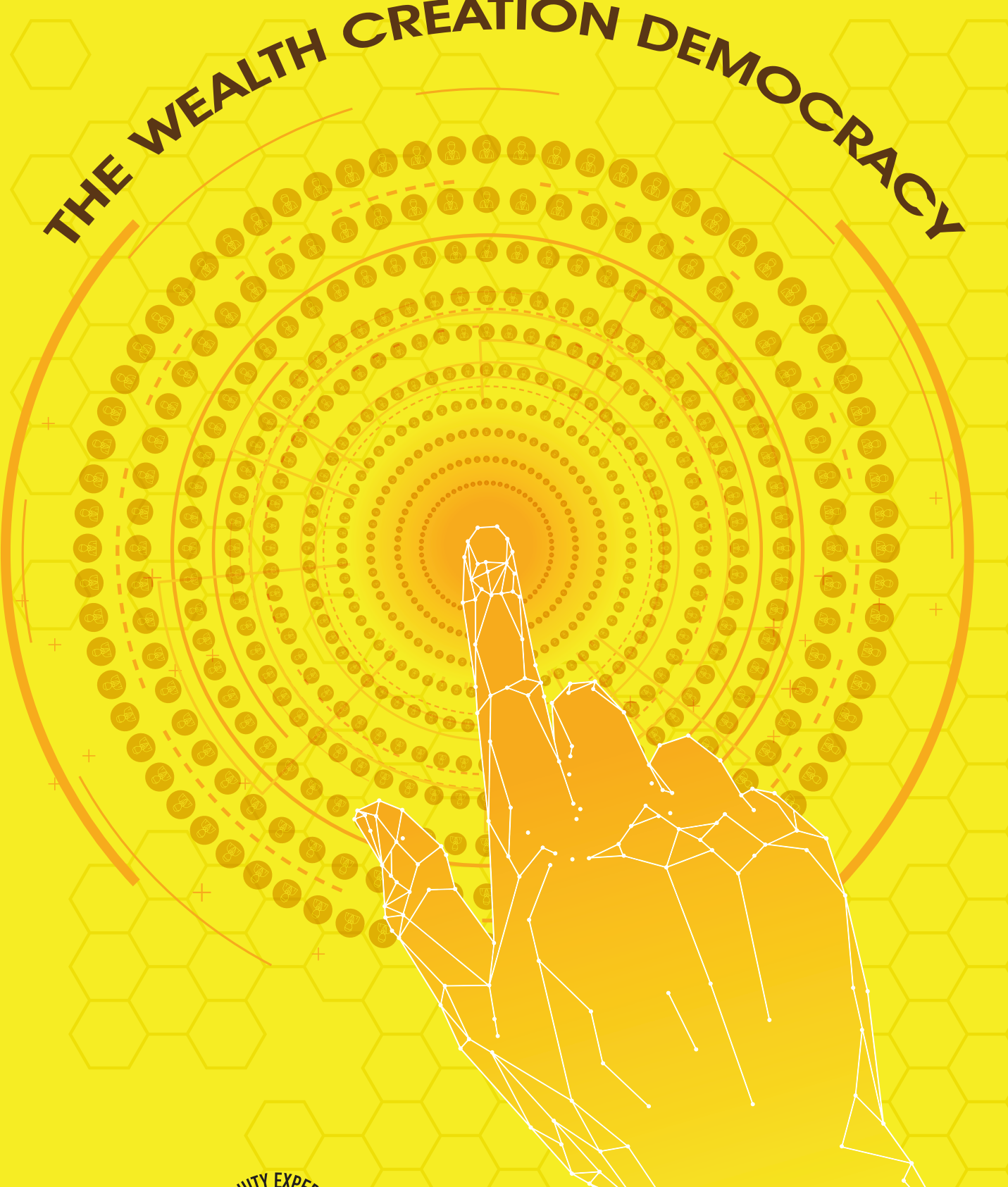


THE WEALTH CREATION DEMOCRACY



EQUITY EXPERTS
FOR
[35]
YEARS

MOTILAL OSWAL

**SUBSIDIARY COMPANIES
FINANCIAL STATEMENT 2021-22**

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Motilal Oswal Asset Management Company Limited

FINANCIAL STATEMENT

INDEPENDENT AUDITORS' REPORT

To
The Members of Motilal Oswal Asset Management Company Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

1. Opinion

We have audited the accompanying Financial Statements of Motilal Oswal Asset Management Company 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 financial statements 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 changes in equity for the year ended on that date.

2. Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 ("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 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 Financial Statements.

3. 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 Directors Report, but does not include the Financial Statements and our auditor's report thereon. These reports are expected to be made available to us after the date of our auditor's report.

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.

4. Management's Responsibility for the 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 financial statements that give a true and fair view of the financial position, financial

INDEPENDENT AUDITORS' REPORT (Contd..)

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. 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 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.

5. Auditor's Responsibilities for the Audit of the Financial Statements

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.

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 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.

INDEPENDENT AUDITORS' REPORT (Contd..)

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 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.

6. Other Matter

The comparative 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 statement on April 27, 2021. Accordingly, we do not express any opinion on the figures reported in the Financial Statements for the year ended March 31, 2021.

Our opinion is not modified in respect of this matter.

7. 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 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 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.

INDEPENDENT AUDITORS' REPORT (Contd..)

- 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 30 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
 - iv. (a) The Management has represented that 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 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.

For Singhi & Co.

Chartered Accountants

Firm Registration No. 302049E

S. Chandrasekhar

Partner

Membership No. 007592

UDIN: 22007592AHUQQF1288

Place: Mumbai

Date: 25 April, 2022

INDEPENDENT AUDITORS' REPORT (Contd..)

Annexure A to the Independent Auditors' Report of even date on the financial statements of Motilal Oswal Asset Management Company Limited

Referred to in paragraph [7(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.
- 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) The Company does not hold any immovable property (in the nature of 'property, plant and equipment'). Accordingly, the provisions of clause 3(i) (c) of the Order are not applicable.
- 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, explanations and representations 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) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) a) The investment in mutual funds of the Company are pledged for the loans granted to holding company Motilal Oswal Financial Services Limited covered in the register maintained under Section 189 of the Act and the details respect to the same are specified in note 34.
- b) In our opinion, the terms and conditions of the grant of all loans and advances in the nature of loans are not prima facie prejudicial to the Company's interest. Further, according to the information and explanations provided to us, the Company has not provided any guarantees during the year.
- c) In respect of the loans given and advances in the nature of loans, the Company has granted loans which are repayable on demand. However, the Company has not granted advances in the nature of loans during the year to companies, firms, Limited Liability Partnerships or any other parties where the schedule of repayment of principal and payment of interest has been stipulated. Accordingly, the requirement to report on this is not applicable to the Company.
- d) In respect of loans granted and advances in the nature of loans provided by the Company, there is no

INDEPENDENT AUDITORS' REPORT (Contd..)

overdue amount for more than ninety days as at the Balance Sheet as on March 31, 2022:

- e) Basis the information and explanations provided to us, no loan which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- f) Basis the information and explanations provided to us, the company has granted loans to holding company Motilal Oswal Financial Services Limited which are repayable on demand. Details of the same are mentioned below:

Particulars	Amount (Rs. In lakhs)
Loan given during the year	55150
Loan payment received during the year	52855
Balance outstanding as at balance sheet date as on 31.03.2022	2295

- (iv) In our opinion and according to the information and explanations given to us, the Company has not advanced loans to directors / to a company in which director is interested to which provisions of section 185 of the Companies Act, 2013 apply and the Company has complied with the provisions of Section 186 of the Companies Act, 2013.
- (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 the dues	Amount (Rs. In lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	2	AY 2017-18	Commissioner of Income Tax (Appeals)
		355	AY 2018-19	Commissioner of Income Tax (Appeals)
		357		

INDEPENDENT AUDITORS' REPORT (Contd..)

- (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, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (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, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable, for all the transactions with related parties and the details of related party transaction 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.

INDEPENDENT AUDITORS' REPORT (Contd..)

- 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) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) and (b) of the Order is not applicable.
- 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, explanations and representations given to us and on the basis of the financial ratios, 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) According to the information and explanations given to us and based on our examination, the Company does not prepare consolidated financial statements. Accordingly, clause 3(xx) of the Order is not applicable.

For Singhi & Co.

Chartered Accountants

Firm Registration No. 302049E

S. Chandrasekhar

Partner

Membership No. 007592

UDIN: 22007592AHUQQF1288

Place: Mumbai

Date: 25 April, 2022

INDEPENDENT AUDITORS' REPORT (Contd..)

Annexure B to the Independent Auditors' Report of even date on the financial statements of Motilal Oswal Asset Management Company Limited

Referred to in paragraph [7(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 Asset Management Company 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;

INDEPENDENT AUDITORS' REPORT (Contd..)

- (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

S. Chandrasekhar

Partner

Membership No. 007592

UDIN: 22007592AHUQQF1288

Place: Mumbai

Date: 25 April, 2022

BALANCE SHEET

BALANCE SHEET AS AT 31st MARCH, 2022

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Note no.	As at 31 March 2022	As at 31 March 2021
I. ASSETS			
1. Financial assets			
(a) Cash and cash equivalents	4	146	56
(b) Receivables			
(i) Trade receivables	5	6,879	9,174
(c) Loans	6	2,331	14
(d) Investments	7	95,754	73,326
(e) Other financial assets	8	61	63
Sub - total financial assets (A)		1,05,171	82,633
2. Non-financial assets			
(a) Property, plant and equipment	9(A)	107	155
(b) Other intangible assets	9(B)	225	93
(c) Other non-financial assets	10	18,052	8,443
Sub - total non - financial assets (B)		18,384	8,691
Total assets (A+B)		1,23,555	91,324
II. LIABILITIES AND EQUITY			
A. Liabilities			
1. Financial liabilities			
(a) Payables			
(i) Trade payables			
(ii) total outstanding dues of micro enterprises and small enterprises	11	-	-
(iii) total outstanding dues of creditor other than micro enterprises and small enterprises		6,419	5,691
(b) Borrowings (Other than debt securities)	12	-	385
(c) Other financial liabilities	13	1,343	433
Sub - total financial liabilities (A)		7,762	6,509
2. Non - financial liabilities			
(a) Current tax liabilities (net)	14	1,090	1,557
(b) Provisions	15	3,029	2,725
(c) Deferred tax liabilities (net)	16	8,288	4,601
(d) Other non - financial liabilities	17	291	343
Sub - total non-financial liabilities (B)		12,698	9,226
B. Equity			
(a) Equity share capital	18	6,774	6,774
(b) Other equity	19	96,321	68,815
Sub -total equity (C)		1,03,095	75,589
Total liabilities and equity (A+B+C)		1,23,555	91,324

The accompanying notes 1 to 54 form an integral part of the financial statements

This is the Balance sheet referred to in our report of even date.

For Singhi & Co.
Chartered Accountants
Firm Registration No.: 302049E

S. Chandrasekhar
Partner
Membership No.: 007592
UDIN: 22007592AHUQQF1288

For and on behalf of the Board of Directors of
Motilal Oswal Asset Management Company Limited

Navin Agarwal
Managing Director and
Chief Executive Officer
DIN No : 00024561

Raamdeo Agarawal
Director
DIN No : 0024533

Aparna Karmase
Company Secretary and Compliance Officer
Place : Mumbai
Date : 25 April 2022

Place : Mumbai
Date : 25 April 2022

STATEMENT OF PROFIT & LOSS

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Note no.	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue from operations			
(i) Fees and commission income	20	59,711	51,048
(ii) Dividend income	21	255	-
(iii) Interest income	22	442	87
(iv) Net gain on fair value changes	23	12,240	29,599
Total revenue from operations		72,648	80,734
Other income	24	100	216
Total income (1 + 2)		72,748	80,950
Expenses:			
(i) Finance costs	25	22	77
(ii) Fees and commission expense	26	23,752	21,478
(iii) Employee benefit expense	27	8,173	7,298
(iv) Depreciation and amortisation expense	9	166	188
(v) Other expenses	28	4,707	3,474
Total expenses		36,820	32,515
Profit before tax (3 - 4)		35,928	48,435
Tax expenses / (credit)	29		
(i) Current tax		3,830	4,892
(ii) Deferred tax expenses		3,661	3,511
(iii) Short / (excess) provision for earlier years		-	(969)
Total tax expenses		7,491	7,434
Profit for the year (5-6)		28,437	41,001
Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
a) Actuarial gain on post retirement benefit plans	42	99	60
b) Deferred tax impact on the above		(25)	(15)
Other comprehensive income		74	45
Total comprehensive income for the year (7+8)		28,511	41,046
Earnings per share (Re. 1 each)			
Basic (amount in Rs.)	39	4.20	6.05
Diluted (amount in Rs.)		4.20	6.00

The accompanying notes 1 to 54 form an integral part of the financial statements

This is the Statement of Profit and Loss referred to in our report of even date

For Singhi & Co.

Chartered Accountants

Firm Registration No.: 302049E

S. Chandrasekhar

Partner

Membership No.: 007592

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Place : Mumbai

Date : 25 April 2022

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Raamdeo Agarawal

Director

DIN No : 0024533

Aparna Karmase

Company Secretary and Compliance Officer

Place : Mumbai

Date : 25 April 2022

STATEMENT OF CASH FLOW

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	For the Year ended 31 March 2022	For the Year ended 31 March 2021
A. Cash flow from operating activities		
Profit before taxation	35,928	48,435
Adjustment for:		
Interest expense	22	77
Dividend income	(255)	-
Profit on sale of investment- realised gain	(18)	(18)
Unrealised (gain)/loss	(12,222)	(29,581)
Depreciation and amortisation expense	166	188
Interest income	(442)	(87)
Provision for doubtful debt	55	-
Bad debts written off	-	37
Employee stock option scheme expenditure	5	54
Acturial (gain)/loss	99	60
Operating profit	23,338	19,165
Adjustment for working capital changes:		
1) Increase/(decrease) in financial liabilities	989	(284)
2) Increase/(decrease) in non - financial liabilities	(52)	118
3) Increase/(decrease) in trade payables	728	1,533
4) (Increase)/decrease in trade receivables	2,295	(4,358)
5) (Increase)/decrease in financial assets - loans	(2,295)	(13)
6) (Increase)/decrease in other financial assets	2	23
7) (Increase)/decrease in other non - financial assets	(9,609)	1,372
8) Increase/(decrease) in provision	304	1,430
Cash generated from operations	15,701	18,986
Direct taxes paid net	(4,297)	(2,740)
Net cash generated from operating activities	11,404	16,246
B. Cash flow from investing activities		
Interest received on loans	421	74
Purchase of fixed assets	(250)	(101)
Sale of fixed assets	-	1
Purchase of investments (including dividend reinvested)	(38,211)	(35,271)
Proceeds (including profit) from sale of investments	27,966	18,216
Dividend income	255	-
Net cash used in investing activities	(9,819)	(17,081)
C. Cash flow from financing activities		
Short-term borrowings	800	13,442
Repayment of short-term borrowings	(1,185)	(13,057)
Interest paid	(13)	(51)
Dividend paid	(1,010)	-
Cash payment of lease liability and interest	(87)	(166)
Net cash generated from/(used in) financing activities	(1,495)	168
Net increase / (decrease) in cash & cash equivalents during the year (A+B+C)	90	(667)

STATEMENT OF CASH FLOW

Particulars	For the Year ended 31 March 2022	For the Year ended 31 March 2021
Cash in hand	1	3
Scheduled bank - In current account	55	720
Cash & cash equivalents as at beginning of the year	56	723
Cash and cheques in hand	0	1
Scheduled bank - In current account	146	55
Cash & cash equivalents as at end of the year	146	56
Components of cash & cash equivalents (also refer note 4)		
Cash in hand	0	1
Balances with banks		
in current accounts	146	55
Total	146	56

Notes:

- (i) The above Statement of Cash Flows has been prepared under indirect method as set out in Ind AS 7, 'Statement of Cash Flows', as specified under section 133 of the Companies Act, 2013 read with Rule "7" of the Companies (Account) Rules, 2015 (as amended).
- (ii) Figures in brackets indicate cash outflows.

This is the Statement of Cash Flows referred to in our report of even date.

For Singhi & Co.

Chartered Accountants
Firm Registration No.: 302049E

S. Chandrasekhar

Partner
Membership No.: 007592
UDIN: 22007592AHUQQF1288

Place : Mumbai
Date : 25 April 2022

For and on behalf of the Board of Directors of Motilal Oswal Asset Management Company Limited

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Managing Director and
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DIN No : 00024561

Raamdeo Agarawal

Director
DIN No : 0024533

Aparna Karmase

Company Secretary and Compliance Officer
Place : Mumbai
Date : 25 April 2022

STATEMENT OF CHANGES IN EQUITY

Statement of Changes in Equity for the year ended 31 March 2022

(All amounts are in INR Lakhs, unless otherwise stated)

(A) Equity share capital

Particulars	Equity share capital	
	Number of shares	Amount
As at 31 March 2020	67,73,87,883	6,774
Stock options exercised under the ESOS	-	-
As at 31 March 2021	67,73,87,883	6,774
Stock options exercised under the ESOS	-	-
As at 31 March 2022	67,73,87,883	6,774

Adjustment to prior period errors

For 31 March 2022

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
67,73,87,883	-	-	-	67,73,87,883

For 31 March 2021

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
67,73,87,883	-	-	-	67,73,87,883

(B) Other Equity

Particulars	Reserves and Surplus				Reserves and Surplus				Total	
	31 March 2022				31 March 2021				31 March 2022	31 March 2021
	Securities premium	Share based options outstanding account	Surplus/ (deficit) in the statement of profit and loss	Other comprehensive income	Securities premium	Share based options outstanding account	Surplus/ (deficit) in the statement of profit and loss	Other comprehensive income		
Balance at the beginning of the reporting year	855	491	67,428	41	855	437	26,427	(4)	68,815	27,715
Issue of equity share, net of transaction cost	-	-	-	-	-	-	-	-	-	-
Stock option expense for the year	-	5	-	-	-	54	-	-	5	54

STATEMENT OF CHANGES IN EQUITY

Particulars	Reserves and Surplus				Reserves and Surplus				Total	
	31 March 2022				31 March 2021				31 March 2022	31 March 2021
	Securities premium	Share based options outstanding account	Surplus/ (deficit) in the statement of profit and loss	Other comprehensive income	Securities premium	Share based options outstanding account	Surplus/ (deficit) in the statement of profit and loss	Other comprehensive income		
Profit for the year	-	-	28,437	-	-	-	41,001	-	28,437	41,001
Other comprehensive income	-	-	-	74	-	-	-	45	74	45
Dividends	-	-	(1,010)	-	-	-	-	-	(1,010)	-
Distribution tax on dividend	-	-	-	-	-	-	-	-	-	-
Balance at the end of the reporting year	855	496	94,855	115	855	491	67,428	41	96,321	68,815

The accompanying notes 1 to 54 form an integral part of the financial statements

This is the Statement of Profit and Loss referred to in our report of even date

For Singhi & Co.
Chartered Accountants
Firm Registration No.: 302049E

S. Chandrasekhar
Partner
Membership No.: 007592
UDIN: 22007592AHUQQF1288

Place : Mumbai
Date : 25 April 2022

**For and on behalf of the Board of Directors of
Motilal Oswal Asset Management Company Limited**

Navin Agarwal
Managing Director and
Chief Executive Officer
DIN No : 00024561

Raamdeo Agarawal
Director
DIN No : 0024533

Aparna Karmase
Company Secretary and Compliance Officer
Place : Mumbai
Date : 25 April 2022

NOTES TO FINANCIAL STATEMENT (Contd..)

Summary of significant accounting policies and other explanatory information

1. Corporate information

Motilal Oswal Asset Management Company Limited ("MOAMC" or the "Company") was incorporated on 14 November 2008. The registered and corporate office of the Company is situated at Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400 025.

The Company's principle activity is to act as an Investment Manager and provide, investment management and administrative services to the Schemes of Motilal Oswal Mutual Fund ('the Fund'), to provide Portfolio Management Services ('PMS') to clients, investment management services to Alternate Investment Funds and provide investment advisory services to offshore funds.

The Company is registered with Securities and Exchange Board of India ('SEBI') under SEBI (Mutual Fund) Regulations, 1996, SEBI (Portfolio Managers) Regulations, 1993 and SEBI (Alternative Investment Funds) Regulations, 2012.

These financial statements contain financial information of the company and were authorised for issue by board of directors on 25 April 2022.

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 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 and other relevant provisions of the Act.

Accounting policies have been applied consistently over all the periods presented in these financial statements.

(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 – fair value as on the grant date

(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 2013, the Company presents the Balance

NOTES TO FINANCIAL STATEMENT (Contd..)

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 31.

(iv) Use of estimates and judgements

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 at each balance sheet date are discussed at note 3.

2.2. Revenue Recognition

The company recognizes revenue from contract with customers based on five step model as set out in Ind AS 115- "Revenue from Contract with customers" to determine when to recognize revenue and at what amount. Revenue is measured based on the consideration specified in the contract with customers. Revenue from contract with customers recognized when services are provided and it is highly probable that a significant reversal of revenue is not expected to occur.

(i) 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.

(ii) 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.

(iii) 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.

NOTES TO FINANCIAL STATEMENT (Contd..)

(iv) 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.

(v) Dividend income

Dividend income is recognized in the statement of profit or 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.

2.3. 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 2018 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.

2.4. 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.

NOTES TO FINANCIAL STATEMENT (Contd..)

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 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 balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. 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.

2.5. 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 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.

NOTES TO FINANCIAL STATEMENT (Contd..)

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 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 allocate any amount of the contractual payments to, and account separately for, any services provided by the supplier as part of the contract

2.6. 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.

2.7. 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 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.

NOTES TO FINANCIAL STATEMENT (Contd..)

- 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 profit or 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 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 32.

Financial assets

(i) Classification and subsequent measurement

The Company has applied Ind AS 109 "Financial Instruments" 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

Financial assets are measured at amortised cost if both the following conditions are met:

- The asset is held with the business model whose objective is to hold asset for collecting contractual cash flows; and
- Contractual terms of the asset give rise on a specified dates to cash flows that are solely payments of principle and interest (SPPI) on the principle amount outstanding. After initial

NOTES TO FINANCIAL STATEMENT (Contd..)

measurement, such financial assets are subsequently measured at amortised cost using effective interest rate (EIR) method. Amortised cost 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.

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.

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 'other income' in the Statement of Profit and Loss.

3. Investments in mutual funds and private equity funds

Investments in mutual funds and private equity 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 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 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 Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in the Statement of Profit and Loss.

NOTES TO FINANCIAL STATEMENT (Contd..)

(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 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.

2.8. 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.

2.9. 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.

NOTES TO FINANCIAL STATEMENT (Contd..)

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.

2.10. 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 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 Company provides pro-rata depreciation from the date of installation till date the assets are sold or disposed. Leasehold improvements are amortised over the term 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	8 to 10 years

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.

2.11. 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.

NOTES TO FINANCIAL STATEMENT (Contd..)

Assets	Useful life
Computer Software	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

2.12. 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 assets is the higher of its value in use and 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 current market assessments of the 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 the asset's or cash-generating unit's recoverable amount exceeds its carrying amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation and amortization, if no impairment loss had been recognized.

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 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 assessment 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.

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

NOTES TO FINANCIAL STATEMENT (Contd..)

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.

(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 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/short-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.

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 no. of days. 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 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 share of the Company 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 various assets and liabilities are disclosed in Note 43.

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 to equity.

NOTES TO FINANCIAL STATEMENT (Contd..)

The stock options of the holding 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 MOAMC'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 generally recognized in profit or 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 profit or 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. Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are expensed in the period in which they are incurred.

2.18. 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.

NOTES TO FINANCIAL STATEMENT (Contd..)

2.19. 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.

2.20. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker of the Company.

The power to assess the financial performance and position of the Company 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 Company comprises of "Asset management and advisory" and "Fund based activities". 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. Asset management and advisory includes fee based services for management of assets. Fund based activities includes investment activities in non - current investment of mutual funds and private equity funds.

2.21. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirements.

2.22. 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.

2.23. Recent accounting development

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. On 24 March 2021, the Ministry of Corporate Affairs ("MCA") through a notification amended Schedule III of the Companies Act, 2013. 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:

- 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.

NOTES TO FINANCIAL STATEMENT (Contd..)

- 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 asset under development in specified format prescribed under amendment.
- Specific disclosure: Amendment requires to disclose transaction/ 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.
- 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 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 judgments 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, 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. Contingent losses 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.
- (b) Allowance for impairment of financial asset: The Company recognises loss allowances for expected credit loss on its financial assets measured at amortised cost. At each reporting date, company assess whether financial assets carried at amortised cost are credit impaired. Financial assets are credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial assets have occurred.
- (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 budgeted data for the future.

NOTES TO FINANCIAL STATEMENT (Contd..)

- (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 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 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 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 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 lessee options.
 - The determination of the incremental borrowing rate used to measure lease liabilities.

Note 4: Cash and cash equivalents

Particulars	As at 31 March 2022	As at 31 March 2021
Cash on hand	0	1
Balances with banks		
In current accounts	146	55
Total	146	56

Note 5: Trade receivables

Particulars	As at 31 March 2022	As at 31 March 2021
a) Considered good-secured	-	-
b) Considered good-unsecured	6,880	9,078
c) Significant increase in credit risk	-	97
Less : Allowance for impairment losses	(1)	(1)
Total	6,879	9,174

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

For the year ended March 2022

Particulars	Outstanding for following periods from the date of transactions					
	Less than 6 months	6 months - 1 year	1 -2 year	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	6,825	28	2	24	-	6,879
(ii) Undisputed Trade receivables - which have significant increase in Credit Risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - Credit Impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in Credit Risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - Credit Impaired	-	-	-	-	-	-

For the year ended March 2021

Particulars	Outstanding for following periods from the date of transactions					
	Less than 6 months	6 months - 1 year	1 -2 year	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	9,078	-	-	-	-	9,078
(ii) Undisputed Trade receivables - which have significant increase in Credit Risk	-	27	65	5	-	97
(iii) Undisputed Trade receivables - Credit Impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in Credit Risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - Credit Impaired	-	-	-	-	-	-

Note

- Trade receivables are recognised initially at fair value and subsequently measured at amortised cost less loss allowances. The Company applies the Ind AS 109 simplified approach to measuring expected credit losses (ECLs) for trade receivables at 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 Company 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 recognised in the income

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

statement. Subsequent recoveries of amounts previously written off are credited to the income statement. In line with the Company's historical experience, and after consideration of current credit exposures, the Company does not expect to incur any credit losses and as not recognised any ECLs in the current year. Receivables outstanding for more than 90 days are considered under significant increase in credit risk.

- 2) No trade receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which director is a partner, a director or a member except as shown below.

Name of company	31 March 2022	31 March 2021
Motilal Oswal Capital Limited	12	6

Note 6 : Loans

Particulars	As at 31 March 2022	As at 31 March 2021
Loans - At amortised cost		
(A) Others		
Loans to employees	1	1
Loan to related parties	2,295	-
Interest accrued	35	13
Total (A)	2,331	14
(B) (i) Unsecured (Gross)	2,331	14
Less : Impairment loss allowance	-	-
Total (B) Net	2,331	14
(C) Loans in India		
(i) Public sector	-	-
(ii) other than public sector	2,331	14
Total (C) Gross	2,331	14
Less : Impairment loss allowance	-	-
Total (C) Net	2,331	14

Loan repayable on demand

Types of borrower	31 March 22		31 March 21	
	Amount of loan or advance in the nature of loan outstanding	Percentage of total loan and advance in nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage of total loan and advance in nature of loans
Promoters	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related parties	2295	100%	-	-

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Note 7 : Investments

Particulars	Subsidiary/ others	As at 31 March 2022		As at 31 March 2021	
		Units	Amount	Units	Amount
A. Investments at fair value through profit and loss					
1) Investment in mutual funds					
Motilal Oswal Most Focused 25 Fund	others	1,75,32,193	6,171	1,75,32,193	5,772
Most Focused Multicap 35 Fund Growth	others	5,73,91,017	25,463	5,73,91,017	20,763
Motilal Oswal Midcap 30 Fund - Direct Plan Growth	others	3,10,85,035	15,425	3,10,85,035	11,030
Motilal Oswal NASDAQ 100 FOF	others	2,00,000	47	2,00,000	40
Motilal Oswal Most Focused Dynamic Equity Fund	others	5,00,000	80	5,00,000	77
Motilal Oswal Equity Hybrid Fund - Direct (G)	others	5,00,000	78	5,00,000	72
Motilal Oswal Liquid Fund - Direct (G)	others	5,00,000	57	5,00,000	55
Motilal Oswal Large and Midcap Fund	others	3,15,00,000	5,157	3,15,00,000	4,314
Motilal Oswal Nifty 50 Index Fund	others	48,96,490	712	48,96,490	594
Motilal Oswal Nifty Next 50 Index Fund	others	40,81,490	590	40,81,490	489
Investment in Ultra Short Term Bond	others	8,76,376	126	8,76,376	122
Motilal Oswal Nifty Bank Index Fund - Direct Growth Option	others	2,50,000	33	2,50,000	30
Motilal Oswal Nifty Midcap 150 Index Fund - Direct Growth Option	others	2,00,000	39	2,00,000	32
Motilal Oswal Nifty 500 Fund - Direct Growth Option	others	4,75,146	80	4,75,146	66
Motilal Oswal Nifty Smallcap 250 Index Fund - Direct Growth Option	others	2,00,000	42	2,00,000	31
Motilal Oswal S&P 500 Index Fund	others	5,00,000	79	5,00,000	66
Motilal Oswal Multi Asset Fund	others	4,99,975	56	4,99,975	52
MOTILAL OSWAL 5 YEAR G-SEC ETF	others	1,12,401	54	1,12,401	54
Motilal Oswal Asset Allocation Passive Fund of Fund - Aggressive	others	4,99,975	58	4,99,975	50
Motilal Oswal Asset Allocation Passive Fund of Fund - Conservative	others	4,99,975	56	4,99,975	50
Motilal Oswal MSCI EAFE Top 100 Select Index Fund	others	4,99,975	51	-	-
Motilal Oswal 5 Year G-Sec FoF	others	4,99,975	52	-	-
Motilal Oswal Nasdaq Q 50 ETF	others	76,620	44	-	-
Motilal Oswal Nifty 200 Momentum 30 ETF	others	24,716	50	-	-
Motilal Oswal Nifty 200 Momentum 30 FoF	others	4,99,975	50	-	-

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Subsidiary/ others	As at 31 March 2022		As at 31 March 2021	
		Units	Amount	Units	Amount
Motilal Oswal S&P Bse Low Volatility Index Fund	others	4,99,975	50	-	-
Motilal Oswal S&P Bse Low Volatility Index ETF	others	44,229	50	-	-
2) Investment in private equity funds					
India Business Excellence Fund III	others	17,56,890	36,110	17,56,890	28,284
India Business Excellence Fund IV	others	36,00,000	3,600	-	-
3) Investment in equity shares of					
MF Utilities India Private Limited	others	5,00,000	5	5,00,000	5
AMC Repo Clearing Limited	others	99,300	10	-	-
Total (1+2+3)			94,475		72,047
B. Investment at amortised cost					
Investment in subsidiaries/fellow subsidiaries					
Motilal Oswal Asset Management (Mauritius) Private Limited	Subsidiary	3,32,599	479	3,32,599	479
Motilal Oswal Capital Limited	Subsidiary	80,00,000	800	80,00,000	800
Motilal Oswal Home Finance Limited (formerly known as Aspire Home Finance Corporation Limited)	Fellow Subsidiary	1	0	1	0
Total			1,279		1,279
Total Gross (A+B)			95,754		73,326
i) Investment outside India			479		479
ii) Investment in India			95,275		72,847
C. Total (I+II)			95,754		73,326
D. Less: Allowance for impairment loss			-		-
E. Total Net (C-D)			95,754		73,326

Note 8: Other financial assets

Particulars	As at 31 March 2022	As at 31 March 2021
Security deposits	61	63
Total	61	63

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Note 9(A) : Property, Plant & Equipment

Current Year

Particulars	Gross Block				Accumulated Depreciation				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 2022	Balance as at 31 March 2021
Improvement to leasehold premises	167	0	-	167	142	7	-	149	18	25
Computers	175	57	-	232	134	41	-	175	57	41
Furniture & fixtures	33	-	-	33	28	1	-	29	5	5
Electrical equipments	3	-	-	3	2	0	-	2	0	0
Office equipments	24	14	-	38	12	4	-	16	22	12
Vehicles	27	-	-	27	20	2	-	22	5	7
Right of use (office premises)	277	-	-	277	212	65	-	277	-	65
Total (A)	706	71	-	777	550	120	-	670	107	155

Note 9(B) : Intangible assets

Current Year

Particulars	Gross Block				Accumulated Depreciation				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 2022	Balance as at 31 March 2021
Customer rights to Portfolio Management clients	38	-	-	38	38	-	-	38	-	-
Computer software	239	179	-	418	146	47	-	193	225	93
Total (B)	277	179	-	456	184	47	-	231	225	93
Total (A+B)	983	250	-	1,233	734	166	-	900	333	248

Note 9(A) : Property, Plant & Equipment

Previous Year

Particulars	Gross Block				Accumulated Depreciation				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 2021	Balance as at 01 April 2020
Improvement to leasehold premises	155	12	-	167	136	6	-	142	25	19
Computers	149	27	1	175	109	25	0	134	41	40
Furniture & fixtures	33	0	-	33	27	1	-	28	5	6
Electrical equipments	3	-	-	3	2	0	-	2	0	1
Office equipments	21	3	-	24	9	3	-	12	12	12
Vehicles	27	-	-	27	18	2	-	20	7	9
Right of use (office premises)	301	-	24	277	92	120	-	212	65	209
Total (A)	689	42	25	706	393	157	0	550	155	296

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Note 9(B) : Intangible assets

Previous Year

Particulars	Gross Block				Accumulated Depreciation				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 2021	Balance as at 01 April 2020
Customer rights to Portfolio Management clients	38	-	-	38	38	-	-	38	-	-
Computer software	180	59	-	239	115	31	-	146	93	65
Total (B)	218	59	-	277	153	31	-	184	93	65
Total (A+B)	907	101	25	983	546	188	0	734	248	361

Note:

During the year no revaluation of assets have been made.

Note 10 : Other non-financial assets

Particulars	As at 31 March 2022	As at 31 March 2021
Prepaid expenses	17,333	8,413
For supply of services	19	30
Indirect tax credit receivable	700	-
Total	18,052	8,443

Note 11: Trade payables

Particulars	As at 31 March 2022	As at 31 March 2021
Due to creditors micro enterprise and small enterprise (Refer Note 35)	-	-
Due to creditors other than micro enterprise and small enterprise	6,419	5,691
Total	6,419	5,691

For the year ended 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	6,292	73	45	9	6,419
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

For the year ended March 2021

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	5,557	124	7	3	5,691
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-

Note 12: Borrowings (Other than debt securities)

Particulars	As at 31 March 2022	As at 31 March 2021
At Amortised cost		
Unsecured- From related parties (refer note 46)	-	385
Total (A)	-	385
Borrowings in India	-	385
Borrowings outside India	-	-
Total (B)	-	385
Unsecured	-	385
Total (C)	-	385

Note 13 : Other financial liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Employee stock option charges payable	48	53
Accrued salaries and benefits	24	29
Interest accrued and not due on borrowings	-	10
Interest accrued and due on borrowings	-	1
Provision for expenses	349	14
Lease liability	19	87
Other payables (includes payable to vendors)	903	239
Total	1,343	433

Note 14 : Current tax liabilities (net)

Particulars	As at 31 March 2022	As at 31 March 2021
Provisions for taxes(Net of advance tax paid of Rs. 23,184 lakhs; PY Rs.18,887 lakhs)	1,090	1,557
Total	1,090	1,557

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Note 15 : Provisions

Particulars	As at 31 March 2022	As at 31 March 2021
Provision for employee benefits (refer note 37)		
Gratuity	302	330
Heritage obligation	23	26
Compensated absences	93	85
Ex-gratia payable	2,611	2,284
Total	3,029	2,725

Note 16 : Deferred tax liabilities (net)

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred tax liability on		
Timing difference on property, plant and equipments as per books and as per Income Tax Act, 1961	1	5
Amortization of distribution costs	4,305	2,101
Payment of post employment benefit	40	15
Provision for doubtful debt	0	0
Unrealised gain	4,024	2,570
Total deferred tax liabilities (A)	8,370	4,691
Deferred tax asset on		
Gratuity provision	76	83
Heritage provision	6	7
Total deferred tax asset (B)	82	90
Net deferred tax liability (A-B)	8,288	4,601

Note 17 : Other non- financial liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Withholding and other taxes payable	291	343
Total	291	343

Note 18 : Share capital

Particulars	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021	As at 31 March 2021
Authorised	Number of shares	In Lakhs	Number of shares	In Lakhs
Equity shares of Re. 1 each (previous year Re. 1 each)	70,60,00,000	7,060	70,60,00,000	7,060
	70,60,00,000	7,060	70,60,00,000	7,060

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021	As at 31 March 2021
Issued, subscribed and paid up				
Equity shares of Re.1 each fully paid up (previous year Re. 1 each)	67,73,87,883	6,774	67,73,87,883	6,774
	67,73,87,883	6,774	67,73,87,883	6,774

18.1 Rights, preferences and restrictions attached to shares

Equity shares :

The Company has one class of equity shares having a par value of Re. 1 each (previous year: having a par value of Re. 1 each). Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holder of the equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all the preferential amounts. However, no such preferential amounts exists currently. 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.

18.2 Reconciliation of number of shares outstanding

Particulars	As at 31 March 2022 Number of shares	As at 31 March 2022 In Lakhs	As at 31 March 2021 Number of shares	As at 31 March 2021 In Lakhs
At beginning of the year	67,73,87,883	6,774	67,73,87,883	6,774
Stock options exercised under the ESOS	-	-	-	-
At the end of the year	67,73,87,883	6,774	67,73,87,883	6,774

18.3 Shares holder having 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
Motilal Oswal Financial Services Limited	67,73,87,883	100.00%	66,81,63,564	98.64%

18.4 Shares held by holding/promoter 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
Motilal Oswal Financial Services Limited	67,73,87,883	100.00%	66,81,63,564	98.64%

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

18.5 Adjustment to prior period errors

For 31 March 2022

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
67,73,87,883	-	-	-	67,73,87,883

For 31 March 2021

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
67,73,87,883	-	-	-	67,73,87,883

18.6 The company has not issued any bonus shares for consideration other than cash nor there been any buy back of shares during the year immediately preceding 31st March 2022.

Note 19 : Other Equity

Particulars		As at 31 March 2022	As at 31 March 2021
a)	Surplus in the Statement of Profit and Loss		
	Balance at the beginning of the year	67,428	26,427
	Add: Transfer from Statement of Profit and Loss	28,437	41,001
	Less : Dividend paid	(1,010)	-
	Balance at the end of year	94,855	67,428
b)	Other comprehensive income		
	Balance at the beginning of the year	41	(4)
	Add: Transfer from Statement of Profit and Loss	74	45
	Balance at the end of year	115	41
b)	Employee Stock Option Plan Reserve		
	Balance at the beginning of the year	491	437
	Transfer from statement of profit & loss	5	54
	Balance at the end of year	496	491
c)	Securities premium		
	Balance at the beginning of the year	855	855
	Add: Transferred during the year	-	-
	Balance at the end of year	855	855
		96,321	68,815

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Nature and Purpose of Reserves

Surplus in the Statement of Profit and Loss

Profit and loss pertain to the accumulated earnings / losses made by the company over the years.

Other comprehensive income

Other comprehensive income pertains to actuarial gain on post retirement benefit plan.

Employee Stock Option Plan Reserve

Employee stock option plan reserve pertains to options granted to employees over the years.

Securities Premium

Security Premium pertains to shares issued more than its face value during the year.

Note 20 : Fees and commission Income

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Portfolio management fees	35,918	35,121
Investment management fees from:		
- Mutual Fund Income	16,534	11,766
- Alternate investment funds	6,991	3,760
Investment advisory fees	268	401
Total	59,711	51,048

Note 21 : Dividend Income

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Dividend income	255	-
Total	255	-

Note 22 : Interest Income

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
On financial assets measured at amortised cost		
Interest on loans	442	87
Other interest income	-	0
Total	442	87

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Note 23 : Net gain on fair value change

	For the year ended 31 March 2022	For the year ended 31 March 2021
Net gain on financial instruments at fair value through profit or loss		
Realised gain	18	18
Unrealised gain	12,222	29,581
Total	12,240	29,599

Note 24 : Other Income

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Commission income	100	216
Net gain/(loss) on foreign currency transactions and translation	-	0
Total	100	216

Note 25 : Finance cost

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
On financial liabilities measured at amortised cost		
Interest on borrowings	2	59
Interest on lease	20	18
Total	22	77

Note 26 : Fees and commission expense

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Distribution cost and spillover expense		
-for Portfolio management services	17,428	18,240
- for Alternate investment funds	6,096	3,031
-for Advisory fees	-	6
Depository and processing charges	228	201
Total	23,752	21,478

Note 27 : Employee benefits expense

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Salary, bonus and allowances	7,434	6,672
Contribution to provident fund (refer note 42)	68	49
Employee stock option scheme (also refer note 43)	532	435

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Staff welfare expenses	38	13
Gratuity & heritage expenses	101	129
Total	8,173	7,298

Note 28 : Other expenses

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Rent (refer note 38)	605	589
Rates and taxes	12	8
Insurance	51	38
Computer maintenance	197	155
Business Support charges	964	582
Registration and filing charges*	5	34
Legal and professional fees	393	290
Auditor's Remuneration (refer note 36)	9	12
Marketing and brand promotion expenses	440	223
Advertisement expenses	248	460
Printing and stationery	55	13
Power and fuel	36	32
Communication expenses	174	169
Travelling and conveyance expenses	246	227
Entertainment expenses	102	95
Data processing charges	3	89
Miscellaneous expenses	702	207
Corporate social responsibility expenses (refer note 41)	465	214
Bad debts written off	-	37
Total	4,707	3,474

*The Company has entered into business support agreement with Motilal Oswal Financial Services Limited. Accordingly, the Company avails various business support services related to staff support, administration support and other related services. The Company shares the cost of all business support services obtained from Motilal Oswal Financial Services Limited which are not directly charged to Company.

Note 29.1 : Tax expense

The Company pays taxes according to the rates applicable in India. Most taxes are recorded in the income statement and relate to taxes payable for the reporting 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 the tax benefit exceeds the cumulative income statement expense on share 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 regulation is subject to interpretation.

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

It establishes provisions, where 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, 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 recognised when it is considered recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as probable that there will be suitable taxable profits against which carried forward tax losses can be set off and from 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 2022	Year ended 31 March 2021
Current tax expense		
Current tax for the year	3,830	4,892
Total current tax expense	3,830	4,892
Deferred taxes		
Change in deferred tax liabilities	3,661	3,511
Net deferred tax expense	3,661	3,511
Short/(excess) provision for earlier years	-	(969)
Total	7,491	7,434

Note 29.2 : Tax recognised through other comprehensive income:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Remeasurement of defined benefit plan	25	15
Total	25	15

Note 29.3 : Tax reconciliation (for profit and loss)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Profit/(loss) before income tax expense	35,928	48,435
Tax at the rate of 25.168% (for 31 March 2021 - 25.168%)	9,042	12,190
Tax effect of amounts which are not deductible / not taxable in calculating taxable income		
Tax adjustment of previous years	-	(969)
Exempt Income	(64)	-
Expenses not deductible for tax purposes	117	58
Remeasurement of defined benefit plan	25	15
Tax at different rate	(1,629)	(3,860)
Income tax expense	7,491	7,434

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Note 29.4 : Effective tax rate

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Effective tax rate	20.851%	15.349%

Note 29.5 : Net Deferred Tax

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Deferred tax liability on account of :		
Amortization of distribution costs	4,305	2,101
Timing difference on property, plant and equipments as per books and as per Income Tax Act, 1961	1	5
Unrealised gain	4,024	2,570
Remeasurement of defined benefit plan	40	15
Provision for doubtful debt	0	0
Total deferred tax liabilities (A)	8,370	4,691
Deferred tax assets on account of:		
Provision for gratuity	76	83
Provision for heritage	6	7
Total deferred tax assets (B)	82	90
Net deferred tax liability/ (assets) (A-B)	8,288	4,601

Note 29.6 : Significant components and movements in deferred tax assets and liabilities:

Particulars	As at 31 March 2022	Recognised through profit and loss	Recognised through Other comprehensive income	As at 31 March 2021	Recognised through profit and loss	Recognised through Other comprehensive income	As at 31 March 2020
Deferred tax liabilities on account of:							
Amortization of distribution costs	4,305	2,205	-	2,101	(82)	-	2,183
Provision for doubtful debt	0	(0)	-	0	-	-	0
Timing difference on property, plant and equipments as per books and as per Income Tax Act, 1961	1	(4)	-	5	5	-	-
Unrealised gain	4,024	1,454	-	2,570	2,570	-	-
Remeasurement of defined benefit plan	40	-	25	15	-	15	-

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	As at 31 March 2022	Recognised through profit and loss	Recognised through Other comprehensive income	As at 31 March 2021	Recognised through profit and loss	Recognised through Other comprehensive income	As at 31 March 2020
Total deferred tax liabilities	8,370	3,655	25	4,691	2,493	15	2,183
Deferred tax assets on account of:							
Provision for gratuity	76	(7)	-	83	6	-	77
Provision for heritage	6	(1)	-	7	7	-	-
Timing difference on property, plant and equipments as per books and as per Income Tax Act, 1961	-	-	-	-	(15)	-	15
Unrealized loss	-	-	-	-	(1,017)	-	1,017
Total deferred tax assets	82	(8)	-	90	(1,019)	-	1,109
Total deferred tax assets/liability (net)	8,288	3,662	25	4,601	3,512	15	1,074

The company offsets tax assets and liabilities if and only if it has legally enforceable rights 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.

Note 30 : Contingent liabilities and Commitments

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Contingent liabilities:		
(a) Demand in respect of Income tax matters for which appeal is pending (Refer note 1)	-	357
Capital commitments:		
(i) Estimated amount of contracts remaining to be executed on capital account	-	-

- 1) Demand/disallowance in respect of Income tax matters for which appeal is pending or to be filed is NIL (Previous Year Rs. 357 lakh). This was disputed by the Company and hence not provided for in the books of accounts. Above liability does not include interest u/s 234 B and 234 C as the same depends on the outcome of the demand. The Company is contesting the demands and the management believes that its position will likely be upheld in the appellant process. No tax expenses has been accrued in the financial statement for the tax demand raised. The management believes that ultimate outcome of this proceeding will not have a material adverse effect on the Company's financial position and results of operations.

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Note 31 : 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 22			As at 31 March 21		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial assets						
Cash and cash equivalents	146	-	146	56	-	56
Trade receivables	6,879	-	6,879	9,174	-	9,174
Loans	2,331	-	2,331	14	-	14
Investments		95,754	95,754		73,326	73,326
Other financial assets	61	-	61	57	6	63
Non-financial assets			-			-
Property, plant and equipment	-	107	107	-	155	155
Other Intangible assets	-	225	225	-	93	93
Other non-financial assets	5,960	12,092	18,052	3,525	4,918	8,443
Total Assets	15,376	1,08,179	1,23,555	12,825	78,498	91,324
Liabilities						
Financial liabilities						
Trade payables	6,419	-	6,419	5,691	-	5,691
Borrowings	-	-	-	385	-	385
Other financial liabilities	1,343	-	1,343	424	9	433
Non-financial liabilities						
Current tax liabilities (net)	1,090	-	1,090	1,557	-	1,557
Provisions	2,770	259	3,029	2,425	300	2,725
Deferred tax liabilities	-	8,288	8,288	-	4,601	4,601
Other non-financial liabilities	291	-	291	343	-	343
Total Liabilities	11,913	8,547	20,460	10,825	4,910	15,735

Note 32 : Fair value measurements

Financial instruments by category:

Particulars	As at 31 March 2021		As at 31 March 2020	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
Cash and cash equivalents	-	146	-	56
Trade receivables	-	6,879	-	9,174
Loans	-	2,331	-	14
Investments	94,475	1,279	72,047	1,279
Other financial assets	-	61	-	63

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	As at 31 March 2021		As at 31 March 2020	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Total Financial Assets	94,475	10,695	72,047	10,586
Financial Liabilities				
Trade payables	-	6,419	-	5,691
Borrowings	-	-	-	385
Other financial liabilities	-	1,343	-	433
Total financial liabilities	-	7,762	-	6,509

I. Fair value hierarchy

The fair values of the financial assets and liabilities are recognized at the amount 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. This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) 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 company has classified its financial instruments into the three levels prescribed under the Indian Accounting standard. 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 instruments that have quoted market price.

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 maximize 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 asset included in level 3.

II. Valuation techniques used to determine fair value

Significant valuation techniques used to value financial instruments include:

- Mutual fund - net asset value of the scheme
- Private equity investment fund - NAV of the audited financials of the funds.

Investment includes investment in mutual funds, private equity fund and equity shares, which are categorised as per below.

Investments are categorised as per below as on 31 March 2022

Particulars	Level 1	Level 2	Level 3
Investment in Mutual funds	54,750	-	-
Investment in private equity funds	-	-	39,710

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Investments are categorised as per below as on 31 March 2021

Particulars	Level 1	Level 2	Level 3
Investment in Mutual funds	43,758	-	-
Investment in private equity funds	-	-	28,284

III. Financial instruments not measured at fair value

Financial assets not measured at fair value includes cash and cash equivalents, trade receivables, loans and other financial assets. These are financial assets whose carrying amounts approximate fair value, due to their short-term nature.

The following table presents the changes in level 3 items for the periods ended 31 March 2022 and 31 March 2021:

Particulars	PE - Business Excellence Funds
As at March 31, 2020	-
Additions	15,321
Disposals	-
Gains/(losses) recognised in statement of profit and loss	12,963
As at March 31, 2021	28,284
Additions	5,347
Disposals	-
Gains/(losses) recognised in statement of profit and loss	6,079
As at March 31, 2022	39,710

Valuation inputs and relationships to fair value

The quantitative information about the significant unobservable inputs used in level 3 fair value measurements is summarised below.

Particulars	As at March 31 2022	As at March 31 2021
Fair value of PE funds	39,710	28,284
Significant unobservable inputs		
NAV of the fund at Fair value		
- increase by 100 bps	397	283
- decrease by 100 bps	(397)	(283)

Note:

During the year mentioned above, there have been no transfers amongst the levels of hierarchy.

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Note 33 : Financial risk management

The Company is exposed primarily to fluctuations in credit, liquidity and price risk which may adversely impact the fair value of its financial instrument. The Company has a risk management policy which covers risk associated with the financial assets and liabilities. The focus of the risk management is to assess the unpredictability of the financial environment and to mitigate potential adverse effect on the financial performance of the company. The Company's principal financial liabilities comprises of trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include Investments, loans, receivables and cash and cash equivalents that derive directly from its operations.

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 obligation. 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 relations to such limits.

The maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented in the financial statements. The Company's major classes of financial assets are cash and cash equivalents, loans to employees, investment in mutual fund units, investment in private equity fund, trade receivables and other financial assets.

Balances with banks are considered to have negligible risk or nil risk, as they are maintained with high rated banks/financial institutions as approved by the Board of directors.

The management has established accounts receivable policy under which customer accounts are regularly monitored. The Company has a dedicated risk management team, which monitors the positions, exposures and margins on a continuous basis.

Age of receivables that are past due:

Particulars	As at March 31 2022	As at March 31 2021
Upto 6 months	6,825	9,078
6 - 12 months	28	27
More than 12 months	26	70
Total	6,879	9,175

B Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities viz. Trade payables, borrowings and other financial liabilities.

Liquidity risk management

The Company's management is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

(i) Maturities of non-derivative financial liabilities

As at 31 March 2022

Particulars	Upto 1 year	Between 1 and 5 years	Beyond 5 years	Total
Financial Liabilities				
Trade payables	6,292	127	-	6,419
Other financial liabilities	1,343	-	-	1,343
Total	7,635	127	-	7,762

As at 31 March 2021

Particulars	Upto 1 year	Between 1 and 5 years	Beyond 5 years	Total
Financial Liabilities				
Trade payables	5,557	134	-	5,691
Borrowings	385	-	-	385
Other financial liabilities	424	9	-	433
Total	6,366	143	-	6,509

(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 exchange rates. The Company is not exposed to foreign currency risk as it does not have any material payables or receivables in foreign currency.

(ii) Interest rate risk

Interest rate risk arises from the sensitivity of the financial liabilities to changes in market rate of interest. The Company is not exposed to interest rate risk as it does not have any borrowings or any investments with fluctuating interest rate.

(iii) Price risk

The company is exposed to price risk from its investment in mutual funds & private equity fund, classified in the balance sheet at fair value through profit and loss. The Investments held by the Company are ancillary to the Investment management business objective. The investment in long term mutual fund is for high-RoE opportunities. They also serve as highly liquid "resources" available for future investments in business, if required.

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	As at 31 March 2022	As at 31 March 2021
Exposure to price risk	94,460	72,042

Sensitivity to price risk

The following table summarizes the impact of sensitivity of NAVs with all other variables held constant. The below impact on the Company's profit before tax is based on changes in the NAVs of mutual funds at balance sheet date:

Sensitivity	31 March 2022	31 March 2021
Impact on profit before tax for 10% increase in NAV/price	9,446	7,204
Impact on profit before tax for 10% decrease in NAV/price	(9,446)	(7,204)

Note 34 : Assets pledged as security

The carrying amounts of assets pledged are:

Particulars	As at March 31, 2022	As at March 31, 2021
Financial assets		
Investments	41,390	23,352
Total assets pledged as security	41,390	23,352

Terms and conditions:

1. The Mutual Funds of the Company are pledged for the loan facility of the holding company i.e. Motilal Oswal Financial Services Limited.
2. The margin of two times cover is provided against the loan facility availed by Motilal Oswal Financial Services Limited.
3. The Company earns commission on the pledged assets at the rate of 75 bps on facility amount availed by Motilal Oswal Financial Services Limited.

Note 35 : Due to Micro and Small Enterprises

Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMEDA) which came into force from October 02, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. The Micro and Small Enterprises have been identified on the basis of the information provided by the vendors to the Company. On the basis of the information and records available with the management, the following disclosures are made for the amounts due to the Micro, Small and Medium enterprises, which have registered with the competent authorities.

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	31 March 2022	31 March 2021
Principal amount remaining unpaid to any supplier as at the year end	-	-
Interest due thereon	-	-
Amount of interest paid by the company in terms of Section 16 of the MSMEDA, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
Amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMEDA	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-

Note 36 : Auditors' fees and expenses has been classified as under

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
As Auditors:		
Statutory audit	9	12
Out of pocket expenses	0	0
Total	9	12

Note 37 : Provisions made comprises of

Particulars	Opening balance as at 01 April 2021	Provided during the financial year	Provision reversed/paid during the financial year	Closing balance as at 31 March 2022
Ex-gratia	2,284	2,628	2,301	2,611
Gratuity	330	1	29	302
Compensated absences	85	8	-	93
Heritage club	26	-	3	23

For the year ended 31 March 2021

Particulars	Opening balance as at 01 April 2020	Provided during the financial year	Provision reversed/paid during the financial year	Closing balance as at 31 March 2021
Ex-gratia	881	2,399	996	2,284
Gratuity	311	129	110	330
Compensated absences	62	23	-	85
Heritage club	41	45	60	26

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Note 38 : Leases

The Company has taken various office premises on operating lease for the period which ranges from 11 months to 60 months with an option to renew the lease by mutual consent on mutually agreeable terms.

The weighted average incremental borrowing rate applied to lease liabilities as at 1 April 2019 is 10.75%.

Information about leases for which the company is a lessee are presented below:

(A) Right of use assets

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Balance at the beginning of the year	65	209
Adjustment on transition to Ind AS	-	-
Movement during the year	-	(24)
Depreciation on Right-Of-Use (ROU) assets	(65)	(120)
Balance at the end of the year	-	65

(B) Lease liabilities

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Balance at the beginning of the year	87	236
Adjustment on transition to Ind AS	-	-
Movement during the year	-	(24)
Add: Interest cost accrued during the period	20	17
Less: Payment of lease liabilities	(88)	(142)
Balance at the end of the year	19	87

(C) Maturity analysis - Discounted Cashflows of Contractual maturities of lease liabilities

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Less than three months	19	31
Three to twelve months	-	47
One to five years	-	9
More than five years	-	-
Total	19	87

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

(D) Amount recognised in statement of profit & loss

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest cost on lease liabilities	20	17
Depreciation on right of use assets	65	120
Rental Expenses recorded for short-term lease payments and payments for leases of low value assets not included in the measurement of the lease liability.	605	589

(E) Amount recognised in statement of cash flows

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Cash payments for the principal & interest portion of the lease liability within financing activities	(88)	(166)
Short-term lease payments, payments for leases of low-value assets and variable lease payments not included in the measurement of the lease liability within operating activities.	605	589

Note 39 : 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.

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Profit attributable to equity shareholders (Lakhs) [A]	28,437	41,001
Nominal value per share (in Rupees)	1	1
Weighted average number of equity shares outstanding during the year [B]	6,774	6,774
Basic earnings per share [A] / [B] (Rupees)	4.20	6.05

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 purpose of basic EPS plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Profit attributable to equity shareholders (Lakhs)	28,437	41,001
Less : Impact on profit due to exercise of diluted potential equity shares	-	-
Net profit attributable to equity shareholders for calculation of diluted earnings per share [A]	28,437	41,001
Weighted average number of equity shares used in computing basic earnings per share	6,774	6,774
Effect of potential equity shares for stock options outstanding	4	62
Weighted number of equity shares used in computing diluted earnings per share [B]	6,778	6,836
Diluted earnings per share (Rupees) [A] / [B]	4.20	6.00

Note 40 : Dividend on equity share

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Dividend on equity shares declared and paid during the year		
Final dividend of Rs. 0.149 per share for FY 2021-22 (2020-21: NIL)	1,010	-

Note 41 : Corporate social responsibility

The Ministry of Corporate Affairs has notified Section 135 of the Companies Act, 2013 on Corporate Social Responsibility with effect from April 1, 2014. As per the provisions of the said section, the Company has undertaken the following CSR initiatives during the financial year 2021-22.

CSR initiatives majorly includes supporting under privileged in education, medical treatments, etc and various other charitable and noble aids.

(a) Break-up of various heads of expenses included in the line item 'CSR expenditure'

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Donation for police cyber cell	-	12
Donation for the project of school support	-	7
Donation for skill development centre	17	100
Donation for education program	91	
Donation for food	5	2
Donation for COVID relief	5	-
Donation for construction of hostel	-	50
Donation for School	1	25
Donation for environment sustainability drip irrigation	-	-
Donation for Medical expenses	253	18
Donation for welfare activities	15	-
Donation for rehabilitation	50	-
Donation for PM care funds	28	-

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

(b) Details required as follow:

1) Gross amount required to be spent by the company.

Amount required to be spent by the company during the year	Amount of expenditure incurred	Shortfall at the end of the year	Total of Previous year shortfall	Reason for shortfall	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.
428	465	-	-	NA	NA

2) Amount spent during the year on

Particulars (current year)	Amount paid	Amount yet to be paid	Total
Construction / acquisition of any assets	17	-	17
On purposes other than above	447	-	447

Particulars (previous year)	Amount paid	Amount yet to be paid	Total
Construction / acquisition of any assets	150	-	150
On purposes other than above	64	-	64

Above includes a contribution of Rs.436.5 lakhs (Previous year Rs. 213.66 lakhs) to Motilal Oswal Foundation which is classified as related party under Ind AS 24- "Related Party Disclosures". (refer note 46)

Note 42 : Employee benefits

Disclosure pursuant to Ind AS -19 "Employee benefits" is given as below:

Defined contribution plan:

Contribution to defined contribution plans, recognised as expense for the year is as under :

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Employers' contribution to provident fund	68	49

Defined benefit plan:

The Company 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 upto Rs. 20,00,000.

The following table set out the status of the gratuity plan as specified under section 133 of the Companies Act, 2013, Ind AS 19 "Employee benefits" and the reconciliation of opening and closing balances of the present value of the defined benefit obligation.

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Gratuity (unfunded)		Other long term benefits	
	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021
I) Actuarial assumptions				
Mortality	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Discount rate (per annum)	5.90%	3.93%	3.92%	3.93%
Rate of escalation in salary (per annum)	5.67%	8.14%	5.67%	8.14%
Expected rate of return on plan assets (per annum)				
Employee attrition rate (past service)	PS: 0 to 37 : 18.56%	PS: 0 to 40 : 17.28%	PS: 0 to 37 YRS: 54.43%	PS: 0 to 37 YRS: 54.43%
Expected average remaining service	4.21	4.57	0.29 to 0.52	0.29 to 0.52
I) Changes in present value of obligations (PVO)				
PVO at beginning of period	330	311	26	41
Interest cost	12	14	-	-
Current service cost	94	93	(3)	(15)
Transfer in liabilities	4	23	-	-
Transfer out liabilities	(9)	(1)	-	-
Past service cost - (non vested benefits)	-	-	-	-
Past service cost - (vested benefits)	-	-	-	-
Benefits paid	(29)	(50)	-	-
Contributions by plan participants	-	-	-	-
Business combinations	-	-	-	-
Curtailments	-	-	-	-
Settlements	-	-	-	-
Actuarial (gain)/loss on obligation	(99)	(60)	-	-
PVO at end of period	302	330	23	26
II) Interest expense				
Interest cost	12	14	-	-
III) Fair value of plan assets				
Fair value of plan assets at the beginning	-	-	-	-
Interest income	-	-	-	-
IV) Net liability				
PVO at beginning of period	330	311	-	-
Fair value of the assets at beginning report	-	-	-	-
Unrecognised past service cost- non vested benefits	-	-	-	-
Net Liability at the beginning	330	311	-	-

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Gratuity (unfunded)		Other long term benefits	
	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021
V) Net Interest				
Interest expenses	12	14	-	-
Interest income	-	-	-	-
Net interest	12	14	-	-
VI) Actual return on plan assets				
Less Interest income included above	-	-	-	-
Return on plan assets excluding interest income	-	-	-	-
VII) Actuarial (gain)/loss on obligation				
Due to demographic assumption	(1)	14	-	-
Due to financial assumption	(58)	(49)	-	-
Due to experience	(41)	(25)	-	-
Total actuarial (gain)/loss	(99)	(60)	-	-
VIII) Fair value of plan assets				
Opening fair value of plan asset	-	-	-	-
Adjustment to opening fair value of plan asset	-	-	-	-
Return on plan assets excluding interest income	-	-	-	-
Interest income	-	-	-	-
Contributions by employer	29	50	-	-
Contributions by employee	-	-	-	-
Benefits paid	(29)	(50)	-	-
Fair value of plan assets at end	-	-	-	-
IX) Past service cost recognised				
Past service cost- (non vested benefits)	-	-	-	-
Past service cost- (vested benefits)	-	-	-	-
Average remaining future service till vesting of the benefit	-	-	-	-
Recognised past service cost- non vested benefits	-	-	-	-
Recognised past service cost- vested benefits	-	-	-	-
Unrecognised past service cost- non vested benefits	-	-	-	-
X) Amounts to be recognized in the balance sheet and statement of profit & loss account				
PVO at end of period	302	330	-	-

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Gratuity (unfunded)		Other long term benefits	
	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021
Fair value of plan assets at end of period	-	-	-	-
Funded Status	(302)	(330)	-	-
Unrecognised past service cost- non vested benefits	-	-	-	-
Net asset/(liability) recognized in the balance sheet	(302)	(330)	-	-
XI) Expense recognised in the statement of profit and loss				
Current service cost	94	93	(3)	(15)
Net interest	12	14	-	-
Past service cost - (non vested benefits)	-	-	-	-
Past service cost - (vested benefits)	-	-	-	-
Curtailment effect	-	-	-	-
Settlement effect	-	-	-	-
Unrecognised past service cost - non vested benefits	-	-	-	-
Expense recognized in the statement of profit and loss	106	107	(3)	(15)
XII) Other comprehensive income (OCI)				
Actuarial (gain)/loss recognized for the period	(99)	(60)	-	-
Asset limit effect	-	-	-	-
Return on plan assets excluding net interest	-	-	-	-
Unrecognized actuarial (gain)/loss from previous period	-	-	-	-
Total actuarial (gain)/loss recognized in (OCI)	(99)	(60)	-	-
XIII) Movement in liability recognized in balance sheet				
Opening net liability	330	311	26	41
Adjustment to opening balance	-	-	-	-
Expenses as above	106	106	(3)	(15)
Transfer in liability	4	23		
Transfer out liability	(9)	(1)		
Contribution paid	(29)	(50)	-	-
Other comprehensive income(OCI)	(99)	(60)	-	-
Closing net liability	302	330	23	26
XIV) Projected service cost 31 March 2022	78	94	-	-
XV) Sensitivity analysis				

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	DR: Discount Rate		ER : Salary escalation rate:	
	PVO DR +1%	PVO DR -1%	PVO ER +1%	PVO ER -1%
PVO	290	316	312	293

XVI) Expected payout

Year	Expected Outgo First	Expected Outgo Second	Expected Outgo Third	Expected Outgo fourth	Expected Outgo Fifth	Expected Outgo Six to Ten
Payouts	52	47	43	40	35	118

XVII) Asset liability comparisons

Year	31-03-2018	31-03-2019	31-03-2020	31-03-2021	31-03-2022
PVO at end of period	171	243	311	330	302
Plan assets	-	-	-	-	-
Surplus / (deficit)	(171)	(243)	(311)	(330)	(302)
Experience adjustments on plan assets	-	-	-	-	-

Weighted average remaining duration of defined benefit obligation

3.98

Risk associated with defined benefit plan:

1) Investment/interest risk:

Since the scheme is not funded company is not exposed to investment/interest risk.

2) Longevity risk:

The company is not exposed to risk of employee living longer as the benefit under the scheme ceases on the employee separating from the employer for any reason.

Note 43 : Employee Stock Option Plan

a) Scheme details

The company has two stock option schemes.

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, 2014 for grant of 50 lakhs equity shares of Rs.10 each.

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

During the year ended 31 March 2017, the Company has sub divided 650 lakhs equity share of Rs. 10 each into 6500 lakhs equity share of Re. 1 each. Hence, the options granted are also sub-divided in the same proportion.

b) Compensation expenses arising on account of the share based payments

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Expenses arising from equity-settled share-based payment transactions	532	435

c) Fair value on the grant date

The fair value at grant date is determined using "Black Scholes Model" which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option. All the underlying assumption considered for fair valuation is based on Motilal Oswal Financial Services Limited fair valuation.

The model inputs for options granted includes:

Particulars	Scheme I	Scheme II
Date of grant	Various dates	Various dates
Date of board approval	Various dates	Various dates
Date of shareholder's approval	22-Jul-10	21-Jul-11
Method of settlement	Equity shares	Equity shares
Vesting Period	Not later than 6 years from the date of grant	Not later than 6 years from the date of grant
Risk free interest rate	6.97%	7.13%
Dividend yield	1%	1%
Expected volatility	40%	40%
Weighted average remaining contractual life		
Current year - granted but not vested	-	-
Current year - vested but not exercised	-	3 Years
Weighted Average Share Price at the date of exercise for stock options exercised during the year	N.A.	N.A.
Weighted average remaining contractual life		
Previous year - granted but not vested	3.01 Years	3.6 Years
Previous year - vested but not exercised	1.87 Years	3.84 Years
Exercise Period	Within a period of 36 months from the date of vesting	Within a period of 84 months from the date of vesting

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Scheme I	Scheme II
Vesting Conditions	Vesting of Options would be subject to continued employment with the Company and/or its holding/subsidiary, and thus the Options would vest on passage of time. In addition to this, the Remuneration/Compensation Committee may also specify certain performance parameters subject to which the options would vest. In case of performance based vesting, the options would vest on achievement of performance parameters irrespective of the time horizon.	Vesting of Options would be subject to continued employment with the Company and/or its holding/subsidiary, and thus the Options would vest on passage of time. In addition to this, the Remuneration/Compensation Committee may also specify certain performance parameters subject to which the options would vest. In case of performance based vesting, the options would vest on achievement of performance parameters irrespective of the time horizon.
Weighted average fair value of options as on grant date	0.00	9.68

d) Movement in share option during the year

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of share options	Weighted average exercise price In Rupees	Number of share options	Weighted average exercise price In Rupees
ESOP I				
Balance at beginning of the year	82,00,000	13.40	1,29,00,000	13.40
Add: Granted during the year	-	NA	-	NA
Less: Exercised during the year	-	NA	-	NA
Less: Forfeited during the year	-	NA	-	NA
Less: Lapsed during the year	82,00,000	13.40	47,00,000	13.40
Balance at end of the year	-	-	82,00,000	13.40
Exercisable at end of the year	-	-	38,00,000	13.40
ESOP II				
Balance at beginning of the year	15,25,741	15.06	22,25,741	10.67
Add: Granted during the year	-	NA	10,00,000	22.00
Less: Exercised during the year	-	NA	-	NA
Less: Forfeited during the year	-	NA	-	NA
Less: Lapsed during the year	11,25,741	12.59	17,00,000	13.40
Balance at end of the year	4,00,000	22.00	15,25,741	15.06
Exercisable at end of the year	4,00,000	22.00	5,25,741	1.85

e) Exercise pricing formula

ESOP 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

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

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.

ESOP 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 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 of a change in leaver assumptions	Year ended 31 March 2022	Year ended 31 March 2021
(+)5%	(5.52)	(26.46)
(-)5%	1.88	29.20

Note 44 : Revenue from contracts with customers

The Company 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.

The Company is an Investment Manager and provide, 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 to Alternate Investment Funds and provide investment advisory services to onshore and offshore clients. The company earns Managements fees from respective businesses.

a) Disaggregation of revenue

Revenue from contracts with customers:

Set out below is the disaggregation of revenue from contracts with customers and reconciliation to profit and loss account:

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Type of service		
	Asset Management and Advisory Activities	Portfolio management fees	Investment advisory services
Total Revenue from contracts with customers	23,525	35,918	268
Geographical Markets			
India	23,525	35,918	268
Outside India	-	-	-
Total Revenue from contracts with customers	23,525	35,918	268
Timing of revenue recognition			
Services transferred over time	23,525	35,918	268
Total Revenue from contracts with customers	23,525	35,918	268

b) Contract balances

Trade receivable are non-interest bearing balances.

c) Performance obligations

The performance obligation of the Company is to provide investment asset management and portfolio management services, which is 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 month.

Note 45 : Transactions in foreign currency

(i) Earnings in foreign currency (on accrual basis)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Investment advisory service	-	6

(ii) Expenditure in foreign currency (on accrual basis)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Travelling and conveyance expenses	2	1
Marketing and brand promotion expenses	7	2
Advertisement	-	8
Legal and professional fees	37	18
Portfolio management services	49	15
Distribution fees	63	4
Software charges	85	88
Membership and subscription fees	370	66
Registration charges	-	3
Total	488	205

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Note 46 : Related party disclosures

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:

(A) List of related parties and their relationship

(i) Holding company

- Motilal Oswal Financial Services Limited (Formerly known as Motilal Oswal Securities Limited)

Passionate Investment Management Private Limited - Ultimate holding company (merged with Motilal Oswal Financial Services Limited w.e.f. 01/04/2020 being appointed date of merger).

(ii) Wholly owned subsidiaries

- Motilal Oswal Asset Management (Mauritius) Private Limited
- Motilal Oswal Capital Limited

(iii) Fellow subsidiaries

- Motilal Oswal Finvest Limited (formerly known as Motilal Oswal Capital Markets Private Limited)
- Motilal Oswal Trustee Company Limited
- Motilal Oswal Alternet Investment Advisors Private Limited (formerly known as Motilal Oswal Fincap Private Limited)
- MO Alternative IFSC Private Limited
- Motilal Oswal Commodities Broker Private Limited
- Motilal Oswal Investment Advisors Limited
- Motilal Oswal Wealth Management Limited
- Motilal Oswal Securities International Private Limited
- Motilal Oswal Capital Market (Hongkong) Private Limited
- Motilal Oswal Capital Markets (Singapore) Pte. Limited
- Motilal Oswal Home Finance Limited (Formerly known as Aspire Home Finance Corporation Limited)
- India Business Excellence Management Company
- Glide Tech Investment Advisors Private Limited
- Motilal Oswal Finsec Private Limited
- TM Investment Technologies Private Limited

(iv) Key Management Personnel (KMP)

(a) Managing director and Chief Executive Officer

- Mr. Aashish P Somaiyaa (till 30 July 2020)
- Mr. Navin Agarwal (w.e.f. 31 July 2020)

(b) Executive directors

- Mr. Raamdeo Agarawal

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

(c) Non - executive directors

- Mr. Ashok Jain
- Mr. Abhaya P. Hota
- Ms. Rekha Shah (till 01 October 2020)
- Ms. Swanubhuti Jain (w.e.f. 31 December 2020)
- Mr. Himanshu Vyapak

(v) Relative of KMP

- Suneeta Agrawal (wife of Raamdeo Agrawal)
- Vaibhav Agrawal (son of Raamdeo Agrawal)
- Shalini Somaiyaa (wife of Aashish Somaiyaa)
- Shital Agarwal (wife of Navin Agarwal)

(vi) Enterprises in which KMP and their relatives exercise significant influence

- Motilal Oswal Foundation

(vii) Enterprises in which KMP have control

- OSAG Enterprises LLP

(B) Transactions with related parties

Nature of transactions	Name of the Related party	Holding Company (A)		Subsidiary Company / Fellow Subsidiary (B)		Key Managerial Personnel / Relative of KMP/Associates (C)		Total (A+B+C)	
		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
Commission received	Motilal Oswal Financial Services Limited	89	68	-	-	-	-	89	68
Interest received	Motilal Oswal Financial Services Limited	442	87	-	-	-	-	442	87
Interest paid	Motilal Oswal Finvest Limited	-	-	2	59	-	-	2	59
Rent paid	Motilal Oswal Financial Services Limited	585	585	-	-	-	-	585	585
Marketing & Business promotion expense	Motilal Oswal Wealth Management Limited	-	-	-	8	-	-	-	8
Distribution cost expense for portfolio management services	Motilal Oswal Financial Services Limited	4,406	4,433	-	-	-	-	4,406	4,433
Business support charges	Motilal Oswal Financial Services Limited	949	582	-	-	-	-	949	582
Distribution cost expense for portfolio management services	Motilal Oswal Wealth Management Limited	-	-	3,098	3,088	-	-	3,098	3,088

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Nature of transactions	Name of the Related party	Holding Company (A)		Subsidiary Company / Fellow Subsidiary (B)		Key Managerial Personnel / Relative of KMP/Associates (C)		Total (A+B+C)	
		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
Distribution cost expense for Alternate Investment Fund schemes	Motilal Oswal Financial Services Limited	1,054	412	-	-	-	-	1,054	412
	Motilal Oswal Wealth Management Limited	-	-	818	483	-	-	788	483
Investment advisory fees received	Motilal Oswal Wealth Management Limited	-	-	22	20	-	-	22	20
Support cost recovery	Motilal Oswal Capital Limited	-	-	21	22	-	-	21	22
Advisory fess expense	Motilal Oswal Capital Limited	-	-	-	6	-	-	-	6
Portfolio management fees	Mr. Raamdeo Agarwal	-	-	-	-	4	3	4	3
	Mr. Aashish P Somaiyaa	-	-	-	-	-	0	-	0
	Mr. Ashok Jain	-	-	-	-	4	3	4	3
	Ms. Rekha Shah	-	-	-	-	-	1	-	1
	Ms. Shalini Somaiyaa	-	-	-	-	-	0	-	0
	Ms. Suneeta Agarwal	-	-	-	-	43	25	43	25
	Mr. Prasanna S Patankar	-	-	-	-	-	0	-	0
	Ms. Archana Karamse	-	-	-	-	-	0	-	0
	Mr. Vaibhav Agarwal	-	-	-	-	12	7	12	7
	Vedika Karnani	-	-	-	-	0	-	0	-
	Chanda Agarwal	-	-	-	-	0	-	0	-
	Motilal Oswal Financial Services Limited	74	45	-	-	-	-	74	45
	Motilal Oswal Finvest Limited	-	-	112	79	-	-	112	79
Reimbursement of electricity charges	Motilal Oswal Financial Services Limited	36	29	-	-	-	-	36	29
Reimbursement of common cost allocated	Motilal Oswal Financial Services Limited	32	18	-	-	-	-	32	18
Employee compensation - Managerial remuneration	Mr. Aashish P Somaiyaa	-	-	-	-	-	299	-	299
Consideration received on exercise of options	Mr. Aashish P Somaiyaa	-	-	-	-	-	6	-	6
Employee compensation - Managerial remuneration	Mr. Navin Agarwal	-	-	-	-	1,725	149	1,725	149
Commission paid	Mr. Raamdeo Agarwal	-	-	-	-	228	228	228	228
Reimbursement of expenses	Mr. Raamdeo Agarwal	-	-	-	-	111	108	111	108
Loan taken during the year	Motilal Oswal Finvest Limited	-	-	800	13,442	-	-	800	13,442
Loan repaid during the year	Motilal Oswal Finvest Limited	-	-	1,185	13,057	-	-	1,185	13,057
Loan given during the year	Motilal Oswal Financial Services Limited	55,150	20,400	-	-	-	-	55,150	20,400
Loan payment received during the year	Motilal Oswal Financial Services Limited	52,855	20,400	-	-	-	-	52,855	20,400

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Nature of transactions	Name of the Related party	Holding Company (A)		Subsidiary Company / Fellow Subsidiary (B)		Key Managerial Personnel / Relative of KMP/Associates (C)		Total (A+B+C)	
		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
Expenditure for options granted to employees of Company	Motilal Oswal Financial Services Limited	528	381	-	-	-	-	528	381
Corporate Social Responsibility expenditure	Motilal Oswal Foundation	-	-	-	-	437	214	437	214

Note : As the liabilities for defined benefit plans are provided on actuarial basis for the Company as a whole, the amounts pertaining to Key Management Personnel are not included.

(B) Outstanding balances of / with related parties :

Nature of transactions	Name of the Related party	As at 31 March 2022	As at 31 March 2021
Interest payable	Motilal Oswal Finvest Limited	-	1
Interest receivable	Motilal Oswal Financial Services Limited	35	13
Loan payable	Motilal Oswal Finvest Limited	-	385
Loan receivable	Motilal Oswal Financial Services Limited	2,295	-
Rent payable	Motilal Oswal Financial Services Limited	428	34
Trade payables	Motilal Oswal Wealth Management Limited	612	973
	Motilal Oswal Financial Services Limited	869	894
Trade receivables	Motilal Oswal Capital Limited	12	6
Prepaid Expenses	Motilal Oswal Financial Services Limited	3,741	1,662
	Motilal Oswal Wealth Management Limited	2,848	1,627
Employee stock option charges payable	Motilal Oswal Financial Services Limited	48	53
Investments	Motilal Oswal Asset Management (Mauritius) Private Limited	479	479
	Motilal Oswal Capital Limited	800	800
	Motilal Oswal Home Finance Limited	0	0

Note 47 : Segment Reporting

In accordance with Ind AS 108 on "Operating Segments", the Company has determined business segment as under.

The business segment has been considered as the primary segment for disclosure. The primary business of the Company comprises of "Asset management and advisory" and "Fund based activities". 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. Asset management and advisory includes fee based services for management of assets. Fund based activities includes investment activities in investment of mutual funds.

Secondary segment i.e geographical segment reporting does not require separate disclosure as all activities of the Company are within India.

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

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 categorized based on items that can be individually identifiable to that segment. Certain expenses such as taxes, etc. are not specifically allocable to specific segments.

Financial assets and liabilities and Non-financial assets and liabilities to the extent directly identifiable to a segment have been categorized separately; others have been shown as "unallocable" in the total column. Other balance sheet items such as deferred tax liability are similarly not allocated to segments.

Particulars	Asset Management and Advisory Activities		Fund Based activities		Unallocated Activities		Total	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Revenue :								
External revenue	59,711	51,048	12,477	29,581	561	321	72,748	80,950
Inter-segment revenue	-	-	-	-	-	-	-	-
Total revenue	59,711	51,048	12,477	29,581	561	321	72,748	80,950
Result :								-
Segment result	22,944	18,749	12,477	29,581	561	321	35,421	48,329
Unallocated corporate expenses	-	-	-	-	-	-	474	226
Unallocated revenue	-	-	-	-	-	-	561	321
Operating profit	-	-	-	-	-	-	35,508	48,425
Interest expenses	-	-	-	-	-	-	22	77
Interest income	-	-	-	-	-	-	442	87
Tax expense :	-	-	-	-	-	-		
Current tax	-	-	-	-	-	-	3,830	4,892
Deferred tax	-	-	-	-	-	-	3,661	3,511
Income tax for earlier years	-	-	-	-	-	-	-	(969)
MAT credit adjustments of previous year	-	-	-	-	-	-	-	-
Profit from Ordinary Activities	-	-	-	-	-	-	28,437	41,001
Extra-ordinary / exceptional items	-	-	-	-	-	-	-	-
Profit after tax	-	-	-	-	-	-	28,437	41,001
Other information :								-
Segment assets	25,469	17,984	94,460	72,042	3,625	1,298	1,23,555	91,324
Segment liabilities	11,083	9,577	-	-	9,377	6,158	20,460	15,735
Capital expenditure	250	101	-	-	-	-	250	101
Depreciation	166	188	-	-	-	-	166	188
Non-cash expenses other than depreciation	-	-	-	-	-	-	-	-

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Note 48 : ESOP expense to Holding Company

Motilal Oswal Financial Services Limited has granted stock options to the eligible employees of the Company. The Company has reimbursed to the Holding Company in current year Rs. 527.98 Lakhs (previous year Rs.380.66 Lakhs) on account of such costs and the same is forming part of employee costs and included under the head "Employee benefits expense" in Note 27.

