity Date
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]		

Unsecured Debentures and Bonds [illegible] March 2021

NCD Series	Amount	[illegible]	Interest Rate	Maturity Date
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]		

[illegible]

[illegible]

As at 31 March 2022

[illegible]

Maturity	[illegible]	[illegible]	[illegible]	[illegible]	Total
Rate of interest					
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

Maturity	[illegible]	[illegible]	[illegible]	[illegible]	Total
Rate of interest					
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

Maturity	[illegible]	[illegible]	[illegible]	[illegible]	Total
Rate of interest					
[illegible]	[illegible]	[illegible]	[illegible]		[illegible]
Total	[illegible]	[illegible]	[illegible]		[illegible]

As at 31 March 2021

[illegible]

Maturity	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Rate of interest					
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

Maturity	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Rate of interest					
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

Consolidated [illegible] as at 31 March 2022

[illegible]

Consolidated [illegible] as at 31 March 2021

[illegible]

Note 16 Borrowings (Other than debt securities)

	As at 31 March 2022	As at 31 March 2021
At Amortised Cost		
Loans repayable on demand		
Secured		
Unsecured		
Term loans		
Secured		
Unsecured		
Loan from Banks		
Secured		
Unsecured		
Loan from other parties		
Secured		
Unsecured		
Debentures		
Other securities		
Subordinated liabilities		
Total (A)	218,251	3,19,56
Borrowings in India		
Borrowings outside India		
Total (B)	218,251	3,19,56
Secured		
Unsecured		
Total (C)		

Note 17 Deposits

	As at 31 March 2022	As at 31 March 2021
Security deposits received from employees		

Note 18 Other financial liabilities

	As at 31 March 2022	As at 31 March 2021
Payable to employees		
Payable to employees for expenses and deductions		
Unpaid dividend		
Accrued interest		
Other payables		
Advance received and Deposits		
Unpaid Deposits		
Other		
Total		

Note 19 Current tax liabilities (net)

	As at 31 March 2022	As at 31 March 2021
Provision for income tax (net of advance tax)		
	2,102	1,241

[illegible]

[illegible]

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

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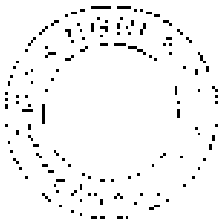
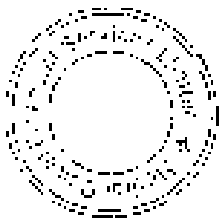
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]





[illegible]

[illegible]

[illegible]	As at 31 March 2022	As at 31 March 2021
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]

[illegible]	As at 31 March 2022	As at 31 March 2021
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]

[illegible]	As at 31 March 2022	As at 31 March 2021
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]

[illegible]

[illegible]

Note 25 : Other equity	As at 31 March, 2022	As at 31 March 2021
(a) Reserves and surplus		
1) Statutory reserve		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	
Balance as at end of the year	7,782	10,450

[illegible]

2) Equity instruments through other comprehensive income		
Balance as at beginning of the year	[illegible]	[illegible]
[illegible]		[illegible]
Balance as at end of the year	2,525	2,525
3) Securities premium		
Balance as at beginning of the year	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	-	[illegible]
Balance as at end of the year	31,051	[illegible]
4) Employee stock options outstanding reserve		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Balance as at end of the year	[illegible]	[illegible]
5) General reserve (Gross dividend)		
Balance as at beginning of the year	[illegible]	[illegible]
[illegible] Dividend distribution tax for prior period	[illegible]	
Balance as at end of the year	[illegible]	[illegible]
6) General reserve		
Balance as at beginning of the year	[illegible]	[illegible]
[illegible]		[illegible]
[illegible]	[illegible]	-
Balance as at end of the year	[illegible]	[illegible]
7) Foreign currency translation reserve		
Balance as at beginning of the year	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Balance as at end of the year	[illegible]	[illegible]
8) Retained earnings		
Balance as at beginning of the year	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
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[illegible]	[illegible]	
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[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Balance as at end of the year	[illegible]	[illegible]

[illegible]

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[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

Notes are surplus of Other Reserves

Statutory Reserve

The Company [illegible] The 'Statutory Reserve' [illegible] and [illegible] the Reserve Bank of India [illegible] [illegible]

Capital Redemption Reserve

[illegible]

Securities Premium

[illegible]

Employee stock options outstanding reserve

[illegible]

Equity instruments through other comprehensive income

[illegible]

General reserve

The [illegible] purposes [illegible]

Debenture redemption reserve

[illegible]

[illegible]

[illegible]

Design criteria and basis of design

[illegible]

Experimental [illegible]

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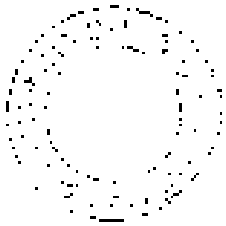
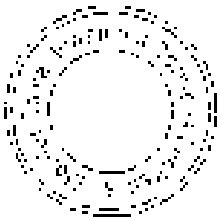
[illegible]

[illegible]

Other considerations

[illegible]





[illegible]

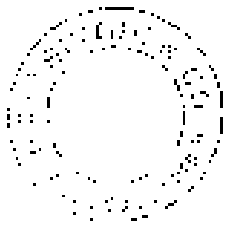
[illegible]

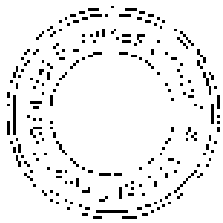
Note 25 : Other income	For the year ended 31 March 2022	For the year ended 31 March 2021
Other financial assets measured at amortised cost		
Interest Income on loans		
Bank Deposits	[illegible]	[illegible]
Loan Deposits	[illegible]	[illegible]
Other Income on financial assets		
Bank deposits	[illegible]	[illegible]
Mutual fund income	[illegible]	[illegible]
Interest on other financial assets	[illegible]	[illegible]
Income on deposits with banks		
Other income	[illegible]	[illegible]
	[illegible]	75,312

Note 26 : Finance Income	For the year ended 31 March 2022	For the year ended 31 March 2021
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]

Note 27 : Revaluation income	For the year ended 31 March 2022	For the year ended 31 March 2021
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]

Note 28 : Revenue from operations	For the year ended 31 March 2022	For the year ended 31 March 2021
Brokerage and advisory activities		
Brokerage income	[illegible]	[illegible]
Commission on [illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]
Interest on bank deposits	3,841	263
Asset management and advisory fees		
[illegible]	[illegible]	[illegible]
Fees from [illegible]		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Wealth management	[illegible]	[illegible]
	82,450	[illegible]
	[illegible]	[illegible]





Note 29 : Net gain on fair value changes	For the year ended 31 March 2022	For the year ended 31 March 2021
On financial instruments measured at fair value through profit or loss		
[illegible]	[illegible]	[illegible]
	19,715	85,984
a) Fair value changes:		
Realised	[illegible]	[illegible]
Unrealised	[illegible]	[illegible]
	49,715	85,984
Net gain on financial instruments at FVTPL		
Fair value changes	[illegible]	[illegible]
Exchange and other related income	[illegible]	[illegible]
Gain on derecognition of subsidiary loan	[illegible]	[illegible]
Loss on sale of [illegible]	[illegible]	[illegible]
	49,715	85,984

Note 30 : Other operating income	For the year ended 31 March 2022	For the year ended 31 March 2021
Incidental income		
Rent [illegible]	[illegible]	[illegible]
[illegible]	[illegible]	
Asset management fees	[illegible]	[illegible]
Fund [illegible]	[illegible]	[illegible]
Processing fees received	1,226	542
	3,757	6,916

Note 31 : Other income	For the year ended 31 March 2022	For the year ended 31 March 2021
Profit on sale of property, plant and equipment	5	[illegible]
Interest income	152	1
[illegible]	[illegible]	[illegible]
Dividend income	6	[illegible]
Net gain on [illegible]	[illegible]	[illegible]
	2,640	910
	1,37,945	3,63,412

Note 32 : Finance cost	For the year ended 31 March 2022	For the year ended 31 March 2021
On Financial liabilities measured at Amortised Cost		
Interest on borrowings	[illegible]	[illegible]
Interest on debt securities	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Interest on [illegible]	[illegible]	[illegible]
	17,818	45,025

Notes to Financial Statements for the year ended 31 March 2022

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022 [illegible]

Note 33 : [illegible]	For the year ended 31 March 2022	For the year ended 31 March 2021
[illegible]		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]
Plan [illegible]		
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]
Deposit [illegible] and [illegible]		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]
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[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]
	[illegible]	[illegible]

Note 34 : Impairment on financial instruments	For the year ended 31 March 2022	For the year ended 31 March 2021
Impairment on loans [illegible] At amortised cost		
Loans	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]

Note 35 : Employee benefits expenses	For the year ended 31 March 2022	For the year ended 31 March 2021
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]

Note 36 : Depreciation and amortisation expenses	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation on property, plant and equipment [illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]

Notes [illegible] expenses

	For the year ended 31st March 2022	For the year ended [illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

Summary of significant accounting policies and other explanatory information for the condensed interim financial statements for the nine months period ended March 31, 2022

Note 20 Tax expense

[illegible]

Particulars	Nine months ended 31 March 2022	Nine months ended 31 March 2021
Current tax expense		
[illegible]	[illegible]	[illegible]
Total current tax expense	[illegible]	[illegible]
Deferred tax		
[illegible]	[illegible]	[illegible]
Total deferred tax expense	[illegible]	[illegible]
Total income tax expense	[illegible]	[illegible]
	[illegible]	[illegible]

Reconciliation of effective tax rate

Profit before taxation	[illegible]	[illegible]
Tax at the applicable rate of [illegible]	[illegible]	[illegible]
Effect of [illegible]	[illegible]	[illegible]
Tax	[illegible]	[illegible]

Note 21 Earnings per share - basic and diluted

Particulars	Nine months ended 31 March 2022	Nine months ended 31 March 2021
Profit/(loss) before taxation for the period	[illegible]	[illegible]
Taxation	[illegible]	[illegible]
Profit after tax	[illegible]	[illegible]
Weighted average number of ordinary shares outstanding during the period		
Effect of [illegible]	[illegible]	[illegible]
Weighted average number of ordinary shares	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
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[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Effect of [illegible]	[illegible]	[illegible]

[illegible]

[illegible]

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[illegible] grade Ratings

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I. Short Term						
1. Commercial paper						
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[illegible]	CRISIL [illegible]	[illegible]		[illegible]	[illegible]	
II. Long Term						
1. Non Convertible Debentures						
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[illegible]	[illegible]	[illegible] Stable		[illegible]		
II. Structured Debentures						
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[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		[illegible]
[illegible]	[illegible]	[illegible] Stable				
III. Bank Guarantee						
[illegible]			[illegible]			
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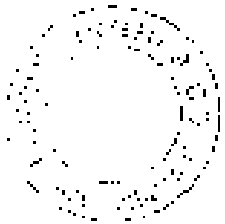

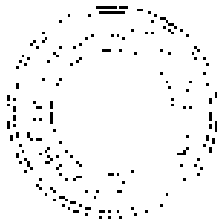

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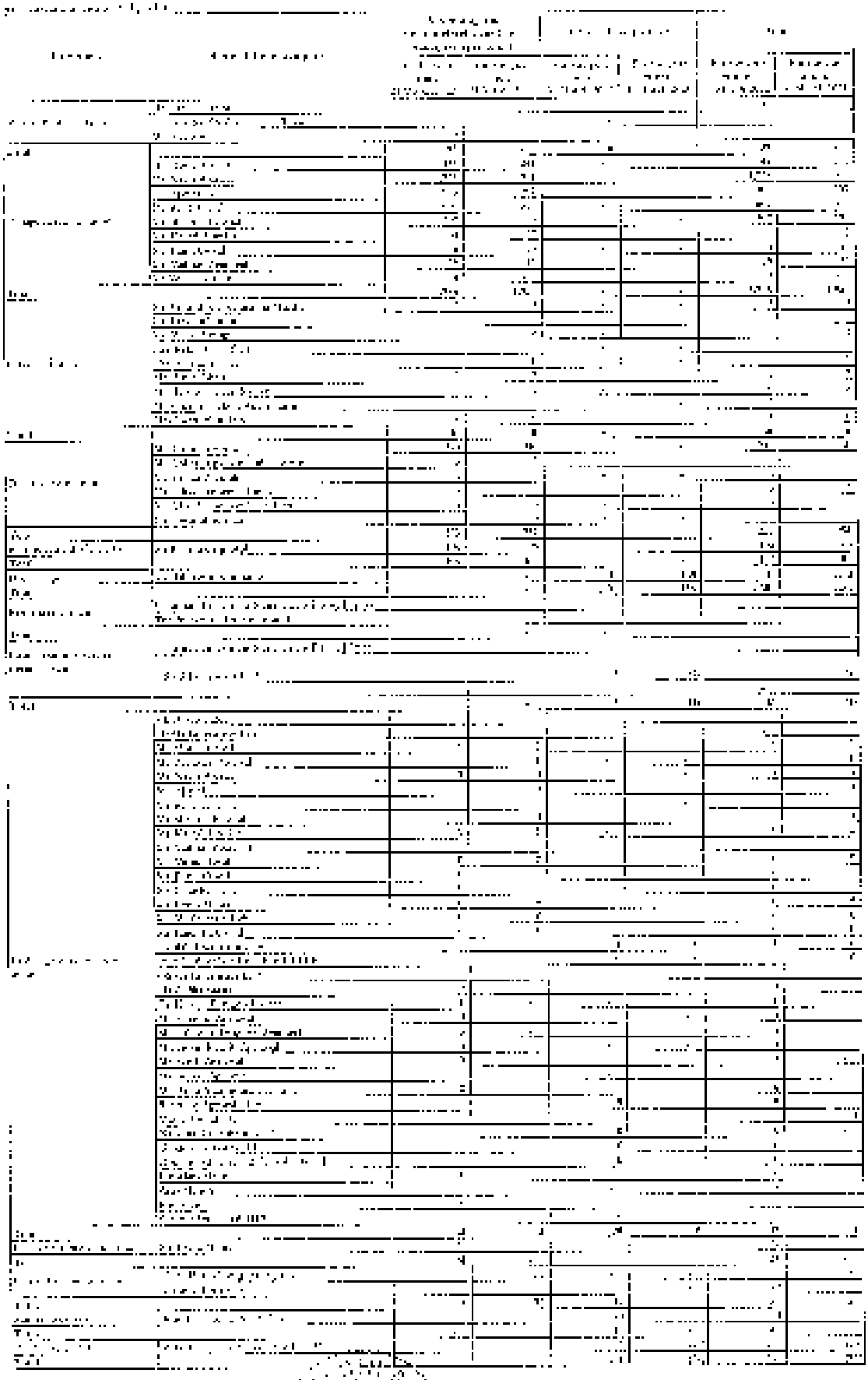

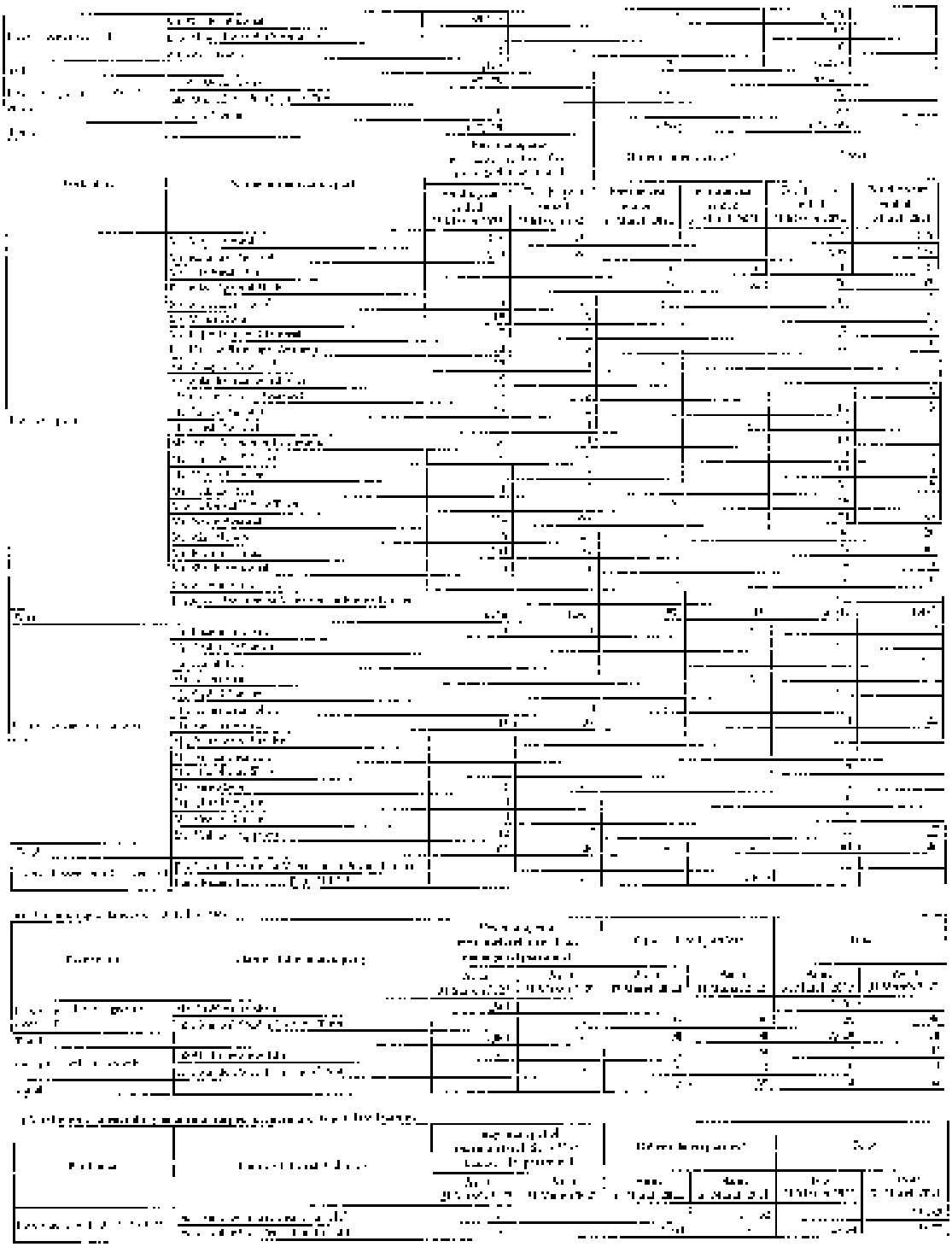

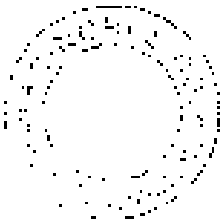

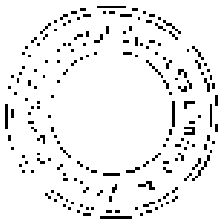

Particulars	[illegible]	[illegible]
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[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

[illegible]

Particulars	Gratuity		Leave encashment	
	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]

[illegible]

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Par value	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]

Note 31 (b): Share Based Employee Stock Option Schemes

Details of stock options

[illegible]

The [illegible] were approved by the Board of Directors [illegible] dated July 22, 2020 [illegible] of Rs. [illegible] each.

[illegible] were approved by the Board of Directors [illegible] dated July [illegible] 2016 [illegible] of Rs. [illegible] each.

During the year ended March 31, 2021, the Company [illegible] 1,600 lakhs equity shares of Rs. [illegible] each. These options generally vest over a period of [illegible] years.

Manappuram Finance Services Limited [illegible]

The scheme was approved by Board of Directors on [illegible] and by the shareholders on [illegible] 2017 for issue of [illegible] equity shares of Rs. [illegible] each.

Manappuram Finance Services Limited [illegible]

The scheme was approved by Board of Directors on [illegible] and by the shareholders on [illegible] 2016 for issue of 5,000,000 options representing 5,000,000 equity shares of Rs. [illegible] each.

Asirvad Micro Finance Services Limited [illegible]

The scheme was approved by Board of Directors on [illegible] and by the shareholders on [illegible] 2018 for issue of 20,000,000 options representing 20,000,000 equity shares of Rs. [illegible] each.

Manappuram Finance Limited Employee Stock Option Scheme 2017 (ESOS 2017)

The Scheme was approved by Board of Directors on 27 April 2017 and by the shareholders on [illegible] dated [illegible] for issuance of [illegible] options representing 30,000,000 Equity shares of Rs. 1 each.

Manappuram Finance Limited Employee Stock Option Scheme 2018 (ESOS 18)

The Scheme was approved by Board of Directors on 29 April 2018 and by the shareholders on [illegible] dated 19 August 2021 and is for issuance of 30,000,000 options representing 30,000,000 equity shares of Rs. 1 each.

Manappuram Finance Limited, Employee Stock Option Scheme 2018 (ESOS 18)

The ESOS 18 was approved by the Board of Directors on [illegible] and by the shareholders on April 22, 2018 and by the [illegible] in its meeting held on April 29, 2018 for issuance of 8,000,000 options [illegible] Equity Shares.

Further it was approved in the meeting held December 23, 2021 to sub-division of face value of equity shares from Rupees [illegible] to Rupees 1 each, the total number of options allotted and granted under the scheme [illegible] 8,000,000 each [illegible] Rupees 1 each.

Manappuram Finance Limited (Formerly Known as Asirvad Micro Finance Limited) Employee Stock Option Scheme 2018 (ESOS 2018)

The scheme was approved by Board of Directors on [illegible] and by the shareholders on [illegible] October 2018 for issue of 50,000,000 options representing 50,000,000 Equity shares of Rs. 1 each. The grant of stock options [illegible] for the Loan Officer [illegible]

Manappuram Home Finance Limited (Formerly known as [illegible] Finance Corporation Limited) Employee Stock Option Scheme 2018 (ESOS 18)

The scheme was approved by Board of Directors on 25 April 2018 and by the shareholders in [illegible] dated 17 July 2018 for issuance of 2,000,000 options representing 2,000,000 Equity shares of Rs. 1 each. The grant of stock options for [illegible] in Companies.

[illegible]

The Scheme was approved by Board of Directors on [illegible] and [illegible] of [illegible] options of [illegible] Company's [illegible] Equity Shares. The grant of [illegible] options vest [illegible] and [illegible] exercisable [illegible]

[illegible]

The Scheme was approved by Board of Directors on [illegible] and [illegible] options of [illegible] Company's [illegible] Equity Shares. The grant of [illegible] options vest [illegible] and [illegible] exercisable [illegible]

The movement [illegible] for the year ended 31 March 2023 and 31 March 2024 are as follows:

Particulars	As at 31 March 2023 In Numbers	Weighted Average Exercise Price (In Rs.)	As at 31 March 2024 In Numbers	Weighted Average Exercise Price (In Rs.)
The [illegible] Plan [illegible]				
Options outstanding at the beginning of the year	[illegible]	13.40	[illegible]	[illegible]
Not Granted		NA		
Forfeited		NA	-	-
Lapsed	-	NA	-	
Exercised	[illegible]	[illegible]	[illegible]	[illegible]
Options outstanding end of the year	-	-	[illegible]	35.40
Exercisable at the end of the year	-	-	[illegible]	16.40
The [illegible] Plan [illegible]				
Options outstanding at the beginning of the year	[illegible]	[illegible]	[illegible]	[illegible]
Not Granted	-	NA	[illegible]	[illegible]
Forfeited		NA		[illegible]
Lapsed		NA		NA
Exercised	[illegible]	[illegible]	[illegible]	[illegible]
Options outstanding end of the year	[illegible]	22.10	[illegible]	22.10
Exercisable at the end of the year	[illegible]	[illegible]	[illegible]	[illegible]
The [illegible] Plan [illegible]				
Options outstanding at the beginning of the year	[illegible]	[illegible]	[illegible]	382.15
Not granted	-	-	-	-
Forfeited	[illegible]	[illegible]	[illegible]	[illegible]
Lapsed	-	-	-	
Exercised	[illegible]	[illegible]	[illegible]	[illegible]
Options outstanding end of the year	20,000	450.00	[illegible]	[illegible]
Exercisable at the end of the year	20,000	450.00	[illegible]	454.00
The [illegible] Plan [illegible]				
Options outstanding at the beginning of the year	[illegible]	[illegible]	[illegible]	[illegible]
Not granted	[illegible]	[illegible]	-	
Forfeited	[illegible]	[illegible]		
Lapsed			-	-
Exercised				
Options outstanding end of the year	38,355	649.20	48,355	372.75
Exercisable at the end of the year	[illegible]	372.30	[illegible]	[illegible]

Motilal Oswal Financial Services Limited
Summary of significant accounting policies and other explanatory information to the consolidated financial statements
[illegible] (in INR lakhs, unless otherwise stated)

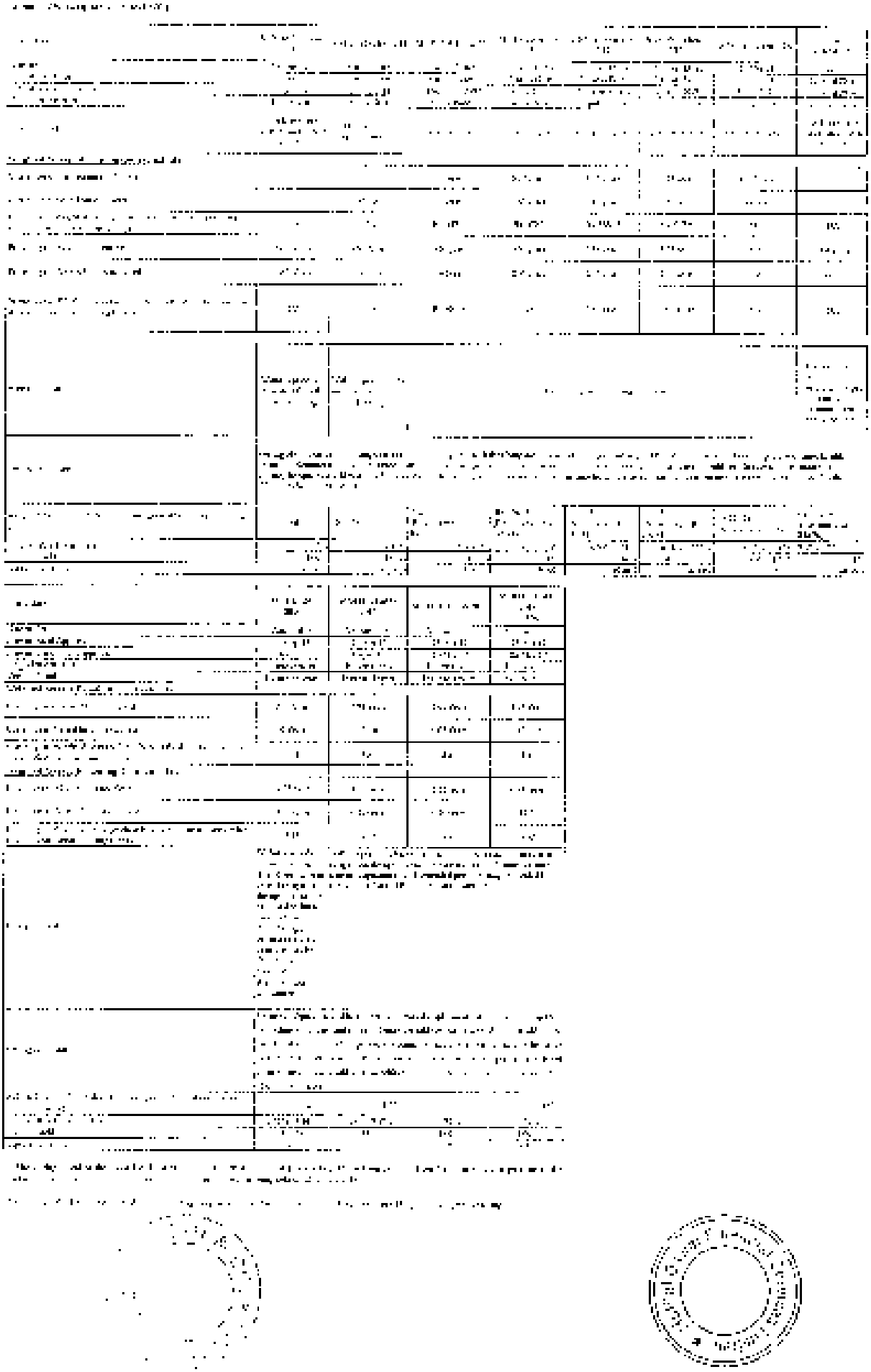
Particulars	As at 31 March 2018 (in Nos.)	Weighted Average Exercise Price (in Rs.)	As at 31 March 2017 (in Nos.)	Weighted Average Exercise Price (in Rs.)
[illegible]				
Options outstanding at the beginning of the year	[illegible]	[illegible]	[illegible]	[illegible]
Add: Granted	[illegible]	[illegible]		-
Less: Exercised	[illegible]	[illegible]	[illegible]	[illegible]
Less: Forfeited	-		-	-
Less: Lapsed	[illegible]	[illegible]	[illegible]	[illegible]
Options outstanding at the end of the year	[illegible]	[illegible]	[illegible]	[illegible]
Exercisable at the end of the year	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]				
Options outstanding at the beginning of the year	[illegible]	[illegible]	[illegible]	[illegible]
Add: Granted	[illegible]	[illegible]	[illegible]	[illegible]
Less: Exercised	[illegible]	[illegible]	[illegible]	[illegible]
Less: Forfeited	-	-		
Less: Lapsed	[illegible]	[illegible]	[illegible]	[illegible]
Options outstanding at the end of the year	[illegible]	[illegible]	[illegible]	[illegible]
Exercisable at the end of the year	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]				
Options outstanding at the beginning of the year			-	
Add: Granted	[illegible]	[illegible]		-
Less: Exercised			-	
Less: Forfeited	-	-		
Less: Lapsed			-	-
Options outstanding at the end of the year	[illegible]	[illegible]	-	-
Exercisable at the end of the year	-	-	-	
[illegible]				
Options outstanding at the beginning of the year	[illegible]	[illegible]	[illegible]	[illegible]
Add: Granted		[illegible]	-	[illegible]
Less: Exercised		[illegible]	-	[illegible]
Less: Forfeited	-	[illegible]		[illegible]
Less: Lapsed	[illegible]	[illegible]	[illegible]	[illegible]
Options outstanding at the end of the year	-	-	[illegible]	[illegible]
Exercisable at the end of the year		-	[illegible]	[illegible]
[illegible]				
Options outstanding at the beginning of the year	[illegible]	[illegible]	[illegible]	[illegible]
Add: Granted	[illegible]	[illegible]	-	[illegible]
Less: Exercised	[illegible]	[illegible]	-	[illegible]
Less: Forfeited	[illegible]	[illegible]		[illegible]
Less: Lapsed	[illegible]	[illegible]	[illegible]	[illegible]
Options outstanding at the end of the year	[illegible]	[illegible]	[illegible]	[illegible]
Exercisable at the end of the year	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]				
Options outstanding at the beginning of the year	[illegible]	[illegible]	[illegible]	[illegible]
Add: Granted	[illegible]	[illegible]	[illegible]	[illegible]
Less: Exercised	[illegible]	[illegible]	[illegible]	[illegible]
Less: Forfeited	[illegible]	[illegible]	[illegible]	[illegible]
Less: Lapsed	[illegible]	[illegible]	[illegible]	[illegible]
Options outstanding at the end of the year	[illegible]	[illegible]	[illegible]	[illegible]
Exercisable at the end of the year	[illegible]	[illegible]	[illegible]	[illegible]

Shriram Growth Financial Services Limited

Summary of significant accounting policies and other explanatory information to the consolidated financial statements

[illegible] in INR lakhs, unless otherwise stated

Particulars	As at 31 March 2022 (Unaudited)	Weighted Average Exercise Price (in INR)	As at 31 March 2021 (Audited)	Weighted Average Exercise Price (in INR)
[illegible]				
Opt[illegible] outstanding at the beginning of the year	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	-	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Options outstanding at the end of the year	[illegible]	[illegible]	[illegible]	[illegible]
Exercisable at the end of the year	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]				
Opt[illegible] outstanding at the beginning of the year	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]		
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Options outstanding at the end of the year	[illegible]	[illegible]	[illegible]	[illegible]
Exercisable at the end of the year	[illegible]	[illegible]	[illegible]	[illegible]



The exercise pricing formula for MOFSL ESOP schemes are as under:

Scheme I

The Committee shall have the authority to determine the Exercise Price having regard to the valuation report of an independent practicing chartered accountant, that may be based on such valuation method, as may be considered suitable by him, including but not restricted to the Net Asset Value Method, Discounted Cash Flow Method, Earnings Capitalisation Method, Dividend Yield Method, etc. and may also rely upon the future projections of the Company which would be prepared by the management from time to time having regard to the future potential and prospects of the Company.

The Committee shall in its absolute discretion, have the authority to grant the Options at such discount as it may deem fit.

Scheme II

The Committee shall have the authority to determine the Exercise Price having regard to the valuation report of an independent practicing chartered accountant that may be based on such valuation method, as may be considered suitable by him, including but not restricted to the Net Asset Value Method, Discounted Cash Flow Method, Earnings Capitalisation Method, Dividend Yield Method, etc. and may also rely upon the future projections of the Company which would be prepared by the management from time to time having regard to the future potential and prospects of the Company.

The Committee shall in its absolute discretion, have the authority to grant the Options at such discount as it may deem fit.

The exercise pricing formula for MOWMI ESOP schemes are as under:

The Committee shall have the authority to determine the Exercise Price having regard to the valuation report of an independent practicing chartered accountant that may be based on such valuation method, as may be considered suitable by him, including but not restricted to the Net Asset Value Method, Discounted Cash Flow Method, Earnings Capitalisation Method, Dividend Yield Method, etc. and may also rely upon the future projections of the Company which would be prepared by the management from time to time having regard to the future potential and prospects of the Company.

The Committee shall in its absolute discretion, have the authority to grant the Options at such discount as it may deem fit.

The exercise pricing formula for MOTSL ESOP schemes are as under:

Scheme V

Exercise price shall be the closing price of the Company's equity shares prevailing on the BSE / Other Stock Exchange prior to the date of Grant of the Stock Options, which for this purpose shall be the date on which the Committee grants the Stock Options, discounted by such percentage as may be determined by the Committee in the best interest of the Company subject to the provisions of the applicable laws.

Scheme VI

Exercise price shall be the closing price of the Company's Equity Shares prior to the date of grant of the Options on the Stock Exchange where the highest trading volume is recorded, discounted by such percentage as may be determined by the Committee.

Manba Capital Financial Services Limited
Summary of significant accounting policies and other explanatory information to the consolidated financial statements
(All amounts are in INR [illegible] unless otherwise stated)

Scheme VII

[illegible] Equity Share price on the date of grant of the Options, on the Stock Exchange where the highest trading volume is recorded, discounted/increased by such percentage as may be determined by the Committee.

Scheme VIII

Exercise price shall be the closing price of the Company's Equity Shares prior to the date of grant of the Options, on the Stock Exchange where the highest trading volume is recorded. Discounted/increased by such percentage as may be determined by the Committee.

Scheme IX

The exercise price shall be the closing price of the Company's Equity Shares prior to the date of grant of the Options, on the Stock Exchange where the highest trading volume is recorded, discounted/increased by such percentage as may be determined by the Committee.

The weighted average fair value of the ESOS 2014, MOHFL ESOS 2016, MOHFL ESOS 2017 & MOHFL ESOS 2017 II Options are as under:

The management and remuneration committee shall have the authority to determine the exercise price having regard to the various components of the independent valuation, internal accounting of the company, based on such valuation method, as may be considered suitable by him, including but not limited to the Net Asset Value Method, Discounted Cash Flow Method, Earnings Capitalization Method, Dividend Yield Method, and may also rely upon the future projections of the Company which would be prepared by the management. [illegible] having regard to the future potential and prospects of the Company.

The [illegible] shall in its absolute discretion have the authority to amend the [illegible] such circumstances it may deem fit.

Other Information regarding Employee Share Based Payment Plan is as follows:

	Year ended 31 March 2022	Year ended 31 March 2021
Expense arising from employee share based payment plans	3,243	1,994
Total carrying amount at the end of the period	51,051	46,612

The Company provides a sensitivity analysis to show the impact on the Company's profit before taxation in the event that [illegible] and performance [illegible] assumptions recorded are below the company's estimations by the stated percentages.

Impact on the income statement of a change in lower assumptions	Year ended 31 March 2022	Year ended 31 March 2021
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

[illegible]

[illegible]

[illegible]	Operations		Purchase [illegible]		Assets [illegible] and debtors		Investments		Creditors		Provisions		Total	
[illegible]	[illegible] March 2022	[illegible] March [illegible]	[illegible] March 2022	[illegible] March 2021	[illegible] March 2022	[illegible] March 2021	[illegible] March 2022	[illegible] March 2021	[illegible] March 2022	[illegible] March 2021	[illegible] March 2022	[illegible] March 2021	[illegible] March 2022	[illegible] March 2021
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Note 31 Revenue from contracts with customers

The Group recognizes revenue as follows:

1. Revenue is recognized in accordance with the terms of the contract.
2. Revenue is recognized in proportion to the performance obligation.
3. Revenue is measured at the transaction price.
4. Allocation of the transaction price to the various performance obligations in the contract.
5. Recognition of revenue when, or as, an entity satisfies a performance obligation.

a) Nature of services

(i) Broking and related services: Income from securities broking is recognized upon completion of the services, in accordance with the terms of contract. Income from services rendered on a fixed fee basis is recognized on a pro rata basis over the period of the contract.

(ii) Interest income: Interest income is recognized using the effective interest method. Interest is earned from various investment activities and loans and advances. Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable rate of interest.

(iii) Income from financial instruments measured at fair value through profit or loss: Income from financial instruments measured at fair value through profit or loss includes all gains and losses from changes in fair value, interest, dividends and foreign exchange differences.

(iv) Fee based management fees, investment management and advisory fees: The Group is an Investment Manager and provides investment management services to Motilal Oswal Mutual Fund (the Fund), provides Portfolio Management Services (PMS), sponsors alternate investment funds (AIF), provides research services and other ancillary services to the Fund and its affiliate funds. The Group earns fees for these services.

b) Disaggregation of revenue

Revenue from contracts with customers

Particulars	31 March 2022	31 March 2021
(i) Brokerage and other related activities	1,74,512	1,38,656
(ii) Interest income	1,09,75	21,013
(iii) Fee based management fees, investment management and advisory fees	36,117	60,581
	3,61,155	2,20,250

Revenue disaggregated by industry is presented in note 34 included in segment information (refer note 22).

c) Contract balances

Trade receivables: The outstanding balance as at 31 March 2022 is INR 1,38,31,108 (31 March 2021: INR [illegible]) (refer note 6).

Contract liabilities: The outstanding balance as at 31 March 2022 is INR 20,152,157 (31 March 2021: INR [illegible]) (refer note 15).

d) Performance obligations and timing of revenue recognition

(i) Broking and other related services

Income from services rendered is based on the terms agreed with the customer for the services.