Note 49 : Transactions with Struck-off companies

The Company does not have any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended 31 March 2022 and 31 March 2021.

Note 50 : Capital Management

Risk management

The primary objectives of the company's capital management policy is to ensure compliance with regulatory capital requirements and to optimise returns to the shareholders. In line with this objective, the company ensures adequate capital at all times and manages its business in a way in which it's capital is protected, satisfactory business growth is ensured and cash flows are monitored. The equity share capital and other equity are considered as capital for the purpose of company's capital management.

The company maintains an actively managed capital base to cover risk inherent in business and meets the capital requirements of SEBI regulations.

Note 51 : Unhedged foreign currency

The Company is not having any unhedged foreign currency exposure as on 31 March 2022.

Note 52 : Additional regulatory information required under (WB) (xvi) of Division III of Schedule III amendment, disclosure of ratios, is not applicable to the Company as it is in broking business and not an NBFC registered under Section 45-IA of Reserve Bank of India Act, 1934.

Note 53 : Previous year figures have been regrouped/reclassified wherever necessary.

Note 54 : Amount below Rs.50,000 have been rounded off or shown as "0".

For Singhi & Co.
Chartered Accountants
Firm Registration No.: 302049E

S. Chandrasekhar
Partner
Membership No.: 007592
UDIN: 22007592AHUQQF1288

Place : Mumbai
Date : 25 April 2022

**For and on behalf of the Board of Directors of
Motilal Oswal Asset Management Company Limited**

Navin Agarwal
Managing Director and
Chief Executive Officer
DIN No : 00024561

Raamdeo Agarawal
Director
DIN No : 0024533

Aparna Karmase
Company Secretary and Compliance Officer
Place : Mumbai
Date : 25 April 2022

Motilal Oswal Trustee Company Limited

FINANCIAL STATEMENT

INDEPENDENT AUDITORS' REPORT (Contd..)

To
The Members of Motilal Oswal Trustee Company Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

1. Opinion

We have audited the accompanying Financial Statements of Motilal Oswal Trustee Company 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 financial statements 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 changes in equity for the year ended on that date.

2. Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 ("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 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 Financial Statements.

3. 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 Directors Report, but does not include the Financial Statements and our auditor's report thereon. These reports are expected to be made available to us after the date of our auditor's report.

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.

4. Management's Responsibility for the 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 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. This responsibility also includes

INDEPENDENT AUDITORS' REPORT (Contd..)

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 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.

5. Auditor's Responsibilities for the Audit of the Financial Statements

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.

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 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.

INDEPENDENT AUDITORS' REPORT (Contd..)

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 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.

6. Other Matter

The comparative 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 statement on April 27, 2021. Accordingly, we do not express any opinion on the figures reported in the Financial Statements for the year ended March 31, 2021.

Our opinion is not modified in respect of this matter.

7. 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 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 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.

INDEPENDENT AUDITORS' REPORT (Contd..)

- 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 does not have any pending litigation which would impact its financial position as at 31 March 2022;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
 - iv. (a) The Management has represented that 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 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. The Company did not declare or paid any dividend during the year.

For Singhi & Co.
Chartered Accountants
Firm Registration No. 302049E

S. Chandrasekhar
Partner
Membership No. 007592
UDIN: 22007592AHYLTZ6867

Place: Mumbai
Date: 27 April, 2022

INDEPENDENT AUDITORS' REPORT (Contd..)

Annexure A to the Independent Auditors' Report of even date on the financial statements of Motilal Oswal Trustee Company Limited

Referred to in paragraph [7(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) The Company does not have any fixed assets. Accordingly, the provisions of clause 3(i) of the Order are not applicable.
- (ii) a) The Company does not hold any inventories. Thus paragraph 3(ii)(a) of the Order is not applicable to the Company.
 b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have any working capital from banks and financial institutions on the basis of security of current assets. Thus, the provisions of clause 3(ii)(b) of the Order are not applicable.
- (iii) The Company has not granted any loan, 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), 3(iii)(c), 3(iii)(d) and 3(iii)(e) and 3(iii)(f) of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not entered into any transaction covered under Section 185 and Section 186 of the Act in respect of loans, guarantees and security.
- (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.

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.
 - b) There are no statutory dues referred to in sub- clause (a) above which have not been deposited as on 31 March 2022, on account of disputes.
- (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.

INDEPENDENT AUDITORS' REPORT (Contd..)

- (ix) The Company does not have any borrowings. Hence, the provisions of clause 3(ix)(a), 3(ix)(b), 3(ix)(c) and 3(ix)(d) of the Order are not applicable.

The Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under paragraph 3(ix)(e) and 3(ix)(f) of the Order are 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) According to the information and explanations 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, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable, for all the transactions with related parties and the details of related party transaction 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) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) and (b) of the Order is not applicable.
- 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.

INDEPENDENT AUDITORS' REPORT (Contd..)

(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, explanations and representations given to us and on the basis of the financial ratios, 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) According to sec 135 of Companies Act 2013, Corporate Social Responsibility (CSR) is not applicable to the company. Hence reporting under clause xx (a) is not applicable to the company.

(xxi) According to the information and explanations given to us and based on our examination of the records of the Company, there are no subsidiaries / associates / joint ventures of the Company and hence the paragraph 3(xxi) of the Order is not applicable to the Company.

For Singhi & Co.

Chartered Accountants

Firm Registration No. 302049E

S. Chandrasekhar

Partner

Membership No. 007592

UDIN: 22007592AHYLTZ6867

Place: Mumbai

Date: 27 April, 2022

INDEPENDENT AUDITORS' REPORT (Contd..)

Annexure B to the Independent Auditors' Report of even date on the financial statements of Motilal Oswal Trustee Company Limited

Referred to in paragraph [7(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 Trustee Company 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

INDEPENDENT AUDITORS' REPORT (Contd..)

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

S. Chandrasekhar

Partner

Membership No. 007592

UDIN: 22007592AHYLTZ6867

Place: Mumbai

Date: 27 April, 2022

BALANCE SHEET

BALANCE SHEET AS AT 31ST MARCH, 2022

(All amounts are in INR Hundred, unless otherwise stated)

Particulars	Note No.	As at 31 March 2022	As at 31 March 2021
I. ASSETS			
A. Non-current assets			
a) Property, plant and equipment	4	-	-
b) Financial assets			
Investments	5	49,476	44,553
c) Non - current tax assets (net)	6	592	435
Total non-current assets (A)		50,068	44,988
B. Current assets			
a) Financial assets			
i) Trade receivables	7	1,840	2,739
ii) Cash and cash equivalents	8	14,133	5,291
b) Other current assets	9	22	8
Total current assets (B)		15,995	8,038
Total Assets (A+B)		66,063	53,026
II. EQUITY AND LIABILITIES			
A. Equity			
Equity share capital	10	10,000	10,000
Other equity	11	51,783	40,955
Total equity (A)		61,783	50,955
B. Liabilities			
1. Non-current liabilities			
a) Deferred tax liabilities (net)	12	1,365	784
Total non-current liabilities (B)		1,365	784
2. Current liabilities			
a) Financial liabilities			
i) Provision	13	1,494	-
ii) Other financial liabilities	14	1,244	983
b) Other current liabilities	15	176	304
Total current liabilities (C)		2,914	1,287
Total equity and liabilities (A+B+C)		66,063	53,026

Summary of significant accounting policies and other explanatory information

The accompanying notes 1 to 32 form an integral part of the financial statements

This is the Balance Sheet referred to in our report of even date

For Singhi & Co.
Chartered Accountants
Firm Registration No.: 302049E

For and on behalf of the Board of Directors
Motilal Oswal Trustee Company Limited

S. Chandrasekhar
Partner
Membership No.: 007592
UDIN: 22007592AHYLTZ6867

Sandeep Ghose
Director
DIN : 07482589

Vishal Tulsyan
Director
DIN: 00139754

Place : Mumbai
Date : 27 April 2022

Place : Mumbai
Date : 26 April 2022

STATEMENT OF PROFIT AND LOSS

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH 2022

(All amounts are in INR Hundred, unless otherwise stated)

Particulars	Note No.	For the year ended 31 March 2022	For the year ended 31 March 2021
1) Revenue from operations	16	24,797	20,392
2) Other income	17	11,720	17,517
3) Total Income (1 + 2)		36,517	37,909
Expenses			
(i) Depreciation	4	-	70
(ii) Other expenses	18	22,932	15,198
4) Total expenses		22,932	15,268
5) Profit/(loss) before tax (3 - 4)		13,585	22,641
Tax expense/(credit):	19		
(i) Current tax		2,201	1,295
(ii) Deferred tax expense/(credit)		581	1,107
6) Total tax expenses (i+ii)		2,782	2,402
7) Profit/(loss) for the period (5 - 6)		10,803	20,239
Other comprehensive income			
(a) Actuarial gain/(loss) on post retirement benefit plans		27	-
8) Other comprehensive income/(loss)		27	27
Total comprehensive income/(loss) for the period (7 + 8)		10,830	20,239
Earnings/(loss) per equity share			
Basic and diluted (in Rupees)	26	10.80	20.24
Face value per share (in Rupees)		10	10

Summary of significant accounting policies and other explanatory information

The accompanying notes 1 to 32 form an integral part of the financial statements

This is the Statement of Profit and Loss referred to in our report of even date

For Singhi & Co.
Chartered Accountants
Firm Registration No.: 302049E

S. Chandrasekhar
Partner
Membership No.: 007592
UDIN: 22007592AHYLTZ6867

Place : Mumbai
Date : 27 April 2022

For and on behalf of the Board of Directors
Motilal Oswal Trustee Company Limited

Sandeep Ghose
Director
DIN : 07482589

Place : Mumbai
Date : 26 April 2022

Vishal Tulsyan
Director
DIN: 00139754

CASH FLOW STATEMENT

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2022

(All amounts are in INR Hundred, unless otherwise stated)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
A. Cash flow from operating activities		
Profit/(loss) before tax	13,585	22,641
Adjustment for		
Net (gain)/loss on fair value change of investments	(4,923)	(17,517)
Gratuity provision	27	-
Depreciation	-	70
Operating profit/(loss) before working capital changes	8,689	5,194
Adjustment for working capital changes :		
Increase/(Decrease) in Provisions	1,494	-
Increase/(Decrease) in other financial liabilities	261	425
Increase/(Decrease) in other current liabilities	(128)	169
(Increase)/Decrease in trade receivables	899	(1,271)
(Increase)/Decrease in other current assets	(14)	239
Net changes in working capital	2,512	(438)
Cash generated from operating activities (A)	11,201	4,755
Income taxes paid (net of refunds)	(2,359)	(1,719)
Net cash flow (used in)/ generated from operating activities(A)	8,842	3,037
B. Cash flow from investing activities		
Purchase of non-current investments	-	-
Net cash flow (used in) investing activities (B)	-	-
C. Cash flow from financing activities (C)	-	-
Net increase/(decrease) in cash and cash equivalents (A) + (B) + (C)	8,842	3,037
Cash and cash equivalents comprises of		
Balance with bank in Current Account	5,291	2,254
Cash and cash equivalents at the beginning of the year	5,291	2,254
Cash and cash equivalent (refer note 9)		
Balance with bank in Current Account	14,133	5,291
Cash and cash equivalents at the end of the year	14,133	5,291

Notes:

- (i) The above Statement of Cash Flows has been prepared under indirect method as set out in Ind AS 7, 'Statement of Cash Flows', as specified under section 133 of the Companies Act, 2013.
- (ii) Figures in brackets indicate cash outflows.
- This is the Statement of Cash Flows referred to in our report of even date.

For Singhi & Co.
Chartered Accountants
Firm Registration No.: 302049E

S. Chandrasekhar
Partner
Membership No.: 007592
UDIN: 22007592AHYLTZ6867

Place : Mumbai
Date : 27 April 2022

For and on behalf of the Board of Directors
Motilal Oswal Trustee Company Limited

Sandeep Ghose
Director
DIN : 07482589

Place : Mumbai
Date : 26 April 2022

Vishal Tulsyan
Director
DIN: 00139754

NOTES TO FINANCIAL STATEMENT (Contd..)

STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2022

(All amounts are in INR Hundred, unless otherwise stated)

(A) Equity Share Capital

Particulars	Equity share capital	
	Number of shares	Amount
As at 31 March 2020	1,00,000	10,000
Changes during the year	-	-
As at 31 March 2021	1,00,000	10,000
Changes during the year	-	-
As at 31 March 2022	1,00,000	10,000

For 31 March 2022

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
10,000	-	-	-	10,000

For 31 March 2021

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
10,000	-	-	-	10,000

(B) Other Equity

Particulars	Reserves and Surplus	
	Retained earnings	Other comprehensive income
Balance as at 31 March 2020	20,716	-
Profit for the year	20,239	-
Balance as at 31 March 2021	40,955	-
Profit for the year	10,802	26
Balance as at 31 March 2022	51,757	26

Summary of significant accounting policies and other explanatory information

The accompanying notes 1 to 32 form an integral part of the financial statements

This is the Statement of Changes in Equity referred to in our report of even date.

For Singhi & Co.
Chartered Accountants
Firm Registration No.: 302049E

S. Chandrasekhar
Partner
Membership No.: 007592
UDIN: 22007592AHYLTZ6867

For and on behalf of the Board of Directors
Motilal Oswal Trustee Company Limited

Sandeep Ghose
Director
DIN : 07482589

Vishal Tulsyan
Director
DIN: 00139754

Place : Mumbai
Date : 27 April 2022

Place : Mumbai
Date : 26 April 2022

NOTES TO FINANCIAL STATEMENT

1. Corporate information

Motilal Oswal Trustee Company Limited ("MOTC"/the "Company") was incorporated on 14 November 2008. The registered and corporate office of the Company is situated at Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400 025.

The Company acts as the Trustee to Motilal Oswal Mutual Fund vide Trust Deed dated 21 May 2009. Security Exchange Board of India ("SEBI") has granted registration to Motilal Oswal Mutual Fund under SEBI (Mutual Funds) Regulations, 1996 vide Registration No. MF/063/09/04 dated 29 December 2009.

The financial statements were approved for issue by the company's Board of Directors on 26 April 2022.

2. Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

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 and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III) and other relevant provisions of the Act.

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.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities are measured at fair value.

(iii) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:

- Expected to be realised or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

NOTES TO FINANCIAL STATEMENT (Contd..)

All other assets are classified as non-current.

A liability is classified as current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(iv) Use of estimates and judgments

The preparation of financial statements in conformity with Ind AS 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.

2.2. Revenue Recognition

The company recognizes revenue from contract with customers based on five step model as set out in IND AS 115, "Revenue from Contract with customers" to determine when to recognize revenue and at what amount. Revenue is measured based on the consideration specified in the contract with customers. Revenue from contract with customers recognized when services are provided and it is highly probable that a significant reversal of revenue is not expected to occur.

(i) 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.

2.3. Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

NOTES TO FINANCIAL STATEMENT (Contd..)

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 profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives & 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 date of installation till date the assets are sold or disposed.

Assets	Useful life
Computers	3 years

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.

2.4. 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 is determined using tax rates (and laws) that have been enacted and substantially enacted by the end of the reporting period. 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 Taxes

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income 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.

NOTES TO FINANCIAL STATEMENT (Contd..)

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.

2.5. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, 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, and bank overdrafts.

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 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 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 profit or 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 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:

NOTES TO FINANCIAL STATEMENT (Contd..)

- 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 21.

2.7. Financial assets

(i) Classification and subsequent measurement

The Company has applied Ind AS 109 "Financial Instruments" and classifies its financial assets in the following measurement categories:

- Fair value through profit or loss (FVPL);
- Fair value through other comprehensive income (FVOCI); or
- Amortised cost.

1. Financial assets carried at amortised cost

Financial assets are measured at amortised cost if both the following conditions are met:

- The asset is held with the business model whose objective is to hold asset for collecting contractual cash flows; and
- Contractual terms of the asset give rise on a specified dates to cash flows that are solely payments of principle and interest (SPPI) on the principle amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using effective interest rate (EIR) method. Amortised cost 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 other income 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 'other income' in the Statement of Profit and Loss.

NOTES TO FINANCIAL STATEMENT (Contd..)

3. 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 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 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.

2.8. Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any

NOTES TO FINANCIAL STATEMENT (Contd..)

interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

(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.

2.9. 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 assets is the higher of its value in use and 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 current market assessments of the 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 the asset's or cash-generating unit's recoverable amount exceeds its carrying amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation and amortization, if no impairment loss had been recognized.

2.10. Provisions and Contingent Liabilities:

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 Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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.

NOTES TO FINANCIAL STATEMENT (Contd..)

2.11. Earnings per share

a) Basic earnings per share

Basic earnings per share is calculated by dividing the net profit or loss (excluding 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 element in equity shares issued during the year.

b) Diluted earnings per share

Diluted earnings per share is computed by dividing the net profit or loss 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.

2.12. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest hundred as per the requirements

2.13. 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.

2.14. Recent accounting developments

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. On 24 March 2021, the Ministry of Corporate Affairs ("MCA") through a notification amended Schedule III of the Companies Act, 2013. 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:

- 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 asset under development in specified format prescribed under amendment.
- Specific disclosure: Amendment requires to disclose transaction/ 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.

NOTES TO FINANCIAL STATEMENT (Contd..)

- 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 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 judgments 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 on-going 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.
- (b) **Allowance for impairment of financial asset:** The Company recognises loss allowances for expected credit loss on its financial assets measured at amortised cost. At each reporting date, company assess whether financial assets carried at amortised cost are credit impaired. Financial assets are credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial assets have occurred.
- (c) **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.
- (d) **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.

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Hundred, unless otherwise stated)

Note 4 : Property, plant and equipment

Current year

Particulars	Gross block				Accumulated depreciation				Net block	
	As at 01 April 2021	Additions	Deductions	As at 31 March 2022	As at 01 April 2021	Additions	Deductions	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021
Computer	1,404	-	-	1,404	1,403	-	-	1,403	0	0
	1,404	-	-	1,404	1,403	-	-	1,403	0	0

Previous year

Particulars	Gross block				Accumulated depreciation				Net block	
	As at 01 April 2020	Additions	Deductions	As at 31 March 2021	As at 01 April 2020	Additions	Deductions	As at 31 March 2021	As at 31 March 2021	As at 31 March 2020
Computer	1,404	-	-	1,404	1,333	70	-	1,403	0	71
	1,404	-	-	1,404	1,333	70	-	1,403	0	71

Note 5 : Investment

Particulars	Subsidiary / Others	As at 31 March 2022		As at 31 March 2021	
		Units	Amount	Units	Amount
Investment in Mutual Funds measured at FVTPL (Quoted)					
Motilal Oswal Most Focused Multicap 35 Fund	Others	1,04,344.91	36,264	1,04,344.91	35,106
Motilal Oswal Most Focused Midcap 30 Fund (growth)	Others	26,623.80	13,211	26,623.80	9,446
Total			49,476		44,553

Note 6 : Non current tax assets (net)

Particulars	As at 31 March 2022	As at 31 March 2021
Advance tax and tax deducted at source (Net of provision for income tax 31 March 2022 Rs 2,780; 31 March 2021 Rs 1,295)	592	435
Total	592	435

Note 7 : Trade receivables

Particulars	As at 31 March 2022	As at 31 March 2021
Considered good - unsecured (refer note 22)	1,840	2,739
Total	1,840	2,739

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Hundred, unless otherwise stated)

Note 7 (i) : Receivable ageing schedule

For the year ended 31 March 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1 - 2 year	2 - 3 year	More than 3 years	
(i) Considered good – Secured	-	-	-	-	-	-
(ii) Considered good – Unsecured	1,840	-	-	-	-	1,840
(iii) Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-
(iv) Trade Receivables – credit impaired	-	-	-	-	-	-

For the year ended 31 March 2021

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1 - 2 year	2 - 3 year	More than 3 years	
(i) Considered good – Secured	-	-	-	-	-	-
(ii) Considered good – Unsecured	2,739	-	-	-	-	2,739
(iii) Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-
(iv) Trade Receivables – credit impaired	-	-	-	-	-	-

- Trade receivables are recognised initially at fair value and subsequently measured at amortised cost less loss allowances. The Company applies the Ind AS 109 simplified approach to measuring expected credit losses (ECLs) for trade receivables at 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 Company 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 recognised in the income statement. Subsequent recoveries of amounts previously written off are credited to the income statement. In line with the Company's historical experience, and after consideration of current credit exposures, the Company does not expect to incur any credit losses and has not recognised any ECLs in the current year.
- No trade are due from directors or other officers of the Company 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.

Note 8 : Cash and cash equivalents

Particulars	As at 31 March 2022	As at 31 March 2021
Balance with banks		
In current accounts	14,133	5,291
Total	14,133	5,291

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Hundred, unless otherwise stated)

Note 9 : Other current assets

Particulars	As at 31 March 2022	As at 31 March 2021
Prepaid Expenses	14	-
Others	8	8
Indirect tax credit receivable	-	-
Total	22	8

Note 10 : Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Amount	Number of shares	Amount
Authorised				
Equity shares of Rs. 10 each (Previous year Rs. 10 each)	1,00,000	10,000	1,00,000	10,000
Issued, Subscribed and fully Paid up				
Equity shares of Rs. 10 each fully paid up (Previous year Rs. 10 each)	1,00,000	10,000	1,00,000	10,000
	1,00,000	10,000	1,00,000	10,000

10.1 Reconciliation of number of equity shares outstanding at the beginning and at the end of the year

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Amount	Number of shares	Amount
Balance at beginning of the year	1,00,000	10,000	1,00,000	10,000
Add: shares issued during the year	-	-	-	-
At the end of the year	1,00,000	10,000	1,00,000	10,000

10.2 Shareholder having more than 5% equity holding in the Company

Name of shareholder	As at 31 March 2022		As at 31 March 2021	
	Number of shares	% of holding	Number of shares	% of holding
Motilal Oswal Financial Services Limited	1,00,000	100%	1,00,000	100%
	1,00,000	100%	1,00,000	100%

10.3 Shares held by holding/promoter company

Name of shareholder	-		-	
	Number of shares	% of holding	Number of shares	% of holding
Motilal Oswal Financial Services Limited	1,00,000	100%	1,00,000	100%

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Hundred, unless otherwise stated)

10.4 Rights of shareholders

The Company has one class of shares referred to as equity shares having a par value of Rs. 10. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holder of the equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all the preferential amounts. However, no such preferential amounts exists currently. 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.

10.5 The company has not issued any bonus shares for consideration other than cash nor there been any buybacks of shares during five years immediately preceeding 31 March 2022.

Note 11 : Other Equity

Particulars	As at 31 March 2022	As at 31 March 2021
a) Surplus in the statement of profit and loss		
Balance at beginning of the year	40,955	20,716
Add: Transfer from Statement of Profit and Loss	10,802	20,239
Balance at the end of year	51,757	40,955
b) Other comprehensive income		
Balance at beginning of the year	-	-
Add: Other comprehensive income for the year	27	-
Balance as at the end of the year	27	-
Total	51,784	40,955

Nature and Purpose of Reserves

Retained earnings

Retained earnings pertains to the accumulated earnings/losses made by the company over the years.

Note 12 : Deferred tax assets/(liabilities) (net)

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred tax asset/(liabilities) arising on account of:		
Timing difference	-	18
Loss on mutual fund investment measured at FVTPL	(1,365)	(802)
Deferred tax assets/(liabilities) (net)	(1,365)	(784)

Note 13 : Provision

Particulars	As at 31 March 2022	As at 31 March 2021
Gratuity unfunded	58	-
Ex - gratia payable	1,296	-
Compensated absences	140	-
Total	1,494	-

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Hundred, unless otherwise stated)

Note 14 : Other financial liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Other Payables	1,244	983
Total	1,244	983

Note 15 : Other current liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Withholding and other taxes payable	176	304
Total	176	304

Note 16: Fees and commission income

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Trusteeship fees	24,797	20,392
	24,797	20,392

Note 17 : Other income

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Net gain on mutual fund investment measured at FVTPL	4,923	17,517
Reimbursement of expenses	6,797	-
	11,720	17,517

Note 18 : Other expenses

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Legal and professional fees	514	547
Auditors remuneration (Refer Note no. 24)	238	250
Director's fees, allowances and expenses	14,000	14,400
Salary, bonus and allowances	7,697	-
Staff welfare expenses	389	-
Gratuity	84	-
Insurance	6	-
Miscellaneous expenses	4	1
Total	22,932	15,198

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Hundred, unless otherwise stated)

Note 19.1 : Tax expense

The Company pays taxes according to the rates applicable in India. Most taxes are recorded in the income statement and relate to taxes payable for the reporting 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 the tax benefit exceeds the cumulative income statement expense on share 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 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 recognised 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 recognised when it is considered recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as probable that there will be suitable taxable profits against which to recover carried forward tax losses and from 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 2022	Year ended 31 March 2021
Current tax expense		
Current tax for the year	2,201	1,295
Total current tax expense	2,201	1,295
Deferred taxes		
Change in deferred tax liabilities	581	1,107
Net deferred tax expense	581	1,107
Tax expense for the year	2,783	2,402

Note : 19.2 Tax reconciliation (for profit and loss)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Profit/(loss) before income tax expense	13,585	22,641
Tax at the rate of 25.17% (for 31 March 2021 - 25.17%)	3,419	5,698
Tax effect of amounts which are not deductible / not taxable in calculating taxable income		
Net gain/(loss) on mutual fund investment measured at FVTPL	(683)	(3,295)
Deferred tax on account of :		
Change due to deferred tax	46	(1)
Income tax expense	2,783	2,402

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Hundred, unless otherwise stated)

Note 19.3 : Deferred tax Liabilities

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Deferred tax liabilities on account of:		
Timing difference on property, plant and equipments as per books and as per Income Tax Act, 1961	-	18
Unrealised gain/(loss)	(1,365)	(802)
Total deferred tax liabilities	(1,365)	(784)
Net deferred tax liabilities	(1,365)	(784)

Note 19.4 : Deferred tax related to the following:

Particulars	As at 31 March 2022	Recognised through profit and loss	As at 31 March 2021	Recognised through profit and loss	As at 31 March 2020
Deferred tax liabilities on account of:					
Timing difference on property, plant and equipments as per books and as per Income Tax Act, 1961	-	(18)	18	7	12
Unrealised loss	(1,365)	(563)	(802)	(1,114)	311
Total deferred tax liabilities	(1,365)	(581)	(784)	(1,107)	323
Total deferred tax Assets/(liabilities) (net)	(1,365)	(581)	(784)	(1,107)	323

Note 20 : Capital Management

The primary objective of the Company's capital management policy is to ensure compliance with regulatory capital requirements. In line with this objective, the Company ensures adequate capital at all times and manages its business in a way in which capital is protected, satisfactory business growth is ensured and cash flows are monitored.

The Company maintains an actively managed capital base to cover risks inherent in the business and meets the capital requirement of SEBI regulations.

Note 21 : Revenue from contracts with customers

With effect from 01 April 2018, the Company has adopted Ind AS 115 'Revenue from contracts with customers' using the modified retrospective approach given in Ind AS 115, i.e. cumulative catch-up transition adjustment is made for contracts that were not completed as of 01 April 2018. Accordingly, the comparatives have not been adjusted. Under Ind AS 115, an entity recognises revenue when it transfers control of promised services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

The application of Ind AS 115 has had no impact on the cash flows of the Company.

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Hundred, unless otherwise stated)

The Company 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.

The Company acts as the Trustee to Motilal Oswal Mutual Fund. The company earns Trustee fees from Motilal Oswal Mutual Fund.

a) Disaggregation of revenue

Revenue from contracts with customers:

Set out below is the disaggregation of revenue from contracts with customers and reconciliation to profit and loss account:

	Type of service
	Trustee fees
Total Revenue from contracts with customers	24,797
Geographical Markets	
India	24,797
Outside India	-
Total Revenue from contracts with customers	24,797
Timing of revenue recognition	
Services transferred at a point in time	
Services transferred over time	24,797
Total Revenue from contracts with customers	24,797

b) Contract balances

Trade receivable are non-interest bearing balances. The outstanding balances as on 31 March 2022 is Rs. 1,840 hundreds, 31 March 2021 is Rs. 2,739 hundreds.

c) Performance obligations

The performance obligation of the company is to act as trustee to the mutual fund schemes, which is completed as per the terms and conditions of the trust agreement.

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Hundred, unless otherwise stated)

Note 22 : Fair value measurements

Financial instruments by category:

Particulars	31 March 2022		31 March 2021	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
Balance with banks	-	14,133	-	5,291
Trade receivables	-	1,840	-	2,739
Investments	49,476	-	44,553	-
Total Financial Assets	49,476	15,973	44,553	8,030
Financial Liabilities				
Provision	-	1,494	-	-
Other financial liabilities	-	1,420	-	1,287
Total Financial Liabilities	-	2,914	-	1,287

I. Fair value hierarchy

The fair values of the financial assets and liabilities are included at the amount 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. This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the Indian Accounting standard. An explanation of each level follows underneath the table.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. For example, listed equity instruments that have quoted market price.

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 asset included in level 3.

II. Valuation techniques used to determine fair value

Significant valuation techniques used to value financial instruments include:

- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.

The fair values for investment in mutual fund are based on the NAV.

The carrying amounts of Cash and cash equivalent, trade receivables, trade payables, other current financial liabilities are considered to be approximately equal to the fair value.

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Hundred, unless otherwise stated)

Investment includes investment in Mutual funds only which have been categorised into level 1 of fair value hierarchy.

III. Fair value of financial instrument measured at amortised cost

Fair value of Financial asset and liabilities are equal to their carrying amount.

Note:

During the periods mentioned above, there have been no transfers amongst the levels of hierarchy.

Note 23 : Financial risk management

The company is exposed primarily to credit, liquidity and price risk which may adversely impact the fair value of its financial instrument. The Company has a risk management policy which covers risk associated with the financial assets and liabilities. The risk management policy is approved by Board of Directors. The focus of the risk management is to assess the unpredictability of the financial environment and to mitigate potential adverse effect on the financial performance of the company.

The Company's principal financial liabilities comprises of trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include Investments, trade receivables and cash and cash equivalents that derive directly from its operations."

A Credit risk

The company is exposed to credit risk from its operating activities (primarily for trade receivables).

To manage credit risk, the Company follows a policy of providing 0-30 days credit to the customers basis the nature of customers. For some of the customer company follows the policy of receiving advance payment towards services. The credit limit policy is established considering the current economic trends of the industry in which the company is operating.

However, the trade receivables are monitored on a periodic basis for assessing any significant risk of non-recoverability of dues and provision is created accordingly.

Bank balances are held with only high rated banks.

Age of receivables that are past due:

Particulars	As at 31 March 2021	As at 31 March 2021
Upto 3 months	1,840	2,739
3 - 6 months	-	-
6 - 12 months	-	-
More than 12 months	-	-
Total	1,840	2,739
Provision for expected credit loss	-	-

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Hundred, unless otherwise stated)

B Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities viz. other payables.

Liquidity risk management

The Company's management is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

(i) Maturities of non – derivative financial liabilities

As at 31 March 2022

Particulars	Upto 1 year	Between 1 and 5 years	Beyond 5 years	Total
Financial Liabilities				
Other payables	1,244			1,244
Total	1,244	-	-	1,244

As at 31 March 2021

Particulars	Upto 1 year	Between 1 and 5 years	Beyond 5 years	Total
Financial Liabilities				
Other payables	983			983
Total	983	-	-	983

(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 exchange rates.

The Company is not exposed to foreign currency risk as it does not have any payables or receivables in foreign currency.

(ii) Cash flow and fair value interest rate risk

Interest rate risk arises from the sensitivity of the financial liabilities to changes in market rate of interest.

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Hundred, unless otherwise stated)

The Company is not exposed to interest rate risk as it does not have any borrowings.

(iii) Price risk

The company is exposed to price risk from its investment in mutual fund, classified in the balance sheet at fair value through profit and loss.

The Investments in long term mutual fund is for high RoE opportunities. They also serve as highly liquid "resources" available for future investments in business, if required.

Sensitivity to price risk

The following table summarises the impact of sensitivity of NAVs with all other variables held constant. The below impact on the Company's profit before tax is based on changes in the NAVs of mutual funds at balance sheet date:

Sensitivity	31 March 2022	31 March 2021
Impact on profit before tax for 1% increase in NAV/price	495	446
Impact on profit before tax for 1% decrease in NAV/Price	(495)	(446)

Note 24 : 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.

Particulars	31 March 2022	31 March 2021
The principal amount remaining unpaid at the end of the year	-	-
The interest amount remaining unpaid at the end of the year	-	-
Balance of Micro and Small enterprise at the end of the year	-	-

Note 25 : Auditors' fees

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Statutory audit fees	238	250
Out of pocket expenses	-	-
Total	238	250

Note 26 : Segment information:

The Company's principal activity is to acts as a Trustee for the schemes of Motilal Oswal Mutual Fund and primarily operated in India and regularly reviewed by Chief Operating decision maker for Company's performance and resource allocation. For the purpose of disclosure of segment information, the Company considers the operations as single business segment. Thus, as defined in Ind AS 108 "Operating Segments", the Company's entire business falls under this one operational segment.

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Hundred, unless otherwise stated)

Note 27 : Earnings/(loss) per equity share

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Profit/(loss) attributable to equity shareholders	10,829	20,239
Weighted average number of equity shares outstanding during the year	1,00,000	1,00,000
Nominal value per share (in Rupees)	10	10
Earnings/(loss) per share (Basic and diluted) (in Rupees)	10.83	20.24

Note 28 : Related party disclosure:-

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:

a. List of related parties and their relationship

(i) Holding company:

Motilal Oswal Financial Services Limited (Formerly known as Motilal Oswal Securities Limited)

Passionate Investment Management Private Limited - Ultimate holding company (merged with Motilal Oswal Financial Services Limited w.e.f. 01/04/2020 being appointed date of merger).

(ii) Fellow subsidiaries:

Motilal Oswal Finvest Limited (Formerly known as Motilal Oswal Capital Markets Private Limited)
 Motilal Oswal Asset Management Company Limited
 Motilal Oswal Alternet Investment Advisors Private Limited (Formerly known as Motilal Oswal Fincap Private Limited)
 Motilal Oswal Commodities Broker Private Limited
 Motilal Oswal Investment Advisors Limited
 India Business Excellence Management Company
 Motilal Oswal Wealth Management Limited
 Motilal Oswal Capital Markets (Hongkong) 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 Limited)
 Motilal Oswal Asset Management (Mauritius) Private Limited
 Nagori Agro and Cattle Feeds Private Limited
 Motilal Oswal Capital Limited
 Glide Tech Investment Advisors Private Limited
 Motilal Oswal Finsec IFSC Private Limited

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Hundred, unless otherwise stated)

(iii) Key Management Personnel (KMP)

(a) Non - executive directors

Mr. B. G. Daga (till 20 October 2021)
 Mr. Vijay Agarwal (w.e.f. 27 September 2021)
 Mr. Viraj Kulkarni
 Mr. Sandip Ghose
 Mr. Vishal Tulsyan

(b) Transactions and balances with related parties

Nature of transactions	Name of the Related party	Key Managerial Personnel / Relative of KMP (B)	
		Year ended 31 March 2022	Year ended 31 March 2021
Director sitting fees	Non - executive directors	14,000	14,400

Note 29 : Contingent liabilities and Commitments

There are no contingent liabilities and commitments as at the balance sheet date.

Note 30 : Unhedged foreign currency

The Company is not having any unhedged foreign currency exposure as on 31 March 2022

Note 31 : Transactions with Struck-off companies

The Company does not have any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended 31 March 2022 and 31 March 2021.

Note 32 : Amounts below Rs. 50 have been rounded off and shown as "0"

For Singhi & Co.

Chartered Accountants
 Firm Registration No.: 302049E

S. Chandrasekhar

Partner
 Membership No.: 007592
 UDIN: 22007592AHYLTZ6867

Place : Mumbai
 Date : 27 April 2022

For and on behalf of the Board of Directors

Motilal Oswal Trustee Company Limited

Sandeep Ghose

Director
 DIN : 07482589

Place : Mumbai
 Date : 26 April 2022

Vishal Tulsyan

Director
 DIN: 00139754

Motilal Oswal Wealth Limited

FINANCIAL STATEMENT

INDEPENDENT AUDITORS' REPORT

**To,
The Members Motilal Oswal Wealth Limited,
Report on audit of the Standalone Financial Statements**

Opinion

We have audited the accompanying Standalone financial statements of Motilal Oswal Wealth Limited which comprises the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, and statement of cash flows for the year then ended, and notes to the financial statements, including 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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and profit, and its cash flows for the year ended on March 31, 2022.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 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

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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.

There are no key audit matters to communicate.

Responsibility of Management for the Standalone Financial Statements

The management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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; 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.

INDEPENDENT AUDITORS' REPORT (Contd..)

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.

The Board of Directors is also responsible for overseeing the company's financial reporting process

Auditors' Responsibilities for the Audit of the Standalone Financial Statements

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 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:

- 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 explaining 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.

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.

INDEPENDENT AUDITORS' REPORT (Contd..)

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 the 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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, 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 purposes 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 Balance Sheet & Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors are disqualified as on 31st 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 Control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - (g) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company does not have any pending litigations which would impact its financial position;
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

INDEPENDENT AUDITORS' REPORT (Contd..)

- (iv) Based on the audit procedures and representation received from the management, Nothing has come to our notice that has caused us to believe that there is material misstatement under the sub-clause (i) and (ii) of the Rule
- (v) The Company has not declared and paid any dividend during the year.

For PGS & Associates
Chartered Accountants
Firm Registration No.: 0122384W
UDIN: 22111592AHWGDM7515

Premal H Gandhi
Partner
Membership No. 111592
Place: Mumbai
Date: 26th April 2022

INDEPENDENT AUDITORS' REPORT (Contd..)

Annexure A referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property Plant and Equipment.
- (b) The Property Plant and Equipment of the Company have been physically verified by the Management during the year and no material discrepancies between the book records and the physical inventory have been noticed.
- (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 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 or both during the year.
- (e) There are no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
2. The Company did not have any inventory at any time during the year. Hence, the requirements of clause (ii) of paragraph 3 of the said Order are not applicable to the Company.
3. The Company has granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act. Hence, the requirements of sub clause (b) (c),(d) (e) & (f) to clause (iii) of paragraph 3 of the said Order are not applicable to the Company.
- A) The details of loans to related parties are as follows

Sr. NO	Name of the Party	Amount outstanding as on 31/03/2022
1	Glide Tech Investment Advisory Private limited	16,26,198
2	Like Minded Wealth Creation Trust	10,00,000
3	Motilal Oswal Financials Services Limited	81,00,00,000

- B) The details of loans to non-related parties are as follows

Sr. NO	Name of the Party	Amount outstanding as on 31/03/2022
1	Loans to Employee	2,90,889

4. According to the information and explanation given to us, in respect of loans, investments, guarantees, and security the company has complied with the provisions of section 185 and 186 of the companies Act, 2013.
5. The Company has not accepted any deposits from the public under the provisions of Sections 73 to 76 or any relevant provisions of the Companies Act and the rules framed there under.
6. Pursuant to the rules made by the Central Government of India, the Company is not required to maintain cost records under sub-section (1) of section 148 of the Companies Act in respect of its products.

INDEPENDENT AUDITORS' REPORT (Contd..)

7. (a) According to the information and explanation given to us and the records of the Company examined by us in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of investor education and protection fund, direct and indirect taxes and other material statutory dues as applicable with the appropriate authorities in India and no such dues are outstanding for a period of more than six month from the date they became payable.
- (b) According to the information and explanations given to us, and the records of the Company examined by us, there are no dues in respect of direct and indirect taxes as March 31, 2022 which have not been deposited on account of any dispute.
8. The Company has not surrendered or disclosed any transaction as income during the year in the tax assessment under the Income Tax Act, 1961. Accordingly, Paragraph 3 (viii) of the Order is not applicable.
9. The Company does not have any loans or borrowings or in payment of interest from any financial institutions, banks, government or debenture holders during the year. Accordingly, Paragraph 3 (ix) of the Order is not applicable.
10. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) or term loans or any preferential allotment or private placement during the year. Accordingly, paragraph 3(x) of the Order is not applicable. However, The Company has made provision of Employee stock Option Plan, and which is in compliance with The Companies Act, 2013.
11. According to the information and explanations given to us, we have neither come across any instance of fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year, nor have been informed of such case by the management.
12. In our opinion, and according to the information and explanation given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us, and the records of the Company examined by us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the Indian Accounting Standard (IndAS) 24 – Related Party Disclosure.
14. The Company has an internal audit system due to size and nature of its business. We have not considered the reports of internal auditor for the statutory audit.
15. According to the information and explanations given to us, and the records of the Company examined by us, The Company has not entered into any non-cash transaction with directors or persons connected with him.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
17. According to the information and explanations given to us, and the records of the Company examined by us, The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
18. According to the information and explanations given to us, and the records of the Company examined by us, there is no resignation of statutory auditor during the year.
19. According to the information and explanations given to us, and the records of the Company examined by us, there is no material uncertainty exists as on the date of the audit report that Company is 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.

INDEPENDENT AUDITORS' REPORT (Contd..)

20. According to the information and explanations given to us, and the records of the Company examined by us, The Company has not transferred any unspent amount to a Fund specified in schedule VII of the Companies Act.
21. The Companies (Auditor's Report) Order (CARO) has been issued for Standalone Financial Statement. Accordingly, Paragraph 3 (xxi) of the Order is not applicable.

For PGS & Associates
Chartered Accountants
Firm Registration No.: 0122384W
UDIN: 22111592AHWGDM7515

Premal H Gandhi
Partner
Membership No. 111592
Place: Mumbai
Date: 26th April 2022

INDEPENDENT AUDITORS' REPORT (Contd..)

Annexure B to the Auditors' Report

Report on the Internal Financial Controls 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 of Motilal Oswal Wealth Limited ('the Company') as of 31 March 2022 in conjunction with our audit of the standalone 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 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 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 Companies Act, 2013.

Auditors' 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 on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both 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 were 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 auditors' 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 authorizations of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

INDEPENDENT AUDITORS' REPORT (Contd..)

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, 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 31 March 2022, 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 issued by the Institute of Chartered Accountants of India.

For PGS & Associates

Chartered Accountants

Firm Registration No.: 0122384W

UDIN: 22111592AHWGDM7515

Premal H Gandhi

Partner

Membership No. 111592

Place: Mumbai

Date: 26th April 2022

BALANCE SHEET

BALANCE SHEET AS AT 31ST MARCH, 2022

	NOTE	AS AT 31-Mar-22	AS AT 31-Mar-21
I ASSETS			
1. Financial assets			
a) Cash and cash equivalents	4	4,52,01,638	5,17,57,241
b) Other bank balances	5	13,50,000	13,50,000
c) Receivables	6		
(i) Trade receivables		29,11,41,934	24,24,94,202
(ii) Other receivables		10,000	43,14,327
d) Loans	7	83,31,04,314	1,14,10,435
e) Investments	8	94,11,67,945	88,97,05,138
f) Other financial assets	9	1,42,96,087	43,48,945
2. Non - financial assets			
a) Deferred tax asset (Net)	10	-	26,73,088
b) Property, plant and equipment	11(a)	3,42,28,573	3,57,57,952
c) Intangible assets	11(b)	1,34,54,764	92,63,653
d) Other non - financial assets	12	1,68,31,118	80,40,345
TOTAL		2,19,07,86,373	1,26,11,15,326
II LIABILITIES AND EQUITY			
Liabilities			
1. Financial liabilities			
a) Trade Payable	13		
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditor other than micro enterprises and small enterprises		2,27,68,460	-
b) Other financial liabilities	14	5,34,30,314	4,02,21,341
2. Non - financial liabilities			
a) Current tax liabilities (net)	15	4,15,77,205	1,22,06,492
b) Provisions	16	19,57,15,194	14,50,46,212
c) Deferred tax liability (Net)	10	12,80,104	-
d) Other non - financial liabilities	17	4,43,11,015	5,91,22,392
3. Equity			
(a) Equity share capital	18	8,13,200	8,13,200
(b) Other equity	19	1,83,08,90,881	1,00,37,05,689
TOTAL		2,19,07,86,373	1,26,11,15,326

This is the Balance Sheet referred to in our report of even date

For PGS & Associates
Chartered Accountants
Firm Registration No. 122384W

Premal H. Gandhi
Partner

Membership No. : 111592

Place : Mumbai
Date : 26 April, 2022

**For and on behalf of the Board of Directors of
Motilal Oswal Wealth Limited**

Ashish Shanker
Managing Director
and Chief Executive Officer
DIN No: 09307764

Place : Mumbai
Date : 26 April, 2022

Ajay Menon
Director

DIN No: 00024589

STATEMENT OF PROFIT AND LOSS

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

	NOTE	For the Year Ended 31-Mar-22	For the Year Ended 31-Mar-21
INCOME			
(a) Revenue from operations			
Fees and commission income	20	1,82,16,66,652	1,19,18,50,165
Interest Income	21	50,75,61,056	81,22,913
Rental Income	22	1,09,53,900	1,09,53,900
Net gain on fair value changes	23	8,57,76,896	21,16,92,905
Total Revenue from operations		2,42,59,58,505	1,42,26,19,883
(b) Other Income	24	2,24,038	(2,803)
Total Income (a+b)		2,42,61,82,542	1,42,26,17,080
EXPENSES			
Employee benefit Expenses	25	84,78,77,434	68,41,61,006
Finance Cost	26	21,63,05,681	7,71,982
Depreciation	11	1,26,25,981	1,07,66,547
Fees and commission expense	27	3,84,51,282	3,35,04,639
Other Expenses	28	21,77,52,640	17,05,64,187
Total Expenses		1,33,30,13,017	89,97,68,361
Profit before tax		1,09,31,69,525	52,28,48,719
Less: Tax expenses			
Current tax		26,88,15,675	9,90,45,467
Deferred tax		25,16,611	1,30,28,874
Total tax expense	29	27,13,32,286	11,20,74,342
Profit for the period		82,18,37,239	41,07,74,378
Other comprehensive income			
Items that will not be reclassified to profit or loss			
(a) Actuarial Gain/(losses) on post retirement benefit plans		57,07,966	50,41,700
(b) Deferred tax impact on the above		(14,36,581)	(12,68,895)
Other comprehensive income		42,71,385	37,72,805
Total comprehensive income		82,61,08,624	41,45,47,183
Earnings per share (Face value per share Re.1/-)	31		
Basic		1,010.62	505.13
Diluted		1,010.62	505.13

This is the Statement of Profit and Loss referred to in our report of even date

For PGS & Associates

Chartered Accountants

Firm Registration No. 122384W

Premal H. Gandhi

Partner

Membership No. : 111592

Place : Mumbai

Date : 26 April, 2022

For and on behalf of the Board of Directors of

Motilal Oswal Wealth Limited

Ashish Shanker

Managing Director
and Chief Executive Officer

DIN No: 09307764

Place : Mumbai

Date : 26 April, 2022

Ajay Menon

Director

DIN No: 00024589

CASH FLOW STATEMENT

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

	For the Year Ended 31-Mar-22	For the Year Ended 31-Mar-21
CASH FLOW FROM OPERATING ACTIVITIES		
PROFIT BEFORE TAX	1,09,31,69,525	52,28,48,719
Add /Less :		
1) ESOP Expenditure	10,76,568	11,25,411
2) (Profit)/ Loss on Sale of Investment-Realised	(4,52,41,258)	(7,12,62,738)
3) (Profit)/ Loss on Sale of Investment-Unrealised	(4,05,35,638)	(14,04,30,167)
4) Depreciation	1,26,25,981	1,07,66,547
5) Gratuity	1,41,15,434	1,30,62,518
OPERATING PROFIT	1,03,52,10,612	33,61,10,291
Adjustment For:		
1) (Increase) in receivables	(4,86,47,732)	(10,66,81,623)
2) (Increase)/Decrease in other receivables	43,04,327	(43,04,327)
3) (Increase)/Decrease in loans	(82,16,93,879)	(1,13,85,094)
4) (Increase)/Decrease in financial assets	(99,47,143)	1,73,213
5) (Increase)/Decrease in non-financial assets	(87,90,773)	(7,93,589)
6) Increase/(Decrease) in payables	2,27,68,460	-
7) Increase/(Decrease) in borrowings	-	(3,88,00,000)
8) Increase/(Decrease) in other financial liabilities	1,32,08,973	1,70,86,438
9) Increase/(Decrease) in provisions	4,22,61,514	5,10,68,743
10) Increase/(Decrease) in other non-financial liabilities	(1,48,11,377)	3,27,52,061
CASH FLOW FROM OPERATIONS	21,38,62,982	27,52,26,112
Taxes Paid	(23,94,44,961)	(4,38,83,379)
NET CASH FLOW FROM OPERATIONS	(2,55,81,979)	23,13,42,733
CASH FLOW FROM INVESTING ACTIVITIES		
1) (Purchase) of Investments	(8,50,00,000)	-
2) Proceeds of sale of Investments	11,93,14,089	2,26,07,407
3) (Purchase) of Fixed Assets	(1,52,87,713)	(79,20,578)
NET CASH FLOW FROM INVESTING ACTIVITIES	1,90,26,376	1,46,86,829
CASH FLOW FROM FINANCING ACTIVITIES		
1) Interim dividend paid	-	(20,33,00,000)
NET CASH FLOW FROM FINANCING ACTIVITIES	-	(20,33,00,000)
NET CASH FLOW FOR THE YEAR	(65,55,603)	4,27,29,562
Cash and Bank Balances comprise of:		
Cash in hand	98,354	1,10,222
Scheduled bank - In Current Account	5,16,58,887	89,17,457
Total Cash & Cash Equivalents as at beginning of year	5,17,57,240	90,27,679
Cash and Bank Balances comprise of:		
Cash in hand	35,000	98,354
Scheduled bank - In Current Account	4,51,66,637	5,16,58,887
Total Cash & Cash Equivalents as at end of year	4,52,01,637	5,17,57,241

For PGS & Associates
Chartered Accountants
Firm Registration No. 122384W

Premal H. Gandhi
Partner

Membership No. : 111592

Place : Mumbai
Date : 26 April, 2022

**For and on behalf of the Board of Directors of
Motilal Oswal Wealth Limited**

Ashish Shanker
Managing Director
and Chief Executive Officer
DIN No: 09307764

Place : Mumbai
Date : 26 April, 2022

Ajay Menon
Director

DIN No: 00024589

STATEMENT OF CHANGES IN EQUITY

Statement of Changes in Equity for the year ended 31st March, 2022

(A) Equity share capital

(Amount in rupees)

Particulars	Equity share capital		Total
	Number of shares	Amount	
As at 31 March 2021	8,13,200	8,13,200	8,13,200
Changes in Equity Share capital during the year	-	-	-
As at 31 March 2022	8,13,200	8,13,200	8,13,200

(B) Other Equity

Particulars	31 March 2022					31 March 2021			Total	
	Reserve and surplus			Items of other comprehensive income	Remeasurements of net defined benefit plans	Reserve and surplus			31 March 2022	31 March 2021
	Securities premium	Share option outstanding account	Retained earnings			Securities premium	Share option outstanding account	Retained earnings		
Balance at the beginning of the reporting period	5,02,73,108	96,61,544	94,19,76,854	17,94,183		5,02,73,108	85,36,133	73,45,02,476	1,00,37,05,689	79,13,33,095
Addition during the year	-	10,76,568	-	-		-	11,25,411	-	10,76,568	11,25,411
Total comprehensive income for the year	-	-	82,18,37,239	42,71,385		-	-	41,07,74,378	82,61,08,624	41,45,47,183
Dividend	-	-	-	-		-	-	(20,33,00,000)	-	(20,33,00,000)
Balance at the end of the reporting period	5,02,73,108	1,07,38,112	1,76,38,14,093	60,65,568		5,02,73,108	96,61,544	94,19,76,854	1,83,08,90,881	1,00,37,05,689

Notes to Financial Statement (Contd..)

1. Corporate information

Motilal Oswal Wealth Management Limited (MOWML) was incorporated on March 6, 2002. The principal shareholder of the Company as at March 31, 2021 is Motilal Oswal Financial Services Limited (MOFSL). The company has license from SEBI Motilal Oswal Wealth Management Limited (Reg. No. INP000004409 date of Reg. Nov 29, 2012) for doing business of portfolio management services.

Company is carrying the business of distribution of all kinds of financial instruments including portfolio management services, mutual funds, alternative investment funds, private equity funds, unit linked policies, insurance policies and providing financial and investment advisory services and wealth management services in accordance with the applicable laws.

2. Basis of Preparation

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(i) Compliance with Ind AS

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules 2015 as amended by the Companies (Indian Accounting Standards) Rules 2016.

The financial statements have been drawn up on the basis of Ind AS that are applicable to the Company as at March 31, 2021 based on the 'Press Release' issued by the Ministry of Company Affairs on January 18, 2016. Any application guidance/ clarifications/ directions issued by the other regulators are implemented as and when they are issued / applicable.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and financial liabilities are measured at fair value (refer accounting policy regarding financial instruments).
- Assets held for sale – measured at fair value less cost to sell;
- Defined benefit plans – plan assets measured at fair value; and
- Share based payment determined on fair value of options.

(iii) Functional and presentation currency

The financial statements are presented in Indian rupee (INR), which is MOWML's functional and presentation currency.

(iv) Use of estimates and judgments

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. 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 recognized prospectively.

Notes to Financial Statement (Contd..)

Information about critical judgments 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 on-going basis, Company reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is provided 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 neither provided nor disclosed in the financial statements. Gain contingencies are not recognized until the contingency has been resolved and amounts are received or receivable.
- (b) **Recognition of deferred tax assets:** Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences could be utilized.
- (c) **Share based payment:** The Company accounts for share based payments by measuring and recognizing as compensation expense the fair value of all share-based payment awards made to employees based on 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 fair 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 share based payment 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 share based payment expense amounts in the future.
- (d) **Determination of the estimated useful lives of tangible assets:** Useful lives of property, plant and equipment are taken as prescribed in Schedule II of the Act. In cases, where the useful lives are different from that prescribed in Schedule II and in case of intangible assets, they are estimated by management based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.
- (e) **Recognition and measurement of defined benefit obligations:** The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is sensitive to changes in these assumptions.
- (f) **Determining whether an arrangement contains a lease:** In determining whether an arrangement is, or contains a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease date if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset, even if that right is not explicitly specified in the arrangement.
- (g) **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

Notes to Financial Statement (Contd..)

assessment includes judgment 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. 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.

(v) Measurement of fair values:

The Company's accounting policies and disclosures require the measurement of fair values for, both financial and non-financial assets and liabilities.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

3. Summary of significant accounting policies

3.1. Financial instrument

(i) 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.

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, commissions etc. 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.

Notes to Financial Statement (Contd..)

- 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 profit or loss.

(ii) Classification and subsequent measurement

(a) Financial Assets

As per principles given under Ind AS 109, the Company classifies its financial assets in the following measurement categories:

- Fair value through profit or loss (FVPL);
- Fair value through other comprehensive income (FVOCI); or
- Amortised cost.

Classification and subsequent measurement of financial assets depend on:

- (i) the Company's business model for managing the asset; and
- (ii) the cash flow characteristics of the asset.

Based on these factors, the Company classifies its financial assets into one of the following three measurement categories:

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest ('SPPI'), and that are not designated at FVPL, are subsequently measured at amortized cost using effective interest rate ('EIR') method less impairment, if any. The amortization of EIR and loss arising from impairment, if any is recognized in the Statement of Profit and Loss.

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 recognized in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognized in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

Fair value through profit or loss: A financial asset not classified as either amortized 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, recognized as 'other income' in the Statement of Profit and Loss.

Equity securities held by MOWML are classified as FVTPL unless conditions to classify at FVOCI are met.

Notes to Financial Statement (Contd..)

(b) Financial liability and equity instruments

(i) Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company is recognized at the proceeds received, net of directly attributable transaction costs.

(ii) Financial liability:

Financial liabilities are classified at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

(iii) Derecognition

(a) Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The contractual rights to receive cash flows from the financial asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset and the Company has transferred substantially all the risks and rewards of the asset, or the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

If the Company neither transfers nor retains substantially all of the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for the amount it may have to pay.

If the Company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not de-recognised and the proceeds received are recognized as a collateralized borrowing.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognized in OCI is recognized in profit or loss.

(b) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the

Notes to Financial Statement (Contd..)

recognition of a new liability. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying value of the original financial liability and the new financial liability with modified terms is recognized in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, the Company has a legally enforceable right to offset the recognized amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(v) Write-offs

The gross carrying amount of a financial asset is written-off (either partially or in full) to the extent that there is no reasonable expectation of recovering the asset in its entirety or a portion thereof. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. 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 profit or loss.

3.2 Revenue Recognition

(i) Revenue from contract with customers:

Revenue (other than for those items to which Ind AS 109 Financial Instruments is applicable) is measured at fair value of the consideration received or receivable. Amounts disclosed as revenue are net of goods and services tax ('GST') and amounts collected on behalf of third parties. Ind AS 115 Revenue from Contracts with Customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes previous revenue recognition guidance found within Ind AS.

The Company recognizes revenue from contracts with customers based on a five-step model as set out in Ind 115:

Step 1: Identify contract(s) with a customer: 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.

Step 2: Identify 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.

Step 3: Determine the 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.

Step 4: Allocate the transaction price to the performance obligations in the contract: 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.

Step 5: Recognize revenue when (or as) the Company satisfies a performance obligation Specific policies for the Company's different sources of revenue are explained below:

Notes to Financial Statement (Contd..)

(ii) Interest income

Interest income on a financial asset at amortized 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 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 amortized 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 amortized cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for ECLs).

(iii) Dividend income

Dividend income is recognized in the statement of profit or 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.

(iv) Other income

In other cases, income is recognized following accrual principles when there is no significant uncertainty as to determination and realization.

3.3 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 Taxes

Current tax is measured at the amount of tax payable to tax authorities on the taxable income for the year determined in accordance with the provision of Income Tax Act, 1961.

Deferred Taxes

Deferred tax is recognized for all the temporary differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognized and carried forward only to the extent it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realized. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Notes to Financial Statement (Contd..)

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. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

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.

3.4 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 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 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.

3.5 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, balances with banks, deposits with original maturities of three months or less that are readily convertible to known amounts of cash, which are subject to insignificant risk of change in value.

3.6 Property, plant and equipment

(i) Recognition & measurement

Items of property, plant and equipment are stated at historical cost less depreciation. Historical cost less accumulated depreciation and accumulated impairment loss, if any. Includes expenditure that is directly attributable to the acquisition of the items.

Notes to Financial Statement (Contd..)

(ii) Subsequent cost

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 profit or loss during the reporting period in which they are incurred.

(iii) 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.

(iv) Gain or Loss on disposal

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognized in the statement of profit or loss.

3.7 Intangible assets

(i) Recognition and measurement

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.

(ii) Subsequent cost

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.

(iii) Amortisation

The Company amortizes intangible assets on a straight-line basis over the useful life commencing from the month in which the asset is first put to use. The Company provides pro-rata depreciation from the day the asset is put to use.

3.8 Employee benefits

(i) Short-term employee benefit

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.

(ii) Post-employment benefit

Defined contribution plan:

Contribution 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.

Notes to Financial Statement (Contd..)

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.

(iii) Other long-term employee benefit

(a) 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.

(b) Compensated absences

An employee can carry forward leave to next financial year as per the policy of Company. No leave is allowed to be encashed. An obligation arises as employees render service that increases their entitlement to future compensated absences. 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.

(iv) 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 of the company, are granted an option to subscribe to equity share of the Company 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 share based payment reserve. The total amount to be expensed is determined reference to the fair value of the options granted excluding the impact of any service conditions.

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 to equity.

When the terms of an equity-settled award are modified, the minimum expense recognized is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognized for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the statement of profit and loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Notes to Financial Statement (Contd..)

Grants provided by parent company to the employees at deputation to the company are also accounted for inline with accounting treatment described above. The corresponding impact of the expense recorded on account of such grants are recorded as payable to parent.

3.9 Earnings per share

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners 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.

3.10 Provisions and Contingent Liabilities:

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 Balance Sheet date.

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.

3.11 Impairment of Non-financial assets

Assessment is done at each reporting date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each reporting date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased. After impairment (if any), depreciation/ amortization is provided on the revised carrying amount of the assets over its remaining life.

3.12 Foreign currency

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each closing date of the Company's monetary items at the closing rate are recognized as income and expenses in the period in which they arise. Non-monetary items that are

Notes to Financial Statement (Contd..)

measured in terms of historical cost in a foreign currency are translated using the exchange rates at the date of transactions. Non-monetary items that are measured at fair value in a foreign currency shall be translated into functional currency using the exchange rates at the date when the fair value was determined. Exchange differences are recognized in the statement of profit and loss.

NOTE 4: CASH AND CASH EQUIVALENTS

	AS AT 31-Mar-22	AS AT 31-Mar-21
Cash on hand	35,000	98,354
Balance with bank		
Scheduled banks- In current accounts	4,51,66,637	5,16,58,887
TOTAL	4,52,01,638	5,17,57,241

NOTE 5: OTHER BANK BALANCES

	AS AT 31-Mar-22	AS AT 31-Mar-21
Fixed Deposits with Bank (maturity more than 3 months)	13,50,000	13,50,000
TOTAL	13,50,000	13,50,000

NOTE 6: RECEIVABLES

	AS AT 31-Mar-22	AS AT 31-Mar-21
(i) Trade receivables		
Unsecured, Considered Good	29,06,72,870	24,20,25,138
Significant increase in credit risk	4,69,064	4,69,064
(ii) Other receivables		
Unsecured, Considered Good	10,000	43,14,327
TOTAL	29,11,51,934	24,68,08,528

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person, or from firms or private companies respectively in which any director is a partner, a director or a member.

NOTE 7: LOANS

	AS AT 31-Mar-22	AS AT 31-Mar-21
At amortised cost		
Loans to employees	2,90,889	86,146
Interest accrued	2,01,87,227	13,24,289
Loans to related parties (subsidiaries)	81,26,26,198	1,00,00,000
TOTAL	83,31,04,314	1,14,10,435

Notes to Financial Statement (Contd..)

Note 8: Investments

Particulars	Quoted / Unquoted	31 March 2022		31 March 2021	
		Units	Amount	Units	Amount
I. Investments carried at cost					
Investments at equity instruments					
Investments in fellow subsidiaries - Unquoted					
Aspire Home Finance Corporation Limited	Unquoted	19,23,07,692	50,00,00,010	19,23,07,692	50,00,00,010
II. Mandatorily measured at FVTPL					
Investments in Mutual Funds (Equity) - Fully paid up - Unquoted					
Motilal Oswal MOST Focused Multicap 35 Fund		16,99,433	5,90,62,788	16,99,433	5,71,76,587
Motilal Oswal Most Focused Multicap 25 Fund	Unquoted	48,03,867	16,90,93,245	48,03,867	15,81,54,359
Motilal Oswal Large And Midcap Fund		47,50,000	7,77,68,900	47,50,000	6,50,44,125
Motilal Oswal Nifty 50 Index Fund		35,00,000	5,09,12,400	35,00,000	4,24,93,850
Motilal Oswal Nifty Next 50 Index Fund		37,50,000	5,42,43,375	37,50,000	4,49,60,250
Motilal Oswal S&P BSE Low Volatility Index Fund		19,99,900	2,00,87,796	-	-
Motilal Oswal S&P BSE Low Volatility ETF DP		88,459	99,99,432	-	-
Investment in Alternative Investment Funds - Fully paid up - Unquoted					
Motilal Oswal Focused Multicap Opportunities Fund	Unquoted	-	-	9,14,381	1,12,98,279
Motilal Oswal Focused Emergence Fund	Unquoted	-	-	9,27,834	1,01,30,278
Motilal Oswal Focused Multicap Opportunities Fund (Carry Unit)	Unquoted	-	-	17,500	2,15,248
Motilal Oswal Focused Emergence Fund (Carry Unit)	Unquoted	-	-	20,905	2,32,153
Total Gross (A)			94,11,67,945		88,97,05,138

NOTE 9: OTHER FINANCIAL ASSETS

	AS AT 31-Mar-22	AS AT 31-Mar-21
Rent deposits	42,86,800	43,37,061
Accrued interest	99,99,999	11,884
Margin money	9,288	-
TOTAL	1,42,96,087	43,48,945

NOTE 10: DEFERRED TAX ASSET/(LIABILITIES) (NET)

	AS AT 31-Mar-22	AS AT 31-Mar-21
Deferred tax Asset/(Liabilities) (Net)	(12,80,104)	26,73,088
Total	(12,80,104)	26,73,088

Notes to Financial Statement (Contd..)

Note 11: Property, Plant & Equipments Current Year

Particulars	Gross Block			Accumulated Depreciation		Net Block	
	As at 01-04-21	Additions	Deductions	As at 31-03-22	As at 01-04-21	As at 31-03-22	As at 31-03-21
(A) Tangible Assets							
Office Premises	4,47,76,849			4,47,76,849	2,36,96,359	11,41,918	1,99,38,572
Renovation of Leased Office Premises	1,26,37,705	20,64,503		1,47,02,208	64,12,299	26,39,638	56,50,271
Computer	1,57,88,351	44,44,125		2,02,32,476	1,22,44,666	24,48,399	55,39,411
Furniture	7,49,550			7,49,550	1,91,147	72,092	4,86,311
Electrical Equipment	2,63,510			2,63,510	62,080	24,924	1,76,506
Air Conditioner	14,24,486	64,300		14,88,786	6,11,435	2,83,002	5,94,348
Mobile	92,499			92,499	83,460	4,342	4,697
Office Equipments	15,02,706	3,780		15,06,486	9,69,069	2,53,195	12,22,263
Television	39,990			39,990	38,480	-	1,510
Network Equipments	1,02,360			1,02,360	39,145	16,207	55,352
Projector	38,800			38,800	9,205	7,372	22,223
Car	82,52,006			82,52,006	57,18,500	11,92,312	13,41,194
Scooter	2,31,083			2,31,083	66,100	22,691	1,42,292
Total (A)	8,58,99,895	65,76,708	-	9,24,76,603	5,01,41,945	81,06,091	3,42,28,567
(B) Intangible Assets							
Commercial Rights	5,00,000			5,00,000	4,99,851		149
Computer Software	2,02,10,023	87,11,000		2,89,21,023	1,09,57,196	45,19,889	1,34,43,938
Pms Licence	1,00,000			1,00,000	89,323		10,677
Total (B)	2,08,10,023	87,11,000	-	2,95,21,023	1,15,46,370	45,19,889	1,34,54,764
Total (A+B)	10,67,09,918	1,52,87,708	-	12,19,97,626	6,16,88,315	1,26,25,981	4,76,83,330

Previous Year

Particulars	Gross Block			Accumulated Depreciation		Net Block	
	As at 01-04-20	Additions	Deductions	As at 31-03-21	As at 01-04-20	As at 31-03-21	As at 31-03-20
(A) Tangible Assets							
Office Premises	4,47,76,849			4,47,76,849	2,25,54,441	11,41,918	2,22,22,408
Renovation of Leased Office Premises	1,26,37,705			1,26,37,705	41,98,141	22,14,158	84,39,564
Computer	1,40,32,773	17,55,578		1,57,88,351	97,23,261	25,21,405	35,43,685
Furniture	7,49,550			7,49,550	1,19,055	72,092	6,30,495
Electrical Equipment	2,63,510			2,63,510	37,156	24,924	2,26,354
Air Conditioner	14,24,486			14,24,486	3,48,794	2,62,641	8,13,051
Mobile	92,499			92,499	78,298	5,162	9,039
Office Equipments	15,02,706			15,02,706	7,06,291	2,62,777	5,33,637
Television	39,990			39,990	38,480	-	1,510
Network Equipments	1,02,360			1,02,360	22,938	16,207	63,215
Projector	38,800			38,800	1,833	7,372	29,595
Car	82,52,006			82,52,006	37,31,770	19,86,730	25,33,506
Scooter	2,31,083			2,31,083	43,409	22,691	1,64,983
Total (A)	8,41,44,317	17,55,578	-	8,58,99,895	4,16,03,868	85,38,077	3,57,57,952
(B) Intangible Assets							
Commercial Rights	5,00,000			5,00,000	4,99,851		149
Computer Software	1,40,45,023	61,65,000		2,02,10,023	87,28,726	22,28,470	92,52,827
Pms Licence	1,00,000			1,00,000	89,323		10,677
Total (B)	1,46,45,023	61,65,000	-	2,08,10,023	93,17,900	22,28,470	92,63,653
Total (A+B)	9,87,89,340	79,20,578	-	10,67,09,918	5,09,21,768	1,07,66,547	4,50,21,605

Notes to Financial Statement (Contd..)

Note 12: OTHER NON - FINANCIAL ASSETS

	AS AT 31-Mar-22	AS AT 31-Mar-21
Unsecured, considered good		
Capital Advnaces	78,13,943	37,07,548
Prepaid Expenses (LT)	63,15,690	18,87,077
Advance for expenses	27,01,485	24,39,485
Balance with Government Authorities	-	6,234
TOTAL	1,68,31,118	80,40,345

NOTE 13: TRADE PAYABLES

	AS AT 31-Mar-22	AS AT 31-Mar-21
Due to creditors micro enterprise and small enterprise	-	-
Due to creditors other than micro enterprise and small enterprise	2,27,68,460	-
TOTAL	2,27,68,460	-

NOTE 14: OTHER FINANCIAL LIABILITIES

	AS AT 31-Mar-22	AS AT 31-Mar-21
For Other Liabilities:		
Security Deposit (Against premises given on lease)	54,76,950	54,76,950
Other Payables	4,38,88,385	3,19,16,220
Other provisions (includes provision for expenses)	40,64,978	28,28,171
Interest payable	-	-
TOTAL	5,34,30,314	4,02,21,341

NOTE 15: CURRENT TAX LIABILITY (NET)

	AS AT 31-Mar-22	AS AT 31-Mar-21
Current tax (Net)	4,15,77,205	1,22,06,492
Total	4,15,77,205	1,22,06,492

NOTE 16: PROVISIONS

	AS AT 31-Mar-22	AS AT 31-Mar-21
Provision for employee benefits		
Provision for Gratuity	5,10,11,606	4,63,11,462
Ex-Gratia	14,47,03,588	9,87,34,750
TOTAL	19,57,15,194	14,50,46,212

Notes to Financial Statement (Contd..)

NOTE 17: OTHER NON - FINANCIAL LIABILITIES

	AS AT 31-Mar-22	AS AT 31-Mar-21
Withholding and other Taxes Payable	4,43,11,015	5,91,22,392
TOTAL	4,43,11,015	5,91,22,392

Note 18: SHARE CAPITAL

AUTHORISED	AS AT		AS AT	
	31 March 2022	31 March 2022	31 March 2021	31 March 2021
	Number of shares	In Rupees	Number of shares	In Rupees
Equity Shares of Re. 1/- each (previous year Re. 1 each)	15,00,000	15,00,000	15,00,000	15,00,000
	15,00,000	15,00,000	15,00,000	15,00,000
ISSUED, SUBSCRIBED & PAID UP				
Equity Shares of Re. 1/- each (previous year Re. 1 each)	8,13,200	8,13,200	8,13,200	8,13,200
Changes in Equity Share capital during the year	-	-	-	-
	8,13,200	8,13,200	8,13,200	8,13,200

18.1 Rights, preferences and restrictions attached to shares

Equity Shares :

All the Equity shares are held by Motilal Oswal Financial Services Limited, the holding company (including 60 share held jointly with nominee)

The Company has one class of equity shares having a par value of Re. 1 each (previous year: having a par value of Re. 1 each). Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holder of the equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all the preferential amounts. However, no such preferential amounts exists currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

18.2 Reconciliation of number of shares outstanding

	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021	As at 31 March 2021
	Number of shares	In Rupees	Number of shares	In Rupees
Number of share at beginning	8,13,200	8,13,200	8,13,200	8,13,200
Addition During the Year	-	-	-	-
At the end of the year	8,13,200	8,13,200	8,13,200	8,13,200

Notes to Financial Statement (Contd..)

18.3 Shares holder having 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
Motilal Oswal Financial Services Limited (Holding company)	8,13,140	99.99	8,13,140	99.99

18.4 Shares held by holding/promoter 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
Motilal Oswal Financial Services Limited	8,13,140	99.99	8,13,140	99.99

Note : 19 Other Equity

	As at 31 March 2022	As at 31 March 2021
	In Rupees	In Rupees
a) Securities Premium		
Balance at the beginning of the year	5,02,73,108	5,02,73,108
Add: Addition during the year	-	-
Balance at the end of year	5,02,73,108	5,02,73,108
b) Share option outstanding account		
Balance at the beginning of the year	96,61,544	85,36,133
Add: Addition during the year	10,76,568	11,25,411
Balance at the end of year	1,07,38,112	96,61,544
c) Retained earnings		
Balance at the beginning of the year	94,19,76,854	73,45,02,476
Add: Transfer from Statement of Profit and Loss	82,18,37,239	41,07,74,378
Less: Interim dividend	-	(20,33,00,000)
Balance at the end of year	1,76,38,14,093	94,19,76,854
d) Other comprehensive income		
Balance at the beginning of the year	17,94,183	(19,78,622)
Add: Transfer from Statement of Profit and Loss	42,71,385	37,72,805
Balance at the end of year	60,65,568	17,94,183
	1,83,08,90,881	1,00,37,05,689

Notes to Financial Statement (Contd..)

Nature and purpose of Reserves

Securities Premium

Security premium account is use to record the premium received on issue of shares. The reserve will be utilised in accordance with the provisions of the Act.

Share option outstanding account

Share option outstanding account is used to reconise the grant date fair value of equity settle instruments issued to employees under the stock option scheme of the company.

Retained earnings

Retained earnings represents accumulated profits of the company.

Other comprehensive income

Other comprehensive income consists of remeasurement gains/loss on defined benefit plan.

NOTE 20: Fees and Commission Income

Particulars	For the Year Ended 31-Mar-22	For the Year Ended 31-Mar-21
Brokerage Mutual Fund	29,18,13,941	21,76,70,450
AIF Fees Income	41,99,15,410	27,12,74,577
Portfolio Management Commission	26,53,44,761	45,15,33,309
Placement fee - Private equity funds	2,90,74,051	3,76,23,157
Commission and Referral Income	54,71,17,171	19,11,07,203
Advisory Fees	26,84,01,319	2,26,41,469
TOTAL	1,82,16,66,652	1,19,18,50,165

NOTE 21: INTEREST INCOME

Particulars	For the Year Ended 31-Mar-22	For the Year Ended 31-Mar-21
Interest income at amortised cost	50,75,61,056	81,22,913
TOTAL	50,75,61,056	81,22,913

NOTE 22: RENTAL INCOME

Particulars	For the Year Ended 31-Mar-22	For the Year Ended 31-Mar-21
Rent Income	1,09,53,900	1,09,53,900
TOTAL	1,09,53,900	1,09,53,900

Notes to Financial Statement (Contd..)

NOTE 23: NET GAIN /(LOSS) ON FAIR VALUE CHANGE

Particulars	For the Year Ended 31-Mar-22	For the Year Ended 31-Mar-21
(A) Net gain/ (loss) on financial instruments at fair value through profit or loss		
(i) On financial instruments designated at fair value through profit or loss		
Fair Value changes:		
Realised	4,52,41,258	7,12,62,738
Unrealised	4,05,35,638	14,04,30,167
TOTAL	8,57,76,896	21,16,92,905

NOTE 24: OTHER INCOME

Particulars	For the Year Ended 31-Mar-22	For the Year Ended 31-Mar-21
Miscellaneous Income	2,24,038	(2,803)
TOTAL	2,24,038	(2,803)

NOTE 25: EMPLOYEE BENEFIT EXPENSES

Particulars	For the Year Ended 31-Mar-22	For the Year Ended 31-Mar-21
Salary and Bonus	76,60,09,368	64,28,89,523
Contribution to provident & other funds	1,69,72,665	1,51,07,253
Staff Welfare	36,37,486	19,46,276
Employee Stock option expense (Refer Note 41)	4,71,42,480	1,11,55,436
Gratuity (Refer Note 40)	1,41,15,434	1,30,62,518
TOTAL	84,78,77,434	68,41,61,006

NOTE 26: FINANCE COST

Particulars	For the Year Ended 31-Mar-22	For the Year Ended 31-Mar-21
Interest on borrowings	21,63,05,681	7,71,982
TOTAL	21,63,05,681	7,71,982

NOTE 27: FEES AND COMMISSION EXPENSE

Particulars	For the Year Ended 31-Mar-22	For the Year Ended 31-Mar-21
Brokerage Sharing with Intermediaries	3,84,51,282	3,35,04,639
TOTAL	3,84,51,282	3,35,04,639

Notes to Financial Statement (Contd..)

NOTE 28: OTHER EXPENSES

Particulars	For the Year Ended 31-Mar-22	For the Year Ended 31-Mar-21
Business Support	5,64,21,565	5,88,30,750
Rent Paid (Refer Note 33)	6,52,72,982	6,53,83,284
Insurance	45,63,950	39,83,631
Marketing & Brand Promotion Expenses	68,67,457	21,98,585
Travelling Expenses and Conveyance	92,42,900	46,81,105
Printing & Stationery Expenses	64,19,667	17,47,988
Client Entertainment	23,52,042	7,64,938
Legal & Professional Fees	2,44,05,019	74,93,215
Data Processing Charges	66,51,229	63,20,345
Membership & Subscription Fees	12,13,425	2,36,072
Communication Expenses	7,54,518	7,85,285
Power and Fuel	38,24,608	31,65,425
Software Charges	27,33,629	12,03,432
Training Expenses	1,34,778	20,219
Auditors Remuneration (Refer Note 30)	1,12,500	75,000
Rates and Taxes	82,04,428	5,51,512
Repairs And Maintenance	31,26,016	17,78,208
Corporate Solcial Responsibility (Refer Note 36)	49,86,989	41,12,400
Miscellaneous Expenses	1,04,64,938	72,32,793
TOTAL	21,77,52,640	17,05,64,187

Note : 29 Tax expenses, Deferred tax asset and liabilities

	Year ended 31 March 2022	Year ended 31 March 2021
Note : 29.1 Tax expense		
Current tax expense		
Current tax for the year	26,88,15,675	9,90,45,467
Total current tax expense	26,88,15,675	9,90,45,467
Deferred taxes		
Change in deferred tax liabilities	25,16,611	1,30,28,874
Net deferred tax expense	25,16,611	1,30,28,874
	27,13,32,286	11,20,74,342
Note : 29.2 Tax reconciliation (for profit and loss)		
Profit/(loss) before income tax expense	1,09,31,69,525	52,28,48,719
Tax at the rate of 25.17% (for 31 March 2021 - 25.17%)	27,51,28,906	13,15,90,566
<u>Tax effect of amounts which are not deductible / not taxable in calculating taxable income</u>		
Tax at different rate	(39,43,833)	(1,97,39,753)
Expenses not deductible for tax purposes	14,38,068	10,50,592
Exempt Income / Deduction on income	(9,22,212)	(8,27,063)

Notes to Financial Statement (Contd..)

	Year ended 31 March 2022	Year ended 31 March 2021
Short term capital loss	(3,68,643)	-
	27,13,32,286	11,20,74,342
Income tax expense	27,13,32,286	11,20,74,342

Note : 29.3 Items of deferred tax asset / (liability)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Deferred tax assets on account of:		
Difference between book depreciation and tax depreciation	9,92,880	10,65,223
Provision for Gratuity	1,28,38,601	1,16,55,669
Short term capital loss	(3,68,643)	-
Unrealised gain/loss on investments	(1,47,42,942)	(1,00,47,803)
Total deferred tax assets/(liability) (A)	(12,80,104)	26,73,088

Note 30 : Remuneration to Auditors:

	31-Mar-22	31-Mar-21
As Auditors:		
Audit Fees	1,12,500	75,000
Total	1,12,500	75,000

Note 31 : Basic & Diluted Earnings per share:

	31-Mar-22	31-Mar-21
Net Profit attributable to equity shareholders [A] (Rs.)	82,18,37,239	41,07,74,378
Weighted Average Number of equity shares issued (face value of Re. 1 each) [B] (Rs)	8,13,200	8,13,200
Basic EPS [A/B] (Rs.)	1,010.62	505.13
Net Profit attributable to equity shareholders [A] (Rs.)	82,18,37,239	41,07,74,378
Less : Impact on Net profit due to exercise of diluted potential equity shares [B]	-	-
Net Profit attributable to equity shareholders for calculation of Diluted EPS [C] = [A - B]	82,18,37,239	41,07,74,378
Weighted average number of equity shares issued (face value of Re. 1 each) (In numbers) [D]	8,13,200	8,13,200
Weighted average number of additional equity shares outstanding for Diluted EPS (In numbers) (E)	-	-
Weighted average number of equity shares outstanding for Diluted EPS (In numbers) F = [D+E]	8,13,200	8,13,200
Diluted EPS [C/F] (Rs.)	1,010.62	505.13

Notes to Financial Statement (Contd..)

Note 32 : Activity In Foreign Currency

	31-Mar-22	31-Mar-21
	In Rs	In Rs
Earnings in foreign currency		
Income from Adisory	67,58,114	88,90,145
Total	67,58,114	88,90,145
Expenditure in foreign currency		
Courier Charges	66,946	50,183
Meeting Event And Seminar Expenses	-	8,54,359
Marketing Expenses	1,11,555	-
Total	1,78,501	9,04,542

Note 33 : Lease

The Company has taken offices on short term lease for the period which withing 12 months with an option to renew the lease by mutual consent on mutually agreeable terms. Gross rental expenses charged for the year ended 31 March 2022 aggregated RS. 6,52,72,982/- (PY RS. 6,53,83,284/-) which has been included under the head Other Expenses - Rent in the Statement of Profit or loss.