Transaction other than fees, revenues are received periodically but are accrued in the period in which the services are rendered.

Commissions from distribution of third party products are recognized upon allotment of the securities to the applicants or on the date they become aware of the issuance of the securities subject to the platform.

(ii) Interest income on loans and [illegible]

Interest income is recognized using the effective interest method taking into account the amount outstanding from time to time, the interest rate and the time applicable.

Interest on refund on delay of revenue recognition is accounted for as well as on deposits with banks.

(iii) Fee based management fees, investment management fees and advisory

The Group earns fees for these services in accordance with the terms and conditions of the contract. Management fees are recognized on a time proportionate basis and performance fees are recognized when the performance obligation is met. The company is not a principal.

Revenue from fee based services is recognized upon completion of the service.

[illegible] General Insurance Limited
Significant accounting policies and other explanatory information to the consolidated financial statements
[illegible]

Note 31: Maturity analysis of assets and liabilities

The following table shows the maturity profile of assets and liabilities [illegible]

Particulars	As at 31 March 2022			As at 31 March 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial assets						
Cash and cash equivalents	2,13,77[illegible]		2,13,774	1,29,248		1,29,248
Bank balance other than cash and cash equivalents above	1,9[illegible],341	27,559	3,17,771	[illegible]	1,21,250	3,10,55[illegible]
Receivables						
(i) Trade receivables	7[illegible],82[illegible]	25,185	1,10,7[illegible]	45,684	25,[illegible]	1,1[illegible],23
(ii) Other receivables	23		23	2[illegible]		[illegible]
Loans	2,[illegible],[illegible]	[illegible]	4,70,462	11,173	3,988,2[illegible]	3,[illegible]
Investments	10,[illegible]	[illegible],45	4,[illegible],49	[illegible],520	3,[illegible],[illegible]	[illegible],39
Other financial assets	1,[illegible]	[illegible]	53,791	1,2[illegible]	56,251	[illegible]
Non-financial assets						
Inventories	-	[illegible]	[illegible]		[illegible]	[illegible]
Deferred tax assets (net)	-	9,352	[illegible]		[illegible]	7,649
Property, plant and equipment	-	22,[illegible]	[illegible]	-	[illegible]	21,[illegible]
Goodwill other than on acquisition of subsidiaries				-	-	-
Other intangible assets		[illegible]	[illegible]	-	[illegible]	[illegible]
Other non-financial assets	[illegible]	[illegible]	30,8[illegible]	7,869	3,721	[illegible]
Total assets	[illegible],40[illegible]	3,45,923	10,22,3[illegible]	3,8[illegible],201	10,24,59[illegible]	13,[illegible]

Particulars	As at 31 March 2022			As at 31 March 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial liabilities						
Derivative financial instruments						
Payables						
(i) Trade payables	[illegible]	[illegible]	[illegible]	2,75,079	21,849	3,2[illegible]
Other [illegible]	[illegible],38[illegible]	[illegible],[illegible]	3,[illegible]	1,37,320	1,6[illegible]	3,19,321
Borrowings (Other than debt securities)	[illegible]	2[illegible],281	2,13,251	1,[illegible]	[illegible]	[illegible]
Deposits	-	[illegible]	[illegible]		[illegible]	[illegible]
Other financial liabilities	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Non-financial liabilities						
Current tax liabilities (net)	[illegible]		[illegible]	1,[illegible]	-	1,[illegible]
Provisions	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Deferred tax liabilities (net)		1,[illegible]	[illegible]	-	15,[illegible]	[illegible]
Other non-financial liabilities	[illegible]		[illegible]	[illegible]	-	1,[illegible]
Total liabilities	[illegible]	2,91,061	1,22,289	7,35,125	2,37,291	9,72,312
Net	(36,[illegible])	6,[illegible],831	5,30,365	(3,65,920)	8,[illegible]	[illegible]

The [illegible] companies [illegible]

Motilal Oswal Financial Services Limited
Summary of significant accounting policies and other explanatory information to the consolidated financial statements
(All amounts in INR Lacs, except [illegible] unless stated)

Note 55 Fair value measurements

a) Financial instruments (continued)

	As at 31 March 2022			As at 31 March 2021		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Cash and cash equivalents		-	2,13,751	-	-	1,23,206
Other balances other than cash and cash equivalents above			3,17,791		-	2,31,271
Receivables						
(i) Trade receivables	-		1,07,909	-		91,199
(ii) Other receivables	-		79	-		97
Loans	-	-	1,06,453	-		1,53,035
Investments	3,97,377	68,811	2,393	3,27,321	54,120	624
Other financial assets	-	-	35,581	-	-	68,102
Total financial assets	3,97,377	68,811	11,60,206	3,27,321	54,120	9,01,282
Financial liabilities						
Payables						
(i) Trade payables						
(a) total outstanding dues of micro enterprises and small enterprises			2,71,[illegible]			2,13,[illegible]
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	-			-	-	
Debt securities			5,96,880			5,10,721
Borrowings (Other than debt securities)	-		2,10,251	-		2,14,[illegible]
Deposits	-	-	98	-	-	[illegible]
Other financial liabilities	-	-	83,908		-	83,071
Total financial liabilities	-		10,69,135	-	-	9,35,566

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[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

As at 31 March 2021				
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Financial assets				
[illegible]				
[illegible]	[illegible]			[illegible]
[illegible]				
[illegible]		[illegible]		[illegible]
[illegible]			[illegible]	[illegible]
[illegible]			[illegible]	[illegible]
[illegible]			[illegible]	[illegible]
[illegible]			[illegible]	[illegible]
[illegible]			[illegible]	[illegible]
[illegible]				
[illegible]				
[illegible]	[illegible]		[illegible]	[illegible]
Total [illegible]	[illegible]	[illegible]	[illegible]	[illegible]

As at 31 March 2020				
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Financial assets				
[illegible]				
[illegible]	[illegible]			[illegible]
[illegible]		[illegible]		[illegible]
[illegible]	[illegible]		[illegible]	[illegible]
[illegible]			[illegible]	[illegible]
[illegible]			[illegible]	[illegible]
[illegible]			[illegible]	[illegible]
[illegible]				
[illegible]				
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total [illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]

[illegible]

[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

[illegible]

[illegible]

[illegible] Financial risk management

[illegible]

[illegible] Credit risk

[illegible]

Management's credit risk

[illegible]

The Bank's [illegible] Credit Risk Management Committee (CRMC) [illegible] Board of Directors [illegible]

The Bank's [illegible] Credit Risk Management [illegible] Board of Directors [illegible]

The Bank's [illegible] Credit Risk Management [illegible] Board of Directors [illegible] Credit Risk Management [illegible] Credit Risk Management [illegible]

Expected credit loss measurement

(i) Exposure to credit risk measurement for Loans:

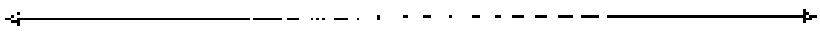
[illegible]

1. [illegible]
2. [illegible]
3. [illegible]

[illegible]

[illegible]

Change in credit quality since initial recognition



Stage 1	Stage 2	Stage 3
Initial recognition	Significant increase in credit risk since initial recognition	Credit-impaired assets
12-month expected credit losses	Lifetime expected credit losses	Lifetime expected credit losses

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

Mercantile Credit Financial Services Limited

Summary of significant accounting policies and other explanatory information [illegible]

All [illegible] the year end

(i) Analysis of [illegible] financial instruments

[illegible] financial instruments [illegible] the Company's financial assets and liabilities

As at 31 March 2022

Contractual maturities of financial liabilities	Less than 1 year	1 to 5 years	More than 5 years	Total
Financial assets				
Cash and cash equivalents	[illegible]			[illegible]
[illegible]	[illegible]	[illegible]		[illegible]
Receivables				
I. Trade receivables	[illegible]	[illegible]	-	[illegible]
II. Other receivables	[illegible]		-	[illegible]
Loans	[illegible]	[illegible]	-	[illegible]
Investments	[illegible]	[illegible]	-	[illegible]
Other financial assets	[illegible]	[illegible]		[illegible]
Total financial assets	[illegible]	[illegible]		[illegible]
Financial liabilities				
Payables				
I. Trade payables	[illegible]	[illegible]	-	[illegible]
Bank overdrafts	[illegible]	[illegible]	-	[illegible]
Borrowings [illegible]	[illegible]	[illegible]	-	[illegible]
Deposits		[illegible]	-	[illegible]
Other financial liabilities	[illegible]	[illegible]	-	[illegible]
Contractual maturities of liabilities	[illegible]	[illegible]	-	[illegible]

As at 31 March 2021

Contractual maturities of financial liabilities	Less than 1 year	1 to 5 years	More than 5 years	Total
Financial assets				
Cash and cash equivalents	[illegible]	-		[illegible]
[illegible]	[illegible]	[illegible]		[illegible]
Receivables				
I. Trade receivables	[illegible]	[illegible]		[illegible]
II. Other receivables	[illegible]			[illegible]
Loans	[illegible]	[illegible]		[illegible]
Investments	[illegible]	[illegible]		[illegible]
Other financial assets	[illegible]	[illegible]		[illegible]
Total financial assets	[illegible]	[illegible]		[illegible]
Financial liabilities				
Payables				
I. Trade payables	[illegible]	[illegible]		[illegible]
Bank overdrafts	[illegible]	[illegible]	-	[illegible]
Borrowings [illegible]	[illegible]	[illegible]	-	[illegible]
Deposits	[illegible]	[illegible]	-	[illegible]
Other financial liabilities	[illegible]	[illegible]	-	[illegible]
Contractual maturities of liabilities	[illegible]	[illegible]	-	[illegible]

(ii) Market risk

[illegible] financial instruments [illegible] of [illegible] market prices. Market risk comprises three types of risk: interest rate risk, currency risk, and other price risk.

(iii) Foreign currency risk

[illegible] the Company [illegible] currency risk in the [illegible] financial statements are [illegible] of foreign currency [illegible] in Sri Lanka [illegible]

[illegible]

Fair value of company's [illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

Accounting

[illegible]

[illegible]

Particulars	[illegible]	
	31 March 2022	31 March 2021
Term		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Demand		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

Capital management

[illegible]

[illegible]

[illegible]

Particulars	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

Auditor's remuneration

[illegible]

Auditor's remuneration	31 March 2022	31 March 2021
Payment to statutory auditors for [illegible]	[illegible]	[illegible]
Payment to statutory auditors for [illegible]	[illegible]	[illegible]

Note 37 Capital management

[illegible]

[illegible]

[illegible]

Particulars	31 March 2022	31 March 2021
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

[illegible]

[illegible]

[illegible]

Note: [illegible] Principles and Exemptions [illegible]

[illegible]

[illegible]

[illegible]

Name of the Entity	Country of Incorporation	Percentage of ownership interest	
		As at 31 March [illegible]	As at 31 March 2021
1 Name of the Joint Venture Companies			
a) Foreign Subsidiaries			
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
b) Step down Subsidiaries			
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
II) Associate Companies			
[illegible]	[illegible]	[illegible]	[illegible]
III) Joint Venture			
[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]

[illegible]

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]

[illegible]

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

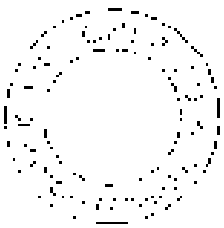
[illegible]

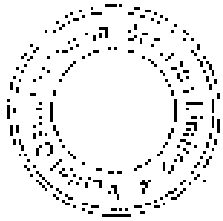
Particulars	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]					
[illegible]					
[illegible]	[illegible]	[illegible]			[illegible]
[illegible]	[illegible]	[illegible]	[illegible]		[illegible]
[illegible]	[illegible]	[illegible]			[illegible]
[illegible]	[illegible]				[illegible]
[illegible]					
[illegible]	[illegible]	[illegible]			[illegible]
[illegible]					
[illegible]					
[illegible]	[illegible]				
[illegible]	[illegible]	[illegible]	[illegible]		[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]





[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

Particulars	[illegible]	[illegible]
[illegible]		
[illegible]		
[illegible]		
[illegible]		
[illegible]		
[illegible]		
[illegible]		
[illegible]		
[illegible]		
[illegible]		
Total	[illegible]	[illegible]

[illegible]

Particulars	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

[illegible]

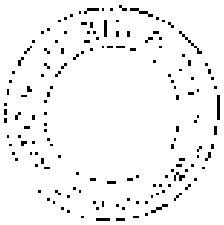
Particulars	Currency	[illegible]	[illegible]
[illegible]	[illegible]		
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]		
[illegible]	[illegible]		
[illegible]	[illegible]		
[illegible]	[illegible]	[illegible]	
[illegible]	[illegible]		
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]		
[illegible]	[illegible]		
[illegible]	[illegible]		[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

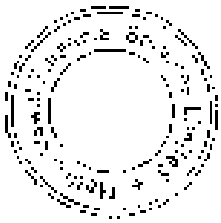
[illegible]

[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]





[illegible]

Summary of significant accounting policies and other explanatory information [illegible] and financial statements

[illegible]

Note 26: Significant accounting policy [illegible] Cash Flows Statement [illegible]

[illegible]

Note 27: [illegible]

[illegible]

[illegible]

[

IA. Corporate information

[illegible]

IB. Business Combination under Common Control

[illegible]

Business combinations [illegible] are accounted for using the pooling of interests method as follows:

- [illegible]
- [illegible]
- [illegible]
- [illegible]

[illegible]

1. Significant accounting policies

[illegible]

2.1. Basis of preparation

(i) Compliance with IAS 34

[illegible]

The consolidated Statement of Financial Position, the Statement of Profit and Loss and the Statement of Changes in Equity are presented in the format prescribed in the Schedule III of the Companies Act, 2013 [illegible] Ind AS 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 [illegible]

(ii) Financial year and interim period

The consolidated financial statements have been prepared on a historical cost basis except for certain items, which are measured at fair value as follows:

- Certain financial assets and liabilities measured at fair value
- Assets held for sale measured at fair value less cost to sell
- Defined benefit plan assets measured at fair value
- Share based payments measured at fair value on grant date

(iii) Presentation of financial statements

The Holding Company is covered under the definition of "Non-Banking Financial Company" as defined in Companies (Indian Accounting Standards) Amendment Rules, 2018 dated 11th October 2018 [illegible] under "Division III of Schedule III" to the Companies Act, 2013 [illegible] 34 "Interim Financial Reporting". The Holding Company presents its Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity in accordance with Ind AS 1 "Presentation of Financial Statements". A maturity analysis of recovery of assets and liabilities within 12 months after the reporting date and more than 12 months after the reporting date is presented in Note 34.

(iv) Rounding off amounts and presentation

The presentation of the consolidated financial statements is in conformity with Ind AS 1 which requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

[illegible]

1.2 Principles of consolidation and equity accounting

(a) Subsidiaries

[illegible]

The principal accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group.

The Group's subsidiaries that have a different reporting date from that of the Group prepare additional financial statements for consolidation purposes as of the same date as the Group's financial year end. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies in line with those used by the Group.

[illegible]

(b) Associates

[illegible]

(iii) Transactions

Under the equity method of accounting, investments in associates are initially recognised at cost. The Group's share of its associates' post-acquisition profits or losses is recognised in the income statement, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

[illegible]

[illegible]

[illegible]

[illegible]

- [illegible]
- [illegible]
- [illegible]
- [illegible]
- [illegible]

(ii) Insurance fee income

[illegible]

(iii) Investment income

[illegible]

(iv) Interest income

[illegible]

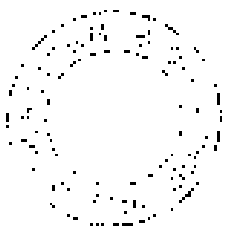
(iii) Portfolio management fee income

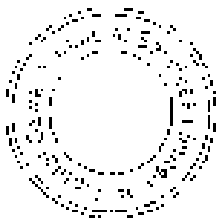
Portfolio management services are rendered over period of time and portfolio management fees are recognised in accordance with the Portfolio Management Agreement entered with the clients, which is as follows:

a) Performance fees are recognised on completion of the performance period;
b) Management fees are recognised on a time proportionate basis over the period of each service;
c) Exit load fees are recognised on a percentage of assets redeemed in accordance with the terms of the agreement, reflected in the exit load income of the portfolio.

(iv) Mutual fund management fee income

Performance obligations are satisfied over a period of time and mutual fund management fees are recognised on a monthly basis in accordance with the terms of the Investment Management Agreement (IMA) of the Schemes of Mutual Fund (MF).





(v) Private equity fund management fee income

[illegible]

(vi) Alternative investment fund management fee income

[illegible]

(vii) Investment advisory fees

[illegible]

(viii) Research and advisory fees

[illegible]

(ix) Dividend income

[illegible]

2.5 Distribution cost

Portfolio Management Services

Distribution cost for Portfolio Management Services is charged to Statement of Profit and Loss as [illegible] Distribution cost paid for [illegible] is amortised over the contractual period [illegible] Other incremental expenses are categorised as [illegible] expenses for fund management services and charged to Statement of Profit and Loss [illegible] terms of the underlying arrangements.

Alternate Investment Fund Services

Distribution cost for Alternate Investment Fund Advisory Services are charged to Statement of Profit and Loss on accrual basis. Under this method, [illegible] is recognised in the period of accrual [illegible] giving due [illegible] charged to the Statement of Profit and Loss [illegible] of the underlying arrangements.

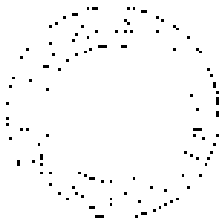
Fund related expenses

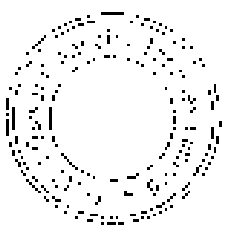
New fund offer expenses

Incremental [illegible] of Mutual Fund Schemes at the [illegible] are charged to the Statement of Profit and Loss in the year in which such [illegible] in compliance with SEBI [illegible] Regulations, 1996.

Recurring fund expenses

Incremental [illegible] Fund [illegible] Recurring expenses on behalf of [illegible] Mutual Fund [illegible] are charged to the Statement of Profit and Loss [illegible]





[illegible]

2.[illegible] Income Tax

[illegible]

Current Tax

[illegible]

Deferred Tax

[illegible]

2.[illegible] Investment Property

[illegible]

[illegible]

2.7 Leases

[illegible]

Measurement and recognition of leases as a lessee

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

2.8 Mandatory requirements

[illegible]

2.9 Financial instruments

Initial recognition and measurement

[illegible]

Subsequent measurement. The Group measures financial instruments, including derivatives, at fair value at initial recognition and at a fair value on a recurring basis, subsequent to initial recognition, as described below. In addition, fair value of financial instruments measured at amortised cost is disclosed in note [illegible]. Financial instruments are initially measured at fair value, which is normally the transaction price. Subsequent to initial recognition, all derivatives are measured at fair value. Gains and losses arising from changes in fair value are recognised in profit or loss immediately except for [illegible]. Derivatives are recognised as assets when their fair value is positive and as liabilities when their fair value is negative. Financial assets are measured at amortised cost.

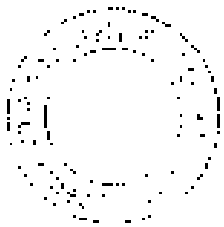
When the fair value of financial assets and liabilities differs from the transaction price on initial recognition, the entity recognises the difference as follows:

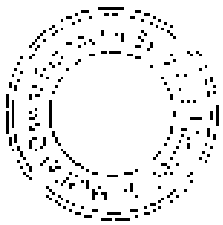
1. When the fair value is evidenced by a quoted price in an active market for an identical asset or liability (Level 1 inputs) or based on a valuation technique that uses only data from observable markets, the difference is recognised in profit or loss.
2. In all other cases, the difference is deferred and the recognition of deferred day one profit or loss is determined individually. It is either amortised over the life of the transaction, deferred until the instrument's fair value can be determined using observable market inputs, or realised through settlement.

When the Group assesses the estimates of future cash flows, the carrying amount of the financial instrument is adjusted to reflect the present value of future cash flows, discounted using the original effective interest rate. Any changes are recognised in profit or loss.

Impairment of financial assets

[illegible]





Financial assets

[illegible]

[illegible]

- [illegible]
- [illegible]
- [illegible]

2. Financial assets carried at amortised cost

[illegible]

3. Equity instruments

[illegible]

[illegible]

4. Investments in mutual funds

[illegible]

[illegible]

[illegible]

- [illegible]
- [illegible]
- [illegible]

[illegible]

[illegible]

[

[illegible]

2.11 Derivative Financial Instruments and Hedge Accounting:

[illegible]

Hedge Accounting: [illegible]

[illegible]

2.12. Financial guarantee contracts and [illegible]

[illegible]

[illegible]

- [illegible]
- [illegible]

2.13. Property, plant and equipment

[illegible]

[illegible]

[illegible]

[illegible]

Assets	Useful life
Building	[illegible] years
[illegible]	10 years
[illegible]	[illegible]
Computers and Network [illegible]	[illegible]
Furniture & fixtures	15 years
[illegible]	10 years
Vehicles	[illegible] years
Leasehold Improvements	Over the period of lease period or useful life, whichever is less

[illegible]

[illegible]

2.14. Intangible assets

[illegible]

[illegible]

[illegible]

Asset	Useful life
Computer Software	[illegible]
Licences	[illegible]
Trademarks	[illegible]

Impairment

[illegible]

Other impairment of non financial assets

[illegible]

(b) Expected credit loss (ECL) models

[illegible]

Lifetime ECL

[illegible]

12 month ECL

[illegible]

Data is calculated [illegible] considering the seasonality of the underlying portfolio and forward looking

The impairment methodology applied depends on whether there has been a significant increase in credit risk. When determining whether the risk of default has significantly increased, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward looking information and stress testing.

The expected credit loss is calculated [illegible] ECL as the [illegible] based

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

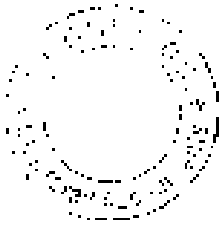
[illegible]

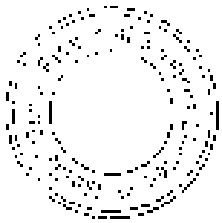
[illegible]

[illegible]

2.17. Provisions and contingencies:

[illegible]





[illegible]

[illegible]

3.19 Employee benefits

a) Short term employee benefits

[illegible]

Compensated absences

[illegible]

g) Post employment obligations

Defined contribution plans:
Contributions paid/payable to recognised provident fund in respect of defined contribution plans is charged to the Statement of Profit and Loss in the period in which they accrue.

Defined benefits plans:
Gratuity is post employment benefit [illegible] Balance Sheet date. The gratuity liability is computed by an independent actuary using the projected unit credit method. Service cost and net interest on the net defined benefit liability/asset are recognised in the Statement of Profit and Loss. Remeasurements of the net defined benefit liability/asset, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any), are recognised immediately in the Balance Sheet with a charge or credit to other comprehensive income. These are included in retained earnings in the statement of changes in equity and in the balance sheet.

National Pension Scheme and Employee State Insurance Corporation
[illegible]

[illegible] Other long term employee benefit obligations

[illegible]

[illegible]

2.19. Share based payments

[illegible]

[illegible]

2.20. Foreign currency translation

[illegible]

[illegible]

2.21. Dividends

[illegible]

2.22. Earnings per share

[illegible]

[illegible]

i. [illegible]

[illegible]

2.3 Borrowing Costs

[illegible]

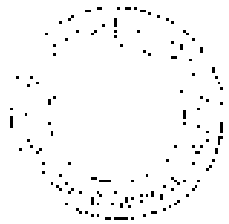
2.21. Segment Reporting

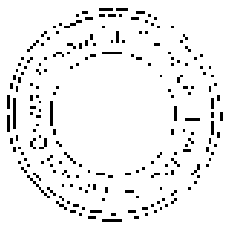
[illegible]

[illegible]

2.25. Recording of amounts

[illegible]





2.26. Events after reporting date

[illegible]

2.27. Recent accounting developments

[illegible]

[illegible]

5. Key accounting estimates and judgements

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

Walker Chandiok & Co LLP
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Maharashtra, India
T +91 [illegible]
F +91 [illegible]

Independent Auditor's Report

To the Members of Mahindra Rural Financial Services Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of **Mahindra Rural Financial Services Limited** ('the Company'), which comprise the Balance Sheet as at **31 March 2021**, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (Act) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) specified under section 133 of the Act, of the state of affairs of the Company as at 31 March 2021, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

2. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Information Technology system for the financial reporting process The Company is highly dependent on its information technology (IT) systems for carrying on its operations which require large volume of transactions to be processed on a daily basis. Further, the Company's accounting and financial reporting processes are dependent on the automated controls enabled by IT systems which impacts key financial accounting and reporting items such as Brokerage income, Trade receivable aging, amongst others. The controls implemented by the Company in its IT environment determine the integrity, accuracy, completeness and validity of data that is processed by the applications and is ultimately used for financial reporting. We have focused on user access management, change management, segregation of duties, developer access to the production environment and changes to IT environment. Further, we also focussed on key automated process controls relevant for financial reporting. Accordingly, since our audit strategy has focused on key IT systems and controls due to pervasive impact on the financial statements and performing testing of automated process controls and general controls, we have determined the same as a key audit matter for current year audit.	Our key audit procedures with the involvement of our IT specialists included, but were not limited to, the following: • Obtained an understanding of the Company's IT environment and conducted risk assessment and identified IT applications, databases and operating systems that are relevant to our audit. Also, obtained an understanding of key automated controls relating over such identified IT applications. • Tested the design and operating effectiveness of the Company's IT controls over IT applications as identified above. • For the IT applications identified above, tested sample of key IT general controls particularly logical access, password management, change management and aspects of IT operational controls. Tested that requests for access to systems were appropriately reviewed and authorized, tested controls around Company's periodic review of access rights, inspected requests of changes to systems for appropriate approval and authorization. • Tested related interfaces, configuration and other application level controls identified during our audit and recent logic for system generated reports relevant to the audit mainly for Brokerage income, Trade receivable aging for evaluating completeness and accuracy; and • Where deficiencies were identified, tested compensating controls or performed alternative procedures.
Valuation of equity investments carried at fair value **Refer note 2.6 for significant accounting policies and note 34 for financial disclosures** As at 31 March 2021, the Company held investment in Shubhash Housing Development Finance company Private Limited, amounting to Rs. 5,860 lakhs which represents 3.86 % of the total assets of the Company as at 31 March 2021.	Our audit procedures in relation to valuation of investment with the involvement of our valuation experts included, but were not limited to, the following:

Key audit matter	How our audit addressed the key audit matter
This investment is not traded in the active market. The fair valuation of this investment is determined by a management-appointed independent valuation expert based on discounted cash flow method. The process of computation of fair valuation of investment includes use of unobservable inputs and management judgements and estimates which are complex. The key assumptions underpinning management's assessment of fair value of this investment, includes application of liquidity discounts, calculation of discounting rates and the estimation of projections of revenues, projections of future cash flows and growth rates. The valuation of this investment was considered to be one of the areas which required significant auditor attention and was one of the matters of most significance in the standalone financial statements due to the materiality of total value of investment to the standalone financial statements and the complexity involved in the valuation of this investment.	**Design/Controls:** • Obtained a detailed understanding of the management's process and controls for determining the fair valuation of this investment. The understanding was obtained by performance of walkthroughs which included inspection of documents produced by the Company and discussions with those involved in the process of valuation. • Evaluated the design and the operational effectiveness of relevant key controls over the valuation process, including the Company's review and approval of the estimates and assumptions used for the valuation including key authorisation and data input controls, independent price verification performed by the management expert and model governance and validation. **Substantive tests:** • Assessed the appropriateness of the valuation methodology used for fair of this investment in accordance with the Company's policy and tested the mathematical accuracy of the management's model adopted. • Obtained the valuation report from management's expert and assessed the expert's competence, objectivity and independence in performing the valuation of these investments. • Assessed the appropriateness of the valuation model used by the management and the assumptions used relating to projected cash flows and the discounting factor. • Ensured the appropriateness of the carrying value of these investments in the financial statements and the gain or loss recognised in the financial statements as a result of such fair valuation; and • Ensured the appropriateness and adequacy of disclosures in accordance with the applicable accounting standards. Page 5 of 10

Information other than the Financial Statements and Auditor's Report thereon

6. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

7. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

8. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

9. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

11. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

    - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

    - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

15. As required by section 197(16) of the Act, based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

16. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.

17. Further to our comments in Annexure I, as required by section 143(3) of the Act, we report, to the extent applicable, that:

a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;

b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c) the standalone financial statements dealt with by this report are in agreement with the books of account;

d) in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;

e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of section 164(2) of the Act;

f) we have also audited the internal financial controls with reference to financial statements of the Company as on 31 March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 29 April 2021 as per Annexure II expressed unmodified opinion;

g) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. the Company, as detailed in note 38(c) to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2021;

ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2021;

iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2021;

iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.001076N/N500013

Manish D. Dasawala
Partner
Membership No.043334

UDIN:21043334AAAADW6331

Place: Mumbai
Date: 29 April 2021

Annexure I to the Independent Auditor's Report of even date to the members of Motilal Oswal Financial Services Limited on Standalone Financial Statement for the Year ended 31 March 2021

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant, and Equipment.

(b) The Company has a regular program of physical verification of its Property, Plant, and Equipment under which all Property, Plant, and Equipment are verified once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, fixed assets were verified by the Company during the year except for certain assets amounting to Rs 600 Lakhs which could not be verified by the management on account of the ongoing Covid-19 pandemic restrictions and the management has planned to physically verify such assets during the financial year ending 31 March 2022. No material discrepancies were noticed on verification performed in the current year.

(c) The title deeds of all the immovable properties (which are included under the head 'Property, Plant and Equipment') are held in the name of the Company.

(ii) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.

(iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.

(iv) In our opinion, the Company has complied with the provisions of Section 186 in respect of investments. Further, in our opinion, the Company has not entered into any transaction covered under Section 185 and Section 188 of the Act in respect of loans, guarantees and security.

(v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

(vii)(a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, goods and service tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Undisputed amounts payable in respect of stamp duty, which were outstanding at the year end for period of more than six months from the date they become payable are as follows:

Statement of arrears of statutory dues outstanding for more than six months

Name of the statute	Nature of the dues	Amount (Rs. in lakhs)	Period to which the amount relates	Due Date	Date of Payment
Indian Stamp Act, 1899	Stamp Duty	104	FY 2016-17	Not Available as Stamp Duty is collected in States where Payment and Levy Mechanism is not established	Not paid as on 29 April 2021
Indian Stamp Act, 1899	Stamp Duty	102	FY 2017-18		Not paid as on 29 April 2021
Indian Stamp Act, 1899	Stamp Duty	198	FY 2018-19		Not paid as on 29 April 2021
Indian Stamp Act, 1899	Stamp Duty	184	FY 2019-20		Not paid as on 29 April 2021
Indian Stamp Act, 1899	Stamp Duty	76	FY 2020-21		Not paid as on 29 April 2021

(b) The dues outstanding in respect of income-tax, sales-tax, service-tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

Statement of Disputed Dues

Name of the statute	Nature of dues	Amount (Rs. in lakhs)	Amount paid under protest (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	6	15	2009-10	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	41	20	2012-13	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	133	19	2013-14	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	3,064	190	2014-15	Commissioner of Income Tax (Appeals)

Name of the statute	Nature of dues	Amount (Rs. in lakhs)	Amount paid under protest (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	1,281	80	2015-16	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	1,452	137	2016-17	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	3,173	-	2017-18	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	994	-	2018-19	Commissioner of Income tax (Appeals)

(viii) The Company has not defaulted in repayment of loans or borrowings to any financial institution or a bank or government or any dues to debenture-holders during the year.

(ix) In our opinion, the Company has applied moneys raised by way of the term loans for the purposes for which these were raised. The Company did not raise moneys by way of initial public offer/ further public offer (including debt instruments).

(x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.

(xi) Managerial remuneration has been paid and provided by the company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.

(xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.

(xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the standalone financial statements etc., as required by the applicable Ind AS.

(xiv) During the year the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.

(xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.001076N/N500013

Murad D. Dotiwalla
Partner
Membership No.040334

UDIN:21040334AAAAAR6691

Place: Mumbai
Date: 29 April 2021

Annexure B to the Independent Auditor's Report of even date to the members of Motilal Oswal Financial Services Limited on the Standalone Financial Statements for the year ended 31 March 2021

Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of Motilal Oswal Financial Services Limited ('the Company') as at and for the year ended 31 March 2021, we have audited the internal financial controls with reference to the standalone financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Standalone Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of Company's internal financial controls with reference to standalone financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

6. A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect

the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statement and such controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.001076N/N500013

Murad D. Daswalla
Partner
Membership No.043334

UDIN:21043334AAAABN6331

Place: Mumbai
Date: 28 April 2021

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Particulars	[illegible]	[illegible]
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Notes:

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1. Corporate Information

Motilal Oswal Financial Services Limited ("MOFSL" or 'the Company') is a public limited company and incorporated under the provisions of Companies Act. The Company is domiciled in India and the address of its registered office and principal place of business are disclosed in the introduction to the annual report.

The Company is registered with Securities and Exchange Board of India ("SEBI") under the Stock brokers and sub Brokers Regulations, 1992 and is a member of Bombay Stock Exchange Limited, National Stock Exchange of India Limited, Multi Commodity Exchange of India Ltd. and National Commodity and Derivatives Exchange Limited. The Company acts as a stock broker and commodities broker to execute proprietary trades and also trades on behalf of its clients which include retail customers (including high net worth individuals), mutual funds, foreign institutional investors, financial institutions and corporate clients. It is registered with Central Depository Services (India) Limited and National Securities Depository Limited in the capacity of Depository Participant and also registered with SEBI in capacity of Research Analyst and Investment Adviser.

The Financial statements were approved for issuance by the Company's Board of Director on 29 April, 2021.

2. Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

2.1 Basis of preparation

(i) Compliance with Ind AS

The financial statements of the Company comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act.

The financial statements have been prepared using the significant accounting policies and measurement bases summarised as below. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitherto in use.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain Financial instruments are measured at fair value;
- Assets held for sale – measured at fair value less cost to sell;
- Defined benefit plans – plan assets measured at fair value; and
- Share based payments.

(iii) Preparation of financial statements

The Company is covered in the definition of Non-Banking Financial Company as defined in Companies (Indian Accounting Standards) (Amendment) Rules, 2018. As per the format prescribed under Division III of Schedule III to the Companies Act, 2013 on 11 October 2018, the Company presents the Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity in the order of liquidity. A customary analysis of recovery or settlement of assets and liabilities within 12 months after the reporting date and more than 12 months after the reporting date is presented in note 47.

(iv) Use of estimate and judgement:

The preparation of financial statements in conformity with Ind AS requires management to make estimates, judgements, and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities (including contingent liabilities) and disclosures as of the date of financial statements and the reported amounts of revenue and expenses for the reporting period. Actual results could differ from these estimates. Accounting estimates and underlying assumptions are reviewed on an ongoing basis and could change from period to period. Appropriate changes in estimates are recognized in the period in which the Company becomes aware of the changes in circumstances surrounding the estimates. Any revisions to accounting estimates are recognized prospectively in the period in which the estimate is revised and future periods. The estimates and judgements that have significant impact on carrying amount of assets and liabilities as each balance sheet date are discussed at note 3.

(v) Determining whether an arrangement contains a lease

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option.

2.2 Revenue Recognition

The Company recognizes revenue from contracts with customers based on a five step model as set out in Ind. AS 115, Revenue from Contracts with Customers, to determine when to recognize revenue and at what amount. Revenue is measured based on the consideration specified in the contract with a customer. Revenue from contracts with customers is recognized when services are provided and it is highly probable that a significant reversal of revenue is not expected to occur.

Revenue is measured at fair value of the consideration received or receivable. Revenue is recognized when (or as) the Company satisfies a performance obligation by transferring a promised service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

When (or as) a performance obligation is satisfied, the Company recognizes as revenue the amount of the transaction price (including estimates of variable consideration) that is allocated to that performance obligation.

The Company applies the five step approach for recognition of revenue:

- Identification of contract(s) with customers
- Identification of the separate performance obligations in the contract
- Determination of transaction price
- Allocation of transaction price to the separate performance obligations; and
- Recognition of revenue when (or as) each performance obligation is satisfied.

(i) Brokerage fee income

It is recognized on trade date basis and is exclusive of goods and service tax and securities transaction tax (STT) wherever applicable.

(ii) Research and advisory income
Research and advisory income is accounted for on an accrual basis in accordance with the terms of the respective agreements entered into between the Company and the concerned party.

(iii) Interest income
Interest income is recognized on accrual basis.

(iv) Dividend income
Dividend income is recognized at the forenoon of profit and loss on the date that the Company's right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be reliably measured. This is generally when the shareholders approve the dividend.

(v) Portfolio management commission income
Portfolio management commission is recognized on an accrual basis in accordance with the terms of the agreements entered with asset management company.

(vi) Rental income
Lease income from operating leases where the Company is a lessor is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

(vii) Profit and loss from partnership firm / LLP
Profit and loss from partnership firm / LLP are accounted on accrual basis and as per terms of respective Partnership / LLP agreements.

2.3 Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Current and deferred tax is recognized in statement of profit and loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

Current Tax

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Current tax assets and current tax liabilities are off set where there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred Tax

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses. Deferred tax liabilities are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiaries and associates where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

2.4 Leases

For any new contracts entered into on or after 1 April 2019, the Company considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. The Company assets whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Measurement and recognition of leases as a lessee
The Company has adopted Ind AS 116 "Leases" using the cumulative catch up approach. Company has recognized Right of Use asset as at 1 April 2019 for leases previously classified as operating leases and measured at an amount equal to lease liability (adjusted for related prepayments/ accruals). The Company has discounted lease payments using the incremental borrowing rate for measuring the lease liability.

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right of use asset is already reduced to zero.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in Statement of profit and loss on a straight-line basis over the lease term.

When the Company revises its estimate of the term of any lease, it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted using a revised discount rate. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised, except the discount rate remains unchanged. In both cases an equivalent adjustment is made to the carrying value of the right-of-use assets, with the revised carrying amount being amortised over the remaining (revised) lease term. If the carrying amount of the right-of-use asset is adjusted to zero, any further reduction is recognised in statement of profit and loss.

For contracts that both convey a right to the Company to use an identified asset and require services to be provided to the Company for the lease, the Company has elected to account for the entire contract as a lease, i.e. it does allocate any amount of the contractual payments to, and account separately for, any services provided by the supplier as part of the contract.

2.5 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.6 Financial instruments

Initial recognition and measurement:

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset.

At initial recognition, the Company measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees and commissions. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in Statement of profit and loss. Immediately after initial recognition, an expected credit loss allowance (ECL) is recognised for financial assets measured at amortised cost.

When the fair value of financial assets and liabilities differs from the transaction price on initial recognition, the entity recognises the difference as follows:

a) When the fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets, the difference is recognised as a gain or loss.

b) In all other cases, the difference is deferred and the timing of recognition of deferred day one profit or loss is determined individually. It is either amortised over the life of the instrument, deferred until the instrument's fair value can be determined using market observable inputs, or realised through settlement.

When the Company revises the estimates of future cash flows, the carrying amounts of the respective financial assets or financial liabilities is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognised in Statement of profit and loss.

Fair value of financial instruments:

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date regardless of whether that price is directly observable or estimated using another valuation technique.

Fair value measurements under Ind AS are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurement are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs) that the Company can access at measurement date.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in note 56.

Financial assets

(i) Classification and subsequent measurement

The Company has applied Ind AS 109 and classifies its financial assets in the following measurement categories:

- Fair value through profit or loss (FVTPL),
- Fair value through other comprehensive income (FVTOCI) or
- Amortised cost.

1. Financial assets carried at amortised cost

A financial asset is measured at the amortised cost if both the following conditions are met:
- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss.

2. Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective, that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

All investments in equity instruments classified under financial assets are initially measured at fair value. The Company may, on initial recognition, irrevocably elect to measure the same either at FVTOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognised as revenue from operations in the Statement of Profit and Loss unless the Company has elected to measure such instruments at FVTOCI. Fair value changes excluding dividends, on an equity instrument measured at FVTOCI are recognised in OCI. Amounts recognised in OCI are not

subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognized as 'Revenue from operations' in the Statement of Profit and Loss.

A. Investments in mutual funds

Investments in mutual funds are measured at fair value through profit and loss (FVTPL).

(b) Impairment

The Company recognizes impairment allowances using Expected Credit Losses ("ECL") method on all the financial assets that are not measured at FVTPL.
ECL are probability-weighted estimates of credit losses. They are measured as follows:

- Financial assets that are not credit impaired – as the present value of all cash shortfalls that are payable within 12 months after the reporting date.
- Financial assets with significant increase in credit risk – as the present value of all cash shortfalls that result from all possible default events over the expected life of the financial assets.
- Financial assets that are credit impaired – as the difference between the gross carrying amount and the present value of estimated cash flows.

Financial assets are written off/fully provided for when there is no reasonable of recovering financial assets in its entirety or a portion thereof.

However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized in the Statement of Profit and Loss.

(c) Derecognition

A financial asset is derecognized only when:
The Company has transferred the rights to receive cash flows from the financial asset or retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

Financial liabilities

(a) Initial recognition and measurement

All financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs.

(b) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss is measured at fair value with all changes to fair value recognised in the Statement of Profit and Loss.

(ii) Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

2.7 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.8 Financial guarantee contracts and loan commitments

Financial guarantee contracts are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a debt instrument. Such financial guarantees are given to banks, financial institutions and others on behalf of customers to secure loans, overdrafts and other banking facilities.

Financial guarantee contracts are initially measured at fair value and subsequently measured at the higher of:

- The amount of the loss allowance and
- The premium received on initial recognition less income recognised in accordance with the principles of Ind AS 115.

2.9 Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition and installation of the assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repair and maintenance are charged to Statement of profit and loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful life prescribed under Schedule II to the Companies Act, 2013. The Company provides pro-rata depreciation from the month in which the asset is first put to use, till that the assets are sold or disposed. Leasehold improvements are amortised over the terms of underlying lease.

Assets	Useful life
Leasehold Improvements	Over the primary lease period or useful life. Whichever is less

Furniture and Fixtures	10 years
Office Equipments	5 years
Computers	3 years
Vehicles	4 to 5 years

Derecognition:

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognised in the statement of profit and loss when the asset is derecognised.

2.10 Intangible assets

Measurement at recognition:
Intangible assets are recognised when it is probable that the future economic benefits attributable to the assets will flow to the Company and its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortisation and impairment, if any.

Expenditure incurred on acquisition/development of intangible assets which are not yet ready to use at the reporting date is disclosed under intangible assets under development. The Company amortises intangible assets on a straight line basis over the five years commencing from the month in which the asset is first put to use. The Company provides pro-rata amortisation from the day the asset is put to use.

Asset	Useful life
Computer Software	3 years
Current Rights	4 years

Derecognition:

The carrying amount of an intangible asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognised in the statement of profit and loss when the asset is derecognised.

2.11 Investment Property

Property that is held for long term rental yields or for capital appreciation or both, and that is not used by the group for business purposes, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

2.12 Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount of asset is the higher of its fair value or value in use. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects the current market assessment of time value of money and the risks specific to it. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its

recoverable amount and the reduction is treated as an impairment loss and is recognized in the statement of profit and loss. All assets are subsequently reviewed for indications that an impairment loss, previously recognized may no longer exist. An impairment loss is reversed if there has been a change in estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the assets carrying amount would have been determined, net of depreciation or amortisation, had no impairment loss been recognized.

2.10 Provisions and contingencies

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the reporting date.

Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost. Expected future operating losses are not provided for.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle that obligation or a reliable estimate of the amount cannot be made.

2.11 Employee benefits

(i) Short term obligations

Short term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related services are rendered. The Company recognizes the costs of bonus payments when it has a present obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made.

(ii) Post-employment obligations

Defined contribution plan:
Contribution paid/payable to the recognized provident fund, which is a defined contribution scheme, is charged to the Statement of Profit and Loss in the period in which they accrue.

Defined benefits plan:
Gratuity is post-employment benefit, and is in the nature of defined benefit plan. The liability recognized in the Balance Sheet in respect of gratuity is the present value of defined benefit obligation at the Balance Sheet date together with the adjustments for unrecognized actuarial gain or losses and the past service costs. The defined benefit obligation is calculated at or near the Balance Sheet date by an independent actuary using the projected unit credit method. Actuarial gains and losses comprise experience adjustment and the effects of changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

(iii) Other long-term employee benefits obligations

Heritage club benefit

Heritage club benefits are recognized as liability at the present value of defined benefits obligation as at the Balance Sheet date. The defined obligation benefit is calculated at the Balance Sheet date by an independent actuary using the projected unit credit method.

Compensated absences

The Company does not have a policy of encashment of unutilized leaves for its employees but are permitted to carry forward subject to a prescribed maximum day. Provision is made for expected cost of accumulating compensated absences as a result of unused leave entitlement which has accumulated as at the balance sheet date.

2.15 Share-based payments

Employee Stock Options Scheme (ESOS)

The Employee Stock Options Scheme ("the Scheme") has been established by the Company. The Scheme provides that employees are granted an option to subscribe to equity shares of the Company that vests on the satisfaction of vesting conditions. The fair value of options granted under ESOS is recognized as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined reference to the fair value of the options granted excluding the impact of non service conditions. Information about the valuation techniques and inputs used in determining the fair value of assets and liabilities disclosed in note 32.

The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the service conditions. It recognizes the impact of the revision to original estimates, if any, in statement of profit and loss, with a corresponding adjustment to equity.

2.16 Foreign currency translation

(i) Functional and presentation currency

Items included in financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). The financial statements are presented in Indian rupee (INR), which is MOFSL's functional and presentation currency.

(ii) Transaction and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognized in Statement of profit and loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non - monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognized in Statement of profit and loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity instruments classified as FVOCI are recognized in other comprehensive income.

2.17 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.18 Earnings per share

i) Basic earnings per share

Basic earnings per share is calculated by dividing the net profit for the period (including other comprehensive income) attributable to equity share holders of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus element in equity shares issued during the year.

ii) Diluted earnings per share

Diluted earnings per share is computed by dividing the net profit for the period attributable to equity shareholders by the weighted average number of shares outstanding during the period as adjusted for the effects of all dilutive potential equity shares except where the results are anti-dilutive.

2.19 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the regulations.

2.20 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

2.21 Recent accounting developments

On 24 March 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Divisions I, II and III of Schedule III and are applicable from 01 April 2021. Key amendments relating to Division III which refers to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

• Statement of changes in equity: Disclosure shall be made regarding the changes in equity due to prior period errors and restated balance at the beginning of the reporting year and similarly disclose the same for the previous reporting period. Additionally, the details of other equity shall also be given for prior reporting period.

• Disclosure of shareholding of all promoters: A company shall now be required to disclose the shareholding of all promoters. The details shall include change in shareholding taken place during the year. The meaning of the promoter has to be taken from the definition provided in the Companies Act, 2013 which is different from the definition provided in the SEBI (ICDR) Regulations, 2009.

• Ageing Schedule: Companies are required to disclose ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible assets under development in specified format prescribed under amendments.

• Disclosure related to funds borrowed from banks and financial institutions: If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then a disclosure providing details of utilization of funds shall also be required to be provided.

• Revaluation of property: The reconciliation of gross and net carrying amount of both intangible and tangible assets at the beginning and end of the reporting period, along with other separate disclosures related to additions, disposals, acquisitions, depreciation, impairment, etc. shall also disclose separately details related to the amount of change due to revaluation, where there is a change of more than 10% in aggregate of the net carrying amount of the asset.

The company is also required to disclose whether the property, plant or equipment has been revalued by a registered valuer as defined under rule 3 of Companies (Registered Valuers and Valuation) Rules, 2017.

• Specific disclosure: Amendment requires to disclose transactions/ events under various additional regulatory requirements such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held, etc.

Statement of profit and loss:

Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'Additional information' in the notes forming part of the financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

3. Key accounting estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on ongoing basis. Any changes to accounting estimates are recognized prospectively.

Information about critical judgements in applying accounting policies, as well as assumptions and assumptions that have the most significant effect on the amounts recognized in the financial statements are included in the following notes:

(a) Provision and contingent liability: On an ongoing basis, Company reviews pending cases, claims by third parties and other contingencies. Per contingent losses that are considered probable, an accrued loss is recorded as an actual in financial statements. Loss Contingencies that are considered possible are not provided for but disclosed as Contingent liabilities in our financial statements. Contingencies the likelihood of which is remote are not disclosed in the financial statements. Gain contingencies are not recognized until the contingency has been settled and amounts are received or receivable.

(b) Allowance for impairment of financial asset: The Company applies expected credit loss model (ECL) for measurement and recognition of impairment loss. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. At each reporting date, the Company assesses whether the loan have been repaid. The Company is exposed to credit risk when the customer defaults on his contractual obligations. For the computation of ECL, the

loan receivables are classified into three stages based on the default and the aging outstanding. The Company recognises life time expected credit loss for trade receivables and loan adopted simplified method of computation as per Ind AS 109. The Company considers outstanding overdue for more than 90 days for calculation of expected credit loss.

(c) Recognition of deferred tax assets: Deferred tax assets are recognized for unused tax loss carry forwards and unused tax credits to the extent that realisation of the related tax benefit is probable. The assessment of the probability with regard to the realisation of the tax benefit involves assumptions based on the history of tax utility and budgeted data for the future.

(d) Defined benefit plans: The cost of defined benefit plans and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long - term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(e) Stock based compensation: The Company accounts for stock-based compensation by measuring and recognizing as compensation expense the fair value of all share-based payment awards made to employees based on estimated grant date fair values. The determination of fair value involves a number of significant estimates. The Company uses the Black Scholes option pricing model to estimate the value of employee stock options which requires a number of assumptions to determine the model inputs. These include the expected volatility of Company's stock and employee exercise behavior which are based on historical data as well as expectations of future developments over the term of the option. As stock-based compensation expense is based on awards ultimately expected to vest, Management's estimate of exercise is based on historical experience but actual exercise could differ materially as a result of voluntary employee actions and involuntary actions which would result in significant change in our stock-based compensation expense accounts in the future.

(f) Property, plant and equipment and intangible Assets: Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values as per schedule II of the Companies Act, 2013 are based on the Company's historical experience with similar assets and taking into account anticipated technological changes, whichever is more appropriate.

(g) Leases - The Company evaluates if an arrangement qualifies to be a lease as per IND AS 116.
- The Company determines lease term as a non-cancellable period of a lease, together with both the period covered by an option to extend the lease if the Company is reasonably certain to exercise lease options.

- The determination of the incremental borrowing rate used to measure lease liabilities.

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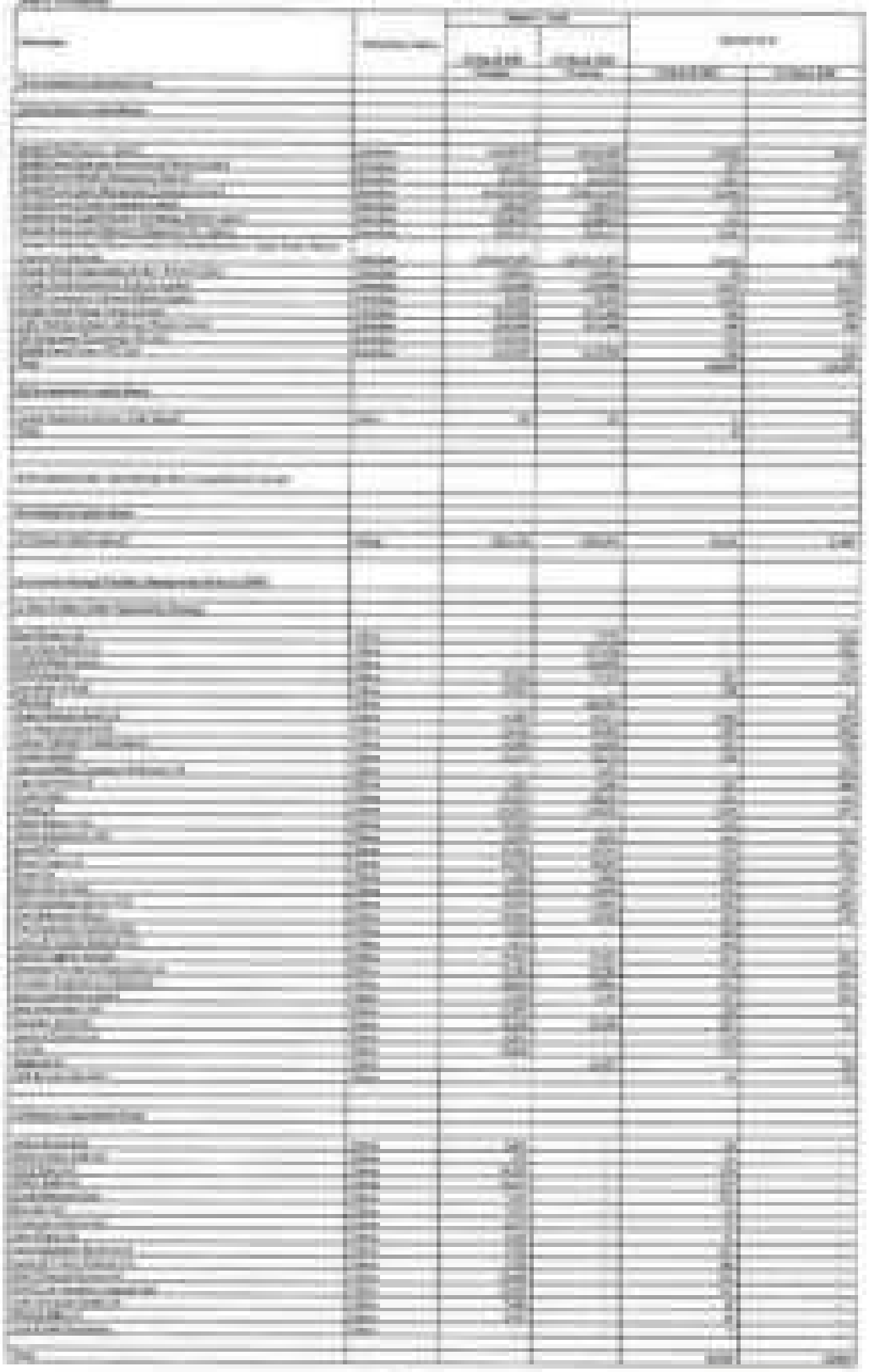

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[illegible]	For the year ended [illegible]	For the year ended [illegible]
On financial assets measured at amortised cost:		
Interest on loans	[illegible]	[illegible]
Interest on deposits with banks	[illegible]	[illegible]
Other interest income on:		
Trade finding	[illegible]	[illegible]
Other [illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

[illegible]	For the year ended [illegible]	For the year ended [illegible]
Dividend income:		
From subsidiaries	[illegible]	[illegible]
From [illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

[illegible]	For the year ended [illegible]	For the year ended [illegible]
Net income from [illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

[illegible]	For the year ended [illegible]	For the year ended [illegible]
Brokerage and fee income		
Brokerage income	[illegible]	[illegible]
Research and advisory fee	[illegible]	[illegible]
Depository income	[illegible]	[illegible]
Total	[illegible]	[illegible]
Other operational income		
Portfolio management fees and commission	[illegible]	[illegible]
Total	[illegible]	[illegible]

[illegible]	For the year ended [illegible]	For the year ended [illegible]
Net gain / (loss) on financial instruments at fair value through profit or loss		
Realised	[illegible]	[illegible]
Unrealised gain / (loss)	[illegible]	[illegible]
Total	[illegible]	[illegible]

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[illegible]	For the year ended [illegible]	For the year ended [illegible]
[illegible]		
[illegible]	[illegible]	[illegible]
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Total	[illegible]	[illegible]

[illegible]	For the year ended [illegible]	For the year ended [illegible]
[illegible]	[illegible]	[illegible]
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Total	[illegible]	[illegible]

[illegible]	For the year ended [illegible]	For the year ended [illegible]
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Total	[illegible]	[illegible]

[illegible]	For the year ended [illegible]	For the year ended [illegible]
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Total	[illegible]	[illegible]

[illegible]	For the year ended [illegible]	For the year ended [illegible]
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[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

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[illegible]	For the year ended [illegible]	For the year ended [illegible]
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Total	[illegible]	[illegible]

Note 21 - Other expenses	For the year ended [illegible]	For the year ended [illegible]
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Total	[illegible]	[illegible]

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	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
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	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

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	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

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[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

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[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

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[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible] Financial Services Limited

Summary of significant accounting policies and other explanatory information

(All amounts are in INR Lakhs unless otherwise stated)

Note 44 Financial risk management

Company has operations in India. Wider risk is inherent in the Company's activities. It is managed through an integrated risk management framework, including ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing profitability and each individual within the Company is accountable for the risk exposure relating to his or her responsibilities. The Company is exposed to credit risk, liquidity risk and market risk. It is also subject to various operating and business risks.

A. Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and by monitoring exposures in relation to such limits.

The maximum exposure to credit risk for each class of financial instrument is the carrying amount of that class of financial instrument presented in the financial statements. The Company's major classes of financial assets are cash and cash equivalents, loans, investments in mutual fund units, term deposits, trade receivables and security deposits.

Deposits with banks are considered to have negligible risk as all bank, as they are transacted with high rated banks. Financial institutions are approved by the Board of Directors.

Investments primarily include investments in liquid mutual fund units. Due to the marketable nature of digital financial institutions for a specified time period with high credit rating given by domestic credit rating agencies.

The management has established a prudent receivable policy under which credit exposure customers are regularly monitored. The Company has a dedicated risk management team, which monitors the receivables, exposures and changes on a continuous basis.

Following provides exposure to credit risk for trade receivables and foreign trading balances loans.

	As at March 31, 2025	As at March 31, 2024
Trade and other receivables (Net of impairment)	[illegible]	[illegible]
Foreign trading balances loans (Net of impairment)	[illegible]	[illegible]

The financial instruments covered within the scope of IFRS 9 include financial assets measured at amortised cost such as trade receivables and loans.

Trade Receivables : The loss allowance has been measured using lifetime ECL except for financial assets on which there has been no significant increase in credit risk since initial recognition. In case impairing from, the Company assesses whether financial assets carried at amortised cost is credit impaired. A financial asset is credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred since initial recognition.

A simplified approach has been considered for measuring expected credit losses (ECLs) of trade receivables to be measured equal to lifetime ECLs. The ECLs on trade receivables are calculated based on actual historical credit loss experience over the preceding years in this case on the total balance of trade receivables. For the purpose of computation of ECL, the term default implies an event where customer fails to meet contractual payment obligations, i.e., to make a market issue the which the client was unable to provide funds / collateral to hedge the shortfall, the same is treated as margin call triggered.

Based on the historical position and business environment in which the entity operates, Management evaluates unsecured receivables as default if the payment is overdue for more than 90 days from the date of invoice. For financial calculation, aggregate of unsecured receivables as reduced by Provisions disputed future brokerages are considered as default. Management would also consider balances in client's family accounts and collectable as from other than the receivables after considering the secured position of the client. Management would also consider impairment on client balance which are unsecured and whether the net dues on such as net Rate based on their usage of intermediaries. For litigation cases, management would provide enhanced provision if the probability of conflict of interest increases or higher. If there are specific cases which are overdue for more than 90 days and the assumptions in case condition of the recovery in near future, impairment loss would not be provided for such cases based on the approval of between board for such reporting period. Probability of default (PD) on client receivables is considered as 100% and treated as result impaired.

Shriram Housing Finance Limited
Summary of significant accounting policies and other explanatory information
(All amounts are in INR Crores unless otherwise stated)

Exposure:
Loans includes Margin Trading Facility(MTF), Loans to staff and loans to subsidiaries for which staged approach is taken into consideration for determination of ECL.

Stage 1:
All positions in the MTF book are considered as stage 1 assets for computation of expected credit loss. For exposures where there has not been a significant increase in credit risk since initial recognition and that is not credit impaired upon origination, Margin trading facility, Loans to subsidiaries and loans to staff are considered in stage 1 for determination of ECL. Exposures in credit risk in stage 1 is assessed considering historical probability of default, market movements and macro-economic environment.

Stage 2:
Exposures under stage 2 include those up to 90 days pertaining to principal amount, interest and any other charges on the MTF loan book which are outstanding. While ending in the secured positions of the clients, management would also consider factors in client's family economy, transition to other regulated and unbanked or loan other than the securities while considering the secured positions of the client.
In such operating jobs, the Company assesses whether there has been a significant increase in credit risk. For financial assets since initial recognition, in determining whether credit risk has increased significantly since initial recognition, the Company uses that pass due information and other qualitative factors or assess deterioration in credit quality of a financial asset.

The credit exposures where there has been a significant increase in credit risk since initial recognition but they are not credit impaired, a lifetime ECL is recognised.

Stage 3:
Exposures under stage 3 include those over 90 days pertaining to principal amount, interest and any other charges on MTF loan book which are outstanding.
Financial assets are assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the asset have occurred. For financial assets that have become credit impaired, a lifetime ECL is recognised.

Following table provide information about exposure to credit risk and ECL on Margin Trading Facility loans.

Stage	As at March 31 2025		As at March 31 2024	
	Carrying value	ECL	Carrying value	ECL
Stage 1	[illegible]	[illegible]	[illegible]	[illegible]
Stage 2	-	-	-	-
Stage 3	-	-	-	-

The movement in the allowance for impairment in respect of loan receivables is as follows:

Particulars	Carrying amount As at March 31 2025	Carrying amount As at March 31 2024
Opening balance	[illegible]	[illegible]
Impairment loss recognised	[illegible]	[illegible]
Closing balance	[illegible]	[illegible]

B. Liquidity risk
Liquidity risk is the risk that the entity will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The entity's approach to managing liquidity is to ensure, to the extent possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the entity's reputation.

Prudent liquidity risk management includes sufficient cash and marketable securities and availability of funds through adequate committed credit facilities to meet obligations when due and to close out market positions.

The Company has a mix of maintaining liquidity with minimal sales which ensuring investments. The Company monitors its maturity level in order to meet short term cash requirements and liquid assets. The Company monitors its cash and bank balances periodically to meet all its short term obligations arising from its financial liabilities.
Refer Note 47 for analysis of maturities of financial assets and financial liabilities.

C. Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

Foreign currency risk management

In respect of the foreign currency transactions, the company does not hedge the exposure since the management believes that the risk is insignificant on account and will not have a material impact on the Company.

The company's exposure to foreign currency risk at the end of reporting period is shown in note 40.

(ii) Interest rate risk

The Company is exposed to interest risk of the fair value or future cash flows of its financial instruments will fluctuate as a result of changes in market interest rates. This other interest rate risk is the risk of changes in fair value of fixed interest bearing investments because of fluctuations in the interest rates.

The Company's interest rate risk arises from interest bearing deposits with bank and term loans to customers. Both instruments expose the Company to fair value interest rate risk. Management believes that the interest rate risk attached to the financial assets are not significant due to the nature of the financial assets.

Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	As at 31 March 2021	As at 31 March 2020
Variable rate borrowing	[illegible]	[illegible]
Fixed rate borrowing	[illegible]	[illegible]
Total Borrowing	[illegible]	[illegible]

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being constant) of the Company's statement of profit and loss and equity.

Particulars	Impact on profit after tax	
	31 March 2021	31 March 2020
Interest rates – increase by 1%	[illegible]	[illegible]
Interest rate – decrease by 1%	[illegible]	[illegible]

(iii) Market price risks:

The Company is exposed to market price risk, which arises from FVTPL and FVTOCI investments. The management monitors the composition of these investments so as to maintain portfolio based on market indices. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the appropriate authority.

Particulars	As at 31 March 2021	As at 31 March 2020
Exposure to price risk	[illegible]	[illegible]

Sensitivity to price risk

The following table summarizes the impact of positive of 5% NAV / price risk on other equity or total equity. The below impact on the Company's profit before tax is based on changes in the NAVs / price of the securities and is FVTPL/FVTOCI in nature where that.

Assumptions	As at March 31 2021	As at March 31 2020
Impact on profit before tax for FVTPL Investments in NAV/prices	[illegible]	[illegible]
Impact on equity before tax for FVTOCI Investments in NAV/prices	[illegible]	[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

Particulars	As at March 31 [illegible]	As at March 31 [illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

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	[illegible]			[illegible]		
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]						
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Motilal Oswal Financial Services Limited

Summary of significant accounting policies and other explanatory information

(All amounts are in INR [illegible] unless stated)

Note 30 Revenue from contract with customers

The Company derives revenue primarily from the share broking business, in other words revenue arises as the Portfolio management fees and commission income and interest income.

Disaggregate revenue information

i. The table below presents disaggregate revenues from contracts with customers for the year ended 31 March 2021 and 31 March 2020. The Company believes that the disaggregation here depicts how the nature, amount, timing and uncertainty of revenue and cash flows are affected by market and other economic factors.

Nature of Services

(a) Broking Income - Income from services rendered as a broker is recognised upon rendering of the services, in accordance with the terms of contract.

(b) Portfolio management fees and commission income - Fees for administration based services are received periodically but are recognised as earned on a pro-rata basis over the term of the contract. Commission from distribution of financial products are recognised upon allotment of the securities to the applicant or in the case may be. Commission and fees recognised in financial are exclusive of goods and service tax, securities transaction tax, stamp duties and other levies by SEBI and stock exchanges.

(c) Interest Income - Interest is earned on delayed payments from clients and amounts funded to them. Interest income is recognised on a time proportion basis taking into account the amount outstanding from customers as on the financial year-end and the rate applicable.

(d) Depository Income Income from services rendered on behalf of depository is recognised upon rendering of the services, in accordance with the terms of contract.

i. Disaggregate revenue information

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Revenue from contracts with customers		
Brokerage Income	[illegible]	[illegible]
Portfolio management fees and commission income	[illegible]	[illegible]
Interest Income	[illegible]	[illegible]
Depository income	[illegible]	[illegible]

ii. Nature, timing of satisfaction of the performance obligations and significant payment terms.

(a) Income from services rendered as a broker is recognised upon rendering of the services.

(b) Fees for administration based services are received periodically but are recognised as earned on a pro-rata basis over the term of the contract.

(c) Commission from distribution of financial products are recognised upon allotment of the securities to the applicant or in the case may be, on issue of the investment policy to the applicant.

(d) Interest is earned on delayed payments from clients and amounts funded to them as well as term deposits with banks.

(e) Interest income is recognised on a time proportion basis taking into account the amount outstanding from customers as on the financial year-end and the rate applicable.

(f) Income from services on behalf of depository is recognised upon rendering of the services, in accordance with the terms of contract.

The above services are given in close tenures, and no performance obligation remains once the transaction is concluded.

Fees for administration based services are received periodically but are recognised as earned on a pro-rata basis over the term of the contract, and are over the period in nature.

Mitshi Urban Financial Services Limited
Summary of significant accounting policies and other explanatory information
[illegible]

Note 30 : Assets pledged as security
[illegible]

Particulars	As at [illegible]	As at [illegible]
Financial assets		
First charge		
Receivables		
Trade receivables	[illegible]	[illegible]
Floating charge		
Investments	[illegible]	[illegible]
Non-financial assets		
First charge		
Property, plant and equipment	[illegible]	[illegible]
Total assets pledged as security	[illegible]	[illegible]

Terms and conditions:
1. Investments, Trade receivables, Loans and Property, plant and equipment are pledge with Banks and NBFCs as against borrowing facilities taken by the Group.
2. The margin of zero-zero percent is provided against the loan facilities for pledge of MF/Shares/FMS Investments and 1.01 times for Trade receivables and Property, plant and equipment.

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Independent Auditor's Report

To the Members of Motilal Oswal Financial Services Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of **Motilal Oswal Financial Services Limited** ("the Holding Company/the Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its associate and joint venture, as listed in Annexure 1, which comprise the Consolidated Balance Sheet as at **31 March 2021**, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, associate and joint venture the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the consolidated state of affairs of the Group, its associate and joint venture, as at 31 March 2021, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 17 of the Other Matters section below is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

4. We draw attention to Note 42, which describes the impact of uncertainties relating to the effects of COVID-19 pandemic on expected credit loss recognised towards the housing loans to customers outstanding as at 31 March 2021. Our opinion is not modified in respect of this matter.

Key Audit Matters

6. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, associate and joint venture, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

8. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Information Technology system for the financial reporting process Motilal Oswal Financial Services Limited, Motilal Oswal Home Finance Limited and Motilal Oswal Finvest Limited are highly dependent on its information technology (IT) systems for carrying on its operations which inputs large volume of transactions to be processed on a daily basis. Further, the accounting and financial reporting processes are dependent on the automated controls enabled by IT systems and information which impacts key financial accounting and reporting items such as Brokerage income, Trade receivable ageing, Loans and advances, interest income, impairment of loans among others. The controls implemented in its IT environment determine the integrity, accuracy, completeness and validity of data that is processed by the applications and is ultimately used for financial reporting. We have focused on user access management, change management, segregation of duties, developer access to the production environment and changes to IT environment. Further, we also focused on key automated process controls relevant for financial reporting. Accordingly, since our audit strategy has focused on key IT systems and controls due to pervasive impact on the consolidated financial statements and performing testing of automated process controls and General controls, we have determined the same as a key audit matter for current year audit.	Our key audit procedures with the involvement of our IT specialists included, but were not limited to, the following: • Obtained an understanding of the IT environment and conducted risk assessment and identified IT applications, databases and operating systems that are relevant to our audit. Also, obtained an understanding of key automated controls operating over such identified IT applications; • Tested the design and operating effectiveness of the IT controls over IT applications as identified above; • For the IT applications identified above, tested sample of key IT general controls particularly logical access, password management, change management and aspects of IT operational controls. Tested that requests for access to systems were appropriately reviewed and authorized, tested controls around periodic review of access rights, inspected requests of changes to systems for appropriate approval and authorisation. • Tested related interfaces, configuration and other application layer controls identified during our audit and report logic for system generated reports relevant to the audit mainly for Brokerage income, Trade receivable ageing, Loans and advances, interest income, impairment of loans for evaluating completeness and accuracy. • Where deficiencies were identified, tested compensating controls or performed alternative procedures. Page 2 of 13

Key audit matter	How our audit addressed the key audit matter
Valuation of Unquoted equity investments and Securities receipts carried at fair value **Refer note 2.5 for significant accounting policies and note 55(a) for financial disclosures** As at 31 March 2021, the Group held investment in Shubham Housing Development Finance Company Private Limited amounting to Rs 5,863 lakhs and in Security receiptsamounting to Rs 21,617 lakhs which represents 1.85 % of the total assets of the Group at 31 March 2021. These investments are not traded in the active market. The fair valuation of these investment is determined by a management appointed independent valuation expert based on discounted cash flow method. The process of computation of fair valuation of investment includes use of unobservable inputs and management judgements and estimates which are complex. The key assumptions underpinning management's assessment of fair value of these investments, includes application of liquidity discounts, calculation of discounting rates and the estimation of projections of revenues, projections of future cash flows and growth rates. The valuation of these investments was considered to be one of the areas which required significant auditor attention and was one of the matters of most significance in the consolidated financial statements due to the materiality of total value of investments to the consolidated financial statements and the complexity involved in the valuation of these investments.	Our audit procedures in relation to valuation of equity investment and security receipts with the involvement of our valuation experts included but were not limited to, the following: **Design/Controls:** • Obtained a detailed understanding of the management's process and controls for determining the fair valuation of these investments. The understanding was obtained by performance of walkthroughs which included inspection of documents produced and discussion with those involved in the process of valuation. • Evaluated the design and the operational effectiveness of relevant key controls over the valuation process, including the review and approval of the estimates and assumptions used for the valuation including key authorisation and data input controls, independent price verification performed by the management expert and model governance and validation. **Substantive tests:** • Assessed the appropriateness of the valuation methodology used for the these investments in accordance with the policy and tested the mathematical accuracy of the management's model adopted for investment in equity shares and security receipts. • Obtained the valuation report from the management's expert and assessed the expert's competence, objectivity and independence in performing the valuation of investment in equity shares and security receipts. • Evaluated the valuation assessment and resulting conclusions in order to determine the appropriateness of the valuations by performing reasonableness tests and evaluating sensitivity analysis for the key inputs and assumptions for Security receipts.

Key audit matter	How our audit addressed the key audit matter
	• Assessed the appropriateness of the valuation model used by the management and the assumptions used relating to projected cash flows and the discounting factor • Ensured the appropriateness of the carrying value of these investments in the consolidated financial statements and the gain or loss recognized in the consolidated financial statements profit and loss as a result of such fair valuation; and • Ensured the appropriateness and adequacy of disclosures in accordance with the applicable accounting standards
Key audit matter	**How our audit addressed the key audit matter**
Impairment of loans and advances to customers **Refer to the accounting policies in "Note 2.9 (ii) to the financial statements: Impairment", "Note 3 (b) to the consolidated Financial Statements: Significant Accounting Policies - use of estimates and judgement" and "Note 7 to the consolidated Financial Statements: Loans"** As at 31 March 2021, Motilal Oswal Home Finance Limited ("MOHFL") has reported gross loans and advances of Rs. 353,526 lakhs against which an impairment loss allowance of Rs. 7083 lakhs is recognized as at year-end. Ind AS 109, Financial Instruments requires to provide for impairment of its financial assets using the expected credit loss ('ECL') approach which involves estimates for probability of loss on the financial assets over their life, unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12-month ECL, considering reasonable and supportable information about past events, current conditions and forecasts of future economic conditions which could impact the credit quality of the financial assets. In this process, substantial judgement has been applied by the management in assessing the significant increase in credit risk in respect of following matters: a) MOHFL has grouped its loan portfolio based on days past due and other qualitative criteria as mentioned in the Credit-risk section under Note 55. Loans grouped under a particular category are assumed to represent a homogeneous portfolio expected to demonstrate similar credit characteristics.	Our audit procedures included, but were not limited to, the following: • Considered the MOHFL accounting policies for impairment of financial instruments and assessed compliance with the policies in terms of Ind AS 109. • Obtained an understanding of management's process including the key inputs and assumptions used, systems and controls implemented in relation to impairment allowance process. • Obtained the policy on moratorium of loans and restructuring of loans approved by the Board of Directors, pursuant to the regulatory announcements made by the RBI. • Assessed and tested the design and operating effectiveness of key internal financial controls over the loan impairment process used to calculate the impairment. • Assessed the critical assumptions used by the management including the impact due to the moratorium facility and restructuring facility availed by eligible customers for estimation of allowance for expected credit losses as at 31 March 2021, which included: • examining on a sample basis, data inputs to the discounted cash flow models.

Key audit matter	How our audit addressed the key audit matter
b) Staging of loans and estimation of behavioral life. c) Estimation of expected loss from historical observations. d) Estimation of losses in respect of those groups of loans which had no minimal defaults in the past. MOHFL has developed models that derive key assumptions used within the provision calculation such as probability of default (PD) and loss given default (LGD). Considering the significance of above model for impairment to the consolidated financial statements and the degree of management's estimates and judgments involved including the regulatory announcement of moratorium facility and restructuring facility for eligible customers, this area required significant auditor attention to test such complex accounting estimates. Therefore, we have determined this to be a key audit matter for the current year audit.	• Corroborating the forecasts of future cash flows prepared on the basis of expected repayments from the borrowers on sample basis; and • Testing collateral valuation adopted based on internal policies on a sample basis. • Assessed the assumptions used for grouping and staging of loan portfolio into various categories and default buckets based on their past due status and other qualitative factors identified by the management which indicate significant increase in credit risk. For a sample of exposures, we tested the appropriateness of such staging. • Understood and checked the key data sources and assumptions for deduced in the ECL model used to determine impairment provisions. • On sample basis tested the completeness and accuracy of the input data used for determining the PD and LGD rates and agreed the data with the underlying books of accounts and records. • Tested the arithmetical accuracy of computation of ECL provision performed by MOHFL.

7. The auditors Ameet Lasod and Associates, Chartered Accountants, of Motilal Oswal Commodities Broker Private Limited (MOCBPL) vide their audit report dated 22 April 2021, have expressed an unmodified opinion on the financial statements. Based on consideration of their report and information submitted by them, we have reproduced the matter described below to be the key audit matter to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Legal and Regulatory Risk **Refer Note 8 point 3 of the Consolidated financial statements** Following default at National Spot Exchange Limited (NSEL) in 2013 and initial investigations by Economic Offenses Wing (EOW) and complaints received from investors against the broker of the now defunct spot exchange NSEL and it Officers March and April 2013 had requested SEBI to take appropriate actions. However, in EOW report there was no allegation against Motilal Oswal Commodities Broker Private Limited (MOCBPL).	Following are the areas where risks are assessed & procedures were followed: • **Recording of Receivables and Dues** - NSEL: After conducting the books of accounts and discussion with the management it has been found that the amounts receivable from NSEL (Exchange) are due to the clients have direct recourse and MOCBPL has the role of a broker only. Hence, the amount receivable from Exchange has not been provided for Doubtful debts as they are directly payable to the Clients.