Expected future minimum commitments during the non- cancellable period under the lease arrangements are NIL as on 31 March 2022

NOTE 34 : Dues to micro and small enterprises

There is no amount outstanding for more than thirty days to any small scale industrial undertaking as at the Balance Sheet date. There are no Micro, Small and Medium Enterprises to whom the Company owes the dues, which are outstanding for more than forty five days as at the Balance Sheet date. The Micro, Small and Medium Enterprises have been identified on the basis of information provided by the vendors to the Company

NOTE 35 : Capital Commitments

Estimated amount of contracts remaining to be executed on Capital Account and not provided for (Net of advances) is Rs. 39,71,079 (Previous Year : Rs. 97,38,964).

NOTE 36 : Corporate Social Responsibility

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Total amount required to be spent during the year	44,60,989	4638373
(b) Total amount of expenditure incurred during the year	49,86,989	4112400
(c) Shortfall at the end of the year	-	5,25,973.00
(d) Total amount of previous years shortfall	5,25,973.00	-
(e) Reason for shortfall	NA	The deficit money was transferred to a fund designated in Schedule VII within 6 months after the conclusion of the financial year.

Notes to Financial Statement (Contd..)

The Company undertakes the following activities in the nature of Corporate social responsibility (CSR):

- a. Education
- b. Medical Camp
- c. Contribution to PMS Cares

Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard :

Particulars	Amount
Motilal Oswal Foundation	44,60,989

NOTE 37 : Provisions made for the year ended 31st March, 2022 comprises of:

Particulars	Opening balance as on 01-Apr-21	Provided For The Year F.Y 21-22	Provision reversed / paid For the year F.Y 21-22	Closing balance as on 31-Mar-22
Ex-gratia	9,87,34,749	15,19,67,197	10,59,98,359	14,47,03,587
Provision for Gratuity	4,11,58,591	84,07,468	33,19,060	4,62,46,999
Other long term benefits	51,52,871	-	3,88,264	47,64,607
Leave Availment	1,09,30,184	1,36,37,970	1,09,30,184	1,36,37,970

Particulars	Opening balance as on 01-Apr-2020	Provided For The Year F.Y 20-21	Provision reversed / paid For the year F.Y 20-21	Closing balance as on 31-Mar-21
Ex-gratia	4,16,26,093	9,94,03,698	4,22,95,042	9,87,34,749
Provision for Gratuity	3,82,57,602	80,20,818	51,19,829	4,11,58,591
Other long term benefits	60,72,956	-	9,20,085	51,52,871
Leave Availment	73,73,540	1,09,30,184	73,73,540	1,09,30,184

Note 38: Capital management

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

NOTE 39 : Related Party Disclosure

Related Party Disclosure:

I. Names of Related Parties:-

Holding Company

Motilal Oswal Financial Services Limited

Notes to Financial Statement (Contd..)

Fellow Subsidiaries

1. Motilal Oswal Finvest Limited (Formerly known as Motilal Oswal Capital Market Limited)
2. Motilal Oswal Commodities Broker Private Limited
3. Motilal Oswal Investment Advisors Limited
4. Motilal Oswal Alternate Investment Advisors Private Limited (Formerly known as Motilal Oswal Fincap Private Limited)
5. Motilal Oswal Asset Management Company Limited
6. Motilal Oswal Trustee Company Limited
7. Motilal Oswal Securities International Pvt. Limited
8. Motilal Oswal Capital Markets (Hongkong) Pvt. Limited
9. Motilal Oswal Capital Markets (Singapore) Pte. Limited
10. Motilal Oswal Home Finance Limited (formerly known as Aspire Home Finance Corporation Limited)
11. India Business Excellence Management Company
12. Motilal Oswal Asset Management (Mauritius) Co. Limited
13. Motilal Oswal Capital Limited
14. Glide Tech Investment Advisory Private Limited
15. Motilal Oswal Finsec IFSC Limited
16. TM Investment Technologies Pvt. Ltd.
17. Like Minded Wealth Creation Trust

II) Key managerial personnel

1. Ajay Menon - Director
2. Ashish Shanker- Managing Director and Chief Executive Officer (w.e.f. 10th September, 2022)

Transactions with related parties: 31-03-2022

Particulars	Name of the related Party	Holding Company (A)		Fellow Subsidiaries (B)		Key Managerial Personnel (KMP) / Relative of KMP (C)		Total	
		2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Rent Expense / (Income)	Motilal Oswal Financial Services Limited	(1,09,53,900)	(1,09,53,900)	-	-	-	-	(1,09,53,900)	(1,09,53,900)
	Motilal Oswal Financial Services Limited	5,74,91,700	5,74,91,700	-	-	-	-	5,74,91,700	5,74,91,700
MOT Cost	Motilal Oswal Financial Services Limited	64,56,061	48,47,316	-	-	-	-	64,56,061	48,47,316
Interest Expense / (Income)	Motilal Oswal Financial Services Limited	(6,53,92,397)	(60,01,828)	-	-	-	-	(6,53,92,397)	(60,01,828)
	Motilal Oswal Finvest Limited	-	-	(1,40,40,069)	-	-	-	(1,40,40,069)	-
	Glide Tech Investment Advisory Private Limited	-	-	(37,867)	-	-	-	(37,867)	-
	Like Minded Wealth Creation Trust	-	-	(24,308)	-	-	-	(24,308)	-
	TM Investment Technologies Pvt. Ltd.	-	-	(14,137)	-	-	-	(14,137)	-
	Motilal Oswal Finvest Limited	-	-	2,69,47,431	7,25,758	-	-	2,69,47,431	7,25,758
Advisory & Placement fees (Income) / Expense	Motilal Oswal Financial Services Limited	-	(78,88,000)	-	-	-	-	-	(78,88,000)
	MO Alternate Investment Advisors Pvt. Ltd.	-	-	(25,41,09,761)	(3,76,23,157)	-	-	(25,41,09,761)	(3,76,23,157)
	Motilal Oswal Asset Management Company Limited	-	-	19,50,000	19,86,210	-	-	19,50,000	19,86,210
	Motilal Oswal Finvest Limited	-	-	-	(21,63,000)	-	-	-	(21,63,000)
	Motilal Oswal Home Finance Limited	-	-	-	(20,79,000)	-	-	-	(20,79,000)
Referral Fees (Income) Expense	Motilal Oswal Financial Services Limited	11,51,213	6,37,060	-	-	-	-	11,51,213	6,37,060

Notes to Financial Statement (Contd..)

Particulars	Name of the related Party	Holding Company (A)		Fellow Subsidiaries (B)		Key Managerial Personnel (KMP) / Relative of KMP (C)		Total	
		2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
	Motilal Oswal Financial Services Limited	(7,61,024)	-	-	-	-	-	(7,61,024)	6,37,060
	MO Alternate Investment Advisors Pvt. Ltd.	-	-	(1,12,35,000)	-	-	-	(1,12,35,000)	-
	Motilal Oswal Asset Management Company Limited	-	-	(6,00,000)	(30,50,000)	-	-	(6,00,000)	(30,50,000)
ESOP Expenses	Motilal Oswal Financial Services Limited	78,10,390	-	-	-	-	-	78,10,390	-
PMS Sharing (Income)	Motilal Oswal Asset Management Company Limited	-	-	(30,22,90,966)	(30,33,06,291)	-	-	(30,22,90,966)	(30,33,06,291)
AIF Distribution Income	Motilal Oswal Asset Management Company Limited	-	-	(21,08,60,735)	(19,58,09,147)	-	-	(21,08,60,735)	(19,58,09,147)
Marketing Commission (Income) / Expense	Motilal Oswal Asset Management Company Limited	-	-	-	(7,61,245)	-	-	-	(7,61,245)

Particulars	Name of the related Party	Holding Company (A)		Fellow Subsidiaries (B)		Key Managerial Personnel (KMP) / Relative of KMP (C)		Total	
		2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Brokerage Commission (Income) / Expense	Motilal Oswal Financial Services Limited	(23,73,79,114)	(16,90,03,911)	-	-	-	-	(23,73,79,114)	(16,90,03,911)
	MOPE Investment Advisors Pvt. Ltd.	-	-	2,02,727	5,74,706	-	-	2,02,727	5,74,706
Business Support Charges	Motilal Oswal Financial Services Limited	5,64,21,565	5,88,30,750	-	-	-	-	5,64,21,565	5,88,30,750
Loan (Taken) / (Repayment) received for loan given	Motilal Oswal Financial Services Limited	(43,69,25,00,000)	53,50,00,000	-	-	-	-	(43,69,25,00,000)	53,50,00,000
	TM Investment Technologies Pvt. Ltd.	-	-	(10,00,000)	-	-	-	(10,00,000)	-
	Motilal Oswal Finvest Limited	-	-	(40,84,50,00,000)	6,20,00,000	-	-	(40,84,50,00,000)	6,20,00,000
Loan Given / Repayment of loan taken	Motilal Oswal Financial Services Limited	44,49,25,00,000	(54,50,00,000)	-	-	-	-	44,49,25,00,000	(54,50,00,000)
	Like Minded Wealth Creation Trust	-	-	10,00,000	-	-	-	10,00,000	(54,50,00,000)
	Glide Tech Investment Advisory Private Limited	-	-	16,26,198	-	-	-	16,26,198	-
	TM Investment Technologies Pvt. Ltd.	-	-	10,00,000	-	-	-	10,00,000	-
	Motilal Oswal Finvest Limited	-	-	40,84,50,00,000	(10,08,00,000)	-	-	40,84,50,00,000	(10,08,00,000)
Maximum Balance	Motilal Oswal Financial Services Limited	2,80,00,00,000	9,00,00,000	-	-	-	-	2,80,00,00,000	9,00,00,000
	Like Minded Wealth Creation Trust	-	-	10,00,000	-	-	-	10,00,000	-
	Glide Tech Investment Advisory Private Limited	-	-	16,26,198	-	-	-	16,26,198	-
	TM Investment Technologies Pvt. Ltd.	-	-	10,00,000	-	-	-	10,00,000	-
	Motilal Oswal Finvest Limited	-	-	3,00,00,00,000	3,88,00,000	-	-	3,00,00,00,000	3,88,00,000
Managerial Remuneration	Ashish Shanker	-	-	-	-	54,29,914	-	54,29,914	-

Notes to Financial Statement (Contd..)

Outstanding Balances:

Particulars	Name of the related Party	Holding Company (A)		Fellow Subsidiaries (B)		Key Managerial Personnel (KMP) / Relative of KMP (C)		Total	
		2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Trade Receivable / (Payables)	Motilal Oswal Asset Management Company Limited	-	-	6,12,10,397	9,73,01,385	-	-	6,12,10,397	9,73,01,385
	MO Alternate Investment Advisors Pvt. Ltd.	-	-	4,59,61,791	71,52,175	-	-	4,59,61,791	71,52,175
	Motilal Oswal Finvest Limited	-	-	-	1,37,573	-	-	-	1,37,573
	Motilal Oswal Financial Services Limited	4,72,35,628	3,75,46,582	-	-	-	-	4,72,35,628	3,75,46,582
	Motilal Oswal Asset Management Company Limited	-	-	-	-	-	-	-	-
Payable for Expenses	Motilal Oswal Financial Services Limited	(1,55,21,934)	(11,82,415)	-	-	-	-	(1,55,21,934)	(11,82,415)
	Glide Tech Investment Advisory Private Limited	-	-	13,363	-	-	-	13,363	(11,82,415)
	Like Minded Wealth Creation Trust	-	-	7,453	-	-	-	7,453	(11,82,415)
	Motilal Oswal Finvest Limited	-	-	(1,75,47,781)	-	-	-	(1,75,47,781)	-
Deposit Rent Receivable / (Payable)	Motilal Oswal Financial Services Limited	(54,76,950)	(54,76,950)	-	-	-	-	(54,76,950)	(54,76,950)
Loan Given / (Taken)	Motilal Oswal Financial Services Limited	81,00,00,000	1,00,00,000	-	-	-	-	81,00,00,000	1,00,00,000
	Glide Tech Investment Advisory Private Limited	-	-	16,26,198	-	-	-	16,26,198	1,00,00,000
	Like Minded Wealth Creation Trust	-	-	10,00,000	-	-	-	10,00,000	-

Note: 'Income/receipts figures are shown in brackets.

NOTE 40 : Disclosure pursuant to IndAS 19 - Employees benefits

The following table set out the gratuity plan as required under IndAS 19.

(A) Defined contribution plan :

Particulars	31-Mar-22	31-Mar-21
Employer's contribution to provident fund	1,56,12,043	1,35,36,860
Employer's contribution to ESIC		
Employer's contribution to National Pension Scheme	5,77,530	8,77,977
	1,61,89,573	1,44,14,837

(B) Defined benefit plan

	Gratuity		Other Long Term Benefits	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
I) Assumptions as at				
Mortality	IALM (2012-14) Ult.	IALM (2012-14) Ult.	IALM (2012-14) Ult.	IALM (2012-14) Ult.
Interest / Discount Rate	5.64%	3.93%	3.92%	3.93%
Rate of increase in compensation	5.31%	6.65%	5.31%	6.65%
Expected rate of return on plan assets (per annum)				

Notes to Financial Statement (Contd..)

	Gratuity		Other Long Term Benefits	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Employee Attrition Rate (Past Service)	PS: 0 to 40 : 21.10%	PS: 0 to 40 : 19.82%	PS: 0 to 37 : 54.43%	PS: 0 to 37 : 50.04%
Expected average remaining service	3.60	3.89	0.29 to 0.51	0.29 to 0.51
II) Changes in present value of obligations (PVO)				
PVO at beginning of period	4,11,58,591	3,82,57,602	-	-
Interest cost	15,40,426	16,94,818	-	-
Current Service Cost	1,06,52,161	1,15,65,241	47,64,607	51,52,871
Past Service Cost- (non vested benefits)	-	-	-	-
Past Service Cost -(vested benefits)	-	-	-	-
Benefits Paid	(33,19,060)	(51,19,829)	-	-
Contributions paid	-	-	-	-
Transfer in liability	19,22,847	-	-	-
Transfer out liability	-	(1,97,541)	-	-
Business Combinations	-	-	-	-
Curtailments	-	-	-	-
Settlements	-	-	-	-
Actuarial (Gain)/Loss on obligation	(57,07,966)	(50,41,700)	-	-
PVO at end of period	4,62,46,999	4,11,58,591	47,64,607	51,52,871
III) Interest expense				
Interest cost	15,40,426	16,94,818	-	-
IV) Fair value of plan assets				
Fair Value of Plan Assets at the beginning	-	-	-	-
Interest income	-	-	-	-
V) Net Liability				
PVO at beginning of period	4,11,58,591	3,82,57,602	-	-
Fair Value of the Assets at beginning report	-	-	-	-
Net Liability	4,11,58,591	3,82,57,602	-	-
VI) Net Interest				
Interest Expenses	15,40,426	16,94,818	-	-
Interest Income	-	-	-	-
Net Interest	15,40,426	16,94,818	-	-
VII) Actual return on plan assets				
Less Interest income included above	-	-	-	-
Return on plan assets excluding interest income	-	-	-	-
VIII) Actuarial (Gain)/loss on obligation				
Due to Demographic Assumption	(86,113)	10,81,837	-	-

Notes to Financial Statement (Contd..)

	Gratuity		Other Long Term Benefits	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Due to Financial Assumption	(52,94,004)	(37,96,111)		
Due to Experience	(3,27,849)	(23,27,426)		
Total Actuarial (Gain)/Loss	(57,07,966)	(50,41,700)		
IX) Fair Value of Plan Assets				
Opening Fair Value of Plan Asset	-	-		
Adjustment to Opening Fair Value of Plan Asset	-	-		
Return on Plan Assets excl. interest income	-	-		
Interest Income	-	-		
Contributions by Employer	-	51,19,829		
Contributions by Employee	-	-		
Benefits Paid	-	(51,19,829)		
Fair Value of Plan Assets at end	-	-		
X) Past Service Cost Recognised				
Past Service Cost- (non vested benefits)	-	-		
Past Service Cost -(vested benefits)	-	-		
Average remaining future service till vesting of the benefit	-	-		
Recognised Past service Cost- non vested benefits	-	-		
Recognised Past service Cost- vested benefits	-	-		
Unrecognised 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	4,62,46,999	4,11,58,591		
Fair Value of Plan Assets at end of period		-		
Funded Status	(4,62,46,999)	(4,11,58,591)		
Unrecognised past service cost - non vested benefits				
Net Asset/(Liability) recognized in the balance sheet	(4,62,46,999)	(4,11,58,591)		
XII) Expense recognised in the statement of profit and loss				
Current service cost	1,06,52,161	1,15,65,241	47,64,607	51,52,871
Net Interest	15,40,426	16,94,818		
Past service cost - (non vested benefits)	-	-		
Past service cost - (vested benefits)	-	-		
Curtailment Effect	-	-		

Notes to Financial Statement (Contd..)

	Gratuity		Other Long Term Benefits	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Settlement Effect	-	-		
Unrecognised past service cost - non vested benefits	-	-		
Actuarial (Gain)/Loss recognized for the period	-	-		
Expense recognized in the statement of profit and loss	1,21,92,587	1,32,60,059	47,64,607	51,52,871
XIII) Other Comprehensive Income (OCI)				
Actuarial (Gain)/Loss recognized for the period	(57,07,966)	(50,41,700)		
Asset limit effect	-	-		
Return on Plan Assets excluding net interest	-	-		
Unrecognized Actuarial (Gain)/Loss from previous period	-	-		
Total Actuarial (Gain)/Loss recognized in (OCI)	(57,07,966)	(50,41,700)		
XIV) Movement in liability recognized in balance sheet				
Opening net liability	4,11,58,591	3,82,57,602		
Adjustment to opening balance	-	-		
Expenses as above	1,21,92,587	1,32,60,059	47,64,607	51,52,871
Transfer in liability	19,22,847	-		
Transfer out liability	-	(1,97,541)		
Contribution paid	-	(51,19,829)		
Other Comprehensive Income(OCI)	(57,07,966)	(50,41,700)		
Closing net liability	4,95,66,059	4,11,58,591	47,64,607	51,52,871

Particulars	Gratuity		Other long term benefits	
	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021
XV) Schedule III of The Companies Act 2013				
Current liability	88,16,735	58,46,865	28,97,259	31,32,597
Non - current liability	3,74,30,264	3,53,11,726	18,67,348	20,20,274
XVI) Projected Service Cost 31 Mar 2020	1,03,40,484	1,06,52,161	-	-
XVII) Asset Information				
Cash and Cash Equivalents	-	-	-	-
Gratuity Fund ()	-	-	-	-
Debt Security - Government Bond	-	-	-	-
Equity Securities - Corporate debt securities	-	-	-	-
Other Insurance contracts	-	-	-	-
Property	-	-	-	-
Total Itemized Assets	-	-	-	-

Notes to Financial Statement (Contd..)

XVIII) Sensitivity Analysis

PVO	DR: Discount Rate		ER : Salary escalation rate:	
	PVO DR +1%	PVO DR -1%	PVO ER +1%	PVO ER -1%
	4,45,19,909	4,81,14,961	4,75,67,466	4,49,52,811

XIX) Expected Payout

Year	Expected	Expected	Expected	Expected Outgo	Expected Outgo	Expected Outgo
	Outgo First	Outgo Second	Outgo Third	Fourth	Fifth	Six to Ten years
Payouts	88,16,735	82,51,466	72,71,383	67,35,452	51,62,265	1,53,02,980

XX) Asset Liability Comparisons

Year	31-03-2018	31-03-2019	31-03-2020	31-03-2021	31-03-2022
PO at End of period	2,21,08,303	3,08,57,622	3,82,57,602	4,11,58,591	4,62,46,999
Plan Assets	-	-	-	-	-
Surplus / (Deficit)	(2,21,08,303)	(3,08,57,622)	(3,82,57,602)	(4,11,58,591)	(4,62,46,999)
Experience adjustments on plan assets	-	-	-	-	-

Note 41 : Disclosure relating to Employee Stock Option Scheme

Details of Stock options

The company has One Stock option Schemes

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 29, 2016) consisting of 8,000 Stock Option of Rupees 10 each.

Pursuant to approval of the members at its meeting dated February 20, 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.

The activity in the (ESOS-I) during the year ended March 2022 and March 2021 is set below:

	For the Year Ended			
	31-Mar-22		31-Mar-21	
	In Numbers	Weighted Average Exercise Price	In Numbers	Weighted Average Exercise Price
The MOWML (ESOS-I) : (Face value of Re. 1/-each)				
Option outstanding, beginning of the year	6,000	815.00	22,000	404.09
Add: Granted	-	NA	-	NA
Less: Exercised	-	NA	-	NA
Less: Forfeited	-	NA	-	NA

Notes to Financial Statement (Contd..)

	For the Year Ended			
	31-Mar-22		31-Mar-21	
	In Numbers	Weighted Average Exercise Price	In Numbers	Weighted Average Exercise Price
Less: Lapsed	6,000	815.00	16,000	250.00
Option outstanding, end of the year	-	-	6,000	815.00
Exercisable at the end of the period	-	-	2,000	815.00

Employees' Stock Options Scheme (ESOS) :

During the year NIL Employee Stock Options (Previous Year NIL) have been granted to the employees of the company.

Particulars	Scheme I
Date of grant	Various dates
Date of Board Approval	22-Apr-16
Date of Shareholder's approval	29-Apr-16
Method of Settlement	Equity Shares
Vesting Period	Not later than 7 years from the date of grant
Weighted Average Remaining Contarctual Life	
Granted but not Vested	NIL (Previous year : 5 Years)
Vested but not exercised	NIL (Previous year : 2 Years)
Weighted Average Share Price at the date of exercise for stock options exercised during the year	NA
Exercise Period	1 year to 3 years from the date of vesting and as per terms and conditions of scheme and grant
Vesting Conditions	Vesting of Options would be subject to continued employment with the Company and/or its holding/ subsidiary, and thus the options would vest on passage of time. MOWML does not have any remuneration/ compensation committee. Also no such performance based vesting is mentioned in the ESOP-1 Scheme
Weighted Average Fair Value of options as on grant date	858.76

Exercise Pricing Formula

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.

Other Information regarding Employee Share Based Payment Plan is as below

Particulars	2021-22	2020-21
ESOP Expenses	4,71,42,480	1,11,55,436
Reserve and surplus - Share option outstanding account	1,07,38,112	96,61,543

Notes to Financial Statement (Contd..)

Impact on the income statement of a change in leaver assumptions	2021-22	2020-21
(+)5%	-	27,145
(-)5%	4,44,348	3,39,444

The employees of the company also have been allotted a ESOP of its holding Company under various schemes. The impact of its expenses have been accounted for in the company during the year as per the requirement of IND AS 102.

Note: 42 Fair value measurement

This 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
- Measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

a) Financial instruments by category

(Amount in rupees)

Particulars	March 31, 2022		March 31, 2021	
	FVPL	Amortised cost	FVPL	Amortised cost
Financial assets				
Cash and cash equivalents		4,52,01,638		5,17,57,241
Bank balance other than cash and cash equivalents above		13,50,000		13,50,000
Derivative financial instruments				
Receivables				
(i) Trade receivables		29,11,41,934		24,24,94,202
(ii) Other receivables		10,000		43,14,327
Loans		83,31,04,314		1,14,10,435
Investments	44,11,67,935	50,00,00,010	38,97,05,128	50,00,00,010
Other financial assets		1,42,96,087		43,48,945
Total financial assets	44,11,67,935	1,68,51,03,984	38,97,05,128	81,56,75,160
Financial liabilities				
Trade payables		2,27,68,460		-
Other payables		4,38,88,385		3,19,16,220
Deposits		54,76,950		54,76,950
Other financial liabilities		40,64,978		28,28,171
Total financial liabilities	-	7,61,98,774	-	4,02,21,341

I. Fair value hierarchy

The fair values of the financial assets and liabilities are included at the amount 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. This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for

Notes to Financial Statement (Contd..)

which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the Indian Accounting standard. An explanation of each level follows underneath the table.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. For example, listed equity instruments that have quoted market price.

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 asset included in level 3.

II. Valuation techniques used to determine fair value

Significant valuation techniques used to value financial instruments include:

the fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.

The fair values for investment in mutual fund are based on the quoted market prices.

The carrying amounts of Cash and cash equivalent, trade receivables, current loans, trade payables, other current financial liabilities are considered to be approximately equal to the fair value.

Mutual fund investment have been categorised into level 1 of fair value hierarchy.

III. Fair value of financial instrument measured at amortised cost

Fair value of Financial asset and liabilities are equal to their carrying amount.

Note:

During the periods mentioned above, there have been no transfers amongst the levels of hierarchy.

b) i) Fair value hierarchy - Financial instruments recognised and measured at fair value

Assets measured at fair value - recurring fair value measurements	As at 31 March 22		As at 31 March 21	
	Level 1	Level 2	Level 1	Level 2
Financial assets				
Financial investments at FVTPL				
- Mutual funds	44,11,67,935	-	36,78,29,170	-
- Alternative investment funds	-	-	2,18,75,958	-
Total	44,11,67,935	-	38,97,05,128	-

ii) Fair value hierarchy - Assets and liabilities measured at amortised cost for which fair values are disclosed

The company has not disclosed fair value of financial asset or liability which is measured at amortised cost.

Notes to Financial Statement (Contd..)

Note 43 : Segment Reporting

In accordance with Ind AS 108 on "Operating Segments" issued by the Institute of Chartered Accountants of India, the Company has determined business segment as under:

The business segment has been considered as the primary segment for disclosure. The primary business of the Company comprises of "Asset management and advisory", "Lending Activity" and "Fund based activities". 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. Asset management and advisory includes fee based services for management of assets. Fund based activities includes investment activities in non - current investment of mutual funds.

Secondary segment reporting does not require separate disclosure as all activities of the Company are within India.

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 categorized 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 "unallocable" in the total column. Other balance sheet items such as deferred tax liability are similarly not allocated to segments.

Particulars	Fees and Commission Activities		Lending Activity		Fund Based activities		Unallocated Activities		Total	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Revenue :										
External revenue	1,82,16,66,652	1,19,18,50,165	50,75,61,056	81,22,913	9,67,30,796	22,26,46,805	2,24,038	(2,803)	1,91,86,21,486	1,41,44,94,168
Inter-segment revenue										
Total revenue	1,82,16,66,652	1,19,18,50,165	50,75,61,056	81,22,913	9,67,30,796	22,26,46,805	2,24,038	(2,803)	1,91,86,21,486	1,41,44,94,168
Result :										
Segment result	49,37,53,124	29,62,69,204	50,75,61,056	81,22,913	9,67,30,796	22,26,46,805	2,24,038	(2,803)	1,09,80,44,976	52,70,38,922
Unallocated expenses									50,99,489	41,87,400
Unallocated revenue									2,24,038	(2,803)
Operating profit									1,09,31,69,525	52,28,48,719
Tax expense :										
Current tax			-	-	-	-	-	-	26,88,15,675	9,90,45,467
Deferred tax			-	-	-	-	-	-	25,16,611	1,30,28,874
Profit after tax									82,18,37,239	41,07,74,378
Other information :										
Segment assets	1,24,96,18,428	36,87,37,099	-	-	94,11,67,945	88,97,05,138	-	26,73,088	2,19,07,86,373	1,26,11,15,326
Segment Liabilities	31,62,24,983	24,43,89,945			-	-	4,28,57,309	1,22,06,492	35,90,82,292	25,65,96,437
Capital Expenditure	1,52,87,708	79,20,578			-	-	-	-	1,52,87,708	79,20,578
Depreciation	1,26,25,981	1,07,66,547			-	-	-	-	1,26,25,981	1,07,66,547

Notes to Financial Statement (Contd..)

Note 44 : Trade receivables ageing schedules

For the year ended March 2022

Particulars	Outstanding for following periods from the date of transactions					
	Less than 6 months	6 months - 1 year	1 -2 year	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	29,10,76,892	22,838	42,205	-	-	29,11,41,934
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(v) Disputed Trade receivables - credit impaired	-	-	-	-	-	-

For the year ended March 2021

Particulars	Outstanding for following periods from the date of transactions					Total
	Less than 6 months	6 months - 1 year	1 -2 year	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	24,20,19,263	5,876	4,69,064	-	-	24,24,94,202
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(v) Disputed Trade receivables - credit impaired	-	-	-	-	-	-

Notes to Financial Statement (Contd..)

Note 45 : Trade payables ageing schedules

For the year ended 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	2,27,68,460	-	-	-	2,27,68,460
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-

Note 46 : Loans & Advances

Repayable on demand		
Types of borrower	Amount of loan or advance in the nature of loan outstanding	Percentage of total loan and advance in nature of loans
Promoters	-	-
Directors	-	-
KMPs	-	-
Related parties	81,26,26,198	100%

Note: 47 Financial risk management

The company is exposed primarily to credit, liquidity and price risk which may adversely impact the fair value of its financial instrument. The Company has a risk management policy which covers risk associated with the financial assets and liabilities. The focus of the risk management is to assess the unpredictability of the financial environment and to mitigate potential adverse effect on the financial performance of the company. The Company's principal financial liabilities comprises of trade and other payables and borrowings. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include Investments, loans, cash and cash equivalents that derive directly from its operations.

A Credit risk

Credit risk refers to the risk that a counter party will default on its contractual obligation resulting in financial loss to the company.

The company is exposed to credit risk from its operating activities (primarily for trade receivables).

To manage credit risk, the Company follows a policy of providing 0-30 days credit to the customers basis the nature of customers. The credit limit policy is established considering the current economic trends of the industry in which the company is operating. However, the trade receivables are monitored on a periodic basis for assessing any significant risk of non-recoverability of dues and provision is created accordingly.

Notes to Financial Statement (Contd..)

Bank balances are held with only high rated banks.

Age of receivables that are past due:

(Amount in rupees)

Particulars	31-Mar-22	31-Mar-21
Upto 3 months	29,10,76,892	24,06,40,198
3 - 6 months	-	13,79,065
6 - 12 months	22,838	5,876
More than 12 months	42,205	4,69,064
Total	29,11,41,934	24,24,94,202

B Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities viz. Trade payables and other financial liabilities.

Liquidity risk management

The Company's management is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

(i) Maturities of non – derivative financial liabilities

As at 31 March 2022

(Amount in rupees)

Particulars	Upto 1 year	Between 1 and 5 years	Beyond 5 years	Total
Financial Liabilities				
Trade payables	4,38,88,385			4,38,88,385
Other current financial liabilities	2,68,33,439	54,76,950		3,23,10,389
Total	7,07,21,824	54,76,950	-	7,61,98,774

As at 31 March 2021

(Amount in rupees)

Particulars	Upto 1 year	Between 1 and 5 years	Beyond 5 years	Total
Financial Liabilities				
Trade payables	3,19,16,220			3,19,16,220
Other current financial liabilities	28,28,171	54,76,950		83,05,121
Total	3,47,44,391	54,76,950	-	4,02,21,341

(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.

Notes to Financial Statement (Contd..)

(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.

The Company is not exposed to foreign currency risk as it does not have any payables or receivables in foreign currency.

(ii) Cash flow and fair value interest rate risk

Interest rate risk arises from the sensitivity of the financial liabilities to changes in market rate of interest.

The Company is not exposed to interest rate risk as it does not have any long term borrowings with fluctuating interest rate.

(iii) Price risk

The company is exposed to price risk from its investment in mutual funds ,classified in the balance sheet at fair value through profit and loss.

The Investments held by the Company are ancillary to the Investment management business objective.

The investment in long term mutual fund is for high-RoE opportunities. They also serve as highly liquid “resources” available for future investments in business, if required.

Sensitivity to price risk

The following table summarises the impact of sensitivity of NAVs with all other variables held constant. The below impact on the Company's profit before tax is based on changes in the NAVs of mutual funds at balance sheet date:

(Amount in rupees)

Sensitivity	31 March 2022	31 March 2021
Impact on profit before tax for 1% increase in NAV/price	44,11,679	38,97,051
Impact on profit before tax for 1% decrease in NAV/Price	(44,11,679)	(38,97,051)

Note: 48 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.

(Amount in rupees)

Particulars	March 31, 2022			March 31, 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial assets						
Cash and cash equivalents	4,52,01,638		4,52,01,638	5,17,57,241		5,17,57,241
Other bank balances	13,50,000		13,50,000	13,50,000		13,50,000
Receivables						
(i) Trade receivables	29,06,72,870	4,69,064	29,11,41,934	24,20,25,138	4,69,064	24,24,94,202
(ii) Other receivables	10,000		10,000	43,14,327		43,14,327
Loans	83,31,04,314		83,31,04,314	1,14,10,435		1,14,10,435

Notes to Financial Statement (Contd..)

Particulars	March 31, 2022			March 31, 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Investments	-	94,11,67,945	94,11,67,945	-	88,97,05,138	88,97,05,138
Other financial assets	1,00,09,287	42,86,800	1,42,96,087	11,884	43,37,061	43,48,945
Non-financial assets						
Deferred tax assets (Net)	-	-	-	26,73,088	-	26,73,088
Property, plant and equipment	-	3,42,28,573	3,42,28,573	-	3,57,57,952	3,57,57,952
Other intangible assets	-	1,34,54,764	1,34,54,764	-	92,63,653	92,63,653
Other non-financial assets	1,68,31,118	-	1,68,31,118	80,40,345	-	80,40,345
Total assets	1,19,71,79,228	99,36,07,145	2,19,07,86,372	32,15,82,459	93,95,32,867	1,26,11,15,326
Financial liabilities						
Trade payables	4,38,88,385	-	4,38,88,385	3,19,16,220	-	3,19,16,220
Borrowings (Other than debt securities)	2,27,68,460	-	2,27,68,460	-	-	-
Deposits	-	54,76,950	54,76,950	-	54,76,950	54,76,950
Other financial liabilities	40,64,978	-	40,64,978	28,28,171	-	28,28,171
Non-financial Liabilities						
Current tax liabilities (net)	4,15,77,205	-	4,15,77,205	1,22,06,492	-	1,22,06,492
Provisions	15,64,17,582	3,92,97,612	19,57,15,194	14,50,46,212	-	14,50,46,212
Deferred tax liabilities (Net)	12,80,104	-	12,80,104	-	-	-
Other non-financial liabilities	4,43,11,015	-	4,43,11,015	5,91,22,392	-	5,91,22,392
Total liabilities	31,43,07,730	4,47,74,562	35,90,82,292	25,11,19,486	54,76,950	25,65,96,436

For PGS & Associates

Chartered Accountants

Firm Registration No. 122384W

Premal H. Gandhi

Partner

Membership No. : 111592

Place : Mumbai

Date : 26 April, 2022

For and on behalf of the Board of Directors of

Motilal Oswal Wealth Limited

Ashish Shanker

Managing Director

and Chief Executive Officer

DIN No: 09307764

Place : Mumbai

Date : 26 April, 2022

Ajay Menon

Director

DIN No: 00024589

Motilal Oswal Home Finance Limited

FINANCIAL STATEMENT

INDEPENDENT AUDITOR'S REPORT

(Contd...)



INDEPENDENT AUDITOR'S REPORT

To

The Members of **Motilal Oswal Home Finance Limited**

1. Opinion

We have audited the accompanying Financial Statements of **Motilal Oswal Home Finance 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 financial statements 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 changes in equity for the year ended on that date.

2. Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 ("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 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 Financial Statements.

3. Emphasis of Matter

We draw attention to Note 37 to the financial statements, in which the Company describes the continuing uncertainties arising from the COVID 19 pandemic.

Our opinion is not modified in respect of this matter.

4. Other Matter

The comparative 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 statement on April 28, 2021. Accordingly, we do not express any opinion on the figures reported in the Financial Statements for the year ended March 31, 2021.

Our opinion is not modified in respect of this matter.

5. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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
	Expected Credit Loss (ECL) on Loans and Advances As at March 31, 2022, the carrying value of loan assets measured at amortised cost, aggregated Rs. 3,43,455 lakhs (net of allowance of ECL Rs. 8,534 lakhs).	Our Audit Approach: Our audit approach was a combination of test of internal controls and substantive procedures which included the following:



INDEPENDENT AUDITOR'S REPORT

(Contd...)

Sr. No.	Key audit matters	How our audit addressed the key audit matter
	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: - Data inputs - The application of ECL model requires several data inputs. - 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. - Qualitative and quantitative factors used in staging the loan assets measured at amortised cost. - 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. - Adjustments to model driven ECL results to address emerging trends. Refer Note 31 of the Financial Statements.	- 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. - 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 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. - 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. - 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. - Evaluating the appropriateness of the Company’s Ind AS 109 impairment methodologies and reasonableness of assumptions used, including management overlays. - For models which were changed or updated during the year, evaluating whether the changes were appropriate by assessing the updated model methodology. - The reasonableness of the Company’s considerations of the impact of the current ongoing economic environment due to COVID-19 on the ECL determination. - 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.

INDEPENDENT AUDITOR'S REPORT

(Contd...)



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 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.

6. 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 Directors Report, Corporate Governance Report and Management Discussion & Analysis Report, but does not include the Financial Statements and our auditor's report thereon. These reports are expected to be made available to us after the date of our auditor's report.

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.

7. Management's Responsibility for the 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 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. 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 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.

8. Auditor's Responsibilities for the Audit of the Financial Statements

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.

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 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 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 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.

INDEPENDENT AUDITOR'S REPORT

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9. 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 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 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 other matters to be included in the Auditor's Report in accordance with 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 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 35 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
 - iv. (a) The Management has represented that 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 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.



INDEPENDENT AUDITOR'S REPORT

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- (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. No dividend was declared and paid by the Company during the year.

For Singhi & Co.

Chartered Accountants
Firm Registration No. 302049E

S. Chandrasekhar

Partner
Membership No. 007592
UDIN: 22007592AHUWDK7411

Place : Mumbai
Date : April 26, 2022

INDEPENDENT AUDITOR'S REPORT

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Annexure A to the Independent Auditors' Report of even date on the financial statements of Motilal Oswal Home Finance 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.
- c) The Company does not hold any immovable property (in the nature of 'property, plant and equipment'). Accordingly, the provisions of paragraph 3(i) (c) of the Order are not applicable.
- 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, explanations and representations 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 is primarily engaged in lending business. Accordingly, it does not hold any inventories. Thus paragraph 3(ii)(a) of the Order is not applicable to the Company.
- b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks and financial institutions on the basis of security of current assets. Basis the information, explanation and representation provided to us and basis our audit procedures undertaken, we have not come across any difference between the information submitted in the quarterly returns / statements filed by the Company with such banks and financial institutions when compared with the books of account and other relevant information provided by the Company.
- (iii) a) The Company is primarily engaged in lending activities and hence reporting under paragraph 3(iii)(a) of the Order is not applicable to the Company.
- b) Considering that the Company is a Non – Banking Finance Company, the investments made, security given and the terms and conditions of the grant of all loans and advances in the nature of loans are not prima facie prejudicial to the Company's interest. Further, according to the information and explanations provided to us, the Company has not provided any guarantees during the year.
- c) In respect of the loans given and advances in the nature of loans, the Company has stipulated the schedule of repayment of principal and payment of interest. However, given the nature of business of the Company being a Non – Banking Finance Company, there are some cases during the year and as at March 31, 2022 wherein the amounts were overdue vis-à-vis stipulated terms.
- 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 except for the following cases as on March 31, 2022:

(Rs. In lakh)

Number of Cases	Principal Amount Overdue	Interest Amount Overdue	Total Amount Dues
590	5,301	493	5,794

Further, basis discussions with the management and representations given to us, we understand that the reasonable steps have been taken by the Company for recovery of the principal and interest.

- e) The Company is engaged primarily in lending activities and hence reporting under paragraph 3(iii)(e) of the Order is not applicable to the Company.



INDEPENDENT AUDITOR'S REPORT

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- f) Basis the information and explanations provided to us, we did not come across loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment. Thus, reporting under paragraph 3(iii)(f) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not advanced loans to directors / to a company in which director is interested to which provisions of section 185 of the Companies Act, 2013 apply and the provisions of Section 186 of the Companies Act 2013 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:
- 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.
 - 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.
 - The details of statutory dues referred to in sub- paragraph (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 the dues	Amount (Rs. In lakhs)	Period to which the amount relates	Forum where dispute is pending
The Income Tax Act, 1961	Income Tax	0.06	F.Y. 2016-17	Commissioner of Appeal (Income-tax)

- (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) According to the information, explanations and representation given to us and to the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained, other than temporary deployment pending application of proceeds.
- d) On an overall examination of the financial statements of the Company, funds raised on short-term basis do not seem to have used during the year for long-term purposes.
- e) The Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under paragraph 3(ix)(e) of the Order is not applicable to the Company.
- f) The Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under paragraph 3(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.

INDEPENDENT AUDITOR'S REPORT

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- (xi) a) Based upon the information, explanation and representations and on audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, there have been instances of fraud on the Company by its customers amounting to Rs. 2648 lakhs as disclosed in NHB disclosure forming part of financial statements, which have been duly reported to the Reserve Bank of India. We did not come across any instances of fraud by the Company.
- b) According to the information and explanations 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 up to the date of this report.
- c) According to the information, explanations and representations 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, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable, for all the transactions with related parties and the details of related party transaction 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) According to the information and explanation given to us, the Company is registered under section 45-IA of the Reserve Bank of India (RBI) Act, 1934.
- b) The Company has conducted Housing Finance activities holding 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 by virtue of RBI Circular no. RBI/2021-22/25 Ref. No. DoS. CO. ARG/SEC.01/08.91.001/2021-22 dated April 27, 2021, relating to Guidelines for appointment of Statutory Auditors and no issue, objection or concern was raised by the outgoing auditor.
- (xix) According to the information, explanations and representations given to us and on the basis of the financial ratios, 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) As the average net profit of the preceding three financial years for Corporate Social Responsibility (CSR) contribution computed in accordance with section 198 of Companies Act, 2013 is negative, the Company is not required to spend any amount towards CSR. Hence reporting under paragraph (xx) (a) is not applicable to the company.



INDEPENDENT AUDITOR'S REPORT

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- b) As the Company was not required to spent any amount towards CSR. Hence reporting under paragraph (xx) (b) is not applicable to the Company.
- (xxi) According to the information and explanations given to us and based on our examination of the records of the Company, there are no subsidiaries / associates / joint ventures of the Company and hence the paragraph 3(xxi) of the Order is not applicable to the Company.

For Singhi & Co.

Chartered Accountants
Firm Registration No. 302049E

S. Chandrasekhar

Partner
Membership No. 007592
UDIN: 22007592AHUWDK7411

Place : Mumbai
Date : April 26, 2022

INDEPENDENT AUDITOR'S REPORT

(Contd...)



Annexure B to the Independent Auditors' Report of even date on the financial statements of Motilal Oswal Home Finance 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 Home Finance 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.



INDEPENDENT AUDITOR'S REPORT

(Contd...)

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

S. Chandrasekhar

Partner
Membership No. 007592
UDIN: 22007592AHUWDK7411

Place : Mumbai

Date : April 26, 2022

Balance Sheet

as at 31 March 2022

(Amount in Lakhs)

Particulars	Note	As at 31 March 2022	As at 31 March 2021
I. ASSETS			
(I) Financial Assets			
(a) Cash and cash equivalents	4	23,104	31,959
(b) Bank balances other than (a) above	5	4,243	2,695
(c) Receivables	6		
(i) Trade receivables		15	497
(d) Loans	7	3,43,455	3,47,429
(e) Investment		-	-
(f) Other financial assets	8	819	211
Total Financial assets (A)		3,71,636	3,82,791
(II) Non-financial Assets			
(a) Current tax assets (net)	9	1,035	1,030
(b) Deferred tax assets (net)	10	2,383	4,733
(c) Property, plant and equipment	11	834	700
(d) Other intangible assets	12	211	205
(e) Other non-financial assets	13	203	299
Total Non- Financial Assets (B)		4,666	6,967
Total Assets (C) = (A) + (B)		3,76,302	3,89,758
II. LIABILITIES AND EQUITY			
(I) Financial liabilities			
(a) Payables			
Trade payables			
(i) Total outstanding dues of micro enterprises and small enterprises	14	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	14	729	556
(b) Debt securities	15	74,619	1,14,924
(c) Borrowings (Other than debt securities)	16	1,86,027	1,70,321
(d) Other financial liabilities	17	13,564	12,561
Total Financial liabilities (D)		2,74,939	2,98,362
(II) Non-Financial Liabilities			
(a) Provisions	18	415	304
(b) Other non-financial liabilities	19	251	139
Total Non-Financial Liabilities (E)		666	443
(III) EQUITY			
(a) Equity share capital	20	60,271	60,178
(b) Other equity	21	40,426	30,775
Total Equity (F)		1,00,697	90,953
TOTAL LIABILITIES AND EQUITY (G) = (D) + (E) + (F)		3,76,302	3,89,758

The accompanying notes form an integral part of these financial statements

This is the Balance sheet referred to in our report of even date

For Singhi & Co.
Chartered Accountants
Firm's Registration No.: 302049E

S. Chandrasekhar
Partner
Membership No: 007592
Place : Mumbai
Date : 26th April 2022

For and on behalf of the Board of Directors of
Motilal Oswal Home Finance Limited
CIN: U65923MH2013PLC248741

Motilal Oswal
Chairman
DIN: 00024503

Raamdeo Agarawal
Director
DIN: 00024533

Shalibhadra Shah
Chief Financial Officer

Ritin Mawani
Company Secretary

Place : Mumbai
Date : 26th April 2022

Statement of Profit and Loss

for the year ended 31 March 2022

(Amount in Lakhs)

Particulars	Note	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue from operations	22		
Interest income		49,965	52,939
Fees and commission income		1,267	582
Net gains on fair value changes		39	398
Net gain on derecognition of financial assets		899	-
Total revenue from operations	(I)	52,170	53,919
Other income	23		
Other income		450	633
Total other income	(II)	450	633
Total Income	(III)= (I+II)	52,620	54,552
Expenses			
Finance cost	24	22,903	28,890
Impairment on financial instruments (provision for contingencies)	25	7,319	8,035
Employee benefits expenses	26	7,584	5,765
Depreciation and amortization expenses	11	469	647
Other expenses	27	2,514	2,170
Total expenses	(IV)	40,789	45,507
Profit before tax	(III-IV)	11,831	9,045
Less: Tax expense :	28		
(1) Current tax		-	-
(2) Deferred tax		2,345	5,016
(3) Prior period tax		(3)	6
Profit for the year		9,489	4,023
Other comprehensive income	29		
(A) Items that will not be reclassified to profit & loss			
(i) Actuarial gain on post retirement benefit plans		17	55
(ii) Tax impact on the above		(4)	(14)
Total other comprehensive income		13	41
Total comprehensive income for the year		9,502	4,064
Earnings per share:	30		
Basic		0.16	0.07
Diluted		0.16	0.07
Face value per share		1.00	1.00

The accompanying notes form an integral part of these financial statements

This is the Balance sheet referred to in our report of even date

For Singhi & Co.
Chartered Accountants
Firm's Registration No.: 302049E

S. Chandrasekhar
Partner
Membership No: 007592
Place : Mumbai
Date : 26th April 2022

For and on behalf of the Board of Directors of
Motilal Oswal Home Finance Limited
CIN: U65923MH2013PLC248741

Motilal Oswal
Chairman
DIN: 00024503

Raamdeo Agarawal
Director
DIN: 00024533

Shalibhadra Shah
Chief Financial Officer

Ritin Mawani
Company Secretary

Place : Mumbai
Date : 26th April 2022

Statement of cash flows

for year ended 31 March 2022

(Amount in Lakhs)

Particulars	For year ended 31 March 2022	For year ended 31 March 2021
Cash flows from operating activities:		
Profit/(loss) before tax:	11,831	9,045
Adjustments :		
Depreciation and amortisation	469	647
Interest income	(50,864)	(52,939)
Interest expense	22,903	28,890
Employee share option scheme	42	72
Provisions for employee benefits	81	24
Other provisions	47	78
Impairment on financial instruments	7,319	8,035
Net gains on fair value changes	(39)	(398)
Operating profit / (loss) before working capital changes	(8,211)	(6,547)
Adjustments for increase/ decrease in operating assets and liabilities:		
(Increase)/Decrease in Trade receivables	482	(372)
(Increase)/Decrease in Loans	(3,481)	8,830
(Increase)/Decrease in Other financial assets	(608)	(365)
(Increase)/Decrease in Other non financial assets	115	433
Increase/(Decrease) in Non financial liabilities	112	(213)
Increase/(Decrease) in Trade payables	172	502
Increase/(Decrease) in Other financial liabilities	1,749	4,906
Interest Paid	(23,597)	(27,748)
Interest Received	50,808	52,734
Cash generated from/ (used in) operations	17,542	32,161
Less: Income taxes paid (net of refunds)	2	(191)
Net cash inflow / (outflow) from operating activities	17,544	31,970
Cash flows from investing activities:		
Sale of investment measured at FVTPL	-	398
(Purchase)/sale of property, plant and equipments	(629)	38
Sale of mutual funds units	84,439	5,43,650
Purchase of mutual funds units	(84,400)	(5,43,650)
(Increase)/Decrease in deposits with maturity of more than 3 months	973	(2,419)
Interest income on fixed deposit	192	130
Net cash inflow / (outflow) from investing activities	575	(1,852)
Cash flows from financing activities:		
Proceeds from issue of share capital	92	48
Share Premium on issue of share capital	104	31
Proceeds from Debt securities	30,000	37,972
Repayment of Debt securities	(70,305)	(73,894)
Proceeds from Borrowings other than debt securities	1,00,296	62,768
Repayment of Borrowings other than debt securities	(84,590)	(35,999)
Increase/(decrease) in lease liabilities (net)	-	(163)

Statement of cash flows

for year ended 31 March 2022

(Amount in lakhs)

Particulars	For year ended 31 March 2022	For year ended 31 March 2021
Payment towards lease liabilities	33	(191)
Interest paid	(86)	(73)
Net cash inflow/(outflow) from financing activities	(24,454)	(9,501)
Net Increase/(Decrease) in Cash and cash equivalents	(6,335)	20,617
Add: Cash and cash equivalents as at beginning of the year	31,959	11,342
Cash and cash equivalents at end of the year*	25,624	31,959

*Component of Cash and cash equivalents as at end of the year

Amount in lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
Cash and cash equivalents	23,104	31,959
Deposits with maturity of less than 3 months	2,520	-
Total	25,624	31,959

Changes in liabilities arising from financing activities

Particulars	For year ended 31 March 2022	For year ended 31 March 2021
Opening balance of debt securities, borrowings (other than debt securities) and subordinated liabilities	2,85,245	2,94,398
Proceeds from borrowings (other than debt securities)	1,00,296	62,768
Proceeds from issue of non-convertible debentures	30,000	37,972
Repayments of borrowings	(84,590)	(35,999)
Repayments of debts securities	(70,305)	(73,894)
Closing balance of debt securities, borrowings (other than debt securities) and subordinated liabilities	2,60,647	2,85,245

The Statement of cash flow has been prepared under the 'Indirect Method' given under Ind AS 7 - Statement of Cash Flows.

The accompanying notes form an integral part of these financial statements

This is the Balance sheet referred to in our report of even date

For Singhi & Co.
Chartered Accountants
Firm's Registration No.: 302049E

S. Chandrasekhar
Partner
Membership No: 007592
Place : Mumbai
Date : 26th April 2022

For and on behalf of the Board of Directors of
Motilal Oswal Home Finance Limited
CIN: U65923MH2013PLC248741

Motilal Oswal
Chairman
DIN: 00024503

Raamdeo Agarawal
Director
DIN: 00024533

Shalibhadra Shah
Chief Financial Officer

Ritin Mawani
Company Secretary

Place : Mumbai
Date : 26th April 2022

Statement of changes in equity

(Amount in Lakhs)

A. Equity share capital

	Number	Amount
Equity Shares of Re.1 issued, subscribed and fully paid up		
Balance as at 01 April 2020	6,01,30,37,765	60,130
Changes in Equity Share Capital due to prior year errors	-	-
Restated balance at the beginning of the previous reporting year	6,01,30,37,765	60,130
Changes in equity share capital during the year	48,10,000	48
Balance as at 31 March 2021	6,01,78,47,765	60,178
Changes in Equity Share Capital due to prior year errors	-	-
Restated balance at the beginning of the previous reporting year	6,01,78,47,765	60,178
Changes in equity share capital during the year	92,43,750	92
Balance as at 31 March 2022	6,02,70,91,515	60,271

B. Other equity

Amount in Lakhs

Particulars	Other Equity				Total equity attributable to equity holders of the Company
	Securities Premium	Statutory reserve	ESOS Outstanding Account	Retained earnings	
Balance as at 01 April 2021	26,108	5,357	212	(902)	30,775
Changes in accounting policy or prior year errors	-	-	-	-	-
Restated balance at the beginning of the previous reporting year	26,108	5,357	212	(902)	30,775
Profit for the year	-	-	-	9,489	9,489
Actuarial gain/ loss during the year (net of taxes)	-	-	-	13	13
Total comprehensive income for the period	26,108	5,357	212	8,600	40,277
Transfer to statutory reserve	-	1,898	-	(1,898)	-
Stock options exercised/ lapsed	-	-	42	-	42
Securities premium on shares issued during the year	104	-	-	-	104
Others	-	-	3	-	3
Balance as at 31 March 2022	26,212	7,255	257	6,703	40,426

Particulars	Other Equity				Total equity attributable to equity holders of the Company
	Securities Premium	Statutory reserve	ESOS Outstanding Account	Retained earnings	
Balance as at 01 April 2020	26,077	4,552	141	(4,161)	26,608
Changes in accounting policy or prior year errors	-	-	-	-	-
Restated balance at the beginning of the previous reporting year	26,077	4,552	141	(4,161)	26,608
Profit for the year	-	-	-	4,023	4,023
Actuarial gain/loss during the year (net of taxes)	-	-	-	41	41

Statement of changes in equity

(Amount in Lakhs)

Particulars	Other Equity				Total equity attributable to equity holders of the Company
	Securities Premium	Statutory reserve	ESOS Outstanding Account	Retained earnings	
Total comprehensive income for the year	26,077	4,552	141	(97)	30,672
Transfer to statutory reserve	-	805	-	(805)	-
Stock options exercised/ lapsed	-	-	72	-	72
Securities premium on shares issued during the year	31	-	-	-	31
Balance as at 31 March 2021	26,108	5,357	212	(902)	30,775

The accompanying notes form an integral part of these financial statements

This is the Statement of changes in equity referred to in our report of even date

For Singhi & Co.
Chartered Accountants
Firm's Registration No.: 302049E

S. Chandrasekhar
Partner
Membership No: 007592
Place : Mumbai
Date : 26th April 2022

For and on behalf of the Board of Directors of
Motilal Oswal Home Finance Limited
CIN: U65923MH2013PLC248741

Motilal Oswal
Chairman
DIN: 00024503

Raamdeo Agarawal
Director
DIN: 00024533

Shalibhadra Shah
Chief Financial Officer

Ritin Mawani
Company Secretary

Place : Mumbai
Date : 26th April 2022



Summary of significant accounting policies and other explanatory information

Note 1: Corporate information

Motilal Oswal Home Finance Limited ("MOHFL" or "the Company") was incorporated in India on 01 October 2013. The Company is registered with the National Housing Bank under section 29A of the National Housing Bank Act, 1987 with effect from 19 May 2014.

MOHFL is primarily engaged into providing loans for purchase or construction of residential houses.

Note 2: Basis of Preparation

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. As required by Division III issued under Schedule III of the Act, the Company has presented the assets and liabilities in the balance sheet in order of the liquidity.

(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. Any application guidance / clarification / directions issued by the NHB or RBI or other regulators are implemented as and when they are issued / applicable.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and financial liabilities are measured at fair value (refer accounting policy regarding financial instruments).
- Assets held for sale – measured at fair value less cost to sell;
- Defined benefit plans – plan assets measured at fair value; and
- Share based payment determined on fair value of options.

(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, 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 40.

(iv) Functional and presentation currency

The financial statements are presented in Indian rupee (INR), which is MOHFL's functional and presentation currency.

(v) Use of estimates and judgment

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. 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 judgments 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, Company reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is provided 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 neither provided nor disclosed in the



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:** The Company recognizes loss allowances for expected credit losses on its financial assets measured at amortized cost. At each reporting date, the Company assesses whether financial assets carried at amortized cost are 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.
- (c) **Recognition of deferred tax assets:** Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences could be utilized. Further details are disclosed in note 10 and note 28.
- (d) **Share based payment:** The Company accounts for share based payments by measuring and recognizing as compensation expense the fair value of all share-based payment awards made to employees based on 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 fair 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 share based payment 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 share based payment expense amounts in the future.
- (e) **ESOP cost:** The stock options of the Parent 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.
- (f) **Determination of the estimated useful lives of Property, plant and equipment:** Useful lives of property, plant and equipment are taken as prescribed in Schedule II of the Act. In cases, where the useful lives are different from that prescribed in Schedule II and in case of intangible assets, they are estimated by management based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.
- (g) **Recognition and measurement of defined benefit obligations:** The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is sensitive to changes in these assumptions. Further details are disclosed in note 38.
- (h) **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 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.
- (i) **Effective interest rate:** The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected behavioral life of the financial asset to the gross carrying amount of the financial asset. This estimation, by nature, requires an element of judgement regarding the expected behavior and life-cycle of the instruments, the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges) as well expected changes to the base rate and other transaction costs and fees paid or received that are integral parts of the instrument.
- (j) **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.

- (k) **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 de-recognition 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.

(vi) Measurement of fair values:

The Company's accounting policies and disclosures require the measurement of fair values for, both financial and non-financial assets and liabilities.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Note 3: Summary of significant accounting policies

3.1. Financial instrument

(i) 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.

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, commissions etc. 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:

- 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.
- 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 profit or loss.



(ii) Classification and subsequent measurement

(a) Financial Assets

As per principles given under Ind AS 109, the Company 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 depend on:

- (i) the Company's business model for managing the asset; and
- (ii) the cash flow characteristics of the asset.

Based on these factors, the Company classifies its financial assets into one of the following three measurement categories:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest ('SPPI'), and that are not designated at FVTPL, are subsequently measured at amortized cost using effective interest rate ('EIR') method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

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.

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.

Equity securities held by MOHFL are classified as FVTPL unless conditions to classify at FVOCI are met.

(b) Financial liability and equity instruments

(i) Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company is recognised at the proceeds received, net of directly attributable transaction costs.

(ii) Financial liability:

Financial liabilities are classified at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

(iii) Impairment

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 is 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.

(iv) Derecognition

(a) Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The contractual rights to receive cash flows from the financial asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset and the Company has transferred substantially all the risks and rewards of the asset, or the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

If the Company neither transfers nor retains substantially all of the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amount it may have to pay.



If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not de-recognised and the proceeds received are recognised as a collateralised borrowing. On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI or otherwise is recognised in profit or loss.

(b) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying value of the original financial liability and the new financial liability with modified terms is recognised in profit or loss.

(v) Offsetting

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, the Company has a legally enforceable right to offset the recognised amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(vi) Write-offs

The gross carrying amount of a financial asset is written-off (either partially or in full) to the extent that there is no reasonable expectation of recovering the asset in its entirety or a portion thereof. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. 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 profit or loss.

(vii) 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.



3.2 Repossessed collateral

Reposessed 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.

3.3 Revenue Recognition

(i) Revenue from contract with customers:

Revenue (other than for those items to which Ind AS 109 Financial Instruments is applicable) is measured at fair value of the consideration received or receivable. Amounts disclosed as revenue are exclusive of goods and services tax ('GST') and amounts collected on behalf of third parties. Ind AS 115 Revenue from Contracts with Customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes previous revenue recognition guidance found within Ind AS.

The Company recognises revenue from contracts with customers based on a five-step model as set out in Ind 115:

Step 1: Identify contract(s) with a customer: 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.

Step 2: Identify 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.

Step 3: Determine the 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.

Step 4: Allocate the transaction price to the performance obligations in the contract: 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.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation
Specific policies for the Company's different sources of revenue are explained below:

(ii) Recognition of Interest income and other charges

(a) 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).

(b) Other financial charges

Cheque bouncing charges, late payment charges, foreclosure charges and application money are recognised on a point-in-time basis and are recorded when realised since the probability of collecting such monies is established when the customer pays.

(iii) Dividend income

Dividend income is recognized in the statement of profit or 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.



(iv) Other income

In other cases, income is recognized following accrual principles when there is no significant uncertainty as to determination and realization.

3.4 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 Taxes

Current tax is measured at the amount of tax payable to tax authorities on the taxable income for the year calculated in accordance with the provision of Income Tax Act, 1961.

Deferred Taxes

Deferred tax is recognised for all the temporary differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised and carried forward only to the extent it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

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.

The Company has elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by 'The Taxation Laws (Amendment) Act, 2019'. Under this option, Company is not required to comply with provisions of Minimum Alternate Tax.

3.5 Leases – As 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 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 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 recognised as an expense in profit or loss on a straight-line basis over the lease term.

3.6 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, balances with banks, deposits with original maturities of three months or less that are readily convertible to known amounts of cash, which are subject to insignificant risk of change in value.

3.7 Property, plant and equipment

(i) Recognition & measurement

Items of property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost less accumulated depreciation and accumulated impairment loss, if any includes expenditure that is directly attributable to the acquisition of the items.

(ii) Subsequent cost

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 profit or loss during the reporting period in which they are incurred.

(iii) Depreciation methods, estimated useful lives and residual value

The Company provides for depreciation on a straight-line basis over the useful life commencing from the month in which the asset is first put to use, over their estimated useful life prescribed under Schedule II to the Companies Act, 2013 as mentioned below

Assets	Estimated Useful life
Computers	3 Years
Furniture & Fixtures	10 Years
Motor car	8 Years
Office equipments	10 years

(iv) Gain or Loss on disposal

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognized in the statement of profit or loss.

3.8 Intangible assets

(i) Recognition and measurement

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.

(ii) Subsequent cost

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.

(iii) Amortisation

The Company amortizes intangible assets on a straight-line basis over the useful life of 5 years commencing from the month in which the asset is first put to use.



3.9 Employee benefits

(i) Short-term employee benefit

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.

(a) Compensated absences

An employee can carry forward leave to next financial year as per the policy of Company. No leave is allowed to be encashed. An obligation arises as employees render service that increases their entitlement to future compensated absences. 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.

(ii) Post-employment benefit

Defined contribution plan:

Contribution 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 adjustment and the effects of changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income.

(iii) Other long-term employee benefit

(a) 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 benefit obligation is calculated at the Balance Sheet date by an independent actuary using the projected unit credit method.

(iv) 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 of Motilal Oswal Home Finance Limited and its group companies as well, are granted an option to subscribe to equity share of the Company 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 share based payment reserve. The total amount to be expensed is determined reference to the fair value of the options granted excluding the impact of any service conditions.

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 to equity.

When the terms of an equity-settled award are modified, the minimum expense recognized is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognized for any modification that increases the total fair value of the share-based payment transaction or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the statement of profit and loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.



Grants provided by the holding company to the employees at deputation to the company are also accounted for in line with accounting treatment described above. The corresponding impact of the expense recorded on account of such grants are recorded as payable to holding company.

3.10 Earnings per share

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners 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.

3.11 Provisions and Contingent Liabilities:

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 Balance Sheet date.

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.

3.12 Impairment of Non-financial assets

Assessment is done at each reporting date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each reporting date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. After impairment (if any), depreciation/ amortisation is provided on the revised carrying amount of the assets over its remaining life.

3.13 Foreign currency

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each closing date of the Company's monetary items at the closing rate are recognized as income and expenses in the period in which they arise. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the date of transactions. Non-monetary items that are measured at fair value in a foreign currency shall be translated into functional currency using the exchange rates at the date when the fair value was determined. Exchange differences are recognised in the statement of profit and loss.

3.14 Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable to the Company from 1 April 2021.



Notes to Financial Statement

(Contd...)

(Amount in Lakhs)

Note 4 : Cash and cash equivalents

	As at 31 March 2022	As at 31 March 2021
(i) Cash on hand	222	181
(ii) Balance with banks :		
In current account	22,882	31,778
	23,104	31,959

1. There are no earmarked balances with banks.
2. There are no balances with banks held as margin money or security against the borrowings, guarantees, other commitments.
3. There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period.

Note 5 : Bank balances other than (4) above

	As at 31 March 2022	As at 31 March 2021
(i) Deposits with maturity of less than 3 months*	2,520	-
(ii) Deposits with maturity of more than 3 months but less than 12 months	1,723	2,400
(iii) Deposits with maturity of more than 12 months **	-	295
	4,243	2,695

* Held as cash collateral for securitisation of receivables

** The above deposit is lien with State Bank of Mauritius, against term loan.

Note 6 : Trade and other receivables

	As at 31 March 2022	As at 31 March 2021
Trade receivables		
(i) Considered good - unsecured	15	497
	15	497

Trade receivable ageing schedule as at 31 March 2022

Particular		Outstanding for following periods from due date of payment					
		less than 6 months	6 months 1 year	1-2 year	2-3 year	more than 3 years	Total
(i)	Undisputed trade receivables- considered good	15	-	-	-	-	15
(ii)	Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii)	Undisputed trade receivables – credit impaired	-	-	-	-	-	-
(iv)	Disputed trade receivables– considered good	-	-	-	-	-	-
(v)	Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi)	Disputed trade receivables – credit impaired	-	-	-	-	-	-

Notes to Financial Statement

(Contd...)



(Amount in Lakhs)

Trade receivable ageing schedule as at 31 March 2021

Particular		Outstanding for following periods from due date of payment					
		less than 6 months	6 months 1 year	1-2 year	2-3 year	more than 3 years	Total
(i)	Undisputed trade receivables- considered good	497	-	-	-	-	497
(ii)	Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii)	Undisputed trade receivables – credit impaired	-	-	-	-	-	-
(iv)	Disputed trade receivables– considered good	-	-	-	-	-	-
(v)	Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi)	Disputed trade receivables – credit impaired	-	-	-	-	-	-

1. There are no trade receivable which have significant increase in credit risk or which are credit impaired.
2. There are no debts due from directors or other officers of the Company or any of them either severally or jointly with any other person or debts due by firms including limited liability partnerships (LLPs), private companies respectively in which any director is a partner or a director or a member.

Note 7 : Loans - At amortised cost (Also, refer note 31)

	As at 31 March 2022	As at 31 March 2021
(A) Loan under management*	3,51,989	3,54,489
Less : Impairment loss allowance	8,534	7,060
Total (A)	3,43,455	3,47,429
*Comprises of housing loans and non housing loans		
(B) (i) Secured by tangible assets	3,51,989	3,54,489
(ii) unsecured	-	-
Less : Impairment loss allowance	8,534	7,060
Total (B)	3,43,455	3,47,429
C) (I) Loans in India		
(i) Public sector	-	-
(ii) Others	3,51,989	3,54,489
Less : Impairment loss allowance	8,534	7,060
Total (C) (I) Gross	3,43,455	3,47,429
C) (II) Loans outside India	-	-
Less : Impairment loss allowance	-	-
Total (C) (II) Gross	-	-
Total (C) (I) and (C) (II)	3,43,455	3,47,429



Notes to Financial Statement

(Contd...)

(Amount in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Stage wise break up of loans, net of provisions		
(i) Low credit risk (stage 1)	3,29,807	3,21,697
(ii) Significant increase in credit risk (stage 2)	10,498	20,485
(iii) Credit impaired (stage 3)	3,150	5,248
Total	3,43,455	3,47,429
Loan assets pledged as security for borrowings	2,83,675	2,89,498

Note - There is no outstanding loan from Promoters, Directors, KMPs and related parties.

Note 8 : Other Financial assets

	As at 31 March 2022	As at 31 March 2021
(i) Earning interest strip	615	-
(ii) Security deposit	100	119
(iii) Loan to employees	102	90
(iv) Other receivable from related parties	2	2
	819	211

Note 9 : Current tax assets (Net)

	As at 31 March 2022	As at 31 March 2021
Advance payment of income tax (net of provision)	1,035	1,030
	1,035	1,030

Note 10 : Deferred tax assets

	As at 31 March 2022	As at 31 March 2021
Deferred tax assets (net) (Refer note 28)	2,383	4,733
	2,383	4,733

Note 11 : Property, Plant and Equipment

	Computers and data processing units	Furniture and fixtures	Electric installations	Office equipments	Motor car	Leasehold improvements	Right of use (Office premise)	Total
Reconciliation of carrying amount								
Cost or deemed cost (gross carrying amount)								
Balance as at 1 April 2020	832	395	199	336	23	746	743	3,274
Additions	27	11	7	11	-	49	-	107
Disposals	-	-	-	-	-	-	163	163
Balance as at 31 March 2021	859	406	206	347	23	795	580	3,218
Balance as at 1 April 2021	859	406	206	347	23	795	580	3,217
Additions	168	-	1	14	-	154	168	505
Disposals	-	-	-	-	-	-	-	-
Balance as at 31 March 2022	1,027	406	207	360	23	949	748	3,722

Notes to Financial Statement

(Contd...)



(Amount in Lakhs)

	Computers and data processing units	Furniture and fixtures	Electric installations	Office equipments	Motor car	Leasehold improvements	Right of use (Office premise)	Total
Accumulated depreciation and impairment losses								
Balance as at 1 April 2020	671	190	159	148	7	531	263	1,969
Depreciation for the year	66	30	25	27	3	114	283	547
Disposals	-	-	-	-	-	-	-	-
Balance as at 31 March 2021	737	220	184	175	10	645	547	2,517
Depreciation for the year	73	30	14	27	3	99	125	370
Disposals	-	-	-	-	-	-	-	-
Balance as at 31 March 2022	810	249	198	202	12	744	671	2,887
Carrying amounts (net)								
As at 31 March 2021	122	187	23	172	14	150	33	700
As at 31 March 2022	217	157	10	159	11	205	77	834

Note 12: Other Intangible assets

Reconciliation of carrying amount	Computer software
Cost or deemed cost	
Balance as at 1 April 2020	544
Additions – internally developed	17
Balance as at 31 March 2021	561
Other additions – internally developed	105
Balance as at 31 March 2022	666
Accumulated amortisation and impairment losses	
Balance as at 1 April 2020	256
Amortisation for the year	100
Balance as at 31 March 2021	356
Amortisation for the year	99
Balance as at 31 March 2022	455
Carrying amounts (net)	
As at 31 March 2021	205
As at 31 March 2022	211

Title deeds of immovable properties not held in the name of company

Relevant line in the balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of company (also indicate if in dispute)
Property, plant and equipment	NA	NA	NA	NA	NA	NA
Investment property	NA	NA	NA	NA	NA	NA
Non current assets held for sale	NA	NA	NA	NA	NA	NA
Other	NA	NA	NA	NA	NA	NA

There is no revaluation of property, plant and equipment done during the year.



Notes to Financial Statement

(Contd...)

(Amount in Lakhs)

Note 13 : Other non-financial assets

	As at 31 March 2022	As at 31 March 2021
(i) Prepaid expenses	34	24
(ii) Goods and service tax credit receivable	82	117
(iii) Capital advances	28	47
(iv) Other advances	59	111
	203	299

Note 14 : Trade Payables

	As at 31 March 2022	As at 31 March 2021
Total outstanding dues of micro small & medium enterprises (Refer Note 52)	-	-
Total outstanding dues of creditors other than micro small & medium enterprises	729	556
	729	556

Trade payable ageing schedule as at 31 March 2022

Particular		Outstanding for following periods from due date of payment				
		less than 1 years	1-2 years	2-3 years	more than 3 years	Total
(i)	MSME	-	-	-	-	-
(ii)	Other	729	-	-	-	729
(iii)	Disputed dues - MSME	-	-	-	-	-
(iv)	Disputed dues - others	-	-	-	-	-
(v)	Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-
(vi)	Disputed trade receivables – credit impaired	-	-	-	-	-

Trade payable ageing schedule as at 31 March 2021

Particular		Outstanding for following periods from due date of payment				
		less than 1 years	1-2 years	2-3 years	more than 3 years	Total
(i)	MSME	-	-	-	-	-
(ii)	Other	556	-	-	-	556
(iii)	Disputed dues - MSME	-	-	-	-	-
(iv)	Disputed dues - others	-	-	-	-	-
(v)	Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-
(vi)	Disputed trade receivables – credit impaired	-	-	-	-	-

Note 15: Debt securities at amortised cost

	As at 31 March 2022	As at 31 March 2021
(i) Secured redeemable non-convertible debentures	42,304	79,633
(ii) Unsecured redeemable non-convertible debentures	32,316	35,291
Total	74,619	1,14,924
Debt securities in India	74,619	1,14,924
Debt securities outside India	-	-

Notes to Financial Statement

(Contd...)



(Amount in Lakhs)

Security and other terms of debt securities

- During the year, Company had made quarterly submissions to debenture trustees & other holders. The quarterly statements / returns filed with debenture trustees and bankers were in line with the respective quarter financial statements.
- Terms of repayment as below (repayment schedule mentioned below excludes unamortised borrowing cost):

As at 31 March 2022

NCD Series	Units	Amount	Security provided	Security coverage	Rate of Interest	Maturity date
SERIES A-8 / F.Y.21/ F.Y.23	500	5,000	Exclusive charge over specific receivables	1.1 times of the amount outstanding	9.60%	29 June 2023
SERIES A-7 / F.Y.21/ F.Y.23	500	5,000	Exclusive charge over specific receivables	1.2 times of the amount outstanding	9.50%	23 June 2023
SERIES A-6 / F.Y.21/ F.Y.23	250	2,500	Exclusive charge over specific receivables	1.1 times of the amount outstanding	9.79%	22 June 2023
SERIES M-9 /F.Y.21 /F.Y.24	541	5,426	Exclusive charge over specific receivables	1 times of the amount outstanding	MLD	01 June 2023
SERIES A (2016-17)/07	997	9,970	Exclusive charge over specific receivables	1.25 times of the amount outstanding	9.85%	15 May 2023
SERIES A-9 / F.Y.21/ F.Y.23	750	7,500	Exclusive charge over specific receivables	1.25 times of the amount outstanding	9.45%	21 April 2023
SERIES M-7/FY20/FY23	378	3,795	Exclusive charge over specific receivables	1 times of the amount outstanding	MLD	29 December 2022
SERIES M-6/FY20/FY23	334	3,354	Exclusive charge over specific receivables	1 times of the amount outstanding	MLD	18 May 2022
Grand Total	4,250	42,545				

As at 31 March 2021

NCD Series	Units	Amount	Security provided	Security coverage	Rate of Interest	Maturity date
SERIES A-8 / F.Y.21/ F.Y.23	500	5,000	Exclusive charge over specific receivables	1.1 times of the amount outstanding	9.60%	29 June 2023
SERIES A-7 / F.Y.21/ F.Y.23	500	5,000	Exclusive charge over specific receivables	1.2 times of the amount outstanding	9.50%	23 June 2023
SERIES A-6 / F.Y.21/ F.Y.23	250	2,500	Exclusive charge over specific receivables	1.1 times of the amount outstanding	9.79%	22 June 2023
SERIES M-9 /F.Y.21 /F.Y.24	541	5,426	Exclusive charge over specific receivables	1 times of the amount outstanding	MLD	01 June 2023
SERIES A (2016-17)/07	997	9,970	Exclusive charge over specific receivables	1.1 times of the amount outstanding	9.85%	15 May 2023



Notes to Financial Statement

(Contd...)

(Amount in Lakhs)

NCD Series	Units	Amount	Security provided	Security coverage	Rate of Interest	Maturity date
SERIES A-9 / F.Y.21/ F.Y.23	750	7,500	Exclusive charge over specific receivables	1.25 times of the amount outstanding	9.45%	21 April 2023
SERIES A-5/FY20/FY23	2,000	20,000	Exclusive charge over specific receivables	1 times of the amount outstanding	10.00%	24 March 2023
SERIES M-7/FY20/FY23	383	3,845	Exclusive charge over specific receivables	1 times of the amount outstanding	MLD	29 December 2022
SERIES M-6/FY20/FY23	334	3,354	Exclusive charge over specific receivables	1 times of the amount outstanding	MLD	18 May 2022
SERIES A-10 /F.Y.21/F.Y.23	250	2,500	Exclusive charge over specific receivables	1.1 times of the amount outstanding	9.00%	28 January 2022
SERIES M-3/FY20/FY22	280	2,827	Exclusive charge over specific receivables	1 times of the amount outstanding	MLD	28 December 2021
SERIES M-8 /F.Y.21 /F.Y.22	1,000	10,024	Exclusive charge over specific receivables	1 times of the amount outstanding	MLD	10 December 2021
SERIES M-2/FY20/FY22	143	1,432	Exclusive charge over specific receivables	1 times of the amount outstanding	MLD	16 November 2021
SERIES M-1/FY19/FY22	46	478	Exclusive charge over specific receivables	1 times of the amount outstanding	MLD	30 April 2021
Grand Total	7,974	79,855				

Unsecured Debt securities as at 31 March 2022

NCD Series	Amount	Units	Rate of Interest	Maturity date
SERIES A (2016-17)/11 INE658R08123	2,500	250	11.00%	07 August 2026
Series MOHFL U-K1 FY2021-22 INE658R08172	29,000	2,900	6.00%	10 February 2025
Series MOHFL U-J1 FY2021-22 INE658R08164	1,000	100	6.75%	31 January 2025
Total	32,500	3,250		

Unsecured Debt securities As at 31 March 2021

NCD Series	Amount	Units	Rate of Interest	Maturity date
SERIES A (2016-17)/11	5,000	500	11.25%	07 August 2026
SERIES A-4/FY19/FY25	30,000	3,000	8.00%	27 January 2024
SERIES A (2016-17)/1	390	39	11.40%	28 April 2021
Total	35,390	3,539		

Notes to Financial Statement

(Contd...)



(Amount in Lakhs)

Note 16: Borrowings at Amortised cost

	As at 31 March 2022	As at 31 March 2021
Secured		
(i) Term loans from banks*	1,45,494	1,28,256
(ii) Term loans from securitization	14,733	18,411
(iii) Term loans from NHB refinance	18,254	22,500
(iv) Term Loan ECB	7,547	-
(v) Cash credit from banks #	-	1,153
Total	1,86,027	1,70,321

* As on March 31, 2022, out of the above, term loans amounting INR Nil (PY - 74,339) were secured by Corporate guarantee from the Holding Company

This represents debit balances in cash credit accounts as at 31 March 2022

Borrowings in India	1,78,480	1,70,321
Borrowings outside India	7,547	-

Security and other terms of loans are as follows :

- Rate of interest of cash credit is 3M MCLR (Marginal cost of funds-based Lending Rate) + 1.00% and is secured by way of hypothecation of receivables. Further, these are repayable on demand.
- Securitisation liability represents amounts received in respect of securitisation transactions (net of repayments & investment therein) as these transactions do not meet the derecognition criteria specified under Ind AS. These are secured by way of hypothecation of designated assets on finance receivables.
- U.S. International Development Finance Corporation (DFC) has provided long term loan under ECB route at fixed ROI and same is fully hedged with AD Cat-I bank
- During the year under audit, company had made quarterly submissions to banks & other lenders, same are in line with amounts reported in books of accounts.
- Terms of repayment of terms loans

As at 31 March 2022

- Term loans from Banks / Financial Institutions / NHB secured by way of exclusive hypothecation of receivables i.e. loans and advances.

Maturity	0-1 years	1-3 years	3-5 years	> 5 years	Total
Rate of interest					
5.25 % to 8.80% annually	54,333	58,298	26,840	24,277	1,63,748
Total	54,333	58,298	26,840	24,277	1,63,748

- Terms of maturity of securitization liability

Maturity	0-1 years	1-3 years	3-5 years	> 5 years	Total
Rate of interest					
7.50 % annually	640	1,389	1,423	11,281	14,733
Total	640	1,389	1,423	11,281	14,733



Notes to Financial Statement

(Contd...)

(Amount in Lakhs)

(iii) Term loan ECB secured by way of exclusive hypothecation of receivables i.e. loans and advances.

Maturity	0-1 years	1-3 years	3-5 years	> 5 years	Total
Rate of interest					
7.16%	-	2,264	5,283		7,547
Total	-	2,264	5,283	-	7,547

As at 31 March 2021

(i) Term loans from Banks / Financial Institutions / NHB - secured by way of exclusive hypothecation of receivables i.e. loans and advances.

Maturity	0-1 years	1-3 years	3-5 years	> 5 years	Total
Rate of interest					
5.25% to 10.95% annually	49,620	63,878	24,320	12,939	1,50,756
Total	49,620	63,878	24,320	12,939	1,50,756

(ii) Terms of maturity of securitisation liability

Maturity	0-1 years	1-3 years	3-5 years	> 5 years	Total
Rate of interest					
7.55 % annually	297	1,499	1,654	14,961	18,411
Total	297	1,499	1,654	14,961	18,411

Note 17 : Other Financial liabilities

	As at 31 March 2022	As at 31 March 2021
(i) Interest accrued but not due on borrowings	4,760	5,539
(ii) Interest Payable on assignment	23	-
(iii) Salary and bonus payable	445	252
(iv) Lease liability	218	185
(v) Book overdraft	5,514	3,994
(vi) Other liabilities	2,604	2,591
	13,564	12,561

Note 18 : Provisions

	As at 31 March 2022	As at 31 March 2021
(a) Provision for employee benefits		
(i) Gratuity (Refer note 38 B)	116	78
(ii) Other employee benefit	4	4
(iii) Compensated absences	111	85
(b) Provision for expenses	184	137
	415	304

Notes to Financial Statement

(Contd...)



(Amount in Lakhs)

Provision for expenses ageing schedule as at 31 March 2022

Particular		Outstanding for following periods from due date of payment				
		Less than 1 years	1-2 years	2-3 years	more than 3 years	Total
(i)	MSME	-	-	-	-	-
(ii)	Other	184	-	-	-	184
(iii)	Disputed dues - MSME	-	-	-	-	-
(iv)	Disputed dues - others	-	-	-	-	-
(v)	Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-
(vi)	Disputed trade receivables – credit impaired	-	-	-	-	-

Provision for expenses ageing schedule as at 31 March 2021

Particular		Outstanding for following periods from due date of payment				
		Less than 1 years	1-2 years	2-3 years	more than 3 years	Total
(i)	MSME	-	-	-	-	-
(ii)	Other	137	-	-	-	137
(iii)	Disputed dues - MSME	-	-	-	-	-
(iv)	Disputed dues - others	-	-	-	-	-
(v)	Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-
(vi)	Disputed trade receivables – credit impaired	-	-	-	-	-

Note 19 : Other non-financial liabilities

	As at 31 March 2022	As at 31 March 2021
Statutory liabilities	251	139
	251	139

Note 20 : Equity Share Capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	Amount	Number	Amount
(a) Authorised Share Capital				
Equity shares of Re. 1/- each	10,00,00,00,000	1,00,000	10,00,00,00,000	1,00,000
(b) Equity shares of Re. 1/- each issued, subscribed and fully paid up				
Equity share capital of Re. 1/- each	6,02,70,91,515	60,271	6,01,78,47,765	60,178
	6,02,70,91,515	60,271	6,01,78,47,765	60,178

- a) The Company has only one class of equity shares having a face value of Re. 1 each. Each holder of equity shares is entitled to one vote per share.
- b) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts, in proportion to their holding. However, there exists no preferential liability as at 31 March 2022.



Notes to Financial Statement

(Contd...)

(Amount in Lakhs)

(c) Reconciliation of share capital :

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	Amount	Number	Amount
Equity shares				
Outstanding at the beginning of the year	6,01,78,47,765	60,178	6,01,30,37,765	60,130
Changes in Equity Share Capital due to prior year errors	-	-	-	-
Restated balance at the beginning of the previous reporting year	6,01,78,47,765	60,178	6,01,30,37,765	60,130
Issued during the year	92,43,750	92	48,10,000	48
Outstanding at the end of the year	6,02,70,91,515	60,271	6,01,78,47,765	60,178

(d) Details of shares held by holding Company and subsidiaries of holding Company / shareholders holding more than 5% shares in the Company

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	% of holding	Number	% of holding
Motilal Oswal Financial Services Limited				
Equity share of Re. 1 each fully paid-up	4,83,62,67,917	80.24%	4,83,62,67,897	80.37%
Motilal Oswal Finvest Limited				
Equity share of Re. 1 each fully paid-up	60,00,00,000	9.96%	60,00,00,000	9.97%
	5,43,62,67,917	90.20%	5,43,62,67,897	90.34%

(e) Details of shares held by promoters/promoter group as at 31 March, 2022

Promoter name	Number of shares	% of total shares	% Change during the year
Motilal Oswal Financial Services Limited	4,83,62,67,917	80.24%	(0.13)%
Motilal Oswal Asset Management Company Limited	10	0.00%	0.00%
Motilal Oswal Investment Advisors Limited	26,03,44,836	4.32%	(0.01)%
Motilal Oswal Wealth Limited	19,23,07,702	3.19%	(0.01)%
Motilal Oswal Finvest Limited	60,00,00,000	9.96%	(0.01)%
Mr. Motilal Oswal	10	0.00%	0.00%
Mr. Raamdeo Agarawal	10	0.00%	0.00%
	5,88,89,20,485	97.71%	(0.16)%

Details of shares held by promoters/promoter group as at 31 March, 2021

Promoter name	Number of shares	% of total shares	% Change during the year
Motilal Oswal Financial Services Limited	4,83,62,67,897	80.37%	(0.06)%
Motilal Oswal Asset Management Company Limited	10	0.00%	0.00%
Motilal Oswal Investment Advisors Limited	26,03,44,836	4.33%	0.00%
Motilal Oswal Wealth Management Limited	19,23,07,702	3.20%	0.00%
Motilal Oswal Finvest Limited	60,00,00,000	9.97%	(0.01)%
MOPE Investment Advisors Private Limited	10	0.00%	0.00%
Motilal Oswal Real Estate Investment Advisors II Private Limited	10	0.00%	0.00%
Mr. Motilal Oswal	10	0.00%	0.00%
Mr. Raamdeo Agarawal	10	0.00%	0.00%
	5,88,89,20,485	97.87%	(0.07)%

Also refer note 40 for disclosure relating to employee stock option scheme.

Notes to Financial Statement

(Contd...)



(Amount in Lakhs)

- (f) The Company has not issued any shares for consideration other than cash nor there has been any buyback of shares during the five years immediately preceding 31 March 2022

Note 21: Other Equity

	As at 31 March 2022	As at 31 March 2021
(I) Other Reserves		
(a) Share option outstanding account		
Opening Balance	212	141
Add: Addition during the year	45	72
Total	257	212
(b) Statutory reserves		
Opening Balance		
Section 29C of The National Housing Bank Act, 1987	1,494	1,494
Special reserve u/s 36(1) (viii) of Income Tax Act, 1961	3,862	3,058
Transfer during the year		
Section 29C of The National Housing Bank Act, 1987	90	-
Special reserve u/s 36(1) (viii) of Income Tax Act, 1961	1,808	805
Closing Balance		
Section 29C of The National Housing Bank Act, 1987	1,584	1,494
Special reserve u/s 36(1) (viii) of Income Tax Act, 1961	5,670	3,862
Total	7,255	5,357
(c) Securities Premium account		
Opening Balance	26,108	26,077
Securities premium on shares issued during the year	104	31
Total	26,212	26,108
(II) Retained Earnings		
(a) Surplus/ (Deficit) in profit or loss account		
Opening Balance	(1,187)	(4,405)
(Loss) / Profit for the year	9,489	4,023
Transfer to Statutory Reserve	(1,898)	(805)
Total	6,404	(1,187)
(b) Other comprehensive income		
Opening Balance	285	244
Other Comprehensive Income (net of tax)	13	41
Total	298	285
Total Other Equity	40,426	30,775

Note: During the year, the Company has not drawn down any of the reserves.

21.1 Nature and purpose of Other Reserve

(a) Share option outstanding account

Share option outstanding account is used to recognise the grant date fair value of equity settle instruments issued to employees under the stock option scheme of the Company.

(b) Statutory Reserves

(i) Reserve u/s 29C of National Housing Bank Act, 1987:

The Company has created a reserve fund as required by section 29C of National Housing Bank Act, 1987, wherein a sum equal to twenty percent of its profit every year, as disclosed in the profit and loss account and before any dividend is declared, is transferred.



Notes to Financial Statement

(Contd...)

(Amount in Lakhs)

(ii) Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961:

In respect of any special reserve created and maintained by a specified entity, an amount not exceeding twenty percent of the profits derived from eligible business computed under the head "Profits and gains of business or profession" (before making any deduction under this clause) is carried to such reserve account.

(c) Securities Premium

The security premium account is use to record the premium received on issue of shares. The reserve will be utilised in accordance with the provisions of the Act.

(d) Retained earnings

Retained earnings represents accumulated surplus/ deficit of the Company and remeasurement gains/ (loss) on defined benefit plan.

NOTE 22: Revenue from operations

	For the year ended 31 March 2022	For the year ended 31 March 2021
(i) Interest income on loan at amortised cost	49,773	52,809
(ii) Interest income on fixed deposit at amortised cost	192	130
(iii) Fees and commission income	1,267	582
(iv) Net gains on fair value changes on financial instruments at FVTPL	39	398
(v) Net gain on derecognition of financial assets	899	-
TOTAL	52,170	53,919

NOTE 23: Other income

	For the year ended 31 March 2022	For the year ended 31 March 2021
(i) Other non operating income	450	633
TOTAL	450	633

NOTE 24: Finance cost

	For the year ended 31 March 2022	For the year ended 31 March 2021
(i) Interest cost	20,727	27,946
(ii) Interest cost on lease liability	86	73
(iii) Interest cost on securitization	1,289	4
(iv) Other borrowing cost	801	866
TOTAL	22,903	28,890

NOTE 25: Impairment on financial instruments

	For the year ended 31 March 2022	For the year ended 31 March 2021
(i) Impairment on loans (loans measured at amortised cost)	1,473	2,727
(ii) Loss on derecognition of loan assets*	5,846	5,308
TOTAL	7,319	8,035

* This majorly includes loss on sale of assets to an asset reconstruction company. Also, refer note 31 for additional details.

Notes to Financial Statement

(Contd...)



(Amount in Lakhs)

NOTE 26: Employee benefits expenses

	For the year ended 31 March 2022	For the year ended 31 March 2021
(i) Salary, bonus and allowances	7,022	5,393
(ii) Share based payments	81	43
(iii) Contribution to provident & other funds (Refer note 38 A)	393	270
(iv) Staff welfare expenses	22	3
(v) Gratuity obligation (Refer note 38 B)	67	56
TOTAL	7,584	5,765

NOTE 27: OTHER EXPENSES

	For the year ended 31 March 2022	For the year ended 31 March 2021
(i) Rates & taxes	202	140
(ii) Rent	240	269
(iii) Insurance	95	62
(iv) Computer maintenance & software charges	11	32
(v) Legal & professional charges	385	486
(vi) Remuneration to auditors (Refer note 32)	37	41
(vii) Data processing charges	93	92
(viii) Marketing & brand promotion expenses	48	51
(ix) Advertisement expenses	88	88
(x) Printing & stationary	31	19
(xi) Power and fuel	55	60
(xii) Communication and data charges	109	148
(xiii) Travelling, lodging and boarding expenses	337	178
(xiv) Business support service	219	219
(xv) Repair and maintenance	11	8
(xvi) Miscellaneous expenses	553	276
TOTAL	2,514	2,170

NOTE 28: Income tax expense

	For the year ended 31 March 2022	For the year ended 31 March 2021
A. Amounts recognised in statement of profit or loss		
Current tax		
Current year (a)	-	-
Changes in estimates related to prior years (b)	(3)	6
Deferred tax (c)		
Origination and reversal of temporary differences	2,345	5,016
Tax expense of continuing operations (a)+(b)+(c)	2,342	5,022
B. Amount recognised in other comprehensive income		
Remeasurements of defined benefit liability	(4)	(14)
	(4)	(14)



Notes to Financial Statement

(Contd...)

(Amount in Lakhs)

	For the year ended 31 March 2022	For the year ended 31 March 2021
C. Reconciliation of effective tax		
Profit before tax	11,831	9,045
Tax at the rate of 25.168%	2,978	2,277
Effect of:		
Prior Period tax liability on assessment	(3)	6
Loss due to restatement for the year*	-	2,731
Miscellaneous disallowance	25	8
Tax exemption on special reserve	(455)	-
Reversal of deferred tax on special reserve created in earlier years	(202)	-
Effective tax	2,342	5,022
Effective Tax Rate	19.80%	55.52%
Effective Tax Rate excluding loss due to restatement & prior period tax	-	25.26%
Effective Tax Rate before adjustment of amount transferred to special reserve & prior period tax.	25.38%	-

* The Company has elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by 'The Taxation Laws (Amendment) Act, 2019'. Accordingly, the Company has recognised provision for Income Tax for the year ended 31 March 2021 and re-measured its Deferred tax assets/ liability basis the rate prescribed in the aforesaid section. Accordingly, an amount of INR 2,731 lakhs for the year ended 31 March 2021, is attributable to the effect of revising the annual effective income tax rate.

D. Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

Difference between book depreciation and tax depreciation	135	158
Other employee benefits	(67)	(12)
Unamortised borrowing cost	(189)	(43)
Deposit and rent equalization	59	59
Provision for compensated absence	28	21
Provision for loan assets	2,149	1,778
Reserve created u/s 36(1)(viii)	-	(202)
Business loss	329	2,829
Unamortised upfront income and expenses	(60)	146
	2,383	4,733

NOTE 29: Other comprehensive income

	For the year ended 31 March 2022	For the year ended 31 March 2021
(i) Items that will not be reclassified to profit or loss		
Actuarial gain/(loss) on post retirement benefit plans	17	55
(ii) Deferred tax impact on the above	(4)	(14)
Total other comprehensive income, net of tax	13	41

Note 30: Earnings per share

	For the year ended 31 March 2022	For the year ended 31 March 2021
Basic earnings per share		
Profit attributable to equity shareholders (Rupees) [A]	9,489	4,023
Nominal value per share (in Rupees)	1.00	1.00

Notes to Financial Statement

(Contd...)



(Amount in Lakhs)

	For the year ended 31 March 2022	For the year ended 31 March 2021
Weighted average number of equity shares outstanding during the year [B] (Face value Rs 1)	60,225	60,154
Basic earnings per share [A] / [B] (Rupees)	0.16	0.07
Diluted earnings per share		
(Loss)/Profit attributable to equity shareholders (Rupees)	9,489	4,023
Less : Impact on profit due to exercise of diluted potential equity shares	-	-
Net profit attributable to equity shareholders for calculation of diluted earnings per share [A]	9,489	4,023
Weighted average number of equity shares used in computing basic earnings per share	60,225	60,154
Effect of potential equity shares for stock options outstanding	(651)	(182)
Weighted number of equity shares used in computing diluted earnings per share [B]	59,575	59,973
Diluted earnings per share (Rupees) [A] / [B]	0.16	0.07

Note 31: Loans and ECL movement

1 Loan book movement - during the year ended 31 March 2022

Particulars	Total
Opening	3,54,489
Origination of new loans	64,313
Derecognition of loans*	(16,540)
Repayments received during the year	(50,273)
Closing	3,51,989

*Derecognition of loan includes loan assets sold to an Asset Reconstruction Company (ARC) & loan assets sold through Direct assignment transaction:

During the current year, the Company has sold in two tranches a pool of certain non performing loan assets aggregating to INR 12,271 to an Asset Reconstruction Company vide separate agreements dated 24 September 2021 and 30 December 2021 respectively. These loan assets have been de-recognised from the loan portfolio of the Company as the sale of loan assets was done on "no-recourse" basis and on true sale basis. This has resulted in reversal of ECL amounting to INR 3,511 which represents the amount of ECL allowance created on such loans.

During the year, the Company sold certain portion of loans measured at amortised cost under an assignment deal. As per the terms of deal, the derecognition criteria as per Ind AS 109, including transfer of substantially all the risks and rewards relating to assets being transferred to the buyer being met, the assets amounting Rs 4,269 lakhs have been derecognised and corresponding gain amounting Rs 899 Lakhs on such derecognition is recognised in these results.

2 Loan book movement - during the year ended 31 March 2021

Particulars	Total
Opening	3,68,159
Origination of new loan	27,266
Derecognition of loans**	(11,355)
Repayments received during the year	(29,580)
Closing	3,54,489

**Derecognition of loan includes loan assets sold to an Asset Reconstruction Company (ARC):

During the current year, the Company has sold in three tranches a pool of certain non performing loan assets aggregating to INR 11,355 to an Asset Reconstruction Company vide separate agreements dated 29 September 2020, 29 December 2020 and 1 March 2021 respectively. These loan assets have been de-recognised from the loan portfolio of the Company as the sale of loan assets was done on "no-recourse" basis and on true sale basis. This has resulted in reversal of ECL amounting to INR 2,725 which represents the amount of ECL allowance created on such loans.



Notes to Financial Statement

(Contd...)

(Amount in Lakhs)

3 Break - up of loans under

Particulars	As at 31 March 2022	As at 31 March 2021
Low credit risk (Stage 1)	3,34,049	3,24,065
Significant increase in credit risk (Stage 2)	12,215	22,763
Credit impaired (Stage 3)	5,725	7,662
Closing	3,51,989	3,54,489

4 ECL movement as at 31 March 2022

Particulars	As at 31 March 2022	As at 31 March 2021
Opening	7,060	4,333
ECL impact due to sale of loans to ARC	(3,511)	(2,725)
Movement during the year	4,985	5,452
Closing	8,534	7,060

5 Break - up of ECL

Particulars	As at 31 March 2022	As at 31 March 2021
Low credit risk (Stage1)	4,243	2,368
Significant increase in credit risk (Stage2)	1,716	2,278
Credit impaired (Stage3)	2,575	2,415
Closing	8,534	7,060

6 Non performing asset % (NPA %) are given as below

Ratios	As at 31 March 2022	As at 31 March 2021
Gross non performing asset ratio (GNPA %)	1.64%	2.18%
Net non performing asset ratio (NNPA %)	0.90%	1.49%

Note:

- The above ECL calculation is inclusive of impairment calculated on overdue principal and interest.
- Pursuant to the RBI circular dated 12 November 2021 - "Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances - Clarifications", the company is in process to put in place necessary system/technology to align its definition of non-performing assets ('NPA') from the number of instalments outstanding to Days Past Due Approach and loan accounts will be upgraded from NPA to standard asset upon settlement of entire overdue balance. Accordingly basis the RBI circular dated 15th February 2022 company would be re-classifying & implementing new NPA definition by 30th September 2022. However company has already provided excess amount of 585 lakhs for the impact arising out of said implementation.

Note 32: Remuneration to auditors	For the year ended 31 March 2022	For the year ended 31 March 2021
Payment to Auditor		
Statutory audit	15	21
Limited review of quarterly results	9	14
For certification work	9	4
As Auditor	33	38
Reimbursement of expenses	2	1
Goods and service tax	2	2
Total*	37	41

*Amount includes Goods and service tax for which Input credit has been disallowed

Notes to Financial Statement

(Contd...)



(Amount in Lakhs)

Note 33: Corporate Social Responsibility

1. During the year, Company has spent Nil amount (previous year Nil) on CSR activities, considering the average book profit computed as per section 198 of the Companies Act for last three financial years is negative.
2. Details of CSR spent during the Financial Year:
 - (a) Total amount to be spent for the Financial Year: Nil
 - (b) Amount unspent, if any: NA
 - (c) Manner in which the amount spent during the Financial Year is detailed below:

For the year ended 31 March 2022

CSR Project or Activity identified	Sector in which the project is covered (As in Schedule VII)	Address	Amount Outlay (Budget) or Project or program wise	Amount spent on the project or program Subheads:	Cumulative Expenditure upto the reporting period	Amount spent: directly or through implementing agency
NA	NA	NA	NA	NA	NA	NA

For the year ended 31 March 2021

CSR Project or Activity identified	Sector in which the project is covered (As in Schedule VII)	Address	Amount Outlay (Budget) or Project or program wise	Amount spent on the project or program Subheads:	Cumulative Expenditure upto the reporting period	Amount spent: directly or through implementing agency
NA	NA	NA	NA	NA	NA	NA

For the year ended 31 March 2022

Amount required to be spent by the company during the year	Amount of expenditure incurred	Shortfall at the end of the year	Total of Previous year shortfall	Reason for shortfall	Nature of CSR activities	Details of related party transaction	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.
NA	NA	NA	NA	NA	NA	NA	NA

For the year ended 31 March 2021

Amount required to be spent by the company during the year	Amount of expenditure incurred	Shortfall at the end of the year	Total of Previous year shortfall	Reason for shortfall	Nature of CSR activities	Details of related party transaction	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.
NA	NA	NA	NA	NA	NA	NA	NA



(Amount in Lakhs)

Note 34: Contingent liabilities and commitments

Particulars	As at 31 March 2022	As at 31 March 2021
Claims against the Company not acknowledge as debt		
(a) Income tax matter*	-	-
(b) Undrawn committed sanctions to borrowers	5,409	3,946
Total	5,409	3,946

* The Hon'ble Supreme Court of India ("SC") by their order dated 28 February 2019, in the case of Surya Roshani Limited & others v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Pending directions from the EPFO for the applicability of SC judgement for the past period, if any, the impact is not ascertainable at present and consequently no effect has been given in the books of account.

Note 35: Leases

The Company has taken various office premises on operating lease for the period which ranges from 12 months to 60 months with an option to renew the lease by mutual consent on mutually agreeable terms.

Information about leases for which the Company is a lessee are presented below:

(A) Right of use assets

Particulars	As at 31 March 2022	As at 31 March 2021
Balance as at 1 April 2021	33	480
Movement during the year	168	(163)
Depreciation on Right-Of-Use (ROU) assets	(125)	(283)
Balance as at 31 March 2022	77	33

(B) Lease liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Balance as at 1 April 2021	185	539
Adjustment on transition to Ind AS 116		
Movement during the year	168	(163)
Add: Interest cost accrued during the period	86	73
Less: Payment of lease liabilities	(220)	(264)
Balance as at 31 March 2022	218	185

(C) Maturity analysis - Discounted Cashflows of Contractual maturities of lease liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Less than three months	46	20
Three to twelve months	112	139
One to five years	60	25
More than five years	-	-
Total	218	185

Notes to Financial Statement

(Contd...)



(Amount in Lakhs)

(D) Amount recognised in statement of profit & loss

Particulars	As at 31 March 2022	As at 31 March 2021
Interest cost on lease liabilities	86	73
Depreciation on right of use assets	125	283
Rental Expenses recorded for short-term lease payments and payments for leases of low-value assets not included in the measurement of the lease liability	240	269

(E) Amount recognised in statement of cash flows

Particulars	As at 31 March 2022	As at 31 March 2021
Cash payments for the principal & interest portion of the lease liability within financing activities	(220)	(264)
Short-term lease payments, payments for leases of low-value assets and variable lease payments not included in the measurement of the lease liability within operating activities.	240	269

Note 36: Credit Rating

For the year under review, following Credit Ratings have been assigned to various borrowing programs of the Company by "CRISIL", "India Ratings" and "ICRA":

Nature of borrowing	As at 31 March 2022			As at 31 March 2021		
	Rating / outlook			Rating / outlook		
	CRISIL	India Ratings	ICRA	CRISIL	India Ratings	ICRA
Short Term						
Commercial paper	CRISIL A1+	IND A1+	[ICRA]A1+	CRISIL A1+	IND A1+	[ICRA]A1+
Long Term						
Non-Convertible Debentures	CRISIL AA / Stable	IND AA / Stable	[ICRA] AA- (Stable)	CRISIL AA-/ Stable	-	ICRA]A+ (Stable)
Market linked Debentures	CRISIL PP-MLD AA r/ Stable	-	[ICRA] PP-MLD ICRA AA-/Stable	CRISIL PP-MLD AA-r/ Stable		PP-MLD[ICRA] A+(Stable)
Bank Borrowings	CRISIL AA / Stable	IND AA / Stable	-	CRISIL AA-/ Stable	-	-

Notes:

- CRISIL has upgraded its ratings to CRISIL AA/Stable CRISIL PP-MLD AAr/Stable and reaffirmed CRISIL A1+' from its 'CRISIL AA-/CRISIL PP-MLD AA-r/Stable/CRISIL A1+' rating on the debt instruments and bank loan facilities of the Company.
- India Ratings and Research (Ind-Ra) has assigned a Short-Term Issuer Rating of 'IND A1+' to the Company and IND AA/ Stable for its long term debt instruments and Bank Borrowings.
- ICRA has upgraded its ratings to [ICRA]AA- (Stable)/ PP-MLD ICRA AA-/Stable/ and reaffirmed ICRA A1+ from its '[ICRA]A+ (Stable)/ PP-MLD ICRA A+/Stable/ICRA A1+' rating on the debt instruments.

Note 37: Estimation of uncertainties relating to the global health pandemic from COVID-19

The SARS-CoV-2 virus responsible for COVID -19 continues to spread across the globe and India. On 11 March 2020 , the COVID-19 outbreaks was declared as a global pandemic by the World Health Organisation. Governments and companies including Motilal Oswal Home Finance Limited have introduced & continued a variety of measures to contain the spread of the virus.

The economic fallout on account of the Covid-19 pandemic has led to significant financial stress for borrowers across the board. RBI in view of same on 6 August 2020 & 5 May 2021 came up with resolution plan Framework for COVID-19-related Stress. The intent was to facilitate revival of real estate sector activities and mitigate the impact on the ultimate borrowers, it has been decided to provide a window under the Prudential Framework to enable the lenders to implement a resolution plan in respect of eligible borrowers.



Notes to Financial Statement

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(Amount in Lakhs)

In cognizance of above RBI Circular, Company duly implemented measure to offer the facility of restructuring to its eligible customers identified basis RBI circular on resolution plan & joint decision of credit, risk, collection & legal departments of the company. The Company has Board approved policy dated 29 October 2020 for implementation of resolution plan.

The Company has recognised provisions as on 31 March 2022 towards its loans based on the information available at this point of time including economic forecasts, in accordance with the Expected Credit Loss method. The Company believes that it has taken into account all the possible impact of known events arising out of COVID 19 pandemic in the preparation of financial results. However the impact assessment of COVID 19 is a continuing process given its nature and duration. The Company will continue to monitor for any material changes to future economic conditions

Note 38: Disclosure pursuant to Ind AS 19 - Employee Benefits

A) Defined contribution plan :

Motilal Oswal Home Finance Limited incurs expenditure like common senior management compensation cost, advertisement cost, rent expenditure, etc. which is for the common benefit of itself and certain fellow subsidiary companies. This cost so expended is reimbursed by the Company on the basis of number of employees, area occupied, time spent by employees for other companies, actual identifications etc. Accordingly, and as identified by the management, the expenditure heads include reimbursements paid based on the management's best estimate.

Particulars	As at 31 March 2022	As at 31 March 2021
Employer's contribution to provident fund	337	221
Employer's contribution to ESIC	49	48
Employer's contribution to National Pension Scheme	7	2
Total	393	270

B) Defined benefit plan :

The details of the Company's post- retirement benefit plans for its employees including whole time directors are given below which is as certified by the actuary and relied upon by the auditors.

Principal actuarial assumptions at the balance sheet date

Particulars	As at 31 March 2022	As at 31 March 2021
Interest / Discount Rate	3.92%	3.93%
Rate of increase in compensation	4.51%	7.08%
Employee attrition rate (Past Service) (PS)	PS: 0 to 37 : 74.09%	PS: 0 to 40 : 74.90%

Changes in the present value of the defined benefit obligation are as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Present value of obligation at the beginning of the year	78	78
Current service cost	60	56
Past service cost	5	(3)
Interest cost	2	3
Benefit paid	(11)	(2)
Curtailment cost		
Settlement cost		
Net actuarial gain or loss recognized in the year	(17)	(55)
Present value of obligation at the end of the year	116	78

Notes to Financial Statement

(Contd...)



(Amount in Lakhs)

Fair value of plan assets

Particulars	As at 31 March 2022	As at 31 March 2021
Present value of obligation at the beginning of the year	(78)	78
Actual return on plan assets	-	-
Contributions	11	2
Benefit paid	(11)	(2)
Fair value of plan assets at end of period	-	-
Funded status (including unrecognized past service cost)	(116)	(78)
Excess of actual over estimated return of plan assets	-	-

Experience history

Particulars	As at 31 March 2022	As at 31 March 2021
(Gain) on obligation due to change in assumption	(359)	(22)
Experience (gain)/loss on obligation	342	(33)
Actuarial gain/(loss) on plan assets	(17)	(55)

Amounts to be recognized in the balance sheet

Particulars	As at 31 March 2022	As at 31 March 2021
Present value of obligation at the beginning of the year	116	78
Fair value of plan assets at end of period	-	-
Funded status	(116)	(78)
Unrecognized actuarial gain/(loss)	-	-
Unrecognized past service cost - non vested benefits	-	-
Net assets/(liability) recognized in balance sheet	(116)	(78)

Expense recognized in the statement of profit and loss account

Particulars	As at 31 March 2022	As at 31 March 2021
Current service cost	60	56
Interest cost	2	3
Past service cost (non vested benefits)	5	(3)
Past service cost (vested benefits)	-	-
Unrecognized past service cost - non vested benefits	-	-
Expected return on plan assets	-	-
Net actuarial gain/ (loss) recognized for the period	-	-
Expense recognized in the statement of profit and loss account	67	56

Movements in the liability recognized in balance sheet

Amount in Lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
Opening net liability	78	78
Expenses as above	62	59
Transfer in liability	5	1
Transfer Out liability	-	(3)
Expenses recognized	67	56



Notes to Financial Statement

(Contd...)

(Amount in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Employer's contributions	(11)	(2)
Other Comprehensive Income(OCI)	(17)	(55)
Closing net liability	116	78
Closing provisions at the end of the year	116	78

Defined benefit plans

Particulars	As at 31 March 2022	As at 31 March 2021
Defined benefit obligation	116	78
Plan assets	(116)	(78)
Experience adjustments :		
On plan liabilities	-	-
On plan assets	-	-

Sensitivity analysis

Particulars	DR: Discount Rate		ER Salary Escalation Rate	
	PVO DR +1%	PVO DR -1%	PVO ER + 1%	PVO ER - 1%
Present value of obligation (PVO)	1,15,25,170	1,17,62,293	1,17,04,048	1,15,80,392

Expected Payout

Year	Expected Outgo First	Expected Outgo Second	Expected Outgo Third	Expected Outgo Fourth	Expected Outgo Fifth	Expected Outgo Six to Ten years
Payouts	73	32	11	3	1	0

Asset Liability Comparisons

Year	31 March 2018	31 March 2019	31 March 2020	31 March 2021	31 March 2022
PVO at the end of year	151	106	78	78	116
Plan Assets	-	-	-	-	-
Surplus / (Deficit)	(151)	(106)	(78)	(78)	(116)
Experience adjustments on plan assets	-	-	-	-	-

Note 39: Disclosure relating to Employee stock option scheme

The Company has following stock option schemes:

Motilal Oswal Home Finance Ltd -Employees' 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 three tranches.

Motilal Oswal Home Finance Ltd - Employees' Stock Option Scheme 2016 (ESOS-2016)

The Scheme was approved by Board of Directors on 29 April 2016 and by the shareholders in AGM dated 07 July 2016 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 five tranches.

Notes to Financial Statement

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(Amount in Lakhs)

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 issue of 30,000,000 options representing 30,000,000 Equity shares of Re. 1 each.

The activity in the (ESOS 2014), (ESOS 2016), (ESOS 2017) and (ESOS 2017 H Co.) during the year ended 31 March 2022 and 31 March 2021 is set below:

Equity Shares	As at 31 March 2022 (in numbers)	Weighted Average Exercise price	As at 31 March 2021 (in numbers)	Weighted Average Exercise price
The MOHFL (ESOS 2014) : (Face value of Re. 1 each) *				
Options outstanding at the beginning of the year	99,85,000	2.88	1,71,45,000	2.92
Add: Granted	2,35,95,000	3.50	-	NA
Less: Exercised	10,39,000	2.62	-	NA
Less: Lapsed	83,18,000	3.20	71,60,000	2.97
Options outstanding at the end of the year	2,42,23,000	3.39	99,85,000	2.88
Exercisable at the end of the year	5,09,000	3.00	15,38,500	2.22
The MOHFL (ESOS 2016) : (Face value of Re. 1 each) *				
Options outstanding at the beginning of the year	3,83,87,500	3.28	1,77,15,000	2.82
Add: Granted	2,00,95,000	3.61	3,32,50,000	3.50
Less: Exercised	29,75,500	1.68	7,97,500	1.66
Less: Lapsed	1,44,35,000	3.34	1,17,80,000	3.31
Options outstanding at the end of the year	4,10,72,000	3.54	3,83,87,500	3.28
Exercisable at the end of the year	3,51,000	1.88	21,29,500	1.65
The MOHFL (ESOS 2017) : (Face value of Re. 1 each)				
Options outstanding at the beginning of the year	19,11,750	3.03	23,04,500	2.83
Add: Granted	-	NA	7,00,000	3.50
Less: Exercised	1,95,500	1.60	1,71,000	2.83
Less: Lapsed	3,74,250	1.60	9,21,750	2.93
Options outstanding at the end of the year	13,42,000	3.63	19,11,750	3.03
Exercisable at the end of the year	3,19,700	4.28	1,82,225	3.38
The MOHFL (ESOS 2017) (Holding Company): (Face value of Re. 1 each)				
Options outstanding at the beginning of the year	1,06,02,000	1.60	1,55,94,500	1.60
Add: Granted	9,00,000	3.78	-	-
Less: Exercised	50,33,750	1.60	38,41,500	1.60
Less: Lapsed	21,15,250	1.60	11,51,000	1.60
Options outstanding at the end of the year	43,53,000	2.05	1,06,02,000	1.60
Exercisable at the end of the year	24,72,835	1.60	22,62,218	1.60



Notes to Financial Statement

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(Amount in Lakhs)

Employees' Stock Options Scheme (ESOS) :

The Company has its accounting policy for ESOPs valuation at fair value method for appropriate presentation of financial statements .

Particulars	ESOS 2014	ESOS 2016	ESOS 2017	ESOS 2017 H Co.
Date of grant	Various dates	Various dates	Various dates	Various dates
Date of board approval	11 September 2014	29 April 2016	25 April 2017	25 April 2017
Date of shareholders' approval	16 October 2014	07 July 2016	25 May 2017	25 May 2017
Number of options granted	7,05,20,000	12,71,25,000	91,35,000	3,02,90,000
Method of settlement	Equity shares	Equity shares	Equity shares	Equity shares
Vesting period	1 year to 4 years	1 year to 4 years	1 year to 4 years	1 year to 5 years
Vesting pattern	30:30:40	10:20:30:40	10:20:30:40	10:17:25:33:15
Weighted average remaining contractual life				
Granted but not vested	2.88 Years	3.94 Years	2.05 Years	1.93 Years
Vested but not exercised	0 Years	0 Years	0.03 Years	0 Years
Weighted average share price at the date of exercise for stock optionexercisedduringtheyear	CY Rs. 3.51 (PY Rs. 3.42)	CY Rs. 3.51 (PY Rs. 3.42)	CY Rs. 3.51 (PY Rs. 3.42)	CY Rs. 3.51 (PY Rs. 3.42)
Exercise period	Within a period of 12 months from the date of vesting or in case of resignation, the options shall be exercised within 6 months from the date of resignation or such extended period as may be decided by the Nomination and Remuneration Committee.	Within a period of 6 months from the date of vesting or in case of resignation, the options shall be exercised within 6 months from the date of resignation or such extended period as may be decided by the Nomination and Remuneration Committee.		
Vesting conditions	Vesting of Options would be subject to continued employment with the Company and/or its holding/subsidiary, and thus the Options would vest on passage of time. In addition to this, the Remuneration/Compensation Committee may also specify certain performance parameters subject to which the options would vest. In case of performance based vesting, the options would vest on achievement of performance parameters irrespective of the time horizon.			
Weighted average fair value of options as on grant date	1.14	1.33	0.89	0.83

Note: The vesting period of the Grant I & II of MOHFL ESOS 2014 and Grant I of ESOS 2016 has been extended from 6 months to 1 year pursuant to the resolution passed by the nomination and remuneration committee at its meeting held on 22 January 2018.

Exercise pricing formula

The exercise pricing formula for MOHFL ESOS 2014, MOHFL ESOS 2016, MOHFL ESOS 2017 and MOHFL ESOS 2017 H 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.

Notes to Financial Statement

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(Amount in Lakhs)

Fair Value Methodology:

The fair value of options have been estimated on the date of grant using Black-Scholes model as under:

The key assumptions used in Black-Scholes model for calculating fair value under ESOS 2014, ESOS 2016, ESOS 2017 and ESOS 2017 H Co., as on the date of grant are as follow :

Particulars	ESOS 2014	ESOS 2016	ESOS 2017	ESOS 2017 H Co.
Risk-free interest rate	7.37% - 8.40%	6.18% - 7.37%	6.79%	6.79%
Expected dividend yield	1.00%	1.00%	1.00%	1.00%
Expected volatility of share price*	40%	40%	40%	40%

*Expected volatility has been calculated of listed Holding Company shares of Motilal Oswal Financial Services Limited long term average since listing.

Note 40: 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.

Amount in Lakhs

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	23,104	-	23,104	31,959	-	31,959
Bank balance other than cash and cash equivalents above	4,243	-	4,243	2,400	295	2,695
Receivables						
(i) Trade receivables	15	-	15	497	-	497
Loans	47,932	2,95,524	3,43,455	11,532	3,35,898	3,47,429
Investments	-	-	-	-	-	-
Other financial assets	549	270	819	211	-	211
Total Financial Assets (A)	75,842	2,95,794	3,71,636	46,598	3,36,193	3,82,791
Non-financial assets						
Current tax assets (Net)	1,035	-	1,035	1,030	-	1,030
Deferred tax assets (Net)	-	2,383	2,383	-	4,733	4,733
Property, plant and equipment	-	834	834	-	700	700
Other intangible assets	-	211	211	-	206	205
Other non-financial assets	202	-	203	299	-	299
Total Non-Financial Assets (B)	1,238	3,429	4,666	1,329	5,638	6,967
Total assets (C) = (A) + (B)	77,079	2,99,223	3,76,302	47,927	3,41,830	3,89,758

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						
Payables						
Trade payables						
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-



Notes to Financial Statement

(Contd...)

(Amount in Lakhs)

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
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	728	-	729	556	-	556
Debt securities*	7,149	67,896	75,045	17,650	97,595	1,15,245
Borrowings (Other than debt securities)*	55,348	1,31,740	1,87,088	51,226	1,19,568	1,70,793
Other financial liabilities	12,793	771	13,564	11,452	1,109	12,561
Total Financial Liabilities (A)	76,019	2,00,407	2,76,426	80,884	2,18,272	2,99,155
Non-financial Liabilities						
Provisions	207	207	415	152	152	304
Other non-financial liabilities	252	-	251	139	-	139
Total Non-Financial Liabilities (B)	459	207	666	291	152	443
Total liabilities (C) = (A)+(B)	76,478	2,00,614	2,77,092	81,175	2,18,423	2,99,599

* The above borrowings and debt securities are shown at unamortised cost.

Note 41: Segmental Reporting

The Company is primarily engaged into business of providing loans for purchase or construction of residential houses. The Company also provides consumer loans (top-up loans) and loan against properties. The Board reviews the Company's performance as a single business. Further the Company does not have any separate geographical segment in India. There being only one segment, disclosure for segment as per Ind AS 108 is not applicable. Further, no clients individually accounted for more than 10% of the revenue in financial year ended 31 March 2022 and 31 March 2021.

Note 42: Related parties

List of related parties as per IndAS 24 with whom transaction have taken place during the year.

(A) Names of related parties

Passionate Investment Management Private Limited - Ultimate holding Company (merged with Motilal Oswal Financial Services Limited w.e.f. 01/04/2020 being appointed date of merger)
 Motilal Oswal Financial Services Limited - Holding Company
 Motilal Oswal Wealth Management Limited - Fellow Subsidiary Company
 Motilal Oswal Finvest Limited - Fellow Subsidiary Company

(B) Key managerial personnel

Motilal Oswal	-	Chairman & Non Executive Director
Raamdeo Agarawal	-	Non Executive Director
Navin Agarwal	-	Non Executive Director
Sanjaya Kulkarni	-	Independent Director (upto 14 January 2022)
Arvind Hali	-	Managing Director & Chief Executive Officer (upto 31 March 2022)
Shalibhadra Shah	-	Chief Financial Officer
Divya Momaya	-	Independent Director
Ritin Mawani	-	Company Secretary
P H Ravikumar	-	Independent Director (from 27 October 2021)
Rekha Shah	-	Independent Director (upto 01 Oct 2020)
Vivek Kannan	-	Chief Business Officer (upto 30 June 2020)

Notes to Financial Statement

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(Amount in Lakhs)

(C) Transactions with related parties are as enumerated below:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Reimbursement of expenses by the Company		
Motilal Oswal Financial Services Limited		
- Sundry expenses	7	5
- Rent	169	169
- Electricity expense	11	8
Share based payment cost incurred by Holding Company		
Motilal Oswal Financial Services Limited	6	25
Motilal Oswal Finvest Limited	0	0
Loan Received		
Motilal Oswal Financial Services Limited	1,12,000	7,280
Motilal Oswal Finvest Limited	23,000	-
Loan repaid		
Motilal Oswal Financial Services Limited	1,12,000	7,280
Motilal Oswal Finvest Limited	23,000	-
Loan Given		
Motilal Oswal Financial Services Limited	4,19,800	1,35,800
Motilal Oswal Finvest Limited	4,70,200	48,600
Loan repayment received		
Motilal Oswal Financial Services Limited	4,19,800	1,35,800
Motilal Oswal Finvest Limited	4,70,200	48,600
Interest paid		
Motilal Oswal Financial Services Limited	28	9
Motilal Oswal Finvest Limited	65	-
Interest Income		
Motilal Oswal Financial Services Limited	1,051	830
Motilal Oswal Finvest Limited	542	382
Payment towards collections from derecognised loan assets		
Motilal Oswal Finvest Limited	7,295	5,666
Arranger fees paid		
Motilal Oswal Wealth Management Limited	7	23

Particulars	As at 31 March 2022	As at 31 March 2021
Business Support Charges paid		
Motilal Oswal Financial Services Limited	219	219
Rent Income		
Motilal Oswal Financial Services Limited	22	11
Referral Fees		
Motilal Oswal Financial Services Limited	-	392
Commission on Bank Guarantee		
Motilal Oswal Financial Services Limited	164	201
Remuneration paid including accrual for compensated absences * (including Director sitting fees)		



Notes to Financial Statement

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(Amount in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Mr. Arvind Hali	208	74
Mr. P H Ravikumar**	3	-
Mr. Sanjaya Kulkarni**	2	3
Mrs. Rekha Shah**	-	2
Mrs. Divya Momaya**	4	1
Mr. Vivek Kannan	-	26
*The above figures do not include provision for gratuity since it is actuarially determined for the Company as a whole.		
** Director sitting fees.		
Subscription of equity shares (under ESOP scheme) including premium		
Mr. Shalibhadra Shah	3	1
Balance payable		
Motilal Oswal Finvest Limited	473	543
Motilal Oswal Financial Services Limited	3	8
Balance Receivable		
Motilal Oswal Finvest Limited	42	95
Motilal Oswal Financial Services Limited	134	626
Corporate guarantee received (to the extent of outstanding amount)		
Motilal Oswal Financial Services Limited	-	74,339
Key Management personnel compensation		
Short term employee benefit	208	100
Share based payments	-	-

Note 43: Unhedged Foreign Currency Exposure

In terms of RBI Circular No. DBOD.No. BP.BC.85/21.06.200/2013-14 dt. 15.01.2014, there is no unhedged foreign currency exposure of the Company as at Balance sheet date.

Note 44 : Fair value measurement

a) Financial instruments by category

Particulars	As at 31 March 2022			As at 31 March 2021		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Cash and cash equivalents	-	-	23,104	-	-	31,959
Bank balance other than cash and cash equivalents above	-	-	4,243	-	-	2,695
Trade receivables	-	-	15	-	-	497
Loans	-	-	3,43,455	-	-	3,47,429
Investments	-	-	-	-	-	-
Other financial assets	-	-	819	-	-	211
Total financial assets	-	-	3,71,636	-	-	3,82,791
Financial liabilities						
total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	729	-	-	556
Debt securities	-	-	74,619	-	-	1,14,924

Notes to Financial Statement

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(Amount in Lakhs)

Particulars	As at 31 March 2022			As at 31 March 2021		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Borrowings (Other than debt securities)	-	-	1,86,027	-	-	1,70,321
Other financial liabilities	-	-	13,564	-	-	12,561
Total financial liabilities	-	-	2,74,939	-	-	2,98,362

b) 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	-	-	-	-
Total financial assets	-	-	-	-
Financial liabilities	-	-	-	-
Total financial liabilities	-	-	-	-

As at 31 March 2021

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	-	-	-	-
Total financial assets	-	-	-	-
Financial liabilities	-	-	-	-
Total financial liabilities	-	-	-	-

Fair value of financial assets and liabilities measured at amortised cost

The fair values for security deposits is calculated based on cash flows discounted using a current lending rate, however the change in current rate does not have any significant impact on fair values as at the current year end. For financial assets and liabilities that are measured at amortised cost, the carrying amounts are equal to the fair values.

Note 45: Financial risk management

The Company is exposed primarily to market risk, liquidity risk and credit risk. The Company has a risk management policy which covers risk associated with the financial assets and liabilities. The focus of the risk management is to assess the unpredictability of the financial environment and to mitigate potential adverse effect on the financial performance of the Company. The Company's principal financial liabilities comprises of Bank Borrowings and Non Convertible debentures. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, cash and cash equivalents and other receivables from customers that derive directly from its operations.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk:

Risk	Exposure arising from	Measurement
Credit risk	Cash and cash equivalents, loans, bank balance, trade and other receivables, Investments and other financial assets	- measured as the amount that could be lost if a customer or counterparty fails to make repayments; - monitored using various internal risk management measures and within limits approved by individuals within a framework of delegated authorities; and - managed through a robust risk control framework, which outlines clear and consistent policies, principles and guidance for risk managers.



(Amount in Lakhs)

Risk	Exposure arising from	Measurement
Liquidity risk	Debt securities, Borrowings (other than debts), trade and other payable and other financial liabilities.	- measured using a range of metrics, including liquidity coverage ratio and net stable funding ratio; - monitored against the Company's liquidity and funding risk framework.
Market risk	Long term borrowings at variable rate and loans	- measured using sensitivities, value at risk and stress testing, giving a detailed picture of potential gains and losses for a range of market movements and scenarios, as well as tail risks over specified time horizons; - managed using risk limits approved by the RMM and the risk management meeting in various global businesses.

A - Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's loans and advances to customers. For risk management reporting purposes, the Company considers and consolidates all elements of credit risk exposure.

Management of credit risk

The Board of Directors has delegated responsibility for the oversight of credit risk to the Risk Management Committee, which in turn has appointed the Interest Rate Reset Committee (IRRC) which is the Internal committee and the meeting of the said committee (IRRC) is conducted on a monthly basis, the objective of which is to determine the Retail prime lending rates (RPLR) based on Market Scenarios such as borrowing costs of the Company, repo rates by Reserve Bank of India (RBI), the Interest Rate Reset Committee recommends the Asset Liability Management Committee for the changes in the prevailing RPLR for their further approval.

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 accounts 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 weaknesses and deviations.

The Risk Management Committee manages risk on a portfolio-wide basis and recommends alternative portfolio strategies, analyses results of portfolio management actions and develops portfolio limits for each portfolio segment for approval of the Board of Directors. Credit risk concentration is addressed by setting a credit portfolio mix limit and monitoring the limits on a regular basis. Credit stress tests are also conducted periodically to determine the impact of security values and other stress parameters on the loan portfolio. The Company also conducts annual valuation of delinquent accounts, to determine the actual value and marketability of the collateral which is adequately factored in Capital Adequacy Ratio. This allows the Company to assess the potential financial impact of losses arising from plausible adverse scenarios on the Company's loan portfolio.

Expected credit loss measurement

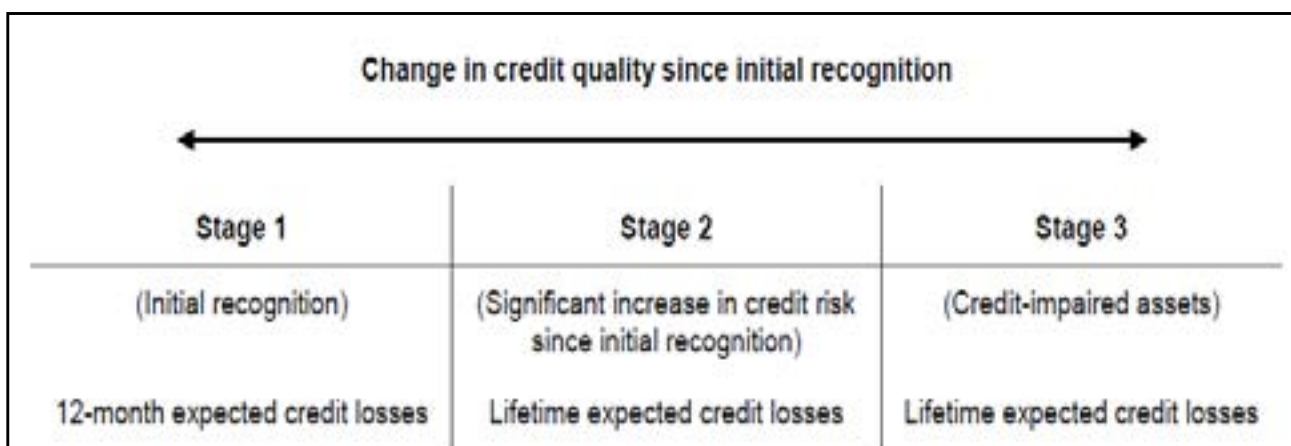
Ind AS 109 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

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 Company.
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 in Stage 1 have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from default events 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):



The key judgements and assumptions adopted by the Company in addressing the requirements of the standard are discussed below:

Significant increase in credit risk (SICR)

The Company considers a financial instrument to have experienced 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 days passed dues from the borrower is more than 30 days but less than 90 days*

b. Qualitative criteria:

If the borrower meets one or more of the following criteria:

- In short-term forbearance
- Direct debit cancellation
- Extension to the terms granted*
- Previous arrears within the last [12] months

Default and credit-impaired assets

The Company defines a financial instrument as in default, which is fully aligned with the definition of credit impaired, when it meets one or more of the following criteria:

a. Quantitative criteria

The borrower is more than 90 days past due on its contractual payments

b. Qualitative criteria

The borrower meets unlikeliness to pay criteria, which indicates the borrower is in significant financial difficulty. These are instances where:

- The borrower is in long-term forbearance
- The borrower is deceased
- The borrower is insolvent
- Concessions have been made by the lender relating to the borrower's financial difficulty
- It is becoming probable that the borrower will enter bankruptcy



The criteria above have been applied to all financial instruments held by the Company and are consistent with the definition of default used for internal credit risk management purposes. The default definition has been applied consistently to model the Probability of Default (PD), Exposure at Default (EAD) and Loss given Default (LGD) throughout the Company's expected loss calculations.

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 Probability of Default (PD) represents the likelihood of a borrower defaulting on its financial obligation (as per "Definition of default and credit-impaired" 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 instruments subject to the impairment calculation, addressing both the client's ability to increase its exposure while approaching default and potential early repayments too.

To calculate the EAD for a Stage 1 loan, the Group assesses the possible default events within 12 months for the calculation of the 12mECL. For stage 2, Stage 3 Financial Assets, the exposure at default is considered for events over the lifetime of the instruments.

- Loss Given Default (LGD) represents the Company's expectation of the extent of loss on a defaulted exposure. 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. LGD is calculated on a 12-month or lifetime basis, where 12-month 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 to be made if the default occurs over the remaining expected lifetime of the loan.

The ECL is determined by projecting the PD, LGD and EAD for each three bucket 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). This effectively calculates an ECL for each three 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 developed by applying a maturity profile to the current 12M PD. The maturity profile looks at how defaults develop on a portfolio from the point of initial recognition throughout the lifetime of the loans. This is supported by historical analysis.

The 12-month and lifetime EADs are determined based on the expected payment profile. Estimate of an exposure at a future default date – expected changes in exposure after the reporting date, including repayment of principal and interest, and expected drawdowns on committed facilities. This is based on the contractual repayments owed by the borrower over a 12-month or lifetime basis. This will also be adjusted for any expected overpayments made by a borrower. Early repayment assumptions are also incorporated into the calculation.

The 12-month and lifetime LGDs are determined based on the factors which impact the recoveries made post default. These vary by collateral type.

Forward-looking information : Forward-looking economic variable/assumptions used are – such as how the maturity profile of the PDs and how collateral values change etc. – are monitored and reviewed on a quarterly basis. While estimating the expected credit losses, the Company reviews macro-economic developments occurring in the economy and market it operates in. On a periodic basis, the Company analyses if there is any relationship between key economic trends like GDP, inflation rates set by International Monetary Fund, inflation etc. with the estimate of PD, LGD determined by the Company based on its internal data. While the internal estimates of PD, LGD rates by the Company may not be always reflective of such relationships, temporary overlays are embedded in the methodology to reflect such macro-economic trends reasonably.

RBI Circular - COVID-19 – Resolution plan

RBI on 5th May 2021 came up with resolution plan Framework for COVID-19-related Stress, it has been decided to provide a window under the Prudential Framework to enable the lenders to implement a resolution plan in respect of eligible borrowers. Company in view of same duly implemented one time measure to offer the facility of restructuring to its eligible customers identified basis RBI circular on resolution plan & joint decision of credit, risk, collection & legal departments of the Company. Company is of the view that the restructuring under the disruption scenario is not indicative of increase in credit risk. Accordingly, the same should ideally not be considered as a factor 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 requirements of the circular.

The Company has identified certain pool of assets where as per Company's internal evolution of risk is higher considering implementation of resolution plan, their repayment history & valuation of its collaterals, basis this 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 Stages 2 or 3 due to financial instruments experiencing significant increases (or decreases) of credit risk or becoming credit-impaired in the period, and the consequent "step up" between 12-month and Lifetime ECL;
- b. Additional allowances for financial instruments de-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 Company writes off financial assets, 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 Company's recovery method is foreclosing on collateral and the value of the collateral is such that there is no reasonable expectation of recovering in full.

The Company may write-off financial assets that are still subject to enforcement activity. The Company still seeks to recover amounts it is legally receivable in full, but which have been full / partially written off due to no reasonable expectation of full recovery.

Modification of financial assets

The Company sometimes modifies the terms of loans provided to customers due to commercial renegotiations, or for distressed loans, with a view to maximising recovery.

Such restructuring activities include extended payment term arrangements, payment holidays and payment forgiveness. Restructuring policies and practices are based on indicators or criteria which, in the judgement of management, indicate that payment will most likely continue. These policies are kept under continuous review.

The risk of default of such assets after modification is assessed at the reporting date and compared with the risk under the original terms at initial recognition, when the modification is not substantial and so does not result in derecognition of the original asset. The Company monitors the subsequent performance of modified assets. The Company may determine that the credit risk has significantly improved after restructuring, so that the assets are moved from Stage 3 or Stage 2 (Lifetime ECL) to Stage 1 (12-month ECL). This is only the case for assets which have performed in accordance with the new terms for a year or more.

Note 46: 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 treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. 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.



Notes to Financial Statement

(Contd...)

(Amount in Lakhs)

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 2022

Contractual maturities of assets and liabilities	Less than 3 months	3 to 12 months	1 to 5 years	above 5 years	Total
Financial assets					
Cash and cash equivalents	23,104	-	-	-	23,104
Bank balance other than cash and cash equivalents above	2,520	1,723	-	-	4,243
Trade receivables	9	6	-	-	15
Loans	14,083	33,848	2,03,945	91,579	3,43,455
Investments	-	-	-	-	-
Other financial assets	197	351	270	-	819
Total financial assets	39,913	35,929	2,04,215	91,579	3,71,636
Financial liabilities					
(I) Trade payables					
(i) total outstanding dues of creditors other than micro enterprises and small enterprises	486	243	-	-	729
Debt securities*	3,354	3,795	67,896	-	75,045
Borrowings (Other than debt securities)*	28,608	26,740	96,054	35,686	1,87,088
Other financial liabilities	10,367	2,426	771	-	13,564
Total financial liabilities	42,815	33,204	1,64,721	35,686	2,76,426

*The above borrowings and debt securities are shown at unamortised cost.

Contractual maturities of assets and liabilities	Less than 3 months	"3 to 12 months"	1 to 5 years	above 5 years	Total
Financial assets					
Cash and cash equivalents	31,959	-	-	-	31,959
Bank balance other than cash and cash equivalents above	-	2,400	295	-	2,695
Trade receivables	298	199	-	-	497
Loans	5,778	5,753	46,642	2,89,256	3,47,429
Investments	-	-	-	-	-
Other financial assets	126	85	-	-	211
Total financial assets	38,161	8,438	46,937	2,89,256	3,82,791
Financial liabilities					
Payables					
(I) Trade payables					
(i) total outstanding dues of creditors other than micro enterprises and small enterprises	371	185	-	-	556
Debt securities	868	16,782	92,595	5,000	1,15,245
Borrowings (Other than debt securities)	17,375	33,850	91,627	27,941	1,70,793
Other financial liabilities	7,959	3,493	1,109	-	12,561
Total financial liabilities	26,573	54,311	1,85,331	32,941	2,99,155



(Amount in Lakhs)

(C) Market Risk

Company's exposure to market risk i.e. risk that fair value for future cash flow of financial instruments will be effected due to change in market variable such as interest rate.

(i) Foreign currency risk

The company has foreign currency exposure, however same is not exposed to risk as it is fully hedged with AD Cat-I bank.

(ii) Cash flow and fair value interest rate risk

The Company's main interest rate risk arises from long-term borrowings and loans with variable rates, which expose the company to cash flow interest rate risk. The company is exposed to interest rate risk as it is involved in lending business. Interest rate risk can arise from either macro events in economy or due to company's financial position. Company tries to mitigate this risk by taking all positive measures which can boost profitability and strengthens company's balance sheet. Company takes continuous efforts to reduce its cost of funds by diversifying its liability mix and deepening its relationship with lenders. Moreover, strong parental support also provides cushion to company in adverse interest rate scenario.

The Company's fixed rate borrowings are not 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 a change in market interest rates.

Interest rate risk exposure

Out of the total assets & liabilities, exposure to the interest rate risk of the Company in mainly towards borrowings and loan assets.

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. Other components of equity change as a 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 (all other variables being constant) of the Company's statement of profit and loss and equity.

Particulars	Impact on profit after tax	
	As at 31 March 2022	As at 31 March 2021
Loans		
Interest rates – increase by 100 basis points	2,346	2,438
Interest rates – decrease by 100 basis points	(2,346)	(2,438)
Borrowings		
Interest rates – increase by 100 basis points	(1,286)	(1,383)
Interest rates – decrease by 100 basis points	1,286	1,383

(iii) Exposure of price risk

The Company is not exposed to price risk as it does not have any significant exposure to financial instruments susceptible to changes in market price.



Notes to Financial Statement

(Contd...)

(Amount in Lakhs)

Note 47: Securitisation transactions note

Transferred financial assets that are not derecognised in their entirety

The following tables provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities:

Particulars	31 March 2022	31 March 2021
Number of pools	1	1
Carrying amount of transferred assets measured at amortised cost	14,733	18,411
Carrying amount of associated liabilities	(14,733)	(18,411)

A description of the nature of the relationship between the transferred assets and the associated liabilities, including restrictions arising from the transfer on the reporting entity's use of the transferred assets is as follows:

Loans and advances to customers are sold by the Company to securitisation vehicles, which in turn issue PTCs to investors collateralised by the purchased assets. In securitisation transactions entered, the Company transfers loans and advances to an unconsolidated securitisation vehicle, however it retains credit risk (principally through credit enhancement provided by the Company).

Since substantially all the risks and rewards of the loans transferred has been retained by the Company, it does not derecognise the loans transferred in its entirety and recognise an associated liability for the consideration received.

Note 48: Direct Assignment note

Disclosure pursuant to RBI Circular- RBI/DOR/2021-22/86/DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021

a) with respect to Direct Assignment transaction during the year ended 31 March 2022.

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Number of loans	617	-
Aggregate Amount	4744	-
Sale consideration	4269	-
Number of transactions	1	-
Weighted average remaining maturity (in months)	144 Months	-
Weighted average holding period after origination (in months)	56 Months	-
Retention of beneficial economic interest (average)	10%	-
Coverage of tangible security coverage	NA	-
Rating wise distribution of related loans	NA	-
Number of instances (transactions) where transferor has agreed to replace the transferred loans	NA	-
Number of transferred loans replaced	NA	-

b) with respect to details of stressed loan transferred during the year ended 31 March 2022.

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Number of accounts	1,486	1,050
Aggregate principal outstanding of loans transferred	12,287	11,364
Weighted average residual tenor of the loans transferred	242 Months	274 Months
Retention of beneficial economic interest	-	-
Aggregate consideration	8,600	7,494
Additional consideration realised in respect of accounts transferred in earlier years	Nil	Nil

Notes to Financial Statement

(Contd...)



(Amount in Lakhs)

Note 49: Restructuring note

The economic fallout on account of the Covid-19 pandemic has led to significant financial stress for borrowers across the board. RBI in view of same on 6 August 2020 and 5 May 2021 came up with resolution plan Framework for COVID-19-related Stress. The intent was to facilitate revival of real estate sector activities and mitigate the impact on the ultimate borrowers, it has been decided to provide a window under the Prudential Framework to enable the lenders to implement a resolution plan in respect of eligible borrowers.

In accordance with Resolution Framework for COVID-19 announced by RBI on 6 August 2020 and 5 May 2021, the Company has implemented one-time restructuring for certain eligible borrowers identified in accordance with the above framework and joint decision of credit, risk, collection and legal departments of the Company.

Details of resolution plan implemented under the Resolution Framework for COVID-19-related Stress as per RBI circular dated 6 August 2020 and 05 May 2021 are given below.

Type of Borrowers *	Exposure to accounts classified as standard consequent to implementation of resolution plan - Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A), amount written off during the half-year	Of (A), amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of this half-year
Personal loans - Housing/Non Housing loans	26,433	1,821	-	1,608	30,711
Total	26,433	1,821	-	1,608	30,711

* Disclosed to the extent the category of borrowers as prescribed in the aforesaid circular were present in the Company's portfolio at the time of implementation of resolution plan.

Note 50: Disclosure for comparison between provisions required under IRACP and impairment allowances made under Ind AS 109

The following disclosures have been given in terms of Master Direction RBI/2019-20/170 DOR (NBFC).CC.PD. No.109/22.10.106/2019-20dated13March2020andcircularno.RBI/2020-21/60DOR.NBFC(HFC).CC.No.118/03.10.136/2020-21 dated 22 October 2020:

Template for Disclosure in Notes to Financial Statements						
Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS*	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms**	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	3,31,152	4,243	3,26,909	1,357	2,886
	Stage 2	11,771	1,716	10,055	42	1,674
Subtotal		3,42,923	5,959	3,36,964	1,399	4,560
Non-Performing Assets (NPA)						
Substandard	Stage 3	4,822	2,172	2,650	740	1,432
Doubtful - up to 1 year	Stage 3	716	342	374	186	156
1 to 3 years	Stage 3	75	57	19	37	20
More than 3 years	Stage 3	3	3	-	3	-
Subtotal for doubtful		5,617	2,575	3,043	966	1,609
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		-	-	-	-	-



Notes to Financial Statement

(Contd...)

(Amount in Lakhs)

Template for Disclosure in Notes to Financial Statements						
Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS*	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms**	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total	Stage 1	3,31,152	4,243	3,26,909	1,357	2,886
	Stage 2	11,771	1,716	10,055	42	1,674
	Stage 3	5,617	2,575	3,043	966	1,609
	Total	3,48,540	8,534	3,40,006	2,365	6,169

* Amounts are excluding overdue principal and interest, however, provision is duly created on the same and reported.

** As provided in RBI circular dated 6th August 2020 & 5th May 2021, company has created a provision of Rs 2950 lakhs on restructured cases which are classified as standard as at 31st March 2022. Considering same total provision under IRACP norms is Rs 5315 Lakhs & net difference will be 3219 lakhs.

Note 51: Capital management

The primary objectives of the Company's capital management policy is to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value. No changes have been made to the objectives, policies and processes from the previous years. The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities.

Net Debt-to-Equity Ratio:

Net Debt-to-Equity Ratio as at 31 March 2022	2.32 times
Net Debt-to-Equity Ratio as at 31 March 2021	2.76 times

Net Debt represents the Total Debt securities and Borrowings, as reduced by cash and cash equivalents and other bank balances as at year end.

Equity represents the Total equity as disclosed in the financials as at year end.

Analytical Ratios

Following analytical ratios need to be disclosed:

	Numerator	Denominator	As at 31 March 2022	As at 31 March 2021	% Variances	Reason for variances (if above 25%)
(i) Capital to risk-weighted asset ratio (CRAR)	97,064	1,88,186	51.57%	50.03%	1.54%	NA
(ii) Tier I CRAR	94,746	1,88,186	50.34%	49.34%	1.00%	NA
(iii) Tier II CRAR	2,319	1,88,186	1.23%	0.69%	0.54%	NA
(iv) Liquidity coverage ratio	27,347	17,344	158%	NA	NA	NA

Notes to Financial Statement

(Contd...)



(Amount in Lakhs)

Note 52: Details of dues to micro enterprises and small enterprises

Under the Micro, Small and Medium Enterprises Development Act 2006 (MSMED Act, 2006), certain disclosures are required to be made relating to dues to Micro and Small enterprises. On the basis of information and records available with the management, following disclosures are made:

Particulars	As at 31 March 2022	As at 31 March 2021
1. The principal amount remaining unpaid at the end of the year.	-	-
2. The interest amount remaining unpaid at the end of the year.	-	-
3. 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	-	-
4. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	-	-
5. The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid)	-	-
6. The amount of interest accrued and remaining unpaid at the end of accounting year	-	-
7. The amount of further interest due and payable even in the succeeding year, 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.	-	-
The balance of MSMED parties as at the end of the year	-	-

Note 53: Additional information required in terms of Master Direction RBI/2020-21/73 DOR.FIN.HFC. CC.No.120/03.10.136/2020-21 dated 17 February 2021 issued by the RBI and Notification no. NHB.HFC.CG DIR.1/MD&CEO/2016 dated 9 February 2017 issued by the NHB, is given in Annexure 1, which have been presented solely based on the information compiled by the Management.

Note 54: The previous period figures have been regrouped/reclassified wherever necessary to correspond with the current period's presentation.

For Singhi & Co.
Chartered Accountants
Firm's Registration No.: 302049E

S. Chandrasekhar
Partner
Membership No: 007592
Place : Mumbai
Date : 26th April 2022

For and on behalf of the Board of Directors of
Motilal Oswal Home Finance Limited
CIN: U65923MH2013PLC248741

Motilal Oswal
Chairman
DIN: 00024503

Raamdeo Agarawal
Director
DIN: 00024533

Shalibhadra Shah
Chief Financial Officer

Ritin Mawani
Company Secretary

Place : Mumbai
Date : 26th April 2022



Annexure 1 to the financial statements

for the year ended 31 March 2022

(Rs. in crore)

I Disclosures pursuant to Reserve Bank of India (RBI) Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021

The following disclosures have been given in pursuant to Master Direction RBI/2020-21/73 DOR.FIN.HFC. CC.No.120/03.10.136/2020-21 dated 17 February 2021 (as amended from time to time), issued by the RBI and have been presented solely based on the information compiled by the Management.

1 Summary of Significant Accounting Policies

Summary of significant accounting policies applied in preparation of Financial Statements are disclosed under Notes to Financial Statements.

Reconciliation of loans as per IGAAP and IND AS

Housing and Non-housing Loan	As at 31 March 2022	As at 31 March 2021
(i) Loans as per IGAAP	3,485.40	3,512.24
(ii) Unamortized upfront income / expense- IND AS Adjustment	(4.53)	(9.00)
(iii) Overdue EMI and Interest accrued on loans	39.02	41.66
Total Loans (i) +(ii)+ (iii)	3,519.89	3,544.89
less : Impairment loss allowance	(85.34)	(70.60)
Loans as per IND AS	3,434.55	3,474.29

2 Disclosures

2.1 Capital

Particulars	As at 31 March 2022	As at 31 March 2021
CRAR (%)*	51.57%	50.03%
CRAR - Tier I Capital (%)	50.34%	49.34%
CRAR - Tier II Capital (%)	1.23%	0.69%
Amount of subordinated debt raised as Tier - II Capital	-	-
Amount raised by issue of perpetual debt Instruments	-	-

* CRAR (%) as at 31 March , is shown as per NHB prudential norms.

2.2 Reserve Fund under 29C of NHB Act, 1987

Statutory reserve

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year		
a) Statutory reserve (As per Section 29C of The National Housing Bank Act, 1987)	14.94	14.94
b) Amount of special reserve u/s 36(1) (viii) of Income Tax Act, 1961 taken in to account for the purpose of statutory reserve under Section 29C of the NHB Act, 1987	38.62	30.58
Total	53.57	45.52
Addition / appropriation / withdrawals during the year		
Add:		
a) Amount transferred as per Section 29C of The National Housing Bank Act, 1987.	0.90	-

Annexure 1 to the financial statements

for the year ended 31 March 2022



(Rs. in crore)

Particulars	As at 31 March 2022	As at 31 March 2021
b) Amount of special reserve u/s 36(1) (viii) of Income Tax Act, 1961 taken in to account for the purpose of statutory reserve under Section 29C of the NHB Act, 1987	18.08	8.05
Less:		
a) Amount appropriate as per Section 29C of The National Housing Bank Act, 1987.	-	-
b) Amount of withdrawn from special reserve u/s 36(1) (viii) of Income Tax Act, 1961 taken in to account for the purpose of statutory reserve under Section 29C of the NHB Act, 1987.	-	-
Balance at the end of the year		
a) Statutory reserve under Section 29C of The National Housing Bank Act, 1987	15.84	14.94
b) Amount of special reserve u/s 36(1) (viii) of Income Tax Act, 1961 taken into account for the purpose of statutory reserve under Section 29C of the NHB Act, 1987.	56.70	38.62
Total	72.55	53.57

2.3 Investment

Particulars	As at 31 March 2022	As at 31 March 2021
(a) Value of Investments		
(I) Gross value of investments		
(a) In India	-	-
(a) Outside India	-	-
(II) Provisions for Depreciation		
(a) In India	-	-
(a) Outside India	-	-
(III) Net value of investments		
(a) In India	-	-
(a) Outside India	-	-
(b) Movements of provisions held towards depreciation in investments		
(I) Opening balance	-	-
(II) Add : Provisions made during the year	-	-
(III) Less : Write-off/ Written- back of excess provisions during the year	-	-
(IV) Closing balance	-	-

2.4 Derivatives

2.4.1 Forward Rate Agreement (FRA)/ Interest Rate Swap

Particulars	As at 31 March 2022	As at 31 March 2021
(I) The notional principal of swap agreements	75.47	-
(II) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	-	-
(III) Collateral required by the HFC upon entering into swaps	NA	-
(IV) Concentration of credit risk arising from the swaps*	-	-
(V) The fair value of the swap book	75.47	-

* The counterparty for Swap agreement entered is a Schedule Commercial Bank.



Annexure 1 to the financial statements

for the year ended 31 March 2022

(Rs. in crore)

2.4.2 Exchange Traded Interest Rate (IR) Derivative.

The Company has not entered into any exchange traded interest rate derivative.

2.4.3 Disclosure on Risk exposure in derivative.

A. Qualitative Disclosure

The information related to Qualitative Disclosures are disclosed in Note No. 46 to Financial Statements

B. Quantitative Disclosure

Particulars	As at 31 March 2022	As at 31 March 2021
(I) Derivatives (Notional Principal Amount)	75.47	-
(II) Marked to Market Positions (1)		
(a) Assets	Nil	-
(b) Liability	Nil	-
(III) Credit exposure	-	-
(IV) Unhedged exposure	Nil	-

2.5 ALM in next sheet

2.6 Exposure

2.6.1 Exposure to Real estate sector

Particulars	As at 31 March 2022	As at 31 March 2021
a) Direct exposure		
(i) Residential mortgage:		
Lending fully secured by mortgage on residential property that is or will be occupied by the borrower or that is rented;	3,171.09	3,428.21
(ii) Commercial real estate:		-
Lending secured by mortgages on commercial real estates (office building, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or ware house space, hotels, land acquisitions, development and construction, etc.) Exposure would also include non-fund based (NFB) limits;	314.31	84.02
(iii) Investment in mortgage backed securities (MBS) and other securitised exposures:		
(a) Residential	-	-
(b) Commercial real estate	-	-
b) Indirect exposure		
Fund based and non fund based exposures on National Housing bank (NHB) and Housing Finance Companies (HFCs)	-	-
Total Exposure to Real Estate Sector	3,485.40	3,512.24

Annexure 1 to the financial statements

for the year ended 31 March 2022



2.5 Asset liability management

Maturity pattern of certain items of asset and liabilities - As at 31 March 2022

Particulars	1 day to 7 days	8 to 14 days	15 days to 30-31 days	Over one month to 2 months	Over 2 months upto 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 to 3 years	Over 3 to 5 years	Over 5 years	Total
Liabilities											
Deposits											-
Borrowings from banks*	59.57	0.51	124.93	24.00	76.85	84.56	182.83	600.64	284.37	357.15	1,795.41
Market Borrowings*	-	-	-	33.54	-	-	37.95	653.96	25.00	-	750.45
Foreign Currency Liabilities								22.66	52.81		75.47
Assets											-
Advances	-	23.91	38.91	38.98	39.03	114.25	224.23	977.49	1,061.96	915.79	3,434.55
Investments											-
Foreign Currency Asset											-

Maturity pattern of certain items of asset and liabilities - As at 31 March 2021

Particulars	1 day to 7 days	8 to 14 days	15 days to 30-31 days	Over one month to 2 months	Over 2 months upto 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 to 3 years	Over 3 to 5 years	Over 5 years	Total
Liabilities											
Deposits	-	-	-	-	-	-	-	-	-	-	-
Borrowings from banks*	8.15	8.15	4.85	96.90	55.70	163.89	174.62	655.77	260.50	279.41	1,707.93
Market Borrowings*	-	-	8.68	-	-	-	167.82	925.95	-	50.00	1,152.45
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-
Assets	-	-	-	-	-	-	-	-	-	-	-
Advances	20.45	20.45	-	8.42	8.46	21.07	36.46	181.44	284.98	2,892.56	3,474.29
Investments	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Asset	-	-	-	-	-	-	-	-	-	-	-

* The above Banks and Market Borrowings are shown at unamortised cost.



Annexure 1 to the financial statements

for the year ended 31 March 2022

(Rs. in crore)

2.6.2. Exposure to Capital Market

Particulars	As at 31 March 2022	As at 31 March 2021
(i) direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	-	-
(ii) advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(iv) advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances';	-	-
(v) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi) loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii) bridge loans to companies against expected equity flows / issues;	-	-
(viii) All exposures to Venture Capital Funds/Alternate Investment Funds (both registered and unregistered)	-	-
Total Exposure to Capital Market	-	-

2.6.3. Details of financing of parent company products

Particulars	As at 31 March 2022	As at 31 March 2021
Details of financing of parent company products	-	-

2.6.4. Details of Single Borrower Limit (SGL)/ Group Borrower Limit (GBL)

Particulars	As at 31 March 2022	As at 31 March 2021
Sanctioned Limit/ Amount outstanding for Single borrower limit	-	-
Sanctioned Limit/ Amount outstanding for Group borrower limit	-	-

2.6.5. Unsecured Advances

Particulars	As at 31 March 2022	As at 31 March 2021
Amount of unsecured advances given against rights, licenses, authorisations etc.	-	-

2.6.6. Exposure to group companies engaged in real estate business

Particulars	As at 31 March 2022	
	Amount	% of owned fund
(i) Exposure to any single entity in a group engaged in real estate business	-	-
(ii) Exposure to all entities in a group engaged in real estate business	-	-

Annexure 1 to the financial statements

for the year ended 31 March 2022



(Rs. in crore)

Description	As at 31 March 2021	
	Amount	% of owned fund
(i) Exposure to any single entity in a group engaged in real estate business	-	-
(ii) Exposure to all entities in a group engaged in real estate business	-	-

3 Miscellaneous

3.1 Registration/ license/ authorisation obtained from other financial sector regulators

Registration has been obtained from Reserve Bank of India having Registration Number DOR-00111

3.2 Disclosure of Penalties imposed /Adverse comments by National Housing Bank (NHB)/Reserve Bank of India (RBI)/ Other Regulators

3.2.1 Penalty

Particulars	As at 31 March 2022	As at 31 March 2021
Penalty levied by NHB/RBI *	-	15,000
Total	-	15,000

*National Housing Bank had levied penalty of above amount during annual audit/inspection carried out for the year 2019-20

3.2.2 Adverse comments

Particulars	As at 31 March 2022	As at 31 March 2021
Adverse comments if any given by NHB/RBI	-	-

3.3 Related Party Transactions- Detail of material transaction

The information related to Related Party Transactions are disclosed in Note No. 42 to Financial Statements

3.4 Group Structure

The information related to Group Structure is disclosed in Board's Report.

3.5 Rating assigned by Credit Rating Agencies and migration of rating during the year

Nature of Borrowing	As at 31 March 2022		
	Credit Rating / Outlook		
	CRISIL	India Ratings	ICRA
Short Term			
Commercial paper	CRISIL A1+	IND A1+	[ICRA]A1+
Long Term			
Non-Convertible Debentures	CRISIL AA (Stable)	IND AA (Stable)	[ICRA]AA- (Stable)
Market linked Debentures	CRISIL PP-MLD AA-r/Stable	-	PP-MLD[ICRA] AA- (Stable)
Bank Borrowings	CRISIL AA (Stable)	IND AA (Stable)	-



Annexure 1 to the financial statements

for the year ended 31 March 2022

(Rs. in crore)

Nature of Borrowing	As at 31 March 2021		
	Credit Rating / Outlook		
	CRISIL	India Ratings	ICRA
Short Term			
Commercial paper	CRISIL A1+	IND A1+	[ICRA]A1+
Long Term			
Non-Convertible Debentures	CRISIL AA-/Stable	-	[ICRA]A+ (Stable)
Market linked Debentures	CRISIL PP-MLD AA-r/Stable		PP-MLD[ICRA]A+(Stable)
Bank Borrowings	CRISIL AA-/Stable	-	-

3.6 Remuneration of Directors

The information related to pecuniary relationship or transactions with the non-executive director of the company is disclosed in Note No. 42 to Financial Statements

3.7 Management

The Management Discussion and Analysis Report forms part of Annual report.

3.8 Net Profit or Loss for the period, prior period items and changes in accounting policies

Particulars	As at March 31, 2022	As at March 31, 2021
Net profit/Loss for the period	94.89	40.23
Impact of prior period items on current year's profit:		
Prior Period Tax*	(0.03)	0.06
Reason for Changes in accounting policies	Not Applicable	Not Applicable

*Prior period tax is in relation to payment against Income Tax Liability aroused at the time of scrutiny

3.9 Revenue Recognition

There were no circumstances requiring postponement of Revenue Recognition for the year ended on 31st March 2022 & 31st March 2021.

3.10 Consolidated Financial Statements (CFS)

MOHFL has no subsidiary as on date.

3.11 Information for area, country of operation and joint venture partners with regard to joint ventures and overseas subsidiaries

Particulars	As at March 31, 2022	As at March 31, 2021
Area	-	-
Country of operation	-	-
Partners of Joint Venture	-	-
Overseas subsidiaries	-	-

Annexure 1 to the financial statements

for the year ended 31 March 2022



(Rs. in crore)

4 Additional Disclosures

4.1 Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	For the year ended 31 March 2022	For the year ended 31 March 2021
1. Provisions for depreciation on investment	-	-
2. Provisions made towards income tax	23.42	50.22
3. Provisions towards NPAs	1.60	7.64
4. Provisions for standard assets (with details like teaser loan, CRE, CRE-RH etc.)	13.14	19.63
5. Other provision and contingencies		
Gratuity	0.67	0.56
Compensated absence	0.26	-0.27
Heritage Club	0.07	0.10
Provision for expenses	1.84	1.30

Break up of Loans & Advances & Provisions thereon	As at 31 March 2022	
	Housing Loans	Non-Housing Loans
Standard Asset		
Principal outstanding	2,797.06	632.17
Overdue principal	0.60	0.13
Interest accrued	26.44	6.06
Total Outstanding Amount	2,824.10	638.35
Provisions made	43.41	16.18
Sub-standard assets		
Principal outstanding	38.25	9.97
Overdue principal	0.50	0.09
Interest accrued	3.10	0.61
Total Outstanding Amount	41.84	10.68
Provisions made	17.20	4.52
Doubtful assets- Category I		
Principal outstanding	6.22	0.94
Overdue principal	0.26	0.03
Interest accrued	1.22	0.12
Total Outstanding Amount	7.69	1.09
Provisions made	2.99	0.43
Doubtful assets- Category II		
Principal outstanding	0.75	-
Overdue principal	0.16	-
Interest accrued	0.30	-
Total Outstanding Amount	1.22	-
Provisions made	0.57	-
Doubtful assets- Category III		
Principal outstanding	0.03	-
Overdue principal	0.04	-



Annexure 1 to the financial statements

for the year ended 31 March 2022

(Rs. in crore)

Break up of Loans & Advances & Provisions thereon	As at 31 March 2022	
	Housing Loans	Non-Housing Loans
Interest accrued	0.03	-
Total Outstanding Amount	0.11	-
Provisions made	0.03	-
Loss assets		
Principal outstanding	-	-
Overdue principal	-	-
Interest accrued	-	-
Total Outstanding Amount	-	-
Provisions made	-	-
Total		
Principal outstanding	2,842.32	643.08
Overdue principal	1.55	0.25
Interest accrued	31.08	6.79
Total Outstanding Amount	2,874.95	650.12
Provisions made	64.20	21.14

Break up of Loans & Advances & Provisions thereon	As at 31 March 2021	
	Housing Loans	Non-Housing Loans
Standard Asset		
Principal outstanding	2,995.98	439.73
Overdue principal	0.50	0.07
Interest accrued	31.15	4.36
Total Outstanding Amount	3,027.63	444.16
Provisions made	38.09	8.36
Sub-standard assets		
Principal outstanding	64.59	10.58
Overdue principal	0.08	0.01
Interest accrued	5.31	0.77
Total Outstanding Amount	69.97	11.37
Provisions made	20.68	2.91
Doubtful assets- Category I		
Principal outstanding	1.08	0.05
Overdue principal	0.01	0.00
Interest accrued	0.35	0.01
Total Outstanding Amount	1.44	0.06
Provisions made	0.40	0.02
Doubtful assets- Category II		
Principal outstanding	0.23	-
Overdue principal	0.00	-
Interest accrued	0.17	-
Total Outstanding Amount	0.40	-

Annexure 1 to the financial statements

for the year ended 31 March 2022



(Rs. in crore)

Break up of Loans & Advances & Provisions thereon	As at 31 March 2021	
	Housing Loans	Non-Housing Loans
Provisions made	0.14	-
Doubtful assets- Category III		
Principal outstanding	-	-
Overdue principal	-	-
Interest accrued	-	-
Total Outstanding Amount	-	-
Provisions made	-	-
Loss assets		
Principal outstanding	-	-
Overdue principal	-	-
Interest accrued	-	-
Total Outstanding Amount	-	-
Provisions made	-	-
Total		
Principal outstanding	3,061.87	450.36
Overdue principal	0.59	0.08
Interest accrued	36.98	5.15
Total Outstanding Amount	3,099.44	455.59
Provisions made	59.31	11.29

4.2 Draw Down from Reserves

There were no draw down from Reserves during FY 2021-2022.