Key audit matter	How our audit addressed the key audit matter
In this matter, SEBI has issued Show Cause Notice to MOCBPL in financial year i.e. 2017-18 relating to NSEL Scam, for which management has replied accordingly. SEBI vide its order dated 22nd February 2019, rejected MOCBPL's registration application on the grounds that it is not fit and proper person to hold, directly or indirectly, the certificate of registration as commodity derivatives broker.	• **Impact of SEBI order on the MOCBPL business:** The Company has already ceased its Commodity Broking business from April 2018. Also, the order of SEBI signifies that MOCBPL's registration application as Commodities Broker may be rejected; however the management doesn't plan to continue its Commodities Broking business under the company (MOCBPL). The company has also filed an appeal against the order of SEBI before the Securities Appellate Tribunal (SAT) & the same is currently pending. • MOCBPL may have to refund the brokerage charged from the clients against which the management has already made provision in the books of accounts. Our procedures with respect to approaching the KAM: - Enquiring with Accounts and Finance Team: We have discussed with Finance team, Management and have scrutinized books of account. - Assessing management's conclusions and ensuring that updates regarding the matter are informed to us on timely basis. Our results: Based on the above procedures, whilst noting the inherent uncertainty with such legal matters, we concluded treatment of the matter as satisfactory.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

8. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

9. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associate and joint venture in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. The respective Board of Directors/management of the companies included in the Group and its associate and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

10. In preparing the consolidated financial statements, the respective Board of Directors/management of the companies included in the Group and of its associate and joint venture are responsible for assessing the ability of the Group and of its associate and joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

11. Those respective Board of Directors/management are also responsible for overseeing the financial reporting process of the companies included in the Group and of its associate and joint venture.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

12. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

13. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate and joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate and joint venture to cease to continue as a going concern; and

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group, and its associate and joint venture, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements, of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

14. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

15. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

16. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

17. We did not audit the financial statements of nine subsidiaries, whose financial statements reflect total assets of Rs. 54,948 lakhs and net assets of Rs. 24,983 lakhs as at 31 March 2021, total revenues of Rs.17,297 lakhs and net cash inflows amounting to Rs. 319 lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (including other comprehensive income) of Rs. 6,177 lakhs for the year ended 31 March 2021, as considered in the consolidated financial statements, in respect of one associate and one joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associate and joint venture, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, associate and joint venture, are based solely on the reports of the other auditors.

Further, of these subsidiaries, associate and joint venture, one subsidiary is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their country and which have been audited by other auditors under generally accepted auditing standards applicable in their country. The Holding Company's management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in their country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion on the consolidated financial statements, in so far as it relates to the balances and affairs of such subsidiary located outside India, is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

18. We did not audit the financial statements of three subsidiaries, whose financial statements reflect total assets of Rs. 2,125 lakhs and net assets of Rs. 1,409 lakhs as at 31 March 2021, total revenues of Rs. 738 lakhs and net cash inflows amounting to Rs. 3 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Holding Company's management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the aforesaid subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, are based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Holding Company's management, these financial statements are not material to the Group.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the financial statements certified by the management.

Report on Other Legal and Regulatory Requirements

19. As required by section 197(16) of the Act, based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 17, on separate financial statements of the subsidiaries, associate and joint venture, we report that the Holding Company and 18 subsidiary companies covered under the Act paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

20. As required by Section 143 (3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries, associate and joint venture, we report, to the extent applicable, that:

    a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

    b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

    c) the reports on the accounts of the subsidiary companies, associate and joint venture covered under the Act, audited by other auditors, as applicable, and have been properly dealt with in preparing this report;

    d) the consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

e) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act;

f) on the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, covered under the Act, none of the directors of the Group companies, covered under the Act, are disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act;

g) with respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiary companies covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure F'; and

h) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, associate and joint venture:

i. the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associate and joint venture as detailed in Note 39 (C) to the consolidated financial statements;

ii. the Holding Company, its subsidiaries, associate and joint venture did not have any long term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2021;

iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies during the year ended 31 March 2021; and

iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these consolidated financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.001076N/N500013

Murad D. Darukhanawala
Partner
Membership No.042334

UDIN:21042334AAAAAB3949

Place: Mumbai
Date: 29 April 2021

Annexure I : List of entities included in the Statement

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)
MOAIF Investment Advisors Private Limited
Motilal Oswal Alternate Investment Advisors Private Limited (Formerly Known as Motilal Oswal Finsec Private Limited)
Motilal Oswal Finvest Limited (Formerly known as Motilal Oswal Capital Markets Limited)
Motilal Oswal Wealth Management Limited
Motilal Oswal Asset Management Company Limited
Motilal Oswal Trustee Company Limited
Motilal Oswal Innovations International Private Limited
Motilal Oswal Digital Markets (Hongkong) Private Limited
Motilal Oswal Digital Markets (Singapore) Pte. Limited
Motilal Oswal Real Estate Investment Advisors Private Limited
Motilal Oswal Real Estate Investment Advisors II Private Limited
Motilal Oswal Home Finance Limited (Formerly known as Aspire Home Finance Corporation Limited)
India Business Excellence Management Company
Motilal Oswal Asset Management (Mauritius) Private Limited
Motilal Oswal Capital Limited
Motilal Oswal Investment Advisory Private Limited
Motilal Oswal Private REIT Limited
Tai Investment Technologies Private Limited (w.e.f. 24 July 2022)

List of Associate

India Realty Excellence Fund I LLP

List of Joint venture

India Business Excellence Fund III (w.e.f. 28 September 2022)

Annexure I to the Independent Auditor's Report of even date to the members of Motilal Oswal Financial Services Limited on the consolidated financial statements for the year ended 31 March 2021

Independent Auditor's Report on the internal financial controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of **Motilal Oswal Financial Services Limited** ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its associate and joint venture as at and for the year ended **31 March 2021**, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiary companies, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies as aforesaid.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain

Annexure 1 (Contd)

to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements of the subsidiary companies, the Holding Company and its subsidiary companies, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matter

9. We did not audit the internal financial controls with reference to financial statements in so far as it relates to eight subsidiary companies, which are companies covered under the Act, whose financial statements reflect total assets of Rs. 65,591 lakhs and net assets of Rs. 23,376 lakhs as at 31 March 2021, total revenues of Rs. 15,589 lakhs and net cash inflows amounting to Rs. 329 lakhs for the year ended on that date, as considered in the consolidated financial statements. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary companies have been audited by other auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company and its subsidiary companies, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary companies is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.001076N/N500013

Murad D. Darwalla
Partner
Membership No.043334

UDIN:21043334AAAABL3940

Place: Mumbai
Date: 29 April 2021

[illegible]

Particulars	Note No.	As at [illegible]	As at [illegible]
[illegible]			
[illegible]			
[illegible]			

[illegible]

[illegible] Financial Services Limited
Consolidated Cash Flow Statement
[illegible]

Particulars	For the Year Ended [illegible]	For the Year Ended [illegible]
A. Cash flow from operating activities		
Profit before taxation	[illegible]	[illegible]
Adjustments for:		
Depreciation on financial instruments	[illegible]	[illegible]
Depreciation and amortisation on assets	[illegible]	[illegible]
Provision for gratuity	[illegible]	[illegible]
Employee stock option expenditure	[illegible]	[illegible]
Profit/ Loss from government grants and other income	[illegible]	[illegible]
Net loss/(gain) on fair value change	[illegible]	[illegible]
Profit on sale of property, plant and equipment (Net)	[illegible]	[illegible]
Interest payment	[illegible]	[illegible]
Dividend income	[illegible]	[illegible]
Foreign Currency Translation Reserve	[illegible]	[illegible]
Interest income pertaining to loan portfolio	[illegible]	[illegible]
Operating profit	[illegible]	[illegible]
Adjustments for working capital changes:		
(Increase) / decrease in trade receivables	[illegible]	[illegible]
(Increase) / decrease in other receivables	[illegible]	[illegible]
(Increase) in other financial assets	[illegible]	[illegible]
(Increase) / decrease in other non financial assets	[illegible]	[illegible]
(Increase) / decrease in loans	[illegible]	[illegible]
(Increase) / decrease in investment in [illegible] loan receivables, net, [illegible] months (net of [illegible])	[illegible]	[illegible]
(Increase) / decrease in liquid investments	[illegible]	[illegible]
Increase in trade payables	[illegible]	[illegible]
Increase in Deposits	[illegible]	[illegible]
Increase / (Decrease) in other financial liabilities	[illegible]	[illegible]
(Increase) / (Decrease) in other non financial liabilities	[illegible]	[illegible]
Increase / (Decrease) in provisions	[illegible]	[illegible]
Increase / (Decrease) in borrowings	[illegible]	[illegible]
Increase / (Decrease) in debt securities	[illegible]	[illegible]
Cash generated from operations	[illegible]	[illegible]
Taxes paid (net) (including GST, credit reversal)	[illegible]	[illegible]
Net cash generated from operating activities (A)	[illegible]	[illegible]
B. Cash flow from investing activities		
Purchase of Property, plant and equipment	[illegible]	[illegible]
Purchase of Investments	[illegible]	[illegible]
Sale of Investments	[illegible]	[illegible]
Sale of Property, plant and equipment	[illegible]	[illegible]
Interest received	[illegible]	[illegible]
Dividend received	[illegible]	[illegible]
Net cash used in/generated from investing activities (B)	[illegible]	[illegible]
C. Cash flow from financing activities		
Issue of Share Capital including Securities premium	[illegible]	[illegible]
Redemption of shares	[illegible]	[illegible]
Payment of Dividend and Dividend Distribution Tax	[illegible]	[illegible]
Interest / (Discount) on capital debtors	[illegible]	[illegible]
Cash payments of lease liability and interest	[illegible]	[illegible]
Increase in / (outflow) from securities	[illegible]	[illegible]
Net cash used in/generated from financing activities (C)	[illegible]	[illegible]
Net increase / (Decrease) in cash and cash equivalents during the year (A+B+C)	[illegible]	[illegible]

[illegible]

[illegible]	[illegible]	[illegible]
Cash in hand	[illegible]	[illegible]
Schedule Bank - In Current accounts	[illegible]	[illegible]
Cheques in hand	-	-
Fixed Deposit with original maturity within 3 months	[illegible]	[illegible]
Cash and cash equivalents as at beginning of the year	[illegible]	[illegible]
Cash & Cash Equivalents as at the end of the year		
Cash in hand	[illegible]	[illegible]
Schedule Bank - In Current accounts	[illegible]	[illegible]
Cheques in hand	-	-
Fixed Deposit with original maturity within 3 months	[illegible]	[illegible]
Cash and cash equivalents as at end of the year	[illegible]	[illegible]

Notes:

[illegible]

[illegible]

[illegible]

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No. [illegible]

[illegible]
Partner
Membership No. [illegible]

Place : Mumbai
Date : [illegible]

For and on behalf of the Board of Directors
Manappuram Finance Limited

[illegible]
Managing Director and Chief Executive Officer
DIN : [illegible]

[illegible]
Director
DIN : [illegible]

[illegible]
Chief Financial Officer

[illegible]
Company Secretary

Place : Mumbai
Date : [illegible]

1. Corporate information

Motilal Oswal Financial Services Limited ("MOFSL" or 'the Holding Company') is a public limited company and incorporated under the provisions of Companies Act. The Company is domiciled in India and the addresses of its registered office and principal place of business are disclosed in the introduction to the annual report. The Holding Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

Motilal Oswal Financial Services Limited, its subsidiaries, associates and joint venture entities (collectively, the Group) are engaged in stock broking, asset management and mutual funds, private equity, investment banking, home finance, wealth management services, distribution of financial products, proprietary investments and other activities in financial services.

These consolidated financial statements contain financial information of the Group and were authorised for issue by the Board of Directors on 29 April 2021.

Information on the Group's structure is provided in note 56.

2. Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitherto in use.

2.1. Basis of preparation

(i) Compliance with Ind AS

The consolidated financial statements of the Group comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

Accounting policies have been applied consistently over all the periods presented in these consolidated financial statements.

(ii) Historical cost convention

The consolidated financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial instruments are measured at fair values;
- Assets held for sale – measured at fair value less cost to sell;
- Defined benefit plans – plan assets measured at fair value; and
- Share based payments – fair value as on the grant date

(iii) Preparation of consolidated financial statements

The Holding Company is covered in the definition of Non-Banking Financial Group as defined in Companies (Indian Accounting Standards) (Amendment) Rules, 2016. As per the Forms prescribed under Division III of Schedule III to the Companies Act, 2013 on 11 October 2018, the Holding Company presents the Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity in the order of liquidity. A maturity analysis of recovery or settlement of assets and liabilities within 12 months after the reporting date and more than 12 months after the reporting date is presented in note 54.

(iv) Use of estimates and judgements

The preparation of consolidated financial statements in conformity with Ind AS requires management to make estimates, judgements, and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities (including contingent liabilities) and disclosures as of the date of consolidated financial statements and the reported amounts of revenue and expenses for the reporting period. Actual results could differ from these estimates. Accounting estimates and underlying assumptions are reviewed on an ongoing basis and could change from period to period. Appropriate changes in estimates are recognized in the period in which the Group becomes aware of the changes in circumstances surrounding the estimates. Any revisions to accounting estimates are recognized prospectively in the period in which the estimate is revised and future periods. The estimates and judgements that have significant impact on carrying amount of assets and liabilities at each balance sheet date are discussed at note 5.

1.3. Principles of consolidation and equity accounting

(i) Subsidiaries

The consolidated financial statement has comprised financial statements of the Company and its subsidiaries, subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the financial statements of the Holding Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions within the Group are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, consolidated statement of changes in equity and balance sheet respectively. Statement of Profit and Loss including Other Comprehensive Income (OCI) is attributable to the equity holders of the Holding Company and to the non-controlling interest basis the respective ownership interest and such balance is attributed even if this results in controlling interest is having a deficit balance.

(ii) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see (iii) below), after initially being recognized at cost.

(iii) Equity method

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognized as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

(iv) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognized within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognized in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss.

If the ownership interest in an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognized in other comprehensive income are reclassified to profit or loss where appropriate.

2.5. Revenue Recognition

The Group recognizes revenue from contracts with customers based on a five step model as set out in Ind AS 115, Revenue from Contracts with Customers, to determine when to recognize revenue and at what amount. Revenue is measured based on the consideration specified in the contract with a customer. Revenue from contracts with customers is recognized when services are provided and it is highly probable that a significant reversal of revenue is not expected to occur.

Revenue is measured at fair value of the consideration received or receivable. Revenue is recognized when (or as) the Group satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

When (or as) a performance obligation is satisfied, the Group recognizes as revenue the amount of the transaction price (excluding estimates of variable consideration) that is allocated to that performance obligation.

The Group applies the five step approach for recognition of revenue:

- Identification of contract(s) with customers;
- Identification of the separate performance obligations in the contract;
- Determination of transaction price;
- Allocation of transaction price to the separate performance obligations; and
- Recognition of revenue when (or as) each performance obligation is satisfied.

(f) Brokerage fee income:
It is recognized on trade date basis and is exclusive of goods and service tax and securities transaction tax (STT) wherever applicable.

(g) Interest income:
Interest income on a financial asset at amortised cost is recognized on a time proportion basis taking into account the amount outstanding and the effective interest rate (EIR). The EIR is the rate that exactly discounts estimated future cash flows of the financial asset through the expected life of the financial asset or, where appropriate, a shorter period, to the net carrying amount of the financial instrument. The amortised cost of assets or financial asset after netting off the fees received and cost incurred approximates the effective interest rate method of return for the financial asset. The future cash flows are estimated taking into account all the contractual terms of the instrument.
The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit impaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for ECLs).

(h) Portfolio management fee income
Performance obligations are satisfied over a period of time and portfolio management fees are recognized in accordance with the Portfolio Management Agreement entered with respective clients, which is as follows:

a) Processing fees is recognized on upfront basis in the year of receipt;
b) Management fees is recognized as a percentage of the annualized net asset value at the end of each month;
c) Success based fees is recognized as a percentage of annual profit, in accordance with the terms of the agreement with clients on the completion of the period.

(i) Mutual fund management fee income
Performance obligations are satisfied over a period of time and mutual fund management fee is recognized on monthly basis in accordance with Investment Management Agreement and SEBI (Mutual Fund) Regulations, 1996, based on daily average assets under management (AUM) of the Schemes of Motilal Oswal Mutual Fund.

(j) Private equity fund management fee income
Performance obligations are satisfied over a period of time and private equity fund management fee is recognized on monthly basis in accordance with Private Placement Memorandum based on capital commitments / capital contributions of the Fund.

(k) Alternative investment fund management fee income
Performance obligations are satisfied over a period of time and alternate investment management fee is recognized on monthly basis in accordance with Private Placement Memorandum.

(m) Investment advisory fees
Performance obligations are satisfied over a period of time and investment advisory fee is recognized on monthly basis in accordance with the terms of the contract with the clients.

(n) Research and advisory fees
Performance obligations are satisfied over a period of time and investment advisory fee is recognized on monthly basis in accordance with the terms of the contract with the clients.

(o) Dividend income
Dividend income is recognized in the statement of profit or loss on the date that the Group's right to receive payment is established, it is probable that the economic benefits associated with the dividend will

flow to the entity and the amount of dividend can be reliably measured. This is generally when the shareholders approve the dividend.

2.4. Distribution cost

Portfolio Management Services
Distribution cost for Portfolio Management Services are charged to Statement of Profit and Loss on accrual basis. Distribution cost paid is amortized over the contractual period. On this account, an asset (prepaid expenses) is recognized at the time of actual payment or becoming due for payment and charged evenly to the Statement of Profit and Loss over the contractual period of the respective revenue.

Alternate Investment Fund Services
Distribution cost for Alternate Investment Fund Management Services are charged to Statement of Profit and Loss on accrual basis. On this account, an asset (prepaid expenses) is recognized at the time of actual payment or becoming due for payment and charged evenly to the Statement of Profit and Loss over the period of the scheme.

Fund related expenses

New fund offer expenses
Expenses relating to initial issue of Mutual Fund Schemes of the Fund are charged to the Statement of Profit and Loss in the year in which such expenses are incurred which is in compliance with SEBI (Mutual Funds) Regulations, 1996.

Recurring fund expenses
Expenses incurred (inclusive of advertisement / brokerage expenses) on behalf of schemes of Motilal Oswal Mutual Fund till 23rd October 2019 are recognized in the Statement of Profit and Loss unless considered recoverable from the schemes of the Fund in accordance with the provisions of SEBI (Mutual Fund) Regulations, 1996.

2.5. Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

Current Tax:
Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Current tax assets and current tax liabilities are off set where there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred Tax:
Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred tax is also not accounted for, if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.
Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax liabilities are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiaries and associates where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

2.6. Investment Property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not used by the group for business purposes, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

2.7. Leases

For any new contracts entered into on or after 1 April 2019, the Company considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. The Company assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Measurement and recognition of leases as a lessee
The Company has adopted Ind AS 116 "Leases" using the cumulative catch-up approach. Company has recognized Right-of-Use assets as at 1 April 2019 for leases previously classified as operating leases and measured at an amount equal to lease liability (adjusted for related prepayments/ accruals). The Company has discounted lease payments using the incremental borrowing rate for measuring the lease liability.

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected to the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to those are recognized as an expense in profit or loss on a straight-line basis over the lease term.

When the Company revises its estimate of the term of any lease, it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted using a revised discount rate. The carrying value of lease liabilities is similarly revised when the variable element of future

lease payments dependent on a rate or index is revised, except the discount rate remains unchanged. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term. If the carrying amount of the right-of-use asset is adjusted to zero, any further reduction is recognised in statement of profit and loss.

For contracts that both convey a right to the Company to use an identified asset and require services to be provided to the Company by the lessor, the Company has elected to account for the entire contract as a lease, i.e. it does allocate any amount of the contractual payments to, and account separately for, any services provided by the supplier as part of the contract.

2.8. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.9. Financial instruments

Initial recognition and measurement
Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset.

At initial recognition, the Group measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees and commissions. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit or loss. Immediately after initial recognition, an expected credit loss allowance (ECL) is recognised for financial assets measured at amortised cost.

When the fair value of financial assets and liabilities differs from the transaction price on initial recognition, the entity recognises the difference as follows:

a) When the fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets, the difference is recognised as a gain or loss.
b) In all other cases, the difference is deferred and the timing of recognition of deferred day one profit or loss is determined individually. It is either amortised over the life of the instrument, deferred until the instrument's fair value can be determined using market observable inputs, or realised through settlement.

When the Group revises the estimates of future cash flows, the carrying amount of the respective financial assets or financial liability is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognised in profit or loss.

Fair value of financial instruments
Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date regardless of whether that price is directly observable or estimated using another valuation technique.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in note 34.

Financial assets

(i) Classification and subsequent measurement

The Group has applied Ind AS 109 and classifies its financial assets in the following measurement categories:

- Fair value through profit or loss (FVTPL);
- Fair value through other comprehensive income (FVOCI); or
- Amortised cost

1. Financial assets carried at amortised cost

A financial asset is measured at the amortised cost if both the following conditions are met:
• The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
• Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss.

2. Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

All investments in equity instruments classified under financial assets are initially measured at fair value. The Group may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Group makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognised as revenue from operations in the Statement of Profit and Loss unless the Group has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'Revenue from operations' in the Statement of Profit and Loss.

3. Investments in mutual funds

Investments in mutual funds are measured at fair value through profit and loss (FVTPL).

(ii) Impairment
The Group recognises impairment allowances using Expected Credit Losses ("ECL") method on all the financial assets that are not measured at FVPTL.
ECL are probability-weighted estimate of credit losses. They are measured as follows:

- Financials assets that are not credit impaired – as the present value of all cash shortfalls that are possible within 12 months after the reporting date.
- Financials assets with significant increase in credit risk – as the present value of all cash shortfalls that result from all possible default events over the expected life of the financial assets.
- Financials assets that are credit impaired – as the difference between the gross carrying amount and the present value of estimated cash flows.

Financial assets are written off/fully provided for when there is no reasonable of recovering a financial asset in its entirety or a portion thereof.

However, financial assets that are written off could still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in the Statement of Profit and Loss.

(iii) Derecognition

A financial asset is derecognized only when:
The Group has transferred the rights to receive cash flows from the financial asset or retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Group has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Group has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Financial Liabilities

(i) Initial recognition and measurement

All financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs.

(ii) Subsequent measurement

Financial liabilities are subsequently measured at amortized cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

(iii) Derecognition

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

2.10. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

2.11. Financial guarantee contracts and loan commitments

Financial guarantee contracts are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a debt instrument. Such financial guarantees are given to banks, financial institutions and others on behalf of customers to secure loans, overdrafts and other banking facilities.

Financial guarantee contracts are initially measured at fair value and subsequently measured at the higher of:

- The amount of the loss allowance; and
- The premium received on initial recognition less income recognised in accordance with the principles of Ind AS 115.

2.12. Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition and installation of the assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value
Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful life prescribed under Schedule II to the Companies Act, 2013. The Group provides pro-rata depreciation from the month of installation till date the assets are sold or disposed. Leasehold improvements are amortised over the term of underlying lease.

Assets	Useful life
Building	60 years
Furniture and Fixtures	10 years
Office Equipments	5 years
Computers and Network Equipments	3 to 6 years
Plant and Machinery	15 years
Electrical Equipments	10 years
Vehicles	8 to 10 years
Leasehold Improvements	Over the primary lease period or useful life Whichever is less.

Derecognition
The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognised in the statement of profit and loss when the asset is derecognised.

2.13. Intangible assets

Measurement at recognition:
Intangible assets are recognised where it is probable that the future economic benefit attributable to the assets will flow to the Group and its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortisation and impairment, if any.

Expenditure incurred on acquisition/development of intangible assets which are not put/ready to use at the reporting date is disclosed under intangible assets under development. The Group amortises intangible assets on a straight line basis over the five years commencing from the month in which the asset is first put to use. The Group provides pro-rata amortisation from the day the asset is put to use.

Asset	Useful life
Computer Software	5 years
Licenses	Over the license period

Derecognition:
The carrying amount of an intangible asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognised in the statement of profit and loss when the asset is derecognised.

2.14. Impairment of non-financial assets

At each reporting date, the Group assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. The recoverable amount of asset is the higher of its value in use or its fair value. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects the current market assessment of time value of money and the risks specific to it. If each recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognized in the statement of profit and loss. All assets are subsequently reassessed for indications that an impairment loss previously recognized may no longer exist. An impairment loss is reversed if there has been a change in estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the assets carrying amount would have been determined, net of depreciation or amortisation, had no impairment loss been recognized.

2.15. Provisions and contingencies:

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost. Expected future operating losses are not provided for.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

2.16. Employee benefits

a) Short-term obligations

Short term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related services are rendered. The Group recognizes the cost of bonus payments when it has a present obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made.

(ii) Post-employment obligations

Defined contribution plan
Contributions paid/payable to the recognized provident fund, which is a defined contribution scheme, is charged to the Statement of Profit and Loss in the period in which they accrue.

Defined benefit plan
Gratuity is post-employment benefit and is in the nature of defined benefit plan. The liability recognized in the Balance Sheet in respect of gratuity is the present value of defined benefit obligation at the Balance Sheet date together with the adjustments for unrecognized actuarial gain or losses and the past service costs. The defined benefit obligation is calculated at or near the Balance Sheet date by an independent actuary using the projected unit credit method. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

(iii) Other long-term employee benefit obligations

Heritage club benefit

Heritage club benefits are recognized as liability at the present value of defined benefits obligation as at the Balance Sheet date. The defined obligation benefit is calculated at the Balance Sheet date by an independent actuary using the projected unit credit method.

Compensated absences

The Group does not have a policy of encashment of unavailed leaves for its employees but are permitted to carry forward subject to a prescribed maximum days. Provision is made for expected cost of accumulating compensated absences as a result of unused leave entitlement which has accumulated at at the balance sheet date.

2.17. Share-based payments

Employee Stock Option Scheme (ESOS)

The Employee Stock Options Scheme ("the Scheme") has been established by the Group. The Scheme provides that employees are granted an option to subscribe to equity shares of the Group that vest on the satisfaction of vesting conditions. The fair value of options granted under ESOS is recognized as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted excluding the impact of any service conditions. Information about the valuation techniques and inputs used in determining the fair value of options disclosed in note 51.

The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimate of the number of options that are expected to vest based on the service conditions. It recognizes the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

2.18. Foreign currency translation

(i) Functional and presentation currency

Items included in consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates ('the functional currency'). The consolidated financial statements are presented in Indian rupee (INR), which is Group's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognized in profit or loss.

2.19. Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.20. Earnings per share

a) Basic earnings per share

Basic earnings per share is calculated by dividing the net profit for the period (including other comprehensive income) attributable to equity share holders of the Group by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus element in equity shares issued during the year.

b) Diluted earnings per share

Diluted earnings per share is computed by dividing the net profit for the period attributable to equity shareholders by the weighted average number of shares outstanding during the period as adjusted for the effects of all dilutive potential equity shares except where the results are anti-dilutive.

2.21. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker of the Group.

The power to assess the financial performance and position of the Group and make strategic decisions is vested in the managing director who has been identified as the Chief Operating Decision Maker.

The primary business of the Group comprises of "Broking and other related activities", "Fund based activities", "Asset Management and Advisory", "Investment Banking services" and "Home Finance". The business segments have been identified considering the nature of services, the differing risks and returns, the organization structure and the internal financial reporting system. Broking and other related activities includes Broking services to clients, research and advisory services, financial product distribution, depository services. Fund based activities include investment activities (Investment in securities and property) and financing activity. Asset management and advisory includes fee based services for management of assets, Investment Banking represents results of raising financial capital by underwriting or acting as the client's agent in the issuance of securities. Home Finance represents interest and other related income from affordable housing finance business.

2.22. Rounding of amounts

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest lakhs as per the requirements.

2.23. Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the consolidated financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

2.24. Recent accounting developments

On 24 March 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments cover Division I, II and III of Schedule III and are applicable from 01 April 2021. Key amendments relating to Division III which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Statement of changes in equity: Disclosure shall be made regarding the changes in equity due to prior period errors and restated balance at the beginning of the reporting year and similarly disclose the same for the previous reporting period. Additionally, the details of other equity shall also be given for prior reporting period.

- Disclosure of shareholding of all promoters: A company shall now be required to disclose the shareholding of all promoters. The details shall include change in shareholding when plans during the year. The meaning of the promoter has to be taken from the definition provided in the Companies Act, 2013 which is different from the definition provided in the SEBI (ICDR) Regulations, 2009.

- Ageing Schedule: Companies are required to disclose ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development in specified format prescribed under amendment.

- Disclosure related to funds borrowed from banks and financial institutions: If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then a disclosure providing details of utilisation of funds shall also be required to be provided.

- Revaluation of property: The reconciliation of gross and net carrying amount of both intangible and tangible assets at the beginning and end of the reporting period, along with other separate disclosures related to additions, disposals, acquisitions, depreciation, impairment, etc. shall also disclose separately details related to the amount of change due to revaluation, where there is a change of more than 10% in aggregate of the net carrying amount of the asset.

The company is also required to disclose whether the property, plant or equipment has been revalued by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

- Specific disclosure: Amendment requires to disclose transactions/ events under various additional regulatory requirements such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held, etc.

Statement of profit and loss:

Additional disclosures relating to Corporate Social Responsibility (CSR), unhedged income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the financial statements.
The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

3. Key accounting estimates and judgements:

The preparation of consolidated financial statements requires management to make judgements, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimates and judgements based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.

Information about critical judgements in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

(a) Provision and contingent liability: On an ongoing basis, Group reviews pending cases, claims by third parties and other contingencies. Contingent losses that are considered probable, an estimated loss is recorded in an account in consolidated financial statements. Loss Contingencies that are considered possible are not provided this but disclosed as Contingent liabilities in the consolidated financial statements. Contingencies the likelihood of which is remote are not disclosed in the consolidated financial statements. Gain contingencies are not recognized until the contingency has been resolved and amounts are received or receivable.

(b) Allowance for impairment of financial asset: Judgements are required in assessing the recoverability of overdue loans and determining whether a provision against those loans is required. Factors considered include the aging of past dues, value of collateral and any possible actions that can be taken to mitigate the risk of non-payment.

(c) Recognition of deferred tax assets – Deferred tax assets are recognized for unused tax-loss carryforwards and unused tax credits to the extent that realisation of the related tax benefit is probable. The assessment of the probability with regard to the realisation of the tax benefit involves assumptions based on the history of the entity and budgeted data for the future.

(d) Defined benefit plans – The cost of defined benefit plans and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long – term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(e) Stock based compensation – The Group account for stock-based compensation by measuring and recognizing as compensation expense the fair value of all share-based payment awards made to employees based on estimated grant date fair values. The determination of fair value involves a number of significant estimates. The Group uses the Black Scholes option pricing model to estimate the value of employee stock options which requires a number of assumptions to determine the model inputs. These include the expected volatility of Group's stock and employee exercise behaviour which are based on historical data as well as expectations of future developments over the term of the option. As stock-based compensation expense is based on awards ultimately expected to vest. Management's estimate of exercise is based on historical experience but actual exercise could differ materially as a result of volatility

employee actions and revaluatory actions which would result in significant change in our stock-based compensation expense estimate in the future.

(f) Property, plant and equipment and Intangible Assets : Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values as per schedule II of the Companies Act, 2013 or are based on the Group's historical experience with similar assets and taking into account anticipated technological changes, whichever is more appropriate.

(g) Leases : The Group evaluates if an arrangement qualifies to be a lease as per IND AS 116.
- The Group determines lease term as a non-cancellable period of a lease, together with both the period covered by an option to extend the lease if the Company is reasonably certain to exercise lease options.
- The determination of the incremental borrowing rate used to measure lease liabilities.

[illegible]

[illegible]

(All amounts are in [illegible] Lakhs, unless otherwise stated)

Note 9 : Cash and cash equivalents	As at [illegible]	As at [illegible]
Cash on hand	[illegible]	[illegible]
Balances with banks:		
In current accounts	[illegible]	[illegible]
Cheques in hand	[illegible]	
Fixed deposit with bank (maturity within 3 months)	[illegible]	[illegible]
	[illegible]	[illegible]

Note 9 : Bank balances other than cash and cash equivalents	As at [illegible]	As at [illegible]
Fixed deposits with original maturity more than 3 months but less than 12 months*	[illegible]	[illegible]
Fixed deposits with original maturity more than 12 months*	[illegible]	[illegible]
Accrued interest on fixed deposits (maturity more than 12 months)	[illegible]	[illegible]
Unpaid dividend accounts	[illegible]	[illegible]
	[illegible]	[illegible]

*Fixed deposits of Rs. [illegible] lakhs are pledged with exchange and banks for securing margin requirements and for obtaining bank guarantees respectively.

Note 8: Receivables	As at [illegible]	As at [illegible]
(a) Trade receivables		
(i) Secured, considered good*	[illegible]	[illegible]
(ii) Unsecured, considered good	[illegible]	[illegible]
Less : Allowance for impairment losses	[illegible]	[illegible]
	[illegible]	[illegible]
(b) Other receivables		
(i) Others	[illegible]	[illegible]
	[illegible]	[illegible]
	[illegible]	[illegible]

* Secured against securities given as collateral by the customer.

1) Trade receivables are recognized initially at fair value and subsequently measured at amortized cost less loss allowances. The Group applies the Ind AS 109 simplified approach in measuring expected credit losses (ECL) for trade receivables as an amount equal to lifetime ECLs. The ECLs on trade receivables are calculated based on actual historic credit loss experience over the preceding three to five years on the total balance of non-credit impaired trade receivables. The Group considers a trade receivable to be credit impaired when one or more detrimental events have occurred, such as significant financial difficulty of the client or it becoming probable that the client will enter bankruptcy or other financial reorganization. When a trade receivable is credit impaired, it is written off against trade receivables and the amount of the loss is recognized in the profit and loss statement. Subsequent recoveries of amounts previously written off are credited to the income statement. In line with the Group's financial regulations, and after consideration of material credit exposures, the Group does not expect to incur any credit losses and has not recognized any ECLs in the current year.

2) No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

3) Trade receivables in case of the Group includes Rs. [illegible] Lakhs (Previous year Rs. [illegible] Lakhs) receivable from National Spot Exchange Limited on behalf of customers and the same is also shown as Other Trade payable in statement of Rs. [illegible] Lakhs (Previous year Rs. [illegible] Lakhs) which will become due only on receipt from National Spot Exchange Limited.

[illegible]

[illegible]

Note 7 - Loans	As at [illegible]	As at [illegible]
(A) Loans [illegible]		
[illegible]	[illegible]	[illegible]
[illegible]		[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total (A) Gross	[illegible]	[illegible]
Less : [illegible]	[illegible]	[illegible]
Total (A) Net	[illegible]	[illegible]
(B) Secured/Unsecured		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total (B) Gross	[illegible]	[illegible]
Less : [illegible]	[illegible]	[illegible]
Total (B) Net	[illegible]	[illegible]
(C) Loans in India		
[illegible]		
Others	[illegible]	[illegible]
Total (C) Gross	[illegible]	[illegible]
Less : [illegible]	[illegible]	[illegible]
Total (C) Net	[illegible]	[illegible]

Loans book and ECL Movement Note :

[illegible]

Particulars	As at [illegible]	As at [illegible]
Opening	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Closing	[illegible]	[illegible]

[illegible]

Particulars	As at [illegible]	As at [illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Closing	[illegible]	[illegible]

[illegible]

Particulars	As at [illegible]	As at [illegible]
Opening	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Closing	[illegible]	[illegible]

[illegible]

Particulars	As at [illegible]	As at [illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Closing	[illegible]	[illegible]

[illegible]

[illegible]

[illegible]

Sr. No.	Particulars	As at [illegible]		As at [illegible]	
		[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]				
	[illegible]				
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]				
[illegible]	[illegible]				
	[illegible]				
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]				
[illegible]	[illegible]				
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]				
[illegible]	[illegible]				
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

Sr. No.	Particulars	As at [illegible]		As at [illegible]	
		[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Sr. No.	Particulars	As at 31 March 2021		As at 31 March 2020	
		Quantity	Amount	Quantity	Amount
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	(b) Bonds/ Debentures (Fully paid)				
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]

(All amounts are in [illegible] unless otherwise stated)

Note 9 : Other financial assets	As at [illegible]	As at [illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]

[illegible]

Note 10 : [illegible]	As at [illegible]	As at [illegible]
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]

Note 11 : [illegible]	As at [illegible]	As at [illegible]
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]

[illegible]

[illegible]

[illegible]

Note [illegible] - Property, plant and equipment

Particulars	Gross Block				Depreciation / Amortisation				Net Block	
	Balance as at [illegible]	Additions	Disposal	Balance as at [illegible]	Balance as at [illegible]	Charge for the year	Disposal	Balance as at [illegible]	Balance as at [illegible]	Balance as at [illegible]
(a) Property, plant and equipment										
Land	[illegible]	-	-	[illegible]	-	-	-	-	[illegible]	[illegible]
Building	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]
Plant and machinery	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]
Furniture and fittings	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]
Vehicles	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]
Office equipments	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]
Right of use (Refer Footnote)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]
Total (a)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]
(b) Other intangible assets										
Goodwill	[illegible]	-	-	[illegible]	-	-	-	-	[illegible]	[illegible]
Computer software	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	[illegible]	-	-
Licenses rights	[illegible]	-	-	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]
Patent Rights	[illegible]	-	-	[illegible]	-	-	-	-	-	-
Licenses	[illegible]	-	-	[illegible]	-	-	-	-	-	-
Total (b)	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]
Total (a) + (b)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Particulars	Gross Block				Depreciation / Amortisation				Net Block	
	Balance as at [illegible]	Additions	Disposal	Balance as at [illegible]	Balance as at [illegible]	Charge for the year	Disposal	Balance as at [illegible]	Balance as at [illegible]	Balance as at [illegible]
(a) Property, plant and equipment										
Land	[illegible]	-	-	[illegible]	-	-	-	-	[illegible]	[illegible]
Building	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Plant and machinery	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]
Furniture & fittings	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]
Vehicles	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]
Office equipments	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]
Right of use (Refer Footnote)	-	[illegible]	[illegible]	[illegible]	-	[illegible]	-	[illegible]	-	-
Total (a)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
(b) Intangible assets under development	[illegible]	-	[illegible]	-	-	-	-	-	-	-
(c) Other intangible assets										
Goodwill	[illegible]	-	-	[illegible]	[illegible]	-	-	[illegible]	-	-
Computer software	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	[illegible]	-	-
Licenses rights	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	-
Patent Rights	-	-	-	-	-	-	-	-	-	-
Licenses	[illegible]	-	-	[illegible]	[illegible]	-	-	[illegible]	-	-
Total (c)	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]
Total (a) + (b) + (c)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

* [illegible]

[illegible] Financial Services Limited

Statement of significant accounting policies and other explanatory information to the consolidated financial statements

(All amounts are in INR Lakhs, unless otherwise stated)

Note 13 : Other non-financial assets	As at [illegible]	As at [illegible]
Prepaid expenses	[illegible]	[illegible]
Advances and other non-financial assets	[illegible]	[illegible]
Balances with statutory authorities	[illegible]	[illegible]
Stock of stamps	-	-
Right to future pending securitisation	[illegible]	[illegible]
Capital advances	[illegible]	[illegible]
	[illegible]	[illegible]

Note 14 : Payables	As at [illegible]	As at [illegible]
(I) Trade payables		
total outstanding dues of Micro and small enterprises*	-	-
total outstanding dues of creditors other than micro, small and medium enterprises	[illegible]	[illegible]
	[illegible]	[illegible]

*Dues to Micro and Small Enterprises

The dues to micro and small Enterprises have been identified on the basis of the information provided by the vendors to the Company.