4.3 Concentration of Public Deposits, Advances, Exposures and NPAs

4.3.1 Concentration of Public Deposits

Particulars	As at 31 March 2022	As at 31 March 2021
Total Deposits of twenty largest depositors	-	-
Percentage of Deposits of twenty largest depositors to total deposits of the HFC	-	-

4.3.2 Concentration of Loans & Advances

Particulars	As at 31 March 2022	As at 31 March 2021
Total Loans & Advances to twenty largest borrowers	239.50	50.93
Percentage of Loans & Advances to twenty largest borrowers to total advances of the HFC	6.87%	1.45%

4.3.3 Concentration of all Exposure (including off-balance sheet exposure)

Particulars	As at 31 March 2022	As at 31 March 2021
Total Exposure to twenty largest borrowers / customers	239.87	50.93
Percentage of exposure to twenty largest borrowers / customers to total exposure of the HFC on borrowers / customers.	6.78%	1.45%



Annexure 1 to the financial statements

for the year ended 31 March 2022

(Rs. in crore)

4.3.4 Concentration of NPAs

Particulars	As at 31 March 2022	As at 31 March 2021
Total Exposure to top ten NPA accounts	2.89	2.72

4.3.5 Sector-wise NPA

Sector	As at 31 March 2022	As at 31 March 2021
A. Housing Loans: (in %) (out of total advances in that sector)		
(I) Individuals	1.64%	2.15%
(II) Builders / Project Loans		
(III) Corporates		
(IV) Others (Specify)		
B. Non - Housing Loans: (in %) (out of total advances in that sector)		
(I) Individuals	1.79%	2.54%
(II) Builders / Project Loans		
(III) Corporates		
(IV) Others (Specify) - Commercial Real Estate (CRE)	5.53%	2.79%

4.4 Movement of NPAs.

Particulars	As at 31 March 2022	As at 31 March 2021
(I) Net NPAs to Net Advances (%) *	0.93%	1.52%
(II) Movement of Gross NPAs		
(a) Opening Balance	76.62	66.00
(b) Additions during the year (excluding write off's)	46.51	70.33
(c) Reduction during the year (excluding write off's)	65.89	59.71
(d) Closing balance	57.25	76.62
(III) Movement of Net NPAs		
(a) Opening Balance	52.48	49.49
(b) Additions during the year (excluding write off's)	33.49	53.45
(c) Reduction during the year (excluding write off's)	54.46	50.47
(d) Closing balance	31.50	52.48
(IV) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening Balance	24.15	16.51
(b) Provisions made during the year (excluding write off's)	13.02	16.88
(c) Write off/ write back of excess provision	11.43	9.24
(d) Closing balance	25.75	24.15

* As per notification's wordings, total loan book net of provision made is considered as net of advances. Whereas in Note 31 of financials, total loan book is considered for computation of ratios.

Annexure 1 to the financial statements

for the year ended 31 March 2022



(Rs. in crore)

4.5 Overseas Assets

Particulars	As at 31 March 2022	As at 31 March 2021
	-	-

4.6 Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting Norms)-

Name of the SPV sponsored	As at 31 March 2022	As at 31 March 2021
Domestic	-	-
Overseas	-	-

5 Disclosure of Complaints

5.1 Customer Complaints.

Particulars	As at 31 March 2022	As at 31 March 2021
(a) No. of complaints pending at the beginning of the year	-	2
(b) No. of complaints received during the year	125	145
(c) No. of complaints redressed during the year	125	147
(d) No. of complaints pending at the end of the year	-	-

Complaints uploaded on NHB-GRIDS, where company provides redressal to customer from their end. All complaints have been redressed by the Company.

6 Principal Business Criteria

Particulars	As at 31 March 2022	As at 31 March 2021
Percentage of total assets towards Housing Finance (net of intangible assets)	76.36%	79.73%
Percentage of total assets towards Housing Finance for Individual (net of intangible assets)	75.39%	79.73%

7 Percentage of outstanding loans granted against collateral of gold jewellery to their outstanding total assets.

There are no outstanding loans granted against collateral of gold jewellery to their outstanding total assets as at 31st March 2022 & 31st March 2021.

8 Details of all off-balance sheet exposures

The information related to off-balance sheet exposures are disclosed in Note No. 34 to Financial Statements



Annexure 1 to the financial statements

for the year ended 31 March 2022

(Rs. in crore)

9. Schedule to Motilal Oswal Home Finance Ltd. Balance Sheet as at 31st March 2022.

Particulars		Amount (Rs. in crore)		
Liabilities side		Amount outstanding	Amount overdue	
(1)	Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:			
(a)	Debentures : Secured	423.04	-	
	Debentures : Unsecured	323.16	-	
	(other than falling within the meaning of public deposits*)			
(b)	Deferred Credits	-		
(c)	Term Loans	1,860.27	-	
(d)	Inter-corporate loans and borrowing	-	-	
(e)	Commercial Paper	-	-	
(f)	Public Deposits	-	-	
(g)	Other Loans (specify nature)	-	-	
(2)	Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):			
(a)	In the form of Unsecured debentures	-	-	
(b)	In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	
(c)	Other public deposits	-	-	
Assets side			Amount outstanding	
(3)	Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:			
(a)	Secured		3,519.89	
(b)	Unsecured		-	
(4)	Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities:			
(i)	Lease assets including lease rentals under sundry debtors			
	(a)	Financial lease	-	
	(b)	Operating lease	-	
(ii)	Stock on hire including hire charges under sundry debtors			
	(a)	Assets on hire	-	
	(b)	Repossessed Assets	-	
(iii)	Other loans counting towards asset financing activities			
	(a)	Loans where assets have been repossessed	-	
	(b)	Loans other than (a) above	-	
(5)	Break-up of Investments			
Current Investments				
1.	Quoted			
	(i)	Shares		
		(a)	Equity	-
		(b)	Preference	-
	(ii)	Debentures and Bonds	-	
	(iii)	Units of mutual funds	-	
	(iv)	Government Securities	-	
	(v)	Others (please specify)	-	

Annexure 1 to the financial statements

for the year ended 31 March 2022



(Rs. in crore)

2.	<u>Unquoted</u>	
(i)	Shares	
	(a) Equity	-
	(b) Preference	-
(ii)	Debentures and Bonds	-
(iii)	Units of mutual funds	-
(iv)	Government Securities	-
(v)	Others (please specify)	-
Long Term investments		
1.	<u>Quoted</u>	
(i)	Share	
	(a) Equity	-
	(b) Preference	-
(ii)	Debentures and Bonds	-
(iii)	Units of mutual funds	-
(iv)	Government Securities	-
(v)	Others (please specify)	-
2.	<u>Unquoted</u>	
(i)	Shares	
	(a) Equity	-
	(b) Preference	-
(ii)	Debentures and Bonds	-
(iii)	Units of mutual funds	-
(iv)	Government Securities	-
(v)	Others (please specify)	-

(6) Borrower group-wise classification of assets financed as in (3) and (4) above:				
Category		Amount net of provisions		
		Secured	Unsecured	Total
1.	Related Parties **			
	(a) Subsidiaries	-	-	-
	(b) Companies in the same group	-	-	-
	(c) Other related parties	-	-	-
2.	Other than related parties	3,519.89	-	3,519.89
Total		3,519.89	-	3,519.89

(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):			
Category		Market Value / Book Value (Net of Provisions)	
		Break up or fair value or NAV	
1.	Related Parties **		
	(a) Subsidiaries	-	-
	(b) Companies in the same group	-	-
	(c) Other related parties	-	-
2.	Other than related parties	-	-
Total		-	-

** As per applicable Accounting Standard



Annexure 1 to the financial statements

for the year ended 31 March 2022

(Rs. in crore)

(8) Other information		
Particulars		Amount (Rs. in crore)
(i)	Gross Non-Performing Assets	
	(a) Related parties	
	(b) Other than related parties	57.25
(ii)	Net Non-Performing Assets	
	(a) Related parties	
	(b) Other than related parties	31.50
(iii)	Assets acquired in satisfaction of debt	7.87

II. Disclosures pursuant to Reserve Bank of India (RBI) Master Direction-Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021

The following disclosures have been given in pursuant to Master Direction RBI/DOR/2021-22/85 DOR.STR. REC.53/21.04.177/2021-22 dated September 24, 2021 issued by the RBI.

1 Securitisation

		As at 31 March 2022	As at 31 March 2021
(I)	No of SPEs holding assets for securitisation transactions originated by the originator (only the SPVs relating to outstanding securitization exposures to be reported here)	1.00	1.00
(II)	Total amount of securitised assets as per books of the SPEs	147.33	184.11
(III)	Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet		
	(a) Off-balance sheet exposure • First loss • Others	-	-
	(b) On-balance sheet exposures • First loss • Others	25.20	24.00
(IV)	Amount of exposures to securitisation transactions other than MRR		
	(a) Off-balance sheet exposure		
	(i) Exposure to own securitisations • First loss • Others	-	-
	(ii) Exposure to third party securitisations • First loss • Others	-	-
	(b) On-balance sheet exposures		
	(i) Exposure to own securitisations • First loss • Others	-	-
	(ii) Exposure to third party securitisations • First loss • Others	-	-
(V)	Sale consideration received for the securitised assets and gain/loss on sale on account of securitisation	-	-
(VI)	Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.	-	-

Annexure 1 to the financial statements

for the year ended 31 March 2022



(Rs. in crore)

		As at 31 March 2022	As at 31 March 2021
(VII)	Performance of facility provided. Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided. (a) Amount paid (b) Repayment received (c) Outstanding amount	-	-
(VIII)	Average default rate of portfolios observed in the past. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc (may mention average default rate of previous 5 years)"	-	-
(IX)	Amount and number of additional/top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc	-	-
(X)	Investor complaints	-	-
	(a) Directly/Indirectly received and;		
	(b) Complaints outstanding		

2 Details of financial assets sold to securitisation / reconstruction company for asset reconstruction.

		As at 31 March 2022	As at 31 March 2021
(I)	No. of accounts	1,486	1,050
(II)	Aggregate value (net of provisions) of accounts sold to SC / RC	87.76	86.38
(III)	Aggregate consideration	86.00	74.94
(IV)	Additional consideration realized in respect of accounts transferred in earlier years	-	-
(V)	Aggregate gain/(loss) over net book value	(1.76)	(11.44)

3 Details of assignment transactions undertaken by HFCs.

Particulars	As at 31 March 2022	As at 31 March 2021
(I) No. of accounts	617	-
(II) Aggregate value (net of provisions) of accounts sold to SC / RC	42.61	-
(III) Aggregate consideration	42.69	-
(IV) Additional consideration realized in respect of accounts transferred in earlier years	-	-
(V) Aggregate gain / loss over net book value*	0.08	-

*As per Ind AS 109, derecognition criteria is met and accordingly Company has recognised an upfront profit of INR 899 lakhs.

4 Details of non-performing financial assets purchased / sold

4.1 Details of non-performing financial assets purchased

Particulars	As at 31 March 2022	As at 31 March 2021
(I) No. of accounts purchased during the year	-	-
(II) Aggregate outstanding	-	-
(III) Of these, number of accounts restructured during the year	-	-
(IV) Aggregate outstanding	-	-



Annexure 1 to the financial statements

for the year ended 31 March 2022

(Rs. in crore)

4.2 Details of non-performing financial assets sold:

Particulars	As at 31 March 2022	As at 31 March 2021
(I) No. of accounts sold	1,486	1,050
(II) Aggregate outstanding	122.87	113.64
(III) Aggregate consideration received	86.00	74.94

III. Disclosures pursuant to Reserve Bank of India (RBI) Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021

The following disclosures have been given in pursuant to Master Direction RBI/DOR/2021-22/86DOR.STR. REC.51/21.04.048/2021-22 dated September 24, 2021 issued by the RBI.

1 Disclosure on loans not in default that are transferred or acquired

Particulars	Amount
Weighted average maturity	144 months
Weighted average holding period	56 months
Retention of beneficial economic interest	10%
Coverage of tangible security coverage	NA
Rating-wise distribution of related loans	NA
Break-up of:	
(i) Loans transferred	42.69
(ii) Acquired through assignment	-
(iii) Novation and loan participation	-

2 Disclosure for stressed loans transferred or acquired

Details of stressed loans transferred during the year (to be made separately for loans classified as NPA and SMA)

Particulars	To ARCs
No: of accounts	1,486
Aggregate principal outstanding of loans transferred	122.87
Weighted average residual tenor of the loans transferred	242 months
Net book value of loans transferred (at the time of transfer)	87.76
Aggregate consideration	86.00
Additional consideration realized in respect of accounts transferred in earlier years	-

Particulars	To permitted transferees
No: of accounts	-
Aggregate principal outstanding of loans transferred	-
Weighted average residual tenor of the loans transferred	-
Net book value of loans transferred (at the time of transfer)	-
Aggregate consideration	-
Additional consideration realized in respect of accounts transferred in earlier years	-

Particulars	To other transferees
No: of accounts	-
Aggregate principal outstanding of loans transferred	-
Weighted average residual tenor of the loans transferred	-

Annexure 1 to the financial statements

for the year ended 31 March 2022



(Rs. in crore)

Particulars	To other transferees
Net book value of loans transferred (at the time of transfer)	-
Aggregate consideration	-
Additional consideration realized in respect of accounts transferred in earlier years	-

Details of loans acquired during the year

Particulars	From lenders	From ARCs
Aggregate principal outstanding of loans acquired	-	-
Aggregate consideration paid	-	-
Weighted average residual tenor of loans acquired	-	-

IV. Disclosures pursuant to Reserve Bank of India (RBI) Master Direction-Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016

The following disclosures have been given in pursuant to Master Direction RBI/DNBS/2016-17/49 DNBS. PPD.01/66.15.001/2016-17 dated September 29, 2016 (as amended from time to time), issued by the RBI.

1 Reporting of Fraud

Particulars	As at 31 March 2022	As at 31 March 2021
Amount of Fraud outstanding at the end of the year	26.48	26.95

V. Public Disclosure for year/quarter ended March 31, 2022 pursuant to Paragraph 3 of Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies

i) Funding Concentration based on significant counterparty (both deposits and borrowings)

Sr. no.	Type of instrument	Number of Significant Counter parties	Amount	% of Total deposits	% of Total Liabilities
1	Deposits	NA	NA	NA	NA
2	Borrowings	21	2,408	NA	87.38%

ii) Top 20 large deposits (% of total deposits)

Sr. no.	Description	Amount	% of Total deposits
1	Total for Top 20 large deposits	NA	NA

iii) Top 10 borrowings (% of total borrowings)

Sr. no.	Type of instrument	Amount	% of Total borrowings
1	Total for Top 10 borrowings	1,773	68.03%

iv) Funding Concentration based on significant instrument/product

Sr. no.	Name of instrument/product	Amount	% of Total Liabilities
1	Term loans from banks	1,466	53.18%
2	Term loans from Securitization	147	5.35%
3	Term loans from NHB Refinance	183	6.62%
4	Secured redeemable non-convertible debentures	425	15.44%



Annexure 1 to the financial statements

for the year ended 31 March 2022

(Rs. in crore)

Sr. no.	Name of instrument/product	Amount	% of Total Liabilities
5	Unsecured redeemable non-convertible debentures	325	11.79%
6	External Commercial Borrowings	75	2.74%
	Total funding Concentration pertaining to significant instruments/products	2,621	
	Funding Concentration pertaining to insignificant instruments/products	-	
	Total borrowings under all instruments/products	2,621	

v) Stock Ratios

Sr. no.	Name of instrument/product	Amount	% of Public Funds	% of Total Liabilities	% of Total Assets
1	Commercial papers (CPs)	-	NA	-	-
2	Non-convertible debentures (NCDs) with original maturity of less than one year	-	NA	-	-
3	Other short-term liabilities	625	NA	22.68%	16.61%

vi) Institutional set-up for liquidity risk management

The ultimate responsibility for liquidity risk management rests with the Board of directors, which has established Asset-Liability Management ('ALM') Policy & Asset and Liability Management Committee (ALCO). The ALM Policy provides the governance framework for the identification, measurement, monitoring and reporting of liquidity risk arising out of Company's lending and borrowing activities. The liquidity risk is measured in terms of structural liquidity gaps across various time-buckets. Actual liquidity gaps against the Gap Limits are discussed every quarter in the ALCO meeting. ALCO manages Company's short, medium and long-term funding and liquidity management requirements. The ALCO meets regularly to review the liquidity position based on future cash flows. The Company manages liquidity risk by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities. The Company also maintains adequate liquid assets, banking facilities and reserve borrowing facilities against unexpected requirements.

Definition of terms as used in the table above:

a) Significant counterparty:

A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC's total liabilities.

b) Significant instrument/product:

A "Significant instrument/product" is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the NBFC's total liabilities.

c) Total liabilities:

Total liabilities include all external liabilities (other than equity).

d) Other short-term liabilities:

All short-term borrowings other than CPs and NCDs with original maturity less than 12 months.

e) Borrowings:

Borrowings are inclusive of Debt securities and are considered at unamortised cost.

Motilal Oswal Investment Advisors Limited

FINANCIAL STATEMENT

INDEPENDENT AUDITORS' REPORT (CONTD..)

To,

The Members Motilal Oswal Investment Advisors Limited,

Report on audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of **Motilal Oswal Investment Advisors Limited** which comprises the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, and statement of cash flows for the year then ended, and notes to the financial statements, including 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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and profit/loss, and its cash flows for the year ended on March 31, 2022.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 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

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Special purpose 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.

Key audit matter	How our audit addressed the key audit matter
-----NIL-----	

Responsibility of Management for the Standalone Financial Statements

The management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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; design, implementation and maintenance of

INDEPENDENT AUDITORS' REPORT (CONTD..)

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 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 is also responsible for overseeing the company's financial reporting process.

Auditors' Responsibilities for the Audit of the Standalone Financial Statements

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 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:

- 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 explaining 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.

INDEPENDENT AUDITORS' REPORT (CONTD..)

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 the financial statements of the current year 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

1. Based on our audit we report that the Company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable.
2. 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 Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
3. As required by Section 143(3) of the Act, 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 purposes 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 Balance Sheet & Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors are disqualified as on 31st 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 Control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - (g) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

INDEPENDENT AUDITORS' REPORT (CONTD..)

- (i) The Company does not have any pending litigations which would impact its financial position;
- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Aneel Lasod And Associates*Chartered Accountants*

Firm Registration No.:- 124609W

Aneel Lasod*(Partner)*

M.No:-040117

Place: Mumbai

Date: 25-4-2022

UDIN: 22040117AHVCAV5656

INDEPENDENT AUDITORS' REPORT (CONTD..)

Annexure A to the Auditors' Report

Annexure "A" referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

According to the information and explanation sought by us and given by the company and the book of accounts and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

1. Fixed assets:

- a. The company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant, Equipment and intangible assets.
- b. The Property, Plant, Equipment and intangible assets were physically verified by the management at reasonable intervals and no discrepancies were noticed with that stated in the books of accounts.
- c. The Company has not revalued its Property, Plant, Equipment (including rights of use assets) or intangible assets during the year.
- d. According to the information, explanations and representation given to us, no Proceedings have been initiated or is pending against the company during the year for holding any Benami Transactions (Prohibition) Act, 1988 (45 of 1988) rules made thereunder.

2. Inventories:

According to the information and explanations given to us, there are no inventories on the balance sheet date; therefore paragraph 3(ii) (a) of the order is not applicable to the company.

3. Investment or Guarantee or Granting any Loan or Advances:

The Investments made are in the nature of investment and are not prima facies prejudicial to the company's interest. Further, according to the information and Explanation provided to us, the company has not provided any Guarantees or Granting any Loan or Advances during the year.

4. Compliance of section 185 and 186 of the Companies Act, 2013:-

According to the information and explanations given to us; in respect of loans, investments, guarantees and security given by the company are in compliance with the provisions of Section 185 and 186 of the Companies Act, 2013.

5. Deposits from Public:

In our opinion and according to the information and explanations given to us, the company has not accepted any deposit from the "public" attracting the provisions of Sections 73 and 76 of the Companies Act 2013 or the rules framed there under

6. Cost Records:

The Central Government has not prescribed the maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 for any of the activities conducted/services rendered by the Company. Accordingly Para 3(vii) of the Order is not applicable.

INDEPENDENT AUDITORS' REPORT (CONTD..)

7. Statutory Dues:

- a. According to the records of the Company and according to the information and explanations provided to us, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Service Tax, Goods and Service Tax, Professional Tax, and any other statutory dues wherever applicable with the appropriate authorities.
- b. According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees State Insurance, Income Tax, Service Tax, Goods and Service Tax, Professional Tax, and any other statutory dues were outstanding as at 31st March, 2022 for a period of more than six months from the date they became payable.
- c. According to the information and explanations given to us, there are no dues of Provident Fund, Employees State Insurance, Income Tax, Service Tax, Professional Tax, SEBI turnover fees and any other statutory dues, which have not been deposited on account of any dispute.

8. Unrecorded income:

According to the information and explanations given to us, there are no transactions which have not been recorded in the books of Accounts but have been surrendered or disclosed as income in Income Tax Assessments under the Income tax Act, 1961 during the year.

9. Repayment and Usage of Borrowings:

- a. According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowing or in the payment of interest thereon to any lender.
- b. On the basis of information and explanation provided to us, the company has not declared a willful defaulter by any bank or financial institution or other lender
- c. According to the information, explanations and representation given to us and to the best of our knowledge and belief, company has not taken term loan during the year.
- d. On an overall examination of the financial statements of the company, funds raised on short term basis do not seem to have used for loan term purposes.
- e. The Company does not have any subsidiaries, associates or joint ventures. Accordingly, to the report under paragraph 3(ix) (e) of the order is not applicable to the company
- f. The Company does not have any subsidiaries, associates or joint ventures. Accordingly, to the report under paragraph 3(ix) (f) of the order is not applicable to the company.

10. Money raised through on Shares:

- 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 or partially) during the year and hence reporting under paragraph 3(x) (b) of the order is not applicable to the company.

INDEPENDENT AUDITORS' REPORT (CONTD..)

11. Fraud:

- a. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the year.
- b. According to the information and explanations given to us and to the best of our knowledge, no report u/s 143(12) 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.
- c. According to the information, explanations and representation given to us, by the management there were no whistle blower complaints received during the year by the company and hence reporting under paragraph 3(xi) (c) of the order is not applicable to the company.

12. Nidhi Company:

The Company is not a Nidhi Company; and hence reporting under paragraph 3(xii) of the order is not applicable to the company.

13. Related Party Transaction:

According to the information and explanations given to us all the transactions with the related parties are in compliance with Section 177 and Section 188 of the Companies Act, 2013 wherever applicable the details have been disclosed in the Financial Statements etc.

14. Internal Audit:

- 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.

15. Non cash transactions:

According to the information and explanations given to us the company has not entered into non cash transactions with directors or persons connected with him as covered under section 192 of the Companies Act, 2013; therefore this clause is not applicable.

16. 45-IA of RBI Act, 1934:

The Company is not a Non-Banking Financial Company therefore the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934; therefore this clause is not applicable.

17. Cash Losses:

According to the information and explanations given to us and based on our examination of the record of the company, the company has not incurred cash losses in the financial year but in immediately preceding financial year there was a cash loss of Rs. 7,77,93,945/-

INDEPENDENT AUDITORS' REPORT (CONTD..)

18. Auditors Resignation:

There is no resignation of the statutory auditor during the year, hence this clause is not applicable to the company.

19. Financial Position:

According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that 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.

20. CSR Compliance:

- a. As the average net profit of the preceding three financial years for Corporate Social Responsibility (CSR) contribution computed in accordance with section 198 of companies Act, 2013 is negative, the company is not required to spend any amount towards CSR. Hence reporting under paragraph (xx) (a) is not applicable to the company.
- b. As the company was not required to spend any amount towards CSR. Hence reporting under paragraph (xx) (b) is not applicable to the company.

21. Consolidated Financial Statements (CFS):

According to the information and explanations given to us and based on our examination of the records of the company, there are no subsidiaries/ associates/ Joint ventures of the company and hence the paragraph 3(xxi) of the order is not applicable to the company.

For Aneel Lasod And Associates

Chartered Accountants

Firm Registration No.: 124609W

Aneel Lasod

(Partner)

M.No:-040117

Place: Mumbai

Date: 25-4-2022

UDIN: 22040117AHVCAV5656

INDEPENDENT AUDITORS' REPORT (CONTD..)

Annexure B to the Auditors' Report

Report on the Internal Financial Controls 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 of Motilal Oswal Investment Advisors Limited ('the Company') as of 31st March 2022 in conjunction with our audit of the standalone 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 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 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 Companies Act, 2013.

Auditors' 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 on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both 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 were 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 auditors' 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

INDEPENDENT AUDITORS' REPORT (CONTD..)

being made only in accordance with authorizations of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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, 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 31st March 2022, 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 issued by the Institute of Chartered Accountants of India.

For Aneel Lasod And Associates

Chartered Accountants

Firm Registration No.:- 124609W

Aneel Lasod

(Partner)

M.No:-040117

Place: Mumbai

Date: 25-4-2022

UDIN: 22040117AHVCAV5656

BALANCE SHEET

BALANCE SHEET AS AT 31ST MARCH,2022

Particulars	NOTE	AS AT 31-Mar-22	AS AT 31-Mar-21
I ASSETS			
1 Financial assets			
a) Cash and cash equivalents	4	3,88,13,385	19,09,334
b) Receivables			
Trade receivables	5	7,34,93,999	-
Other receivables		-	-
c) Investments	6	1,08,33,06,705	1,04,51,32,408
d) Other financial assets	7	5,00,000	5,00,000
		1,19,61,14,089	1,04,75,41,742
2 Non-financial assets			
a) Current tax asset (net)	8	31,00,930	-
b) Deferred tax asset (net)	9	1,71,78,077	6,22,86,760
c) Property plant & equipments	10 (a)	12,96,316	10,33,005
d) Intangible assets	10 (b)	0	0
e) Other non-financial assets	11	47,22,518	1,32,96,087
		2,62,97,841	7,66,15,852
TOTAL ASSETS		1,22,24,11,930	1,12,41,57,593
II LIABILITIES AND EQUITY			
LIABILITIES			
1 Financial Liabilities			
a) Borrowings	12	-	14,55,76,338
b) Other financial liabilities	13	63,60,778	1,03,61,187
		63,60,778	15,59,37,525
2 Non-financial liabilities			
a) Current tax liabilities (net)	14	-	20,84,394
b) Provision	15	6,48,76,720	1,09,65,578
c) Other non-financial liabilities	16	3,88,81,127	28,09,028
		10,37,57,847	1,58,59,000
3 Equity			
a) Share capital	17	1,00,00,000	1,00,00,000
b) Reserves and surplus	18	1,10,22,93,305	94,23,61,068
		1,11,22,93,305	95,23,61,068
TOTAL LIABILITIES AND EQUITY		1,22,24,11,930	1,12,41,57,593

The accompanying notes form an integral part of the financial statements

This is the Balance Sheet referred to in our report of even date

For Aneel Lasod And Associates

Chartered Accountants
Firm Reg. No. - 124609W

Aneel Lasod
Partner
M No: 40117

Place : Mumbai
Date : 25th April 2022

For and on behalf of the Board of Directors of

Motilal Oswal Investment Advisors Limited

Motilal Oswal
Director
DIN No: 00024503

Place : Mumbai
Date : 25th April 2022

Raamdeo Agarawal
Director
DIN No: 00024533

STATEMENT OF PROFIT AND LOSS

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

Particulars	Note No	For the Year Ended 31-Mar-2022	For the Year Ended 31-Mar-2021
I. Revenue from operations			
Fees and commission Income	19	37,36,67,865	2,63,00,000
Net gain on fair value changes	20	3,81,74,325	7,08,07,600
Other Revenue	21	9,32,454	-
Total Revenue from operations		41,27,74,644	9,71,07,600
II. Other Income	22	21,58,525	37,08,650
III. Total Income (I+II)		41,49,33,169	10,08,16,250
IV. Expenses			
Finance Cost	23	1,69,95,408	1,18,44,312
Impairment on financial instruments	24	-	-
Employee benefit Expenses	25	15,68,70,023	10,52,04,998
Depreciation and amortisation	10	3,39,353	7,41,134
Other Expenses	26	3,70,11,496	6,15,60,885
Total Expenses		21,12,16,280	17,93,51,329
V. Profit/(loss) Before Taxation (III-IV)		20,37,16,889	(7,85,35,079)
VI. Less: Tax Expenses/(credit)			
Current tax			32,72,827
Deferred tax		4,47,75,451	(3,01,13,716)
Prior Period item			
		4,47,75,451	(2,68,40,889)
VII. Profit/(loss) for the period (V-VI)		15,89,41,438	(5,16,94,189)
VIII. Other comprehensive income			
Items that will not be reclassified to profit or loss			
(a) Acturail gain/(losses) on post retirement benefit plans		13,24,031	(7,00,783)
(b) Deferred tax impact on the above		3,33,232	(1,76,373)
Total other comprehensive income		9,90,799	(5,24,410)
IX. Total comprehensive income/(loss) (VII+VIII)		15,99,32,236	(5,22,18,599)
Earnings per equity share (Rs.) (Face value per share Rs.10/-)	29		
Basic		158.94	(51.69)
Diluted		158.94	(51.69)

The accompanying notes form an integral part of the financial statements

This is the Statement of Profit and Loss referred to in our report of even date

For Aneel Lasod And Associates

Chartered Accountants
Firm Reg. No. - 124609W

Aneel Lasod
Partner
M No: 40117

Place : Mumbai
Date : 25th April 2022

For and on behalf of the Board of Directors of

Motilal Oswal Investment Advisors Limited

Motilal Oswal
Director
DIN No: 00024503

Raamdeo Agarawal
Director
DIN No: 00024533

Place : Mumbai
Date : 25th April 2022

CASH FLOW STATEMENT

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

	For the Year Ended 31-Mar-22	For the Year Ended 31-Mar-21
CASH FLOW FROM OPERATING ACTIVITIES		
PROFIT/(LOSS) BEFORE TAX	20,37,16,889	(7,85,35,079)
Add /Less :		
1) Depreciation	3,39,353	7,41,134
2) Bad debts w/off / Provision for bad debt	-	-
3) Gratuity	16,86,572	38,51,543
4) Loss / (gain) on Investments-Realised	-	1,13,16,575
5) Loss / (gain) on Investments-Unrealised	(3,81,74,325)	(8,21,24,175)
OPERATING PROFIT/(LOSS)	16,75,68,489	(14,47,50,002)
Adjustment for:		
1) (Increase)/decrease in receivables	(7,34,93,999)	-
2) (Increase)/decrease in loans	-	-
3) (Increase)/decrease in other financial assets	-	(5,00,000)
4) (Increase)/decrease in other non-financial assets	85,73,569	(37,53,299)
6) Increase/(decrease) in borrowing	(14,55,76,338)	8,96,76,338
7) Increase/(decrease) in other financial liabilities	(40,00,409)	32,54,454
8) Increase/(decrease) in provisions	5,35,48,601	(30,63,416)
9) Increase/(decrease) in other non-financial liabilities	3,60,72,099	2,12,713
CASH FLOW FROM OPERATIONS	4,26,92,012	(5,89,23,212)
Taxes Paid / (refund received)	(51,85,324)	5,51,85,440
NET CASH FLOW FROM OPERATIONS	3,75,06,688	(37,37,772)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed Assets	(6,02,664)	(1,01,806)
Sale of Investment	29	3,24,624
Purchase of Investment		
NET CASH FLOW FROM INVESTING ACTIVITIES	(6,02,635)	2,22,818
CASH FLOW FROM FINANCING ACTIVITIES		
Increase/(Decrease) In Share capital	-	-
NET CASH FLOW FROM FINANCING ACTIVITIES		
NET CASH GENERATED/(USED)FOR THE YEAR ENDED	3,69,04,051	(35,14,952)
Cash and Bank Balances comprise of:		
Cash as at beginning of period	22,100	22,100
Scheduled Banks- In Current Accounts	18,87,234	54,02,187
Cash & Cash Equivalents as at beginning of year	19,09,334	54,24,287
Cash and Bank Balances comprise of:		
Cash as at end of period	22,100	22,100
Scheduled Banks- In Current Accounts	3,87,91,285	18,87,234
Cash & Cash Equivalents as at end of year	3,88,13,385	19,09,334

For Aneel Lasod And Associates
Chartered Accountants
Firm Reg. No. - 124609W

Aneel Lasod
Partner
M No: 40117
Place : Mumbai
Date : 25th April 2022

For and on behalf of the Board of Directors of
Motilal Oswal Investment Advisors Limited

Motilal Oswal
Director
DIN No: 00024503
Place : Mumbai
Date : 25th April 2022

Raamdeo Agarawal
Director
DIN No: 00024533
Date : 25th April 2022

STATEMENT OF CHANGE IN EQUITY

(A) Equity share capital

Particulars	(Amount in rupees)		
	Equity share capital		Total
	Number of shares	Amount	
Issued, subscribed and paid up			
As at 01 April 2020	10,00,000	1,00,00,000	1,00,00,000
Add/Less: Changes due to prior period errors	-	-	-
Restated as at 01 April 2020	10,00,000	1,00,00,000	1,00,00,000
Add: issue of capital	-	-	-
As at 31 March 2021	10,00,000	1,00,00,000	1,00,00,000
Add/Less: Changes due to prior period errors	-	-	-
Restated as at 01 April 2021	10,00,000	1,00,00,000	1,00,00,000
Add: issue of capital	-	-	-
As at 31 March 2022	10,00,000	1,00,00,000	1,00,00,000

(B) Other Equity

Particulars	31 March 2022				31 March 2021				Total	
	Reserves and Surplus		Items of other comprehensive income		Reserves and Surplus		Items of other comprehensive income		31 March 2022	31 March 2021
	General Reserve	Capital Redemption Reserve	Retained earnings	Remeasurements of net defined benefit plans	General Reserve	Capital Redemption Reserve	Retained earnings	Remeasurements of net defined benefit plans		
Balance at the beginning of the reporting period	5,23,44,267	17,90,00,000	71,15,51,207	(5,34,405)	5,23,44,267	17,90,00,000	76,32,45,396	(9,996)	94,23,61,069	99,45,79,667
Add/Less: Changes due to prior period errors	-	-	-	-	-	-	-	-	-	-
Balance at the beginning of the reporting period	5,23,44,267	17,90,00,000	71,15,51,207	(5,34,405)	5,23,44,267	17,90,00,000	76,32,45,396	(9,996)	94,23,61,069	99,45,79,667
Total comprehensive income/(loss) for the year	-	-	15,89,41,438	9,90,799	-	-	(5,16,94,189)	(5,24,410)	15,99,32,237	(5,22,18,599)
Balance at the end of the reporting period	5,23,44,267	17,90,00,000	87,04,92,645	4,56,393	5,23,44,267	17,90,00,000	71,15,51,207	(5,34,405)	1,10,22,93,305	94,23,61,069

For Aneel Lasod And Associates
Chartered Accountants
Firm Reg. No. - 124609W

For and on behalf of the Board of Directors of
Motilal Oswal Investment Advisors Limited

Aneel Lasod
Partner
M No: 40117
Place : Mumbai
Date : 25th April 2022

Motilal Oswal
Director
DIN No: 00024503
Place : Mumbai
Date : 25th April 2022

Raamdeo Agarawal
Director
DIN No: 00024533
Place : Mumbai
Date : 25th April 2022

NOTES TO FINANCIAL STATEMENT

1. Corporate information

Motilal Oswal Investment Advisors Limited (MOIAL) was incorporated on March 20, 2006. The principal shareholder of the Company as at March 31, 2022 is Motilal Oswal Financial Services Limited (MOFSL).

Company is a merchant banker and an investment banker. As an investment banking company Motilal Oswal Investment Advisors Limited is engaged in capital raising, Domestic IPOs, Private Equity placements, M & A Advisory, Corporate Finance Advisory, Restructuring and FCCBs and GDRs. The company is providing its various services at both international and domestic frontier

2. Basis of Preparation

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(i) Compliance with Ind AS

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules 2015 as amended by the Companies (Indian Accounting Standards) Rules 2016.

The financial statements have been drawn up on the basis of Ind AS that are applicable to the Company as at March 31, 2022 based on the 'Press Release' issued by the Ministry of Company Affairs on January 18, 2016. Any application guidance/ clarifications/ directions issued by the other regulators are implemented as and when they are issued / applicable.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and financial liabilities are measured at fair value (refer accounting policy regarding financial instruments).
- Assets held for sale – measured at fair value less cost to sell;
- Defined benefit plans – plan assets measured at fair value; and
- Share based payment determined on fair value of options.

(iii) Functional and presentation currency

The financial statements are presented in Indian rupee (INR), which is MOIAL's functional and presentation currency.

(iv) Use of estimates and judgments

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. 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.

NOTES TO FINANCIAL STATEMENT (CONTD..)

Information about critical judgments 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, Company reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is provided 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 neither provided nor disclosed in the financial statements. Gain contingencies are not recognized until the contingency has been resolved and amounts are received or receivable.
- (b) **Recognition of deferred tax assets:** Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences could be utilized.
- (c) **Share based payment:** The Company accounts for share based payments by measuring and recognizing as compensation expense the fair value of all share-based payment awards made to employees based on 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 fair 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 share based payment 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 share based payment expense amounts in the future.
- (d) **Determination of the estimated useful lives of tangible assets:** Useful lives of property, plant and equipment are taken as prescribed in Schedule II of the Act. In cases, where the useful lives are different from that prescribed in Schedule II and in case of intangible assets, they are estimated by management based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.
- (e) **Recognition and measurement of defined benefit obligations:** The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is sensitive to changes in these assumptions.
- (f) **Determining whether an arrangement contains a lease:** In determining whether an arrangement is, or contains a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease date if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset, even if that right is not explicitly specified in the arrangement.

NOTES TO FINANCIAL STATEMENT (CONTD..)

(g) 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. 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.

(v) Measurement of fair values:

The Company's accounting policies and disclosures require the measurement of fair values for, both financial and non-financial assets and liabilities.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

3. Summary of significant accounting policies

3.1. Financial instrument

(i) 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.

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, commissions etc. 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.

NOTES TO FINANCIAL STATEMENT (CONTD..)

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 profit or loss.

(ii) Classification and subsequent measurement

(a) Financial Assets

As per principles given under Ind AS 109, the Company classifies its financial assets in the following measurement categories:

- Fair value through profit or loss (FVPL);
- Fair value through other comprehensive income (FVOCI); or
- Amortised cost.

Classification and subsequent measurement of financial assets depend on:

- (i) the Company's business model for managing the asset; and
- (ii) the cash flow characteristics of the asset.

Based on these factors, the Company classifies its financial assets into one of the following three measurement categories:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest ('SPPI'), and that are not designated at FVPL, are subsequently measured at amortized cost using effective interest rate ('EIR') method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

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.

NOTES TO FINANCIAL STATEMENT (CONTD..)

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.

Equity securities held by MOIAL are classified as FVTPL unless conditions to classify at FVOCI are met.

(b) Equity instruments and financial liability

(i) Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company is recognised at the proceeds received, net of directly attributable transaction costs.

(ii) Financial liability:

Financial liabilities are classified at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

(iii) Derecognition

(a) Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The contractual rights to receive cash flows from the financial asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset and the Company has transferred substantially all the risks and rewards of the asset, or the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

If the Company neither transfers nor retains substantially all of the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amount it may have to pay.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not de-recognised and the proceeds received are recognised as a collateralised borrowing.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new

NOTES TO FINANCIAL STATEMENT (CONTD..)

liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in profit or loss.

(b) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying value of the original financial liability and the new financial liability with modified terms is recognised in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, the Company has a legally enforceable right to offset the recognised amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(v) Write-offs

The gross carrying amount of a financial asset is written-off (either partially or in full) to the extent that there is no reasonable expectation of recovering the asset in its entirety or a portion thereof. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. 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 profit or loss.

3.2 Revenue Recognition

(i) Revenue from contract with customers:

Revenue (other than for those items to which Ind AS 109 Financial Instruments is applicable) is measured at fair value of the consideration received or receivable. Amounts disclosed as revenue are net of goods and services tax ('GST') and amounts collected on behalf of third parties. Ind AS 115 Revenue from Contracts with Customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes previous revenue recognition guidance found within Ind AS.

The Company recognises revenue from contracts with customers based on a five-step model as set out in Ind 115:

Step 1: Identify contract(s) with a customer: 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.

Step 2: Identify 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.

NOTES TO FINANCIAL STATEMENT (CONTD..)

Step 3: Determine the 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.

Step 4: Allocate the transaction price to the performance obligations in the contract: 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.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation

Specific policies for the Company's different sources of revenue are explained below:

(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) Dividend income

Dividend income is recognized in the statement of profit or 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.

(iv) Other income

In other cases, income is recognized following accrual principles when there is no significant uncertainty as to determination and realization.

3.3 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 Taxes

Current tax is measured at the amount of tax payable to tax authorities on the taxable income for the year determined in accordance with the provision of Income Tax Act, 1961.

NOTES TO FINANCIAL STATEMENT (CONTD..)

Deferred Taxes

Deferred tax is recognised for all the temporary differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised and carried forward only to the extent it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

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.

3.4 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 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 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 recognised as an expense in profit or loss on a straight-line basis over the lease term.

NOTES TO FINANCIAL STATEMENT (CONTD..)

3.5 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, balances with banks, deposits with original maturities of three months or less that are readily convertible to known amounts of cash, which are subject to insignificant risk of change in value.

3.6 Property, plant and equipment

(i) Recognition & measurement

Items of property, plant and equipment are stated at historical cost less depreciation. Historical cost less accumulated depreciation and accumulated impairment loss, if any, includes expenditure that is directly attributable to the acquisition of the items.

(ii) Subsequent cost

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 profit or loss during the reporting period in which they are incurred.

(iii) 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.

(iv) Gain or Loss on disposal

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognized in the statement of profit or loss.

3.7 Intangible assets

(i) Recognition and measurement

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.

(ii) Subsequent cost

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.

(iii) Amortisation

The Company amortizes intangible assets on a straight-line basis over the useful life commencing from the month in which the asset is first put to use. The Company provides pro-rata depreciation from the day the asset is put to use.

NOTES TO FINANCIAL STATEMENT (CONTD..)

3.8 Employee benefits

(i) Short-term employee benefit

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.

(ii) Post-employment benefit

Defined contribution plan:

Contribution 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 adjustment and the effects of changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income.

(iii) Other long-term employee benefit

(a) 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.

(b) Compensated absences

An employee can carry forward leave to next financial year as per the policy of Company. No leave is allowed to be encashed. An obligation arises as employees render service that increases their entitlement to future compensated absences. 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.

(iv) 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 of the Company are granted an option to subscribe to equity share of the Company 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 share based payment reserve. The total amount to be expensed is determined reference to the fair value of the options granted excluding the impact of any service conditions.

NOTES TO FINANCIAL STATEMENT (CONTD..)

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 to equity.

When the terms of an equity-settled award are modified, the minimum expense recognized is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognized for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the statement of profit and loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Grants provided by parent company to the employees at deputation to the company are also accounted for inline with accounting treatment described above. The corresponding impact of the expense recorded on account of such grants are recorded as payable to parent.

3.9 Earnings per share

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners 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.

3.10 Provisions and Contingent Liabilities:

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 Balance Sheet date.

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.

3.11 Impairment of Non-financial assets

Assessment is done at each reporting date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows

NOTES TO FINANCIAL STATEMENT (CONTD..)

from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each reporting date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. After impairment (if any), depreciation/ amortisation is provided on the revised carrying amount of the assets over its remaining life.

3.12 Foreign currency

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each closing date of the Company's monetary items at the closing rate are recognized as income and expenses in the period in which they arise. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the date of transactions. Non-monetary items that are measured at fair value in a foreign currency shall be translated into functional currency using the exchange rates at the date when the fair value was determined. Exchange differences are recognised in the statement of profit and loss.

NOTE 4: CASH AND CASH EQUIVALENTS

	AS AT 31-Mar-22	AS AT 31-Mar-21
Cash on hand	22,100	22,100
Balance with Bank		
Scheduled Banks- In Current Accounts	3,87,91,285	18,87,234
TOTAL	3,88,13,385	19,09,334

Note 5: RECEIVABLES

	AS AT 31-Mar-22	AS AT 31-Mar-21
Trade Receivables		
Unsecured, Considered Good	7,34,93,999	
Receivables which have a significant increase in credit risk		
Other Receivables		
Unsecured, Considered Good		
TOTAL	7,34,93,999	-

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person, or from firms or private companies respectively in which any director is a partner, a director or a member.

NOTES TO FINANCIAL STATEMENT (CONTD..)

Note 5 (i) : Receivable ageing schedule

For the year ended 31 March 2022

Particulars	Outstanding for following periods from due date of payment					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	7,34,93,999	-	-	-	-	7,34,93,999
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-

For the year ended 31 March 2021

Particulars	Outstanding for following periods from due date of payment					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	-	-	-	-	-	-
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-

NOTES TO FINANCIAL STATEMENT (CONTD..)

Note 6: Investments

Particulars	Face value/ NAV	31 March 2022		31 March 2021	
		Units	Amount	Units	Amount
I. Investments carried at cost					
Investments at equity instruments					
Investments in fellow subsidiaries - Unquoted					
Motilal Oswal Home Finance Limited (formerly known as Aspire Home Finance Corporation Limited)	1	26,03,44,836	85,00,00,005	26,03,44,836	85,00,00,005
II. Mandatorily measured at FVTPL					
Investments in Mutual Funds (Equity) - Fully paid up - Unquoted					
Aditya Birla Private Equity - Fund I	10	-	-	150	29
Motilal Oswal Large and Midcap fund	10	1,42,50,000	23,33,06,700	1,42,50,000	19,51,32,375
Total			1,08,33,06,705		1,04,51,32,409

NOTE 7: OTHER FINANCIAL ASSETS

	AS AT 31-Mar-22	AS AT 31-Mar-21
Other	5,00,000	5,00,000
TOTAL	5,00,000	5,00,000

NOTE 8: Current tax assets (Net)

	AS AT 31-Mar-22	AS AT 31-Mar-21
Advance Tax and TDS	31,00,930	-
TOTAL	31,00,930	-

NOTE 9: Deferred tax Asset (Net)

	AS AT 31-Mar-22	AS AT 31-Mar-21
Deferred tax asset (net) (refer note 27)	1,71,78,077	6,22,86,760
Total	1,71,78,077	6,22,86,760

NOTES TO FINANCIAL STATEMENT (CONTD..)

Note 10: Property, Plant & Equipments

Current Year

Particulars	Gross Block		Accumulated Depreciation			Net Block	
	As at 1-4-21	Additions	As at 31-03-22	As at 1-4-21	Additions	As at 31-03-22	As at 31-3-21
NOTE 10(a) TANGIBLE ASSETS							
Renovation of Leased Office Premises	37,54,126		37,54,126	35,41,445		2,12,681	2,12,681
Lease hold improvement	1,76,42,662		1,76,42,662	1,76,42,619	12,487	1,76,55,106	(12,444) 43
Furniture	48,42,927		48,42,927	46,41,417		46,41,417	2,01,510
Electrical Equipment	4,39,097		4,39,097	3,81,519		3,81,519	57,578
Air Conditioner	44,000		44,000	23,866		23,866	20,134
Mobile	4,13,073		4,13,073	3,61,389		3,61,389	51,684
Office Equipments	4,50,942		4,50,942	4,55,811	28,488	4,84,299	(33,357) (4,869)
Projector	1,00,829		1,00,829	95,788		95,788	5,041
Computer	47,41,765	6,02,664	53,44,429	44,07,966	2,25,166	46,33,132	7,11,297
Car	14,00,000		14,00,000	12,44,596	73,212	13,17,808	82,192
Total (A)	3,38,29,421	6,02,664	3,44,32,085	3,27,96,416	3,39,353	3,31,35,769	12,96,316
NOTE 10(b) INTANGIBLE ASSETS							
Computer Software	1,78,041		1,78,041	1,78,041	-	1,78,041	0
Total (B)	1,78,038	-	1,78,041	1,78,041	-	1,78,041	0
Total (A+B)	3,40,07,459	6,02,664	3,46,10,126	3,29,74,457	3,39,353	3,33,13,810	10,33,005

Previous Year

Particulars	Gross Block		Accumulated Depreciation			Net Block	
	As at 1-4-20	Additions	As at 31-03-21	As at 1-4-20	Additions	As at 31-03-21	As at 31-3-20
NOTE 10(a) TANGIBLE ASSETS							
Renovation of Leased Office Premises	37,54,126		37,54,126	35,28,958	12,487	35,41,445	2,25,168
Lease hold improvement	1,76,42,662		1,76,42,662	1,76,42,619		1,76,42,619	43
Furniture	48,42,927		48,42,927	46,41,417		46,41,417	2,01,510
Electrical Equipment	4,39,097		4,39,097	3,81,519		3,81,519	57,578
Air Conditioner	44,000		44,000	20,416	3,450	23,866	23,584
Mobile	4,13,073		4,13,073	3,40,429	20,960	3,61,389	51,684

NOTES TO FINANCIAL STATEMENT (CONTD..)

Particulars	Gross Block			Accumulated Depreciation		Net Block	
	As at 1-4-20	Additions	As at 31-03-21	As at 1-4-20	Additions	As at 31-03-21	As at 31-3-20
Office Equipments	4,50,942		4,50,942	4,43,764	12,048	(4,869)	7,178
Projector	1,00,829		1,00,829	95,788		5,041	5,041
Computer	46,39,959	1,01,806	47,41,765	41,55,046	2,52,920	3,33,799	4,84,914
Car	14,00,000		14,00,000	8,05,327	4,39,269	1,55,404	5,94,673
Total (A)	3,37,27,615	1,01,806	3,38,29,421	3,20,55,282	7,41,134	10,33,005	16,72,333
NOTE 10(b) INTANGIBLE ASSETS							
Computer Software	1,78,041		1,78,041	1,78,041	-	0	0
Total (B)	1,78,038	-	1,78,041	1,78,041	-	0	0
Total (A+B)	3,39,05,653	1,01,806	3,40,07,462	3,22,33,323	7,41,134	10,33,005	16,72,333

NOTES TO FINANCIAL STATEMENT (CONTD..)

Note 11: OTHER NON-FINANCIAL ASSETS

	AS AT 31-Mar-22	AS AT 31-Mar-21
Advances for supply for services	86,207	46,207
Prepaid Expenses	20,10,062	12,10,449
Tax credit receivable	26,26,249	1,20,39,431
TOTAL	47,22,518	1,32,96,087

Note 12: BORROWINGS

	AS AT 31-Mar-22	AS AT 31-Mar-21
Loan from Related Party	-	14,55,76,338
TOTAL	-	14,55,76,338

Note 13: OTHER FINANCIAL LIABILITIES

	AS AT 31-Mar-22	AS AT 31-Mar-21
Salary, bonus & other benefits	88,036	1,09,000
Other Payables	54,73,373	88,45,188
Interest Accrued	1,75,114	11,20,749
Provision for expenses	6,24,255	2,86,250
TOTAL	63,60,778	1,03,61,187

Note 14: CURRENT TAX LIABILITIES (NET)

	AS AT 31-Mar-22	AS AT 31-Mar-21
Provision for taxes	-	20,84,394
	-	20,84,394

Note 15: PROVISION

	AS AT 31-Mar-22	AS AT 31-Mar-21
Provision for employee benefits		
For Gratuity and benefits (refer note 31)	56,30,953	72,20,334
Other long term benefits (refer note 31)	6,45,767	9,67,643
Others		
Ex-Gratia (refer note 31)	5,86,00,000	27,77,601
Total	6,48,76,720	1,09,65,578

NOTES TO FINANCIAL STATEMENT (CONTD..)

Note 16: OTHER NON-FINANCIAL LIABILITIES

	AS AT 31-Mar-22	AS AT 31-Mar-21
Withholding and other taxes payable	3,88,81,127	28,09,028
Total	3,88,81,127	28,09,028

Note 17: SHARE CAPITAL

AUTHORISED	AS AT		AS AT	
	31 March 2022	31 March 2022	31 March 2021	31 March 2021
	Number of shares	In Rupees	Number of shares	In Rupees
Equity Shares of Re. 10/- each (previous year Re. 10 each)	10,00,000	1,00,00,000	10,00,000	1,00,00,000
Preference Shares of Re. 10/- each (previous year Re. 10 each)	90,00,000	9,00,00,000	90,00,000	9,00,00,000
	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
ISSUED, SUBSCRIBED & PAID UP				
Equity Shares of Re. 10/- each (previous year Re. 10 each)	10,00,000	1,00,00,000	10,00,000	1,00,00,000
	10,00,000	1,00,00,000	10,00,000	1,00,00,000

17.1 Rights, preferences and restrictions attached to shares

Equity Shares :

The Company has issued one class of shares referred to as equity shares having a par value of Rs. 10 /- each. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of Company, the holder of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

17.2 Reconciliation of number of Equity shares outstanding

	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021	As at 31 March 2021
	Number of shares	In Rupees	Number of shares	In Rupees
Number of share at beginning	10,00,000	1,00,00,000	10,00,000	1,00,00,000
Addition During the Year	-	-	-	-
At the end of the year	10,00,000	1,00,00,000	10,00,000	1,00,00,000

NOTES TO FINANCIAL STATEMENT (CONTD..)

17.3 Reconciliation of number of Preference shares outstanding

	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021	As at 31 March 2021
	Number of shares	In Rupees	Number of shares	In Rupees
Number of share at beginning	-	-	-	-
(Redeem) during the Year	-	-	-	-
At the end of the year	-	-	-	-

17.4 Shares holder having 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
Motilal Oswal Financial Services Limited (Holding company)	10,00,000	100.00	10,00,000	100.00

17.5 The ultimate holding Company of the Company is Passionate Investment Management Private Limited.

Note : 18 Other Equity

	As at 31 March 2022	As at 31 March 2021
	In Rupees	In Rupees
a) Retained earnings		
Balance at the beginning of the year	71,15,51,208	76,32,45,398
Add: Transfer from Statement of Profit and Loss	15,89,41,438	(5,16,94,189)
Less: Transfer to Capital Redemption Reserve	-	-
Balance at the end of year	87,04,92,646	71,15,51,208
b) General Reserve		
Balance at the beginning of the year	5,23,44,267	5,23,44,267
Less: Transfer to Capital Redemption Reserve	-	-
Balance at the end of year	5,23,44,267	5,23,44,267
c) Capital Redemption Reserve		
Balance at the beginning of the year	17,90,00,000	17,90,00,000
Add: Addition during the year	-	-
Balance at the end of year	17,90,00,000	17,90,00,000
d) Other Comprehensive Income Reserve		
Balance at the beginning of the year	(5,34,406)	(9,996)
Add: Transfer from Statement of Profit and Loss	9,90,799	(5,24,410)
Balance at the end of year	4,56,393	(5,34,406)
	1,10,22,93,306	94,23,61,069

NOTES TO FINANCIAL STATEMENT (CONTD..)

Nature and Purpose of Reserves

Capital Redemption Reserve

The capital redemption reserve created redemption of preference share. The reserve will be utilised in accordance with provision of the Act.

General Reserve

The Reserve created out of retained earning. The reserve will be utilised in accordance with provision of the Act.

Retained earnings

Retained earnings represents accumulated profits of the company.

Other comprehensive income

Other comprehensive income consists of remeasurement gains/loss on defined benefit plan.

NOTE: 19 FEES AND COMMISSION INCOME

Particulars	For the Year Ended 31-Mar-2022	For the Year Ended 31-Mar-2021
Advisory Fees	37,36,67,865	2,63,00,000
TOTAL	37,36,67,865	2,63,00,000

NOTE: 20 NET GAIN / (LOSS) ON FAIR VALUE CHANGES

Particulars	For the Year Ended 31-Mar-2022	For the Year Ended 31-Mar-2021
Net gain /(loss) on financial instruments at FVTPL		
On financial instruments designated at FVTPL	3,81,74,325	7,08,07,600
TOTAL (A)	3,81,74,325	7,08,07,600
Fair value changes:		
Realised gains / (loss)		(1,13,16,575)
Unrealised gains / (loss)	3,81,74,325	8,21,24,175
TOTAL (B)	3,81,74,325	7,08,07,600

NOTE: 21 OTHER OPERATING REVENUE

Particulars	For the Year Ended 31-Mar-2022	For the Year Ended 31-Mar-2021
Out of pocket recovery	9,32,454	
TOTAL	9,32,454	-

NOTES TO FINANCIAL STATEMENT (CONTD..)

NOTE: 22 OTHER INCOME

Particulars	For the Year Ended 31-Mar-2022	For the Year Ended 31-Mar-2021
Interest on Income tax refund	21,50,453	37,12,008
Interest Income at amortised costs	8,072	(3,358)
Other Non Operating Revenue		
TOTAL	21,58,525	37,08,650

NOTE : 23 FINANCE COST

Particulars	For the Year Ended 31-Mar-2022	For the Year Ended 31-Mar-2021
On financial liabilities measured at amortised cost:		
Interest Cost	1,69,95,408	1,18,44,312
TOTAL	1,69,95,408	1,18,44,312

NOTE:24 IMPAIRMENT ON FINANCIAL INSTRUMENTS

Particulars	For the Year Ended 31-Mar-2022	For the Year Ended 31-Mar-2021
Bad debts (Net of provision for doubtful debts)		-
TOTAL		-

NOTE: 25 EMPLOYEE BENEFITS EXPENSE

Particulars	For the Year Ended 31-Mar-2022	For the Year Ended 31-Mar-2021
EMPLOYEE BENEFIT		
Salary, Bonus and Allowances	14,16,61,004	8,57,86,414
Contribution to provident & other Funds	24,90,477	18,87,695
Staff Welfare Expenses	30,39,744	38,07,239
Employee Stock option Scheme	79,92,226	98,72,107
Gratuity (refer note 31)	16,86,572	38,51,543
TOTAL	15,68,70,023	10,52,04,998

NOTE: 26 OTHER EXPENSES

Particulars	For the Year Ended 31-Mar-2022	For the Year Ended 31-Mar-2021
Rent	2,09,76,900	2,09,76,900
Insurance	4,63,615	3,58,380
Remuneration to Auditors (refer note 28)	1,75,000	1,25,000

NOTES TO FINANCIAL STATEMENT (CONTD..)

Particulars	For the Year Ended 31-Mar-2022	For the Year Ended 31-Mar-2021
Membership & Subscription	3,50,760	2,74,521
Data processing charges	7,47,556	-
Power & Fuel	12,52,683	10,47,961
Communication Expenses	39,40,664	34,92,618
Travelling Expenses & Conveyance	20,22,590	15,77,300
Entertainment Expenses	10,75,755	10,49,795
Legal & Professional Charges	18,67,615	5,70,590
Printing & Stationery	4,09,321	79,470
Rates & Taxes	-	297
Computer Maintenance	-	20,180
Foreign Exchange Fluctuation	-	2,756
Repairs & Maintenance	1,850	-
Business Support Charges	18,00,000	2,40,00,000
Donation (refer note 35)	7,31,000	54,63,128
Miscellaneous Expenses	11,96,187	25,21,989
TOTAL	3,70,11,496	6,15,60,885

Note : 27 Tax expenses, Deferred tax asset and liabilities

Note : 27.1 Tax expense

	Year ended 31 March 2022	Year ended 31 March 2021
Current tax expense		
Current tax for the year		
Tax adjustment in respect of earlier years	-	32,72,827
Total current tax expense	-	32,72,827
Deferred taxes		
Change in deferred tax liabilities	4,47,75,451	(3,01,13,716)
Net deferred tax expense	4,47,75,451	(3,01,13,716)
	4,47,75,451	(2,68,40,889)

Note : 27.2 Tax reconciliation (for profit and loss)

	Year ended 31 March 2022	Year ended 31 March 2021
Profit/(loss) before income tax expense	20,37,16,889	(7,85,35,079)
Tax at the rate of 25.17%	5,12,75,541	(1,97,67,279)
Tax effect of amounts which are not deductible / not taxable in calculating taxable income		
Tax adjustment of previous years	-	32,72,827
Exempt Income	-	-
Expenses not deductible for tax purposes	-	13,95,153
Tax at different rate	(65,00,090)	(1,17,41,590)
Change due to deferred tax		
Income tax expense	4,47,75,451	(2,68,40,889)

NOTES TO FINANCIAL STATEMENT (CONTD..)

Note : 27.3 Items of deferred tax asset

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Deferred tax assets on account of:		
Written Down Value of Fixed Assets	23,49,000	26,38,158
Business Loss	2,07,02,993	6,51,45,145
Gratuity provision	15,79,725	5,24,600
Long Term Capital Loss of previous years	29,34,646	
Unrealised gain on financial instrument	(1,03,88,286)	(60,21,144)
Total deferred tax assets	1,71,78,078	6,22,86,759

NOTE 28 : AUDITOR'S REMUNERATION

	31-Mar-22 In Rs	31-Mar-21 In Rs
Audit Fees	1,75,000	1,25,000
Total	1,75,000	1,25,000

NOTE 29 : BASIC & DILUTED EARNINGS PER SHARE

	31-Mar-22 In Rs	31-Mar-21 In Rs
Profit after tax attributable to equity shareholders [A]	15,89,41,438	(5,16,94,189)
Number of weighted average equity shares issued [B]	10,00,000	10,00,000
Basic Earnings per share (EPS) –[A/B] (Rs.)	158.94	(51.69)
Weighted Number of equity shares outstanding for Diluted EPS [C]	10,00,000	10,00,000
Diluted Earnings per share (DEPS) [A/C] (Rs.)	158.94	(51.69)

NOTE 30 : ACTIVITY IN FOREIGN CURRENCY

	31-Mar-22 In Rs	31-Mar-21 In Rs
Earnings in foreign currency		
Income from Advisory	-	-
Total		-
Expenditure in foreign currency		
Overseas travel expenses	-	-
Professional charges	-	-
Data Subscription Charges	-	-
Total	-	-

NOTES TO FINANCIAL STATEMENT (CONTD..)

NOTE 31 : Provisions made for the Year ended 31st March, 2022 comprises of:

	Opening balance	Provided during the year ended 31 st March, 2022	Paid /reversed during the year ended 31 st March, 2022
Ex-gratia (Bonus)	27,77,601	5,86,22,399	28,00,000
Gratuity	72,20,334	3,62,541	19,51,922
Other Long term benefits	9,67,643	(3,21,876)	

	Opening balance	Provided during the year ended 31 st March, 2021	Paid /reversed during the year ended 31 st March, 2021
Ex-gratia (Bonus)	1,50,000	34,72,101	8,44,500
Gratuity	82,60,316	38,51,543	48,91,525
Other Long term benefits	10,66,352	(98,709)	

NOTE 32 Contingent liabilities:-

Demand in respect of Income Tax matters for which appeal is pending is Nil (P. Y. Nil).

NOTE 33 Capital Commitments:

Estimated amount of contracts remaining to be executed on Capital Account and not provided for (Net of advances) is Rs.1,14,450/- (Previous Year : Rs. 1,14,450/-)

Note : 34 Dues to micro and small enterprises

There is no amount outstanding for more than thirty days to any small scale industrial undertaking as at the Balance Sheet date. There are no Micro, Small and Medium Enterprises to whom the Company owes the dues, which are outstanding for more than forty five days as at the Balance Sheet date. The Micro, Small and Medium Enterprises have been identified on the basis of information provided by the vendors to the Company.

NOTE 35 : Corporate Social Responsibility

Recognizing the responsibilities towards society, as a part of on -going activities, the company has contributed towards various Corporate Social Responsibility initiatives like supporting underprivileged in education ,medical treatments, etc and various other charitable and noble aids.

a) Amount required to be spent during the year:

Particulars	31-Mar-22	31-Mar-21
Gross amount required to be spent during the year	-	56,93,858
Gross amount actually spent during the year	7,31,000	54,63,128
Amount of shortfall/(excess) at the end of year	(7,31,000)	2,30,730
Total of previous years shortfall/(excess)	2,30,730	-
Reasons for shortfall, if any	NA	Expenditure was incurred for ineligible CSR activities

NOTES TO FINANCIAL STATEMENT (CONTD..)

b) Amount spent during the period ended 31st March, 2022 on :

Particulars	Amount paid
a) Construction/acquisition of any asset	-
b) on Purposes other than (a) above	
- Donation to PM CARES Fund	7,31,000
Total	7,31,000

b) Amount spent during the period ended 31st March, 2021 on :

Particulars	Amount paid
a) Construction/acquisition of any asset	
- Donation to RVG for hostel construction	20,00,000
b) on Purposes other than (a) above	
- Donation	2,50,000
- CSR Donation	2,50,000
- Donation for educational purpose	66,000
- Donation to Sri Chaitanya Seva Trust for village d	11,71,750
- Donation to Seva Sahayog for school work at Wada	9,25,378
- Donation for Humanization Foundation for study par	5,00,000
- Medical aid - Anjana Gade	3,00,000
Total	54,63,128

Note 36: Capital management

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

NOTE 37 : Disclosure pursuant to IndAS 19 - Employees benefits

Reconciliation of opening and closing balances of the present value of the defined benefit obligation.

(A) Defined contribution plan :

Particulars	31-Mar-22	31-Mar-21
Employer's contribution to provident fund	20,70,591	17,69,702
Employer's contribution to ESIC	-	-
Employer's contribution to National Pension Scheme	-	-
	20,70,591	17,69,702

NOTES TO FINANCIAL STATEMENT (CONTD..)

(B) Defined benefit plan

	Gratuity		Other Long Term Benefits	
I Assumptions as at	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Mortality	IALM (2012-14) Ult.	IALM (2012-14) Ult.	IALM (2012-14) Ult.	IALM (2012-14) Ult.
Interest / Discount Rate	3.73%	3.93%	3.92%	3.93%
Rate of increase in compensation	3.22%	7.45%		
Expected rate of return on plan assets (per annum)				
Employee Attrition Rate (Past Service)	PS: 0 to 37 : 16.356107	PS: 0 to 40 : 14.91%	PS: 0 to 37 YRS: 54.43%	PS: 0 to 37 : 54.43%
Expected average remaining service	4.68	5.32		
II Changes in present value of obligations (PVO)				
PVO at beginning of period	72,20,334	82,60,316	-	10,66,352
Interest cost	2,66,507	3,71,857	-	-
Current Service Cost	14,20,065	16,66,127	6,45,767	(98,709)
Past Service Cost- (non vested benefits)			-	-
Past Service Cost -(vested benefits)			-	-
Transfer in liability		18,72,125		
Transfer out liability		(58,566)		
Benefits Paid	(19,51,922)	(55,92,308)	-	-
Contributions by plan participants				
Business Combinations				
Curtailments				
Settlements				
Actuarial (Gain)/Loss on obligation	(13,24,031)	7,00,783		-
PVO at end of period	56,30,953	72,20,334	6,45,767	9,67,643
III) Interest expense				
Interest cost	2,66,507	3,71,857		
IV) Fair value of plan assets				
Fair Value of Plan Assets at the beginning				-
Interest income				-
V) Net Liability				
PVO at beginning of period	72,20,334	82,60,316		
Fair Value of the Assets at beginning report		-		
Net Liability	72,20,334	82,60,316		
VI) Net Interest				
Interest Expenses	2,66,507	3,71,857		
Interest Income		-		
Net Interest	2,66,507	3,71,857		

NOTES TO FINANCIAL STATEMENT (CONTD..)

	Gratuity		Other Long Term Benefits	
VII) Actual return on plan assets				
Less Interest income included above				
Return on plan assets excluding interest income				
VIII) Actuarial (Gain)/loss on obligation				
Due to Demographic Assumption	(17,610)	8,92,906		
Due to Financial Assumption	(7,55,454)	(6,42,863)		
Due to Experience	(5,50,967)	4,50,740		
Total Actuarial (Gain)/Loss	(13,24,031)	7,00,783		
IX) Fair Value of Plan Assets				
Opening Fair Value of Plan Asset				
Adjustment to Opening Fair Value of Plan Asset				
Return on Plan Assets excl. interest income				
Interest Income				
Contributions by Employer	19,51,922	55,92,308		
Contributions by Employee		-		
Benefits Paid	(19,51,922)	(55,92,308)		
Fair Value of Plan Assets at end				
X) Past Service Cost Recognised				
Past Service Cost- (non vested benefits)		-		
Past Service Cost -(vested benefits)		-		
Average remaining future service till vesting of the benefit		-		
Recognised Past service Cost- non vested benefits		-		
Recognised Past service Cost- vested benefits		-		
Unrecognised 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	56,30,953	72,20,334		
Fair Value of Plan Assets at end of period				
Funded Status	(56,30,953)	(72,20,334)		
Net Asset/(Liability) recognized in the balance sheet	(56,30,953)	(72,20,334)		
XII) Expense recognised in the statement of profit and loss				
Current service cost	14,20,065	16,66,127	6,45,767	9,67,643
Net Interest	2,66,507	3,71,857		
Past service cost - (non vested benefits)		-		
Past service cost - (vested benefits)		-		
Curtailment Effect		-		

NOTES TO FINANCIAL STATEMENT (CONTD..)

	Gratuity		Other Long Term Benefits	
Settlement Effect		-		
Unrecognised past service cost - non vested benefits		-		
Actuarial (Gain)/Loss recognized for the period		-		
Expense recognized in the statement of profit and loss	16,86,572	20,37,984	6,45,767	9,67,643
XIII) Other Comprehensive Income (OCI)				
Actuarial (Gain)/Loss recognized for the period	(13,24,031)	7,00,783		
Asset limit effect		-		
Return on Plan Assets excluding net interest		-		
Unrecognized Actuarial (Gain)/Loss from previous period		-		
Total Actuarial (Gain)/Loss recognized in (OCI)	(13,24,031)	7,00,783		
XIV) Movement in liability recognized in balance sheet				
Opening net liability	72,20,334	82,60,316		
Adjustment to opening balance				
Expenses as above	16,86,572	20,37,984	6,45,767	9,67,643
Transfer in liability		18,72,125		
Transfer out liability		(58,566)		
Benefits paid by the Company		-		
Contribution paid	(19,51,922)	(55,92,308)		
Other Comprehensive Income(OCI)	(13,24,031)	7,00,783		
Closing net liability	56,30,953	72,20,334	6,45,767	9,67,643
XV) Schedule III of The Companies Act 2013				
Current liability	8,27,408	8,77,996	4,38,652	6,57,568
Non - current liability	48,03,545	63,42,338	2,07,116	3,10,075
XVI) Projected Service Cost 31 Mar 2023	13,55,731	14,20,065		
XVII) Asset Information				
Cash and Cash Equivalents		-	-	-
Gratuity Fund ()		-	-	-
Debt Security - Government Bond		-	-	-
Equity Securities - Corporate debt securities		-	-	-
Other Insurance contracts		-	-	-
Property		-	-	-
Total Itemized Assets		-	-	-

NOTES TO FINANCIAL STATEMENT (CONTD..)

XVIII) Sensitivity Analysis

	DR: Discount Rate		ER : Salary escalation rate:	
	PVO DR +1%	PVO DR -1%	PVO ER +1%	PVO ER -1%
PVO	3,77,331	59,07,616	58,24,666	54,51,360

XIX) Expected Payout

Year	Expected Outgo First	Expected Outgo Second	Expected Outgo Third	Expected Outgo Fourth	Expected Outgo Fifth	Expected Outgo Six to ten years
Payouts	8,27,408	8,03,944	7,20,505	6,29,986	5,79,076	22,80,022

XX) Asset Liability Comparisons

Year	31-03-2018	31-03-2019	31-03-2020	31-03-2021	31-03-2022
PO at End of period	40,44,059	64,13,112	82,60,316	72,20,334	56,30,953
Plan Assets					
Surplus / (Deficit)	(40,44,059)	(64,13,112)	(82,60,316)	(72,20,334)	(56,30,953)
Experience adjustments on plan assets					

Note 38 : Segment Reporting

In accordance with Ind AS 108 on "Operating Segments" issued by the Institute of Chartered Accountants of India, the Company has determined business segment as under.

The business segment has been considered as the primary segment for disclosure. The primary business of the Company comprises of "Investment banking fees related activities" and "Fund based activities". 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. Asset management and advisory includes fee based services for management of assets. Fund based activities includes investment activities in non-current investment of mutual funds.

Secondary segment reporting does not require separate disclosure as all activities of the Company are within India.

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 categorized 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 "unallocable" in the total column. Other balance sheet items such as deferred tax liability are similarly not allocated to segments.

NOTES TO FINANCIAL STATEMENT (CONTD..)

(Amount in rupees)

Particulars	Investment banking fees and related activities		Fund Based activities		Unallocated Activities		Total	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Revenue :								
External revenue	37,67,58,844	3,00,08,650	3,81,74,325	7,08,07,600	-	-	41,49,33,169	10,08,16,250
Inter-segment revenue								
Total revenue	37,67,58,844	3,00,08,650	3,81,74,325	7,08,07,600	-	-	41,49,33,169	10,08,16,250
Result :								
Segment result	16,73,54,564	(13,81,66,422)	3,81,74,325	7,08,07,600	(9,06,000)	(55,88,128)	20,46,22,889	(7,29,46,951)
Unallocated corporate expenses							9,06,000	55,88,128
Unallocated revenue								-
Operating profit							20,37,16,889	(7,85,35,079)
Tax expense :								
Current tax							-	32,72,827
Deferred tax							4,47,75,451	(3,01,13,716)
Profit after tax								5,16,94,190
Other information :								
Segment assets	13,91,05,225	7,90,25,185	1,08,33,06,705	1,04,51,32,409				1,12,41,57,594
Segment Liabilities	11,01,18,625	17,17,96,525						17,17,96,525
Capital Expenditure	6,02,664	1,01,806						1,01,806
Depreciation	3,39,353	7,41,134						7,41,134

NOTE 39 : Related Party Disclosure

(i) Names of Related Parties:-

Holding Company

Motilal Oswal Financial Services Limited

Fellow subsidiaries

- Motilal Oswal Finvest Limited
- Motilal Oswal Trustee Co. Limited
- Motilal Oswal Alternate Investment Advisors Private Limited (formerly known as Motilal Oswal Fincap Private Limited)
- Motilal Oswal Commodities Broker Private Limited
- Motilal Oswal Asset Management Company Limited
- Motilal Oswal Securities International Pvt. Limited
- Motilal Oswal Wealth Management Limited
- Motilal Oswal Capital Market (Hongkong) Private Limited
- Motilal Oswal Capital Market (Singapore) Pte Limited
- Motilal Oswal Home Finance Limited
- India Business Excellence Management Company
- Motilal Oswal Asset Management (Mauritius) Pvt. Ltd.
- Motilal Oswal Capital Limited
- Glide Tech Investment Advisors Private Limited
- Motilal Oswal Finsec IFSC Limited
- TM Investment Technologies Pvt. Ltd.

NOTES TO FINANCIAL STATEMENT (CONTD..)

Key management personnel

- Motilal Oswal - Director
- Raamdeo Agrawal – Director

Enterprises in which key management personnel exercise significant Influence

- Motilal Oswal Foundation
- OSAG Enterprises LLP
- Like Minded Wealth Creation Trust

(ii) Transactions with related parties: 31-03-2022

Transaction	Name of the related Party	Holding Company		Fellow Subsidiaries		Total	
		2021-2022	2020-2021	2021-2022	2020-2021	2021-2022	2020-2021
Interest Expense	Motilal Oswal Financial Services Limited	-	-	-	-	-	-
	Motilal Oswal Finvest Limited	-	-	1,64,89,508	1,18,44,312	1,64,89,508	1,18,44,312
Interest (Income)	Motilal Oswal Financial Services Limited	-	-	-	-	-	-
Rent Expense	Motilal Oswal Financial Services Limited	2,09,76,900	2,09,76,900	-	-	2,09,76,900	2,09,76,900
Business Support Charges	Motilal Oswal Financial Services Limited	18,00,000	2,40,00,000	-	-	18,00,000	2,40,00,000
Loans (Taken)	Motilal Oswal Financial Services Limited	-	-	-	-	-	-
	Motilal Oswal Finvest Limited	-	-	(6,94,23,662)	(16,03,76,338)	-	(16,03,76,338)
Loans Repaid	Motilal Oswal Financial Services Limited	-	-	-	-	-	-
	Motilal Oswal Finvest Limited	-	-	21,50,00,000	7,07,00,000	-	7,07,00,000
Loans (Maximum balance)	Motilal Oswal Financial Services Limited	-	-	-	-	-	-
	Motilal Oswal Finvest Limited	-	-	19,58,76,338	15,96,79,997	-	15,96,79,997
Loans Given / (Taken)	Motilal Oswal Finvest Limited	-	-	-	14,55,76,338	-	14,55,76,338

NOTES TO FINANCIAL STATEMENT (CONTD..)

Transaction	Name of the related Party	Holding Company		Fellow Subsidiaries		Total	
		2021-2022	2020-2021	2021-2022	2020-2021	2021-2022	2020-2021
Other (payables) / receivables	Motilal Oswal Financial Services Limited	(5,16,768)	(19,31,623)	-	-	(5,16,768)	(19,31,623)
	Motilal Oswal Finvest Limited	-	-	-	-	-	-
Rent MOT Cost	Motilal Oswal Financial Services Limited	(7,98,705)	(5,40,231)	-	-	(7,98,705)	(5,40,231)
Interest (Payable)/ Receivable	Motilal Oswal Finvest Limited	-	-	(1,75,114)	(11,20,749)	(1,75,114)	(11,20,749)
Investments	Motilal Oswal Home Finance Limited	-	-	85,00,00,005	85,00,00,005	85,00,00,005	85,00,00,005
ESOP (payables) / receivables	Motilal Oswal Financial Services Limited	(5,59,454)	(7,85,491)	-	-	(5,59,454)	(7,85,491)

Notes: Income/Liability figure are shown in brackets.

Note : 40 Financial risk management

The company is exposed primarily to fluctuations in credit, liquidity and price risk which may adversely impact the fair value of its financial instrument. The Company has a risk management policy which covers risk associated with the financial assets and liabilities. The risk management policy is approved by Board of Directors. The focus of the risk management is to assess the unpredictability of the financial environment and to mitigate potential adverse effect on the financial performance of the company.

The Company's principal financial liabilities comprises of borrowing. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include Investments, receivables, cash and cash equivalents that derive directly from its operations.

A Credit risk

Credit risk refers to the risk that a counter party will default on its contractual obligation resulting in financial loss to the company.

The company is exposed to credit risk from its operating activities (primarily for trade receivables).

To manage credit risk, the Company follows a policy of providing 0-90 days credit to the customers basis the nature of customers. The credit limit policy is established considering the current economic trends of the industry in which the company is operating.

However, the trade receivables are monitored on a periodic basis for assessing any significant risk of non-recoverability of dues and provision is created accordingly.

Bank balances are held with only high rated banks.

NOTES TO FINANCIAL STATEMENT (CONTD..)

Age of receivables that are past due:

(Amount in rupees)

Particulars	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
Upto 3 months	-	-	-
3 - 6 months	-	-	-
6 - 12 months	-	-	-
More than 12 months	-	-	-
Total	-	-	-

B. Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities viz. Trade payables and other financial liabilities.

Liquidity risk management

The Company's management is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

(i) Maturities of non – derivative financial liabilities

As at 31 March 2022

(Amount in rupees)

Particulars	Upto 1 year	Between 1 and 5 years	Beyond 5 years	Total
Financial Liabilities				
Borrowing	-			-
Other financial liabilities	63,60,778			63,60,778
Total	63,60,778	-	-	63,60,778

As at 31 March 2021

(Amount in rupees)

Particulars	Upto 1 year	Between 1 and 5 years	Beyond 5 years	Total
Financial Liabilities				
Borrowing	14,55,76,338			14,55,76,338
Other financial liabilities	1,03,61,187			1,03,61,187
Total	15,59,37,525	-	-	15,59,37,525

(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.

NOTES TO FINANCIAL STATEMENT (CONTD..)

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.

The Company is not exposed to foreign currency risk as it does not have any payables or receivables in foreign currency.

(ii) Cash flow and fair value interest rate risk

Interest rate risk arises from the sensitivity of the financial liabilities to changes in market rate of interest.

The Company is not exposed to interest rate risk as it does not have any long term borrowings with fluctuating interest rate.

(iii) Price risk

The company is exposed to price risk from its investment in mutual funds, classified in the balance sheet at fair value through profit and loss.

The Investments held by the Company are ancillary to the Investment management business objective.

The investment in long term mutual fund is for high-RoE opportunities. They also serve as highly liquid “resources” available for future investments in business, if required.

Sensitivity to price risk

The following table summarises the impact of sensitivity of NAVs with all other variables held constant. The below impact on the Company's profit before tax is based on changes in the NAVs of mutual funds at balance sheet date:

(Amount in rupees)

Sensitivity	31 March 2022	31 March 2021	31 March 2020
Impact on profit before tax for 10% increase in NAV/price	2,33,30,670	1,95,13,240	1,24,64,943

Note: 41 Fair value measurement

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

a) Financial instruments by category

Particulars	March 31, 2022		March 31, 2021	
	FVPL	Amortised cost	FVPL	Amortised cost
Financial assets				
Cash and cash equivalents		3,88,13,385		19,09,334
Receivables				
(i) Trade receivables				-

NOTES TO FINANCIAL STATEMENT (CONTD..)

Particulars	March 31, 2022		March 31, 2021	
	FVPL	Amortised cost	FVPL	Amortised cost
(ii) Other receivables				-
Loans				-
Investments	23,33,06,700	85,00,00,005	19,51,32,403	85,00,00,005
Other financial assets				-
Total financial assets	23,33,06,700	88,88,13,390	19,51,32,403	85,19,09,339
Financial liabilities				
Borrowings		-		14,55,76,338
Other financial liabilities		63,60,778		1,03,61,187
Total financial liabilities	-	63,60,778	-	15,59,37,525

b) i) Fair value hierarchy - Financial instruments recognised and measured at fair value

Assets measured at fair value - recurring fair value measurements	As at 31 March 22		As at 31 March 21	
	Level 1	Level 2	Level 1	Level 2
Financial assets				
Financial investments at FVTPL				
- Mutual funds	23,33,06,700		19,51,32,404	-
- Alternative investment funds			-	-
Total	23,33,06,700	-	19,51,32,404	-

ii) Fair value hierarchy - Assets and liabilities measured at amortised cost for which fair values are disclosed

The company has not disclosed fair value of financial asset or liability which is measured at amortised cost.

Note: 42 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	March 31, 2022			March 31, 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial assets						
Cash and cash equivalents	3,88,13,385		3,88,13,385	19,09,334		19,09,334
Receivables						
(i) Trade receivables	7,34,93,999		7,34,93,999	-		-
(ii) Other receivables	-		-	-		-
Loans			-	-		-
Investments		1,08,33,06,705	1,08,33,06,705	-	1,04,51,32,408	1,04,51,32,408
Other financial assets		5,00,000	5,00,000	-	5,00,000	5,00,000
Non-financial assets						
Current tax assets (Net)	31,00,930		31,00,930	-		-
Deferred tax assets (Net)	1,71,78,077		1,71,78,077	6,22,86,760		6,22,86,760
Property, plant and equipment		12,96,316	12,96,316	-	10,33,005	10,33,005

NOTES TO FINANCIAL STATEMENT (CONTD..)

Particulars	March 31, 2022			March 31, 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Other intangible assets			-	-	-	-
Other non-financial assets	47,22,518		47,22,518	1,32,96,087	-	1,32,96,087
Total assets	13,73,08,909	1,08,51,03,021	1,22,24,11,929	7,74,92,181	1,04,66,65,413	1,12,41,57,594
Financial liabilities						
Debt securities			-			-
Borrowings (Other than debt securities)			-	14,55,76,338	-	14,55,76,338
Other financial liabilities	63,60,778		63,60,778	1,03,61,187		1,03,61,187
Non-financial Liabilities						
Current tax liabilities (Net)	-		-	20,84,394		20,84,394
Provisions	6,48,76,720		6,48,76,720	1,09,65,578		1,09,65,578
Other non-financial liabilities	3,88,81,127		3,88,81,127	28,09,028		28,09,028
Total liabilities	11,01,18,625	-	11,01,18,625	17,17,96,525	-	17,17,96,525

For Aneel Lasod And Associates
Chartered Accountants
Firm Reg. No. - 124609W

For and on behalf of the Board of Directors of
Motilal Oswal Investment Advisors Limited

Aneel Lasod
Partner
M No: 40117

Motilal Oswal
Director
DIN No: 00024503

Raamdeo Agarawal
Director
DIN No: 00024533

Place : Mumbai
Date: 25th April 2020
UDIN:20040117AAAACA6956

Place : Mumbai
Date: 25th April 2020

Motilal Oswal Finvest Limited

FINANCIAL STATEMENT

INDEPENDENT AUDITORS' REPORT (Contd..)

TO THE MEMBERS OF
MOTILAL OSWAL FINVEST LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Motilal Oswal Finvest Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the 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 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.

Basis for Opinion

We conducted our audit of the 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 Responsibility 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 made 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matter

Key audit matter is the matter that, in our professional judgment, was of most significance in our audit of the financial statements of the current period. The matter was 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 the matter. We have determined the matter described below to be the key audit matter to be communicated in our report.

Key Audit Matter	Auditor's Response
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.	Principal audit procedures performed 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;

INDEPENDENT AUDITORS' REPORT (Contd..)

Key Audit Matter	Auditor's Response
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.	For deficiencies identified if any by the IT specialist, specialist team tested compensating controls or performed alternative procedures.
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: - 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. - Staging of loans and estimation of behavioral life. - Estimation of expected loss from historical observations. - Estimation of losses in respect of those groups of loans which had no/ minimal defaults in the past. 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.	- 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 for expected credit losses as at 31 March 2022. - 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. - Understood and checked the key data sources and assumptions for data used in the ECL model as considered by the Company to determine impairment provisions. - On sample basis tested the completeness and accuracy of the input data used and confirmed the said data with the underlying books of accounts and records. Tested the arithmetical accuracy of computation of ECL provision performed by the Company.

INDEPENDENT AUDITORS' REPORT (Contd..)

Key Audit Matter	Auditor's Response
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.
- 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, - The segmentation of financial assets when their ECL is assessed on a collective basis, - 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 - Assessment of qualitative factors having an impact on the credit risk.	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, 2022 by reconciling it with the balances as per loan balance register as on that date. We tested assets in stage 1, 2 and 3 on sample basis to verify that they were allocated to the appropriate stage.

Information Other than the Financial Statements and Auditors' Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis and Directors' Report (the "Reports") but does not include financial statements and our auditors' report thereon. The reports are expected to be made available to us after the date of this auditors' report.
- 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 and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- When we read the Other Information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 (Revised) 'The Auditor's responsibilities Relating to Other Information'.

Management's Responsibility for the 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 financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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

INDEPENDENT AUDITORS' REPORT (Contd..)

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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibility for the Audit of the Financial Statements

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 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 SAs, 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 financial 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 the 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.

INDEPENDENT AUDITORS' REPORT (Contd..)

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect 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 the 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

The financial statements includes comparative figures of the Company as at and for the year ended March 31, 2021, have been audited by the erstwhile auditors, in which erstwhile Auditors, Walker Chandiok & Co LLP has expressed an unmodified opinion.

Our opinion on the financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. 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 purposes 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 Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows 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 financial statements comply with the 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 March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

INDEPENDENT AUDITORS' REPORT (Contd..)

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with 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, we report that the Company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable.
- 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 does not have any pending litigations as at year-end which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts as at the year-end for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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, 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 (which are material either individually or in the aggregate) 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, 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. Refer note 53 to the financial statements.
 - (c) Based on the audit procedures that has 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 mis-statement.
- v. The Board of Directors at its meeting held on 25 March 2022 has declared and paid an interim dividend of Rs. 0.20 per equity share (on face value of Rs. 10/- per equity share) and has not proposed final dividend for the year.

INDEPENDENT AUDITORS' REPORT (Contd..)

2. As required by the Companies (Auditors' Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Shah & Savla LLP
Chartered Accountants
FRN :109364W/W100143

CA Miral H. Nagda
Partner
Membership No.: 108135
UDIN : 22108135AJRITK9039

Place : Mumbai
Date : 27th April, 2022

INDEPENDENT AUDITORS' REPORT (Contd..)

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section 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 of Motilal Oswal Finvest Limited (the "Company") as of March 31, 2022 in conjunction with our audit of the 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 issued by the Institute of Chartered Accountants of India (the "Guidance Note"). 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 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

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 judgement, 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

INDEPENDENT AUDITORS' REPORT (Contd..)

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.

For Shah & Savla LLP
Chartered Accountants
FRN :109364W/W100143

CA Miral H. Nagda
Partner
Membership No.: 108135
UDIN : 22108135AJRITK9039

Place : Mumbai
Date : 27th April, 2022

INDEPENDENT AUDITORS' REPORT (Contd..)

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of accounts 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) According to the information and explanations given to us, in respect of Property, Plant and Equipment & Intangible Assets.
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment. The Company has maintained proper records showing full particulars of intangible assets.
 - b) The Company has a program of verification of Property, Plant and Equipment, so as to cover all the items once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.
 - c) The Company does not have any immovable properties and hence reporting under clause 3(i)(c) of the Order is not applicable.
 - d) The Company has not revalued any of its Property, Plant and Equipment including Right of Use Assets and intangible assets during the year.
 - e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) a) The Company does not have any inventory and hence, reporting under clause 3(ii)(a) of the Order is not applicable.
 - b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of 5 crores, in aggregate, at points of time during the year, from financial institution on the basis of security of mutual fund investments of the Company. According to the information and explanations given to us, as per the terms of borrowings, the Company is not required to file any statements with such financial institutions. Accordingly reporting under clause 3(ii) (b) of the Order is not applicable.
- (iii) During the year, the Company has made investments in and granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties. The Company has provided guarantee or security to other entity during the year. With respect to such investments, loans and advances and guarantee provided:
 - a) The Company's principal business is to give loans, and hence reporting under clause 3(iii)(a) of the Order is not applicable.
 - b) The investments made and the terms and conditions of the grant of all the loans and advances in the nature of loans, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
 - c) In respect of loans and advances in the nature of loans (together referred to as "loan assets"), the schedule of repayment of principal and payment of interest has been stipulated. Note 2.5(ii) to the Financial Statements explains the Company's accounting policy relating to impairment of financial assets which

INDEPENDENT AUDITORS' REPORT (Contd..)

include loans assets. In accordance with that policy, loan assets with balances as at March 31, 2022, aggregating 94 lakhs were categorised as credit impaired ("Stage 3") and Nil were categorised as those where the credit risk has increased significantly since initial recognition ("Stage 2"). Disclosures in respect of such loans have been provided in Note 6 to the Financial Statements. Additionally, out of loans and advances in the nature of loans with balances as at the year-end aggregating 58,883 lakhs, where credit risk has not significantly increased since initial recognition (categorised as "Stage 1"), overdues in the repayment interest and/or principal aggregating 116 lakhs were also identified. In all other cases, the repayment of principal and interest is regular. Having regard to the nature of the Company's business and the volume of information involved, it is not practicable to provide an itemised list of loan assets where delinquencies in the repayment of principal and interest have been identified.

- d) The total amount overdue for more than ninety days, in respect of loans and advances in the nature of loans, as at the year-end is 94 lakhs. Basis information and explanation provided to us by the Management, reasonable steps are being taken by the Company for recovery of the principal and interest as stated in the applicable Regulations and Loan agreements.
- e) The Company's principal business is to give loans, and hence reporting under clause 3(iii)(e) of the Order is not applicable.
- f) According to information and explanations given to us and based on the audit procedures performed, the Company has granted loans or advances during the year in loans which are repayable on demand. However, the Company has not granted loans or advances without specifying any terms or period of repayment during the year. Details of loans repayable on demand are as below.
 - a) Aggregate amount of loans repayable on demand outstanding as at March 31, 2022 - Rs. 58,232 lakhs
 - b) % of above loans amounts mentioned in (a) above to the total gross loans outstanding - 98.75%
 - c) Aggregate amount of loans granted to promoters (included in (a) above) - Rs. Nil
 - d) Aggregate amount of loans to related parties (included in (a) above) - Rs. 2,741 lakhs
- (iv) In our opinion and according to information and explanation given to us, there are no loans, investments or guarantees and security given in respect of which provisions of section 185 and 186 of the Act are applicable hence reporting under paragraph 3(iv) of the Order is not applicable.
- (v) In our opinion, the Company has not accepted any deposits from public 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) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, in respect of the services rendered by the Company. Hence, reporting under clause 3(vi) of the Order is not applicable.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
 - a) Undisputed statutory dues, including Goods and Service tax (GST), Provident Fund, Employees' State Insurance, Income-tax, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities.
 - b) There were no undisputed amounts payable in respect of GST, Provident Fund, Employees' State Insurance, Income-tax, cess and other material statutory dues which were in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.
 - c) There were no dues referred in sub clause (a) above which have not been deposited on account of disputes as at March 31, 2022.

INDEPENDENT AUDITORS' REPORT (Contd..)

- (viii) According to the information and explanations given to us, no transactions relating to previously unrecorded income were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during the year.
- (ix) According to the information and explanations given to us, in respect of borrowings:
- a) The Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
 - b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
 - c) In our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained, other than temporary deployment pending application in respect of term loans raised towards the end of the year.
 - d) On an overall examination of the maturity profile of financial assets and financial liabilities provided in Note 47 to the financial statements of the Company, funds raised on short term basis have, prima facie, not been used during the year for long-term purposes by the Company.
 - e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause 3(ix)(e) of the Order is not applicable.
 - f) The Company does not have any subsidiary or associate or joint venture and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- (x) a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) during the year and hence reporting under clause 3(x)(b) of the Order is not applicable.
- (xi) a) According to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b) No report under section 143(12) 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) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and hence, reporting under clause 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us, the Company is in compliance with Section 188 and 177 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in 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 considered, the internal audit reports issued to the Group for Company's operation during the year and covering the period upto March 31, 2022.

INDEPENDENT AUDITORS' REPORT (Contd..)

(xv) According to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence, provisions of section 192 of the Act are not applicable.

(xvi)(a) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and such registration has been obtained by the Company. Hence, reporting under clauses 3(xvi) b and c of the Order is not applicable.

As per information provided to us during the course of audit, the Group to which Company belongs does not have any Core Investment Company as defined under the Regulations by the Reserve Bank of India (the 'RBI') and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) During the year, Walker Chandiok & Co LLP, Chartered Accountants, erstwhile statutory auditors has resigned during the year consequent to circular No. RBI/2021-22/25 Ref. No. DoS. CO.ARG /SEC.01/ 08.91.001/2021-22 dated 27th April, 2021 issued by the RBI related to Rotation of statutory auditors of NBFCs. According to the information and explanations given to us, there have been no issues, objections or concerns raised by the said outgoing statutory auditors of the Company.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, Asset Liability Maturity (ALM) pattern, other information accompanying the financial statements and 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 indicating 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) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Act or special account in compliance with the provision of section 135(6) of the said Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.

(xxi) According to the information and explanations given to us, the Company does not have subsidiary, associate and joint venture. Accordingly, reporting under clause 3(xxi) of the Order is not applicable.

For Shah & Savla LLP
Chartered Accountants
FRN :109364W/W100143

CA Miral H. Nagda
 Partner
 Membership No.: 108135
 UDIN : 22108135AJRITK9039

Place : Mumbai
 Date : 27th April, 2022

BALANCE SHEET

Balance Sheet as at 31st March, 2022

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Note No.	As at 31 March 2022	As at 31 March 2021
I ASSETS			
1 Financial asset			
a) Cash and cash equivalents	4	81,128	37,573
b) Receivable	5		
Trade receivables		663	666
Other receivable		-	6
c) Loans	6	58,822	30,284
d) Investments	7	1,21,504	80,783
e) Other financial assets	8	261	6
Sub - total financial assets (A)		2,62,378	1,49,318
2 Non-financial asset			
a) Current tax assets (net)	9	-	94
b) Deferred tax assets (net)	10	-	35
c) Property, plant and equipment	11 (A)	91	0
d) Intangible assets	11 (B)	1	2
e) Goodwill	11 (C)	405	405
f) Other non-financial assets	12	420	769
Sub - total non- financial assets (B)		917	1,305
Total assets (A+B)		2,63,295	1,50,623
II LIABILITIES AND EQUITY			
LIABILITIES			
1 Financial Liabilities			
a) Debt securities	13	1,43,859	74,228
b) Borrowings (other than debt securities)	14	3,949	2,000
c) Other financial liabilities	15	2,336	1,609
Sub - total financial liabilities (A)		1,50,144	77,837
2 Non-Financial Liabilities			
a) Current tax liabilities (net)	16	508	-
b) Deferred tax liabilities (net)	10	865	-
c) Provisions	17	268	237
d) Other non-financial liabilities	18	124	58
Sub - total non-financial liabilities (B)		1,765	295
3 Equity			
a) Equity share capital	19	7,619	5,893
b) Other equity	20	1,03,767	66,598
Sub - total equity (C)		1,11,386	72,491
Total liabilities and equity (A+B+C)		2,63,295	1,50,623

Summary of significant accounting policies and other explanatory information

The accompanying notes 1 to 53 form an integral part of the financial statements

This is the Balance Sheet referred to in our report of even date

For Shah & Savla LLP

Chartered Accountants

Firm Registration No.: 109364W/W100143

Miral H. Nagda

Partner

Membership.No : 108135

For and on behalf of the Board of Directors

Motilal Oswal Finvest Limited**Motilal Oswal**

Whole-time Director

DIN: 00024503

Shalibhadra Shah

Director

DIN: 07669954

Ajay Menon

Whole-time Director and CFO

DIN: 00024589

Kailash Purohit

Company Secretary

M N. : ACS - 28740

Place : Mumbai

Date : 27 April 2022

Place : Mumbai

Date : 27 April 2022

STATEMENT OF PROFIT AND LOSS

Statement of Profit and Loss for the period ended 31st March 2022

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Note No.	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue from operations			
(i) Interest income	21	17,071	6,353
(ii) Dividend income	22	166	91
(iii) Fees and commission income	23	117	-
(iv) Net gain on fair value changes	24	9,599	2,592
(v) Other operating income	26	382	196
1) Total Revenue from operations		27,335	9,232
2) Other income	27	1,350	1,260
3) Total income (1+2)		28,685	10,492
Expenses			
(i) Finance cost	28	9,590	4,168
(ii) Fees and commission expense	29	-	39
(iii) Impairment on financial instruments	25	74	49
(iv) Net loss on fair value changes	24	-	-
(v) Employee benefits expense	30	949	975
(vi) Depreciation and amortisation	11	10	2
(vii) Other expenses	31	1,602	1,728
(4) Total expenses		12,226	6,961
(5) Profit/ (loss) before tax (3-4)		16,459	3,531
Tax expense/(credit)			
(a) Current tax		2,169	459
(b) Deferred tax expense / (credit)		657	(224)
(c) Short/(excess) provision for earlier years		(11)	-
6) Total tax expenses/(credit)	32	2,815	235
7) Profit/(loss) for the year after tax (5 - 6)		13,644	3,296
Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
(a) Remeasurement of the defined employee benefit plans		(18)	(14)
(b) Changes in fair value gain/(loss) of FVOCI equity instruments		2,166	5,295
(c) Deferred tax impact on the above		(243)	(606)
8) Other comprehensive income/(loss)		1,905	4,675
Total comprehensive income/(loss) for the year (7 + 8)		15,549	7,971
Basic and Diluted Earning / (loss) per share (amount in Rs.)	33	19.41	6.28

Summary of significant accounting policies and other explanatory information

The accompanying notes 1 to 53 form an integral part of the financial statements

This is the Balance Sheet referred to in our report of even date

For Shah & Savla LLP

Chartered Accountants

Firm Registration No.: 109364W/W100143

Miral H. Nagda

Partner

Membership.No : 108135

For and on behalf of the Board of Directors

Motilal Oswal Finvest Limited

Motilal Oswal

Whole-time Director

DIN: 00024503

Shalibhadra Shah

Director

DIN: 07669954

Ajay Menon

Whole-time Director and CFO

DIN: 00024589

Kailash Purohit

Company Secretary

M N. : ACS - 28740

Place : Mumbai

Date : 27 April 2022

Place : Mumbai

Date : 27 April 2022

CASH FLOW STATEMENT

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2022

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
A. Cash flow from operating activities		
Profit before taxation	16,459	3,531
Adjustment for:		
1) Net (gain) /loss on fair value changes	(9,599)	(2,592)
2) Bad debts, provision for standard, sub-std and doubtful debts	74	49
3) Depreciation and amortisation	10	2
4) Provision for employee benefits	16	0
5) Dividend received	(166)	(91)
6) Interest expense pertaining to lease liability	4	-
Operating profit	6,800	899
Adjustment for working capital changes:		
1) Decrease/(increase) in receivables	3	(548)
2) Decrease/(increase) in loans	(28,607)	(4,368)
3) Decrease/(increase) in other financial assets	(256)	(5)
4) Decrease/(increase) in other non financial assets	350	19
5) Proceeds from debt securities	69,631	49,406
6) Proceeds from borrowing	1,949	2,000
7) Increase/(decrease) in other financial liabilities	635	1,480
8) Increase/(decrease) in provisions	(5)	211
9) Increase/(decrease) in other non-financial liabilities	66	27
Cash generated from/(used in) operations	50,566	49,122
Direct taxes paid net (including MAT credit utilised)	(1,557)	(362)
Net cash generated from/(used in) operating activities	49,009	48,760
B. Cash flow from investing activities		
1) (Purchase) of investments	(43,345)	(35,201)
2) Proceeds of sale of investments	14,389	11,857
3) (Purchase) of fixed assets	(0)	-
4) Dividend received	166	91
Net cash flow (used in) investing activities	(28,790)	(23,253)
C. Cash flow from financing activities		
1) Issue of share capital	23,500	12,000
2) Payment of lease liability including interest	(12)	-
3) Dividend and dividend distribution tax paid	(152)	(118)
Net cash flow generated from financing activities	23,336	11,882
Net increase in cash & cash equivalents during the year (A+B+C)	43,554	37,389
Cash on Hand	0	0
Scheduled Bank - In Current Account	37,573	187
Cash & cash equivalents as at beginning of the year	37,573	187
Cash and cheques in hand	0	0
Scheduled bank - In current account	41,128	37,573
Fixed Deposit with Banks	40,000	-
Cash & Cash Equivalents at the end of the year	81,128	37,573

Notes:

- The above Statement of Cash Flows has been prepared under indirect method as set out in Ind AS 7, 'Statement of Cash Flows', as specified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standard) Rules, 2015 (as amended).
- Figures in brackets indicate cash outflows.

The accompanying notes 1 to 53 form an integral part of the financial statements

This is the Cash Flow Statement referred to in our report of even date.

For Shah & Savla LLP

Chartered Accountants

Firm Registration No.: 109364W/W100143

Miral H. Nagda

Partner

Membership.No : 108135

For and on behalf of the Board of Directors

Motilal Oswal Finvest Limited

Motilal Oswal

Whole-time Director

DIN: 00024503

Shalibhadra Shah

Director

DIN: 07669954

Ajay Menon

Whole-time Director and CFO

DIN: 00024589

Kailash Purohit

Company Secretary

M N. : ACS - 28740

Place : Mumbai

Date : 27 April 2022

Place : Mumbai

Date : 27 April 2022

NOTES TO FINANCIAL STATEMENT (Contd..)

(A) Equity share capital

Particulars	Equity share capital		Total
	Number of shares	Amount in Rupees	
Issued, subscribed and paid up			
As at 01 April 2020	4,93,60,089	10	4,936
Add/Less: Changes due to prior period errors	-	-	-
Restated as at 01 April 2020	4,93,60,089	10	4,936
Add: issue of capital	95,68,614	10	957
As at 31 March 2021	5,89,28,703	10	5,893
Add/Less: Changes due to prior period errors	-	-	-
Restated as at 01 April 2021	5,89,28,703	10	5,893
Add: issue of capital	1,72,65,446	10	1,727
As at 31 March 2022	7,61,94,149	10	7,619

(B) Other equity

Particulars	Reserves and surplus					Items of other comprehensive income		Total other equity
	Capital redemption reserve	Securities premium	Statutory reserve u/s 45 IC of RBI Act 1934	Retained earning	Impairment reserve	Equity instruments through other comprehensive income	Actuarial gain/(losses) on post retirement benefit plans	
Balance as at 01 April 2020	90	50,099	42	(680)	62	(1,910)	0	47,703
Add/Less: Changes due to prior period errors	-	-	-	-	-	-	-	-
Restated balance as at 01 April 2020	90	50,099	42	(680)	62	(1,910)	0	47,703
Addition during the year	-	11,042	-	-	-	-	-	11,042
Profit for the year	-	-	-	3,296	-	-	-	3,296
Transfer to Statutory Reserve from retained earnings	-	-	659	(659)	-	-	-	-
Interim Dividend	-	-	-	(118)	-	-	-	(118)
Total other comprehensive income for the year	-	-	-	-	-	4,685	(10)	4,675
Balance as at 31 March 2021	90	61,141	701	1,839	62	2,775	(10)	66,599
Add/Less: Changes due to prior period errors	-	-	-	-	-	-	-	-
Restated balance as at 01 April 2021	90	61,141	701	1,839	62	2,775	(10)	66,599
Addition during the year	-	21,774	-	13,644	-	-	-	35,418
Transfer from retained earning	-	-	-	(28)	28	-	-	-
Profit for the year	-	-	-	-	-	-	-	-
Transfer to Statutory Reserve from retained earnings	-	-	2,729	(2,729)	-	-	-	-
Interim Dividend	-	-	-	(153)	-	-	-	(153)
Total other comprehensive income for the year	-	-	-	-	-	1,918	(14)	1,904
Balance as at 31 March 2022	90	82,915	3,430	12,574	90	4,693	(24)	1,03,767

This is the statement of change in equity referred to in our report of even date

For Shah & Savla LLP

Chartered Accountants

Firm Registration No.: 109364W/W100143

Miral H. Nagda

Partner

Membership.No : 108135

Place : Mumbai

Date : 27 April 2022

For and on behalf of the Board of Directors

Motilal Oswal Finvest Limited

Motilal Oswal

Whole-time Director

DIN: 00024503

Shalibhadra Shah

Director

DIN: 07669954

Place : Mumbai

Date : 27 April 2022

Ajay Menon

Whole-time Director and CFO

DIN: 00024589

Kailash Purohit

Company Secretary

M N. : ACS - 28740

NOTES TO FINANCIAL STATEMENT

1. Corporate information

Motilal Oswal Finvest Limited ("MOFL" or the "Company") is a Non-Banking Financial Company registered with the Reserve Bank of India ("RBI") under section 45-IA of the Reserve Bank of India Act, 1934 and primarily engaged in lending and related activities. The Company received the Certificate of Registration from the RBI effective 01 October 2018, enabling the Company to carry on business as a Non-banking Finance Company. The Company's registered office is at Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400 025.

In accordance with the provisions of section 45-IC of the RBI Act, 1934, the Company has created a Reserve Fund and every year transfers an amount equal to 20% of the profit after tax to the Reserve Fund.

The financial statements were approved for issue by the Company's Board of Directors on 27 April 2022.

2. Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1. Basis of preparation

(i) Compliance with Ind AS

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules 2015 as amended by the Companies (Indian Accounting Standards) Rules 2016.

The financial statements have been drawn up on the basis of Ind AS that are applicable to the Company as at 31 March 2022 based on the 'Press Release' issued by the Ministry of Company Affairs on 18 January 2016. Any application guidance/ clarifications/ directions issued by the RBI or other regulators are implemented as and when they are issued / applicable.

(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 values;
- Assets held for sale – measured at fair value less cost to sell;
- Defined benefit plans – plan assets measured at fair value; and

(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, 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 46.

(iv) Use of estimates and judgements

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

NOTES TO FINANCIAL STATEMENT (Contd..)

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 at each balance sheet date are discussed in note 3.

2.2. Revenue Recognition

The Company 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.

(i) 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 ('ECL')). 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).

(ii) Dividend income

Dividend income is recognized in the statement of profit or 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.

(iii) Fees and commission income

The Company recognizes service and commission charges towards pledging its investments for the borrowing facility availed by its holding or group companies over a period of time in accordance with the terms of the contract.

NOTES TO FINANCIAL STATEMENT (Contd..)

(iv) Other revenue from operations

a. Training fee

Performance obligations are satisfied over a period of time and training fee is recognized in accordance with the terms of the contract with the clients.

b. 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 derecognition of financial asset measured at FVTPL and FVOCI on net basis in profit or loss.

c. Other income

The Company provides business support to its subsidiaries, fellow subsidiaries for activities like finance, accounting, human resources, information technology, back office operations, corporate planning, administrative services and various other services for which it recovers business support charges.

(v) Taxes

The tax expense or credit for the period is the current 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 is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period. 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.

NOTES TO FINANCIAL STATEMENT (Contd..)

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.

2.3. 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 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 recognised as an expense in profit or loss on a straight-line basis over the lease term.

2.4. 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.

2.5. Financial instruments

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Trade receivables and payables, loan receivables, investments in securities and subsidiaries, debt securities and other borrowings, preferential and equity capital etc. are some examples of 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.

NOTES TO FINANCIAL STATEMENT (Contd..)

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 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 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 profit or 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.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 49.

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 (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

NOTES TO FINANCIAL STATEMENT (Contd..)

- 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. Investments in mutual funds

(i) **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 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 certainty 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 Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in the Statement of Profit and Loss.

NOTES TO FINANCIAL STATEMENT (Contd..)

(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

Financial liabilities are classified at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

(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.

2.6. 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.

NOTES TO FINANCIAL STATEMENT (Contd..)

2.7. Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation and impairment losses, if any. 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 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 Company provides pro-rata depreciation from the date of installation till date the assets are sold or disposed.

Assets	Useful life
Office Equipment's	5 years
Computers	3 years

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.

2.8. 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

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.

NOTES TO FINANCIAL STATEMENT (Contd..)

2.9. Goodwill

Goodwill is initially recognised based on the accounting policy for business combinations. These assets are not amortised but are tested for impairment annually.

2.10. 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 value in use and 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 current market assessments of the 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 the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.11. 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.

2.12. Borrowing costs

Borrowing costs include interest expense calculated using the effective interest method, finance charges in respect of assets acquired on operating lease, to the extent they are regarded as an adjustment to interest costs. Borrowing costs net of any investment income from the temporary investment of related borrowings, that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

NOTES TO FINANCIAL STATEMENT (Contd..)

2.13. 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.

(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 reporting 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 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.

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 for expected cost of accumulating compensated absences as a result of unused leave entitlement which has accumulated as at the balance sheet date.

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 MOFL's functional and presentation currency.

NOTES TO FINANCIAL STATEMENT (Contd..)

2.14. 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.

2.15. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker of the Company.

The power to assess the financial performance and position of the Company and make strategic decisions is vested in the Managing Director who has been identified as the Chief Operating Decision Maker.

Operating segments of the Company comprises as under

- Lending and related activities
- Fund based

2.16. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirements.

2.17. 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.

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 an ongoing basis. Any changes to accounting estimates are recognised on prospective basis.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect on the amounts recognized in Financial Statements, are included in the following notes:

NOTES TO FINANCIAL STATEMENT (Contd..)

- (a) **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.
- (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 ageing 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 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.
- (e) **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 and impairment 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.

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Note 4 : Cash and cash equivalents

	As at 31 March 2022	As at 31 March 2021
Cash on hand	0	0
Balances with bank		
In current accounts	41,128	37,573
Fixed deposit with bank (maturity within 3 months)	40,000	-
	81,128	37,573

Note 5 : Receivable

	As at 31 March 2022	As at 31 March 2021
(i) Trade receivable		
Considered good - unsecured	663	661
Receivables which have significant increase in credit risk	5	5
Less: impairment loss allowance	(5)	-
	663	666
(ii) Other receivable		
Other	-	6
	-	6

- (i) Trade receivables and other receivables are recognised initially at fair value and subsequently measured at amortised cost less loss allowances. The Company applies the Ind AS 109 simplified approach in measuring expected credit losses (ECLs) for trade receivables at 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 Company 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 recognised in the income statement. Subsequent recoveries of amounts previously written off are credited to the income statement. In line with the Company's historical experience, and after consideration of current credit exposures, the Company does not expect to incur any credit losses and has not recognised any ECLs in the current year except receivables outstanding for more than 90 days which are considered to be under significant increase in credit risk and full credit loss is booked.
- (ii) Concentration of credit risk with respect to receivables are limited, due to the Company's customer base largely being related parties.
- (iii) Trade and other receivable Rs. Nil (31 March 2021 - Rs. Nil) are due from director or other officer of the Company either severally or jointly with any other person.
- (iv) Trade and other receivable Rs. Nil (31 March 2021 - Rs. Nil) are due from firms or private companies respectively in which any director is a partner, a director or a member.

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Note 5 (i) : Receivable ageing schedule

For the year ended 31 March 2022

Particulars	Outstanding for following periods from due date of payment					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	663	-	-	-	-	663
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	5	-	5
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-

For the year ended 31 March 2021

Particulars	Outstanding for following periods from due date of payment					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	667	-	-	-	-	667
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	5	-	-	5
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Note 6 :Loans(At amortised cost)

	As at 31 March 2022	As at 31 March 2021
(A)		
Loan to related parties*	2,741	1,956
Term loan	744	2,003
Loan repayable on demand	55,491	26,416
Total (A) gross	58,976	30,375
Less : impairment loss allowance	(155)	(91)
Total (A) Net	58,822	30,284
(B)		
(i) Secured by tangible assets	11,095	13,547
(ii) Unsecured	47,882	16,827
Total (B) gross	58,977	30,375
Less : impairment loss allowance	(155)	(91)
Total (B) Net	58,822	30,284
(C) Loans in India		
(i) Public sector	-	-
(ii) Other than public sector	58,977	30,375
Total (C) Gross	58,977	30,375
Less : Impairment loss allowance	(155)	(91)
Total (C) Net	58,822	30,284

*Break-up of loans made to related parties:

Particulars	31 March 2022	31 March 2021
Loan repayable on demand:		
Directors	2,001	-
Other related parties	741	1,956
	2,742	1,956
% of total loans		
Directors	3%	0%
Other related parties	1%	6%

(i) Analysis of changes in the gross carrying amount of loan book Loan book movement

Particulars	31 March 2022	31 March 2021
Opening	30,375	26,019
Origination of new loan	1,48,77,496	16,76,227
Write-offs during the year	(5)	-
Repayments received during the year	(1,48,48,889)	(16,71,871)
Closing	58,977	30,375

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Break - up of loans under

Particulars	31 March 2022	31 March 2021
Low credit risk (Stage1)	58,883	30,370
Significant increase in credit risk (Stage2)	-	-
Credit impaired (Stage3)	94	5
Closing	58,977	30,375

Reconciliation of ECL balance

Particulars	31 March 2022	31 March 2021
Opening	91	42
ECL impact due to Write-offs	(5)	-
Addition during the year	69	49
Closing	155	91

Break - up of ECL under

Particulars	31 March 2022	31 March 2021
Low credit risk (Stage1)	145	86
Significant increase in credit risk (Stage2)	-	-
Credit impaired (Stage3)	9	5
Closing	154	91

Note 7 : Investments

Particulars	Face value (In Rs.)	31 March 2022		Face value (In Rs.)	31 March 2021	
		Units	Amount		Units	Amount
I. Investments at amortised cost						
Investments at equity instruments						
Investments in fellow subsidiaries - Unquoted						
Motilal Oswal Home Finance Limited (formerly known as Aspire Home Finance Corporation Limited)	1	60,00,00,000	15,000	1	60,00,00,000	15,000
Investment in Debenture						
Shriprop Projects Private Limited	10,00,000	25	250	10,00,000	25	250
Casagrand Millenia Private Limited	5,00,000	200	538	5,00,000	120	569
Terrapolis Assets Private Limited	10,00,000	30	300		-	-
Radiance Realty Developer India Limited	10,00,000	40	400		-	-
Rajapushpa Properties Private Limited	10,00,000	80	800		-	-
Total		375	2,288		145	819
Total I		60,00,00,375	17,288		60,00,00,145	15,819

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Face value (In Rs.)	31 March 2022		Face value (In Rs.)	31 March 2021	
		Units	Amount		Units	Amount
II. Investment at fair value through profit and loss account at FVTPL						
Investments in Mutual Funds (Equity) - Fully paid up - Unquoted						
Motilal Oswal Flexi Cap Fund - Growth	10	5,58,04,414	19,395	10	5,58,04,414	18,776
Motilal Oswal Midcap 30 Fund - Growth	10	1,49,89,899	7,438	10	39,30,791	1,395
Motilal Oswal Focused 25 Fund - Growth	10	8,36,077	294	10	8,36,077	275
Motilal Oswal Nifty 50 Index Fund	10	6,15,438	90	10	6,15,438	75
Motilal Oswal Nifty Next 50 Index Fund	10	1,79,254	26	10	1,79,254	21
Motilal Oswal S&P BSE low Volatility Index Fund	10	19,99,900	201	-	-	-
Total		7,44,24,984	27,444		6,13,65,975	20,542
Investments in Exchange Traded Fund (Equity) - Fully paid up - Quoted						
Kotak Mahindra MF - Kotak Banking ETF - Dividend Payout Option	10	17,889	66	10	17,889	60
Motilal Oswal Mutual Fund-Motilal Oswal MOST Shares Midcap 100 ETF	10	2,27,920	71	10	2,27,920	56
Motilal Oswal Mutual Fund-Motilal Oswal MOST Shares NASDAQ 100 ETF	10	3,78,201	90	10	3,78,201	76
Motilal Oswal S&P BSE Low Volatility ETF	100	88,459	100		-	-
Nippon India ETF Gold Bees	100	67,500	30	100	67,500	26
SBI-ETF Nifty Next 50	10	44,978	80	10	44,978	67
Total		8,24,947	437		7,36,488	285
Investment in Private Equity						
Investment in IREF IV	100	69,07,466	7,301	100	57,18,741	6,371
Investment in IREF V	100	18,68,421	1,994	-	-	-
Investment in IBEF IV	100	23,50,000	2,350	-	-	-
Total		1,11,25,887	11,645		57,18,741	6,371
Investment in Debenture						
Shriprop Projects Private Limited	-	-	-	10,00,000	300	3,013
Radiance Realty Developer India Limited	10,00,000	80	836	-	-	-
Rajapushpa Properties Private Limited	10,00,000	720	7,200	-	-	-
Total		800	8,036		300	3,013

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Face value (In Rs.)	31 March 2022		Face value (In Rs.)	31 March 2021	
		Units	Amount		Units	Amount
Investment in Equity Shares						
National Stock Exchange Ltd	1	5,00,000	16,252		-	-
Fincare Small Finance Bank Ltd	10	11,94,369	2,024		-	-
Fincare Business Services Ltd	1	12,81,767	1,128		-	-
Total		29,76,136	19,404		-	-
Investment in Security Receipts						
Phoenix Trust FY 20-9	576	22,10,000	10,217	733	22,10,000	14,007
Phoenix Trust-FY20-21	699	2,84,750	1,106	882	2,84,750	1,907
Phoenix Trust-FY21-16	838	2,08,250	1,435	1000	2,08,250	2,083
Phoenix Trust-FY21-2	756	1,53,000	827	890	1,53,000	1,032
Phoenix Trust-FY21-6	722	2,75,740	1,431	939	2,75,740	2,589
Phoenix Trust-FY21-14	911	4,76,000	4,336		-	-
Phoenix Trust-FY22-22	939	2,55,000	2,394		-	-
Total		38,62,740	21,746		31,31,740	21,617
Total II		9,32,15,493	88,712		7,09,53,243	51,828
III. Investment at fair value through other comprehensive income FVOCI:						
Quoted Equity Instruments- Fully paid-up						
Investment through Portfolio Management Services (PMS)						
A I A Engineering Limited	2	53	1		-	-
Aarti Drugs Ltd	10	181	1	10	456	3
Aarti Industries Ltd	5	106	1		-	-
Adani Ports & Special Economic Zone Ltd	2	136	1		-	-
Advanced Enzyme Technologies Ltd	2	280	1		-	-
Aegis Logistics Ltd	1	1,02,183	210	1	1,02,183	305
Ajanta Pharma Ltd	2	646	12	2	212	4
Alembic Pharmaceuticals Ltd	2	227	2		-	-
Alkem Laboratories Ltd	2	7,511	272	2	7,157	198
Alkyl Amines Chemicals Ltd	2	31	1		-	-
APL Apollo Tubes Ltd	2	111	1	2	705	10
Ashok Leyland Ltd	1	15,076	18	1	15,076	17
Asian Paints Ltd	1	223	7	1	100	3
Astral Ltd	1	95	2		-	-
Atul Ltd	10	75	8		-	-
AU Small Finance Bank Ltd	10	172	2		-	-
Aurobindo Pharma Ltd	1	146	1		-	-
Avanti Feeds Ltd	1	174	1		-	-
Axis Bank Ltd	2	1,532	12	2	1,924	13

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Face value (In Rs.)	31 March 2022		Face value (In Rs.)	31 March 2021	
		Units	Amount		Units	Amount
Bajaj Auto Ltd	10	27	1		-	-
Bajaj Finance Ltd	2	16	1	2	459	24
Bajaj Finserv Ltd	5	6	1	5	93	9
Balaji Amines Ltd	2	32	1		-	-
Balkrishna Industries Ltd	2	42	1		-	-
Bandhan Bank Ltd	10	326	1		-	-
Bata India Ltd	5	60	1		-	-
Bayer Cropscience Ltd	10	4,007	199	10	4,048	216
Bharat Forge Ltd	2	44,575	312	2	44,575	266
Bharti Airtel Ltd	5	4,568	34	5	4,948	26
Birla Corporation Ltd	10	19,639	232	10	19,639	187
BIRLASOFT Ltd	2	5,663	26	2	5,425	14
Bosch Ltd	10	2,111	305	10	2,111	297
Britannia Industries Ltd	1	181	6	1	107	4
Cipla Ltd	2	111	1	2	80	1
Caplin Point Laboratories Ltd	2	117	1		-	-
Cholamandalam Financial Holdings Ltd	1	143	1		-	-
Cholamandalam Investment And Finance Company Ltd	10	156	1		-	-
Clean Science And Technology Ltd	1	17,033	339		-	-
Coal India Ltd	10	3,808	7		-	-
Coforge Ltd	10	19	1		-	-
Colgate Palmolive (India) Ltd	1	-	-	1	19,039	297
Container Corporation Of India Ltd	5	51,578	347	5	51,578	308
Coromandel International Ltd	1	107	1	1	451	3
Creditaccess Grameen Ltd	10	-	-	10	491	3
Crisil Ltd	1	488	16		-	-
Cummins India Ltd	2	29,919	335	2	29,931	275
Cyient Ltd	5	91	1		-	-
Deepak Nitrite Ltd	2	43	1		-	-
Dhanuka Agritech Ltd	2	128	1		-	-
Dixon Technologies (India) Ltd	2	40	2		-	-
Divis Laboratories Ltd	2	21	1	2	122	4
Dr. Lal Pathlabs Ltd	10	58	2		-	-
Dr. Reddy's Laboratories Ltd	5	120	5	5	215	10
Eclerx Services Ltd	10	42	1		-	-
Eicher Motors Ltd	10	21,770	535	10	22,030	574
Emami Ltd	1	70,451	315	1	71,011	345
Fine Organic Industries Ltd	5	30	1		-	-
Finolex Industries Ltd	2	447	1		-	-
Firstsource Solutions Ltd	10	559	1		-	-
Galaxy Surfactants Ltd	10	191	5		-	-

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Face value (In Rs.)	31 March 2022		Face value (In Rs.)	31 March 2021	
		Units	Amount		Units	Amount
Garware Technical Fibres Ltd	10	29	1		-	-
Gland Pharma Ltd	1	20,913	684	1	21,051	522
Glenmark Pharmaceuticals Ltd	2	194	1		-	-
Godrej Industries Ltd	1	66,449	308	1	66,449	363
Godrej Properties Ltd	5	525	9	5	525	7
Granules India Ltd	1	315	1		-	-
Grindwell Norton Ltd	5	761	14		-	-
Gujarat State Petronet Ltd	10	2,128	6		-	-
Happiest Minds Technologies Ltd	2	77	1		-	-
HCL Technologies Ltd	2	3,074	36	2	2,429	24
HDFC Asset Management Company Ltd	5	71	2		-	-
HDFC Bank Ltd	2	1,277	19	2	2,903	43
HDFC Life Insurance Company Ltd	10	2,744	15	10	3,702	26
Hero Motocorp Ltd	2	188	4	2	378	11
Hindustan Petroleum Corporation Ltd	10	98,205	265	10	98,205	230
Hindustan Unilever Ltd	1	200	4	1	200	5
Hinduja Global Solutions Ltd	10	70	1		-	-
Hindustan Zinc Ltd	2	2,074	6		-	-
Honeywell Automation India Ltd	10	4	2		-	-
Housing Development Finance Corporation Ltd	2	34	1	2	300	7
ICICI Bank Ltd	2	1,94,953	1,424	2	1,34,137	781
ICICI Lombard General Insurance Company Ltd	10	127	2	10	699	10
ICICI SECURITIES LTD	5	1,826	11	5	695	3
IIFL Finance Ltd	2	295	1		-	-
Indiamart InterMesh Ltd	10	27	1		-	-
Indian Energy Exchange Ltd	1	5,100	11		-	-
Info Edge (India) Ltd	10	80	4	10	80	3
Infosys Technologies Ltd	5	1,371	26	5	1,456	20
Intellect Design Arena Ltd	5	135	1		-	-
Iol Chemicals And Pharmaceutical Ltd	10	181	1		-	-
Ipca Laboratories Ltd	2	52,488	559	2	26,553	506
ITC Ltd	1	1,82,701	458	1	1,12,129	245
Jb Chemicals & Pharmaceuticals Ltd	2	60	1		-	-
JK Lakshmi Cement Ltd	5	3,200	15	5	3,200	14
Jubilant Foodworks Ltd	10	26	1		-	-
Jubilant Pharmova Ltd	1	163	1		-	-
Kajaria Ceramics Ltd	1	1,075	11		-	-
Kpit Technologies Ltd	10	248	1		-	-
Kotak Mahindra Bank Ltd	5	82,656	1,450	5	82,985	1,455

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Face value (In Rs.)	31 March 2022		Face value (In Rs.)	31 March 2021	
		Units	Amount		Units	Amount
L&T Technology Services Ltd	2	26,804	1,368	2	26,513	704
Larsen & Toubro Infotech Ltd	1	5,701	351	1	5,585	226
Larsen & Toubro Ltd	2	12,682	224	2	12,682	180
Laurus Labs Ltd	2	216	1		-	-
LIC Housing Finance Ltd	2	4,140	15	2	4,140	18
Mahindra & Mahindra Ltd	5	2,792	23	5	2,943	23
Manappuram General Finance & Leasing Ltd	2	461	1		-	-
Marico Ltd	1	2,483	13		-	-
Maruti Suzuki India Ltd	5	544	41	5	632	43
MAS Financial Services Ltd	10	131	1		-	-
Mastek Ltd	5	36	1		-	-
Max Financial Services Ltd	2	88,382	666	2	89,680	771
Metropolis Healthcare Ltd	2	269	5		-	-
Mindtree Consulting Ltd	10	311	13		-	-
Motherson Sumi Systems Limited	1	3,668	5	1	3,668	7
Motherson Sumi Wiring India Ltd	1	3,668	2		-	-
Motilal Oswal Liquid Fund - Growth	10	87,390	10		-	-
Mphasis Ltd	10	76	3		-	-
Multi Commodity Exchange of India Ltd	10	451	6	10	400	6
Muthoot Finance Ltd	10	524	7	10	710	9
Natco Pharma Ltd	2	-	-	2	444	4
Navin Fluorine International Ltd	2	28	1		-	-
Nippon Life India Asset Management Ltd	10	238	1		-	-
Oracle Financial Services Software Ltd	5	170	6		-	-
P I Industries Ltd	1	36	1		-	-
Page Industries Ltd	10	1,871	808	10	1,868	566
Persistent Systems Ltd	10	856	41	10	932	18
PI Industries Ltd	1	-	-	1	189	4
Poly Medicure Ltd	5	108	1		-	-
Prince Pipes And Fittings Ltd	10	120	1		-	-
Privi Speciality Chemicals Ltd	10	58	1		-	-
Procter & Gamble Health Ltd	10	17	1		-	-
Procter & Gamble Hygiene & Healthcare Ltd	10	44	6		-	-
Relaxo Footwears Ltd	1	1,047	11		-	-
Reliance Industries Ltd	10	1,400	37	10	1,902	38
Rossari Biotech Ltd	2	72	1		-	-
Route Mobile Ltd	10	51	1		-	-
SBI Cards and Payment Services Ltd	10	1,225	10	10	725	7
SBI Life Insurance Company Ltd	10	667	7	10	430	4

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Face value (In Rs.)	31 March 2022		Face value (In Rs.)	31 March 2021	
		Units	Amount		Units	Amount
Schaeffler India Ltd	2	885	17		-	-
Sequent Scientific Ltd	2	543	1		-	-
Shriram City Union Finance Ltd	10	48	1		-	-
Sheela Foam Ltd	5	256	9	5	235	5
SKF Bearing Ltd	10	414	15		-	-
Sonata Software Ltd	1	115	1		-	-
SRF Ltd	10	47	1		-	-
State Bank Of India	1	90,101	445	1	88,601	323
Sudarshan Chemicals Industries Ltd	2	167	1		-	-
Sundaram Fasteners Ltd	1	121	1		-	-
Supreme Industries Ltd	2	555	11		-	-
Suven Pharmaceuticals Ltd	1	193	1		-	-
Sumitomo Chemical Indian Ltd	10	-	-	10	1,221	4
Sun Pharmaceuticals Ltd	1	-	-	1	171	1
Sundaram Finance Ltd	10	241	5	10	200	5
Syngene International Ltd	10	347	2		-	-
Tanla Platforms Ltd	1	82	1		-	-
Tasty Bite Eatables Ltd	10	6	1		-	-
Tata Consultancy Services Ltd	1	8,912	333	1	9,073	288
Tata Consumer Products Ltd	1	800	6	1	800	5
Tata Elxsi Ltd	10	15	1		-	-
Tata Motors Ltd	2	1,200	5	2	1,200	4
Teamlease Services Ltd	10	199	9	10	199	8
Tech Mahindra Ltd	5	48,076	721	5	47,848	474
Thyrocare Technologies Ltd	10	89	1		-	-
Titan Company Ltd	1	316	8	1	558	9
Torrent Pharmaceuticals Ltd	5	35	1		-	-
Triveni Turbine Ltd	1	452	1		-	-
Ttk Prestige Ltd	1	560	5		-	-
UltraTech Cement Ltd	10	182	12	10	182	12
United Spirits Ltd	2	1,000	9	2	1,000	6
Valiant Organics Ltd	10	77	1		-	-
Varun Beverages Ltd	10	132	1		-	-
Vedant Fashions Ltd	1	22,973	222		-	-
Vaibhav Global Ltd	2	182	1	2	415	16
Vinati Organics Ltd	1	51	1		-	-
Vst Industries Ltd	10	30	1		-	-
Voltas Ltd	1	76,319	950	1	1,53,747	1,540
Whirlpool Of India Ltd	10	43	1		-	-
Wipro Ltd	2	3,652	22	2	2,515	10
Wockhardt Lt	5	220	1		-	-
Zensar Technologies Ltd	2	214	1		-	-

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Face value (In Rs.)	31 March 2022		Face value (In Rs.)	31 March 2021	
		Units	Amount		Units	Amount
Zf Commercial Vehicle Control Systems India Ltd	5	100	8		-	-
Zydus Lifesciences Ltd	1	203	1		-	-
Cash and cash equivalents		-	27		-	109
Total (III)		17,31,917	15,504		15,12,222	13,137
Total (I)+(II)+(III)			1,21,504			80,783
Aggregate amount of quoted investments and market value thereof			15,941			13,422
Aggregate amount of unquoted investments			1,05,563			67,361
(i) Investment outside India			-			-
(ii) Investment in India			1,21,504			80,783
Total			1,21,504			80,783

Note 8 : Other financial assets

	As at 31 March 2022	As at 31 March 2021
Security deposits (Unsecured, considered good)	258	6
Accrued interest on fixed deposit	3	-
	261	6

Note 9 : Current tax assets (Net)

	As at 31 March 2022	As at 31 March 2021
Advance tax and tax deducted at source (net of provisions)	-	94
	-	94

Note 10 : Deferred tax (net)

	As at 31 March 2022	As at 31 March 2021
Deferred tax assets		
Difference between tax depreciation and book depreciation	(0)	0
Provision for post retirement benefits and other employee benefits	(29)	(20)
Provision for doubtful debts and advances	(41)	(23)
Fair value gain/(loss) on investments	935	8
Net deferred tax (asset) / liability	865	(35)
Net deferred tax assets	-	35
Net deferred tax liability	865	-

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Note 11 (A) : Property, plant and equipment

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Bal- ance as at 01 April 2021	Addi- tions	Dispos- als	Bal- ance as at 31 March 2022	Bal- ance as at 01 April 2021	Addi- tions	Dispos- als	Bal- ance as at 31 March 2022	Bal- ance as at 31 March 2022	Bal- ance as at 31 March 2021
Computer	7	0	-	7	7	0	-	7	0	0
Mobile	0	-	-	0	0	0	-	0	0	0
Sub-Total (a)	7	0	-	7	7	0	-	7	0	0
Right of use (of- fice premises)	-	100	-	100	-	9	-	9	91	-
Sub-Total (b)	-	100	-	100	-	9	-	9	91	-
Total (A) = (a) + (b)	7	100	-	107	7	9	-	16	91	0

Note 11 (B) Intangible Assets

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Bal- ance as at 01 April 2021	Addi- tions	Dispos- als	Bal- ance as at 31 March 2022	Bal- ance as at 01 April 2021	Addi- tions	Dispos- als	Bal- ance as at 31 March 2022	Bal- ance as at 31 March 2022	Bal- ance as at 31 March 2021
Computer Soft- ware	5	-	-	5	3	1	-	4	1	2
Total (B)	5	-	-	5	3	1	-	4	1	2

Note 11 (C) Goodwill

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Bal- ance as at 01 April 2021	Addi- tions	Dispos- als	Bal- ance as at 31 March 2022	Bal- ance as at 01 April 2021	Addi- tions	Dispos- als	Bal- ance as at 31 March 2022	Bal- ance as at 31 March 2022	Bal- ance as at 31 March 2021
Goodwill	405	-	-	405	-	-	-	-	405	405
Total (C)	405	-	-	405	-	-	-	-	405	405
Total Net	417	100	-	517	10	10	-	20	497	407

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Previous Year

Note 11 (A) : Property, plant and equipment

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Bal- ance as at 01 April 2020	Addi- tions	Dispos- als	Bal- ance as at 31 March 2021	Bal- ance as at 01 April 2020	Addi- tions	Dispos- als	Bal- ance as at 31 March 2021	Bal- ance as at 31 March 2021	Bal- ance as at 31 March 2020
Computer	7	-	-	7	6	1	-	7	0	1
Mobile	0	-	-	0	0	0	-	0	0	0
Total (A)	7	-	-	7	6	1	-	7	0	1

Note 11 (B) Intangible Assets

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Bal- ance as at 01 April 2020	Addi- tions	Dispos- als	Bal- ance as at 31 March 2021	Bal- ance as at 01 April 2020	Addi- tions	Dispos- als	Bal- ance as at 31 March 2021	Bal- ance as at 31 March 2021	Bal- ance as at 31 March 2020
Computer Soft- ware	5	-	-	5	2	1	-	3	2	3
Total (B)	5	-	-	5	2	1	-	3	2	3

Note 11 (C) Goodwill

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Bal- ance as at 01 April 2020	Addi- tions	Dispos- als	Bal- ance as at 31 March 2021	Bal- ance as at 01 April 2020	Addi- tions	Dispos- als	Bal- ance as at 31 March 2021	Bal- ance as at 31 March 2021	Bal- ance as at 31 March 2020
Goodwill	405	-	-	405	-	-	-	-	405	405
Total (C)	405	-	-	405	-	-	-	-	405	405
Total Net	417	-	-	417	8	2	-	10	407	409

Note: There has been no acquisitions through business combinations and no change of amount due to revaluation to Property, plant and equipment and other intangible assets during the year ended 31 March 2022 and 31 March 2021.

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Note 12 : Other non-financial assets

	As at 31 March 2022	As at 31 March 2021
Unsecured, considered good		
Prepaid expenses	402	725
Indirect tax credit receivable	4	31
Advance against expenses	14	12
	420	769

Note 13 : Debt securities

	As at 31 March 2022	As at 31 March 2021
At Amortised cost		
(i) from banks	-	-
(ii) Commercial paper (unsecured)	1,09,229	39,598
(iii) Non-convertible debentures (secured)	34,630	34,630
Total (A)	1,43,859	74,228
Debt securities in India	1,43,859	74,228
Debt securities outside India	-	-
Total (B)	1,43,859	74,228

Terms and condition:-

As at 31 March 2022

NCD Series	Units	Amount	Security provided	Security coverage	Rate of Interest	Maturity date
SERIES M-1 /F.Y.21 /F.Y.24	375	3,750	Pari - passu charge on Margin funding receivables	1 times of the amount outstanding including interest	22.70% for 3 years on maturity	18 April 2023
SERIES M-1 /F.Y.21 /F.Y.24	109	1,093	Pari - passu charge on Margin funding receivables	1 times of the amount outstanding including interest	22.70% for 3 years on maturity	18 April 2023
SERIES M-1 /F.Y.21 /F.Y.24	100	1,004	Pari - passu charge on Margin funding receivables	1 times of the amount outstanding including interest	22.70% for 3 years on maturity	18 April 2023
SERIES M-1 /F.Y.21 /F.Y.24	260	2,623	Pari - passu charge on Margin funding receivables	1 times of the amount outstanding including interest	22.70% for 3 years on maturity	18 April 2023
SERIES M-1 /F.Y.21 /F.Y.24	5	51	Pari - passu charge on Margin funding receivables	1 times of the amount outstanding including interest	22.70% for 3 years on maturity	18 April 2023
SERIES M-2 /F.Y.21 /F.Y.24	128	1,280	Pari - passu charge on Margin funding receivables	1 times of the amount outstanding including interest	22.75% for 3 years on maturity	20 July 2023
SERIES M-2 /F.Y.21 /F.Y.24	30	300	Pari - passu charge on Margin funding receivables	1 times of the amount outstanding including interest	22.75% for 3 years on maturity	20 July 2023

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

NCD Series	Units	Amount	Security provided	Security coverage	Rate of Interest	Maturity date
SERIES M-2 /F.Y.21 /F.Y.24	140	1,417	Pari - passu charge on Margin funding receivables	1 times of the amount outstanding including interest	22.75% for 3 years on maturity	20 July 2023
SERIES M-2 /F.Y.21 /F.Y.24	75	766	Pari - passu charge on Margin funding receivables	1 times of the amount outstanding including interest	22.75% for 3 years on maturity	20 July 2023
SERIES M-1 /F.Y.21 /F.Y.24	142	1,490	Pari - passu charge on Margin funding receivables	1 times of the amount outstanding including interest	22.70% for 3 years on maturity	18 April 2023
SERIES M-2 /F.Y.21 /F.Y.24	83	856	Pari - passu charge on Margin funding receivables	1 times of the amount outstanding including interest	22.75% for 3 years on maturity	20 July 2023
SERIES C 7.50 NCD 26SP22	2000	20,000	Exclusive charge over specific investments	1.5 times of the amount outstanding including interest	7.5% per annum	26 September 2022
Total		34,630				

As at 31 March 2021

NCD Series	Units	Amount	Security provided	Security coverage	Rate of Interest	Maturity date
SERIES M-1 /F.Y.21 /F.Y.24	375	3,750	Pari - passu charge on Margin funding receivables	1 times of the amount outstanding including interest	22.70% for 3 years on maturity	18 April 2023
SERIES M-1 /F.Y.21 /F.Y.24	109	1,093	Pari - passu charge on Margin funding receivables	1 times of the amount outstanding including interest	22.70% for 3 years on maturity	18 April 2023
SERIES M-1 /F.Y.21 /F.Y.24	100	1,004	Pari - passu charge on Margin funding receivables	1 times of the amount outstanding including interest	22.70% for 3 years on maturity	18 April 2023
SERIES M-1 /F.Y.21 /F.Y.24	260	2,623	Pari - passu charge on Margin funding receivables	1 times of the amount outstanding including interest	22.70% for 3 years on maturity	18 April 2023
SERIES M-1 /F.Y.21 /F.Y.24	5	51	Pari - passu charge on Margin funding receivables	1 times of the amount outstanding including interest	22.70% for 3 years on maturity	18 April 2023
SERIES M-2 /F.Y.21 /F.Y.24	128	1,280	Pari - passu charge on Margin funding receivables	1 times of the amount outstanding including interest	22.75% for 3 years on maturity	20 July 2023
SERIES M-2 /F.Y.21 /F.Y.24	30	300	Pari - passu charge on Margin funding receivables	1 times of the amount outstanding including interest	22.75% for 3 years on maturity	20 July 2023
SERIES M-2 /F.Y.21 /F.Y.24	140	1,417	Pari - passu charge on Margin funding receivables	1 times of the amount outstanding including interest	22.75% for 3 years on maturity	20 July 2023
SERIES M-2 /F.Y.21 /F.Y.24	75	766	Pari - passu charge on Margin funding receivables	1 times of the amount outstanding including interest	22.75% for 3 years on maturity	20 July 2023
SERIES M-1 /F.Y.21 /F.Y.24	142	1,490	Pari - passu charge on Margin funding receivables	1 times of the amount outstanding including interest	22.70% for 3 years on maturity	18 April 2023
SERIES M-2 /F.Y.21 /F.Y.24	83	856	Pari - passu charge on Margin funding receivables	1 times of the amount outstanding including interest	22.75% for 3 years on maturity	20 July 2023
SERIES C 7.50 NCD 26SP22	2000	20,000	Exclusive charge over specific investments	1.5 times of the amount outstanding including interest	7.5% per annum	26 September 2022
Total		34,630				

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Note 14 : Borrowings

	As at 31 March 2022	As at 31 March 2021
At Amortised cost		
Term loans		
(i) from banks	-	-
(ii) from other parties (secured)	-	-
Demand loans		
(i) from banks	-	-
(ii) from other parties (secured)*	3,949	2,000
Total (A)	3,949	2,000
Borrowings in India	3,949	2,000
Borrowings outside India	-	-
Total (B)	3,949	2,000

*Borrowings from Non-Banking Financial Company is secured against shares and securities. It consists of loan of Rs. 3,949 lakhs from Tata Capital Limited carrying floating interest rate of 8% p.a. which are repayable on demand.

Note 15 : Other finance liabilities

	As at 31 March 2022	As at 31 March 2021
Interest accrued and due on borrowings	1,724	538
Other payables	520	1,071
Lease liability (refer note 42)	92	-
	2,336	1,609

Note 16 : Current tax liabilities (Net)

	As at 31 March 2022	As at 31 March 2021
Provisions for tax (net of advance tax and tax deducted at source)	508	-
	508	-

Note 17 : Provisions

	As at 31 March 2022	As at 31 March 2021
Provision for Employee Benefits		
Ex-gratia payable (refer note 37)	154	156
Gratuity obligation (unfunded) (refer note 37)	84	54
Heritage club Benefit (refer note 37)	2	3
Compensated absences (refer note 37)	28	24
	268	237

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Note 18 : Other non-financial liabilities

	As at 31 March 2022	As at 31 March 2021
Accrued salaries and benefits	7	3
Withholdings and other tax payables	117	55
	124	58

Note 19 : Equity share capital

	As at 31 March 2022	As at 31 March 2021
Authorised share capital :		
Equity shares of Rs.10 each	12,000	8,000
	12,000	8,000
Issued, Subscribed and Paid Up :		
Equity shares of Rs.10 each Fully paid up	7,619	5,893
(All the above shares are held by holding company Motilal Oswal Financial Services Limited)		
	7,619	5,893

Rights, preferences and restrictions attached to shares

1 Equity shares :

The Company has one class of equity shares having a par value of Re. 10 each (previous year: having a par value of Re. 10 each). Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holder of the equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all the preferential amounts. However, no such preferential amounts exists currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

2 Reconciliation of number of shares outstanding

	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Rs in lakhs	Number of shares	Rs in lakhs
At beginning of the year	5,89,28,703	5,893	4,93,60,089	4,936
Additions during the year	1,72,65,446	1,727	95,68,614	957
At the end of the year	7,61,94,149	7,620	5,89,28,703	5,893

3 Shareholder having 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
Motilal Oswal Financial Services Limited and its nominees	7,61,94,149	100.00%	5,89,28,703	100.00%

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

4 Shares held by holding 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
Motilal Oswal Financial Services Limited and its nominees	7,61,94,149	100.00%	5,89,28,703	100.00%

5 Shares held by promoters 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
Motilal Oswal Financial Services Limited and its nominees	7,61,94,149	100.00%	5,89,28,703	100.00%

- 6 The company has neither issued equity shares pursuant to contract without payment received in cash or any bonus shares nor has there been any buy-back of shares in the current year and five years immediately preceding the balance sheet date.

Note 20 : Other equity

	As at 31 March 2022	As at 31 March 2021
a) Capital redemption reserve		
Balance at the beginning of the year	90	90
Add: Additions during the year	-	-
Balance at the end of the year	90	90
b) Securities premium		
Balance at the beginning of the year	61,142	50,099
Add: Additions during the year	21,773	11,043
Balance at the end of the year	82,915	61,142
c) Statutory reserves		
Balance at the beginning of the year	701	42
Add: Transferred from statement of profit and loss	2,729	659
Balance at the end of the year	3,430	701
d) Retained earnings		
Balance at the beginning of the year	1,839	(680)
Add: Profit during the year	13,644	3,296
Less: Interim Dividend	(153)	(118)
Less: Transfer to statutory reserves	(2,729)	(659)
Less: Impairment reserve	(28)	-
Balance at the end of the year	12,573	1,839

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

	As at 31 March 2022	As at 31 March 2021
e) Impairment reserve		
Balance at the beginning of the year	62	62
Add: Transferred from statement of profit and loss	28	-
Balance at the end of the year	90	62
f) Other comprehensive income		
Balance at the beginning of the year	2,765	(1,910)
Add: Other comprehensive income during the year	1,905	4,675
Balance as at end of the year	4,670	2,765
	1,03,767	66,598

Nature and purpose of Reserves

Capital Redemption Reserve

The capital redemption reserve is created to be utilised towards redemption of preference shares. The reserve will be utilised in accordance with provision of the Act.

Securities Premium

Security premium account is use to record the premium received on issue of shares. The reserve will be utilised in accordance with the provisions of the Act.

Statutory Reserve

The Company creates a reserve fund in accordance with the provisions of section 45-IC of the Reserve Bank of India Act, 1934 and transfers therein an amount of equal to/more than twenty per cent of its net profit of the year, before declaration of dividend. Accordingly, during the year, the Company has transferred an amount of Rs.2,729 lakhs.

Retained earnings

Retained earnings represents accumulated profits of the company.

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 reckoned for regulatory capital. Further, no withdrawals shall be permitted from this reserve without prior permission from the Department of Supervision, RBI.

Other comprehensive income

Other comprehensive income consists of cumulative gains on the fair valuation of equity instruments measured at fair value through other comprehensive income and remeasurement gains/loss on defined benefit plan.

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Note 21 : Interest income

	For the year ended 31 March 2022	For the year ended 31 March 2021
On financial assets measured at amortised cost		
Interest on loans	17,071	6,353
	17,071	6,353

Note 22 : Dividend income

	For the year ended 31 March 2022	For the year ended 31 March 2021
Dividend income	166	91
	166	91

Note 23 : Fees and commission Income

	For the year ended 31 March 2022	For the year ended 31 March 2021
Commission Fees	117	-
	117	-

Note 24 : Net gain/(loss) on fair value changes

	For the year ended 31 March 2022	For the year ended 31 March 2021
Net gain/ (loss) on financial instruments designated at fair value through profit or loss		
Realised	1,780	880
Unrealised	7,819	1,712
	9,599	2,592

Note 25 : Impairment on financial instrument (measured at amortised cost)

	For the year ended 31 March 2022	For the year ended 31 March 2021
a) Impairment loss allowance on Loan and receivables	70	49
b) Loan written off	4	-
	74	49

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Note 26 : Other operating income

	For the year ended 31 March 2022	For the year ended 31 March 2021
Other operating income	382	196
	382	196

Note 27 : Other income

	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest on deposit with banks	48	-
Miscellaneous income	1,302	1,260
	1,350	1,260

Note 28 : 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 debt securities	8,632	3,585
Interest on borrowings	782	558
Other borrowing cost	172	25
Interest on lease (refer note 42)	4	-
	9,590	4,168

Note 29 : Fees and commission expense

	For the year ended 31 March 2022	For the year ended 31 March 2021
Distribution Fees	-	17
Arranger Fees	-	22
	-	39

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Note 30: Employee benefits expense

	For the year ended 31 March 2022	For the year ended 31 March 2021
Salary, bonus and allowance	871	896
Contribution to provident fund (refer note 43)	25	25
Expenses on employee stock option scheme (refer note 43)*	5	15
Staff welfare expenses	32	39
Gratuity (refer note 43)	16	1
	949	975

*The employees of the Company have been provided with the Stock Option Scheme of the holding company i.e. Motilal Oswal Financial Services Limited and the reserve in respect to the same is created in the holding company. The same is classified as related party under Ind AS 24 - "Related Party Disclosures" refer note 45.

Note 31: Other expenses

	For the year ended 31 March 2022	For the year ended 31 March 2021
Rates & Taxes	224	92
Bank charges	57	0
Printing stationery expenses	2	3
Power and fuel	1	1
Business Support Charges	26	25
Remuneration to auditors (refer note 34)	10	5
Legal & professional fees	1,145	1,515
Rent (refer note 42)	15	25
Advertisement and Brand promotion expenses	61	0
Mobile charges	6	0
Travelling & conveyance	2	2
Insurance	11	7
Corporate social responsibility expenses (refer note 31(i))	15	-
Miscellaneous expenses	27	53
	1,602	1,728

Note 31(i) : Corporate social responsibility

The Ministry of Corporate Affairs has notified section on 135 of the Companies Act, 2013 on Corporate Social Responsibility with effect from 1 April 2014. As per the provisions of the said section, the Company has undertaken the following CSR initiatives during the financial year 2021-22. For the financial year 2020-21 CSR initiatives was not applicable.

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

(a) Break-up of various heads of expenses

	For the year ended 31 March 2022	For the year ended 31 March 2021
Donation for the school support project	6	-
Donation for the education program and scholarship	9	-
	15	-

(b) Shortfall/(excess) contribution

	For the year ended 31 March 2022	For the year ended 31 March 2021
a. Gross amount required to be spent during the year	15	-
b. Amount spent during the year on:		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	15	-
	15	-
c. Amount of shortfall/(excess) at the end of year	-	-
d. Total of previous years shortfall/(excess)	-	-
e. Reasons for shortfall, if any	NA	NA

The Company during the year has spent Rs. 15 lakhs through Motilal Oswal Foundation towards promoting education including special education. Motilal Oswal Foundation is classified as related party under Ind AS 24 - "Related Party Disclosures" refer note 45.

Note : 32 Tax expense

A. The Company pays taxes according to the rates applicable in India. Most taxes are recorded in the income statement and relate to taxes payable for the reporting 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 the tax benefit exceeds the cumulative income statement expense on share 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 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 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, 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 recognised when it is considered recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as probable that there will be suitable taxable profits against which to recover carried forward tax losses and from 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.

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

B. Component of income tax expense

	Year ended 31 March 2022	Year ended 31 March 2021
I. Tax expense recognised in the statement of profit and loss		
Current tax expense		
Current tax for the year	2,169	459
Tax adjustment in respect of earlier years	(11)	-
Total current tax expense	2,158	459
Deferred tax (credit)		
Origination and reversal of temporary differences	657	(224)
Net deferred tax (credit)	657	(224)
	2,815	235
II. Tax on other comprehensive income		
Deferred tax charge / (credit)		
(Gain)/loss on equity instruments through other comprehensive income	248	609
(Gain)/loss on remeasurement of net defined benefit plans	(5)	(4)
	243	605

C. Reconciliation of effective tax rate

	Year ended 31 March 2022	Year ended 31 March 2021
Profit/(loss) before income tax expense	16,459	3,531
Tax at the rate of 25.17%	4,143	889
Differences due to:		
Temporary tax difference		
Exempt income	(42)	(23)
Tax adjustment of previous years	(11)	-
Tax at different rate	(1,287)	(636)
Expenses disallowed under income tax	12	5
Income tax expense	2,815	235

D. Significant components and movements in deferred tax assets and liabilities

Movement during the year ended 31 March 21	As at 1 April 2020	(Credit)/charge in the Statement of Profit and Loss	(Credit)/charge in Other Comprehensive Income	As at 31 March 2021
Deferred tax (assets) / liabilities				
Difference between tax depreciation and book depreciation	0	(0)	-	0
Provision for post retirement benefits and other employee benefits	(2)	(15)	(4)	(20)

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Movement during the year ended 31 March 21	As at 1 April 2020	(Credit)/charge in the Statement of Profit and Loss	(Credit)/charge in Other Comprehensive Income	As at 31 March 2021
Provision for doubtful debts and advances	(10)	(12)	-	(23)
Fair value gain/(loss) on investments	(395)	(206)	609	8
MAT credit receivable	(9)	9	-	-
	(417)	(224)	606	(35)

Movement during the year ended 31 March 22	As at 1 April 2021	(Credit)/charge in the Statement of Profit and Loss	(Credit)/charge in Other Comprehensive Income	As at 31 March 2022
Deferred tax (assets) / liabilities				
Difference between tax depreciation and book depreciation	0	(0)	-	(0)
Provision for post retirement benefits and other employee benefits	(20)	(4)	(5)	(29)
Provision for doubtful debts and advances	(23)	(18)	-	(41)
Fair value gain/(loss) on investments	8	679	248	935
	(35)	657	243	865

Note:

The company offsets tax assets and liabilities if and only if it has legally enforceable rights 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.

Note 33 : Earnings per share

	For the year ended 31 March 2022	For the year ended 31 March 2021
Profit attributable to equity shareholders [A]	13,644	3,296
Weighted average number of equity shares issued [B]	703	525
Nominal value per share	10	10
Earning per share (Basic and diluted) [A]/[B] (Rupees)	19.41	6.28

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Note 34 : Remuneration to auditors (exclusive of taxes)

	For the year ended 31 March 2022	For the year ended 31 March 2021
As auditors:		
Statutory audit	7	4
Other Fees	3	1
Out of pocket expenses	0	0
	10	5

Note 35 : Contingent Liabilities and Commitments

Contingent Liabilities and Commitments

- a). Contingent liability is Rs. 15,000 lakhs (previous year : Rs. Nil) on account of equity shares and mutual fund pledged against the borrowing facilities availed by the holding company i.e. Motilal Oswal Financial Services Limited with margin of two times cover.

b) Capital commitments:	As at 31 March 2022	As at 31 March 2021
(i) Uncalled liability on shares and other investments partly paid:		
1) India Realty Excellence Fund IV	2,686	38,075
2) India Business Excellence Fund IV	21,150	-
3) India Realty Excellence Fund V	5,635	-
	29,471	38,075

Note 36 : 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.

Particular	For the year ended 31 March 2022	For the year ended 31 March 2021
The Principal amount remaining unpaid at the year end	-	-
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 year, 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	-	-
The balance of MSMED parties as at the year end	-	-

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Note 37: Provisions made comprises of For the year ended 31 March 2022

Particulars	Opening balance as on 01 April 2021	Provided for the F.Y. 2021-22	Provision re- versed / paid for the FY 2021-22	Closing balance as of 31 March 2022
Ex - gratia	156	162	164	154
Provision for gratuity	54	43	13	84
Heritage club Benefit	3	-	1	2
Compensated absences	24	4	-	28

For the year ended 31 March 2021

Particulars	Opening balance as on 01 April 2020	Provided for the F.Y. 2020-21	Provision re- versed / paid for the FY 2020-21	Closing balance as of 31 March 2021
Ex - gratia	5	159	8	156
Provision for gratuity	7	48	1	54
Heritage club Benefit	-	3	-	3
Compensated absences	0	24	0	24

Note 38 : Assets pledged as security The carrying amounts of assets pledged are:

Particulars	As at 31 March 2022	As at 31 March 2021
Financial assets		
Loans	16,275	15,064
Investments :		
Mutual funds	27,881	6,024
Security receipts	21,746	21,617
Private equity	8,266	6,371
Equity shares	10,415	-
Total assets pledged as security	84,583	49,076

Terms and conditions:

- Loans are hypothecated against the market-linked debentures with minimum cover of one times of outstanding balance including interest. Further, non-convertible debentures are secured by exclusive charge over Security receipts, private equity, equity shares and mutual fund with minimum cover of one and half times of outstanding balance including interest.
- Investments are pledged with Banks and NBFCs against borrowing facilities taken by the Company with margin of two times cover.
- Equity shares and mutual funds worth of Rs. 30,000 lakhs have been pledged against the borrowing facilities availed by the holding company i.e. Motilal Oswal Financial Services Limited with margin of two times cover. The Company earns commission on the pledged shares at the rate of 75 bps on facility amount of Rs. 15,000 lakhs availed by Motilal Oswal Financial Services Limited.

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

4. The quarterly returns or statements of current assets filed by the Company with Banks and NBFC's are in agreement with the books of accounts."

Note 39 : Ratings assigned by credit rating agencies

During the year, CRISIL has upgraded its rating on the Non-Convertible Debentures to "CRISIL AA/Stable" from "CRISIL AA-/Positive" and for Long Term Principal Protected Market Linked Debentures to "CRISIL PPMLD AA r/Stable" from "CRISIL PPMLD AA-r/Positive". Rating on Commercial Paper of the Company has been reaffirmed at "CRISIL A1+". Further, India Ratings & Research Private Limited, has maintained the credit rating of "IND AA/Stable" on Non-Convertible Debentures and "IND PP-MLD AAemr/Stable" on Principal Protected Market Linked Debentures. Rating on the Commercial Paper of the Company has been reaffirmed at "IND A1+."

Note 40 : Company not qualified for listed company

Pursuant to the provisions of the Companies Act, 2013 and applicable rules made thereunder, the Company has issued listed Non-Convertible Debentures on 8 October 2020. Further, pursuant to the amendment in Section 2 (52) i.e. definition of 'listed company' (which was notified on 28 September 2020 and made effective from 22 January 2021) read with Companies (Specification of definitions details) Second Amendment Rules, 2021 issued on 19 February 2021, the Company will no longer be considered as a Listed Company with effect from 1 April 2021 and so requirement of appointment of Independent Director & Woman Director will not apply w.e.f 1 April 2021 and hence no Independent Directors and Women Director was appointed by the Company.

Note 41 : Capital management

The Company manages its capital to ensure that the Company will be able to continue as going concerns while maximizing the return to stakeholder through the optimization of the debt and equity balance.

For the purpose of the Company's capital management, capital includes issued capital and other equity reserves. The primary objective of the Company's capital management is to maximize shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

Note 42 : Lease

The Company has taken various office premises on operating lease for the period which ranges from 11 months to 60 months with an option to renew the lease by mutual consent on mutually agreeable terms.

The weighted average incremental borrowing rate applied to lease liabilities as at 1 April 2021 is 7.50%.

A. Right of use Assets (ROU)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Balance at the beginning of the year	-	-
Adjustment on transition to Ind AS	-	-
Movement during the year	100	-
Depreciation on ROU assets	(9)	-
Balance at the end of the year	91	-

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

B. Lease liabilities

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Balance at the beginning of the year	-	-
Adjustment on transition to Ind AS	-	-
Movement during the year	100	-
Interest cost accrued during the period	4	-
Payment of lease liabilities	(12)	-
Balance at the end of the year	92	-

C. Amount recognised in statement of profit & loss

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Depreciation on ROU assets	9	-
Interest cost accrued during the period	4	-
Rental expenses recorded for short-term lease payments not included in the measurement of the lease liability	15	25

D. Amount recognised in statement of cash flows

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Cash payment of lease liabilities	12	-
Rental expenses recorded for short-term lease payments not included in the measurement of the lease liability	15	25

E. Maturity analysis - Discounted Cashflows of Contractual maturities of lease liabilities

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
upto one year	18	-
one to 5 years	74	-
more than 5 years	-	-
Total	92	-

Note 43 : Employee benefits

Disclosure pursuant to Ind AS -19 "Employee benefits" is given as below:

(a) Defined contribution plan

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Employer's contribution to provident fund (including Admin charges)	25	25

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

(b) Defined benefit plan

The Company 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 upto Rs. 20 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 reconciliation of opening and closing balances of the present value of the defined benefit obligation.