	As at [illegible]	As at [illegible]
The principal amount remaining unpaid at the end of the year	-	-
The interest amount remaining unpaid at the year end	-	-
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the year (where the principal has been paid but interest under the MSMED Act, 2006 not paid)	-	-
The amount of interest accrued and remaining unpaid at the year end	-	-
The amount of further interest due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowance as a deductible expenditure under	-	-
The balance of MSMED payable as at the year end	-	-
	-	-

The space is intentionally left blank

[illegible]

[illegible]

Note 16 - Debt securities	As at [illegible]	As at [illegible]
At amortised cost		
Secured		
Secured redeemable non convertible debentures	[illegible]	[illegible]
Unsecured		
Unsecured redeemable non convertible debentures	[illegible]	[illegible]
Commercial paper	[illegible]	[illegible]
	[illegible]	[illegible]
Debt securities in India	[illegible]	[illegible]
Debt securities Outside India	-	-
	[illegible]	[illegible]

Note 17 - Borrowings (Other than debt securities)	As at [illegible]	As at [illegible]
At amortised cost		
Term loans		
(From banks)*	[illegible]	[illegible]
(a) Term Transformation	[illegible]	-
(b) Term CSGF Scheme	[illegible]	
(c) Term other parties	[illegible]	[illegible]
Demand loans		
(From banks)*	[illegible]	[illegible]
(Other other parties	[illegible]	[illegible]
Cash credit from banks #	[illegible]	[illegible]
Total (A)	[illegible]	[illegible]
Borrowings in India	[illegible]	[illegible]
Borrowings outside India	-	-
Total (B)	[illegible]	[illegible]
Secured	[illegible]	[illegible]
Unsecured	[illegible]	[illegible]
Total (C)	[illegible]	[illegible]

*Secured loans from banks and other parties are secured against the property, plant and equipment and trade receivables of the company respectively.

Cash credit from banks of Rs [illegible] lakhs represents debit balances in cash credit accounts as at 31 March 2020

[illegible]

[illegible]

[illegible]

As at 31 March [illegible]

NSDL Scrips	Units	Amount	Security provided	Change %	Rate of interest	Maturity date
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Shachi Gland Financial Services Limited

Summary of significant accounting policies and other explanatory information to the consolidated financial statements

(All amounts are in INR Lakhs unless otherwise stated)

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Grand Total	**[illegible]**	**[illegible]**				

As on 31 March 2020

INCE Series	Coupon	Amount	Security provided	Charge %	Rate of Interest	Maturity date
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Shaghal Grand Financial Services Limited

Summary of significant accounting policies and other explanatory information to the consolidated financial statements

(All amounts are in BDT, Lakhs, unless otherwise stated)

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Grand Total	[illegible]	[illegible]				

Note: [illegible]

The gist is mentioned left blank

[illegible]

[illegible]

Unsecured Debentures and Bonds As at 31 March 2021

Interest Rate	Amounts
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
Total	[illegible]

Unsecured Debentures and Bonds As at 31 March 2020

Interest Rate	Amounts
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
Total	[illegible]

Note: Acceptance includes includes Unsecured borrowing cost in INR. and 90 lact rupees(as at 31 March 2021 and 31 March 2020)

a) Term of Revision of cash credit is [illegible] (Marginal cost of funds based Lending Rate) + 3% and is secured by way of hypothecation of receivables. Further, these are repayable on demand.

b) Securitisation liability represents amounts received in respect of securitisation transactions (net of repayments & prepayments thereon) on their assignments do not meet the derecognition criteria specified under Ind AS. These are secured by way of hypothecation of designated assets on Pari-passu basis/ratio.

c) Terms of repayment of term loans

As at 31 March 2021

(a) Terms of repayment of term loans

(i) Term loans from banks, NBFC and others

Particulars	0-1 years	1-2 years	2-5 years	> 5 years	Total
Rate of interest					
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

(b) Terms of repayment of securitisation liability

Particulars	0-1 years	1-2 years	2-5 years	> 5 years	Total
Rate of interest					
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

As at 31 March 2020

(a) Terms of repayment of term loans

Term Loans from banks, NBFC and others

Particulars	0-1 years	1-2 years	2-5 years	> 5 years	Total
Rate of interest					
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]				[illegible]
Total	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

* Secured against hypothecation of receivables (i.e. loans and advances/Book asset as at 31)

** Secured against sale of mutual funds and equivalent lien of shares and securities and repayable on demand.

[illegible]

[illegible]

[illegible]

Note 17 : Deposits	As at [illegible]	As at [illegible]
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]

Note 18 : Other financial liabilities	As at [illegible]	As at [illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

Note 19 [illegible]	As at [illegible]	As at [illegible]
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]

Note 20 : Provisions	As at [illegible]	As at [illegible]
For employee benefits		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]

Note 21 : Deferred tax liabilities (net)	As at [illegible]	As at [illegible]
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]

Note 22 : Other non financial liabilities	As at [illegible]	As at [illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]

[illegible]

[illegible]

[illegible]

Note 17 Equity share capital

Particulars	[illegible]		[illegible]	
	Number	Amount	Number	Amount
Authorised shares				
Equity shares of Rs. 1 each [previous year Rs. 1 each]	[illegible]	[illegible]	[illegible]	[illegible]
Preference shares of Rs. 100 [Previous year Rs. 100 each]	[illegible]	[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]	[illegible]	[illegible]
Issued and subscribed				
Equity shares of Rs. 1 each	[illegible]	[illegible]	[illegible]	[illegible]
Paid up				
Equity shares of Rs. 1 each fully paid up [previous year Rs. 1 each]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]				
Total	[illegible]	[illegible]	[illegible]	[illegible]

a) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year

Particulars	[illegible]		[illegible]	
	Number	Amount	Number	Amount
Outstanding at the beginning of the year	[illegible]	[illegible]	[illegible]	[illegible]
Stock options exercised under the ESOS	[illegible]	[illegible]	[illegible]	[illegible]
Preferential issue*	-	-	[illegible]	[illegible]
Buyback	[illegible]	[illegible]	-	-
Outstanding at the end of the year	[illegible]	[illegible]	[illegible]	[illegible]

* [illegible]

b) Terms/rights attached to shares:

Equity shares

The Company has one class of equity shares having a par value of Rs. 1 each [previous year having a par value of Rs. 1 each]. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive pro rata of the remaining assets of the Company, after distribution of all the preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting.

During the year ended 31 March 2021, dividend recognised as distribution to equity shareholders was Rs. [illegible] per share [including of interim dividend of Rs. [illegible] per share] [previous year ended 31 March 2020: [illegible] per share [including of interim dividend of Rs. [illegible] per share]]. The total dividend recognised amounts to Rs. [illegible] [illegible] [previous year Rs. [illegible]] [illegible] [illegible] [illegible

[illegible]

[illegible]

(All amounts are in [illegible] unless otherwise stated)

Note [illegible] Other equity

	As at [illegible]	As at [illegible]
(i) Reserves and surplus:		
a) Statutory reserve		
Balance at the beginning of the year	[illegible]	[illegible]
Add: Transfer from Statement of Profit and Loss for the year	[illegible]	[illegible]
Balance as at end of the year	[illegible]	[illegible]
b) Capital redemption reserve		
Balance at the beginning of the year	[illegible]	[illegible]
Add: Transfer from Statement of Profit and Loss for the year	[illegible]	-
Balance as at end of the year	[illegible]	[illegible]
c) Securities premium		
Balance at the beginning of the year	[illegible]	[illegible]
Addition during the year on issuance of Share [illegible]	[illegible]	[illegible]
Add: Transfer from Employee stock option reserve	[illegible]	[illegible]
Less: Expenses of shares	[illegible]	
Balance as at end of the year	[illegible]	[illegible]
d) Employee stock options outstanding reserve		
Balance at the beginning of the year	[illegible]	[illegible]
Addition during the year	[illegible]	[illegible]
Less: Transfer to securities premium account	[illegible]	[illegible]
Balance as at end of the year	[illegible]	[illegible]
e) Capital reserve on consolidation		
Balance at the beginning of the year	[illegible]	[illegible]
Balance as at end of the year	[illegible]	[illegible]
f) General reserve		
Balance at the beginning of the year	[illegible]	[illegible]
Add: Transfer to deferred employee reserve	-	[illegible]
Balance as at end of the year	[illegible]	[illegible]
g) Deferred employee reserve		
Balance at the beginning of the year	-	[illegible]
Add: Transfer from general reserve	-	[illegible]
Balance as at end of the year	-	-
h) Foreign currency translation reserve		
Balance at the beginning of the year	[illegible]	[illegible]
Addition during the period	[illegible]	[illegible]
Balance as at end of the year	[illegible]	[illegible]
i) Amalgamation reserve		
Balance at the beginning of the year	[illegible]	-
Add: Transferred from statement of profit and loss	-	[illegible]
Balance as at end of the year	[illegible]	[illegible]
j) Retained earnings		
Balance at the beginning of the year	[illegible]	[illegible]
Add: Net profit for the year	[illegible]	[illegible]
Less: Proposed dividend	-	[illegible]
Less: Interim dividend	[illegible]	[illegible]
Less: Dividend distribution tax	-	[illegible]
Less: Transfer to Statutory Reserve	[illegible]	[illegible]
Less: Tax on buyback	[illegible]	
Less: IFCL provision reserve	-	[illegible]
Less: Transfer to General Reserve	-	[illegible]
Less: Transfer to Capital Redemption reserve	-	-
Add: Impact due to transition to Ind AS	-	-
Less: Amount Reserve Bank Office	[illegible]	[illegible]
Balance as at end of the year	[illegible]	[illegible]

(g) Other comprehensive income		
Balance at the beginning of the year	[illegible]	[illegible]
Add: Other comprehensive income for the year	[illegible]	[illegible]
	[illegible]	[illegible]
	[illegible]	[illegible]

Nature and purpose of Other Reserves :

Statutory Reserve
The Company maintains a statutory fund in accordance with the provisions of section 29C of the National Housing Bank Act, 1987 and section 45-IC of the Reserve Bank of India Act, 1934 and transfers an amount of [illegible] percent of its net profit of the year before declaration of dividend.

Capital Redemption Reserve
The capital redemption reserve is created to the extent towards redemption of preference shares. The reserve will be utilized in accordance with provisions of the Act.

Securities Premium
Securities premium account is use to record the premium received on issue of shares. The reserve will be utilized in accordance with the provisions of the Act.

Employee stock options outstanding reserve
Share options outstanding account is used to recognize the grant date fair value of equity-settle instruments issued to employees under the stock option scheme of the company.

Capital reserve on consolidation
Capital reserve is the excess of net asset value over cost of consideration paid.

General reserve
The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from retained earnings of equity in another and is not free of other comprehensive income, items included in the general reserve will not be reclassified subsequently to statement of profit and loss. general reserve is used to transfer to debenture redemption reserve.

Debenture redemption reserve
Debenture Redemption Reserve is created as per Rule 18(7)(b)(ii) of Companies (Share Capital and Debentures) Rules, 2014, the rules should be created before redemption of Non-convertible debentures series. Debenture Redemption Reserve is being created by transferring from general reserve.

Foreign currency translation reserve
Foreign currency translation reserve is created out of Exchange differences in translating the financial statements of foreign operations.

Impairment reserve
Where impairment allowance under Ind. AS 109 is lower than the provisioning required under prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) (including standard asset provisioning), NBFCs shall appropriate the difference from their net profit or loss after tax to a separate "Impairment Reserve". The balance in the "Impairment Reserve" shall not be reduced for regulatory capital. Further, any withdrawals shall be permitted from the reserve without prior permission from the Department of Supervision, RBI.

Retained earnings
Retained earnings represents accumulated profits of the company.

Other comprehensive income
Other comprehensive income consists of cumulative gains net of tax, the valuation of equity instruments measured at fair value through other comprehensive income and remeasurement gains/loss on defined benefit plan.

[illegible]

[illegible]

Note [illegible] : [illegible]	For the year ended 31 March [illegible]	For the year ended 31 March [illegible]
On financial assets measured at amortised cost		
Interest Income on Loans		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Interest Income on other activity		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Interest on deposit with banks		
[illegible]		[illegible]
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]

Note [illegible] : Dividend Income	For the year ended 31 March [illegible]	For the year ended 31 March [illegible]
Dividend Income	[illegible]	[illegible]
	[illegible]	[illegible]

Note [illegible] : Rental Income	For the year ended 31 March [illegible]	For the year ended 31 March [illegible]
Rent Income	[illegible]	[illegible]
	[illegible]	[illegible]

Note [illegible] : [illegible]	For the year ended 31 March [illegible]	For the year ended 31 March [illegible]
Brokerage and related activities		
Brokerage income	[illegible]	[illegible]
Research and advisory fees	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]
Investment banking fees	[illegible]	[illegible]
Asset management and advisory fees		
Portfolio management fees	[illegible]	[illegible]
Investment management and advisory fees from :		
- Mutual fund	[illegible]	[illegible]
- Alternate investment funds	[illegible]	[illegible]
- Private equity	[illegible]	[illegible]
Wealth management	[illegible]	[illegible]
	[illegible]	[illegible]
	[illegible]	[illegible]

[illegible]

[illegible]

(All amounts are in INR Lakhs unless otherwise stated)

Note 29: Net gain / (loss) on fair value changes	For the year ended 31 March 2021	For the year ended 31 March 2020
On financial instruments designated at fair value through profit or loss	[illegible]	[illegible]
	[illegible]	[illegible]
Fair Value changes:		
Realised	[illegible]	[illegible]
Unrealised	[illegible]	[illegible]
	[illegible]	[illegible]
Net gain on fair value changes recognised in		
Fund based activities	[illegible]	[illegible]
Brokerage and related activities	[illegible]	[illegible]
Asset management and advisory fees	[illegible]	[illegible]
Processing fees	[illegible]	[illegible]
	[illegible]	[illegible]

Note 30 : Other operating income	For the year ended 31 March 2021	For the year ended 31 March 2020
Exchange and operating income	[illegible]	[illegible]
Investment banking fees	-	[illegible]
Asset management fees	[illegible]	[illegible]
Fund based income	[illegible]	[illegible]
Processing fees related	[illegible]	[illegible]
	[illegible]	[illegible]

Note 31 : Other income	For the year ended 31 March 2021	For the year ended 31 March 2020
Profit on sale of property, plant and equipment	-	[illegible]
Interest income	[illegible]	[illegible]
Other non operating income	[illegible]	[illegible]
Exchange gain/(loss)	[illegible]	[illegible]
Net gain on foreign currency transaction and translation	[illegible]	-
	[illegible]	[illegible]
	[illegible]	[illegible]

Note 32 : Finance cost	For the year ended 31 March 2021	For the year ended 31 March 2020
On Financial liabilities measured at Amortised Cost		
Interest on borrowings	[illegible]	[illegible]
Interest on debt securities	[illegible]	[illegible]
Other borrowing cost	[illegible]	[illegible]
Interest on lease liability (refer note 48)	[illegible]	[illegible]
	[illegible]	[illegible]

[illegible]

[illegible]

Note [illegible] : Fees and commission expense	For the year ended [illegible]	For the year ended [illegible]
	[illegible]	[illegible]
Brokerage sharing with business partners		
Banking	[illegible]	[illegible]
Wealth management	[illegible]	[illegible]
	[illegible]	[illegible]
Placement fees		
Private equity	[illegible]	[illegible]
	[illegible]	[illegible]
Depository and processing charges		
Banking	[illegible]	[illegible]
Asset management	[illegible]	[illegible]
	[illegible]	[illegible]
Distribution cost and upfront expense		
Portfolio management services	[illegible]	[illegible]
Alternative investment fund	[illegible]	[illegible]
	[illegible]	[illegible]
Advisory referral and other expenses		
Banking	[illegible]	[illegible]
Private equity	[illegible]	[illegible]
	[illegible]	[illegible]
	[illegible]	[illegible]

Note [illegible] : Depreciation on financial instruments	For the year ended [illegible]	For the year ended [illegible]
	[illegible]	[illegible]
Depreciation on financial instruments at amortised cost		
Loans (also refer note [illegible])	[illegible]	[illegible]
Investments (also refer note [illegible])	[illegible]	[illegible]
	[illegible]	[illegible]

Note [illegible] : Employee benefits expense	For the year ended [illegible]	For the year ended [illegible]
	[illegible]	[illegible]
Salary, bonus and allowances	[illegible]	[illegible]
Contribution to gratuities fund and other benefits	[illegible]	[illegible]
Expenses on employee stock option scheme (also refer note [illegible])	[illegible]	[illegible]
Staff welfare expenses	[illegible]	[illegible]
Gratuity (also refer note [illegible])	[illegible]	[illegible]
	[illegible]	[illegible]

Note [illegible] : Depreciation and amortisation expenses	For the year ended [illegible]	For the year ended [illegible]
	[illegible]	[illegible]
Depreciation on Property, plant & equipment	[illegible]	[illegible]
Amortisation on other intangible assets	[illegible]	[illegible]
Depreciation on leasehold (Refer note [illegible])	[illegible]	[illegible]
	[illegible]	[illegible]

Note 31 : Other expenses	For the year ended 31 March 2020	For the year ended 31 March 2019
Rates and taxes	[illegible]	[illegible]
Rent (also refer note 41)	[illegible]	[illegible]
Insurance	[illegible]	[illegible]
Repairs and maintenance	[illegible]	[illegible]
Computer repairs and maintenance	[illegible]	[illegible]
Legal and professional charges	[illegible]	[illegible]
Remuneration to auditors (also refer note 46)	[illegible]	[illegible]
Membership and subscriptions	[illegible]	[illegible]
Fine penalties charges	[illegible]	[illegible]
Marketing and brand promotion expenses	[illegible]	[illegible]
Administrative expenses	[illegible]	[illegible]
Printing and stationery	[illegible]	[illegible]
Power and fuel	[illegible]	[illegible]
Communication expenses	[illegible]	[illegible]
Travelling and conveyance expenses	[illegible]	[illegible]
Donations	[illegible]	[illegible]
Corporate social responsibility expenses (also refer note 45)	[illegible]	[illegible]
Miscellaneous expenses	[illegible]	[illegible]
Foreign exchange fluctuation	[illegible]	[illegible]
SEBI registration fees	[illegible]	[illegible]
Miscellaneous expenses	[illegible]	[illegible]
	[illegible]	[illegible]

(The plus is continued on next page)

Note - 30.1 Tax expense

The Company has some accounting in the state applicable in India. Since some are recorded in the income statement and when is more payable for the reporting period (current year), but there is zero exchange or work relating to the payable for those periods due to income or expenses being recognized in a different period for tax and accounting purposes (deferred tax). Tax is charged or credit when the tax benefit towards the cumulative income statement [illegible] current or deferred plans. The Company provides for current tax according to the tax laws of India using tax rates that have been enacted or substantively enacted by the balance sheet date. Management periodically evaluates positions taken in tax returns in respect of situations in which applicable tax regulations is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities. Deferred tax is provided, using the liability method, on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax is recognized in respect of all temporary differences that have originated but not reversed by the balance sheet date, where transaction or event that results in an obligation to pay more tax in the future or a right to pay less tax in the future has occurred at the balance sheet date. A deferred tax asset is recognized when it is considered recoverable and provision recognized only when, on the basis of all available evidence, it can be regarded as probable that there will be taxable income against which to recover carried forward tax losses and tax credits which the future reversal of underlying temporary differences can be deducted. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the temporary differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Current tax expense		
Current tax for the year	[illegible]	[illegible]
Total current tax expense	[illegible]	[illegible]
Deferred taxes		
Change in deferred tax liabilities	[illegible]	[illegible]
Net deferred tax expense	[illegible]	[illegible]
Short (excess) provision for earlier years	[illegible]	[illegible]
	[illegible]	[illegible]
Tax recognized in other comprehensive income		
Particulars		
Remeasurements of defined benefit plan	[illegible]	[illegible]
Equity instruments through other comprehensive income	[illegible]	[illegible]
Total	[illegible]	[illegible]

Note - 30.2 Tax reconciliation (for profit and loss)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Profit/ (loss) before income tax expense	[illegible]	[illegible]
Tax rate	[illegible]	[illegible]
Tax as per rate	[illegible]	[illegible]
Tax effect of income which are not deductible / are taxable in calculating taxable income		
Expenses not deductible for tax purposes	[illegible]	[illegible]
Immaterial or are not taxable for tax purposes	[illegible]	[illegible]
Foreign income	[illegible]	[illegible]
Change due to deferred tax	[illegible]	[illegible]
Tax adjustment of previous years	[illegible]	[illegible]
Tax rebate	[illegible]	[illegible]
MAT credit accounts	[illegible]	[illegible]
Prior period tax liability or provisions	[illegible]	[illegible]
Loss due to restatement for the year	[illegible]	[illegible]
Miscellaneous disbursement	[illegible]	[illegible]
Remeasurement of defined benefit plan	[illegible]	[illegible]
Temporary tax differences	[illegible]	[illegible]
Tax at different rate	[illegible]	[illegible]
Effective rate	[illegible]	[illegible]

[illegible]

Note : [illegible] Net Deferred Tax

Particulars	Year ended [illegible] (Rs.)	Year ended [illegible] (Rs.)
Deferred tax liability on account of:		
Timing Difference on Property, plant and equipment as per books and Income Tax Act, 1961	[illegible]	[illegible]
Unrealised gain / (loss)	[illegible]	[illegible]
Amortisation of distribution costs	[illegible]	[illegible]
Fair changes in the value of investments	[illegible]	[illegible]
Impairment of Loans and trade receivables	[illegible]	[illegible]
Provision for employee benefits	[illegible]	[illegible]
Expenses allowable u/s. 43B on payment basis	[illegible]	[illegible]
Impairment of investments	[illegible]	[illegible]
Loss on permit equity investment	[illegible]	[illegible]
MAT credit recievable	[illegible]	[illegible]
Remeasurement of defined benefit plan	[illegible]	[illegible]
Total deferred tax liabilities (A)	[illegible]	[illegible]
Deferred tax assets on account of:		
Impairment of Loans and trade receivables	[illegible]	[illegible]
Expenses allowable u/s. 43B on payment basis	[illegible]	[illegible]
Impairment of investments	[illegible]	[illegible]
Unused business losses	[illegible]	[illegible]
Timing difference on property, plant and equipment as per books and as per Income Tax Act, 1961	[illegible]	[illegible]
Offshore business loss	[illegible]	[illegible]
Amortisation of distribution costs	[illegible]	[illegible]
Provision for gratuity	[illegible]	[illegible]
Provision for NPA	[illegible]	[illegible]
MAT credit recievable	[illegible]	[illegible]
Unrealised gain / (loss)	[illegible]	[illegible]
Minority Owner Share of Fixed Assets	[illegible]	[illegible]
Parliament expenses	[illegible]	[illegible]
Unamortised borrowing cost	[illegible]	[illegible]
Organisation Expenditure	[illegible]	[illegible]
Business tax losses	[illegible]	[illegible]
Provision for compensated absence	[illegible]	[illegible]
Interest received u/s 56(2)(viii) of Income Tax Act	[illegible]	[illegible]
Total deferred tax assets (B)	[illegible]	[illegible]
Net deferred tax liabilities/assets (A-B)	[illegible]	[illegible]

The gray is considered for [illegible]

Note : [illegible] Movement of Deferred Tax

Particulars	As at 31 March 2021	Recognised through profit and loss	Recognised through other Comprehensive income	As at 31 March 2022	Recognised through profit and loss	Recognised through other Comprehensive income	As at 31 March 2023
Deferred tax liabilities on account of							
Timing differences on Property, plant and equipment as per books and Income Tax Act, 1961	[illegible]	[illegible]	-	[illegible]	[illegible]	-	[illegible]
Unrealised gain / (loss)	[illegible]	[illegible]	-	[illegible]	[illegible]	-	[illegible]
Amortisation of deferred revenue	[illegible]	[illegible]	-	[illegible]	[illegible]	-	[illegible]
Fair changes in fair value of investments	[illegible]	-	-	-	-	-	-
Impairment of financial assets and trade receivables	[illegible]	[illegible]	-	[illegible]	[illegible]	-	[illegible]
Provision for employee benefits	[illegible]	[illegible]	-	[illegible]	[illegible]	-	[illegible]
Unused financial losses	-	-	-	-	-	-	-
Expenses allowable u/s 43B on a payment basis	[illegible]	[illegible]	-	[illegible]	[illegible]	-	[illegible]
Impairment of investments	[illegible]	[illegible]	-	[illegible]	[illegible]	-	[illegible]
Loss on [illegible] equity investments	-	-	-	-	-	-	-
MAT credit available	[illegible]	[illegible]	-	[illegible]	[illegible]	-	[illegible]
Sign on loans crediting sales off	-	-	-	-	-	-	-
Interest accrued on [illegible]	-	-	-	-	-	-	-
Remeasurement of defined benefit plan	-	-	-	-	-	-	-
Rent income	-	-	-	-	-	-	-
Total deferred tax liabilities	[illegible]	[illegible]	-	[illegible]	[illegible]	-	[illegible]
Deferred tax assets on account of							
Impairment of financial and trade receivables	[illegible]	[illegible]	-	[illegible]	[illegible]	-	[illegible]
Expenses allowable u/s 43B on payment basis	-	-	-	-	-	-	-
Impairment of investments	-	-	-	-	-	-	-
Unused financial losses	[illegible]	[illegible]	-	[illegible]	[illegible]	-	[illegible]
Timing differences on property, plant and equipment as per books and as per Income Tax Act, 1961	[illegible]	[illegible]	-	[illegible]	[illegible]	-	[illegible]
Offshore income [illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	-	[illegible]
Amortisation of deferred revenue	[illegible]	[illegible]	-	[illegible]	[illegible]	-	[illegible]
Provision for employee benefits	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Provision for NPA	[illegible]	-	-	[illegible]	[illegible]	-	[illegible]
MAT credit available	[illegible]	[illegible]	-	[illegible]	[illegible]	-	[illegible]
Unrealised gain / (loss)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Wrongly driven value of fixed assets	[illegible]	-	-	-	-	-	-
Preliminary expenses	-	-	-	-	-	-	-
Unamortised financing cost	[illegible]	[illegible]	-	[illegible]	[illegible]	-	[illegible]
Original cost non depreciable	[illegible]	[illegible]	-	[illegible]	[illegible]	-	[illegible]
Provision for leasing	-	-	-	-	-	-	-
Provision for compensated absence	[illegible]	[illegible]	-	[illegible]	[illegible]	-	[illegible]
Income taxed u/s 115JB(1) of Income Tax Act	[illegible]	[illegible]	-	-	-	-	-
Exam deferred tax assets	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Net deferred tax liabilities/(assets)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible] Net deferred tax liabilities/(assets) [illegible] deferred tax on [illegible]

[illegible]

[illegible]

Note 30 Contingent liabilities and commitments (to the extent not provided for)

(A) The Group has accounts of both government agencies [illegible]

1) [illegible]
2) [illegible]
3) [illegible]
4) [illegible]
5) [illegible]
6) [illegible]
7) [illegible]
8) [illegible]

Particulars	As at [illegible]	As at [illegible]
(iii) [illegible]	[illegible]	[illegible]

(iv) Cases against the Company

Proceedings against Company	Number of Cases	Number of Cases
	As at [illegible]	As at [illegible]
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

Proceedings against Company	Amount As at [illegible]	Amount As at [illegible]
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

The proceedings held in abeyance [illegible] are considered as "Indeterminate".
The proceedings [illegible] are considered as "Unlikely cases".
The proceedings [illegible] are considered as "Contingent cases".

(v) Capital Commitments

Particulars	As at [illegible]	As at [illegible]
(a) Estimated amount of contracts remaining to be executed on capital account	[illegible]	[illegible]
(b) Uncalled liability on shares and other investments partly paid	[illegible]	[illegible]
(c) Indo Realty (Sandhana) Pvt Ltd (*)	-	-
(d) Indo Realty (Pendhana) Pvt Ltd (*)	-	-
(e) Indo Resources (Sandhana) Pvt Ltd (*)	[illegible]	[illegible]
(f) Indo Realty (Sandhana) [illegible] (*)	[illegible]	[illegible]

(*) Contract in respect of Member Co-venture for which against a pending [illegible] (Previous year Rs. [illegible] lakhs). This is disputed by the Company and hence not provided for. The Company has paid deposit of Rs. [illegible] lakhs till date (Previous year Rs. [illegible] lakhs under caution). These [illegible] are in the books of accounts [illegible] as at 31 March [illegible] as loan to the Member of Co-venture.

The Group is accounting the deposits and the management believes that is positive and that be upheld in the significant pursuant. For no [illegible] has been provided in the financial statements for the [illegible] period. The management believes that adverse outcome of such proceedings will not have a material adverse effect on the company's financial position and results of operations.

Note 31 Additional Regulatory Information

Particulars	As at [illegible]	As at [illegible]
(a) Additions		
Immovable assets	[illegible]	[illegible]
Co-venture expenditure		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

Note 32 Impact of COVID-19

[illegible]

Note 33 Earnings per share

Basic earnings per share

Basic earnings per share (EPS) is calculated by dividing the profit for the year by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share

Diluted EPS is calculated by dividing the profit for the year by the weighted average number of ordinary shares outstanding during the year for the effects of Dual EPS after the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

Note 34 Provisions made the the year ended 31 March 2021 comprises of:

Particulars	Opening balance as on 01 April 2020	Provided during the year ended 31 March 2021	Provisions Paid/ Consumed during the year ended 31 March 2021	Closing balance as on 31 March 2021
Gratuity	[illegible]	[illegible]	[illegible]	[illegible]
Long term Leave	[illegible]	[illegible]	[illegible]	[illegible]
Leaves	[illegible]	[illegible]	[illegible]	[illegible]
Provision for Tax	[illegible]	[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]	[illegible]	[illegible]

Provisions made the the year ended 31 March 2020 comprises of:

Particulars	Opening balance as on 01 April 2019	Provided during the year ended 31 March 2020	Provisions Paid/ Consumed during the year ended 31 March 2020	Closing balance as on 31 March 2020
Gratuity	[illegible]	[illegible]	[illegible]	[illegible]
Long term Leave	[illegible]	[illegible]	[illegible]	[illegible]
Leaves	[illegible]	[illegible]	[illegible]	[illegible]
Provision for Tax	[illegible]	[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]	[illegible]	[illegible]

Note 35 Proposed Dividend

The Board of Directors in its meeting held on 30 April 2021 has declared a final dividend of Rs. [illegible] per equity share (on face value of Rs. [illegible] per equity share) for the financial year 2020-21.

Note 34 Credit Rating

[illegible]

Note 35 Corporate social responsibility

[illegible]

Particulars	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

[illegible]

Note 36 Assets pledged as security

Particulars	As at [illegible]	As at [illegible]
Financial assets		
Other charge		
Receivables		
(i) Trade receivables	[illegible]	[illegible]
Loans	[illegible]	[illegible]
Flowing charge		
Investments	[illegible]	[illegible]
Other financial assets		
Other charge		
Property, plant and equipment	[illegible]	[illegible]
Total assets pledged as security	[illegible]	[illegible]

Terms and conditions:

1. Investments, Trade receivables, Loans and Property, plant and equipment are pledge with Bank and NHFC as an agreed borrowing facilities taken by the Group.
2. The margin of [illegible] is provided against the loan facilities for pledge of Investments and Trade receivables and LAP loans for Property, plant and equipment.

Note 49 Related Party Disclosure

1. List of related parties and their relationship

i) Holding Company
Pantomath Governance Management Private Limited

ii) Companies in which Key Management Personnel have control
1 MOAG Companies LLP

iii) Companies in which Key Management Personnel and their relatives exercise significant influence
1 Avantika Aggarwal (FKP)
2 Pinnacle Exports Private Limited
3 Motilal Oswal Foundation (Trust)
4 Motilal Oswal LLP

iv) Key Management Personnel

1 Mr. Motilal Oswal	Managing Director and Chief executive officer
2 Mr. Raminder Aggarwal	Non Executive Chairman
3 Mr. Navin Agarwal	Non Executive Director
4 Mr. Praveen Tripathi	Independent Director - (till 30 July 2020)
5 Mr. Vivek Paranjpe	Independent Director - (till 30 July 2020)
6 Mrs. Rekha Unni Shah	Independent Director - (till 31 October 2020)
7 Mrs. Shalini Agarwal	Independent Director - (till 30 July 2020)
8 Mr. Chandrakant Hemantbhai Shah	Independent Director - (Appointed from 30 July 2020)
9 Mr. Pankaj Bhansali	Independent Director - (Appointed from 30 July 2020)
10 Mrs. Deepa Sampat Sharma	Independent Director - (Appointed from 30 July 2020)
11 Mr. Chandrashekhar Ananta Kowdali	Independent Director - (Appointed from 16 September 2020)
12 Mrs. Swaminibai Iyer	Independent Director - (Appointed from 28 December 2020)

v) Relatives of Key Management Personnel/ Companies in which relatives of Key Management Personnel have significant influence

1 Mrs. Vimla Oswal	- Spouse of Mr. Motilal Oswal
2 Mrs. Vandana Sahdev	- Sister of Mr. Motilal Oswal
3 Mr. Rajendra Gopalji Oswal	- Brother of Mr. Motilal Oswal
4 Mrs. Anamika Aggarwal	- Spouse of Mr. Raminder Aggarwal
5 Mr. Vaibhav Aggarwal	- Son of Mr. Raminder Aggarwal
6 Ms. Pallika Kumar	- Daughter in law of Mr. Raminder Aggarwal
7 Dr. Kumar Rangajyal Aggarwal	- Brother of Mr. Raminder Aggarwal
8 Mr. Vinay R. Aggarwal	- Brother of Mr. Raminder Aggarwal
9 Mr. Subhash Rangajyal Aggarwal	- Brother of Mr. Raminder Aggarwal
10 Mr. Gurvinder R. Aggarwal	- Brother of Mr. Raminder Aggarwal
11 Mr. Sanjeev Aggarwal	- Brother of Mr. Raminder Aggarwal
12 Mr. Sourav Aggarwal	- Brother of Mr. Raminder Aggarwal
13 Mr. Sanjay Anandamallji Aggarwal	- Brother of Mr. Raminder Aggarwal

vi) Associates Under Control
1 India Realty Excellence Fund IV (IREF)
2 India Business Excellence Fund III (IBEF) (till 29 September 2020)

[illegible]

[illegible]

[illegible]

[illegible]	[illegible]	Holding company		Key management personnel/relatives of key management personnel		Associate enterprises/Entity control		Total	
		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]

[illegible]

Particulars	Name of the related party	Holding company		Key management personnel/Relatives of key management personnel		Associate company/Joint venture		Total	
		For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2022	For the year ended 31 March 2021
Provident fund	[illegible]			[illegible]	[illegible]			[illegible]	[illegible]

Note 30: Disclosure pursuant to Ind AS 19 "Employee benefits" is given as below

a) Defined Contribution Plan

Contributions to defined contribution plans, recognised as expense for the year is as under:

Particulars	31 March 2021	31 March 2020
Employer Contribution to Provident Fund and Administration Charges	[illegible]	[illegible]
Employer Contribution to ESIC	-	[illegible]
Employer Contribution to EDLI	-	[illegible]
Total	[illegible]	[illegible]

(b) Defined benefit plan

The Group provides for gratuity benefit which is a defined benefit plan covering all its eligible employees. This plan is unfunded. The gratuity benefits are subject to a maximum limit of up to Rs. 20 lakhs.

The following table sets out the status of the gratuity plan as specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules 2014 (as amended) under Ind AS 19 "Employee Benefits" and the reconciliation of opening and closing balances of the present value of the defined benefit obligation.

Particulars	Gratuity		Leave encashment	
	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
I) Actuarial assumptions				
Mortality	[illegible] (Ultimate)	[illegible] (Ultimate)	[illegible] (Ultimate)	[illegible] (Ultimate)
Discount Rate (per annum)	[illegible]%	[illegible]%	[illegible]%	[illegible]%
Rate of escalation in salary (per annum)	[illegible]%	[illegible]%	[illegible]%	[illegible]%
Expected rate of return on plan assets (per annum)	-	-	-	-
Employee Attrition Rate (Post Service)	[illegible]	[illegible]	[illegible]	-
II) Changes in present value of obligations (PVO)				
PVO at beginning of period	[illegible]	[illegible]	[illegible]	[illegible]
Interest cost	[illegible]	[illegible]	-	-
Current service cost	[illegible]	[illegible]	[illegible]	[illegible]
Transfer In Liability	[illegible]	[illegible]	-	-
Transfer Out Liability	[illegible]	[illegible]	-	-
Benefits paid	[illegible]	[illegible]	[illegible]	[illegible]
Contributions by plan participants	-	-	-	-
Actuarial (Gain)/Loss on obligations	[illegible]	[illegible]	-	-
PVO as at end of period	[illegible]	[illegible]	[illegible]	[illegible]
III) Interest expense				
Interest cost	[illegible]	[illegible]	-	-
IV) Fair value of plan assets				
V) Net Liability				
PVO at beginning of period	[illegible]	[illegible]	[illegible]	[illegible]
Net Liability at the beginning of the period	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]

Particulars	Gratuity		Shortage in the benefits	
	As at 31 March [illegible]	As at 31 March [illegible]	As at 31 March [illegible]	As at 31 March [illegible]
[illegible]				
[illegible]	[illegible]	[illegible]	-	-
[illegible]	[illegible]	[illegible]	-	-
[illegible]				
[illegible]				
[illegible]	[illegible]	[illegible]	-	-
[illegible]	[illegible]	[illegible]	-	-
[illegible]	[illegible]	[illegible]	-	-
[illegible]	[illegible]	[illegible]	-	-
[illegible]				
[illegible]	[illegible]	[illegible]	-	-
[illegible]	[illegible]	[illegible]	-	-
[illegible]				
[illegible]	-	-	-	-
[illegible]				
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]				
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	-	-
[illegible]	[illegible]	[illegible]		
[illegible]	[illegible]	[illegible]		
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]				
[illegible]	[illegible]	[illegible]	-	-
[illegible]	-	-	-	-
[illegible]	[illegible]	[illegible]	-	-
[illegible]				
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	-	-	-	-
[illegible]	[illegible]	[illegible]	-	-
[illegible]	[illegible]	[illegible]	-	-
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	-	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	-	-

[illegible] Financial Services Limited

Summary of significant accounting policies and other explanatory information to the consolidated financial statements

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Standalone		Mirae Asset Sunidhi	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019

XV) Investments Analysis

Particulars	CIR (Interest Rate)		CIR (Sales revenue rate)	
	FY21 CIR (+1%)	FY21 CIR (1%)	FY21 CIR (+1%)	FY21 CIR (1%)
FY21	[illegible]	[illegible]	[illegible]	[illegible]

XVI) Actuarial Figures

Year	Expected Outgo Gratuity	Expected Outgo Leave	Expected Outgo Third	Expected Outgo Fourth
Amount	[illegible]	[illegible]	[illegible]	[illegible]

Year	Expected Outgo	Expected Outgo
	[illegible]	As at 31st March
Amount	[illegible]	[illegible]

Asset Liability Comparisons

Year	31 Mar 17	31 Mar 18	31 Mar 19	31 Mar 20
FVI at Beginning of period	[illegible]	[illegible]	[illegible]	[illegible]
Plan Assets	-	-	-	-
Surplus / (Deficit)	[illegible]	[illegible]	[illegible]	[illegible]
Experience adjustments on plan assets	-	-	-	-

Year	31 Mar 21
FVI at Beginning of period	[illegible]
Plan Assets	-
Surplus / (Deficit)	[illegible]
Experience adjustments on plan assets	-

The notes [illegible] are integral part thereof

Note: 30 Disclosures relating to Employee Stock Option Schemes

Details of stock options

The Shriram Asset Management Company Limited Employee Stock Option Scheme - 2 (SACOP - 2) was approved by the Board of Directors in the meeting on July 21, 2014 for grant of [illegible] equity shares of Rs. 10 each.