Particulars	Gratuity (unfunded)		Heritage club (unfunded)	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Assumptions as at				
Mortality	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Interest / Discount Rate	3.73%	3.93%	3.92%	3.93%
Rate of increase in compensation	8.35%	2.86%		
Rate of return (expected) on plan assets				
Employee Attrition Rate(Past Service (PS))	PS: 0 to 37 : 16.3%	PS: 0 to 40 : 6.67%	PS: 0 to 37 : 54.43%	PS: 0 to 37 : 54.43%
Expected average remaining service	4.93	11.14	0.29 to 0.52	0.29 to 0.52
I) Changes in present value of obligations				
PVO at beginning of period	54	7	3	-
Interest cost	2	0	-	-
Current service cost	14	1	(1)	3
Past service cost - (non vested benefits)	-	-	-	-
Past service cost - (vested benefits)	-	-	-	-
Transfer in Liability	8	33	-	-
Transfer out Liability	-	-	-	-
Benefits paid	(13)	(1)	-	-
Contributions by plan participants	-	-	-	-
Business combinations	-	-	-	-
Curtailments	-	-	-	-
Settlements	-	-	-	-
Actuarial (gain)/loss on obligation	18	14	-	-
PVO at end of period	84	54	2	3
II) Interest expense				
Interest cost	2	0	-	-
III) Fair value of plan assets				
Fair Value of Plan Assets at beginning of period	-	-	-	-
Interest income	-	-	-	-

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Gratuity (unfunded)		Heritage club (unfunded)	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
IV) Net Liability				
PVO at beginning of period	54	7	3	-
Fair value of the assets at beginning report	-	-	-	-
Net Liability	54	7	3	-
V) Net Interest				
Interest expenses	2	0	-	-
Interest income	-	-	-	-
Net interest	2	0	-	-
VI) Actual return on plan assets				
Less Interest income included above	-	-	-	-
Return on plan assets excluding interest income	-	-	-	-
VII) Actuarial (gain)/loss on obligation				
Due to demographic assumption	(28)	2	-	-
Due to financial assumption	22	(7)	-	-
Due to experience	25	20	-	-
Total actuarial (gain)/loss	18	14	-	-
VIII) Fair value of plan assets				
Opening fair value of plan asset	-	-	-	-
Adjustment to opening fair value of plan asset	-	-	-	-
Return on plan assets excluding interest income	-	-	-	-
Interest income	-	-	-	-
Contributions by employer	13	1	-	-
Contributions by employee	-	-	-	-
Benefits paid	(13)	(1)	-	-
Fair value of plan assets at end	-	-	-	-
IX) Past service cost recognised				
Past service cost- (non vested benefits)	-	-	-	-
Past service cost- (vested benefits)	-	-	-	-
Average remaining future service till vesting of the benefit	-	-	-	-
Recognised past service cost- non vested benefits	-	-	-	-
Recognised past service cost- vested benefits	-	-	-	-
Unrecognised past service cost- non vested benefits	-	-	-	-

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Gratuity (unfunded)		Heritage club (unfunded)	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
X) Amounts to be recognized in the balance sheet and statement of profit & loss account				
PVO at end of period	84	54	2	3
Fair value of plan assets at end of period	-	-	-	-
Funded Status	(84)	(54)	(2)	(3)
Unrecognised past service cost- non vested benefits	-	-	-	-
Net asset/(liability) recognized in the balance sheet	(84)	(54)	(2)	(3)
XI) Expense recognised in the statement of profit and loss				
Current service cost	14	1	(1)	3
Net interest	2	0	-	-
Past service cost - (non vested benefits)	-	-	-	-
Past service cost - (vested benefits)	-	-	-	-
Curtailment effect	-	-	-	-
Settlement effect	-	-	-	-
Unrecognised past service cost - non vested benefits	-	-	-	-
Expense recognized in the statement of profit and loss	16	1	(1)	3
XII) Other comprehensive income (OCI)				
Actuarial (gain)/loss recognized for the period	18	14	-	-
Asset limit effect	-	-	-	-
Return on plan assets excluding net interest	-	-	-	-
Unrecognized actuarial (gain)/loss from previous period	-	-	-	-
Total actuarial (gain)/loss recognized in (OCI)	18	14	-	-
XIII) Movement in liability recognized in balance sheet				
Opening net liability	54	7	3	-
Adjustment to opening balance	-	-	-	-
Transfer in liability	8	33	-	-
Transfer out liability	-	-	-	-
Expenses as above	16	1	(1)	3
Contribution paid	(13)	(1)	-	-
Other comprehensive income(OCI)	18	14	-	-
Closing net liability	84	54	2	3

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Gratuity (unfunded)		Heritage club (unfunded)	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
XIV) Schedule III of The Companies Act 2013				
Current liability	9	3	1	2
Non - current liability	75	51	1	1
XV) Projected service cost 31 March 2023	20	14	-	-
XVI) Asset information				
Cash and cash equivalents	-	-	-	-
Gratuity fund	-	-	-	-
Debt security - government bond	-	-	-	-
Equity securities - corporate debt securities	-	-	-	-
Other insurance contracts	-	-	-	-
Property	-	-	-	-
Total itemized assets	-	-	-	-

Sensitivity Analysis

Particulars	DR: Discount Rate		ER : Salary escalation rate:	
	PVO DR +1%	PVO DR -1%	PVO ER +1%	PVO ER -1%
PVO	79	90	89	79

XIX) Expected payout

Year	Expected	Expected	Expected	Expected	Expected	Expected Outgo
	Outgo First	Outgo Second	Outgo Third	Outgo Fourth	Outgo Fifth	Six to ten years
Payouts	9	9	9	9	8	31

XX) Asset liability comparisons

Year	31-03-2018	31-03-2019	31-03-2020	31-03-2021	31-03-2022
PVO at end of period	-	8	7	54	84
Plan assets	-	-	-	-	-
Surplus / (deficit)	-	(8)	(7)	(54)	(84)
Experience adjustments on plan assets	-	-	-	-	-

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Note 44 : Segment Reporting

The primary business of the Company comprises of "Lending" and "Fund based activities". The Company does not have operations outside India and hence, there are no reportable geographical segments. The business segment has been considered as the primary segment for disclosure. The segment reporting will be included in the consolidated segment disclosure of the Holding Company i.e. Motilal Oswal Financials Services Limited.

NOTE 45 : Related Party Disclosure

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:

(i) List of related parties and their relationship

Holding Company:

Motilal Oswal Financial Services Limited

Fellow subsidiaries:

1. Motilal Oswal Commodities Broker Private Limited
2. Motilal Oswal Investment Advisors Limited
3. Motilal Oswal Wealth Management Limited
4. Motilal Oswal Alternate Investment Advisors Private Limited. (formerly knowns as Motilal Oswal Fincap Private Limited)
5. Motilal Oswal Asset Management Company Limited
6. Motilal Oswal Trustee Company Limited
7. Motilal Oswal Securities International Private Limited
8. Motilal Oswal Capital Markets (Hongkong) Private Limited
9. Motilal Oswal Capital Markets (Singapore) Pte. Limited
10. Motilal Oswal Home Finance Limited (formerly known as Aspire Home Finance Corporation Limited)
11. India Business Excellence Management Company
12. Motilal Oswal Asset Management (Mauritius) Private Limited
13. Motilal Oswal Capital Limited
14. Glide Tech Investment Advisors Private Limited
15. Motilal Oswal Finsec IFSC Limited
16. TM Investment Technologies Private Limited

Key Management Personnel (KMP)

1. Motilal Oswal - Whole time Director
2. Ajay Menon -Whole-time Director and CFO
3. Shalibhadra Shah- Director
4. Kailash Purohit - Company Secretary

Enterprises in which Key Management Personnel and their relatives exercises Significant Influence

1. Like Minded Wealth Creation Trust
2. Motilal Oswal Foundation

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Transactions with related parties for the year ended 31 March 2022 and 31 March 2021

Particulars	Name of the related Party	Holding Company		Fellow Subsidiary Companies		KMP / Other related parties*		Total	
		2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Business Support Income	Motilal Oswal Financial Services Limited	1,276	1,276	-	-	-	-	1,276	1,276
Business Support Expenses	Motilal Oswal Financial Services Limited	26	25	-	-	-	-	26	25
Fees and commission income	Motilal Oswal Financial Services Limited	113	-	-	-	-	-	113	-
Employee stock option expense	Motilal Oswal Financial Services Limited	5	15	-	-	-	-	5	15
Referral Expense	Motilal Oswal Wealth Management Ltd	-	-	-	22	-	-	-	22
Donation	Motilal Oswal Foundation	-	-	-	-	15	-	15	-
Interest Expense	Motilal Oswal Financial Services Limited	-	176	-	-	-	-	-	176
	Motilal Oswal Wealth Management Ltd	-	-	140	-	-	-	140	-
	Motilal Oswal Home Finance Limited	-	-	542	382	-	-	542	382
Interest Income	Motilal Oswal Financial Services Limited	-	899	-	-	-	-	-	899
	Motilal Oswal Home Finance Limited	-	-	65	-	-	-	65	-
	Motilal Oswal Finsec Limited	-	-	0	0	-	-	0	0
	Glide Tech Investment Advisors Private Limited	-	-	9	2	-	-	9	2
	Motilal Oswal Asset Management Company Limited	-	-	2	59	-	-	2	59
	Motilal Oswal Commodities Broker Private Limited	-	-	2	0	-	-	2	0
	Motilal Oswal Investment Advisors limited	-	-	165	118	-	-	165	118
	Motilal Oswal Wealth Management Limited	-	-	269	7	-	-	269	7
	Motilal Oswal Capital Limited	-	-	1	1	-	-	1	1
	TM Investment Technologies Private Limited	-	-	17	-	-	-	17	-
	Like Minded Wealth Creation Trust	-	-	-	-	6	-	6	-
	Mr. Shalibhadra Shah	-	-	-	-	93	-	93	-
	Mr. Ajay Menon	-	-	-	-	0	-	0	-
	Motilal Oswal Alternate Investment Advisors Private Limited	-	-	5	41	-	-	5	41
Rent Expense	Motilal Oswal Financial Services Limited	27	25	-	-	-	-	27	25
Loan given / (taken)	Motilal Oswal Financial Services Limited	-	8,24,327	-	-	-	-	-	8,24,327
	Motilal Oswal Home Finance Limited	-	-	23,000	-	-	-	23,000	-

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Name of the related Party	Holding Company		Fellow Subsidiary Companies		KMP / Other related parties*		Total	
		2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
	Motilal Oswal Home Finance Limited	-	-	(1,41,000)	(60,600)	-	-	(1,41,000)	(60,600)
	Motilal Oswal Asset Management Company Limited	-	-	800	13,542	-	-	800	13,542
	Motilal Oswal Commodities Broker Private Limited	-	-	13	8	-	-	13	8
	Motilal Oswal Investment Advisors limited	-	-	638	1,604	-	-	638	1,604
	Motilal Oswal Wealth Management Limited	-	-	2,91,850	620	-	-	2,91,850	620
	Motilal Oswal Wealth Management Limited	-	-	(1,16,600)	-	-	-	(1,16,600)	-
	Glide Tech Investment Advisors Private Limited	-	-	308	127	-	-	308	127
	Motilal Oswal Alternate Investment Advisors Private Limited	-	-	2,056	5,402	-	-	2,056	5,402
	Mr. Shalibhadra Shah	-	-	-	-	89,279	-	89,279	-
	Mr. Ajay Menon	-	-	-	-	0	-	0	-
	Like Minded Wealth Creation Trust	-	-	-	-	7	-	7	-
	TM Investment Technologies Private Limited	-	-	351	-	-	-	351	-
	Motilal Oswal Capital Limited	-	-	20	30	-	-	20	30
	Motilal Oswal Finsec Limited	-	-	1	2	-	-	1	2
Repayment of loan given / (taken)	Motilal Oswal Financial Services Limited	-	8,32,708	-	-	-	-	-	8,32,708
	Motilal Oswal Home Finance Limited	-	-	23,000	-	-	-	23,000	-
	Motilal Oswal Home Finance Limited	-	-	(1,41,000)	(60,600)	-	-	(1,41,000)	(60,600)
	Motilal Oswal Asset Management Company Limited	-	-	1,185	13,157	-	-	1,185	13,157
	Motilal Oswal Commodities Broker Private Limited	-	-	21	-	-	-	21	-
	Motilal Oswal Investment Advisors limited	-	-	2,094	707	-	-	2,094	707
	Motilal Oswal Wealth Management Limited	-	-	2,91,850	1,008	-	-	2,91,850	1,008
	Motilal Oswal Wealth Management Limited	-	-	(1,16,600)	-	-	-	(1,16,600)	-
	Motilal Oswal Capital Limited	-	-	20	30	-	-	20	30
	Glide Tech Investment Advisors Private Limited	-	-	121	127	-	-	121	127
	Mr. Shalibhadra Shah	-	-	-	-	87,279	-	87,279	-
	Mr. Ajay Menon	-	-	-	-	0	-	0	-

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Name of the related Party	Holding Company		Fellow Subsidiary Companies		KMP / Other related parties*		Total	
		2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
	Like Minded Wealth Creation Trust	-	-	-	-	79	-	79	-
	Motilal Oswal Finsec Limited	-	-	3	-	-	-	3	-
	Motilal Oswal Alternate Investment Advisors Private Limited	-	-	2,056	5,401	-	-	2,056	5,401

*Other related parties includes Enterprises over which Key Management Personnel/Relative of Key Management Personnel exercise control/significant influence.

(B) Outstanding balances of / with related parties :

Nature of transactions	Name of the Related party	Holding Company / Fellow Subsidiary / Other related parties*	
		As at 31 March 2022	As at 31 March 2021
Investments	Motilal Oswal Home Finance Limited	15,000	15,000
Loan & Advances receivables/ (payable)	Motilal Oswal Commodities Broker Private Limited	-	8
	Motilal Oswal Investment Advisors limited	-	1,456
	Motilal Oswal Asset Management Company Limited	-	385
	Motilal Oswal Finsec Limited	-	2
	Like Minded Wealth Creation Trust	18	90
	Motilal Oswal Alternate Investment Advisors Private Limited	1	1
	Glide Tech Investment Advisors Private Limited	187	-
	Mr. Shalibhadra Shah	2,001	-
	TM Investment Technologies Private Limited	351	-
Trade receivables/ (Payables)	Motilal Oswal Financial Services Limited	152	115
	Motilal Oswal Home Finance	469	543
	Motilal Oswal Wealth Management Limited	-	(1)
Interest receivables/ (Payable)	Motilal Oswal Financial Services Limited	-	(0)
	Motilal Oswal Asset Management Company Limited	-	1
	Motilal Oswal Commodities Broker Private Limited	0	0
	Motilal Oswal Home Finance Limited	(42)	(95)
	TM Investment Technologies Private Limited	3	-
	Motilal Oswal Investment Advisors limited	2	11
	Motilal Oswal Alternate Investment Advisors Private Limited	2	0
	Motilal Oswal Finsec Limited	-	0

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Nature of transactions	Name of the Related party	Holding Company / Fellow Subsidiary / Other related parties*	
		As at 31 March 2022	As at 31 March 2021
	Motilal Oswal Capital Limited	-	0
	Glide Tech Investment Advisors Private Limited	1	-
	Like Minded Wealth Creation Trust	0	1
	Motilal Oswal Wealth Management Limited	175	-

*Other related parties includes Enterprises over which Key Management Personnel/Relative of Key Management Personnel exercise control/significant influence.

Note 46 : Financial risk management

"The company is exposed primarily to fluctuations in credit, liquidity and market risk which may adversely impact the fair value of its financial instrument. The Company has a risk management policy which covers risk associated with the financial assets and liabilities. The focus of the risk management is to assess the unpredictability of the financial environment and to mitigate potential adverse effect on the financial performance of the company. The Company's principal financial liabilities comprises of borrowings. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include Investments, loans, receivables, cash and cash equivalents that derive directly from its operations."

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 obligation. 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 relations to such limits.

The maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented in the financial statements. The Company's major classes of financial assets are cash and cash equivalents, loans, investment in mutual fund units and trade receivables.

Banks balance is considered to have negligible risk or nil risk, as they are maintained with high rated banks/ financial institutions as approved by the Board of directors.

The management has established accounts receivable policy under which customer accounts are regularly monitored. The Company has a dedicated risk management team, which monitors the positions, exposures and margins on a continuous basis.

Expected Credit Loss (ECL):

For the purpose of computation of ECL, the term default implies an event where amount due towards margin requirement 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 triggered. For arriving at the ECL, the Company follows ECL module approved by the management.

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Stage wise break - up of ECL on loan

Particulars	As at 31 March 2022	As at 31 March 2021
Low credit risk (Stage1)	145	86
Significant increase in credit risk (Stage2)	-	-
Credit impaired (Stage3)	9	5
Closing	154	91

Age of receivables that are past due:

Particulars	As at 31 March 2022	As at 31 March 2021
Upto 3 months	663	666
3 - 6 months	-	-
6 - 12 months	-	6
More than 12 months	-	-
Total	663	672

B Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities viz. Borrowing and other financial liabilities.

Liquidity risk management

The Company's management is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

	As at 31 March 2022	As at 31 March 2021
- Expiring within one year (working capital demand loan sanctioned)	30,000	30,000

The credit facilities may be drawn at any time and may be terminated by the NBFC/bank. Subject to the continuance of satisfactory credit ratings.

(i) Maturities of non – derivative financial liabilities

As at 31 March 2022

Particulars	Upto 1 year	Between 1 and 5 years	Beyond 5 years	Total
Financial Liabilities				

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Upto 1 year	Between 1 and 5 years	Beyond 5 years	Total
Debt securities	1,29,229	14,630	-	1,43,859
Borrowing	3,949	-	-	3,949
Other financial liabilities	616	1,720	-	2,336
Total	1,33,794	16,350	-	1,50,144

As at 31 March 2021

Particulars	Upto 1 year	Between 1 and 5 years	Beyond 5 years	Total
Financial Liabilities				
Debt securities	39,598	34,630	-	74,228
Borrowing	2,000	-	-	2,000
Other financial liabilities	1,609	-	-	1,609
Total	43,207	34,630	-	77,837

(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 exchange rates.

The Company is not exposed to foreign currency risk as it does not have any payables or receivables in foreign currency.

(ii) Interest rate risk

The company's main interest rate risk arises from variable rates borrowings, which expose the company to interest rate risk. The company eliminates the risk by having short term borrowing and providing demand loans on variable interest rates.

a) Interest rate risk exposure

The exposure of the Company's loans and borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Demand loans	58,232	28,371
Term loans	744	2,003
Total loans	58,976	30,374

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	As at 31 March 2022	As at 31 March 2021
Variable rate borrowing	1,13,178	41,598
Fixed rate borrowing	34,630	34,630
Total Borrowing	1,47,808	76,228

b) 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 2022	31 March 2021
Loans		
Interest rates – increase by 100 basis points	436	212
Interest rates – decrease by 100 basis points	(436)	(212)
Borrowings		
Interest rates – increase by 100 basis points	(847)	(311)
Interest rates – decrease by 100 basis points	847	311

(iii) 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 ancillary to the Investment management business objective.

The investment in long term mutual fund is for high-RoE opportunities. They also serve as highly liquid “resources” available for future investments in business, if required.

Particulars	As at 31 March 2022	As at 31 March 2021
Exposure to price risk	1,06,504	65,783

Sensitivity to price risk

The following table summarises 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 at FVTPL/FVOCI at balance sheet date:

Sensitivity	31 March 2022	31 March 2021
Impact on profit before tax for 10% increase in NAV/price	10,650	6,578
Impact on profit before tax for 10% decrease in NAV/price	(10,650)	(6,578)

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Note 47 : 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.

Assets	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	81,128	-	81,128	37,573	-	37,573
Receivables						
Trade receivables	663	-	663	666	-	666
Other receivables	-	-	-	6	-	6
Loans	58,822	-	58,822	30,284	-	30,284
Investments	33,406	88,098	1,21,504	10,432	70,352	80,783
Other financial assets	261	-	261	6	-	6
Non-financial assets						
Current tax assets (net)	-	-	-	-	94	94
Deferred tax assets (net)	-	-	-	-	35	35
Property, plant and equipment	-	91	91	-	0	0
Intangible assets	-	1	1	-	2	2
Goodwill	-	405	405	-	405	405
Other non-financial assets	420	-	420	769	-	769
Total assets	1,74,700	88,595	2,63,295	79,736	70,888	1,50,624

Liabilities	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						
Debt securities	1,29,229	14,630	1,43,859	39,598	34,630	74,228
Borrowings	3,949	-	3,949	2,000	-	2,000
Other financial liabilities	616	1,720	2,336	1,609	-	1,609
Non-financial Liabilities						
Current tax liabilities (net)	508	-	508	-	-	-
Deferred tax liabilities (net)	-	865	865	-	-	-
Provisions	192	76	268	161	76	237
Other non-financial liabilities	124	-	124	58	-	58
Total liabilities	1,34,618	17,290	1,51,908	43,426	34,706	78,132

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Note 48: Disclosures as per guidelines for NBFC-ND-SI as regards capital adequacy, liquidity and disclosure norms

A. Capital and Risk Assets Ratio (CRAR)

Sr. No.	Particulars	As at 31 March 2022	As at 31 March 2021	Variance %
i)	CRAR (%)	47.81%	60.02%	-20%
ii)	CRAR - Tier I Capital (%)	47.73%	59.92%	-20%
iii)	CRAR - Tier II Capital (%)	0.08%	0.09%	-11%
iv)	Liquidity coverage ratio	203.05%	207.40%	-2%
v)	Amount of subordinated debt raised as Tier-II capital	-	-	-
vi)	Amount raised by issue of Perpetual Debt Instruments	-	-	-

B. Investments

Sr. No.	Particulars	As at 31 March 2022	As at 31 March 2021
(1)	Value of investments		
(i)	Gross value of investments		
	(a) In India	1,26,108	83,910
	(b) Outside India	-	-
(ii)	Provisions for depreciation*		
	(a) In India	4,605	3,127
	(b) Outside India	-	-
(iii)	Net value of investments		
	(a) In India	1,21,504	80,783
	(b) Outside India	-	-
(2)	Movement of provisions held towards depreciation on investments		
(i)	Opening balance	3,127	-
(ii)	Add : Provisions made during the year	1,478	3,127
(iii)	Less : Write-off / write-back of excess provisions during the year	-	-
(iv)	Closing balance	4,605	3,127

*Provision for depreciation includes provision for diminution in value of Investment.

C. Derivatives

The Company has no transactions/exposure in derivative during the current and previous year.

The Company has no unhedged foreign currency exposure as on 31 March 2022.

D. Disclosures relating to securitisation

(i) The Company has not entered into securitisation transactions during the current and previous year.

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

- (ii) **Details of financial assets sold to securitisation/reconstruction company for asset reconstruction:**
The Company has not sold any financial assets to securitisation/reconstruction company for asset reconstruction in the current year.
- (iii) **Details of assignment transactions:** There are no assignment transaction during the current year
- (iv) **Details of non-performing financial assets purchased/sold** - The Company has not purchased/sold any non-performing financial asset during the current year.

F. Exposures

F.1 Exposure to real estate sector

Sr. No.	Particulars	As at 31 March 2022	As at 31 March 2021
a)	Direct exposure		
(i)	Residential mortgages - Lending fully secured by mortgages on residential borrower that is or will be occupied by the borrower or that is rented	-	-
(ii)	Commercial real estate - Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based limits (Refer below note 4)	-	-
(iii)	Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
a.	Residential	-	-
b.	Commercial real estate	-	-
b)	Indirect exposure Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	15,000	15,000
	Others	32,070	25,449
	Total exposure to real estate sector	47,070	40,449

F.2 Exposure to capital market

Sr. No.	Particulars	As at 31 March 2022	As at 31 March 2021
(i)	direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	62,789	37,796
(ii)	advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	39,316	29,613

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Sr. No.	Particulars	As at 31 March 2022	As at 31 March 2021
(iii)	advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(iv)	advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	-	-
(v)	secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi)	loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipate on of raising resources;	1,469	7,729
(vii)	bridge loans to companies against expected equity flows / issues;	-	-
(viii)	all exposures to Venture Capital Funds (both registered and unregistered)	11,645	-
(ix)	other fund based advance to Capital Market	17,469	-
	Total exposure to capital market	1,32,688	75,138

F.3 Details of financing of parent Company products: Nil

F.4 Details of Single borrower limits (SBL) / Group borrower limit (GBL) exceeded by the applicable NBFC

The Company has not exceeded the Single Borrower Limit (SBL) or Group Borrower Limit (GBL) as defined in RBI.

F.5 Unsecured advances

During the year, the Company has not given any advance against collateral of rights, licenses, authority, etc.

G Miscellaneous

G.1 Registration obtained from other financial sector regulators

No registration has been obtained from other financial sector regulators.

G.2 Penalties or Fines imposed by Reserve Bank of India

During the Financial year 2020-21, no penalties or fines have been imposed by Reserve Bank of India.

G.3 Related Party Transactions

Refer note no. 45 for transaction with related parties

G.4 Ratings assigned by credit rating agencies and migration of ratings during the year

Refer note no. 39 for ratings assigned by credit rating agencies and migration of ratings during the year

G.5 Remuneration of Directors (Non-executive)

During the Financial year 2020-21, Nil remuneration paid to the directors.

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

H Additional disclosures

H.1 Provisions

Provisions shown under the head expenditure in profit and loss account	For the year ended 31 March 2022	For the year ended 31 March 2021
Provisions for depreciation on Investment	1,478	3,127
Provision towards NPA	5	-
Provision made towards Income tax	2,815	235
Other provision (with details)*	209	234
Provision for standard assets	59	49
*Other provisions		
Provision for gratuity	43	48
Provision for ex-gratia	162	159
Compensated absences	-	3
Heritage club Benefit	4	24
	209	234

H.2 Drawn down from reserve

No draw down from reserve during the year.

H.3 Concentration of advances

Particulars	As at 31 March 2022	As at 31 March 2021
Total advances to twenty largest borrowers	35,228	24,002
Percentage of advances to twenty largest borrowers to total advances of the Company (%)	60%	79%

H.4 Concentration of exposures

Particulars	As at 31 March 2022	As at 31 March 2021
Total Exposure to twenty largest borrowers	35,228	24,002
Percentage of exposure to twenty largest borrowers to total exposure of the Company (%)	20%	22%

H.5 Concentration of NPAs

Particulars	As at 31 March 2022	As at 31 March 2021
Total exposure to top four NPA accounts	94	5

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

H.6 Sector - wise NPAs

Percentage of NPAs to Total Advances in that sector		As at 31 March 2022	As at 31 March 2021
Sr. No.	Sector		
1	Agriculture and allied activities	-	-
2	MSME	-	-
3	Corporate borrowers	94	5
4	Services	-	-
5	Unsecured personal loans	-	-
6	Auto loans	-	-
7	Other personal loans	-	-

H.7 Movement of NPAs

Sr. No.	Particulars	As at 31 March 2022	As at 31 March 2021
(i)	Net NPAs to Net Advances (%)	0%	-
(ii)	Movement of NPAs (Gross)		
(a)	Opening balance	5	5
(b)	Additions during the year	94	-
(c)	Reductions during the year	(5)	-
(d)	Closing balance	94	5
(iii)	Movement of Net NPAs		
(a)	Opening balance	-	-
(b)	Additions during the year	84	-
(c)	Reductions during the year	-	-
(d)	Closing balance	84	-
(iv)	Movement of provisions for NPAs (excluding provisions on standard assets)		
(a)	Opening balance	5	5
(b)	Provisions made during the year	9	-
(c)	Write-off / (write-back) of excess provisions	(5)	-
(d)	Closing balance	9	5

H.8 Overseas assets (for those with joint ventures and subsidiaries abroad)

The Company does not have overseas assets.

H.9 Off Balance Sheet SPV sponsored

The Company does not have any off balance sheet SPV sponsored.

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

I) Disclosures of Compliant

I.1 Customer Complaints*

Sr. No	Particulars	As at 31 March 2022	As at 31 March 2021
a)	Number of customer complaints pending at the beginning of the year	-	-
b)	Number of customer complaints received during the financial year	17	-
c)	Number of customer complaints redressed during the financial year	17	-
d)	Number of customer complaints pending at the end of the year	-	-

*Details of customer complaints given here are as represented by the management and relied upon by the auditors.

J) Schedule to the Balance Sheet of "Motilal Oswal Finvest Limited" as at 31 March 2022 (as required in terms of paragraph 13 of Systemically Important Non-Banking Financial (Non- Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015

Liabilities side :	As at 31 March 2022		As at 31 March 2021	
	Amount out-standing	Amount over-due	Amount out-standing	Amount over-due
1) Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:				
(a) Debentures : Secured	36,283	-	35,072	-
: Unsecured	-	-	-	-
(other than falling within the meaning of public deposits)				
(b) Deferred Credits	-	-	-	-
(c) Term Loans	-	-	-	-
(d) Inter-corporate loans and borrowing	-	-	-	-
(e) Commercial paper	1,09,229	-	39,598	-
(f) Other loans (Borrowings)	4,632	-	3,167	-

Assets side :		As at 31 March 2022	As at 31 March 2021
2) Break-up of Loans and Advances including bills receivables [other than those included in (4) below]		Amount out-standing	Amount out-standing
(a) Secured		11,095	13,547
(b) Unsecured		47,882	16,827
		58,977	30,374
3) Break up of Leased Assets and stock on hire and other assets counting towards AFC activities			
(i) Lease assets including lease rentals under sundry debtors:			
(a) Financial lease		-	-
(b) Operating lease		-	-

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Assets side :	As at 31 March 2022	As at 31 March 2021
(ii) Stock on hire including hire charges under sundry debtors:		
(a) Assets on hire	-	-
(b) Repossessed Assets	-	-
(iii) Other loans counting towards AFC activities		
(a) Loans where assets have been repossessed	-	-
(b) Loans other than (a) above	-	-
4) Break-up of Investments :		
Current Investments :		
1. Quoted		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government securities	-	-
(v) Others (please specify)	-	-
2. Unquoted		
(i) Shares : (a) equity	-	-
(b) preference	-	-
(ii) Debentures and bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government securities	-	-
(v) Others (please specify)	-	-
Long term Investments :		
1. Quoted		
(i) Shares : (a) Equity	15,504	13,137
(b) Preference	-	-
(ii) Debentures and bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others - Exchange traded funds	438	285
2. Unquoted		
(i) Shares : (a) Equity	34,404	15,000
(b) Preference	-	-
(ii) Debentures and bonds	10,324	3,832
(iii) Units of mutual funds	27,444	20,542
(iv) Government Securities	-	-
(v) Others (Investment in security receipts and private equity funds)	33,391	27,988
Total	1,21,504	80,784

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

5) Borrower group-wise classification of assets financed as in (2) and (3) above:

Amount net of provision (Refer Note No. 6)			
	As at 31 March 2022		
Category	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	722	722
(c) Other related parties	-	2,019	2,019
2. Other than related parties	11,095	45,141	56,235
Total	11,095	47,882	58,976

Amount net of provision (Refer Note No. 6)			
	As at 31 March 2021		
Category	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	1,866	1,866
(c) Other related parties	-	91	91
2. Other than related parties	13,547	14,871	28,418
Total	13,547	16,828	30,375

6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)

Category	As at 31 March 2022		As at 31 March 2021	
	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group (Refer note 1)	17,288	17,288	15,819	15,819
(c) Other related parties	-	-	-	-
2. Other than related parties (Refer note 2)	1,04,216	1,04,216	64,965	64,965
Total	1,21,504	1,21,504	80,784	80,784

7) Other Information

Particulars	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
(i) Gross non- performing assets	-	-	-
(a) Related parties	-	-	-
(b) Other than related parties	94	5	5

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
(ii) Net non-performing assets	-	-	-
(a) Related parties	-	-	-
(b) Other than related parties	84	-	-
(iii) Assets acquired in satisfaction of debt	-	-	-

Notes:

1. In respect of investment in companies in same group, fair value is computed on the basis of book value.
2. In respect of investment in mutual funds, NAV has been taken for calculation of fair value.
3. The figures are not netted with provision against standard assets as it is not a specific provision.
4. Exposure to related party by way of demand loans are considered at the closing balance of the demand loan as on 31 March 2022.

E) i) Asset Liability Management Maturity pattern of certain items of Assets and Liabilities

As at 31 March 2022									
Particulars	Upto 31 days	Over 1 month upto 2 month	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months upto 1 year	Over 1 year upto 3 years	Over 3 years upto 5 years	Over 5 years	Total
Assets									
Loan	26,878	2,915	17,484	10,216	1,484	-	-	-	58,977
Investments	1,682	650	2,199	8,711	20,164	13,566	23,407	51,125	1,21,504
Foreign currency assets	-	-	-	-	-	-	-	-	-
Liabilities									
Borrowings (Refer note 2)	-	-	-	-	3,949	-	-	-	3,949
Debt securities	50,000	-	59,229	20,000	-	14,630	-	-	1,43,859
Deposits (Refer note 3)	-	-	-	-	-	-	-	-	-
Foreign currency liabilities	-	-	-	-	-	-	-	-	-

As at 31 March 2021									
Particulars	Upto 31 days	Over 1 month upto 2 month	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months upto 1 year	Over 1 year upto 3 years	Over 3 years upto 5 years	Over 5 years	Total
Assets									
Loan	6,633	3,039	10,858	1,964	7,881	-	-	-	30,375
Investments	550	550	550	5,482	3,300	15,017	33,964	21,371	80,783
Foreign currency assets	-	-	-	-	-	-	-	-	-
Liabilities									
Borrowings (Refer note 2)	-	-	-	-	2,000	-	-	-	2,000
Debt securities	-	19,855	19,743	-	-	-	34,630	-	74,228
Deposits (Refer note 3)	-	-	-	-	-	-	-	-	-
Foreign currency liabilities	-	-	-	-	-	-	-	-	-

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Notes

1. The above maturity pattern is determined on management estimation.
2. Borrowing does not include accrued interest on borrowings
3. The Company does not accept public deposits.
4. Terms and conditions of the advances does not have any repayment schedule. They are repayable on demand. Hence the categorization of advances over various maturity pattern as shown above is as per the past trends, which has been identified by the management and relied upon by the auditors.

K) Disclosure pursuant to Reserve Bank of India notification DOR (NBFC).CC.PD.No.109 /22.10.106/2019-20 dated 13 March 2021 pertaining to Asset Classification as per RBI Norms

As at 31 March 2022

Asset Classification as per RBI Norms	Asset Classification as per Ind-AS 109	Gross Carrying Amounts as per Ind-AS	Loss Allowances (Provisions) as required under Ind-AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind-AS 109 Provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(6)-(4)
Performing Assets						
Standard	Stage 1	58,883	145	58,738	236	90
	Stage 2	-	-	-	-	-
Subtotal		58,883	145	58,738	236	90
Non-performing Assets (NPA)						
Sub-standard	Stage 3	94	9	84	9	-
Doubtful - upto 1 year	Stage 3	-	-	-	-	-
Doubtful - 1 to 3 year	Stage 3	-	-	-	-	-
Doubtful - More than 3 years	Stage 3	-	-	-	-	-
Loss asset	Stage 3	-	-	-	-	-
Subtotal		94	9	84	9	-
		58,977	154	58,822	245	90

The above table discloses the provisions amounts as per IRAC norms, while the Company has made a provision of non-performing assets of Rs. 155 lacs as per IndAs 109. The difference between Ind-AS 109 provisions and IRACP norms of Rs. 90 lakhs.

As at 31 March 2021

Asset Classification as per RBI Norms	Asset Classification as per Ind-AS 109	Gross Carrying Amounts as per Ind-AS	Loss Allowances (Provisions) as required under Ind-AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind-AS 109 Provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
Performing Assets						
Standard	Stage 1	30,370	86	30,284	136	50

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Asset Classification as per RBI Norms	Asset Classification as per Ind-AS 109	Gross Carrying Amounts as per Ind-AS	Loss Allowances (Provisions) as required under Ind-AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind-AS 109 Provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
	Stage 2	-	-	-	-	-
Subtotal		30,370	86	30,284	136	50
Non-performing Assets (NPA)						
Sub-standard	Stage 3	-	-	-	-	-
Doubtful - upto 1 year	Stage 3	-	-	-	-	-
Doubtful - 1 to 3 year	Stage 3	5	5	-	5	-
Doubtful - More than 3 years	Stage 3	-	-	-	-	-
Loss asset	Stage 3	-	-	-	-	-
Subtotal		5	5	-	5	-
		30,375	91	30,284	141	50

The above table discloses the provisions amounts as per IRAC norms, while the Company has made a provision of non-performing assets of Rs. 91 lacs as per IndAs 109. The difference between Ind-AS 109 povisions and IRACP norms of Rs. 50 lacs has to be transferred in impairment reserve. However, the existing balance of impairment reserve was Rs. 62 lacs and as per the above circular no withdrawal is permitted without prior permission from Reserve Bank of India and hence the impairment reserve is not reduced and continued at the opening balance of Rs. 62 lacs.

L) Disclosure pursuant to Reserve Bank of India Circular DOR.No.BP.BC.63/21.04.048/2020-21 dated 17 April 2020 pertaining to Asset Classification and Provisioning in terms of COVID19 Regulatory Package

Provision for COVID-19 moratorium cases

Reserve Bank of India ('RBI') issued guidelines relating to 'COVID-19 Regulatory Package' dated 27 March 2020 and subsequent guidelines on moratorium dated 17 April 2020 and 23 May 2020. The Company had offered moratorium in accordance with its Board approved policies to its eligible customers based on requests as well as on a suo-moto basis between 1 April 2020 to 31 August 2020. For such accounts where the moratorium is granted, the asset classification was kept stand still during the moratorium period.

Particulars	As at 31 March 2022	As at 31 March 2021
Principal amount outstanding of cases where moratorium benefit was extended	-	194
Respective amounts in SMA/overdue categories where the moratorium/deferment was extended, in terms of paragraph 2 and 3 of the circular (as of 29 February 2020)	-	-
Respective amount where asset classification benefit is extended	-	194
Provision made in terms of paragraph 5 of the circular (As per para 4 applicable to NBFC's covered under Ind AS) (5% in March 2020 & 10% cumulatively in June 2020) *	-	27

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	As at 31 March 2022	As at 31 March 2021
Provisions adjusted against slippages in terms of paragraph 6 or the circular	-	(8)
Residual provisions in terms of paragraph 6 of the circular	-	19

M) Disclosure pursuant to Reserve Bank of India circular RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 04, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies pertaining to public disclosure on Liquidity Risk

"As at 31 March 2022"

M.1 Funding Concentration based on significant counterparty (both deposits and borrowings)

Number of Significant Counterparties	Amount	% of Total deposits / borrowings	% of Total Liabilities
Commercial Paper - 3	1,09,229	73%	72%
Non Convertible Debenture - 123	36,283	24%	24%
Demand Loan - 1	3,973	3%	3%

M.2 Top 20 large deposits (amount and % of total deposits) – Not Applicable

M.3 Top 10 borrowings (amount in Rs. lacs and % of total borrowings) - Rs. 1,35,949 lacs and 91%

M.4 Funding concentration based on significant counterparty (both deposits and borrowings)

Number of Significant Counterparties	Amount	% of Total deposits / borrowings
Commercial paper	1,09,229	73%
Non Convertible Debenture	36,283	24%
Demand Loan	3,973	3%

M.5 Stock Ratios

Number of Significant Counterparties	% of Total deposits / borrowings	% of total public funds	% of total liability	% of total assets
Commercial paper	73%	73%	72%	41%
Non Convertible Debenture	24%	24%	24%	14%
Demand Loan	3%	3%	3%	2%

M.6 Institutional set-up for liquidity risk management

The company has an Asset Liability Management Committee (ALCO) to handle liquidity risk management. The ALCO meetings are held at periodic intervals and minutes of the ALCO are presented to the Board.

* The provision included in the financial statements has been determined in accordance with the Expected Credit Loss method, which is higher than the requirement of the said circular.

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Note 49 : Revenue from contracts with customers

The application of Ind AS 115 has had no impact on the cash flows of the Company. The Company 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."

The Company derives revenue primarily from the lending business. Its other major revenue sources are training, support services and treasury income.

a) Disaggregation of revenue

Revenue from contracts with customers:

Set out below is the disaggregation of revenue from contracts with customers and reconciliation to Profit and Loss account:

Particulars	2021-22			2020-21		
	Type of service			Type of service		
	Interest income	Training and referral income	Other income	Interest income	Training and referral income	Other income
Total Revenue from contracts with customers	17,071	318	1,428	6,353	66	1,378
Geographical Markets						
India	17,071	318	1,428	6,353	66	1,378
Outside India	-	-	-	-	-	-
Total Revenue from contracts with customers	17,071	318	1,428	6,353	66	1,378
Timing of revenue recognition						
Services transferred at a point in time	-	-	-	-	-	-
Services transferred over time	17,071	318	1,428	6,353	66	1,428
Total Revenue from contracts with customers	17,071	318	1,428	6,353	66	1,428

b) Performance obligations

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.

Training fees are received on subscription but are recognised as earned on a pro-rata basis over the term of the contract, and are over the period in nature.

Income from referral is recognised upon rendering of the services.

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Note 50 : Fair value measurement

a) Financial instruments by category

Particulars	As at 31 March 2022			As at 31 March 2021		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Cash and cash equivalents	-	-	81,128	-	-	37,573
Receivables						
Trade receivables	-	-	663	-	-	666
Other receivables	-	-	-	-	-	6
Loans	-	-	58,822	-	-	30,284
Investments	88,712	15,504	17,288	51,828	13,137	15,819
Other financial assets	-	-	261	-	-	6
Total financial assets	88,712	15,504	1,58,162	51,828	13,137	84,354
Financial liabilities						
Debt securities	-	-	1,43,859	-	-	74,228
Borrowings	-	-	3,949	-	-	2,000
Other financial liabilities	-	-	2,336	-	-	1,609
Total financial liabilities	-	-	1,50,143	-	-	77,837

I. Fair value hierarchy

The fair values of the financial assets and liabilities are included at the amount 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. This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the Indian Accounting standard. 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 instruments that have quoted market price.

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 asset included in level 3.

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

II. Valuation techniques used to determine fair value

Significant valuation techniques used to value financial instruments include:

The fair values for investment in mutual fund are based on the quoted market prices.

The fair values for investment in security receipt and unlisted equity shares are based on the fair valuation report based on discounted cashflow approach given by independent valuer.

The fair values for investment in non convertible debentures are based on the current redemption value.

The carrying amounts of Cash and cash equivalent, trade receivables, current loans, trade payables, other current financial liabilities are considered to be approximately equal to the fair value.

Mutual fund, ETF and listed equity instrument investment have been categorised into level 1 of fair value hierarchy.

Real estate fund - net asset value, based on the independent valuation report or financial statements of the company income approach or market approach based on the independent valuation report.

III. Fair value of financial instrument measured at amortised cost

Fair value of Financial asset and liabilities are equal to their carrying amount.

Note:

During the periods mentioned above, there have been no transfers amongst the levels of hierarchy.

b) i) Fair value hierarchy - Financial instruments recognised and measured at fair value

Assets measured at fair value - re- curring fair value measurements	As at 31 March 2022			As at 31 March 2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Financial investments at FVTPL						
- Mutual funds	27,444	-	-	20,542	-	-
- Exchange traded funds	437	-	-	285	-	-
- Investment in security receipt	-	-	21,746	-	-	21,617
- Investment in unlisted equity	-	-	19,404	-	-	-
- Investment in private equity	-	-	11,645	-	-	6,371
- Investment in NCD	-	-	8,036	-	-	3,013
Financial investments at FVOCI						
- Equity instruments held through portfolio management schemes	15,504	-	-	13,137	-	-
Total	43,385	-	60,831	33,964	-	31,001

ii) Fair value hierarchy - Assets and liabilities measured at amortised cost for which fair values are disclosed

The company has not disclosed fair value of financial asset or liability which is measured at amortised cost.

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

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 2022 and 31 March 2021:

Particulars	Security re- ceipts	Private equity	NCD	Unlisted equity
As at 1 April 2020	22,494	-	-	-
Additions	6,370	7,481	8,432	-
Disposals	(4,120)	(1,425)	(5,432)	-
Gains/(losses) recognised in statement of profit and loss	(3,127)	314	13	-
As at 31 March 2021	21,617	6,370	3,013	-
Additions	7,310	5,887	16,781	11,463
Disposals	(5,711)	(480)	(11,781)	-
Gains/(losses) recognised in statement of profit and loss	(1,470)	(133)	23	7,941
As at 31 March 2022	21,746	11,644	8,036	19,404

d) Transfers between levels 2 and 3

There are no transfers between Level 2 and 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 summarised below.

i) Sensitivity analysis

Particulars	As at 31 March 2022	As at 31 March 2021
Fair value of Private Equity fund, unlisted equity shares and Security Re- ceipts	52,795	27,988
Significant unobservable inputs		
Net Worth of Fund at fair value		
- increase by 100 bps	528	280
- decrease by 100 bps	(528)	(280)
Fair value of NCD	8,036	3,013
Significant unobservable inputs		
Net Asset Value of the investment		
- increase by 100 bps	80	30
- decrease by 100 bps	(80)	(30)

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Lakhs, unless otherwise stated)

Note 51 : Business support

The Company provides business support to its subsidiaries, fellow subsidiaries for activities like finance, accounting, human resources, information technology, back office operations, corporate planning, administrative services and various other services for which it recovers business support charges.

Note 52 : Interim dividend

The Board of Directors at its meeting held on 25 March 2022 has declared and paid an interim dividend of Rs. 0.2/- per equity share (on face value of Re.10/- per equity share) for the Financial year 2021-22.

Note 53 : Amounts below 0.50 lakhs are rounded off and shown as "0".

For Shah & Savla LLP

Chartered Accountants

Firm Registration No.: 109364W/W100143

Miral H. Nagda

Partner

Membership.No : 108135

For and on behalf of the Board of Directors

Motilal Oswal Finvest Limited

Motilal Oswal

Whole-time Director

DIN: 00024503

Shalibhadra Shah

Director

DIN: 07669954

Ajay Menon

Whole-time Director and CFO

DIN: 00024589

Kailash Purohit

Company Secretary

M N. : ACS - 28740

Place : Mumbai

Date : 27 April 2022

Place : Mumbai

Date : 27 April 2022

Motilal Oswal Securities International Private Limited

FINANCIAL STATEMENT

INDEPENDENT AUDITORS' REPORT

To,

The Members Motilal Oswal Securities International Private Limited,

Report on audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of **Motilal Oswal Securities International Private Limited** which comprises the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, and statement of cash flows for the year then ended, and notes to the financial statements, including 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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and profit, and its cash flows for the year ended on March 31, 2022.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 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

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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.

There are no key audit matters to communicate.

Responsibility of Management for the Standalone Financial Statements

The management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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; 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.

INDEPENDENT AUDITORS' REPORT (Contd..)

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.

The Board of Directors is also responsible for overseeing the company's financial reporting process

Auditors' Responsibilities for the Audit of the Standalone Financial Statements

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 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:

- 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 explaining 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.

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.

INDEPENDENT AUDITORS' REPORT (Contd..)

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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

1. 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 Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, 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 purposes 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 Balance Sheet & Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) As the company is a Private Limited company with a turnover not exceeding Rs. Fifty Crores and does not have borrowings exceeding Rs. Twenty Five Crores from any bank or financial institution or anybody corporate at any point of time during the financial year, the report on Internal Financial Controls prescribed under clause (i) of sub section 3 of section 143 of the Companies Act, 2013 is not applicable.
 - (g) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company does not have any pending litigations which would impact its financial position;
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

INDEPENDENT AUDITORS' REPORT (Contd..)

(iv) Based on the audit procedures and representation received from the management, nothing has come to our notice that has caused us to believe that there is material misstatement under the sub-clause (i) and (ii) of the Rule

(v) The Company has not declared and paid any dividend during the year.

For PGS & Associates

Chartered Accountants

Firm Registration No.: 0122384W

UDIN: 22111592AHTJCK9768

Premal H Gandhi

Partner

Membership No. 111592

Place: Mumbai

Date: 25th April 2022

INDEPENDENT AUDITORS' REPORT (Contd..)

Annexure A referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property Plant and Equipment.
- (b) The Property Plant and Equipment of the Company have been physically verified by the Management during the year and no material discrepancies between the book records and the physical inventory have been noticed.
- (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 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 or both during the year.
- (e) There are no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
2. The Company did not have any inventory at any time during the year. Hence, the requirements of clause (ii) of paragraph 3 of the said Order are not applicable to the Company.
3. The Company has granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act. Hence, the requirements of sub clause (b) (c),(d) (e) & (f) to clause (iii) of paragraph 3 of the said Order are not applicable to the Company.
 - A) No loans granted to related parties which are outstanding as on date
 - B) No loans granted to non-related parties during the year
4. According to the information and explanation given to us, in respect of loans, investments, guarantees, and security the company has complied with the provisions of section 185 and 186 of the companies Act, 2013.
5. The Company has not accepted any deposits from the public under the provisions of Sections 73 to 76 or any relevant provisions of the Companies Act and the rules framed there under.
6. Pursuant to the rules made by the Central Government of India, the Company is not required to maintain cost records under sub-section (1) of section 148 of the Companies Act in respect of its products.
7. (a) According to the information and explanation given to us and the records of the Company examined by us in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of investor education and protection fund, direct and indirect taxes and other material statutory dues as applicable with the appropriate authorities in India and no such dues are outstanding for a period of more than six month from the date they became payable.
- (b) According to the information and explanations given to us, and the records of the Company examined by us, there are no dues in respect of direct and indirect taxes as March 31, 2022 which have not been deposited on account of any dispute.
8. The Company has not surrendered or disclosed any transaction as income during the year in the tax assessment under the Income Tax Act, 1961. Accordingly, Paragraph 3 (viii) of the Order is not applicable.
9. The Company does not have any loans or borrowings or in payment of interest from any financial institutions, banks, government or debenture holders during the year. Accordingly, Paragraph 3 (ix) of the Order is not applicable.

INDEPENDENT AUDITORS' REPORT (Contd..)

10. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) or term loans or any preferential allotment or private placement during the year. Accordingly, paragraph 3(x) of the Order is not applicable. However, The Company has made provision of Employee stock Option Plan, and which is in compliance with The Companies Act, 2013.
11. According to the information and explanations given to us, we have neither come across any instance of fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year, nor have been informed of such case by the management.
12. In our opinion, and according to the information and explanation given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us, and the records of the Company examined by us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the Indian Accounting Standard (IndAS) 24 – Related Party Disclosure.
14. According to the information and explanations given to us, and the records of the Company examined by us, The Company is not required to conduct internal audit due to size and nature of its business.
15. According to the information and explanations given to us, and the records of the Company examined by us, The Company has not entered into any non-cash transaction with directors or persons connected with him.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
17. According to the information and explanations given to us, and the records of the Company examined by us, The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
18. According to the information and explanations given to us, and the records of the Company examined by us, there is no resignation of statutory auditor during the year.
19. According to the information and explanations given to us, and the records of the Company examined by us, there is no material uncertainty exists as on the date of the audit report that Company is 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.
20. According to the information and explanations given to us, and the records of the Company examined by us, The Company has not transferred any unspent amount to a Fund specified in schedule VII of the Companies Act.
21. The Companies (Auditor's Report) Order (CARO) has been issued for Standalone Financial Statement. Accordingly, Paragraph 3 (xxi) of the Order is not applicable.

For PGS & Associates

Chartered Accountants

Firm Registration No.: 0122384W

UDIN: 22111592AHTJCK9768

Premal H Gandhi

Partner

Membership No. 111592

Place: Mumbai

Date: 25th April 2022

BALANCE SHEET

BALANCE SHEET AS AT 31ST MARCH, 2022

Particulars	Notes	As At 31-Mar-2022	As At 31-Mar-2021
I ASSETS			
1. Financial assets			
(a) Cash and Cash Equivalents	1	4,69,85,406	4,58,55,048
(b) Trade receivables	2	1,08,25,721	2,87,462
(c) Current tax assets	3	20,61,741	9,17,340
(d) Other financial assets	4	-	-
Sub - total Financial assets		5,98,72,868	4,70,59,850
2. Non-Financial assets			
(a) Other Non-Financials Assets	5	3,24,687	6,84,098
(b) Deferred Tax Assets (net)	6	3,53,541	2,86,669
(c) Property plants and equipments	7	2,394	2,394
Sub - total Non- Financial assets		6,80,622	9,73,161
Total Assets		6,05,53,490	4,80,33,011
II EQUITY & LIABILITIES			
1. Financial liabilities			
(a) Other financials Liabilities	8	9,94,168	6,00,611
(b) Provisions	9	89,41,780	1,44,945
Sub - total Financial liabilities		99,35,948	7,45,556
2. Other non - financial liabilities			
(a) Other non - financial liabilities	10	-	-
Sub - total Other non - financial liabilities		-	-
3. Equity:			
(a) Equity share capital	11	4,56,92,000	4,56,92,000
(b) Other Equity	12	49,25,542	15,95,454
Sub - total Equity		5,06,17,542	4,72,87,454
Total Liabilities and Equity		6,05,53,490	4,80,33,011

Notes referred above form part is an integral part of financial statements.

As per our report of even date

For PGS & Associates
Chartered Accountants
Firm Number :122384W

Premal Gandhi
Partner
M.No.: 111592

For Motilal Oswal Securities International Private Limited

Harsh Joshi
Director
DIN: 02951058

Nikunj Sheth
Director
DIN: 08118427

Place: Mumbai
Dated: 25th April 2022

STATEMENT OF PROFIT AND LOSS

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH 2022

Particulars	Notes	For the Period Ended 31-Mar-22 Rs.	For The Period Ended 31-Mar-21 Rs.
Revenue from Operations	13	2,23,47,233	92,45,904
Other Income	14	29,650	2,30,605
Total Revenue		2,23,76,883	94,76,509
Expenses:			
Employee Benefits	15	1,11,64,643	(4,91,140)
Other Expense	16	82,67,733	85,31,056
Depreciation	7	-	8,399
Total Expenses		1,94,32,376	80,48,315
Profit/(Loss) Before Tax		29,44,506	14,28,194
Tax Expense:			
Current Tax		6,73,876	2,99,646
MAT credit (entitlement)/utilisation		-	-
Deferred Tax		(1,75,297)	1,05,777
For previous year(s) (Income tax)		(5,61,812)	(1,06,640)
Profit/(Loss) for the year		30,07,740	11,29,411
Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss			
Acturail Gain/(losses) on post retirement benefit plans		4,30,772	58,743
Income Tax there on		(1,08,425)	(13,440)
Total		3,22,347	45,303
Total Comprehensive Income		33,30,087	11,74,714
Earnings Per Share (Rs.)			
Basic and Diluted Earnings/(Loss) per share		0.66	0.25
(Face value of Rs. 10 each)			

Notes referred above form part is an integral part of financial statements.

As per our report of even date

For PGS & Associates
Chartered Accountants
Firm Number :122384W

For Motilal Oswal Securities International Private Limited

Premal Gandhi
Partner
M.No.: 111592

Harsh Joshi
Director
DIN: 02951058

Nikunj Sheth
Director
DIN: 08118427

Place: Mumbai
Dated: 25th April 2022

CASH FLOW STATEMENT

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2022

Particulars	As at 31-Mar-2022 Rs.		As at 31-Mar-2021 Rs.	
CASH FLOW FROM OPERATING ACTIVITIES				
PROFIT/(LOSS) BEFORE TAX		29,44,506		14,28,194
Add/(Less):				
1) Depreciation	-		8,399	
2) Ind AS (Actuarial gain and tax thereon)	3,22,347		45,303	
2) Effect Of Exchange Rate Changes	-		-	
		3,22,347		53,702
OPERATING PROFIT/(LOSS)		32,66,853		14,81,896
Adjustment For:				
(Increase)/Decrease In Trade receivables	(1,05,38,259)		6,24,297	
(Increase)/Decrease In Current tax Assets	(11,44,401)		33,80,233	
(Increase)/Decrease In Other financial assets	-		-	
Increase/ (Decrease) Provisions	87,96,834		(3,77,993)	
Increase/ (Decrease) In Other Non-Financials	3,59,411		(3,17,353)	
Assets				
Increase/ (Decrease) In Current tax liabilities	-		(34,01,001)	
Increase/ (Decrease) In Other financials Liabilities	3,93,557	(21,32,858)	5,49,343	4,57,527
CASH GENERATED FROM OPERATIONS		11,33,995		19,39,423
Taxes Paid		(3,636)		(1,79,563)
NET CASH FROM OPERATING ACTIVITIES		11,30,358		17,59,860
CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets		-		-
NET CASH FLOW FROM INVESTING ACTIVITIES		-		-
CASH FLOW FROM FINANCING ACTIVITIES				
		-		-
NET CASH FLOW FOR THE YEAR		11,30,358		17,59,860
Cash & Cash Equivalents As At 01.04.2021	-	4,58,55,048	-	4,40,95,189
Balances With bank	4,58,55,048	-	4,40,95,189	-
Effect Of Exchange Rate Changes				
Cash & Cash Equivalents As At 31.03.2022	-	4,69,85,406	-	4,58,55,048
Cheques In hand				
Balances With bank	4,69,85,406	-	4,58,55,048	-
Effect Of Exchange Rate Changes				

The above statement of Cash Flow has been prepared under indirect method as set out in Ind AS 7, 'Statement of Cash Flow', as specified under section 133 'of the companies Act, 2013 read with Rule "7" of the Companies (Account) Rules, 2015 (as amended) This is the statement of Cash Flow referred to in our report of even date.

As per our report of even date

For PGS & Associates
Chartered Accountants
Firm Number :122384W

Premal Gandhi
Partner
M.No.: 111592

For Motilal Oswal Securities International Private Limited

Harsh Joshi
Director
DIN: 02951058

Nikunj Sheth
Director
DIN: 08118427

Place: Mumbai
Dated: 25th April 2022

NOTES TO FINANCIAL STATEMENT

Summary of significant accounting policies and other explanatory information For the Period Ended March 2022

A. Corporate information

Motilal Oswal Financial Services Limited (MOFSL) is a company registered under SEBI with broker license to carry on securities business in India. As part of its broking business, it deals with Foreign Institutional Investors who have been domiciled in the United States (U.S) as regards their investments in Indian Equities. In order to cater to such U.S. based Institutions within the framework provided by SEC, MOFSL has set up a 100% subsidiary domiciled in India - Motilal Oswal Securities International Private Limited (MOSIPL) which has received approval for broker dealer registration from FINRA. The Company will only reach out to Major Institutional Investors as defined in Rule 15a-6. The main activity of MOSIPL would be to distribute research published in India and advise institutional clients based in United States(U.S.) on investments in Indian equity markets and serve as a chaperoning broker dealer pursuant to Rule 15 a-6(a)(3) of the U.S. Securities Exchange Act 1934, as amended by the U.S. Securities and Exchange Commission (SEC).

B. Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a. Basis of preparation

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities are measured at fair value.

(iii) Order of liquidity

The Company is covered in the definition of Non-Banking Financial Company as defined in Companies (Indian Accounting Standards) (Amendment) Rules, 2016. Pursuant to Ind AS 1 and amendment to Division III of Schedule III to the Companies Act, 2013 on October 11, 2013, the Company presents its balance sheet in the order of liquidity. This is since the Company does not supply goods or services within a clearly identifiable operating cycle, therefore making such presentation more relevant. 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 30.

b. 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.

NOTES TO FINANCIAL STATEMENT (Contd..)

Current Taxes

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 Taxes

Deferred income 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 income 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 income 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. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

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.

c. 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, and bank overdrafts. Bank overdrafts are shown within borrowings in liabilities in the balance sheet.

d. 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.

NOTES TO FINANCIAL STATEMENT (Contd..)

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 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 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 profit or loss.

e. 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 (FVPL);
- Fair value through other comprehensive income (FVOCI); or
- Amortized cost.

The classification requirements for debt and equity instruments are described below:

Debt instruments

Debt instruments are those instruments that meet the definition of a financial liability from the issuer's perspective, such as loans, government and corporate bonds and trade receivables.

Classification and subsequent measurement of debt instruments depend on:

- (i) the Company's business model for managing the asset; and
- (ii) the cash flow characteristics of the asset.

Based on these factors, the Company classifies its debt instruments into one of the following three measurement categories:

Amortized cost : Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest ('SPPI'), and that are not designated at FVPL, are subsequently measured at amortized cost using effective interest rate ('EIR') method less impairment, if

NOTES TO FINANCIAL STATEMENT (Contd..)

any. The amortization of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

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.

Fair value through profit or loss: A financial asset not classified as either amortized 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.

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 other income 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 'other income' in the Statement of Profit and Loss.

(ii) Impairment

The Company assesses on a forward looking basis the expected credit losses (ECL) associated with its debt instruments carried at amortized cost and FVOCI and with the exposure arising from loan commitments and financial guarantee contracts. The Company recognizes a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The measurement of the ECL allowance is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behavior (e.g. the likelihood of customers defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation techniques used in measuring ECL, which also sets out key sensitivities of the ECL to changes in these elements.

NOTES TO FINANCIAL STATEMENT (Contd..)

(iii) 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 recognised to the extent of continuing involvement in the financial asset.

f. Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest method.

(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.

g. 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.

h. Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

NOTES TO FINANCIAL STATEMENT (Contd..)

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 profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives & 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.

Assets	Useful life
Computers	3 years

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognized in the statement of profit or loss.

i. Other Financial liabilities

Financial liabilities are initially recognised at fair value (net of transaction costs incurred). Difference between the fair value and the transaction proceeds on initial recognition is recognised as an asset / liability based on the underlying reason for the difference.

Subsequently all financial liabilities are measured at amortised cost using the effective interest rate method.

j. Provisions and Contingent Liabilities:

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 Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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.

k. Earnings per share

a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit or loss (excluding other comprehensive income) attributable to owners 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.

NOTES TO FINANCIAL STATEMENT (Contd..)

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.

I. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest rupee as per the requirements

C. 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. 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 judgments 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, 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.
- (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 budgeted data for the future.
- (e) 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.

NOTES TO FINANCIAL STATEMENT (Contd..)

Note 1: Cash & Cash Equivalents

Particulars	As at 31-Mar-2022 Rs.	As at 31-Mar-2021 Rs.
Balance with bank		
Scheduled banks- In current accounts	4,69,85,406	4,58,55,048
TOTAL	4,69,85,406	4,58,55,048

Note 2: Trade Receivables

Particulars	As at 31-Mar-2022 Rs.	As at 31-Mar-2021 Rs.
Considered good - secured	-	-
Considered good - unsecured	1,08,25,721	2,87,462
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - Credit impaired	-	-
TOTAL	1,08,25,721	2,87,462

Note 2 (i): Receivable ageing schedule

For the year ended 31st March 2022

Particulars	Outstanding for following periods from due date of payment					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	1,08,25,721	-	-	-	-	1,08,25,721
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-

NOTES TO FINANCIAL STATEMENT (Contd..)

For the year ended 31st March 2021

Particulars	Outstanding for following periods from due date of payment					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	2,87,462	-	-	-	-	2,87,462
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-

Note 3: Current Tax Assets (Net)

Particulars	As at 31-Mar-2022 Rs.	As at 31-Mar-2021 Rs.
Taxes Receivable	-	9,80,394
Advance Tax (Net of provisions)	20,61,741	(63,053)
TOTAL	20,61,741	9,17,340

Note 4: Other financial assets

Particulars	As at 31-Mar-2022 Rs.	As at 31-Mar-2021 Rs.
Rent Deposit	-	-
TOTAL	-	-

Note 5: Other Non-Financials Assets

Particulars	As at 31-Mar-2022 Rs.	As at 31-Mar-2021 Rs.
Prepaid Expense	2,51,173	6,42,996
Advance Against Expenses	73,514	41,101
TOTAL	3,24,687	6,84,098

NOTES TO FINANCIAL STATEMENT (Contd..)

Note 6: Deferred Tax (Liabilities)\Assets

Particulars	As at 31-Mar-2022 Rs.	As at 31-Mar-2021 Rs.
Provision for Gratuity	1,61,536	36,483
WDV of licence	1,91,075	2,48,234
WDV of fixed asset	930	1,952
Mat Credit Entitlement	-	-
TOTAL	3,53,541	2,86,669

Note 7: Property plants and equipments

Particulars	As at 31-Mar-2022 Rs.	As at 31-Mar-2021 Rs.
Property plants and equipments	2,394	2,394
TOTAL	2,394	2,394

Note No:-7

Current Period											
Asset Class Code	Particulars	Gross Block				Accumulated Depreciation				Net Block	
		Opening	Additions	Deductions	Closing	Opening	Additions	Deductions	Closing	Opening	Closing
TAPE0001	COMPUTER-1	47,881			47,881	45,487			45,487	2,394	2,394
Total		47,881	-	-	47,881	45,487	-	-	45,487	2,394	2,394

Previous Period											
Asset Class Code	Particulars	Gross Block				Accumulated Depreciation				Net Block	
		Opening	Additions	Deductions	Closing	Opening	Additions	Deductions	Closing	Opening	Closing
TAPE0001	COMPUTER-1	47,881			47,881	37,088	8,399		45,487	10,793	2,394
Total		47,881	-	-	47,881	37,088	8,399	-	45,487	10,793	2,394

Note: There have been no acquisitions through business combinations and no change of amount due to revaluation of Property, plant and equipment and other intangible assets during the year ended 31 March 2022 and 31 March 2021.

Note 8: Other financials Liabilities

Particulars	As at 31-Mar-2022 Rs.	As at 31-Mar-2021 Rs.
Payable for Expenses	5,92,575	6,00,611
Taxes payable	4,01,592	-
TOTAL	9,94,168	6,00,611

NOTES TO FINANCIAL STATEMENT (Contd..)

Note 8 (i) : Trade 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	5,92,575	-	-	-	5,92,575
(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	6,00,611	-	-	-	6,00,611
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Note 9: Provisions

Particulars	As at 31-Mar-2022 Rs.	As at 31-Mar-2021 Rs.
Ex-gratia Payable	83,00,000	-
Provision for Gratuity	6,41,780	1,44,945
TOTAL	89,41,780	1,44,945

Note 10: Other non - financial liabilities

Particulars	As at 31-Mar-2022 Rs.	As at 31-Mar-2021 Rs.
Accrued salary and benefits	-	-
Other Provisions	-	-
TOTAL	-	-

NOTES TO FINANCIAL STATEMENT (Contd..)

Note 11: Equity share capital

Particulars	As at 31-Mar-2022 Rs.	As at 31-Mar-2021 Rs.
Authorised:		
1,00,00,000 Equity Shares of Rs.10/- each	10,00,00,000	10,00,00,000
	10,00,00,000	10,00,00,000
Issued, Subscribed and Paid Up:		
45,69,200 Equity Shares of Rs.10/- each. (All the above, equity shares are held by Motilal Oswal Financials Services Ltd the holding company and it's nominee)	4,56,92,000	4,56,92,000
TOTAL	4,56,92,000	4,56,92,000

11.1 Reconciliation of number of Equity shares outstanding

Particulars	As at 31-Mar-2022 Rs.	As at 31-Mar-2021 Rs.
Number of shares at beginning of the year	45,69,200	45,69,200
Add: Shares issued during this year	-	-
Number of shares at the end of the year	45,69,200	45,69,200

11.2 Share holder having more than 5% equity holding in the Company

Particulars	As at 31-Mar-2022 Rs.	As at 31-Mar-2021 Rs.
Motilal Oswal Financial Services Limited. (Holding Company)	45,69,200	45,69,200

11.3 Details of shareholding by promoters as at 31.3.2022

Particulars	As at 31-Mar-2022 Rs.	As at 31-Mar-2021 Rs.
Motilal Oswal Financial Services Limited. (Holding Company)	45,69,200	45,69,200

Note 12: Other Equity

Particulars	As at 31-Mar-2022 Rs.	As at 31-Mar-2021 Rs.
Profit & Loss Account		
Opening balance	15,95,454	4,20,741
Add: Additions during the year	30,07,740	11,29,411
Add: Ind AS Impact	3,22,347	45,303
TOTAL	49,25,541	15,95,454

NOTES TO FINANCIAL STATEMENT (Contd..)

Note 13: Revenue from Operations

Particulars	As at 31-Mar-2022 Rs.	As at 31-Mar-2021 Rs.
Advisory Fees	2,23,47,233	92,45,904
TOTAL	2,23,47,233	92,45,904

Note 14: Other Income

Particulars	As at 31-Mar-2022 Rs.	As at 31-Mar-2021 Rs.
Interest on Income tax Refund	29,650	2,30,605
TOTAL	29,650	2,30,605

Note 15: Employee Benefits

Particulars	As at 31-Mar-2022 Rs.	As at 31-Mar-2021 Rs.
Salaries and Incentives	1,12,52,606	(5,18,044)
Gratuity	(87,963)	26,904
TOTAL	1,11,64,643	(4,91,140)

Note 16: Other Expenses

Particulars	As at 31-Mar-2022 Rs.	As at 31-Mar-2021 Rs.
Remuneration to Auditors	9,14,093	21,36,872
Legal & Professional Fees	52,10,061	42,97,738
Examination Fees	43,328	2,12,788
Rent Expenses	7,20,000	7,20,000
Membership and Subscription Fees	7,02,834	1,84,861
Communication Expenses	-	523
Back up Charges	1,45,867	1,40,663
Bank Charges	95,082	1,37,368
Business Support Charges	1,80,000	1,80,000
Foreign Exchange Fluctuation	1,46,945	1,09,394
Insurance Charges	88,686	4,09,432
Miscellaneous Expenses	20,838	1,417
TOTAL	82,67,733	85,31,056

NOTES TO FINANCIAL STATEMENT (Contd..)

Note 17: Auditors' Remuneration:

Particulars	For The Year Ended 31-Mar-22	For The Year Ended 31-Mar-21
As Auditors:		
Audit fees	9,14,093	21,36,872
In any other capacity, in respect of:		
Other Certification	-	-
TOTAL	9,14,093	21,36,872

Note 18: Basic & Diluted Earnings per share:

Particulars	For The Year Ended 31-Mar-22	For The Year Ended 31-Mar-21
Net Profit/(Loss) attributable to equity shareholders [A] (Rs.)	33,30,087	11,74,714
Weighted Average Number of equity shares issued [B]	45,69,200	45,69,200
Basic & Diluted Earnings per share (EPS)[A/B] (Rs.)	0.66	0.25

Note 19: Deferred Tax Assets / (Liability):

In the presence of virtual certainty of realization of carried forward tax losses, management has created deferred tax assets for the year under review. The same will be reassessed at subsequent balance sheet date and will be accounted for in the year of virtual certainty. The component of Deferred Tax Assets/(Liabilities) are as under.

Period Covered	For The Year Ended 31-Mar-22	For The Year Ended 31-Mar-21
Provision for gratuity	1,61,536	36,483
WDV of assets	1,92,005	2,50,187
Deferred Tax (Liability)/Assets	3,53,541	2,86,669

Note 20: Gratuity Plan:

The following table set out the gratuity plan as required under AS 15 Reconciliation of opening and closing balances of the present value of the defined benefit obligation.

Period Covered	For The Year Ended 31-Mar-22	For The Year Ended 31-Mar-21
Assumptions as at	31-Mar-22	30-Jun-20
Interest / Discount Rate	7.34%	3.73%
Expected Return On Plan Assets		
Mortality	IALM (2012-14) Ult.	IALM (2012-14) Ult.
Rate of increase in compensation	4.57%	13.12%
Disability	Nil	Nil
Employee Attrition Rate (Past Service)	PS: 0 to 37 : 1.08%	PS: 0 to 40 : 33.33%
Expected average remaining service	15	1.99

NOTES TO FINANCIAL STATEMENT (Contd..)

Changes in the present value of the obligations

Particulars	For The Year Ended 31-Mar-22	For The Year Ended 31-Mar-21
Present value of obligation at beginning of the period	1,44,945	4,45,230
Interest cost	(1,07,674)	4,649
Current service cost	19,710	22,522
Past service cost - (non vested benefit)	-	-
Past service cost - (vested benefit)	-	-
Transfer in Liability	10,15,571	
Benefits paid	-	(2,68,713)
Actuarial (gain) loss on obligation	(4,30,772)	(58,743)
Present value of obligation at end of the period	6,41,780	1,44,945

Changes in fair value of the plan assets

Particulars	For The Year Ended 31-Mar-22	For The Year Ended 31-Mar-21
Fair value of plan assets at beginning of the period	-	-
Expected return on plan assets	-	-
Contributions	-	-
Benefits paid	-	-
Actuarial gain (Loss) plan assets	-	-
Fair value of plan assets at end of the period	-	-

Fair value of plan assets

Particulars	For The Year Ended 31-Mar-22	For The Year Ended 31-Mar-21
Fair value of plan assets at beginning of the period	-	-
Actual return on plan assets	-	-
Contributions	-	-
Benefit paid	-	-
Fair value of plan assets at end of the period	-	-

Experience History

Particulars	For The Year Ended 31-Mar-22	For The Year Ended 31-Mar-21
(Gain)/Loss on obligation due to change in Assumption	-	(31,572)
Experience (Gain)/Loss on obligation	(4,30,772)	(27,171)
Actuarial (Gain)/Loss on plan asset	(4,30,772)	(58,743)

NOTES TO FINANCIAL STATEMENT (Contd..)

Actuarial Gain/(Loss) Recognized

Particulars	For The Year Ended 31-Mar-22	For The Year Ended 31-Mar-21
Actuarial Gain/(Loss) for the period (obligation)	4,30,772	58,743
Actuarial Gain/(Loss) for the period (plan assets)	-	-
Total Gain/(Loss) for the period	4,30,772	58,743
Actuarial Gain/(Loss) recognized for the period	4,30,772	58,743
Unrecognized Actuarial Gain/(Loss) at the end of the period	-	-

Past service cost recognized

Particulars	For The Year Ended 31-Mar-22	For The Year Ended 31-Mar-21
Past service cost - (non vested benefit)	-	-
Past service cost - (vested benefit)	-	-
Average remaining future service till vesting benefit	-	-
Recognized Past service cost - non vested benefits	-	-
Recognized Past service cost - vested benefits	-	-
Unrecognized Past service cost - non vested benefits	-	-

Amounts to be recognized in the balance sheet and statement of profit & loss account

Particulars	For The Year Ended 31-Mar-22	For The Year Ended 31-Mar-21
Present value of obligation at end of period	6,41,780	4,45,230
Fair value of plan assets at end of period	-	-
Funded status	(6,41,780)	(4,45,230)
Unrecognised Actuarial Gain/(Loss)	-	-
Unrecognised past service cost - non vested benefits	-	-
Net Liability/ (Asset) recognised in the Balance Sheet	(6,41,780)	(4,45,230)

Profit and Loss Account – Expense

Particulars	For The Year Ended 31-Mar-22	For The Year Ended 31-Mar-21
Current service cost	19,710	22,522
Interest cost	37,271	4,649
Past service cost - (non vested benefit)	-	-
Past service cost - (vested benefit)	-	-
Unrecognised past service cost - non vested benefits	-	-
Expected return on plan assets	-	-
Net actuarial (gain)/ loss recognised for the period	-	-
Expenses Recognised in the statement of Profit & Loss Account	56,981	27,171

NOTES TO FINANCIAL STATEMENT (Contd..)

Movement in net liability recognized in the Balance Sheet

Particulars	For The Year Ended 31-Mar-22	For The Year Ended 31-Mar-21
Opening net liability	-	1,92,217
Adjustment to opening balance	10,15,571	-
Expenses as above	56,981	1,64,112
Total Actuarial (Gain)/Loss recognized in (OCI)	(4,30,772)	88,901
Contribution paid	-	-
Closing net Liability	6,41,780	4,45,230

Other Comprehensive Income (OCI)

Particulars	For The Year Ended 31-Mar-22	For The Year Ended 31-Mar-21
Actuarial (Gain)/Loss recognized for the period	(4,30,772)	(58,743)
Asset limit effect	-	-
Return on Plan Assets excluding net interest	-	-
Unrecognized Actuarial (Gain)/Loss from previous period	-	-
Total Actuarial (Gain)/Loss recognized in (OCI)	(4,30,772)	(58,743)

Schedule III of the Companies Act 2013

Particulars	For The Year Ended 31-Mar-22	For The Year Ended 31-Mar-21
Current Laibility	12,595	-
Non-Current Liability	6,29,185	4,45,230
Heritage Club Benefits	-	-
Current Laibility	-	75,000
Non-Current Liability	-	2,440

Note 21: Financial risk management

Company has operations in India. Whilst 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 exposures relating to his or her responsibilities.

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 obligation. The Company does not have credit risk.

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

NOTES TO FINANCIAL STATEMENT (Contd..)

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.

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 company does not have any market risk.

Note 22: Fair value measurements

Financial instruments by category:

The following table shows the carrying amount and fair values of financial assets and financial liabilities,

Particulars	As at March 2022		As at March 2021	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
Cash and cash equivalents	-	4,69,85,406	-	4,58,55,048
Trade receivables		1,08,25,721		2,87,462
Current tax assets		20,61,741		9,17,340
Total Financial Assets		5,98,72,868		4,70,59,850
Financial Liabilities				
Other financial liabilities		9,94,168		6,00,611
Provisions		89,41,780		1,44,945
Other non - financial liabilities		-		-
		99,35,948		7,45,556

Note 23: 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.

(Amount in rupees)

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	4,69,85,406	-	4,69,85,406	4,58,55,048	-	4,58,55,048
Trade receivables	1,08,25,721	-	1,08,25,721	2,87,462	-	2,87,462
Current tax assets	-	20,61,741	20,61,741	-	9,17,340	9,17,340
Non-Financial assets						
Property, plant and equipment	-	2,394	2,394	-	2,394	2,394
Other non-financial assets	3,24,687	-	3,24,687	6,84,098	-	6,84,098
Deferred Tax Assets (net)	3,53,541	-	3,53,541	2,86,669	-	2,86,669
	-	-	-			
Total Assets	5,84,89,355	20,64,135	6,05,53,490	4,71,13,277	9,19,734	4,80,33,011

NOTES TO FINANCIAL STATEMENT (Contd..)

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
Liabilities						
Financial Liabilities						
Other financial liabilities	9,94,168	-	9,94,168	6,00,611	-	6,00,611
	-	-				
Non Financial Liabilities	-	-				
Provisions	6,41,780	-	6,41,780	1,44,945	-	1,44,945
Accrued salary and benefits	83,00,000	-	83,00,000		-	-
	-	-				
Total Liabilities	99,35,948	-	99,35,948	7,45,556	-	7,45,556

Note 24: Tax Note

(Amount in rupees)

Particulars	For The Year Ended 31-Mar-2022	For The Year Ended 31-Mar-2021
Tax expense		
Current tax expense		
Current tax for the year	6,73,876	2,99,646
Tax adjustment in respect of earlier years	-	-
Total current tax expense	6,73,876	2,99,646
Deferred taxes		
Change in deferred tax Asstes	(1,75,297)	1,05,777
Net deferred tax expense	(1,75,297)	1,05,777
	4,98,578	4,05,423
Tax reconciliation (for Profit and Loss)		
Profit/(loss) before income tax expense	29,44,506	14,28,194
Tax at the rate of 25.17% (for 31 March 2020 - 22.88%)	6,73,876	2,99,646
Temporary tax difference	(1,75,297)	1,05,777
Income tax expense	4,98,578	4,05,423

Particulars	As at 31-March-2022	As at 31-March-2021
Deferred tax assets on account of:		
Gratuity	1,61,536	36,483
WDV of licence	1,91,075	2,48,234
WDV of fixed asset	930	1,952
Total	3,53,541	2,86,669

NOTES TO FINANCIAL STATEMENT (Contd..)

Note 25: Deferred tax related to the following:

(Amount in rupees)

Particulars	As at 31 March 2022	Recognised through profit and loss	Recognised through Other Comprehensive Income	As at 31 March 2021	Recognised through profit and loss	Recognised through Other Comprehensive Income	As at 31 March 2020
Deferred tax assets on account of:							
Gratuity	1,61,536	(16,628)	(1,08,425)	36,483	1,03,506	(13,440)	1,19,648
WDV of licence	1,91,075	57,159	-	2,48,234	36,797	-	2,85,031
WDV of fixed asset	930	1,022	-	1,952	(745)	-	1,208
Total deferred tax assets	3,53,541	41,553	(1,08,425)	2,86,669	1,39,558	(13,440)	4,05,887
Total deferred tax Assets/liability (net)	3,53,541	41,553	(1,08,425)	2,86,669	1,39,558	(13,440)	4,05,887

Note 26: Related Party Disclosure:

I. Names of Related Parties:

A) Enterprises where control exists:

- Motilal Oswal Financial Services Limited - Holding Company

Transactions with related parties: 31-03-2022

Particulars	Name of the related Party	For The Year Ended 31-Mar-22	For The Year Ended 31-Mar-21
Rent	Motilal Oswal Financial Services Limited	7,20,000	7,20,000
Business Support Service	Motilal Oswal Financial Services Limited	1,80,000	1,80,000
Advisory Fees	Motilal Oswal Financial Services Limited	(2,23,47,233)	(1,46,73,577)
Trade Payable	Motilal Oswal Financial Services Limited	(81,000)	-
Trade Receivables	Motilal Oswal Financial Services Limited	1,08,25,721	2,87,462

B) Fellow subsidiaries:

- Motilal Oswal Finvest Limited (formerly known as Motilal Oswal Capital Markets Limited)
- Motilal Oswal Trustee Company Limited
- MO Alternate investment Advisors Private Limited
- Motilal Oswal Commodities Broker Private Limited
- Motilal Oswal Investment Advisors Limited (formerly known as Motilal Oswal Investment Advisors Private Limited)
- Motilal Oswal Wealth Management Limited
- Motilal Oswal Asset Management Company
- Motilal Oswal Capital Market (Hongkong) Pvt Ltd.
- Motilal Oswal Capital Market (Singapore) Pte Ltd.
- Motilal Oswal Home Finance Limited
- India Business Excellence Management Company
- Motilal Oswal Asset Management (Mauritius) Private Limited
- Motilal Oswal Capital Limited

NOTES TO FINANCIAL STATEMENT (Contd..)

- Motilal Oswal Finsec IFSC Limited
- TM Investment Technologies Pvt. Ltd.
- Glide Tech Investment Advisory Private Limited

Note 27 : Due to Micro,small and medium enterprises

The Company does not have any due from Micro,small and medium enterprises

Note 28: Segment Information

The Company is engaged in single segment as defined in IND AS - 108, hence there are no other reportable segments.

Note 29 Expenses incurred in Foreign Currency:

Particulars	For The Year Ended 31-Mar-22 Rs.	For The Year Ended 31-Mar-21 Rs.
Audit Fees	-	21,20,014
Back up charges	1,45,867	1,40,663
Filing Fees	1,35,018	74,770
Examination Fees	43,328	2,12,788
Insurance Charges	27,369	4,15,470
Legal and Professional Fees	49,72,469	39,74,088
Membership Charges	3,87,844	6,09,139
	57,11,894	75,46,932

Note 30 : In the opinion of the Board of Directors, all current assets, loans and advances would be realizable at least of an amount equal to the amount at which they are stated in the Balance sheet. There is no impairment in the Fixed Assets.