Shriram Asset Management Company Limited Employee Stock Option Scheme - II (SACOP - II) was approved by the Board of Directors in their meeting held on 23 July 2014 for grant of [illegible] equity shares of Rs 10 each.

During the year ended 31 March 2017, the Company has sub-divided [illegible] equity shares of Rs. 10 each into [illegible] equity shares of Rs. 1 each. Hence, the options granted are also sub-divided in the same proportion.

Shriram Capital Financial Services Limited Employee Stock Option Scheme - II (SCFSOS-II)
The Scheme was approved by Board of Directors on 18 October 2007 and by the shareholders on 6 November 2007 by postal ballot and is for issue of 2,000,000 options representing 2,000,000 equity shares of Rs. 1 each.

Shriram Capital Financial Services Limited Employee Stock Option Scheme - III (SCFSOS-III)
The Scheme was approved by Board of Directors on 25 April 2008 and by the shareholders in AGM dated 30 July 2008 and is for issue of 2,000,000 options representing 2,000,000 equity shares of Rs. 1 each.

Shriram Capital Financial Services Limited Employee Stock Option Scheme - IV (SCFSOS-IV)
The Scheme was approved by Board of Directors on 15 July 2014 and by the shareholders in AGM dated 30 August 2014 and is for issue of 2,000,000 options representing 2,000,000 equity shares of Rs. 1 each.

Shriram Capital Financial Services Limited Employee Stock Option Scheme - V (SCFSOS-V)
The Scheme was approved by Board of Directors on 27 April 2017 and by the shareholders in AGM dated 27 July 2017 and is for issue of [illegible] options representing [illegible] equity shares of Rs. 1 each.

Shriram Capital Wealth Management Limited Employee Stock Option Scheme - I (SCWM-I)
The (SCWM - I) was approved by the Board of Directors in its meeting on April 21, 2014 and by the members at the meeting held on April 25, 2014 consisting of [illegible] Stock Options of Rupees 10 each.
Pursuant to approval of the members in its meeting held February 28, 2017 has sub-divided its face value of equity shares from Rupees 10 to Rupee 1 each, the total number of options allotted and granted also stands sub-divided to total bag of [illegible] stock options of Rupee 1 each.

Shriram Capital Home Finance Limited (formerly [illegible]) Employee Stock Option Scheme 2014 - (ESOS - 2014)
The Scheme was approved by Board of Directors on 01 September, 2014 and by the shareholders in AGM dated 14 October 2014 for issue of [illegible] options representing [illegible] equity shares of Rs. 1 each. The grant of stock options for the aforesaid scheme has been done in [illegible].

Shriram Capital Home Finance Limited (formerly [illegible]) Employee Stock Option Scheme 2015 (ESOS-2015)
The Scheme was approved by Board of Directors on 28 April 2015 and by the shareholders in AGM dated 07 July 2015 for issue of [illegible] options representing [illegible] equity shares of Rs. 1 each. The grant of stock options for the aforesaid scheme has been done in five tranches.

Shriram Capital Home Finance Limited (formerly [illegible]) Employee Stock Option Scheme 2017 (ESOS-2017)
The scheme was approved by Board of Directors on 25 April 2017 and by the shareholders in AGM dated 25 May 2017 for issue of [illegible] options representing [illegible] equity shares of Rs. 1 each. The grant of stock options for the aforesaid scheme has been done in two tranches.

Shriram Capital Home Finance Limited (formerly [illegible]) Employee Stock Option Scheme 2017 (ESOS-2017 as Gen Exceed to Holding Company Employees)
The Scheme was approved by Board of Directors on 25 April 2017 and by the shareholders in AGM dated 25 May 2017 for issue of [illegible] options, representing [illegible] equity shares of Rs. 1 each.

The outstanding as at [illegible], [illegible], [illegible] and [illegible] Co.) during the year ended 31 March 2021 and 31 March 2020 is as follows:

Particulars	As at 31 March 2020 In Numbers	Weighted Average Exercise Price (In Rs.)	As at 31 March 2019 In Numbers	Weighted Average Exercise Price (In Rs.)
The MOSL [illegible] (Face value of Re.1 each)				
Options outstanding at the beginning of the year	[illegible]	[illegible]	[illegible]	[illegible]
Add: Granted	-	[illegible]	-	-
Less: Exercised	-	[illegible]	[illegible]	[illegible]
Less: Forfeited	-	[illegible]	-	-
Less: Lapsed	[illegible]	[illegible]	-	-
Options outstanding end of the year	[illegible]	[illegible]	[illegible]	[illegible]
Exercisable at the end of the year	[illegible]	[illegible]	[illegible]	[illegible]
The MOSL [illegible] (Face value of Re.1 each)				
Options outstanding at the beginning of the year	[illegible]	[illegible]	[illegible]	[illegible]
Add: Granted	[illegible]	[illegible]	-	-
Less: Exercised	-	[illegible]	[illegible]	[illegible]
Less: Forfeited	-	[illegible]	-	-
Less: Lapsed	[illegible]	[illegible]	-	-
Options outstanding end of the year	[illegible]	[illegible]	[illegible]	[illegible]
Exercisable at the end of the year	[illegible]	[illegible]	[illegible]	[illegible]
The MOSL [illegible] (Face value of Re.1 each)				
Options outstanding at the beginning of the year	[illegible]	[illegible]	[illegible]	[illegible]
Add: Granted	-	-	-	-
Less: Exercised	[illegible]	[illegible]	[illegible]	[illegible]
Less: Forfeited	-	-	-	-
Less: Lapsed	[illegible]	[illegible]	[illegible]	[illegible]
Options outstanding end of the year	[illegible]	[illegible]	[illegible]	[illegible]
Exercisable at the end of the year	[illegible]	[illegible]	-	-
The MOSL [illegible] (Face value of Re.1 each)				
Options outstanding at the beginning of the year	[illegible]	[illegible]	[illegible]	[illegible]
Add: Granted	-	-	-	-
Less: Exercised	[illegible]	[illegible]	[illegible]	[illegible]
Less: Lapsed	[illegible]	[illegible]	[illegible]	[illegible]
Options outstanding end of the year	[illegible]	[illegible]	[illegible]	[illegible]
Exercisable at the end of the year	[illegible]	[illegible]	[illegible]	[illegible]

Muthoot Vinood Financial Services Limited

Summary of significant accounting policies and other explanatory information to the consolidated financial statements

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	As at 31 March 2025 No. Numbers	Weighted Average Exercise Price (In Rs.)	As at 31 March 2024 No. Numbers	Weighted Average Exercise Price (In Rs.)
The MVFSL ESOP 2020 (Face value of Rs. 1 each)				
Options outstanding at the beginning of the year	[illegible]	[illegible]	[illegible]	[illegible]
Add Granted	[illegible]	[illegible]	[illegible]	[illegible]
Less Forfeited	[illegible]	[illegible]	-	
Less Lapsed	[illegible]	[illegible]	[illegible]	[illegible]
Options outstanding end of the year	[illegible]	[illegible]	[illegible]	[illegible]
Exercisable at the end of the year	[illegible]	[illegible]	[illegible]	[illegible]
The MGFSL ESOP 2020 (Face value of Rs. 1 each)				
Options outstanding at the beginning of the year	[illegible]	[illegible]	[illegible]	[illegible]
Add Granted	-	[illegible]		[illegible]
Less Exercised	-	[illegible]	[illegible]	[illegible]
Less Forfeited	-	[illegible]		[illegible]
Less Lapsed	[illegible]	[illegible]	[illegible]	[illegible]
Options outstanding end of the year	[illegible]	[illegible]	[illegible]	[illegible]
Exercisable at the end of the year	[illegible]	[illegible]	[illegible]	[illegible]
The MGFSL ESOP 2024 (Face value of Rs. 1 each)				
Options outstanding at the beginning of the year	[illegible]	[illegible]	[illegible]	[illegible]
Add Granted	-	[illegible]	[illegible]	[illegible]
Less Exercised	-	[illegible]	[illegible]	[illegible]
Less Lapsed	[illegible]	[illegible]	[illegible]	[illegible]
Options outstanding end of the year	[illegible]	[illegible]	[illegible]	[illegible]
Exercisable at the end of the year	[illegible]	[illegible]	[illegible]	[illegible]
The MVFSL ESOP 2017 - Scheme I (Face value of Rs. 1 each)				
Options outstanding at the beginning of the year	[illegible]	[illegible]	[illegible]	[illegible]
Add Granted	[illegible]	[illegible]		-
Less Exercised	[illegible]	[illegible]	[illegible]	[illegible]
Less Lapsed	[illegible]	[illegible]	[illegible]	[illegible]
Options outstanding end of the year	[illegible]	[illegible]	[illegible]	[illegible]
Exercisable at the end of the year	[illegible]	[illegible]	[illegible]	[illegible]
The MVFSL ESOP 2017 (Holding company) (Face value of Rs. 1 each)				
Options outstanding at the beginning of the year	[illegible]	[illegible]	[illegible]	[illegible]
Add Granted	-	-	-	-
Less Exercised	[illegible]	[illegible]	[illegible]	[illegible]
Less Lapsed	[illegible]	[illegible]	[illegible]	[illegible]
Options outstanding end of the year	[illegible]	[illegible]	[illegible]	[illegible]
Exercisable at the end of the year	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]				
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]		
[illegible]	[illegible]			
[illegible]				

[illegible]

The exercise pricing formula for MOASIC ESOP schemes are as under:

Scheme I
The Committee shall have the authority to determine the Exercise Price having regard to the valuation report of an independent practicing chartered accountant that may be based on such valuation method, as may be considered suitable by him, including but not restricted to the Net Asset Value Method, Discounted Cash Flow Method, Earnings Capitalisation Method, Dividend Yield Model, etc. and may also rely upon the future projections of the Company which would be prepared by the management from time to time having regard to the future potential and prospects of the Company. The Committee shall in its absolute discretion, have the authority to grant the Options at such discount as it may deem fit.

Scheme II
The Committee shall have the authority to determine the Exercise Price having regard to the valuation report of an independent practicing chartered accountant that may be based on such valuation method, as may be considered suitable by him, including but not restricted to the Net Asset Value Method, Discounted Cash Flow Method, Earnings Capitalisation Method, Dividend Yield Model, etc. and may also rely upon the future projections of the Company which would be prepared by the management from time to time having regard to the future potential and prospects of the Company. The Committee shall in its absolute discretion, have the authority to grant the Options at such discount as it may deem fit.

The exercise pricing formula for MOWMIL ESOP schemes are as under:

The Committee shall have the authority to determine the Exercise Price having regard to the valuation report of an independent practicing chartered accountant that may be based on such valuation method, as may be considered suitable by him, including but not restricted to the Net Asset Value Method, Discounted Cash Flow Method, Earnings Capitalisation Method, Dividend Yield Model, etc. and may also rely upon the future projections of the Company which would be prepared by the management from time to time having regard to the future potential and prospects of the Company. The Committee shall in its absolute discretion, have the authority to grant the Options at such discount as it may deem fit.

The exercise pricing formula for MOPSL ESOP schemes are as under:

Scheme V
Exercise price shall be the closing price of the Company's equity shares quoted on the BSE immediately preceding the date of Grant of the Stock Options, which for this purpose shall be the date on which the Committee grants the Stock Options, discounted by such percentage as may be determined by the Committee to the best interest of the various stakeholders in the prevailing market conditions.

Scheme VI

Exercise price shall be the closing price of the Company's Equity Shares, prior to the date of grant of the Options, on the Stock Exchanges where the highest trading volume is recorded, discounted/increased by such percentage as may be determined by the Committee.

Scheme VII
Exercise price shall be the closing price of the Company's Equity Shares, prior to the date of grant of the Options, on the Stock Exchanges where the highest trading volume is recorded, discounted/increased by such percentage as may be determined by the Committee.

Scheme VIII
Exercise price shall be the closing price of the Company's Equity Shares, prior to the date of grant of the Options, on the Stock Exchanges where the highest trading volume is recorded, discounted/increased by such percentage as may be determined by the Committee.

The exercise pricing formula for MOHFL ESOS 2018, MOHFL ESOS 2020, MOHFL ESOS 2017 & MOHFL ESOS 2017 II Co are as under:

The nomination and remuneration committee shall have the authority to determine the exercise price having regard to the valuation report of an independent practicing chartered accountant that may be based on such valuation method, as may be considered suitable by him, including but not restricted to the Net Asset Value Method, Discounted Cash Flow Method, Earnings Capitalisation Method, Dividend Yield Model, etc. and may also rely upon the future projections of the Company which would be prepared by the management from time to time having regard to the future potential and prospects of the Company.
The said committee shall in its absolute discretion, have the authority to grant the options at such discount as it may deem fit.

Other information regarding Employee Share Based Payment Plan is as below

	Year ended 31 March 2021	Year ended 31 March 2020
Expense arising from employee share based payment plan	1,064	1,274
Total carrying amount at the end of the period	5,708	4,946

The Company provides a sensitivity analysis to show the impact to the Company's profit before taxation in the event that forfeiture and performance conditions assumptions current as are below that company's estimations by the stated percentages.

Impact on the income statement of a change in forfeiture assumptions	Year ended 31 March 2021	Year ended 31 March 2020
(5)%	(88)	(77)
(-)5%	111	98

[illegible]

[illegible]

[illegible]

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
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[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Note: 31 Revenue from contracts with customers

The Group recognizes revenue recognition through the following steps:

1. Identification of the contract, or contracts, with a customer
2. Identification of the performance obligations in the contract
3. Determination of the transaction price
4. Allocation of the transaction price to the performance obligations in the contract
5. Recognition of revenue when, or as, we satisfy a performance obligation

a) Nature of services

(i) Banking and other related activities - Income from services rendered as a broker is recognized upon rendering of the services, in accordance with the terms of contract. Income from services rendered on behalf of depository is recognized upon rendering of the services, in accordance with the terms of contract.

(ii) Interest income on loans and MTF - Interest is earned from clients on amounts funded to them and delayed payments. Interest income is recognized on a time proportion basis taking into account the amount outstanding from customers or on the financial instrument and the rate applicable.

(iii) Portfolio management fee, investment management fees and advisory: The Group is an Investment Manager and provides investment management and administrative services to the Schemes of Shrihi Fiscal Mutual Fund ("the Fund"), provides Portfolio Management Services ("PMS") to clients, investment management services to Alternate Investment Funds and provide investment advisory services to resident and offshore clients. The Group earns Management fees from respective businesses.

b) Disaggregation of revenue

Revenue from contracts with customers

Particulars	31 March 2021	31 March 2020
(i) Banking and other related activities	1,28,249	85,879
(ii) Interest income on loans and MTF	75,956	76,759
(iii) Portfolio management fee, Investment management fees and advisory	42,303	71,087
	2,46,508	2,33,726

Revenue disaggregation by business segment has been included segment information (Refer note 42)

c) Contract balances

Receivables: The outstanding balance as at 31 March 2021 : INR 91,790 lakhs, 31 March 2020: INR 74,098 lakhs (also refer note 6)

Loans and advances : The outstanding balance as at 31 March 2021 : INR 3,84,255 lakhs, 31 March 2020: INR 3,69,312 lakhs (also refer note 7)

Margin funding: The outstanding balance as at 31 March 2021 : INR 19,711 lakhs, 31 March 2020: INR 19,097 lakhs (also refer note 7)

d) Performance obligations and timing of revenue recognitation

(i) Banking and other related activities -

Income from services rendered as a broker is recognized upon rendering of the services.

Fees for subscription based services are received periodically but are recognized as earned on a pro-rata basis over the term of the contract.

Commission from distribution of financial products are recognized upon allotment of the securities to the applicant or on the date fixed, on basis of the insurance policy to the applicant.

Fees for subscription based services are received periodically but are recognized as earned on a pro-rata basis over the term of the contract, and are over the period as earned.

(ii) Interest income on loans and MTF:

Interest income is recognized on a time proportion basis taking into account the amount outstanding from customers or on the financial instrument and the rate applicable.

Interest is earned on delayed payments from clients and amounts funded to them as well as some deposits with banks.

(iii) Portfolio management fee, investment management fees and advisory:

Performance obligation of the Scale asset management and portfolio management services are completed as per the terms and conditions of the asset management agreement. The credit payment term for the performance obligation of the company is one to three months.

Income from and fees services is recognized upon rendering of the services.

Shahid Hamid Financial Services Limited
Summary of significant accounting policies and other explanatory information to the consolidated financial statements
(All amounts are in INR Lakhs, unless otherwise stated)

Note 54 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Particulars	As at 31 March 2021			As at 31 March 2020		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial assets						
Cash and cash equivalents	1,29,[illegible]	-	1,29,[illegible]	[illegible]	-	[illegible]
Bank balance other than cash and cash equivalents above	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Receivables						
(I) Trade receivables	[illegible]	-	[illegible]	[illegible]	-	[illegible]
(II) Other receivables	[illegible]	-	[illegible]	[illegible]	-	[illegible]
Loans	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Investments	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Other financial assets	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Non-financial assets						
Current tax assets (net)	-	[illegible]	[illegible]	-	[illegible]	[illegible]
Deferred tax assets (net)	-	[illegible]	[illegible]	-	[illegible]	[illegible]
Property, plant and equipment	-	[illegible]	[illegible]	-	[illegible]	[illegible]
Other intangible assets	-	[illegible]	[illegible]	-	[illegible]	[illegible]
Other non-financial assets	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total assets	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Particulars	As at 31 March 2021			As at 31 March 2020		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial liabilities						
Derivative financial instruments						
Payables						
(I) Trade payables	[illegible]	-	[illegible]	[illegible]	-	[illegible]
Debt securities	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Borrowings (Other than debt securities)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Deposits	-	[illegible]	[illegible]	-	[illegible]	[illegible]
Other financial liabilities	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Non-financial liabilities						
Current tax liabilities (net)	[illegible]	-	[illegible]	[illegible]	-	[illegible]
Provisions	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Deferred tax liabilities (net)	-	[illegible]	[illegible]	-	[illegible]	[illegible]
Other non-financial liabilities	[illegible]	-	[illegible]	[illegible]	-	[illegible]
Total liabilities	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

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Note 38 Fair value measurement

a) Financial instruments by category

	As at 31 March 2025			As at 31 March 2024		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Cash and cash equivalents	-	-	1,09,202	-	-	64,352
Bank balance other than cash and cash equivalents above	-	-	2,30,472	-	-	93,840
Receivables	-	-				
(i) Trade receivables	-	-	91,682	-	-	74,161
(ii) Other receivables	-	-	49	-	-	195
Loans	-	-	4,12,247	-	-	5,07,397
Investments	3,28,719	64,120	5	2,79,046	89,799	5
Other financial assets	-	-	48,131	-	-	34,921
Total financial assets	3,28,719	64,120	9,12,786	2,79,046	89,799	6,58,870
Financial liabilities						
Payables						
(i) Trade payables						
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	5,03,307	-	-	3,79,798
Debt securities	-	-	5,35,724	-	-	3,82,539
Borrowings (Other than debt securities)	-	-	2,19,360	-	-	1,88,539
Deposits	-	-	40	-	-	11
Other financial liabilities	-	-	54,251	-	-	37,441
Total financial liabilities	-	-	9,12,682	-	-	9,78,888

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[illegible]

[illegible]

[illegible]

c) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the periods ended 31 March [illegible] and 31 March [illegible]:

Particulars	Closed Ended Funds	Real Estate Funds	Debentures and Bonds	Security receipts	Unquoted Shares	Total
As at 1 April [illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]
Additions	[illegible]	[illegible]	-	-	-	[illegible]
Disposals	-	[illegible]	-	-	-	[illegible]
Gains/ (losses) recognised in statement of profit and loss	[illegible]	[illegible]	-	-	[illegible]	[illegible]
As at 31 March [illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]
Additions	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]
Disposals	[illegible]	[illegible]	-	[illegible]	-	[illegible]
Gains/ (losses) recognised in statement of profit and loss	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]
As at 31 March [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

d) Transfers between level 2 and 3

There are no transfers between Level 2 and Level 3 during the year

e) Valuation inputs and relationships to fair value

For quantitative information about the significant unobservable inputs used in level 3 fair value measurements, refer below

f) Sensitivity analysis

Particulars	As at 31 March [illegible]	As at 31 March [illegible]
Fair value of investments	[illegible]	[illegible]
Significant unobservable inputs		
Net assets of CIU fund at Fair value		
-Increase by [illegible] bps	[illegible]	[illegible]
-Decrease by [illegible] bps	[illegible]	[illegible]

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[illegible]

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[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

(c) Analysis of financial assets and liabilities by remaining contractual maturities

The table below summarises the maturity profile of the Company's financial assets and liabilities.

As at 31 March 2021

Contractual maturities of assets and liabilities	Less than 1 year	1 to 5 years	Above 5 years	Total
Financial assets				
Cash and cash equivalents	[illegible]	-		[illegible]
Bank balances other than cash and cash equivalents above	[illegible]	[illegible]		[illegible]
Receivables				
(i) Trade receivables	[illegible]			[illegible]
(ii) Other receivables	[illegible]			[illegible]
Loans	[illegible]	[illegible]		[illegible]
Investments	[illegible]	[illegible]		[illegible]
Other financial assets	[illegible]	[illegible]		[illegible]
Total financial assets	[illegible]	[illegible]		[illegible]
Financial liabilities				
Payables				
(i) Trade payables	[illegible]			[illegible]
Other payables	[illegible]	[illegible]		[illegible]
Borrowings (other than debt securities)	[illegible]	[illegible]		[illegible]
Deposits	[illegible]	[illegible]		[illegible]
Other financial liabilities	[illegible]	[illegible]		[illegible]
Total financial liabilities	[illegible]	[illegible]		[illegible]

As at 31 March 2020

Contractual maturities of assets and liabilities	Less than 1 year	1 to 5 years	Above 5 years	Total
Financial assets				
Cash and cash equivalents	[illegible]			[illegible]
Bank balances other than cash and cash equivalents above	[illegible]	[illegible]		[illegible]
Receivables				
(i) Trade receivables	[illegible]	-		[illegible]
(ii) Other receivables	[illegible]			[illegible]
Loans	[illegible]	[illegible]	[illegible]	[illegible]
Investments	[illegible]	[illegible]		[illegible]
Other financial assets	[illegible]	[illegible]		[illegible]
Total financial assets	[illegible]	[illegible]	[illegible]	[illegible]
Financial liabilities				
Payables				
(i) Trade payables	[illegible]			[illegible]
Other payables	[illegible]	[illegible]	[illegible]	[illegible]
Borrowings (other than debt securities)	[illegible]	[illegible]	[illegible]	[illegible]
Deposits	[illegible]	[illegible]		[illegible]
Other financial liabilities	[illegible]	[illegible]		[illegible]
Total financial liabilities	[illegible]	[illegible]	[illegible]	[illegible]

I. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: Foreign currency risk, interest rate risk and price risk.

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of the instrument will fluctuate because of changes in foreign exchange rates.

Foreign currency risk management

In respect of the foreign currency transactions, the Company does not hedge the exposure since the management believes that the risk is insignificant in nature and will not have a material impact on the Company.

[illegible]

[illegible]

[illegible]	[illegible]	[illegible]
	As at 31 March 2023	As at 31 March 2022
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

[illegible]

[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

[illegible]

[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

[illegible]

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[illegible]	[illegible]	[illegible]
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[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

[illegible]

Motilal Oswal Financial Services Limited
Summary of significant accounting policies and other explanatory information to the consolidated financial statements
(All amounts are in INR Lakhs, unless otherwise stated)

Note: 38 Principles and assumptions used for consolidated financial statements and purchase adjustments

a) The Consolidated Financial Statements have been prepared by applying the principles laid in the Indian Accounting Standard [Ind AS] - 110 "Consolidated Financial Statements" read [illegible] - 28 "Investments in Associates and Joint Ventures" issued by the Institute of Chartered Accountants of India for the purposes of these Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, Consolidated Statement of Cash Flows, Consolidated Statement of Changes in Equity and Summary of significant accounting policies and other explanatory information to the consolidated financial statements, together referred to as as "Consolidated Financial Statements".

The list of subsidiaries and associates in the consolidated financial statements are as under :

Motilal Oswal Financial Services Limited ("the Company" or "the holding company") shareholding in the following companies as on 31 March, 2023 and 31 March, 2022 is as under:

Name of the Entities	Country of incorporation	Proportion of ownership interest	
		As at 31 March, 2023	As at 31 March, 2022
[illegible] Subsidiary Companies			
[illegible] Subsidiaries			
Motilal Oswal Commodities Broker Private Limited	India	100	100
MOSPE Investment Advisor Private Limited	India	87.14	87.14
Motilal Oswal Investment Advisors Limited (Formerly known as Motilal Oswal Investments Advisors Private Limited)	India	100	100
MOC Finance International Private Limited (formerly known as Motilal Oswal Group Private Limited)	India	100	100
Motilal Oswal Private Limited (Formerly known as Motilal Oswal Capital Markets Ltd)	India	100	100
Motilal Oswal Wealth Management Limited	India	100	100
Motilal Oswal Asset Management Company Limited	India	99.93	54.63
Motilal Oswal Trustee Company Limited	India	100	100
Motilal Oswal Innovative Instruments Private Limited	India	100	100
Motilal Oswal Capital Markets (Singapore) Pte. Limited	Singapore	100	100
Motilal Oswal Capital Markets (Hong Kong) Private Limited	Hong Kong	100	100
Motilal Oswal Home Finance Limited (Formerly known as Aspire Home Finance Corporation Ltd)	India	91.87	91.04
Motilal Oswal Home ARC Limited	India	100	100
Club Vela Investment Advisory Private Limited	India	100	100
Vel Investment Technologies Pvt. Ltd	India	65.65	
[illegible] Subsidiaries			
Motilal Oswal Real Estate Investment Advisor Private Limited	India	87.14	87.14
Motilal Oswal Real Estate Investment Advisors II Private Limited	India	78.44	78.44
India Business Excellence Management Company	Mauritius	87.14	87.14
Motilal Oswal Asset Management (Mauritius) Limited	Mauritius	78.44	78.44
Motilal Oswal Capital Limited	India	78.44	78.44
[illegible] Associate Subsidiaries			
India Realty Excellence Fund II LLP	India	20.44	19.94
[illegible] Joint ventures			
India Business Excellence Fund III - [illegible] September 30, 2022	India	0.00	12.97

[illegible]

[illegible]

[illegible]

Name of the entity	Net Assets (i.e. Total Assets - Total Liabilities)		Share in Profit & Loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit / Loss	Amount	As % of Consolidated OCI	Amount	As % of Total Consolidated Income	Amount
Parent								
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Subsidiaries								
Indian								
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Motilal Oswal Financial Services Limited
Summary of significant accounting policies and other explanatory information to the consolidated financial statements
(All amounts are in INR Lakhs, unless otherwise stated)

Note 48: Negative price settlement of Futures April Wave Trium Intermediate(WTI) Contract

Exceptional item comprises of bad debts of Rs.0.01 Lakhs on account of outstanding dues as at 31 March 2021 from clients towards settlement obligation. MCX vide its circular dated 21 April 2020, has considered the negative price for settlement of futures contract on expiry. Thus the customers who entered on the buy side of the contract had to settle for negative price on expiry. While entering into the contract, the customers were expected to pay only the margin as was required by the exchange including mark to market losses. Since MCX has effected the settlement of such contract upon expiry at negative price, the client's account was debited with above amount as settlement obligation on account of negative price settlement in respect of its outstanding Crudeoil. Since the client has defaulted in honour the settlement obligation required by MCX, Company has paid the said amount to MCX on behalf of its clients. For recovering the said amount from client, Company has filed an arbitration claim for recovery of outstanding dues, against the clients and simultaneously company has also filed the writ petition in Bombay high Court to challenge the said MCX circular for negative price settlement.

Note 41 | Amounts below 0.01 lakhs are rounded off and shown as "0"

This is the Consolidated Statement of Profit and Loss referred to in our report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N/N500013

Manish D. Darawalla
Partner
Membership No. 048334

Place : Mumbai
Date : 29 April 2021

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

Motilal Oswal
Managing Director and
Chief Executive Officer
DIN : 00024503

Navin Agarwal
Director
DIN: 00024469

Shalibhadra Shah
Chief Financial Officer

Rakesh Purohit
Company Secretary

Place : Mumbai
Date : 29 April 2021

ANNEXURE B

Annexure B1

CRISIL LETTER, RATING RATIONALE AND PRESS RELEASE

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CONFIDENTIAL

RL/MOFSL/337236/NCD/0224/79177/168549089
February 09, 2024

Mr. Jitesh Narayanan
Vice President - Treasury
Motilal Oswal Financial Services Limited
Motilal Oswal Towers, 12th Floor
Junction of Gokhale & Sayani Road,
Prabhadevi,
Mumbai City - 400077
9167040696

Dear Mr. Jitesh Narayanan,

Re: CRISIL Rating on the Non Convertible Debentures Aggregating Rs.1200 Crore of Motilal Oswal Financial Services Limited

We refer to your request for a rating for the captioned Debt instrument.

CRISIL Ratings has, after due consideration, assigned a CRISIL AA/Stable (pronounced as CRISIL double A rating with Stable outlook) rating to the captioned Debt instrument. Securities with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such securities carry very low credit risk.

Further, in view of your decision to accept the CRISIL Ratings, we request you to apprise us of the instrument details (in the enclosed format) as soon as it has been placed. In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from CRISIL Ratings will be necessary.

As per our Rating Agreement, CRISIL Ratings would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL Ratings reserves the right to withdraw, or revise the rating / outlook assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information, or other circumstances which CRISIL Ratings believes may have an impact on the rating. Please visit www.crisilratings.com and search with the name of the rated entity to access the latest rating/s.

As per SEBI circular (reference number: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at debtissue@crisil.com. This will enable CRISIL Ratings to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us at debtissue@crisil.com for any clarification you may need.

Should you require any clarification, please feel free to get in touch with us.

With warm regards,

Yours sincerely,

Subha Sri Narayanan
Director - CRISIL Ratings

Nivedita Shibu
Associate Director - CRISIL Ratings

Details of the Rs.1200 Crore Non Convertible Debentures of Motilal Oswal Financial Services Limited

	1st tranche		***2nd tranche***		***3rd tranche***	
Instrument Series:						
Amount Placed:						
Maturity Period:						
Put or Call Options (if any):						
Coupon Rate:						
Interest Payment Dates:						
Principal Repayment Details:	Date	Amount	Date	Amount	Date	Amount
Investors:						
Trustees:						

In case there is an offer document for the captioned Debt issue, please send us a copy of it.

CONFIDENTIAL

RL/MOFSL/337236/NCD/0324/81623/167295941
March 14, 2024

Mr. Jitesh Narayanan
Vice President - Treasury
Motilal Oswal Financial Services Limited
Motilal Oswal Towers, 12th Floor
Junction of Gokhale & Sayani Road,
Prabhadevi,
Mumbai City - 400077
9167040696

Dear Mr. Jitesh Narayanan,

Re: CRISIL rating on the Non Convertible Debentures Aggregating Rs.1200 Crore of Motilal Oswal Financial Services Limited.

All ratings assigned by CRISIL Ratings are kept under continuous surveillance and review.

Please refer to our rating letter dated February 09, 2024 bearing Ref. no: RL/MOFSL/337236/NCD/0224/79177/168549089

Rating outstanding on the captioned debt instruments is “CRISIL AA/Stable” (pronounced as “CRISIL double A rating" with Stable outlook). Securities with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such securities carry very low credit risk..

In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from CRISIL Ratings will be necessary.

As per our Rating Agreement, CRISIL Ratings would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL Ratings reserves the right to withdraw, or revise the rating / outlook assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information, or other circumstances which CRISIL Ratings believes may have an impact on the rating. Please visit www.crisilratings.com and search with the name of the rated entity to access the latest rating/s.

As per the latest SEBI circular (reference number: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at debtissue@crisil.com. This will enable CRISIL Ratings to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us for any clarifications you may have at debtissue@crisil.com

Should you require any clarifications, please feel free to contact us.

With warm regards,

Yours sincerely,

Subha Sri Narayanan
Director - CRISIL Ratings

Nivedita Shibu
Associate Director - CRISIL Ratings

***Disclaimer**: A rating by CRISIL Ratings reflects CRISIL Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by CRISIL Ratings. Our ratings are based on information provided by the issuer or obtained by CRISIL Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. CRISIL Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. CRISIL Ratings' criteria are available without charge to the public on the web site, www.crisilratings.com. CRISIL Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by CRISIL Ratings, please visit www.crisilratings.com or contact Customer Service Helpdesk at CRISILratingdesk@crisil.com or at 1800-267-1301*

CONFIDENTIAL

RL/MOFSL/337236/NCD/0324/81864/167295941
March 19, 2024

Mr. Jitesh Narayanan
Vice President - Treasury
Motilal Oswal Financial Services Limited
Motilal Oswal Towers, 12th Floor
Junction of Gokhale & Sayani Road,
Prabhadevi,
Mumbai City - 400077
9167040696

Dear Mr. Jitesh Narayanan,

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Rating outstanding on the captioned debt instruments is "CRISIL AA/Stable" (pronounced as "CRISIL double A rating" with Stable outlook). Securities with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such securities carry very low credit risk..

In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from CRISIL Ratings will be necessary.

As per our Rating Agreement, CRISIL Ratings would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL Ratings reserves the right to withdraw, or revise the rating / outlook assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information, or other circumstances which CRISIL Ratings believes may have an impact on the rating. Please visit www.crisilratings.com and search with the name of the rated entity to access the latest rating/s.

As per the latest SEBI circular (reference number: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at debtissue@crisil.com. This will enable CRISIL Ratings to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us for any clarifications you may have at debtissue@crisil.com

Should you require any clarifications, please feel free to contact us.

With warm regards,

Yours sincerely,

Subha Sri Narayanan
Director - CRISIL Ratings

Nivedita Shibu
Associate Director - CRISIL Ratings

& Public Issue

***Disclaimer**: A rating by CRISIL Ratings reflects CRISIL Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by CRISIL Ratings. Our ratings are based on information provided by the issuer or obtained by CRISIL Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. CRISIL Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. CRISIL Ratings' criteria are available without charge to the public on the web site, www.crisilratings.com. CRISIL Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by CRISIL Ratings, please visit www.crisilratings.com or contact Customer Service Helpdesk at CRISILratingdesk@crisil.com or at 1800-267-1301*

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CRISIL Ratings

Rating Rationale

February 09, 2024 | Mumbai

Motilal Oswal Financial Services Limited

'CRISIL AA/Stable' assigned to Non Convertible Debentures

Rating Action

Non Convertible Debentures Aggregating Rs.1200 Crore	**CRISIL AA/Stable (Assigned)**
Rs.500 Crore Non Convertible Debentures	**CRISIL AA/Stable (Reaffirmed)**
Rs.1750 Crore Commercial Paper	**CRISIL A1+ (Reaffirmed)**

Note: None of the Directors on CRISIL Ratings Limited's Board are members of rating committee and thus do not participate in discussion or assignment of any ratings. The Board of Directors also does not discuss any ratings at its meetings.
1 crore = 10 million
Refer to Annexure for Details of Instruments & Bank Facilities

Detailed Rationale

CRISIL Ratings has assigned its **'CRISIL AA/Stable'** rating to the Rs.1,200 crore non-convertible debentures of Motilal Oswal Financial Services Limited (MOFSL; part of Motilal Oswal group) and reaffirmed its 'CRISIL AA/Stable/CRISIL A1+' ratings on the other debt instruments of the company.

Motilal Oswal group's rating continues to reflect healthy capitalisation of the group and strong market position in the equity broking business. These strengths are partially offset by susceptibility to uncertainties inherent in the capital-market-related businesses, and limited track record in successfully scaling up the lending business.

On July 27, 2023, MOFSL announced its scheme of arrangement with its wholly owned subsidiaries namely, Motilal Oswal Wealth Ltd (MOWL) and Glide Tech Investment Advisory Pvt Ltd (Glide) whereby the broking and distribution business of MOFSL is to be transferred to Glide by way of slump sale, and the wealth business is to demerge from MOWL into MOFSL. The scheme has been approved by the respective board of directors and is now subject to various statutory and regulatory approvals. This scheme of arrangement is not expected to have any material impact on the credit profile of the group.

Analytical Approach

CRISIL Ratings has combined the business and financial risk profiles of Motilal Oswal Financial Services Ltd (MOFSL) and its subsidiaries, including Motilal Oswal Finvest Ltd (MOFL) and Motilal Oswal Home Finance Ltd (MOHFL). That is because the entities, collectively referred to as the Motilal Oswal group, have significant operational, financial, and managerial integration and operate under a common brand name (Motilal Oswal).

Please refer Annexure - List of entities consolidated, which captures the list of entities considered and their analytical treatment of consolidation

Key Rating Drivers & Detailed Description

Strengths:

- **Increasing diversification and scale up across financial services businesses, supporting stability in earnings profile**

  With gradual scale up of fee-based businesses-such as asset management company (AMC), wealth management (WM), private equity (PE), investment banking (IB) and fund-based business (housing finance) - revenue streams have become more diverse. The group is also focussing on scaling up its distribution business (financial products) through the broking and WM channels. Contribution from these businesses to overall revenue has increased in the last few fiscals. The group's asset management businesses - AMC, PE -- utilise the distribution network of WM for product distribution, resulting in business synergies and improved return on equity (RoE).

  AUM of the AMC business recorded a CAGR of ~27% for the last six years and stood at Rs 64,900 crore as on December 31, 2023 supported by the company's efforts to develop a dedicated PAN India distribution team. The group has a niche positioning for its higher-yielding, equity-focused funds – with only 2% of the MF AUM in debt funds. The group has also high focus on passive and international funds. AUM for the asset management business as on December 31, 2023 included assets under MF (Rs 42,900 crore), PMS (Rs 11,800 crore) and AIF (Rs 9,900 crore). The PE and WM businesses had AUM of Rs 9,400 crore and Rs 89,600 crore, respectively, as on December 31, 2023 (Rs 10,300 crore and Rs 52,000 crore as on March 31, 2023). As part of PE business, the group has managed four business excellence funds and five real estate funds till now. While business excellence funds focus majorly on unlisted companies for long-term investments, the real estate funds focus on debt funding to reputed developers for mid-market residential housing projects in top eight Indian cities. The group has achieved final close for the fourth business excellence fund of Rs 4,500 crore.

  Fund-based business includes sponsor commitments-cum-investments in equity MF, PMS, PE funds, real estate funds, AIFs, and strategic equity investments. Total quoted equity investments, including mark-to-market (MTM) gains, were

~Rs 5,870 crore as on December 31, 2023 (Rs 4,280 crore as on March 31, 2023).

- **Healthy capitalisation**
  Capitalisation remains healthy, driven by healthy internal accruals. Absolute networth and consolidated gearing were Rs 8,270 crore and 1.52 times, respectively, as on December 31, 2023 (Rs 6,283 crore and 1.64 times, respectively, as on March 31, 2023). Further, as per the group's risk policy, the maximum gearing will be restricted at 3 times over the medium term. The housing finance business had net gearing of around 2.0 times on a standalone basis as on same date (2.2 times as on March 31, 2023).

  As on December 31, 2023, the group had unrealised gains of around Rs 1,593 crore distributed among Motilal Oswal Equity Mutual Fund Products (Rs 998 crore), listed equity shares (Rs 447 crore), Motilal Oswal Private Equity Funds (Rs 562 crore; PE and real estate), Motilal Oswal PMS Products (Rs 148 crore) and Motilal Oswal AIF Products (Rs 61 crore). These investments are strategic in nature and follow a buy-and-hold philosophy. This portfolio has MTM impact on earnings under Indian Accounting Standards; however, the timing and magnitude of realised gains remain uncertain. Nevertheless, even after removing unrealised gains from networth, gearing of the group remained comfortable at ~1.9 times as on December 31, 2023 (2.1 times as on March 31, 2023).

- **Strong market position in the equity broking business**
  The group, through MOFSL, ranks among the top 10 equity brokers based on the number of active clients, as on December 31, 2023, in the highly fragmented broking industry. It's ranking in active client group improved to 8th position. As on December 31, 2023, the company had 8.2 lakh active customers on National Stock Exchange, as against 8.0 lakh as on March 31, 2023. Business growth has been driven by acquisition of small brokers and partnerships with sub-brokers. The group has ~36 lakh retail broking clients and enjoys pan-India presence through 9,000+ franchised/sub broker outlets. In additions, they have made various digital initiatives like "Option store" (app with a feature to create customised strategies), 500+ API integration with algo and proprietary traders and a "Research 360" app which has more than 1,50,000 downloads till March 31, 2023.

  Overall turnover of the business witnessed a YoY growth of 95% for quarter ended December fiscal 2024, with major growth in the derivatives segment. Blended yields have, however, declined over the previous fiscals due to increased share of volumes in the futures and options segment. Average brokerage (defined as gross broking income from retail broking for trailing 12 months by active client) stood at ~Rs 19,000 for the nine months ended fiscal 2024 (~Rs 17,800 for fiscal 2023)

Weakness:

- **Exposure to uncertainties inherent in capital-market-related businesses**
  A large part of the group's businesses, especially broking and IB, remains exposed to economic, political, and social factors that drive investor sentiments. Brokerage revenue depends on the level of trading activity in capital markets. Specifically, since March 2020, the stock markets have seen high retail participation and daily trading volume coinciding with the lockdown to contain the Covid-19 pandemic and people remaining at home. A significant proportion of client additions at the industry level are in the age bracket of 25-30 years without relevant trading experience. Upward movement of the key benchmark indices during this period has attracted retail investors to market trading. While this has benefited the broking industry, including the Motilal Oswal group, sustainability of the market momentum will need to be seen. Market position in the institutional broking segment has degrown by ~15% in fiscal 2023. However, the impact on earnings is partially offset by the high share of business originated through franchisees, resulting in a more variable cost structure compared to that of peers. The group's long-term focus is on diversifying its revenue streams and reducing dependence on broking operations. Further, AM, WM and PE businesses have revenue in the form of management fees as a proportion of AUM, providing some stability to the revenue profile of the group.

  Additionally, the group commenced the housing finance business in the first quarter of fiscal 2015 to improve the stability of the group's earnings via fixed interest income of home loans. While the business faced challenges in the past, corrective measures should support the business performance. Potential improvement in profitability from this segment over the medium term should help diversify the revenue mix of the group.

- **Limited track record in successfully scaling up the lending business**
  In fiscals 2018 and 2019, MOHFL faced asset quality challenges due to seasoning of the book, impact of external shocks on the economy, and lack of adequate collection and recovery processes and bandwidth within the company. Gross NPAs increased to 9.3% as on March 31, 2019 from 4.5% as on March 31, 2018 and 0.6% as on March 31, 2017.

  However, since fiscal 2019, MOHFL took several corrective measures, including increase in management depth and experience, strengthening of collections and recovery apparatus by creating a ~450-member team, and enhancing credit appraisal and risk monitoring systems. It made significant investment in technologies, processes and people to fill the critical gaps at operational levels to support and enhance business scale up. These measures have reduced slippages to Rs 41 crore in fiscal 2023 from Rs 89 crore in fiscal 2022 and Rs 71 crore in fiscal 2021. Also, recoveries have picked up in last fiscal following these concerted efforts. As a part of its strategy to clean up the book, it sold gross NPAs worth ~Rs 832 crore and Rs 84 crore in the last couple of fiscals and in fiscal 2023 respectively to an asset reconstruction company (ARC), which brought down gross NPAs to 1.1% as on March 31, 2023 from 9.3% as on March 31, 2019. However, NPAs inched up to 2.1% as on December 31, 2023 due to the slippages in the restructured book.

  After facing challenges in asset quality during fiscals 2018 and 2019, the company had curtailed its disbursements in fiscals 2019 and 2020 because of shift in focus towards collections and sale of assets to an ARC. However, disbursements in fiscal 2023 improved to Rs 1,007 crore from Rs 643 crore in fiscal 2022. Loan book improved

marginally by 9% to Rs 3,810 crore as on March 31, 2023, as against Rs 3,492 crore as on March 31, 2022. The company intends to grow its loan book prudently over the medium term, while increasing its geographical presence. It is expanding its sales team to increase the disbursements and loan book. To manage growth in the loan book, the company will utilise its relationships with lenders and investors. Resources of over Rs 1,052 crore has been raised in the fiscal 2023 (Rs 1,433 crore in fiscal 2022) at competitive interest rates.

Nevertheless, given the current challenging macro-economic environment, ability of the management to scale up operations in a profitable manner will remain a monitorable.

Liquidity: Strong

Liquidity of the group is comfortable, supported by a large proportion of fee-based businesses. The group (including the MOHFL) had unencumbered cash and cash balance (Rs 1,165 crore), unutilised bank lines (Rs. 5,251 crore), and liquid investments (Rs 385 crore) and lines from group (Rs 500 crore) aggregated to ~Rs 6,801 crore as on December 31, 2023, as against overall debt obligation of around ~Rs 6,284 crore (including that of MOHFL) till March 31, 2024.

Outlook: Stable

CRISIL Ratings believes Motilal Oswal group will continue to scale up its various product offerings across broking, AM & WM and IB and will continue to maintain healthy capitalisation.

Rating Sensitivity Factors

Upward Factors

- Scale-up in operations and further diversification of the revenue streams of the group
- Significant scale-up in market position of the financial services businesses while maintaining asset quality of the HFC business with gross NPA <1%

Downward factors

- Adverse regulatory actions on the business segments of the group resulting in significant deterioration in business risk profile of the group
- Significant deterioration in asset quality on a sustained basis impacting group's profitability (with credit costs crossing 2% of the group's assets for a sustained period).

Environment, Social, and Governance (ESG) Profile

CRISIL Ratings believes that MOFSL' Environment, Social, and Governance (ESG) profile supports its already strong credit risk profile.

The ESG profile of financial institutions typically factors in governance as a key differentiator between them. The sector has reasonable social impact because of its substantial employee and customer base, and it can play a key role in promoting financial inclusion. While the sector does not have a direct adverse environmental impact, the lending decisions may have a bearing on the environment and other sustainability related factors.

MOFSL has demonstrated an ongoing focus on strengthening various aspects of its ESG profile.

MOFSL's key ESG highlights:

- MOFSL took various initiatives to lower its power consumption, such as migrating to LED lights, adoption of aluminum fin for refraction of sun rays, motion sensor-based lighting system, etc. the Company emphasizes on reducing dependence on paper communications and encourages use of electronic means of communication which serves towards environmental protection and sustainable growth. Around 1000+ trees were planted by the employees through various volunteer programs.
- In FY22-23, 7.23 metric tonnes of dry waste and 7.58 metric tonnes of wet waste were generated and recycled.
- As on March 31, 2023, there were 2 women directors on board against the mandate of 1 and women comprised 26% of the total workforce.
- ESG disclosures of the company are evolving, and the company is in the process of further strengthening the disclosures going forward

There is growing importance of ESG among investors and lenders. MOFSL's commitment to ESG will play a key role in enhancing stakeholder confidence, given substantial share of foreign investors as well as access to domestic capital markets.

About the Company : Motilal Oswal Group

The Motilal Oswal group is one of India's leading providers of capital market-related services, such as retail and institutional broking, asset and WM, LAS, margin financing, commodities broking, IB, and venture capital management. It commenced the housing finance business in May 2014.

The promoters- Mr Motilal Oswal and Mr Raamdeo Agrawal along with their family members, and Motilal Oswal Family Trust-collectively owned 69.7% of MOFSL's equity shares as on March 31, 2023.

The group reported a PAT of Rs 933 crore with a RoE of 15.6% during fiscal 2023 as against a PAT of Rs 1,311 crore with RoE of 25.8% during fiscal 2022.

PAT during the nine months of fiscal 2024 was Rs 1,721 crore with a RoE (annualised) of 31.5%, as against, Rs 769 crore and 17.2% for the corresponding period of previous fiscal.

Key Financial Indicators: (Consolidated)

As on / For the Year ended March 31		2023	2022
Total Assets	Rs crore	23,010	16,923
Total Income	Rs crore	4,197	4,316
PAT*	Rs crore	933	1,311
GNPA (HFC)	%	1.1	2.6
Return on networth	%	15.6	25.8
Gearing	times	1.6	1.1

As on/for the period ended December 31		2023	2022
Total assets	Rs crore	31,522	22,175
Total income	Rs crore	4,972	3,164
PAT*	Rs crore	1,721	769
Gross NPA (HFC)	%	2.1	2.0
Return on networth	%	31.5	17.2
Gearing	times	1.5	0.5

**Includes fair valuation of unrealised gains in fund-based business*

Any other information: Not Applicable

Note on complexity levels of the rated instrument:
CRISIL Ratings` complexity levels are assigned to various types of financial instruments and are included (where applicable) in the 'Annexure - Details of Instrument' in this Rating Rationale.

CRISIL Ratings will disclose complexity level for all securities - including those that are yet to be placed - based on available information. The complexity level for instruments may be updated, where required, in the rating rationale published subsequent to the issuance of the instrument when details on such features are available.

For more details on the CRISIL Ratings` complexity levels please visit www.crisilratings.com. Users may also call the Customer Service Helpdesk with queries on specific instruments.

Annexure - Details of Instrument(s)

ISIN	Name of instrument	Date of allotment	Coupon rate (%)	Maturity date	Issue size (Rs.Cr)	Complexity level	Rating assigned with outlook
NA	Non-convertible debenture^	NA	NA	NA	1700	Simple	CRISIL AA/Stable
NA	Commercial paper programme	NA	NA	7-365 days	1750	Simple	CRISIL A1+

^Yet to be issued

Annexure – List of entities consolidated (as on December 31, 2023)

Names of Entities Consolidated	Extent of Consolidation	Rationale for Consolidation
Motilal Oswal Commodities Broker Private Limited	Full	Subsidiary
Motilal Oswal Investment Advisors Limited (Formerly known as Motilal Oswal Investment Advisors Private Limited)	Full	Subsidiary
MO Alternate Investment Private Limited (formerly known as Motilal Oswal Fincap Private Limited)	Full	Subsidiary
Motilal Oswal Finvest Limited (Formerly known as Motilal Oswal Capital Markets Ltd)	Full	Subsidiary
Motilal Oswal Wealth Limited	Full	Subsidiary
Motilal Oswal Asset Management Company Limited	Full	Subsidiary
Motilal Oswal Trustee Company Limited	Full	Subsidiary
Motilal Oswal Securities International Private Limited	Full	Subsidiary
Motilal Oswal Capital Markets (Singapore) Pte. Limited	Full	Subsidiary
Motilal Oswal Capital Markets (Hong Kong) Private Limited	Full	Subsidiary
Motilal Oswal Home Finance Limited (formerly known as Aspire Home Finance Corporation Ltd)	Full	Subsidiary
Motilal Oswal Finsec IFSC Limited	Full	Subsidiary
Glide Tech Investment Advisory Private Limited	Full	Subsidiary
TM Investment Technologies Pvt. Ltd	Full	Subsidiary
India Business Excellence Management Company	Full	Subsidiary

Motilal Oswal Asset Management (Mauritius) Private Limited	Full	Subsidiary
Motilal Oswal Capital Limited	Full	Subsidiary
India Reality Excellence Fund II LLP	Proportionate	Associate
Motilal Oswal Financial Services Ltd	Full	Subsidiary

Annexure - Rating History for last 3 Years

	Current			2024 (History)		2023		2022		2021		Start of 2021
Instrument	Type	Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
Commercial Paper	ST	1750.0	CRISIL A1+		--	24-08-23	CRISIL A1+	23-08-22	CRISIL A1+	04-10-21	CRISIL A1+	CRISIL A1+
			--		--	27-04-23	CRISIL A1+	24-02-22	CRISIL A1+	30-07-21	CRISIL A1+	--
			--		--	07-02-23	CRISIL A1+		--		--	--
Non Convertible Debentures	LT	1700.0	CRISIL AA/Stable		--	24-08-23	CRISIL AA/Stable		--		--	--
			--		--	27-04-23	CRISIL AA/Stable		--		--	--
			--		--	07-02-23	CRISIL AA/Stable		--		--	--

All amounts are in Rs.Cr.

Criteria Details

Links to related criteria
Rating Criteria for Finance Companies
CRISILs Criteria for rating short term debt
CRISILs Criteria for Consolidation

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Note for Media:
This rating rationale is transmitted to you for the sole purpose of dissemination through your newspaper/magazine/agency. The rating rationale may be used by you in full or in part without changing the meaning or context thereof but with due credit to CRISIL Ratings. However, CRISIL Ratings alone has the sole right of distribution (whether directly or indirectly) of its rationales for consideration or otherwise through any media including websites and portals.

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CRISIL Ratings pioneered the concept of credit rating in India in 1987. With a tradition of independence, analytical rigour and innovation, we set the standards in the credit rating business. We rate the entire range of debt instruments, such as bank loans, certificates of deposit, commercial paper, non-convertible/convertible/partially convertible bonds and debentures, perpetual bonds, bank hybrid capital instruments, asset-backed and mortgage-backed securities, partial guarantees and other structured debt instruments. We have rated over 33,000 large and mid-scale corporates and financial institutions. We have also instituted several innovations in India in the rating business, including ratings for municipal bonds, partially guaranteed instruments and infrastructure investment trusts (InvITs).

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For more information, visit www.crisilratings.com

About CRISIL Limited

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It is India's foremost provider of ratings, data, research, analytics and solutions with a strong track record of growth, culture of innovation, and global footprint.

It has delivered independent opinions, actionable insights, and efficient solutions to over 100,000 customers through businesses that operate from India, the US, the UK, Argentina, Poland, China, Hong Kong and Singapore.

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Annexure B2

INDIA RATINGS LETTER, RATING RATIONALE AND PRESS RELEASE

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Mr. Shalibhadra Shah
Group Chief Financial Officer
Motilal Oswal Financial Services Ltd.
Motilal Oswal Tower
Behind Parel S.T. Depot Prabhadevi
Junction Of Gokhale & Sayani Road
Mumbai - 400025

January 29, 2024

Dear Sir/Madam,

Re: Rating Letter of Motilal Oswal Financial Services Limited

India Ratings and Research (Ind Ra) has taken the following rating actions on Motilal Oswal Financial Services Limited's (MOFSL) debt instruments:

Instrument Type	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (million)	Rating/Outlook	Rating Action
Non-convertible debentures (NCDs)	-	-	-	INR8,000	IND AA/Stable	Assigned
Bank loans	-	-	-	INR4,000	IND AA/Stable	Affirmed
NCDs[$]	-	-	-	INR3,000	IND AA/Stable	Affirmed
Principal protected market-linked debentures (PP-MLDs)[$#]	-	-	-	INR2,000	IND PP-MLD AA/Stable	Affirmed

?details in annexure
$ The total NCD limit of INR3,000 million stands fungible between NCDs and PP-MLDs

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security.

The manner of India Ratings factual investigation and the scope of the third party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in India where the rated security is offered and sold, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors.

Users of India Ratings ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information India Ratings relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to India Ratings and to the market in offering documents and other reports. In issuing its ratings India Ratings must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

India Ratings seeks to continuously improve its ratings criteria and methodologies, and periodically updates the descriptions on its website of its criteria and methodologies for securities of a given type. The criteria and methodology used to determine a rating action are those in effect at the time the rating action is taken, which for public ratings is the date of the related rating action commentary. Each rating action commentary provides information about the criteria and methodology used to arrive at the stated rating, which may differ from the general criteria and methodology for the applicable security type posted on the website at a given time. For this reason, you should always consult the applicable rating action commentary for the most accurate information on the basis of any given public rating.

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Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer. Ratings do not comment on the adequacy of market price, the suitability of any investment, loan or security for a particular investor (including without limitation, any accounting and/or regulatory treatment), or the tax-exempt nature or taxability of payments made in respect of any investment, loan or security. India Ratings is not your advisor, nor is

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It will be important that you promptly provide us with all information that may be material to the ratings so that our ratings continue to be appropriate. Ratings may be raised, lowered, withdrawn, or placed on Rating Watch due to changes in, additions to, accuracy of or the inadequacy of information or for any other reason India Ratings deems sufficient.

Nothing in this letter is intended to or should be construed as creating a fiduciary relationship between India Ratings and you or between India Ratings and any user of the ratings.

In this letter, "India Ratings" means India Ratings & Research Pvt. Ltd. and any successor in interest.

We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please email us at infogrp@indiaratings.co.in

Sincerely,

India Ratings

Karan Gupta
Director

Jatin Nanaware
Senior Director

Annexure: Facilities Breakup

Instrument Description	Banks Name	Ratings	Outstanding/Rated Amount(INR million)
Bank Loan	RBL Bank	IND AA/Stable	125.00
Bank Loan	IDBI Bank	IND AA/Stable	500.00
Bank Loan	Kotak Mahindra Bank	IND AA/Stable	1250.00
Bank Loan	Yes Bank Ltd	IND AA/Stable	1000.00
Bank Loan	Bandhan Bank	IND AA/Stable	750.00
Bank Loan	NA	IND AA/Stable	375.00

Annexure: ISIN

Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Ratings	Outstanding/Rated Amount(INR million)
PP-MLD	INE338I07081	13/05/2022	NIFTY50 LINKED	07/02/2025	IND PP-MLD AA/Stable	284
PP-MLD (unutilised)					IND PP-MLD AA/Stable	2,716

Mr. Shalibhadra Shah
Group Chief Financial Officer
Motilal Oswal Financial Services Ltd.
Motilal Oswal Tower
Behind Parel S.T. Depot Prabhadevi
Junction Of Gokhale & Sayani Road
Mumbai - 400025

February 23, 2024

Dear Sir/Madam,

Re: Rating Letter for non-convertible debenture (NCD) programme of Motilal Oswal Financial Services Limited

India Ratings and Research (Ind-Ra) is pleased to communicate the rating of

- INR3,000 million Non-Convertible debentures (Fungible with PPMLD and applicable rating of IND PP-MLD AA/Stable): IND AA/Stable

- INR8,000 million Non-Convertible debentures: IND AA/Stable

Total Unutilised limit of INR 10,716 million; Please refer to annexure for details.

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security.

The manner of India Ratings' factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in India where the rated security is offered and sold, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors

Users of India Ratings' ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information India Ratings relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to India Ratings and to the market in offering documents and other reports. In issuing its ratings India Ratings must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

India Ratings seeks to continuously improve its ratings criteria and methodologies, and periodically updates the descriptions on its website of its criteria and methodologies for securities of a given type. The criteria and methodology used to determine a rating action are those in effect at the time the rating action is taken, which for public ratings is the date of the related rating action commentary. Each rating action commentary provides information about the criteria and methodology used to arrive at the stated rating, which may differ from the general criteria and methodology for the applicable security type posted on the website at a given time. For this reason, you should always consult the applicable rating action commentary for the most accurate information on the basis of any given public rating.

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It will be important that you promptly provide us with all information that may be material to the ratings so that our ratings continue to be appropriate. Ratings may be raised, lowered, withdrawn, or placed on Rating Watch due to changes in, additions to, accuracy of or the inadequacy of information or for any other reason India Ratings deems sufficient.

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We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please email us at infogrp@indiaratings.co.in

Sincerely,

India Ratings

Karan Gupta
Director

Annexure: Facilities Breakup

Annexure: ISIN

Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Ratings	Outstanding/Rated Amount(INR million)
PP-MLD	INE338I07081	13/05/2022	7.5	07/02/2025	IND PP-MLD AA/Stable	284

Non-convertible debentures (NCDs) (Unutilised)	INR 8,000 million
Non-convertible debentures (NCDs) (Unutilised)^	INR 2,716 million
TOTAL Unutilised limit	INR 10,716 million

^ Fungible with PPMLD and applicable rating of IND PP-MLD AA/Stable

Mr. Shalibhadra Shah
Group Chief Financial Officer
Motilal Oswal Financial Services Ltd.
Motilal Oswal Tower
Behind Parel S.T. Depot Prabhadevi
Junction Of Gokhale & Sayani Road
Mumbai - 400025

March 14, 2024

Dear Sir/Madam,

Re: Rating Letter for non-convertible debenture (NCD) programme of Motilal Oswal Financial Services Limited

India Ratings and Research (Ind-Ra) is pleased to communicate the rating of

- INR3,000 million Non-Convertible debentures (Fungible with PPMLD and applicable rating of IND PP-MLD AA/Stable): IND AA/Stable

- INR8,000 million Non-Convertible debentures: IND AA/Stable

Total Unutilised limit of INR 10,716 million; Please refer to annexure for details.

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The manner of India Ratings' factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in India where the rated security is offered and sold, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors

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Sincerely,

India Ratings

Karan Gupta
Director

Annexure: Facilities Breakup

Annexure: ISIN

Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Ratings	Outstanding/Rated Amount(INR million)
PP-MLD	INE338I07081	13/05/2022	7.5	07/02/2025	IND PP-MLD AA/Stable	284

Non-convertible debentures (NCDs) (Unutilised)	INR 8,000 million
Non-convertible debentures (NCDs) (Unutilised)^	INR 2,716 million
TOTAL Unutilised limit	INR 10,716 million

^ Fungible with PPMLD and applicable rating of IND PP-MLD AA/Stable

Mr. Shalibhadra Shah
Group Chief Financial Officer
Motilal Oswal Financial Services Ltd.
Motilal Oswal Tower
Behind Parel S.T. Depot Prabhadevi
Junction Of Gokhale & Sayani Road
Mumbai - 400025

March 18, 2024

Dear Sir/Madam,

Re: Rating Letter for non-convertible debenture (NCD) programme of Motilal Oswal Financial Services Limited

India Ratings and Research (Ind-Ra) is pleased to communicate the rating of

- INR3,000 million Non-Convertible debentures (Fungible with PPMLD and applicable rating of IND PP-MLD AA/Stable): IND AA/Stable

- INR8,000 million Non-Convertible debentures: IND AA/Stable

Total Unutilised limit of INR 10,716 million (for Public Issue of NCD); Please refer to annexure for details.

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security.

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We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please email us at infogrp@indiaratings.co.in

Sincerely,

India Ratings

Karan Gupta
Director

Annexure: Facilities Breakup

Annexure: ISIN

Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Ratings	Outstanding/Rated Amount(INR million)
PP-MLD	INE338I07081	13/05/2022	7.5	07/02/2025	IND PP-MLD AA/Stable	284

Non-convertible debentures (NCDs) (Unutilised)	INR 8,000 million
Non-convertible debentures (NCDs) (Unutilised)^	INR 2,716 million
TOTAL Unutilised limit (For Public issue)	INR 10,716 million

^ Fungible with PPMLD and applicable rating of IND PP-MLD AA/Stable

India Ratings & Research
A Fitch Group Company

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India Ratings Assigns Motilal Oswal Financial Services' Additional NCDs 'IND AA'/Stable and Additional CPs 'IND A1+'; Affirms Existing Ratings

Jan 29, 2024 | Stockbroking & Allied

India Ratings and Research (Ind-Ra) has taken the following rating actions on Motilal Oswal Financial Services Limited's (MOFSL) debt instruments:

Instrument Type	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (million)	Rating/Outlook	Rating Action
Commercial papers (CPs)	-	-	7 to 365 days	INR5,000	IND A1+	Assigned
Non-convertible debentures (NCDs)*	-	-	-	INR8,000	IND AA/Stable	Assigned
Bank loans	-	-	-	INR4,000	IND AA/Stable	Affirmed
CPs	-	-	7 to 365 days	INR45,000	IND A1+	Affirmed
NCDs$,	-	-	-	INR3,000	IND AA/Stable	Affirmed
Principal protected market-linked debentures (PP-MLDs)$,#	-	-	-	INR3,000	IND PP-MLD AA/Stable	Affirmed

*Yet to be issued
#details in annexure
$The total NCD limit of INR3,000 million stands fungible between NCDs and PP-MLDs

The rating of MLDs is an ordinal assessment of the underlying credit risk of the instrument and does not factor in the market risk that investors in such instruments will assume. This market risk stems from the fact that coupon payment on these instruments will be based on the performance of a reference index (to be detailed in the information memorandum of the issue).

PP-MLD refers to full principal protection wherein the issuer is obligated to pay the full principal upon maturity.

Analytical Approach: Ind-Ra continues to take a consolidated view of MOFSL and its group companies while arriving at the ratings, on account of the strong financial, managerial and operational linkages among them.

Ind-Ra opines the recently announced group restructuring proposal by MOFSL is a credit neutral event for all the rated group companies.

Key Rating Drivers

Established Franchisee in Capital Market Business: The Motilal Oswal Group is a well-established brand in the capital markets, having an equity broking business since 1987. The group has witnessed multiple market cycles and idiosyncratic risk events. With a client base of around 4.03 million at 3QFY24, the group caters to both retail and institutional clients through its 9,397 outlets (franchisees and other partners), taking the pan-India pin code coverage to 98.0%.

Also, despite the broking business being fairly fragmented, MOFSL is among the top players in the full-service capital market space and had a market share (Retail Cash Average Daily Turnover) of 7.5% in terms of retail cash turnover at 3QFY24. MOFSL has expanded into different verticals of the capital markets to provide a wide range of products, such as mutual funds, alternative investment funds, equity and derivatives broking, private equity, wealth management, margin funding and investment banking. Moreover, its research and advisory support to broking clients can lead to client stickiness across market cycles, despite stiff competition from discount brokers. The group has a high profitability in its broking business segment as it operates on the advisory mode while a large part of its managed assets remains equity, offering higher spread margin in terms of revenue across the different lines of business operations.

With an increasing retail participation in the past three years across discount brokerages, there could be a gradual migration of clients towards full service providers, benefitting the broking franchise. Given volatility in the capital market business, such as wealth, asset management and broking, its volume could see a certain moderation. However, the benefit of a widening of participation in the equity markets would stand to accrue on a recurring basis and operating leverage benefits of an established franchise would play out for MOFSL.

Broking and Asset Management Business - Consistent Revenue Contributors: Over FY20-FY23, MOFSL's consolidated revenue expanded at a CAGR of 24% to INR40.5 billion; during 9MFY24, the revenue growth remained healthy at 32% yoy. Notably, the contribution from the capital market segment remained fairly stable above 60% in FY23 and the balance mix was well-supported by the assets and wealth management, housing finance and fund-based income. During FY20-FY23, the company's revenue from broking and distribution rose at a 32% CAGR, led by a 29% CAGR in active clients and a 119% CAGR in average daily turnover. About 45% of the broking revenue was contributed by franchisees having more than five years' vintage, leading to a lower proportionate fixed cost in the company's books. Over the medium term, the group plans to expand its asset management business more on alternative investment funding as it offers higher yields, while the company has created a product basket in the passive category. The wealth management business's group strategy focuses on relationship manager-led expansion in its assets under management (AUM), supported by newer customised technology platforms. In retail broking, the group has witnessed higher demand for margin financing, along with debtor financing to its retail clients since the regulatory change requiring a 50% upfront cash margin. Consequently, margin trade financing + loan against shares + debtor funding book almost grew three times to INR72.62 billion in 9MFY24 (FY23: INR39.1 billion) compared to FY22 levels of INR20.4 billion, thereby earning healthy spreads on the deployed book. The margins are prescribed by the exchanges in the margin trade financing business; furthermore, as a policy, the company follows three stocks per client to manage the market risk arising from any adverse movements in stock prices.

The group's consolidated return on equity stood at 36.8% in 9MFY24 (FY23: 18.0%; FY22: 30%; FY21: 38%) in tandem with the capital market performance. Given the volatile nature of capital markets (as reflected by mark-to-market gain/loss (9MFY24: INR 10.4 billion; FY23: INR1.4 billion; FY22: INR5.0 billion; FY21: INR8.6 billion; FY20: loss of INR2.2 billion)), the cyclicality in the return profile is likely to continue.

Adequate Capitalisation: The consolidated leverage (debt to equity) was conservative at 1.5x in 9MFY24 (FY23: 1.6x; FY22: 1.1x; FY21: 1.3x). MOHFL's capital adequacy ratio stood at 48% in 9MFY24 (FY23: 52%; FY22: 52%; FY21: 50%). The company is not planning any further capital infusion in the near term. As per the company's board policy, the gross leverage is unlikely to exceed 2x in the medium term. The gross leverage (ex-housing) stood at 1.40x and the net leverage (ex-housing) stood at 1.44x at 9MFY24. Ind-Ra expects the group's cash generating businesses - brokerage, distribution, asset and wealth management - to supplement any further capital requirement of MOHFL, thus limiting any incremental borrowing requirement. Furthermore, MOFSL is adequately capitalised with

the group's fund-based book (equity investment including alternate funds), which housed the group's investments of INR58.7 billion at 9MFY24. The company may raise short-term debt for working capital needs, if required.

Liquidity Indicator - Adequate: The group had sanctioned unutilised bank lines of INR52.5 billion for contingencies, and unencumbered cash and bank balance, and liquid investment of INR21.2 billion at end-December 2023. The liquidity position is adequate to meet debt repayment obligations over January-March 2024. The group has a common treasury, and the liquidity pool is fungible for the liquidity requirements of the group companies. The consolidated debt stood at INR125.6 billion at 9MFY24. Of this, INR28 billion was attributable to MOHFL, while the balance was mainly used to extend loans, which are sufficiently secured (maximum loan to value of 50%) and short term in nature, such as margin financing and debtors book funding in the broking business and loan against shares in non-baking finance companies.

MOHFL's Modest Scale of Operations, Scaling Remains Monitorable: MOHFL's housing business prior to 2018 had a high AUM concentration at specific branches, leading to a build-up of credit risk. With a course correction in underwriting filters, incrementally some of these older branches, based on the new set rules, seem to be saturated for further growth in the informal segment. Thus, MOHFL's growth needs to be driven by the new geographies where new teams have been established. The company's attrition rate has been high at the sales level; however, with the newer set of employees coming in, the scaling up of franchise while maintaining the asset quality remains a key rating monitorable.

For building a self-construction and resale-led housing book, MOHFL plans expansion in tier 3 and tier 4 cities which could require revamping the branch expansion strategy. The operating leverage remains low as the branch disbursement compared with the team size remains low, thus providing scope for expansion in the long term. MOHFL's operating expense is likely to remain elevated over the next 12 months as it plans to expand its sales team for driving higher disbursements. Also, for builder finance, MOHFL is using the group expertise in the real estate segment for sourcing and underwriting, whereas operations are managed by its inhouse team. However, the exposure here is capped at 20% of overall loan book (currently stands at 15% in overall book).

Non-Housing Segment Aiding Portfolio Growth: MOHFL has realigned its strategy by focusing on builder financing in FY23, where its share in overall loan book increased to 13% at 9MFY24. Going forward, the company looks to equally focus on affordable housing/ loan against property (LAP) and developer financing for driving loan book growth. The lending is capped at up to INR5 million ticket size properties in the affordable category. Its target customers remain low-income group borrowers, along with maintaining moderate funding towards the economically weaker section borrower profile. The customer segment is mixed, with self-employed segment constituting around 50% and the rest being salaried; however, the company looks to focus on the self-employed segment. The book has historically been largely dominated in Maharashtra, Gujarat and Madhya Pradesh. However, MOHFL is focusing on diversifying its presence in pan India, particularly in the southern states. The sourcing channel comprises broking franchise owners, connectors and internal sales team with minimal reliance on direct sourcing agents' network. The company has established its information technology system and the underwriting standard operating procedures; nevertheless, its efficiency needs to be tested with the scalability and seasoning of the new book. MOHFL has a four-layer credit approval structure with loan sanctioning authority defined at different levels with no authority of sanctioning at the branch level.

Since FY19, there was an overhaul in the management team and a gradual conversion to a vertical-based model from a branch-based model. The new team has a fairly diversified organisational mix; however, aligning the new team to the group strategy and retaining the senior management will be a rating monitorable in the medium term. MOHFL has built its senior management team and plans to calibrate the growth trajectory with this new team. The emphasis has been made on establishing the verticalisation of business channels such as sales, collection and underwriting credit with minimal overlap. The company has formed a collection team of around 448 employees. The management believes the disbursements made after FY18 and the revamp of credit policies, improved control on branch sales and collection team, revamped monthly information systems, and the restructuring of systems and processes should provide the company better control on credit costs. This is partly evident from the controlled slippages with gross non-performing assets (GNPA) in the new book at 0.9% as against 2.1% on its old book, where the new book forms 52% of the loan book at 9MFY24. However, this book has yet to witness a complete seasoning cycle; therefore, establishing credit cost remains a challenge. Ind-Ra will closely monitor the developments on this

front and its impact on the company's financial profile.

Asset Quality Overhang Persists, but New Book's Performance Remains Stable: In its erstwhile model, under the Aspire brand, MOHFL's housing finance business faced asset quality pressure in the book originated till March 2018, due to the aggressive loan growth, a lack of dedicated collection vertical, branch-level delegation of authority, and products catering to under-construction segment. However, MOHFL has now completely stopped providing plot and composite loans.

MOHFL has undertaken substantial write-offs, along with the sale to an asset reconstruction company (ARC) to clean up the delinquent book originated before April 2018. With increased oversight from MOFSL and the change in the management, a collection team has been set up and each borrower has been mapped with internal information technology systems. At 9MFY24, MOHFL's book sold to the ARC and the written-off loan book stood at INR11.1 billion, largely to clean up the stress emanating from the older book. Its GNPA increased to 2.1% at 9MFY24 (FY23: 1.1%). The standard restructured book remains a key monitorable as an incremental slippage would emanate from this book, which stood at INR2.1 billion (5.5% of the loan book) in 9MFY24 (9MFY24: 6.8%), largely due to classifying portfolio outstanding against top-up loans as restructured. The written-off loan pool in MOHFL stood at INR3.6 billion at end-December 2023, comprising one large account where recovery remains moderate. Also, as on end-December 2023, Motilal Oswal Finvest Limited's (debt rated 'IND AA'/Stable) investment in security receipts stood at INR1.44 billion of MOHFL where the recovery could be substantial compared to net book value. The collection efficiency has improved to 97.1% of current billing, excluding the overdue monthly payment and prepayments, as of December 2023. The restructured book collection efficiency remained at 84.2% excluding prepayments and overdue monthly payment as of December 2023.

The company could see slippages from the restructured book, which could keep credit cost elevated and needs monitoring. Nevertheless, the new book (52% of the overall AUM) originated post March 2018, has been better with reasonable early delinquencies, largely due to improved oversight on underwriting through systems with a process-driven approach, the build-up of a monitoring team at the head office and third-party audits. MOHFL built 2.2% of the expected credit loss provision on the entire AUM, providing cover of 40.2% in 9MFY24 (1HFY23: 26.1%) on the overall monitored book (GNPA+ restructured book) which stood at 7.6% in 9MFY24 (9MFY23: 8.7%) of AUM. However, its lower loan-to-value ratio and the substantial equity of borrower in residential property purchased would act as deterrents against wilful delays.

Rating Sensitivities

Positive: A significant scaling up of the group franchise with a substantial market share in its business lines, along with diversifying revenue streams and the leadership in core business, along with a sizeable scaling up of the lending franchise could be positive for the ratings.

Negative: Following factors could, individually or collectively, lead to a negative rating action:

- sharp deterioration in the market share and competitive positioning of any of the group's large businesses, which could lead to a significant weakening of the group's profitability and/or capital buffers

- signs of sharp deterioration in MOFSL's liquidity and/or access to funding due to unexpected market-wide shocks

- the consolidated gross leverage (ex-housing) exceeding 2.0x on a sustained basis.

ESG Issues

ESG Factors Minimally Relevant to Rating: Unless otherwise disclosed in this section, the ESG issues are credit neutral or have only a minimal credit impact on MOFSL, due to either their nature or the way in which they are being managed by the entity. For more information on Ind-Ra's ESG Relevance Disclosures, please click here. For

answers to frequently asked questions regarding ESG Relevance Disclosures and their impact on ratings, please click here.

Company Profile

MOFSL is the ultimate holding company of the broker-turned-diversified financial services Motilal Oswal group. The group is present in several businesses such as retail and institutional broking, asset management, private equity, wealth management, loan against shares, margin financing, commodities broking, investment banking, venture capital management and housing finance. Since 1986, the company has seen various capital market cycles and has a strong hold in the capital market space.

FINANCIAL SUMMARY (MOFSL, CONSOLIDATED)

Particulars	9MFY24	FY23	FY22
Total tangible assets (INR million)	3,14,245	2,29,100	1,68,268
Total tangible equity (INR million)	81,688	61,523	55,778
Profit after tax (INR million)	17,179	9,328	13,107
Return on average tangible assets (%)	8.4	4.7	9.6
Tangible equity/ tangible assets (%)	26.0	26.9	33.1
Source: Company, Ind-Ra			

Non-Cooperation with previous rating agency

Not applicable

Solicitation Disclosures

Additional information is available at www.indiaratings.co.in. The ratings above were solicited by, or on behalf of, the issuer, and therefore, India Ratings has been compensated for the provision of the ratings.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer.

APPLICABLE CRITERIA

Financial Institutions Rating Criteria

Rating FI Subsidiaries and Holding Companies

Non-Bank Finance Companies Criteria

Securities Firms Criteria

Evaluating Corporate Governance

Rating History

Instrument Type	Current Rating/Outlook			Historical Rating/Ou				
	Rating Type	Rated Limits (million)	Rating	18 September 2023	21 July 2023	11 May 2023	20 October 2022	14 Febru 2022
CPs	Short-term	INR50,000	IND A1+	IND A1+	IND A1+	IND A1+	IND A1+	IND A1
NCDs	Long-term	INR11,000	IND AA/Stable	IND AA/Stable	IND AA/Stable	IND AA/Stable	IND AA/Stable	IND AA/Stab
PP-MLDs	Long-term	INR3,000	IND PP-MLD AA/Stable	IND PP-MLD AA/Stable	IND PP-MLD AA/Stable	IND PP-MLD AA/Stable	IND PP-MLD AAemr/Stable	IND PP-M AAemr/St
Bank loans	Long-term	INR4,000	IND AA/Stable	IND AA/Stable	IND AA/Stable	IND AA/Stable	IND AA/Stable	-

Annexure

Instrument Type	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (million)	Rating/Outlook
PP-MLD	INE338I07081	13 May 2022	NIFTY50 LINKED	07 February 2025	INR284	'IND PP-MLD AA'/Stable
Unutilised					INR2,716	
Total limit					INR3,000	

Bank wise Facilities Details

Click here to see the details

Complexity Level of Instruments

Instrument Type	Complexity Indicator
CPs	Low
NCDs	Low
PP-MLDs	High
Bank loans	Low

For details on the complexity level of the instruments, please visit https://www.indiaratings.co.in/complexity indicators.

Contact

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Ind-Ra currently maintains coverage of corporate issuers, financial institutions (including banks and insurance companies), finance and leasing companies, managed funds, urban local bodies and project finance companies.

Headquartered in Mumbai, Ind-Ra has seven branch offices located in Ahmedabad, Bengaluru, Chennai, Delhi, Hyderabad, Kolkata and Pune. Ind-Ra is recognised by the Securities and Exchange Board of India, the Reserve Bank of India and National Housing Bank.

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ANNEXURE C

CONSENT OF THE DEBENTURE TRUSTEE

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44695/CL/MUM/23-24/DEB/411
Date: March 26,2024

The Board of Directors
Motilal Oswal Financial Services Limited
Motilal Oswal Tower,Level 11,
Junction of Gokhale & Sayani Road,
Opp. Parel S.T. Depot, Prabhadevi,
Mumbai-400025, Maharashtra
India

Sub: Consent to Act as Debenture Trustee to the Issue

Dear Sir(s)/Madam(s),

We, the undersigned, hereby consent to act as Debenture Trustee to the proposed public issue of secured, rated, listed, redeemable, non-convertible debentures of face value of Rs. 1,000 (Rupees One Thousand Only) each **("NCDs"),** aggregating up to Rs. 1,000 Crore (Rupees One Thousand Crore Only) **("Issue")** by Motilal Oswal Financial Services Limited **("the Company")** and to have our name being inserted as such in the documents pertaining to the said Issue, including but not limited to:

i. The draft prospectus **("Draft Prospectus")** which the Company intends to file with BSE Limited **("BSE")** and National Stock Exchange of India Limited **("NSE")** (collectively referred as **"Stock Exchanges"**) for the purpose of receiving public comments and submitted with the Securities and Exchange Board of India **("SEBI")** for record purposes;

ii. The prospectus **("Prospectus")** proposed to be filed with the Registrar of Companies, Maharashtra at Mumbai (the **"ROC"**) and submitted to the SEBI and Stock Exchanges in relation to the Issue;

iii. The abridged **prospectus;** and

iv. All related advertisements and subsequent communications sent to the holders of NCDs pursuant to the Issue. The NCDs are proposed to be listed on the Stock Exchanges.

We also authorise you/your representative to deliver a copy of this letter of consent to the ROC pursuant to the provisions of Section 26 of the Companies Act, 2013 (as amended from time to time), SEBI, Stock Exchanges and any other regulatory/statutory authorities as may be required by applicable laws. The following details with respect to us are true, correct and complete and may be disclosed in the Prospectus and any other issue related materials / documents:

Logo:
Name: Beacon Trusteeship Limited
Address: 7 A & B, Siddhivinayak Chambers, Opposite MIG Cricket Club, Gandhi Nagar, Bandra East,

Mumbai 400 051
Tel: 022-46060278
Fax: -
Email: compliance@beacontrustee.co.in
Investor Grievance Email: investorgrievances@beacontrustee.co.in

Website: https://beacontrustee.co.in/
Contact Person: Mr. Kaustubh Kulkarni
Compliance Officer: Mr. Kaustubh Kulkarni
SEBI Registration No.: IND000000569s
CIN: U74999MH2015PLC271288

We enclose a copy of our registration certificate and declaration regarding our registration with the SEBI in the required format in **Annexure A**. We also certify that our registration is valid as on date and that we have not been prohibited by the SEBI or any other regulatory authority from acting as an intermediary in capital market issues. We also confirm that we have not been debarred from functioning as an intermediary by any regulatory/statutory authority, court or tribunal. We further confirm that no enquiry/investigation is presently being conducted by the SEBI on us.

We confirm that we will immediately inform, in writing, the Company and Lead Managers to the Issue **("LMs")** of any changes to the information stated in this letter till the date NCDs commence trading on the Stock Exchanges pursuant to the Issue. In the absence of any such communication, the information stated in this letter should be taken as accurate and updated information until NCDs commence trading on the Stock Exchanges pursuant to the Issue.

We also agree to keep strictly confidential, until such time the proposed Issue is publicly announced by the Company in the form of a press release, (i) the nature and scope of the Issue; and (ii) our knowledge of the Issue of the Company.

This letter may be relied upon by the Company, LMs and legal advisor appointed by the Company in respect of the Issue.

Yours faithfully
For Beacon Trusteeship Limited

Authorised Signatory
Name:Veena Nautiyal
Designation: Associate Director

CC:

Lead Managers

Trust Investment Advisors Private Limited
109/110, Balarama
Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051
Maharashtra, India

Motilal Oswal Investment Advisors Limited
Motilal Oswal Tower,
10th Floor, Rahimtullah Sayani Road,
Opposite Parel ST Depot, Prabhadevi,
Mumbai 400 025, Maharashtra, India.

Nuvama Wealth Management Limited
(formerly known as Edelweiss Securities Limited)
801-804, Wing A, Building No 3, Inspire BKC,
G Block, Bandra Kurla Complex, Bandra East,
Mumbai –400 051, Maharashtra, India

(Trust Investment Advisors Private Limited, Motilal Oswal Investment Advisors Limited and Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited) are hereby referred to as the **"Lead Managers"** or the **"LMs"**)

Legal Counsel to the Issue

Cyril Amarchand Mangaldas
3 rd Floor, Prestige Falcon Towers
19, Brunton Road, Off M.G. Road
Bengaluru 560 025, India

Encl.: As above

Annexure A

DEBENTURE TRUSTEES

भारतीय प्रतिभूति और विनिमय बोर्ड

SECURITIES AND EXCHANGE BOARD OF INDIA

(DEBENTURE TRUSTEES) REGULATIONS, 1993

CERTIFICATE OF REGISTRATION

BEACON TRUSTEESHIP LIMITED
4C & D, SIDDHIVINAYAK CHAMBERS,
GANDHI NAGAR, OPP. MIG CRICKET CLUB,
BANDRA EAST, MUMBAI - 400051
MAHARASHTRA, INDIA

This Certificate of registration shall be valid for permanent, unless suspended or cancelled by the Board

Mumbai

February 12, 2021

ANUPMA CHADHA

Date: March 26,2024

TO WHOMSOEVER IT MAY CONCERN

Sub: Proposed public issue by Motilal Oswal Financial Services Limited (the "Company") of secured, rated, listed, redeemable, non-convertible debentures of face value of 1,000/- each ("NCDs") (the "Issue")

1.	Registration Number	IND000000569
2.	Date of Registration/Renewal of Registration	12th Feb 2021
3.	Date of expiry of registration	Permanent Certificate
4.	If applied for renewal, date of application	NA
5.	Any communication from the SEBI prohibiting Beacon Trusteeship Limited from acting as [debenture trustee to the offer]	NA
6.	Any enquiry/investigation being conducted by the SEBI	NA
7.	Period up to which registration/renewal fees has been paid	NA
8.	Details of any penalty imposed	NA

For Beacon Trusteeship Limited

Authorised Signatory
Name:Veena Nautiyal
Designation: Associate Director

ANNEXURE D - ILLUSTRATIVE CASHFLOWS

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Series I

24 Months – Annual	
Company	Motilal Oswal Financial Services Limited
Face Value per NCD (in Rs.)	1000
Number of NCDs held (Assumed)	1
Deemed Date of allotment (Assumed)	Monday, 13 May, 2024
Tenor	24 months
Coupon rate (in % per annum) for NCD Holders in all categories of Investors	8.85%
Redemption Date/ Maturity Date	Wednesday, 13 May, 2026
Frequency of interest payment with specified dates	Annually on May 13, 2025 and May 13, 2026
Effective Yield (in % per annum) for NCD Holders in all categories of Investors	8.85%
Day Count Convention	Actual/Actual

Cash Flows	Due Date	Date of Payment	No. of days in coupon period	Amount (in Rs.)
Deemed date of allotment	Monday, 13 May, 2024	Monday, 13 May, 2024		(1,000.00)
1st coupon payment	Tuesday, 13 May, 2025	Tuesday, 13 May, 2025	365	88.50
2nd coupon payment	Wednesday, 13 May, 2026	Wednesday, 13 May, 2026	365	88.50
Principal/ Maturity value	Wednesday, 13 May, 2026	Wednesday, 13 May, 2026		1,000.00

Series II

24 Months – Cumulative	
Company	Motilal Oswal Financial Services Limited
Face Value per NCD (in Rs.)	1000
Number of NCDs held (Assumed)	1
Deemed Date of allotment (Assumed)	Monday, 13 May, 2024
Tenor	24 months
Coupon rate (in % per annum) for NCD Holders in all categories of Investors	N.A.
Redemption Date/ Maturity Date	Wednesday, 13 May, 2026
Frequency of interest payment with specified dates	On Maturity
Effective Yield (in % per annum) for NCD Holders in all categories of Investors	8.85%
Day Count Convention	Actual/Actual

Cash Flows	Due Date	Date of Payment	No. of days in coupon period	Amount (in Rs.)
Deemed date of allotment	Monday, 13 May, 2024	Monday, 13 May, 2024		(1,000.00)
Coupon payment	Wednesday, 13 May, 2026	Wednesday, 13 May, 2026	730	184.85
Principal/ Maturity value	Wednesday, 13 May, 2026	Wednesday, 13 May, 2026		1,000.00

Series III

36 Months – Annual	
Company	Motilal Oswal Financial Services Limited
Face Value per NCD (in Rs.)	1000
Number of NCDs held (Assumed)	1
Deemed Date of allotment (Assumed)	Monday, 13 May, 2024
Tenor	36 months
Coupon rate (in % per annum) for NCD Holders in all categories of Investors	9.10%
Redemption Date/ Maturity Date	Thursday, 13 May, 2027
Frequency of interest payment with specified dates	Annually on May 13, 2025, May 13, 2026 and May 13, 2027
Effective Yield (in % per annum) for NCD Holders in all categories of Investors	9.10%
Day Count Convention	Actual/Actual

Cash Flows	Due Date	Date of Payment	No. of days in coupon period	Amount (in Rs.)
Deemed date of allotment	Monday, 13 May, 2024	Monday, 13 May, 2024		(1,000.00)
1st Coupon payment	Tuesday, 13 May, 2025	Tuesday, 13 May, 2025	365	91.00
2nd Coupon payment	Wednesday, 13 May, 2026	Wednesday, 13 May, 2026	365	91.00
3rd Coupon payment	Thursday, 13 May, 2027	Thursday, 13 May, 2027	365	91.00
Principal/ Maturity value	Thursday, 13 May, 2027	Thursday, 13 May, 2027		1,000.00

Series IV

36 Months – Cumulative	
Company	Motilal Oswal Financial Services Limited
Face Value per NCD (in Rs.)	1000
Number of NCDs held (Assumed)	1
Deemed Date of allotment (Assumed)	Monday, 13 May, 2024
Tenor	36 months
Coupon rate (in % per annum) for NCD Holders in all categories of Investors	N.A.
Redemption Date/ Maturity Date	Thursday, 13 May, 2027
Frequency of interest payment with specified dates	On Maturity
Effective Yield (in % per annum) for NCD Holders in all categories of Investors	9.10%
Day Count Convention	Actual/Actual

Cash Flows	Due Date	Date of Payment	No. of days in coupon period	Amount (in Rs.)
Deemed date of allotment	Monday, 13 May, 2024	Monday, 13 May, 2024		(1,000.00)
Coupon payment	Thursday, 13 May, 2027	Thursday, 13 May, 2027	1095	298.60
Principal/ Maturity value	Thursday, 13 May, 2027	Thursday, 13 May, 2027		1,000.00

Series V

60 Months – Monthly	
Company	Motilal Oswal Financial Services Limited
Face Value per NCD (in Rs.)	1000
Number of NCDs held (Assumed)	1
Deemed Date of allotment (Assumed)	Monday, 13 May, 2024
Tenor	60 months
Coupon rate (in % per annum) for NCD Holders in all categories of Investors	8.97%
Redemption Date/ Maturity Date	Sunday, 13 May, 2029
Frequency of interest payment with specified dates	Monthly, first coupon payment on June 30th, 2024 and subsequently on last of day of every month and the last coupon payment will be made at the time of redemption of the NCDs
Effective Yield (in % per annum) for NCD Holders in all categories of Investors	9.35%
Day Count Convention	Actual/Actual

Cash Flows	Due Date	Date of Payment	No. of days in coupon period	Amount (in Rs.)
Deemed date of allotment	Monday, 13 May, 2024	Monday, 13 May, 2024		(1,000.00)
1st Coupon payment	Sunday, 30 June, 2024	Monday, 1 July, 2024	48	11.80
2nd Coupon payment	Wednesday, 31 July, 2024	Wednesday, 31 July, 2024	31	7.62
3rd Coupon payment	Saturday, 31 August, 2024	Monday, 2 September, 2024	31	7.62
4th Coupon payment	Monday, 30 September, 2024	Monday, 30 September, 2024	30	7.37
5th Coupon payment	Thursday, 31 October, 2024	Thursday, 31 October, 2024	31	7.62
6th Coupon payment	Saturday, 30 November, 2024	Monday, 2 December, 2024	30	7.37
7th Coupon payment	Tuesday, 31 December, 2024	Tuesday, 31 December, 2024	31	7.62
8th Coupon payment	Friday, 31 January, 2025	Friday, 31 January, 2025	31	7.62
9th Coupon payment	Friday, 28 February, 2025	Friday, 28 February, 2025	28	6.88
10th Coupon payment	Monday, 31 March, 2025	Monday, 31 March, 2025	31	7.62
11th Coupon payment	Wednesday, 30 April, 2025	Wednesday, 30 April, 2025	30	7.37
12th Coupon payment	Saturday, 31 May, 2025	Monday, 2 June, 2025	31	7.62
13th Coupon payment	Monday, 30 June, 2025	Monday, 30 June, 2025	30	7.37
14th Coupon payment	Thursday, 31 July, 2025	Thursday, 31 July, 2025	31	7.62

Cash Flows	Due Date	Date of Payment	No. of days in coupon period	Amount (in Rs.)
15th Coupon payment	Sunday, 31 August, 2025	Monday, 1 September, 2025	31	7.62
16th Coupon payment	Tuesday, 30 September, 2025	Tuesday, 30 September, 2025	30	7.37
17th Coupon payment	Friday, 31 October, 2025	Friday, 31 October, 2025	31	7.62
18th Coupon payment	Sunday, 30 November, 2025	Monday, 1 December, 2025	30	7.37
19th Coupon payment	Wednesday, 31 December, 2025	Wednesday, 31 December, 2025	31	7.62
20th Coupon payment	Saturday, 31 January, 2026	Monday, 2 February, 2026	31	7.62
21st Coupon payment	Saturday, 28 February, 2026	Monday, 2 March, 2026	28	6.88
22nd Coupon payment	Tuesday, 31 March, 2026	Tuesday, 31 March, 2026	31	7.62
23rd Coupon payment	Thursday, 30 April, 2026	Thursday, 30 April, 2026	30	7.37
24th Coupon payment	Sunday, 31 May, 2026	Monday, 1 June, 2026	31	7.62
25th Coupon payment	Tuesday, 30 June, 2026	Tuesday, 30 June, 2026	30	7.37
26th Coupon payment	Friday, 31 July, 2026	Friday, 31 July, 2026	31	7.62
27th Coupon payment	Monday, 31 August, 2026	Monday, 31 August, 2026	31	7.62
28th Coupon payment	Wednesday, 30 September, 2026	Wednesday, 30 September, 2026	30	7.37
29th Coupon payment	Saturday, 31 October, 2026	Monday, 2 November, 2026	31	7.62
30th Coupon payment	Monday, 30 November, 2026	Monday, 30 November, 2026	30	7.37
31st Coupon payment	Thursday, 31 December, 2026	Thursday, 31 December, 2026	31	7.62
32nd Coupon payment	Sunday, 31 January, 2027	Monday, 1 February, 2027	31	7.62
33rd Coupon payment	Sunday, 28 February, 2027	Monday, 1 March, 2027	28	6.88
34th Coupon payment	Wednesday, 31 March, 2027	Wednesday, 31 March, 2027	31	7.62
35th Coupon payment	Friday, 30 April, 2027	Friday, 30 April, 2027	30	7.37
36th Coupon payment	Monday, 31 May, 2027	Monday, 31 May, 2027	31	7.62
37th Coupon payment	Wednesday, 30 June, 2027	Wednesday, 30 June, 2027	30	7.37
38th Coupon payment	Saturday, 31 July, 2027	Monday, 2 August, 2027	31	7.62
39th Coupon payment	Tuesday, 31 August, 2027	Tuesday, 31 August, 2027	31	7.62
40th Coupon payment	Thursday, 30 September, 2027	Thursday, 30 September, 2027	30	7.37
41st Coupon payment	Sunday, 31 October, 2027	Monday, 1 November, 2027	31	7.62

Cash Flows	Due Date	Date of Payment	No. of days in coupon period	Amount (in Rs.)
42nd Coupon payment	Tuesday, 30 November, 2027	Tuesday, 30 November, 2027	30	7.37
43rd Coupon payment	Friday, 31 December, 2027	Friday, 31 December, 2027	31	7.62
44th Coupon payment	Monday, 31 January, 2028	Monday, 31 January, 2028	31	7.60
45th Coupon payment	Tuesday, 29 February, 2028	Tuesday, 29 February, 2028	29	7.11
46th Coupon payment	Friday, 31 March, 2028	Friday, 31 March, 2028	31	7.60
47th Coupon payment	Sunday, 30 April, 2028	Tuesday, 2 May, 2028	30	7.35
48th Coupon payment	Wednesday, 31 May, 2028	Wednesday, 31 May, 2028	31	7.60
49th Coupon payment	Friday, 30 June, 2028	Friday, 30 June, 2028	30	7.35
50th Coupon payment	Monday, 31 July, 2028	Monday, 31 July, 2028	31	7.60
51st Coupon payment	Thursday, 31 August, 2028	Thursday, 31 August, 2028	31	7.60
52nd Coupon payment	Saturday, 30 September, 2028	Tuesday, 3 October, 2028	30	7.35
53rd Coupon payment	Tuesday, 31 October, 2028	Tuesday, 31 October, 2028	31	7.60
54th Coupon payment	Thursday, 30 November, 2028	Thursday, 30 November, 2028	30	7.35
55th Coupon payment	Sunday, 31 December, 2028	Monday, 1 January, 2029	31	7.60
56th Coupon payment	Wednesday, 31 January, 2029	Wednesday, 31 January, 2029	31	7.62
57th Coupon payment	Wednesday, 28 February, 2029	Wednesday, 28 February, 2029	28	6.88
58th Coupon payment	Saturday, 31 March, 2029	Monday, 2 April, 2029	31	7.62
59th Coupon payment	Monday, 30 April, 2029	Monday, 30 April, 2029	30	7.37
60th Coupon payment	Sunday, 13 May, 2029	Friday, 11 May, 2029	13	3.19
Principal/ Maturity value	Sunday, 13 May, 2029	Friday, 11 May, 2029		1,000.00

Series VI

60 Months – Annual	
Company	Motilal Oswal Financial Services Limited
Face Value per NCD (in Rs.)	1000
Number of NCDs held (Assumed)	1
Deemed Date of allotment (Assumed)	Monday, 13 May, 2024
Tenor	60 months
Coupon rate (in % per annum) for NCD Holders in all categories of Investors	9.35%
Redemption Date/ Maturity Date	Sunday, 13 May, 2029
Frequency of interest payment with specified dates	Annually, first coupon payment on May 13, 2025 and subsequently on May 13th of every year and the last coupon payment will be made at the time of redemption of the NCDs
Effective Yield (in % per annum) for NCD Holders in all categories of Investors	9.35%
Day Count Convention	Actual/Actual

Cash Flows	Due Date	Date of Payment	No. of days in coupon period	Amount (in Rs.)
Deemed date of allotment	Monday, 13 May, 2024	Monday, 13 May, 2024		(1,000.00)
1st Coupon payment	Tuesday, 13 May, 2025	Tuesday, 13 May, 2025	365	93.50
2nd Coupon payment	Wednesday, 13 May, 2026	Wednesday, 13 May, 2026	365	93.50
3rd Coupon payment	Thursday, 13 May, 2027	Thursday, 13 May, 2027	365	93.50
4th Coupon payment	Saturday, 13 May, 2028	Monday, 15 May, 2028	366	93.50
5th Coupon payment	Sunday, 13 May, 2029	Friday, 11 May, 2029	365	93.50
Principal/ Maturity value	Sunday, 13 May, 2029	Friday, 11 May, 2029		1,000.00

Series VII

120 Months – Monthly	
Company	Motilal Oswal Financial Services Limited
Face Value per NCD (in Rs.)	1000
Number of NCDs held (Assumed)	1
Deemed Date of allotment (Assumed)	Monday, 13 May, 2024
Tenor	120 months
Coupon rate (in % per annum) for NCD Holders in all categories of Investors	9.30%
Redemption Date/ Maturity Date	Saturday, 13 May, 2034
Frequency of interest payment with specified dates	Monthly, first coupon payment on June 30th, 2024 and subsequenty on last of day of every month and the last coupon payment will be made at the time of redemption of the NCDs
Effective Yield (in % per annum) for NCD Holders in all categories of Investors	9.70%
Day Count Convention	Actual/Actual

Cash Flows	Due Date	Date of Payment	No. of days in coupon period	Amount (in Rs.)
Deemed date of allotment	Monday, 13 May, 2024	Monday, 13 May, 2024		(1,000.00)
1st Coupon payment	Sunday, 30 June, 2024	Monday, 1 July, 2024	48	12.23
2nd Coupon payment	Wednesday, 31 July, 2024	Wednesday, 31 July, 2024	31	7.90
3rd Coupon payment	Saturday, 31 August, 2024	Monday, 2 September, 2024	31	7.90
4th Coupon payment	Monday, 30 September, 2024	Monday, 30 September, 2024	30	7.64
5th Coupon payment	Thursday, 31 October, 2024	Thursday, 31 October, 2024	31	7.90
6th Coupon payment	Saturday, 30 November, 2024	Monday, 2 December, 2024	30	7.64
7th Coupon payment	Tuesday, 31 December, 2024	Tuesday, 31 December, 2024	31	7.90
8th Coupon payment	Friday, 31 January, 2025	Friday, 31 January, 2025	31	7.90
9th Coupon payment	Friday, 28 February, 2025	Friday, 28 February, 2025	28	7.13
10th Coupon payment	Monday, 31 March, 2025	Monday, 31 March, 2025	31	7.90
11th Coupon payment	Wednesday, 30 April, 2025	Wednesday, 30 April, 2025	30	7.64
12th Coupon payment	Saturday, 31 May, 2025	Monday, 2 June, 2025	31	7.90
13th Coupon payment	Monday, 30 June, 2025	Monday, 30 June, 2025	30	7.64
14th Coupon payment	Thursday, 31 July, 2025	Thursday, 31 July, 2025	31	7.90
15th Coupon payment	Sunday, 31 August, 2025	Monday, 1 September, 2025	31	7.90

Cash Flows	Due Date	Date of Payment	No. of days in coupon period	Amount (in Rs.)
16th Coupon payment	Tuesday, 30 September, 2025	Tuesday, 30 September, 2025	30	7.64
17th Coupon payment	Friday, 31 October, 2025	Friday, 31 October, 2025	31	7.90
18th Coupon payment	Sunday, 30 November, 2025	Monday, 1 December, 2025	30	7.64
19th Coupon payment	Wednesday, 31 December, 2025	Wednesday, 31 December, 2025	31	7.90
20th Coupon payment	Saturday, 31 January, 2026	Monday, 2 February, 2026	31	7.90
21st Coupon payment	Saturday, 28 February, 2026	Monday, 2 March, 2026	28	7.13
22nd Coupon payment	Tuesday, 31 March, 2026	Tuesday, 31 March, 2026	31	7.90
23rd Coupon payment	Thursday, 30 April, 2026	Thursday, 30 April, 2026	30	7.64
24th Coupon payment	Sunday, 31 May, 2026	Monday, 1 June, 2026	31	7.90
25th Coupon payment	Tuesday, 30 June, 2026	Tuesday, 30 June, 2026	30	7.64
26th Coupon payment	Friday, 31 July, 2026	Friday, 31 July, 2026	31	7.90
27th Coupon payment	Monday, 31 August, 2026	Monday, 31 August, 2026	31	7.90
28th Coupon payment	Wednesday, 30 September, 2026	Wednesday, 30 September, 2026	30	7.64
29th Coupon payment	Saturday, 31 October, 2026	Monday, 2 November, 2026	31	7.90
30th Coupon payment	Monday, 30 November, 2026	Monday, 30 November, 2026	30	7.64
31st Coupon payment	Thursday, 31 December, 2026	Thursday, 31 December, 2026	31	7.90
32nd Coupon payment	Sunday, 31 January, 2027	Monday, 1 February, 2027	31	7.90
33rd Coupon payment	Sunday, 28 February, 2027	Monday, 1 March, 2027	28	7.13
34th Coupon payment	Wednesday, 31 March, 2027	Wednesday, 31 March, 2027	31	7.90
35th Coupon payment	Friday, 30 April, 2027	Friday, 30 April, 2027	30	7.64
36th Coupon payment	Monday, 31 May, 2027	Monday, 31 May, 2027	31	7.90
37th Coupon payment	Wednesday, 30 June, 2027	Wednesday, 30 June, 2027	30	7.64
38th Coupon payment	Saturday, 31 July, 2027	Monday, 2 August, 2027	31	7.90
39th Coupon payment	Tuesday, 31 August, 2027	Tuesday, 31 August, 2027	31	7.90
40th Coupon payment	Thursday, 30 September, 2027	Thursday, 30 September, 2027	30	7.64
41st Coupon payment	Sunday, 31 October, 2027	Monday, 1 November, 2027	31	7.90
42nd Coupon payment	Tuesday, 30 November, 2027	Tuesday, 30 November, 2027	30	7.64

Cash Flows	Due Date	Date of Payment	No. of days in coupon period	Amount (in Rs.)
43rd Coupon payment	Friday, 31 December, 2027	Friday, 31 December, 2027	31	7.90
44th Coupon payment	Monday, 31 January, 2028	Monday, 31 January, 2028	31	7.88
45th Coupon payment	Tuesday, 29 February, 2028	Tuesday, 29 February, 2028	29	7.37
46th Coupon payment	Friday, 31 March, 2028	Friday, 31 March, 2028	31	7.88
47th Coupon payment	Sunday, 30 April, 2028	Tuesday, 2 May, 2028	30	7.62
48th Coupon payment	Wednesday, 31 May, 2028	Wednesday, 31 May, 2028	31	7.88
49th Coupon payment	Friday, 30 June, 2028	Friday, 30 June, 2028	30	7.62
50th Coupon payment	Monday, 31 July, 2028	Monday, 31 July, 2028	31	7.88
51st Coupon payment	Thursday, 31 August, 2028	Thursday, 31 August, 2028	31	7.88
52nd Coupon payment	Saturday, 30 September, 2028	Tuesday, 3 October, 2028	30	7.62
53rd Coupon payment	Tuesday, 31 October, 2028	Tuesday, 31 October, 2028	31	7.88
54th Coupon payment	Thursday, 30 November, 2028	Thursday, 30 November, 2028	30	7.62
55th Coupon payment	Sunday, 31 December, 2028	Monday, 1 January, 2029	31	7.88
56th Coupon payment	Wednesday, 31 January, 2029	Wednesday, 31 January, 2029	31	7.90
57th Coupon payment	Wednesday, 28 February, 2029	Wednesday, 28 February, 2029	28	7.13
58th Coupon payment	Saturday, 31 March, 2029	Monday, 2 April, 2029	31	7.90
59th Coupon payment	Monday, 30 April, 2029	Monday, 30 April, 2029	30	7.64
60th Coupon payment	Thursday, 31 May, 2029	Thursday, 31 May, 2029	31	7.90
61st Coupon payment	Saturday, 30 June, 2029	Monday, 2 July, 2029	30	7.64
62nd Coupon payment	Tuesday, 31 July, 2029	Tuesday, 31 July, 2029	31	7.90
63rd Coupon payment	Friday, 31 August, 2029	Friday, 31 August, 2029	31	7.90
64th Coupon payment	Sunday, 30 September, 2029	Monday, 1 October, 2029	30	7.64
65th Coupon payment	Wednesday, 31 October, 2029	Wednesday, 31 October, 2029	31	7.90
66th Coupon payment	Friday, 30 November, 2029	Friday, 30 November, 2029	30	7.64
67th Coupon payment	Monday, 31 December, 2029	Monday, 31 December, 2029	31	7.90
68th Coupon payment	Thursday, 31 January, 2030	Thursday, 31 January, 2030	31	7.90
69th Coupon payment	Thursday, 28 February, 2030	Thursday, 28 February, 2030	28	7.13

Cash Flows	Due Date	Date of Payment	No. of days in coupon period	Amount (in Rs.)
70th Coupon payment	Sunday, 31 March, 2030	Monday, 1 April, 2030	31	7.90
71st Coupon payment	Tuesday, 30 April, 2030	Tuesday, 30 April, 2030	30	7.64
72nd Coupon payment	Friday, 31 May, 2030	Friday, 31 May, 2030	31	7.90
73rd Coupon payment	Sunday, 30 June, 2030	Monday, 1 July, 2030	30	7.64
74th Coupon payment	Wednesday, 31 July, 2030	Wednesday, 31 July, 2030	31	7.90
75th Coupon payment	Saturday, 31 August, 2030	Monday, 2 September, 2030	31	7.90
76th Coupon payment	Monday, 30 September, 2030	Monday, 30 September, 2030	30	7.64
77th Coupon payment	Thursday, 31 October, 2030	Thursday, 31 October, 2030	31	7.90
78th Coupon payment	Saturday, 30 November, 2030	Monday, 2 December, 2030	30	7.64
79th Coupon payment	Tuesday, 31 December, 2030	Tuesday, 31 December, 2030	31	7.90
80th Coupon payment	Friday, 31 January, 2031	Friday, 31 January, 2031	31	7.90
81st Coupon payment	Friday, 28 February, 2031	Friday, 28 February, 2031	28	7.13
82nd Coupon payment	Monday, 31 March, 2031	Monday, 31 March, 2031	31	7.90
83rd Coupon payment	Wednesday, 30 April, 2031	Wednesday, 30 April, 2031	30	7.64
84th Coupon payment	Saturday, 31 May, 2031	Monday, 2 June, 2031	31	7.90
85th Coupon payment	Monday, 30 June, 2031	Monday, 30 June, 2031	30	7.64
86th Coupon payment	Thursday, 31 July, 2031	Thursday, 31 July, 2031	31	7.90
87th Coupon payment	Sunday, 31 August, 2031	Monday, 1 September, 2031	31	7.90
88th Coupon payment	Tuesday, 30 September, 2031	Tuesday, 30 September, 2031	30	7.64
89th Coupon payment	Friday, 31 October, 2031	Friday, 31 October, 2031	31	7.90
90th Coupon payment	Sunday, 30 November, 2031	Monday, 1 December, 2031	30	7.64
91st Coupon payment	Wednesday, 31 December, 2031	Wednesday, 31 December, 2031	31	7.90
92nd Coupon payment	Saturday, 31 January, 2032	Monday, 2 February, 2032	31	7.88
93rd Coupon payment	Sunday, 29 February, 2032	Monday, 1 March, 2032	29	7.37
94th Coupon payment	Wednesday, 31 March, 2032	Wednesday, 31 March, 2032	31	7.88
95th Coupon payment	Friday, 30 April, 2032	Friday, 30 April, 2032	30	7.62
96th Coupon payment	Monday, 31 May, 2032	Monday, 31 May, 2032	31	7.88

Cash Flows	Due Date	Date of Payment	No. of days in coupon period	Amount (in Rs.)
97th Coupon payment	Wednesday, 30 June, 2032	Wednesday, 30 June, 2032	30	7.62
98th Coupon payment	Saturday, 31 July, 2032	Monday, 2 August, 2032	31	7.88
99th Coupon payment	Tuesday, 31 August, 2032	Tuesday, 31 August, 2032	31	7.88
100th Coupon payment	Thursday, 30 September, 2032	Thursday, 30 September, 2032	30	7.62
101st Coupon payment	Sunday, 31 October, 2032	Monday, 1 November, 2032	31	7.88
102nd Coupon payment	Tuesday, 30 November, 2032	Tuesday, 30 November, 2032	30	7.62
103rd Coupon payment	Friday, 31 December, 2032	Friday, 31 December, 2032	31	7.88
104th Coupon payment	Monday, 31 January, 2033	Monday, 31 January, 2033	31	7.90
105th Coupon payment	Monday, 28 February, 2033	Monday, 28 February, 2033	28	7.13
106th Coupon payment	Thursday, 31 March, 2033	Thursday, 31 March, 2033	31	7.90
107th Coupon payment	Saturday, 30 April, 2033	Monday, 2 May, 2033	30	7.64
108th Coupon payment	Tuesday, 31 May, 2033	Tuesday, 31 May, 2033	31	7.90
109th Coupon payment	Thursday, 30 June, 2033	Thursday, 30 June, 2033	30	7.64
110th Coupon payment	Sunday, 31 July, 2033	Monday, 1 August, 2033	31	7.90
111th Coupon payment	Wednesday, 31 August, 2033	Wednesday, 31 August, 2033	31	7.90
112th Coupon payment	Friday, 30 September, 2033	Friday, 30 September, 2033	30	7.64
113th Coupon payment	Monday, 31 October, 2033	Monday, 31 October, 2033	31	7.90
114th Coupon payment	Wednesday, 30 November, 2033	Wednesday, 30 November, 2033	30	7.64
115th Coupon payment	Saturday, 31 December, 2033	Monday, 2 January, 2034	31	7.90
116th Coupon payment	Tuesday, 31 January, 2034	Tuesday, 31 January, 2034	31	7.90
117th Coupon payment	Tuesday, 28 February, 2034	Tuesday, 28 February, 2034	28	7.13
118th Coupon payment	Friday, 31 March, 2034	Friday, 31 March, 2034	31	7.90
119th Coupon payment	Sunday, 30 April, 2034	Monday, 1 May, 2034	30	7.64
120th Coupon payment	Saturday, 13 May, 2034	Friday, 12 May, 2034	13	3.31
Principal/ Maturity value	Saturday, 13 May, 2034	Friday, 12 May, 2034		1,000.00

Series VIII

120 Months – Annual	
Company	Motilal Oswal Financial Services Limited
Face Value per NCD (in Rs.)	1000
Number of NCDs held (Assumed)	1
Deemed Date of allotment (Assumed)	Monday, 13 May, 2024
Tenor	120 months
Coupon rate (in % per annum) for NCD Holders in all categories of Investors	9.70%
Redemption Date/ Maturity Date	Saturday, 13 May, 2034
Frequency of interest payment with specified dates	Annually, first coupon payment on May 13, 2025 and subsequently on May 13th of every year and the last coupon payment will be made at the time of redemption of the NCDs
Effective Yield (in % per annum) for NCD Holders in all categories of Investors	9.70%
Day Count Convention	Actual/Actual

Cash Flows	Due Date	Date of Payment	No. of days in coupon period	Amount (in Rs.)
Deemed date of allotment	Monday, 13 May, 2024	Monday, 13 May, 2024		(1,000.00)
1st Coupon payment	Tuesday, 13 May, 2025	Tuesday, 13 May, 2025	365	97.00
2nd Coupon payment	Wednesday, 13 May, 2026	Wednesday, 13 May, 2026	365	97.00
3rd Coupon payment	Thursday, 13 May, 2027	Thursday, 13 May, 2027	365	97.00
4th Coupon payment	Saturday, 13 May, 2028	Monday, 15 May, 2028	366	97.00
5th Coupon payment	Sunday, 13 May, 2029	Monday, 14 May, 2029	365	97.00
6th Coupon payment	Monday, 13 May, 2030	Monday, 13 May, 2030	365	97.00
7th Coupon payment	Tuesday, 13 May, 2031	Tuesday, 13 May, 2031	365	97.00
8th Coupon payment	Thursday, 13 May, 2032	Thursday, 13 May, 2032	366	97.00
9th Coupon payment	Friday, 13 May, 2033	Friday, 13 May, 2033	365	97.00

10th Coupon payment	Saturday, 13 May, 2034	Friday, 12 May, 2034	365	97.00
Principal/ Maturity value	Saturday, 13 May, 2034	Friday, 12 May, 2034		1,000.00