Note 31: Additional regulatory information required under (WB) (xvi) of Division III of Schedule III amendment, disclosure of ratios, is not applicable to the Company as it is in broking business and not an NBFC registered under Section 45-IA of Reserve Bank of India Act, 1934.

As per our report of even date

For PGS & Associates

Chartered Accountants

Firm Number :122384W

Premal Gandhi

Partner

M.No.: 111592

Place: Mumbai

Dated: 25th April 2022

For Motilal Oswal Securities International Private Limited

Harsh Joshi

Director

DIN: 02951058

Nikunj Sheth

Director

DIN: 08118427

Motilal Oswal Commodities Broker Private Limited

FINANCIAL STATEMENT

Independent Auditors' Report

To,
The Members

Motilal Oswal Commodities Broker Private Limited,

Report on audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of Motilal Oswal Commodities Broker Private Limited which comprises the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, and statement of cash flows for the year then ended, and notes to the financial statements, including 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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and profit/loss, and its cash flows for the year ended on March 31, 2022.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 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

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Special purpose 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.

Key audit matter	How our audit addressed the key audit matter
Legal & Regulatory Risk: Following default at 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 MOCBPL.	Following are the areas where risks are assessed & procedures were followed. 1. Recording of Receivables & Dues - NSEL: After scrutinizing the books of accounts & discussion with the management it has been found that the amounts receivable from NSEL (Exchange) & 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.

Independent Auditors' Report (Contd..)

Key audit matter	How our audit addressed the key audit matter
- In this matter, SEBI has issued Show Cause Notice to Motilal Oswal Commodities Broking Pvt. Ltd. (MOCBPL, the company) in financial year i.e. 2017-18 relating to NSEL Scam, for which management has replied accordingly.	2. Impact of SEBI order on the MOCBPL business: The Company has already ceased its Commodity Broking business from April'18. 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. 3. The company may have to refund the brokerage charged from the clients against which the management has already made provision in the books of accounts.
- 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.	Our procedures with respect to approaching the KAM: - Enquiring with Accounts & Finance Team: We have discussed with Finance team, Management & have scrutinized books of accounts. - Assessing management's conclusions & 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

Responsibility of Management for the Standalone Financial Statements

The management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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; 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 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 is also responsible for overseeing the company's financial reporting process

Independent Auditors' Report (Contd..)

Auditors' Responsibilities for the Audit of the Standalone Financial Statements

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 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:

- 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 explaining 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.

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 the financial statements of the current year 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.

Independent Auditors' Report (Contd..)

Report on Other Legal and Regulatory Requirements

1. Based on our audit we report that the Company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable.
2. 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 Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
3. **As required by Section 143(3) of the Act, 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 purposes 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 Balance Sheet & Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors are disqualified as on 31st 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 Control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate "Annexure B".
 - (g) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company does not have any pending litigations which would impact its financial position;
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Aneel Lasod And Associates
Chartered Accountants
Firm Registration No.:- 124609W

Aneel Lasod
(Partner)
M.No:-040117
Place: Mumbai
Date: 25-04-2022
UDIN:- 22040117AHVFSP7454

Independent Auditors' Report (Contd..)

Annexure "A" referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

According to the information and explanation sought by us and given by the company and the book of accounts and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

1 Fixed Assets:

- a. The company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant, Equipment. and intangible assets.
- b. The Property, Plant, Equipment and intangible assets were physically verified by the management at reasonable intervals and no discrepancies were noticed with that stated in the books of accounts.
- c. The Company has not revalued its Property, Plant, Equipment (including rights of use assets) or intangible assets during the year.
- d. According to the information, explanations and representation given to us, no Proceedings have been initiated or is pending against the company during the year for holding any Benami Transactions (Prohibition) Act, 1988 (45 of 1988) rules made thereunder.

2. Inventories:

According to the information and explanations given to us, there are no inventories on the balance sheet date; therefore paragraph 3(ii) (a) of the order is not applicable to the company.

3. Investment or Guarantee or Granting any Loan or Advances:

According to the information and Explanation provided to us, the company has not provided any Investment or Guarantees or Granting any Loan or Advances during the year.

4. Compliance of section 185 and 186 of the Companies Act, 2013:-

According to the information and explanations given to us; in respect of loans, investments, guarantees and security given by the company are in compliance with the provisions of Section 185 and 186 of the Companies Act, 2013.

5. Deposits from Public:

In our opinion and according to the information and explanations given to us, the company has not accepted any deposit from the "public" attracting the provisions of Sections 73 and 76 of the Companies Act, 2013 or the rules framed there under.

6. Cost Records:

The Central Government has not prescribed the maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 for any of the activities conducted/services rendered by the Company. Accordingly Para 3(vii) of the Order is not applicable.

Independent Auditors' Report (Contd..)

7. Statutory Dues:

- a. According to the records of the Company and according to the information and explanations provided to us, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Service Tax, Goods and Service Tax, Professional Tax, and any other statutory dues wherever applicable with the appropriate authorities.
- b. According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees State Insurance, Income Tax, Service Tax, Goods and Service Tax, Professional Tax, and any other statutory dues were outstanding as at 31st March, 2022 for a period of more than six months from the date they became payable.
- c. According to the information and explanations given to us, there are no dues of Provident Fund, Employees State Insurance, Income Tax, Service Tax, Professional Tax, SEBI turnover fees and any other statutory dues, which have not been deposited on account of any dispute.

8. Unrecorded income:

According to the information and explanations given to us, there are no transactions which have not been recorded in the books of Accounts but have been surrendered or disclosed as income in Income Tax Assessments under the Income tax Act, 1961 during the year.

9. Repayment and Usage of Borrowings:

- a. According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowing or in the payment of interest thereon to any lender.
- b. On the basis of information and explanation provided to us, the company has not declared a willful defaulter by any bank or financial institution or other lender
- c. According to the information, explanations and representation given to us and to the best of our knowledge and belief, company has not taken term loan during the year.
- d. On an overall examination of the financial statements of the company, funds raised on short term basis do not seem to have used for loan term purposes.
- e. The Company does not have any subsidiaries, associates or joint ventures. Accordingly, to the report under paragraph 3(ix) (e) of the order is not applicable to the company
- f. The Company does not have any subsidiaries, associates or joint ventures. Accordingly, to the report under paragraph 3(ix) (f) of the order is not applicable to the company.

10. Money raised through on Shares:

- 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 or partially) during the year and hence reporting under paragraph 3(x) (b) of the order is not applicable to the company

Independent Auditors' Report (Contd..)

11. Fraud:

- a. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the year.
- b. According to the information and explanations given to us and to the best of our knowledge, no report u/s 143(12) 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.
- c. According to the information, explanations and representation given to us, by the management there were no whistle blower complaints received during the year by the company and hence reporting under paragraph 3(xi) (c) of the order is not applicable to the company.

12. Nidhi Company:

The Company is not a Nidhi Company; and hence reporting under paragraph 3(xii) of the order is not applicable to the company.

13. Related Party Transaction:

According to the information and explanations given to us all the transactions with the related parties are in compliance with Section 177 and Section 188 of the Companies Act, 2013 wherever applicable the details have been disclosed in the Financial Statements etc. as required by accounting standard (AS) 18- Related Party Transaction.

14. Internal Audit:

- a. In our opinion the company has an adequate internal audit system commensurate with the size and the nature of its business.

15. Non cash transactions:

According to the information and explanations given to us the company has not entered into non cash transactions with directors or persons connected with him as covered under section 192 of the Companies Act, 2013; therefore this clause is not applicable.

16. 45-IA of RBI Act, 1934:

The Company is not a Non-Banking Financial Company therefore the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934; therefore this clause is not applicable.

17. Cash Losses:

According to the information and explanations given to us and based on our examination of the record of the company, the company has not incurred cash losses in the financial year but in immediately preceding financial year there was a cash loss of Rs. 23,627/-

18. Auditors Resignation:

There is no resignation of the statutory auditor during the year, hence this clause is not applicable to the company.

Independent Auditors' Report (Contd..)

19. Financial Position:

According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that 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.

20. CSR Compliance:

CSR Paragraph (xx) (b) of the order is not applicable to the company.

21. Consolidated Financial Statements (CFS):

According to the information and explanations given to us and based on our examination of the records of the company, there are no subsidiaries/ associates/ Joint ventures of the company and hence the paragraph 3(xxi) of the order is not applicable to the company.

For Aneel Lasod And Associates
Chartered Accountants
Firm Registration No.:- 124609W

Aneel Lasod
(Partner)
M.No:-040117
Place: Mumbai
Date: 25-04-2022

Independent Auditors' Report (Contd..)

Annexure B to the Auditors' Report

Report on the Internal Financial Controls 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 of Motilal Oswal Commodities Broker Private Limited ('the Company') as of 31 March, 2022 in conjunction with our audit of the standalone 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 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 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 Companies Act, 2013.

Auditors' 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 on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both 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 were 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 auditors' 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 authorizations of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Independent Auditors' Report (Contd..)

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, 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 31 March 2022, 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 issued by the Institute of Chartered Accountants of India.

For Aneel Lasod And Associates
Chartered Accountants
Firm Registration No.:- 124609W

Aneel Lasod
(Partner)
M.No:-040117
Place: Mumbai
Date: 25-04-2022

Balance Sheet

Balance Sheet 31-Mar-2022

Particular	Note	As at March 22	As at March 21
I. ASSETS			
1. Financial assets			
(a) Cash and cash equivalents	4	55,45,352	54,95,352
(b) Bank balance other than (a) above	5	4,71,558	5,69,046
(c) Receivables			
(i) Trade Receivables	6	2,54,02,48,794	2,54,02,48,794
(d) Loans	7	4,16,501	4,16,501
(e) Investments	8	-	(1)
(f) Other financial assets	9	1,88,71,364	1,88,71,364
Total financial assets (A)		2,56,55,53,568	2,56,56,01,054
2. Non-financial assets			
(a) Current tax assets (net)	10	56,42,209	74,16,810
(b) Deferred tax assets (net)	11	28,65,361	28,97,376
(c) Property, plant and equipment	12	3,00,077	3,38,755
(d) Other intangible assets	12	1,245	1,245
(e) Other non-financial assets	13	6,41,72,223	6,67,13,144
Total non-financial assets (B)		7,29,81,115	7,73,67,332
Total Assets (A+B)		2,63,85,34,683	2,64,29,68,386
II. LIABILITIES AND EQUITY			
1. Financial liabilities			
(a) Payables			
(i) Trade Payables			
(i) total outstanding dues of creditor other than micro enterprises and small enterprises	14	3,03,00,721	3,03,00,721
(ii) Other Payables			
(i) total outstanding dues of creditor other than micro enterprises and small enterprises	14	2,45,75,52,461	2,45,75,52,461
(b) Borrowings (Other than Debt securities)	15	-	8,35,432
(c) Other financial liabilities	16	6,19,64,877	6,54,68,827
Total financial liabilities (A)		2,54,98,18,059	2,55,41,57,441
2. Non - financial liabilities			
(a) Provisions	17	3,64,700	3,64,700
(b) Other non - financial liabilities	18	13,562	13,562
Total non-financial liabilities (B)		3,78,262	3,78,262
3. Equity			
(a) Equity share capital	19	41,00,440	41,00,440
(b) Other equity	20	8,42,37,922	8,43,32,243
Total equity (C)		8,83,38,362	8,84,32,683
Total Liabilities and Equity (A+B+C)		2,63,85,34,683	2,64,29,68,386

For Aneel Lasod And Associates
Chartered Accountants
Firm Reg No: 124609W

For and on behalf of the Board of
Motilal Oswal Commodities Broker Private Limited

Aneel Lasod
Partner
M.No.40117
Place :Mumbai
Date : 25th April 2022

Harsh Joshi
Director
DIN : 02951058

Kishore Narne
Director
DIN : 07974034

Statement of Profit And Loss

Profit & Loss Statement 31-Mar-2022

Statement of Profit and Loss	Note	For the year ended March 22	For the year ended March 21
1) Income:			
(a) Revenue from operations			
(a) Interest income	21	45,271	51,993
(b) Other operating income	22	-	(6)
Total revenue from operations		45,271	51,987
(b) Other income	23	2,24,825	-
Total income (a+b) (1)		2,70,096	51,987
2) Expenses:			
(a) Finance costs	24	1,56,496	15,409
(b) Employee benefit expense	25	2,857	600
(c) Depreciation and amortisation expense	26	38,679	1,75,496
(d) Other expenses	27	1,34,370	6,06,965
Total expenses (2)		3,32,402	7,98,470
3) Profit before tax (3) = (1) - (2)		(62,306)	(7,46,483)
4) Tax expenses / (credit)			
(a) Deferred tax expenses / (credit)		32,015	19,674
(b) Short / (excess) provision for earlier years		-	(56,440)
Total tax expenses (4)		32,015	(36,766)
5) Profit after tax (5) = (3) - (4)		(94,321)	(7,09,717)
6) Total comprehensive income (6) = (5)		(94,321)	(7,09,717)

For Aneel Lasod And Associates

Chartered Accountants

Firm Reg No: 124609W

For and on behalf of the Board of

Motilal Oswal Commodities Broker Private Limited

Aneel Lasod

Partner

M.No.40117

Place :Mumbai

Date : 25th April 2022

Harsh Joshi

Director

DIN : 02951058

Kishore Narne

Director

DIN : 07974034

Cash Flow Statement

Cash flow Statement 31-Mar-2022

Cash flow statement	March 22 INR	March 21 INR
A. Cash flow from Operating Activities :		
Profit before taxation	(62,306)	(7,46,483)
Adjustments for :		
Depreciation, amortisation and impairment	38,679	1,75,496
	38,679	1,75,496
Operating profit before Working Capital changes	(23,627)	(5,70,988)
Adjustments for Working Capital changes		
(Increase)/ Decrease in other financial assets	(2,512)	20,70,483
(Increase)/ Decrease in other non financial asset	25,40,921	(15,75,281)
Increase/ (Decrease) in other financial liabilities	(35,03,950)	(2,76,788)
Increase / (Decrease) in Borrowings	(8,35,432)	8,35,432
(Increase)/ Decrease in trade receivables	-	16,382
Increase / (Decrease) in Trade Payables	-	(6,24,960)
Increase / (Decrease) in Other Payables	-	(1)
Net change in working capital	(18,00,973)	4,45,266
Cash generated from / (used in) Operations	(18,24,600)	(1,25,720)
Direct taxes paid net (including MAT credit utilised)	17,74,602	(24,566)
Net cash generated from /(used in) operating activities (A)	(49,999)	(1,50,286)
B. Cash flow from Investing Activities :		
Sale of investments	(1)	-
Investment in Fixed deposit having maturity more than three months (net of maturity)	1,00,000	-
Net Cash generated from /(used in) Investing Activities (B)	99,999	-
C. Cash flow from financing activities		
D. Net increase/ (decrease) in cash and cash equivalents (A + B + C)	50,000	(1,50,286)
E. Cash and cash equivalents at the beginning of the year		
Cash in hand	18,030	18,030
Scheduled bank - In current account	22,27,322	23,77,608
Fixed Deposit with Banks	32,50,000	32,50,000
Total (E)	54,95,352	56,45,638
F. Cash and cash equivalents at the end of the year (D+E)	55,45,352	54,95,352
Cash and cash equivalents at the end of the year :		
Cash in hand	18,030	18,030
Scheduled bank - In current account	21,77,322	22,27,322
Fixed Deposit with Banks	33,50,000	32,50,000
Total (G)	55,45,352	54,95,352

For Aneel Lasod And Associates
Chartered Accountants
Firm Reg No: 124609W

For and on behalf of the Board of
Motilal Oswal Commodities Broker Private Limited

Aneel Lasod
Partner
M.No.40117
Place :Mumbai
Date : 25th April 2022

Harsh Joshi
Director
DIN : 02951058

Kishore Narne
Director
DIN : 07974034

STATEMENT OF CHANGES IN EQUITY

Statement of Changes in Equity for the year ended 31 March 2022

Share Capital

Particulars	Equity share capital		Total
	Number of shares	Amount	
As at 1 April 2021	4,10,044	41,00,440	41,00,440
Changes during the year	-	-	-
As at 31 March 2022	4,10,044	41,00,440	41,00,440

Other equity

Particulars	Reserves and Surplus				Total
	Capital Redemption Reserve	General Reserve	Retained earnings	Other comprehensive income	
Opening balance as at 1 April 2021	60,00,000	2,00,000	7,73,45,875	7,86,368	8,43,32,243
Transactions during the year					
Profit for the year	-	-	(94,321)	-	(94,321)
Closing balance as at 31 March 2022	60,00,000	2,00,000	7,72,51,554	7,86,368	8,42,37,922

Nature and Purpose of Reserves

Retained earnings

Retained earnings pertain to the accumulated earnings / losses made by the company over the years.

For Aneel Lasod And Associates
Chartered Accountants
Firm Reg No: 124609W

For and on behalf of the Board of
Motilal Oswal Commodities Broker Private Limited

Aneel Lasod
Partner
M.No.40117
Place :Mumbai
Date : 25th April 2022

Harsh Joshi
Director
DIN : 02951058

Kishore Narne
Director
DIN : 07974034

Notes to Financial Statement

1. Corporate information

The company is a registered commodities broker on Multi Commodity Exchange of India Limited (MCX), National Commodity & Derivatives Exchange Limited (NCDEX) and National Spot Exchange Limited (NSEL) and is primarily engaged in the business of providing commodities markets related transaction services. The company is also engaged in the business of proprietary trading in commodities.

The company has surrendered its license from Multi Commodity Exchange of India Limited (MCX) vide member id 29500 and membership number MCX/TCM/CORP/0725, date of registration 24th February, 2006 and date of submission of surrender of membership application to exchange is 27th April, 2018.

The company has also surrendered its license from National Commodity & Derivatives Exchange Limited (NCDEX) vide member id 00114 and membership number NCDEX/TCM/CORP/0033, date of registration 9th January 2004 and date of submission of surrender of membership application to exchange is 27th April, 2018.

The company has also surrendered its license from National Commodity & Derivatives Exchange Limited (NCDEX SPOT (NeML)) vide member id 10014, date of registration 9th August 2007 and date of submission of surrender of membership application to exchange is 17th April, 2018.

2. Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1. Basis of preparation

(i) Compliance with Ind AS

The standalone financial statements for the year ended March 31 2020 comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities 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

2.2. 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,

Notes to Financial Statement (Contd..)

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 and investments in debt instruments measured at FVOCI, as described in note xx, which results in an accounting loss being recognized in profit or loss when an asset is newly originated.

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 profit or loss.

2.3. 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 (FVPL);
- Fair value through other comprehensive income (FVOCI); or
- Amortised cost.

The classification requirements for debt and equity instruments are described below:

Debt instruments

Debt instruments are those instruments that meet the definition of a financial liability from the issuer's perspective, such as loans, government and corporate bonds and trade receivables.

Classification and subsequent measurement of debt instruments depend on:

- (i) the Company's business model for managing the asset; and
- (ii) the cash flow characteristics of the asset.

Based on these factors, the Company classifies its debt instruments into one of the following three measurement categories:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest ('SPPI'), and that are not designated at FVPL, are

Notes to Financial Statement (Contd..)

subsequently measured at amortized cost using effective interest rate ('EIR') method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

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.

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.

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 other income 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 'other income' in the Statement of Profit and Loss.

(ii) Impairment

The Company assesses on a forward looking basis the expected credit losses (ECL) associated with its debt instruments carried at amortized cost and FVOCI and with the exposure arising from loan commitments and financial guarantee contracts. The Company recognizes a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The measurement of the ECL allowance is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behavior (e.g. the likelihood of customers defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation techniques used in measuring ECL, which also sets out key sensitivities of the ECL to changes in these elements.

Notes to Financial Statement (Contd..)

2.4. Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest method.

(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.

2.5. Revenue Recognition

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 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 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 and is exclusive of goods and service tax and securities transaction tax (STT) wherever applicable.

(ii) Interest income

Interest income is recognized using the effective interest rate.

(iii) Dividend income

Dividend income is recognized in the statement of profit or 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.

Notes to Financial Statement (Contd..)

(iv) Fees and commission income

Fees and commission incomes and expenses that are integral to the effective interest rate on a financial asset or liability are included in the effective interest rate. Fees and commission that are not integral to the effective interest rate are recognized on accrual basis over the life of the instrument.

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 Taxes

Provision for current tax is made on the basis of estimated taxable income of the accounting year in accordance with the Income Tax Act, 1961. In case of matters under appeal due to disallowance or otherwise, full provision is made when the said liabilities are accepted by the Company.

Management periodically evaluates positions taken in tax returns with respect to 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 Taxes

Deferred income 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 standalone financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income 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 income 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. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

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.

Notes to Financial Statement (Contd..)

2.7. Brokerage Sharing with Intermediaries

Brokerage sharing with intermediaries is charged to Statement of Profit and Loss on accrual basis.

2.8. Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are Companyed at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Companys of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.9. 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, and bank overdrafts. Bank overdrafts are shown within borrowings in liabilities in the balance sheet.

2.10. Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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 profit or loss during the reporting period in which they are incurred.

Transition to IndAS

On transition to IndAS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at April 01, 2017 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives & 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.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognized in the statement of profit or loss.

Notes to Financial Statement (Contd..)

2.11. Intangible assets

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 depreciation from the day the asset is put to use.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of intangible assets recognized as at April 01, 2017 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

2.12. Inventories

Commodities are valued at cost or market value, whichever is lower. The comparison of Cost and Market value is done separately for each category of commodity. Cost is considered on weighted average basis.

Financial instruments held as inventory are measured at fair value through profit or loss.

2.13. Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are expensed in the period in which they are incurred.

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.

(ii) Post-employment obligations

Defined contribution plan:

Contribution 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.

Notes to Financial Statement (Contd..)

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.

Compensated absences

As per the policy of Company, an employee can carry forward maximum 10 days of leave to next financial year. No leave is allowed to be encashed. An obligation arises as employees render service that increases their entitlement to future compensated absences. 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 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 share of the Company 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.

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 to equity.

2.16. Contributed Equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

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 profit attributable to owners 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.

Notes to Financial Statement (Contd..)

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. Provisions and Contingent Liabilities:

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 Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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.

2.20. Fiduciary assets

Assets held by the Company in its own name, but on the account of third parties, are not reported in the standalone balance sheet. Commissions received from fiduciary activities are shown in fee and commission income.

2.21. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lacs as per the requirements

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. 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 judgments 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 on-going 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.

Notes to Financial Statement (Contd..)

- (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 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.
- (d) **Stock based compensation –** The Company 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 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 amounts in the future.

Notes to Financial Statement (Contd..)

4 Cash and Cash Equivalents

	As at 31st March 2022	As at 31st March 2021
Cash on hand	18,030	18,030
Balances with banks		
In current accounts	21,77,322	22,27,322
Fixed deposit with bank (maturity within 3 months)	33,50,000	32,50,000
Total	55,45,352	54,95,352

5 Bank Balance Other Than Cash and Cash equivalents

	As at 31st March 2022	As at 31st March 2021
Fixed Deposit with original maturity more than 12 months	-	1,00,000
Accrued interest on fixed deposit (maturity more than 12 months)	4,71,558	4,69,046
Total	4,71,558	5,69,046

6 Receivables

	As at 31st March 2022	As at 31st March 2021
(i) Trade receivables		
Secured, considered good	(0)	(0)
Unsecured, considered good	2,54,55,60,960	2,54,55,60,960
Less : Allowances for impairment losses	(53,12,166)	(53,12,166)
Total	2,54,02,48,794	2,54,02,48,794

7 Loans

	As at 31st March 2022	As at 31st March 2021
(A) Loans - At amortised cost		
Loans to employees	4,16,501	4,16,501
Total (A) Gross	4,16,501	4,16,501
Less : Impairment loss allowance	-	-
Total (A) Net	4,16,501	4,16,501

8 Investments

	As at 31st March 2022	As at 31st March 2021
A) Non Current Investment		
Mutual funds	-	(1)
Total – Gross (A)	-	(1)
TOTAL	-	(1)

Notes to Financial Statement (Contd..)

9 Other Financial Assets

	As at 31st March 2022	As at 31st March 2021
Rent, electricity, and other deposits	69,645	69,645
Deposits with exchange and other receivables	1,87,57,379	1,87,57,379
Interest accrued but not due on fixed deposit and home loan	224	224
Securities in trade	44,116	44,116
Total	1,88,71,364	1,88,71,364

10 Current Tax Assets (Net)

	As at 31st March 2022	As at 31st March 2021
Advance tax and tax deducted at source (net of provisions)	56,42,209	74,16,810
Total	56,42,209	74,16,810

11 Deferred Tax (Net)

	As at 31st March 2022	As at 31st March 2021
Deferred tax assets	28,97,376	28,97,376
Deferred tax liabilities	32,015	-
Net DTA/DTL	28,65,361	28,97,376
Net Deferred Tax Assets	28,65,361	28,97,376

Note 12 : Property Plant and Equipments

Current year

(Amount in Rupees)

Particulars	Gross block				Accumulated depreciation/amortization				Net block	
	Balance as at 01 April 2021	Additions	Disposals	Balance as at 30 Sep 2021	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										
Buildings	73,71,988	-	-	73,71,988	73,67,431	-	-	73,67,431	4,557	4,557
Plant and machinery	2,58,847	-	-	2,58,847	2,39,617	1,613	-	2,41,230	19,230	17,617
Furniture and fixtures	1,14,852	-	-	1,14,852	1,10,825	-	-	1,10,825	4,027	4,027
Vehicles	81,885	-	-	81,885	31,706	8,266	-	39,972	50,179	41,913
Office equipments	3,57,666	-	-	3,57,666	3,35,088	4,376	-	3,39,464	22,578	18,202
Computers	56,82,747	-	-	56,82,747	54,44,561	24,424	-	54,68,985	2,38,186	2,13,762
Total (A)	1,38,67,985	-	-	1,38,67,985	1,35,29,229	38,679	-	1,35,67,908	3,38,756	3,00,076
Intangible assets under development										
Total (B)	-	-	-	-	-	-	-	-	-	-
Intangible assets										
Computer software	49,82,061	-	-	49,82,061	49,80,816	-	-	49,80,816	1,245	1,245
Total (B)	49,82,061	-	-	49,82,061	49,80,816	-	-	49,80,816	1,245	1,245
Total (A) + (B)	1,88,50,046	-	-	1,88,50,046	1,85,10,044	38,679	-	1,85,48,723	3,40,001	3,01,322

Notes to Financial Statement (Contd..)

13 Other Non-Financial Assets

	As at 31st March 2022	As at 31st March 2021
Advances and other non-financial assets	41,38,347	41,38,347
Indirect tax credit receivable	5,98,13,530	6,23,54,451
Capital advances	25,300	25,300
For supply of services	1,95,046	1,95,046
Total	6,41,72,223	6,67,13,144

14 Payables

	As at 31st March 2022	As at 31st March 2021
(i) Trade payables		
total outstanding dues of creditors other than Micro small & medium enterprises	3,03,00,721	3,03,00,721
(ii) Other payables		
total outstanding dues of creditors other than Micro small & medium enterprises	2,45,75,52,461	2,45,75,52,461
Total	2,48,78,53,182	2,48,78,53,182

15 Borrowings (Other than debt securities)

	As at 31st March 2022	As at 31st March 2021
At Amortised cost		
Unsecured- From Subsidiary	-	8,35,432
Total (A)	-	8,35,432
Borrowings in India	-	8,35,432
Total (B)	-	(8,35,432)
Unsecured	-	8,35,432
Total (C)	-	(8,35,432)

16 Other financial liabilities

	As at 31st March 2022	As at 31st March 2021
Interest accrued and due on borrowings	5,662	12,628
Margin money	2,03,701	2,03,701
Other payables (includes payable to vendors)	6,21,58,879	6,22,87,713
Book overdraft	(4,03,366)	29,64,785
Total	6,19,64,877	6,54,68,827

Notes to Financial Statement (Contd..)

17 Provisions

	As at 31st March 2022	As at 31st March 2021
For employee benefits		
Gratuity unfunded	3,64,700	3,64,700
Total	3,64,700	3,64,700

18 Other non financial liabilities

	As at 31st March 2022	As at 31st March 2021
Accrued salaries and benefits	13,562	13,562
Total	13,562	13,562

19 Equity Share Capital March 22

	Number	Amount
Authorised shares		
Equity shares of Re. 1 each		-
Redeemable preference shares of Re. 100 each		-
Total		-
Issued and subscribed		
Equity shares of Re. 1 each		-
Paid-up		
Equity shares of Re. 1 each		41,00,440
Total		41,00,440
Minority Interest on Share Capital - Computed		-
Minority Interest on Share Capital - Adjusted		-
Total Minority Interest on Share Capital		-
Share Capital transferred to Balance Sheet		41,00,440

Equity Share Capital YTD Mar FY21

	Number	Amount
Authorised shares		
Equity shares of Re. 1 each		-
Redeemable preference shares of Re. 100 each		-
Total		-
Issued and subscribed		
Equity shares of Re. 1 each		-
Paid-up		
Equity shares of Re. 1 each		41,00,440
Total		41,00,440
Minority Interest on Share Capital - Computed		-
Minority Interest on Share Capital - Adjusted		-
Total Minority Interest on Share Capital		-
Share Capital transferred to Balance Sheet		41,00,440

Notes to Financial Statement (Contd..)

20 Other Equity

	As at 31st March 2022	As at 31st March 2021
Capital redemption reserve		
Balance at the beginning of the year	60,00,000	60,00,000
Balance as at the end of the year	60,00,000	60,00,000
General reserve		
Balance at the beginning of the year	2,00,000	2,00,000
Balance as at the end of the year	2,00,000	2,00,000
Retained earnings		
Balance at the beginning of the year	7,73,45,875	7,80,55,592
Balance at the beginning of the year - after Minority Interest	7,73,45,875	7,80,55,592
Add: Net profit for the year	(94,321)	(7,09,717)
Balance as at end of the year	7,72,51,554	7,73,45,875
Other comprehensive income		
Balance at the beginning of the year	7,86,368	7,86,368
Balance as at the end of the year	7,86,368	7,86,368
Total	8,42,37,922	8,43,32,243

21 Interest Income

	As at 31st March 2022	As at 31st March 2021
On financial assets measured at amortised cost		
Interest on deposits with banks	45,271	51,993
Total	45,271	51,993

22 Other Operating Income

	As at 31st March 2022	As at 31st March 2021
Other Operating revenue :		
Others	-	(6)
Total	-	(6)

23 Other Income

	As at 31st March 2022	As at 31st March 2021
Interest on Income Tax Refund	2,24,825	-
Total	2,24,825	-

Notes to Financial Statement (Contd..)

24 Finance Cost

	As at 31st March 2022	As at 31st March 2021
On Financial liabilities measured at Amortised Cost		
Interest on borrowings	1,56,496	15,409
Total	1,56,496	15,409

25 Employee benefit expense

	As at 31st March 2022	As at 31st March 2021
Contribution to provident fund and other benefits	2,857	600
Total	2,857	600

26 Depreciation and amortisation expense

	As at 31st March 2022	As at 31st March 2021
Depreciation / amortization of property, plant and equipment and intangible assets	38,679	1,75,496
Total	38,679	1,75,496

27 Other expenses

	As at 31st March 2022	As at 31st March 2021
Rates and taxes	7,575	18,250
Insurance	-	4,877
Legal and professional charges	60,650	(2,02,292)
Remuneration to auditors	(1,00,000)	1,80,000
Marketing and brand promotion expenses	-	12,084
Printing and stationery	2,500	-
Travelling and conveyance expenses	-	(11,096)
Miscellaneous expenses	1,63,645	6,05,142
Total	1,34,370	6,06,965

28 AUDITORS REMUNERATION :

	As at 31st March 2022	As at 31st March 2021
Audit fees	40,000	1,80,000
Tax Audit fees	-	-
In any other capacity, in respect of:		
Other Services	-	-
Total	40,000	1,80,000

Notes to Financial Statement (Contd..)

29 BASIC & DILUTED EARNINGS PER SHARE:

Particulars	31-03-2021	31-03-2021
Net Profit /(Loss) attributable to equity shareholders [A] (Rs.)	(94,321)	(7,09,717)
Number of equity shares issued [B]	4,10,044	4,10,044
Basic & Diluted Earnings/(Loss) per share [A/B] (Rs.)	(0.23)	(1.73)

30 THE FOLLOWING TABLE SET OUT THE GRATUITY PLAN AS REQUIRED UNDER AS 15. RECONCILIATION OF OPENING AND CLOSING BALANCES OF THE PRESENT VALUE OF THE DEFINED BENEFIT OBLIGATION.

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 reconciliation of opening and closing balances of the present value of the defined benefit obligation.

I	Assumptions as at	March 31, 2022	March 31, 2021
	Mortality	IALM (2006-08)	IALM (2006-08)
		Ult.	Ult.
	Interest / Discount Rate	0.00%	0.00%
	Rate of increase in compensation	0.00%	0.00%
	Rate of return (expected) on plan assets		
	Employee Attrition Rate(Past Service (PS))	0.00%	0.00%
	Expected average remaining service	0.00	0.00
II	Changes in present value of obligations (PVO)		
	PVO at beginning of year	-	-
	Interest cost	-	-
	Current Service Cost	-	-
	Transfer out liability	-	-
	Past Service Cost- (non vested benefits)	-	-
	Past Service Cost -(vested benefits)	-	-
	Benefits Paid	-	-
	Actuarial (Gain)/Loss on obligation	-	-
	PVO at end of year	-	-
(III)	Changes in fair value of plan assets		
	Fair Value of Plan Assets at beginning of year	-	-
	Expected Return on Plan Assets	-	-
	Contributions	-	-
	Benefit Paid	-	-
	Actuarial Gain/(Loss) on plan assets	-	-
	Fair Value of Plan Assets at end of year	-	-
(IV)	Fair Value of Plan Assets		
	Fair Value of Plan Assets at beginning of year	-	-
	Actual Return on Plan Assets	-	-
	Contributions	-	-
	Benefit Paid	-	-

Notes to Financial Statement (Contd..)

I	Assumptions as at	March 31, 2022	March 31, 2021
	Fair Value of Plan Assets at end of year	-	-
	Funded Status (including unrecognised past service cost)	-	-
	Excess of actual over estimated return on Plan Assets	-	-
(V)	Experience History		
	(Gain)/Loss on obligation due to change in Assumption		
	Experience (Gain)/ Loss on obligation		
	Actuarial Gain/(Loss) on plan assets	-	-
(VI)	Actuarial Gain/(Loss) Recognized		
	Actuarial Gain/(Loss) for the year (Obligation)	-	-
	Actuarial Gain/(Loss) for the year (Plan Assets)	-	-
	Total Gain/(Loss) for the year	-	-
	Actuarial Gain/(Loss) recognized for the year	-	-
	Unrecognized Actuarial Gain/(Loss) at end of year	-	-
(VII)	Past Service Cost Recognised		
	Past Service Cost- (non vested benefits)	-	-
	Past Service Cost -(vested benefits)	-	-
	Average remaining future service till vesting of the benefit	-	-
	Recognised Past service Cost- non vested benefits	-	-
	Recognised Past service Cost- vested benefits	-	-
	Unrecognised Past Service Cost- non vested benefits	-	-
(VIII)	Amounts to be recognized in the balance sheet and statement of profit and loss		
	PVO at end of period		
	Fair Value of Plan Assets at end of year		
	Funded Status		
	Unrecognized Actuarial Gain/(Loss)		
	Unrecognised Past Service Cost- non vested benefits		
	Net Asset/(Liability) recognized in the balance sheet		
(IX)	Expense recognized in the statement of profit and loss		
	Current Service Cost	-	-
	Interest cost	-	-
	Past Service Cost- (non vested benefits)	-	-
	past Service Cost - (vested benefits)	-	-
	Unrecognised Past Service Cost- non vested benefits	-	-
	Expected Return on Plan Assets	-	-
	Net Actuarial (Gain)/Loss recognized for the year	-	-
	Expense recognized in the statement of profit and loss	-	-
(X)	Movements in the Liability recognized in Balance Sheet		
	Opening Net Liability	-	-
	Expenses as above	-	-
	Contribution paid	-	-
	Closing Net Liability	-	-

Notes to Financial Statement (Contd..)

I	Assumptions as at	March 31, 2022	March 31, 2021
(XI)	Revised schedule VI		
	Current liability	-	-
	Non-current liability	-	-

(XII) Sensitivity analysis

	DR: Discount Rate		ER: Salary Escalation Rate	
	PVO DR +1%	PVO DR -1%	PVO ER +1%	PVO ER -1%
PVO	-	-	-	-

(XIII) Expected Payouts

Year	Expected Outgo First	Expected Outgo Second	Expected Outgo Third	Expected Outgo Fourth	Expected Outgo Fifth	Expected Outgo Six to Ten years
Payouts	-	-	-	-	-	-

(XIV) Asset Liability Comparison

Year	31-03-2018	31-03-2019	31-03-2020	31-03-2021	31-03-2022
PVO at the end of the year	24,45,852	3,64,700	-	-	-
Plan Assets					
Surplus/(Deficit)	(24,45,852)	(3,64,700)	-	-	-
Experience adjustments on plan assets					

31 SEGMENT REPORTING:

As per IND AS 108 para 4, Segment has been disclosed in Consolidated financial statement, Hence no separate disclosure has been given in standalone financial statements of the Company.

32 PROVISIONS MADE FOR THE YEAR ENDED 31.03.2022 COMPRISES OF:

Particulars	Opening balance	Provided during the year ended 31.03.22	Provision Paid / reversed during the year ended 31.03.21	Closing balance as of 31.03.22
Ex-gratia	-	-	-	-
Gratuity	3,64,700	-	-	3,64,700

Particulars	Opening balance	Provided during the year ended 31.03.21	Provision Paid / reversed during the year ended 31.03.21	Closing balance as of 31.03.21
Ex-gratia	-	-	-	-
Gratuity	3,64,700	-	-	3,64,700

Notes to Financial Statement (Contd..)

33 Contingent liabilities & Capital Commitments:

Contingent liabilities:

a) Claims against the company in respect of Legal matters filed against the Company

Pending against Forum	As at 31st March 2022		As at 31st March 2021	
	No. of Cases	Amount	No. of Cases	Amount
Arbitration Cases	-	-	-	-

- b) Demand in respect of Income Tax matters for which appeal is pending is Rs 8,54,34,376 (Previous Year Rs. 10,08,55,800/-). This is disputed by the company and hence not provided for. The company has paid demand by way of deposit of Rs.15,00,000 by way of regular assessment till date. Above liability does not include interest u/s 234 B and 234 C as the same depends on the outcome of the demand.

Capital Commitments:

Estimated amount of contracts remaining to be executed on Capital Account and not provided for (Net of advances) is Rs.Nil (Previous Year : Rs.Nil)

- 34 Trade receivables in case of the company includes Rs. 24,994 Lakhs (Previous year Rs. 24,994 Lakhs) receivable from National Spot Exchange Limited on behalf of customers and the same is also shown as Other Trade payable to customers at Rs. 24,575 Lakhs (Previous year Rs.24,575 Lakhs) which will become due only on receipt from National Spot Exchange Limited.

35 Corporate Social Responsibility

Recognizing the responsibilities towards society, as a part of on-going activities, the company has contributed towards various Corporate Social Responsibility initiatives like supporting underprivileged in education, medical treatments, etc and various other charitable and noble aids.

a) Gross amount required to be spent by the company during the year is Rs. Nil (Previous year : Rs. Nil)

Note: The Company does not satisfy the criteria mentioned in Section 135 of The Companies Act, 2013 owing to previous year losses therefore, CSR Provisions are not applicable.

Note 36 : Related party Disclosure

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:

I) List of related parties and their relationships

Holding Company:

Motilal Oswal Financial Services Limited

Notes to Financial Statement (Contd..)

Fellow subsidiaries:

- 1) Motilal Oswal Investment Advisors Limited (formerly known as Motilal Oswal Investment Advisors Private Limited)
- 2) Motilal Oswal Finvest Limited (formerly known as Motilal Oswal Capital Markets Limited)
- 3) Motilal Oswal Wealth Management Limited
- 4) MO Alternate investment Advisors Private Limited (formerly known as Motilal Oswal Fincap Private Limited)
- 5) Motilal Oswal Asset Management Company Limited
- 6) Motilal Oswal Asset Management (Mauritius) Private Limited
- 7) Motilal Oswal Trustee Company Limited
- 8) Motilal Oswal Capital Market (Hongkong) Private Limited
- 9) Motilal Oswal Capital Markets (Singapore) Pte. Limited
- 10) Motilal Oswal Securities International Private Limited
- 11) Motilal Oswal Home Finance Limited (Formerly known as Aspire Home Finance Corporation Limited)
- 12) India Business Excellence Management Company
- 13) Motilal Oswal Capital Limited
- 14) Motilal Oswal Finsec IFSC Limited
- 15) Glide Tech Investment Advisory Private Limited
- 16) TM Investment Technologies Private Limited

Key management personnel

- Mr Kishore Narne - Director
- Mr Anupam Agal - Director
- Mr Harsh Joshi - Director

Relatives of Key management personnel

1) Mrs Rajya Lakshmi Narne	- Spouse of the director
2) Mrs Poonam Agal	- Spouse of the director
3) Mrs Smita Parekh	- Spouse of the director
4) Mr Prasad Rao Narne	- Father of the director
5) Mr Shivraj Agal	- Father of the director
6) Mr Kanhaiyalal Joshi	- Father of the director
7) Mrs Anjani Devi	- Mother of the director
8) Mrs Late Kamla Agal	- Mother of the director
9) Mrs Kumud Joshi	- Mother of the director
10) Mstr Aakash Narne	- Son of the director
11) Mstr Jeet Agal	- Son of the director
12) Miss Aakanksha Narne	- Daughter of the director
13) Miss Kamya Agal	- Daughter of the director
14) Miss Tashvi Joshi	- Daughter of the director
15) Manju Deopura, Alka Mundra, Minu Chaparwal, Honey Malani	- Sister of the director
16) Mrs Hinoti Joshi	- Sister of the director

Notes to Financial Statement (Contd..)

(ii) The transactions were entered into with the above related parties during the year in the ordinary course of business have been provided in the Annexure.

Transaction	Name of the related Party	Holding Company (A)		Fellow Subsidiaries (B)		Total (A+B)	
		2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Interest Expense	Motilal Oswal Finvest Limited	-	-	1,56,496	15,409	1,56,496	15,409
Loan Taken	Motilal Oswal Finvest Limited	-	-	-	8,35,432	-	8,35,432
Loan Repaid	Motilal Oswal Finvest Limited	-	-	-	-	-	-
Loans (Maximum balance)	Motilal Oswal Finvest Limited	-	-	21,35,805	8,35,432	21,35,805	8,35,432
Outstanding Balances: -							
Unsecured Loan (Including Interest)	Motilal Oswal Finvest Limited	-	-	-	8,48,060	-	8,48,060
Other Receivables	Motilal Oswal Financial Services Limited	-	-	-	-	-	-

Note: 'Income/liabilities figures are shown in brackets.

Note 37 : Tax disclosures

		Year ended 31 March 2022	Year ended 31 March 2021
1	Tax expense		
	Current tax expense		
	Current tax for the year	-	-
	Tax adjustment in respect of earlier years	-	(56,440)
	Total current tax expense	-	(56,440)
	Deferred taxes		
	Change in deferred tax	32,015	19,674
	Net deferred tax expense	32,015	19,674
		32,015	(36,766)
2	Deferred tax assets on account of:		
	Provision for gratuity	91,788	91,788
	Timing difference on property, plant and equipments as per books and as per Income Tax Act, 1961	30,336	62,350
	Provision for VAT	13,36,966	13,36,966
	Loss on sale of Office premises	14,06,272	14,06,272
	Total deferred tax assets (A)	28,65,362	28,97,376
	Net deferred tax assets	28,65,362	28,97,376

Note :

Since it is not probable that sufficient tax profits would be available for set off of current tax losses, deferred tax assets have been created to the extent of deferred tax liabilities.

Notes to Financial Statement (Contd..)

3 Deferred tax related to the following:

(Amount in rupees)

Particulars	As at 31 March 2022	Recognised through profit and loss	As at 31 March 2021	Recognised through profit and loss	As at 31 March 2020
Deferred tax assets on account of:					
Provision for gratuity	91,788	-	91,788	-	91,788
Timing difference on property, plant and equipments as per books and as per Income Tax Act, 1961	30,336	(32,015)	62,350	(19,674)	82,024
Provision for VAT	13,36,966	-	13,36,966	-	13,36,966
Loss on sale of Office premises	14,06,272	-	14,06,272	-	14,06,272
Total deferred tax assets					
Total deferred tax Assets/liability (net)	28,65,362	(32,015)	28,97,376	(19,674)	29,17,050

Note 38 : 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.

Assets	31 March 22			31 March 21		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial assets						
Cash and cash equivalents	55,45,352	-	55,45,352	54,95,352	-	54,95,352
Bank balance other than cash and cash equivalents above	4,71,558	-	4,71,558	5,69,046	-	5,69,046
Trade receivables	2,54,02,48,794	-	2,54,02,48,794	2,54,02,48,794	-	2,54,02,48,794
Other financial assets	-	1,88,71,364	1,88,71,364	-	1,88,71,364	1,88,71,364
Non-Financial assets						
Property, plant and equipment	-	3,00,077	3,00,077	-	3,38,755	3,38,755
Intangible assets	-	1,245	1,245	-	1,245	1,245
Current tax assets	56,42,209	-	56,42,209	74,16,810	-	74,16,810
Deferred tax assets	28,65,361	-	28,65,361	28,97,376	-	28,97,376
Other non-financial assets	1,95,046	6,39,77,177	6,41,72,223	1,95,046	6,65,18,098	6,67,13,144
Total Assets	2,55,49,68,319	8,31,49,863	2,63,81,18,181	2,55,72,38,924	8,57,29,463	2,64,29,68,387
Liabilities						
Financial Liabilities						
Trade payables	2,48,78,53,182	-	2,48,78,53,182	2,48,78,53,182	-	2,48,78,53,182
Borrowings (Other than Debt securities)	-	-	-	8,35,432	-	8,35,432
Other financial liabilities	6,19,64,877	-	6,19,64,877	6,54,67,844	-	6,54,67,844
Non Financial Liabilities						
Current tax liabilities (net)						
Provisions	3,64,700	-	3,64,700	3,65,683	-	3,65,683
Other non financial liabilities	13,562	-	13,562	13,562	-	13,562
Total Liabilities	2,55,01,96,321	-	2,55,01,96,321	2,55,45,35,703	-	2,55,45,35,703

Notes to Financial Statement (Contd..)

Note 39 : Fair value measurement

Financial instruments by category:

Particulars	31 March 2022		31 March 2021	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
Cash and cash equivalents		55,45,352		54,95,352
Bank balance other than cash and cash equivalents above		4,71,558		5,69,046
Trade receivables		2,54,02,48,794		2,54,02,48,794
Loans		4,16,501		4,16,501
Other financial assets		1,88,71,364		1,88,71,364
Total Financial Assets	-	2,56,55,53,568	-	2,56,56,01,056
Financial Liabilities				
Trade payables		2,48,78,53,182		2,48,78,53,182
Borrowings (Other than Debt securities)		-		8,35,432
Other financial liabilities		6,19,64,877		6,54,67,844
		2,54,98,18,059	-	2,55,41,56,458

I. Fair value hierarchy

The fair values of the financial assets and liabilities are included at the amount 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. This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the Indian Accounting standard. An explanation of each level follows underneath the table.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. For example, listed equity instruments that have quoted market price.

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 asset included in level 3.

II. Valuation techniques used to determine fair value

Significant valuation techniques used to value financial instruments include:

- the fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.

Notes to Financial Statement (Contd..)

The fair values for investment in mutual fund are based on the quoted market prices.

The carrying amounts of Cash and cash equivalent, trade receivables, current loans, trade payables, other current financial liabilities are considered to be approximately equal to the fair value.

Mutual fund investment have been categorised into level 2 of fair value hierarchy.

III. Fair value of financial instrument measured at amortised cost

Fair value of Financial asset and liabilities are equal to their carrying amount.

Note:

During the periods mentioned above, there have been no transfers amongst the levels of hierarchy.

- 40** There is no amount outstanding for more than thirty days to any Small Scale Industrial Undertaking as at the Balance Sheet date. There are no Micro, Small and Medium Enterprises to whom the company owes dues, which are outstanding for more than forty five days as at the Balance Sheet date. The Micro, Small and Medium Enterprises have been identified on the basis of the information provided by the vendors to the company.
- 41** Previous year figures have been regrouped/rearranged where necessary to confirm to year's classification.
- 42** Additional regulatory information required under (WB) (xvi) of Division III of Schedule III amendment, disclosure of ratios, is not applicable to the Company as it is not an NBFC registered under Section 45-IA of Reserve Bank of India Act, 1934

For Aneel Lasod And Associates
Chartered Accountants
Firm Reg No: 124609W

For and on behalf of the Board of
Motilal Oswal Commodities Broker Private Limited

Aneel Lasod
Partner
M.No.40117
Place :Mumbai
Date : 25th April 2022

Harsh Joshi
Director
DIN : 02951058

Kishore Narne
Director
DIN : 07974034

MO Alternate Investment Advisors Private Limited

FINANCIAL STATEMENT

INDEPENDENT AUDITOR'S REPORT (Contd..)

To
The Members of MO Alternate Investment Advisors Private Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

1. Opinion

We have audited the accompanying Financial Statements of MO Alternate Investment Advisors Private 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 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 changes in equity for the year ended on that date.

2. Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 ("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 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 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 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	Our audit procedures included the following: • Read the scheme of arrangement • We evaluated the appropriateness of 'Pooling of interest' method of accounting adopted by the management to account for the business combination.

INDEPENDENT AUDITOR'S REPORT (Contd..)

Sr. No.	Key audit matters	How our audit addressed the key audit matter
1.	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 transferee Company 1 and its subsidiary Company / resulting Company, significant management judgment involved with respect to alignment of accounting policies, estimates and accounting for recognition of transactions.	• We 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. • and focused on accounting for non-routine transaction, estimates and judgements in respect of the recognition and measurement of the transactions. • We have verified that the reserves of the transferor Companies are getting merged into the respective reserves of the transferee Company. • We inspected the disclosures in respect of this transaction of business combination including those disclosures related to significant accounting judgements and estimates.

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 Directors Report, but does not include the Financial Statements and our auditor's report thereon. These reports are expected to be made available to us after the date of our auditor's report.

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.

INDEPENDENT AUDITOR'S REPORT (Contd..)

5. Management's Responsibility for the 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 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. 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 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 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 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

INDEPENDENT AUDITOR'S REPORT (Contd..)

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 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 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 Matter

- i) The comparative 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 statement on April 22, 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.49 of the financial statement, figures for the year ended March 31, 2021 as shown in the financial statement 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, transferee and resulting company, which were audited by respective auditors of that period. Hence, these merged figures are neither audited nor reviewed by us. The Company has given effect to the scheme of arrangement with effect from the appointed date April 01, 2020. Accordingly, we, do not express any opinion, as the case may be, on the figures reported in the financial statement for the quarter/year ended March 31, 2021

Our opinion is not modified in respect of this matter.

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:

INDEPENDENT AUDITOR'S REPORT (Contd..)

- 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 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 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 does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
 - 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.

INDEPENDENT AUDITOR'S REPORT (Contd..)

- (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 final dividend proposed in the previous year, declared and paid during the year by the Company is in accordance with Section 123 of the Act.

For Singhi & Co.

Chartered Accountants

Firm Registration No. 302049E

S. Chandrasekhar

Partner

Membership No. 007592

UDIN: 22007592AHYLZL3591

Place: Mumbai

Date: April 27, 2022

INDEPENDENT AUDITOR'S REPORT (Contd..)

Annexure A to the Independent Auditors' Report of even date on the financial statements of MO Alternate Investment Advisors Private 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) The Company does not hold any immovable property (in the nature of 'property, plant and equipment'). Accordingly, the provisions of clause 3(i) (c) of the Order are not applicable.
- 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, explanations and representations 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) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, during the year the Company has provided loans to companies, firms, Limited Liability Partnerships or any other parties as follows:

Particulars	Amount (Rs. In lakhs)
Balance outstanding as at balance sheet date in respect of below cases	
Motilal Oswal Financial Services Limited	Nil
Loan to Employees	299
Interest accrued from related party	15
Total outstanding	314

INDEPENDENT AUDITOR'S REPORT (Contd..)

- b) In our opinion, the terms and conditions of the grant of all loans and advances in the nature of loans are not prima facie prejudicial to the Company's interest. Further, according to the information and explanations provided to us, the Company has not provided any guarantees during the year.
- c) In respect of the loans given and advances in the nature of loans, the Company has granted loans which are repayable on demand. However, the Company has not granted advances in the nature of loans during the year to companies, firms, Limited Liability Partnerships or any other parties where the schedule of repayment of principal and payment of interest has been stipulated. Accordingly, the requirement to report on this is not applicable to the Company.
- 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 as on March 31, 2022
- e) Basis the information and explanations provided to us, no loan which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- f) Basis the information and explanations provided to us, the company has granted loans to holding company Motilal Oswal Financial Services Limited which are repayable on demand. Details of the same are mentioned below:

Particulars	Amount (Rs. In lakhs)
Loan given during the year	8400
Loan payment received during the year	8400
Balance outstanding as at balance sheet date as on 31.03.2022	Nil

- (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.
- (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.

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.

INDEPENDENT AUDITOR'S REPORT (Contd..)

- b) 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 dues	Amount involved* (Rs. In lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	2.42	FY 2011-12	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	1.73	FY 2012-13	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	8.59	FY 2014-15	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	17.16	FY 2015-16	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	19.05	FY 2016-17	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	14.94	FY 2017-18	Commissioner of Income Tax (Appeals)

- (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 on the basis of overall examination of the financial statements of the Company, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies
- (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.

INDEPENDENT AUDITOR'S REPORT (Contd..)

- (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, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable, for all the transactions with related parties and the details of related party transaction 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 issue, objection or concern was raised by the outgoing auditor.
- (xix) According to the information, explanations and representations given to us and on the basis of the financial ratios, 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

INDEPENDENT AUDITOR'S REPORT (Contd..)

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) According to the information and explanations given to us and based on our examination, the Company does not prepare consolidated financial statements. Accordingly, clause 3(xxi) of the Order is not applicable.

For Singhi & Co.

Chartered Accountants

Firm Registration No. 302049E

S. Chandrasekhar

Partner

Membership No. 007592

UDIN: 22007592AHYLZL3591

Place: Mumbai

Date: April 27, 2022

INDEPENDENT AUDITOR'S REPORT (Contd..)

Annexure B to the Independent Auditors' Report of even date on the financial statements of MO Alternate Investment Advisors Private 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 MO Alternate Investment Advisors Private 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:

INDEPENDENT AUDITOR'S REPORT (Contd..)

- (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

S. Chandrasekhar

Partner

Membership No. 007592

UDIN: 22007592AHYLZL3591

Place: Mumbai

Date: April 27, 2022

BALANCE SHEET

BALANCE SHEET AS AT 31ST MARCH, 2022

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Note No.	As At 31 March 2022	As At 31 March 2021
I. ASSETS			
1. Financial assets			
(a) Cash and cash equivalents	4	1,894	2,188
(b) Receivables			
(i) Trade receivables	5	3,928	278
(c) Loans	6	314	298
(d) Investments	7	236	632
(e) Other financial assets	8	43	20
Sub - total financial assets (A)		6,415	3,416
2. Non - financial assets			
(a) Current tax asset (net)	9	2,593	674
(b) Property, plant and equipment	10	108	117
(c) Other intangible assets	10(B)	0	0
(d) Other non - financial assets	11	10,121	5,274
Sub - total non - financial assets (B)		12,822	6,065
Total Assets (A+B)		19,237	9,481
II. LIABILITIES AND EQUITY			
Liabilities			
A. Financial Liabilities			
(a) Payables			
(i) Trade payables	12	-	-
(ii) total outstanding dues of micro enterprise and small enterprise			
(ii) total outstanding dues of creditors other than micro enterprise and small enterprise		2,752	95
(b) Borrowings (Other than debt securities)	13	1	1
(c) Other financial liabilities	14	634	639
Sub - total financial liabilities (A)		3,387	735
B. Non - financial Liabilities			
(a) Deferred tax liabilities (net)	15	2,173	1,299
(b) Provisions	16	2,521	2,003
(c) Other non - financial liabilities	17	3,255	1,030
Sub - total non - financial liabilities (B)		7,949	4,332
C. Equity			
(a) Equity share capital	18	300	300
(b) Other equity	19	7,601	4,114
Sub - total equity (C)		7,901	4,414
Total Liabilities and Equity (A+B+C)		19,237	9,481

The accompanying notes 1 to 53 form an integral part of the financial statements.
This is the Balance Sheet referred to in our report of even date

For Singhi & co

Chartered Accountants
Firm Registration No : 302049E
UDIN : 22007592AHYLZL3591

S. Chandrasekhar

Partner
Membership No : 007592

Place : Mumbai
Date : 27 April 2022

For and on behalf of the Board of Directors

For MO Alternate Investment Advisors Private Limited
(Formerly known as Motilal Oswal Fincap Private Limited)

Vishal Tulsyan

Managing Director and
Chief Executive Officer
DIN : 00139754

Place : Mumbai
Date : 27 April 2022

Motilal Oswal

Director

DIN : 00024503

STATEMENT OF PROFIT AND LOSS

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Note No.	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue from operations			
(i) Fees and commission income	20	14,300	8,894
(ii) Training Fees Income	21	91	85
(iii) Dividend income	22	7,016	207
(iv) Net gain on fair value change	23	7	24
Total revenue from operations		21,414	9,210
Other income	24	383	45
Total Income (1 + 2)		21,797	9,255
Expenses			
(i) Finance cost	25	5	41
(ii) Fees and commission expense	26	3,048	1,420
(iii) Employee benefits expense	27	5,959	3,339
(iv) Depreciation and amortisation expense	9	25	29
(v) Other expenses	28	1,297	1,141
Total expenses		10,334	5,970
Profit before tax (3-4)		11,463	3,284
Tax expense/(credit):	29		
(i) Current tax		125	1,087
(ii) Deferred tax expense/(credit)		749	(187)
(iii) Short/(excess) provision for earlier years		-	(29)
Total tax expenses		874	871
Profit after tax (5 - 6)		10,589	2,413
Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
(a) Actuarial gain/(loss) on post retirement benefit plans		19	10
(b) Deferred tax impact on the above		(1)	(0)
Other comprehensive income/(loss)		18	10
Total comprehensive income for the year (7 + 8)		10,607	2,423
Earnings per share (Rs. 10 each)			
Basic & Diluted (Refer Note 37)		33.85	7.71

The accompanying notes 1 to 53 form an integral part of the financial statements.

This is the Balance Sheet referred to in our report of even date

For Singhi & co

Chartered Accountants
Firm Registration No : 302049E
UDIN : 22007592AHYLZL3591

S. Chandrasekhar

Partner
Membership No : 007592

Place : Mumbai
Date : 27 April 2022

For and on behalf of the Board of Directors

For MO Alternate Investment Advisors Private Limited
(Formerly known as Motilal Oswal Fincap Private Limited)

Vishal Tulsyan

Managing Director and
Chief Executive Officer
DIN : 00139754

Place : Mumbai
Date : 27 April 2022

Motilal Oswal

Director
DIN : 00024503

STATEMENT OF CASH FLOW

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH,2022

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	31-Mar-22 INR	31-Mar-21 INR
A. Cash flow from Operating Activities :		
Profit before taxation	11,463	3,284
Adjustments for :		
Depreciation, amortisation and impairment	25	29
Dividend income	(7,016)	(207)
Profit on sale of investment	(7)	(24)
Gratuity	41	37
	(6,957)	(165)
Operating profit before Working Capital changes	4,506	3,119
Adjustments for Working Capital changes		
(Increase)/decrease in trade receivables	(3,665)	156
(Increase)/decrease in other financial assets	(23)	(3)
(Increase)/decrease in other non financial asset	(4,847)	639
(Increase) / Decrease in loans	(1)	(168)
Increase / (Decrease) in Trade Payables	2,657	(81)
Increase/ (Decrease) in other financial liabilities	(5)	(3,004)
Increase / (Decrease) in other non financial liabilities	2,224	851
Increase / (Decrease) in Provisions	505	(67)
Net change in working capital	(3,153)	(1,678)
Cash generated from / (used in) Operations	1,353	1,441
Direct taxes paid net (including MAT credit utilised)	(1,920)	(664)
Net cash generated from /(used in) operating activities (A)	(567)	777
B. Cash flow from Investing Activities :		
Sale of investments	29,449	6,890
Purchase of Investment	(29,160)	(7,436)
Purchase of fixed assets	(16)	(30)
Dividend income	7,016	207
Net Cash generated from /(used in) Investing Activities (B)	7,289	(369)
C. Cash flow from financing activities		
Proceeds from borrowings other than debt securities	2,256	5,439
Repayment of Borrowings other than debt securities	(2,256)	(5,438)
Dividend paid (including dividend distribution tax)	(7,016)	(108)
Net cash from /(used in) financing activities (C)	(7,016)	(107)
D. Net increase/ (decrease) in cash and cash equivalents (A + B + C)	(294)	301
E. Cash and cash equivalents at the beginning of the year		
Cash in hand	10	13
Scheduled bank - In current account	2,178	1,874
Total (E)	2,188	1,887

STATEMENT OF CASH FLOW

Particulars	31-Mar-22 INR	31-Mar-21 INR
F. Cash and cash equivalents at the end of the year (D+E)	1,894	2,188
Cash and cash equivalents at the end of the year :		
Cash in hand	13	10
Scheduled bank - In current account	1,881	2,178
Total (G)	1,894	2,188

Changes in liabilities arising from financing activities

Particulars	31-Mar-22	31-Mar-21
Opening balance of debt securities, borrowings (other than debt securities) and subordinated liabilities	1	-
Proceeds from borrowings (other than debt securities)	2,256	5,439
Proceeds from issuance of debt securities		-
Repayment of borrowings	(2,256)	(5,438)
Repayment of debt securities		
Closing balance of debt securities, borrowings (other than debt securities) and subordinated liabilities	1	1

Notes :

- (i) The above Statement of Cash Flows has been prepared under indirect method as set out in Ind AS 7, 'Statement of Cash Flows', as specified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standard) 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 : 302049E
UDIN : 22007592AHYLZL3591

S. Chandrasekhar
Partner
Membership No : 007592

Place : Mumbai
Date : 27 April 2022

For and on behalf of the Board of Directors
For MO Alternate Investment Advisors Private Limited
(Formerly known as Motilal Oswal Fincap Private Limited)

Vishal Tulsyan
Managing Director and
Chief Executive Officer
DIN : 00139754

Place : Mumbai
Date : 27 April 2022

Motilal Oswal
Director
DIN : 00024503

STATEMENT OF CHANGES IN EQUITY

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2022

(All amounts are in INR Lakhs, unless otherwise stated)

A) Equity share capital

Particulars	Equity share capital	
	Number of shares	Amount
As at 1st April 2020	30,00,000	300
Add/Less: Changes due to prior period errors	-	-
Restated as at 01 April 2020	30,00,000	300
Changes during the year	-	-
As at 31 March 2021	30,00,000	300
Add/Less: Changes due to prior period errors	-	-
Restated as at 01 April 2021	30,00,000	300
Changes during the year	-	-
As at 31 March 2022	30,00,000	300

B) Other equity

Particulars	Reserves and Surplus				Other comprehensive income	Total
	Capital redemption reserve	Other reserve-Preference share equity component	Surplus/(deficit) in the Statement of Profit and Loss	Deemed Equity Contribution	Actuarial gain/(losses) on post retirement benefit plans	
Balance as at 01 April 2020	-	-	(119)	-	2	(117)
Add/Less: On account of merger	495	97	1,352	-	(30)	1,914
Add/Less: Changes due to prior period errors	-	-	-	-	-	-
Restated balance as at 01 April 2020	495	97	1,233	-	(28)	1,797
Transfer during the year	-	-	4	13	-	17
Profit during the year	-	-	2,412	-	-	2,412
Actuarial gain/(loss) during the year (net of tax)	-	-	-	-	9	9
Deemed equity contribution	-	-	(13)	-	-	(13)
Dividend paid during the year	-	-	(108)	-	-	(108)
Balance as at 31 March 2021	495	97	3,528	13	(19)	4,114
Add/Less: Changes due to prior period errors	-	-	-	-	-	-
Restated balance as at 01 April 2021	495	97	3,528	13	(19)	4,114
Transfer during the year	-	-	-	-	-	-
Profit during the year	-	-	10,589	-	-	10,589
Actuarial gain/(loss) during the year (net of tax)	-	-	-	-	18	18
Dividend paid during the year	-	-	(7,016)	-	-	(7,016)
Impact of scheme of merger	-	-	(104)	-	-	(104)
Balance as at 31 March 2022	495	97	6,997	13	(1)	7,601

The accompanying notes 1 to 53 form an integral part of the financial statements.

This is the Statement of Changes in Equity Capital referred to in our report of even date

For Singhi & co

Chartered Accountants
Firm Registration No : 302049E
UDIN : 22007592AHYLZL3591

S. Chandrasekhar

Partner
Membership No : 007592

Place : Mumbai
Date : 27 April 2022

For and on behalf of the Board of Directors

For MO Alternate Investment Advisors Private Limited
(Formerly known as Motilal Oswal Fincap Private Limited)

Vishal Tulsyan

Managing Director and
Chief Executive Officer
DIN : 00139754

Place : Mumbai
Date : 27 April 2022

Motilal Oswal

Director

DIN : 00024503

Notes to Financial Statement (Contd..)

1A. Corporate information

MO Alternate Investment Advisors Private Limited ('the Company') is an Investment Manager managing various funds including Business Excellence Funds, Realty Excellence Fund, etc. The Company is also engaged in providing financial, investment advisory services, management & facilitation services and identifying investment opportunities etc.

The Company is in process of applying for change in name of license of Portfolio Management Service to SEBI on account of below scheme of arrangement and the same is under process. However, as per the scheme of arrangement the company is allowed to do business till the approval of transfer is received from SEBI. Registered Office: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400 025.

1B. Scheme of arrangement

The standalone financial statements of the Company for the year ended 31 March 2021 were earlier approved by the Board of Directors at its meeting held on 22 April 2021 and reported upon by the statutory auditors vide their report dated 22 April 2021. The said standalone financial statement did not include the effect of the sanctioning the Scheme of Arrangement. The Board of Directors of the Company at its Meeting held on December 24, 2020 has approved the Scheme of Arrangement between Passionate Investment Management Private Limited ("the Transferor Company 1" or "PIMPL") and MOPE Investment Advisors Private Limited ("the Transferee Company 2" or "the Demerged Company 1" or "the Transferor Company 3" or "MOPE") and Motilal Oswal Real Estate Investment Advisors Private Limited ("the Transferor Company 2" or "MORE") and Motilal Oswal Real Estate Investment Advisors II Private Limited ("the Demerged Company 2" or "the Transferor Company 4" or "MORE II") and MO Alternate Investment Advisors Private Limited ("the Resulting Company" or "MO Alternate") and Motilal Oswal Financial Services Limited ("the Transferee Company 1" or "the Holding Company of the Resulting Company" or "MOFSL" or "the Company") and their respective Shareholders ('the Scheme'), under Sections 230-232 of the Companies Act, 2013. The Scheme was then approved by the Honourable National Company Law Tribunal, Mumbai Bench ('NCLT') vide its order dated 11 March 2022 and filed with Registrar of Companies on 30 March 2022, with effect from appointed date, 1 April 2020 for the merger. As a result, figures for March 31, 2021 financial statements have been revised by the Company so as to give effect to the said scheme of merger.

1. AMALGAMATION AND VESTING OF ASSETS AND LIABILITIES AND ENTIRE BUSINESS OF THE TRANSFEROR COMPANY 1

Notwithstanding anything to the contrary contained in any other clause in the Scheme, 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:

- 1.1 The Transferee Company 2 shall record the assets and liabilities of the Transferor Company 1, 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(iii) of Appendix C of Ind AS 103.
- 1.2 The Transferee Company 2 shall preserve the identity of the reserves of the Transferor Company 2 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 2 and it shall be aggregated with the corresponding balance appearing in the financial statements of the Transferee Company 2.
- 1.3 The shares held by the Transferee Company 2 in the Transferor Company 2 on the Effective Date shall be cancelled.

Notes to Financial Statement (Contd..)

- 1.4 Loans and advances, receivables, payables and other dues outstanding between the Transferor Company 2 and the Transferee Company 2 will stand cancelled and there shall be no further obligation / outstanding in that behalf.
- 1.5 The difference between the net assets transferred to the Transferee Company 2 pursuant to Clause 22.1 as reduced by Reserves recorded in the Transferee Company 2 pursuant to Clause 22.2 and after giving effect Clause 22.3 and 22.4, the difference shall be adjusted against Capital Reserve of the Transferee Company 2.
- 1.6 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 till the Appointed Date will be quantified and adjusted as per Ind AS, to ensure that the financial statements of Transferee Company 2 reflects the financial position on the basis of consistent accounting policy.
- 1.7 The Transferor Company 2 is a wholly owned subsidiary of the Transferee Company 2 and therefore on amalgamation of the Transferor Company 2 into the Transferee Company 2 there shall be no issue of shares by the Transferee Company 2 in this regard as consideration.
- 1.8 Upon Part C of the Scheme coming into effect, all equity shares of the Transferor Company 2 held by the Transferee Company 2 (held either directly or through its nominees) shall stand cancelled without any further application, act or deed.

2. DEMERGER OF THE FUND MANAGEMENT UNDERTAKING 1 FROM THE DEMERGED COMPANY 1 INTO RESULTING COMPANY

- 2.1 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 applicable 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

- 2.1.1 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.
- 2.1.2 Loans and advances, receivables, payables and other dues outstanding between the Demerged Company 1 and the Resulting Company relating to the Fund Management Undertaking 1 will stand cancelled and there shall be no further obligation / outstanding in that behalf.
- 2.1.3 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").
- 2.1.4 The difference, being the excess of carrying value of assets over the carrying value of liabilities transferred pursuant to Clause 1.1.1 and after giving effect to clause 1.1.2 and clause 1.1.3 above shall be adjusted to the other equity of the Demerged Company 1.
- 2.2 The Resulting Company 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 applicable 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:

Notes to Financial Statement (Contd..)

Accounting treatment in the books of the Resulting Company

- 2.2.1 The Resulting Company shall record the assets and liabilities pertaining to the Fund Management Undertaking 1, transferred to and vested in it at their respective carrying values as appearing in the books of the Demerged Company 1.
- 2.2.2 Loans and advances, receivables, payables and other dues outstanding between the Demerged Company 1 and the Resulting Company relating to the Fund Management Undertaking 1 will stand cancelled and there shall be no further obligation / outstanding in that behalf.
- 2.2.3 The identity of the reserves transferred by the Demerged Company 1 pertaining to the Fund Management Undertaking 1 pursuant to clause 1.1.3 of the Scheme, shall be preserved and vested in it and shall appear in the financial statements of the Resulting Company in the same form and manner, in which they appeared in the financial statements of the Demerged Company 1, prior to Scheme becoming effective.
- 2.2.4 The difference, being the Net Assets transferred from the Demerged Company 1 pursuant to Clause 1.2.1 above after giving effect to Clause 1.2.2 and 1.2.3, shall be adjusted to Capital Reserve of the Resulting Company.

For the purpose of this Clause 1, "Net Assets" would mean difference between the carrying value of assets and liabilities.

3. DEMERGER OF THE FUND MANAGEMENT UNDERTAKING 2 FROM THE DEMERGED COMPANY 2 INTO THE RESULTING COMPANY

- 3.1 The Demerged Company 2 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 applicable 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 2

- 3.1.1 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.
 - 3.1.2 Loans and advances, receivables, payables and other dues outstanding between the Demerged Company 2 and the Resulting Company relating to the Fund Management Undertaking 3 will stand cancelled and there shall be no further obligation / outstanding in that behalf.
 - 3.1.3 The Demerged Company 2, 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 2 ("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 2.1.1 and after giving effect to clause 2.1.2 and clause 2.1.3 above shall be adjusted to the other equity of the Demerged Company 2.
- 3.2 The Resulting Company 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 applicable 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:

Notes to Financial Statement (Contd..)

Accounting treatment in the books of the Resulting Company

- 3.2.1 The Resulting Company shall record the assets and liabilities pertaining to the Fund Management Undertaking 2, transferred to and vested in it at their respective carrying values as appearing in the books of the Demerged Company 2.
- 3.2.2 Loans and advances, receivables, payables and other dues outstanding between the Demerged Company 2 and the Resulting Company relating to the Fund Management Undertaking 2 will stand cancelled and there shall be no further obligation / outstanding in that behalf.
- 3.2.3 The identity of the reserves transferred by the Demerged Company 2 pertaining to the Fund Management Undertaking 2 pursuant to clause 2.1.3, shall be preserved and vested in it and shall appear in the financial statements of the Resulting Company in the same form and manner, in which they appeared in the financial statements of the Demerged Company 2, prior to scheme becoming effective.
- 3.2.4 The difference, being the Net Assets transferred from the Demerged Company 2 pursuant to Clause 2.2.1 above after giving effect to Clause 2.2.2 and Clause 2.2.3, shall be adjusted to Capital Reserve of the Resulting Company.

For the purpose of this Clause 2, "Net Assets" would mean difference between the carrying value of assets and liabilities.

2. Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1. Basis of preparation

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules 2016] and other relevant provisions of the Act.

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 assets and liabilities are measured at fair value.
- Defined benefit plans – plan assets measured at fair value; and

(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, the Company presents the Balance

Notes to Financial Statement (Contd..)

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 31.

(iv) Use of estimates and judgements

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 at each balance sheet date are discussed at note 3.

2.2. Revenue Recognition

The Company recognizes revenue from contract with customers based on five step model as set out in Ind AS 115, Revenue from Contract with customers to determine when to recognize revenue and at what amount. Revenue is measured based on the consideration specified in the contract with customers. Revenue from contract with customers is recognized when services are provided and it is highly probable that a significant reversal of revenue is not expected to occur.

(i) Management fee income

Performance obligations are satisfied over a period of time and management fees in respect of private equity funds are recognized on monthly basis in accordance with the terms of the respective agreements entered into between the Company and the counter party.

(ii) Advisory, setup fee and referral fee

Performance obligations are satisfied over a period of time and advisory, setup fee and referral fee of private equity fund are recognized on monthly basis in accordance with the terms of contracts 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

Notes to Financial Statement (Contd..)

dividend will flow to the entity and the amount of dividend can be reliably measured. This is generally when the shareholders approve the dividend

2.3. Distribution cost

Distribution cost paid 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 to the Statement of Profit and Loss over the life of the fund.

2.4. 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 the statement of 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 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 balance sheet method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. 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.

2.5. 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.

Notes to Financial Statement (Contd..)

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 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 recognised as an expense in profit or loss on a straight-line basis over the lease term.

2.6. 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.

2.7. 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 the 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:

Notes to Financial Statement (Contd..)

- 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 the 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 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 32.

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 (FVOCI); or
- Amortised cost

a. Financial assets carried at amortised cost

Financial assets are measured at amortised cost if both the following conditions are met:

- The asset is held with the business model whose objective is to hold asset for collecting contractual cash flows; and

Notes to Financial Statement (Contd..)

- Contractual terms of the asset give rise on a specified date to cash flows that are solely payments of principle and interest (SPPI) on the principle amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using effective interest rate (EIR) method. Amortised cost 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. 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 'other income' in the Statement of Profit and Loss.

c. Investments in mutual funds and private equity funds

Investments in mutual funds and private equity 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 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 probable 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 probability 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 Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in the Statement of Profit and Loss.

Notes to Financial Statement (Contd..)

(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 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.

2.8. 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.

2.9. A) Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

Notes to Financial Statement (Contd..)

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.

Depreciation methods, estimated useful lives and residual value

The Company provides for depreciation on a straight-line basis over the useful life commencing from the month in which the asset is first put to use, over their estimated useful life prescribed under Schedule II to the Companies Act, 2013 as mentioned below.

Assets	Useful life
Computers	3 years
Vehicles	8 to 10 years
Furniture and Fixtures	10 years
Electrical Equipments	5 years
Office Equipments	5 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

B) Intangible assets

Intangible assets are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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 profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

The Company provides for depreciation on a straight-line basis over the useful life commencing from the month in which the asset is first put to use, over their estimated useful life prescribed under Schedule II to the Companies Act, 2013 as mentioned below.

Assets	Useful life
Computer software	3 years

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

Notes to Financial Statement (Contd..)

2.10.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. 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 the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

2.11.Provisions and Contingent Liabilities:

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 Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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.

2.12.Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are expensed in the period in which they are incurred.

2.13.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.

Notes to Financial Statement (Contd..)

Compensated absences

As per the policy of Company, an employee can carry forward maximum 10 days of leave to next financial year. No leave is allowed to be encashed. An obligation arises as employees render service that increases their entitlement to future compensated absences. 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.

(ii) Post-employment obligations

Defined contribution plan:

Contribution 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 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 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.

2.14. 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 MO Alternate'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 generally recognized in profit or 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,

Notes to Financial Statement (Contd..)

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.

2.15. Earnings per share

a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit or loss (excluding other comprehensive income) attributable to owners 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.

2.16. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirements under Division III of Schedule III to the Companies Act, 2013.

2.17. 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.

2.18. Recent accounting developments

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. On 24 March 2021, the Ministry of Corporate Affairs ("MCA") through a notification amended Schedule III of the Companies Act, 2013. 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:

- 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 asset under development in specified format prescribed under amendment.

Notes to Financial Statement (Contd..)

- Specific disclosure: Amendment requires to disclose transaction/ 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.
- 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 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 judgments 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:

- 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. Contingent losses 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. Contingent gains are not recognized until the contingency has been resolved and amounts are received or receivable.
- Allowance for impairment of financial asset** - The Company recognises loss allowances for expected credit loss on its financial assets measured at amortised cost. At each reporting date, Company assess whether financial assets carried at amortised cost are credit impaired. Financial assets are credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial assets have occurred.
- 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 budgeted data for the future.
- 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.

Notes to Financial Statement (Contd..)

Note : 4 Cash and cash equivalents

	As at 31 March 2022	As at 31 March 2021
Cash on hand	13	10
Balance with banks		
In current accounts	1881	2178
	1894	2188

Note : 5 Trade receivables

	As at 31 March 2022	As at 31 March 2021
Considered good - unsecured	3,928	278
	3,928	278

Note 5 (i) : Receivable ageing schedule For the year ended 31 March 2022

Particulars	Outstanding for following periods from due date of payment					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	3,879	24	6	-	-	3,928
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-

For the year ended 31 March 2021

Particulars	Outstanding for following periods from due date of payment					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	274	0	3	-	-	277
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-

Notes to Financial Statement (Contd..)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1 - 2 year	2 - 3 year	More than 3 years	
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-

Note : 6 Loans

	As at 31 March 2022	As at 31 March 2021
Others		
Loan to Employees	299	298
Interest accrued from related party	15	-
less : Impairment loss allowance	-	-
Total Net	314	298

Loan repayable on demand

Type of Borrowers	31 March 22		31 March 21	
	Amount of loan or advance in the nature of loan outstanding	Percentage of total loan and advance in nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage of total loan and advance in nature of loans
Promoters	15	100%	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related parties			-	-

Note 7 : Investments

Particulars	Subsidiary/ Others	As at 31 March 2022		As at 31 March 2021	
		Units	Amount	Units	Amount
Investment - at Fair value through profit and loss (A)					
Investments in Mutual Funds					
SBI Savings Fund - Direct Plan - Growth	Others	4,49,669	160	4,49,669	154
Sbi Liquid Fund – Dir Gr	Others	-	-	12,550	404
Investment in Equity Instruments					
Adani Enterprises Ltd	Others	13	0	-	-
Affle (India) Ltd	Others	-	-	1	0
Ashok Leyland Ltd.	Others	812	1	812	1
Axis Bank Ltd.	Others	140	1	140	1
Bajaj Finance Limited	Others	9	1	9	0

Notes to Financial Statement (Contd..)

Particulars	Subsidiary/ Others	As at 31 March 2022		As at 31 March 2021	
		Units	Amount	Units	Amount
Balrampur Chini Mills Ltd.	Others	-	-	45	0
Bharti Airtel Ltd.	Others	-	-	16	0
Birlasoft Ltd	Others	245	1	245	1
Colgate-Palmolive (India) Ltd.	Others	42	1	42	1
Dalmia Bharat Sugar And Industries Ltd	Others	-	-	55	0
Dlf Ltd	Others	67	0	-	-
Gail (India) Ltd.	Others	-	-	81	0
Glenmark Pharmaceuticals Ltd.	Others	41	0	41	0
Granules India Ltd.	Others	194	1	194	1
Gujarat Gas Ltd	Others	152	1	178	1
Hcl Technologies Ltd.	Others	45	1	45	0
Hdfc Life Insurance Company Ltd	Others	-	-	15	0
Hindustan Petroleum Corporation Ltd.	Others	35	0	35	0
Housing Development Finance Corp.Ltd.	Others	32	1	32	1
ICICI Bank Ltd.	Others	229	2	211	1
ICICI Lombard General Insurance Company Ltd	Others	-	-	6	0
ICICI Prudential Life Insurance Company Ltd	Others	-	-	20	0
ICICI Securities Ltd	Others	157	1	157	1
Indiamart InterMesh Ltd	Others	-	-	1	0
Indian Hotels Co.Ltd.	Others	-	-	79	0
Indraprastha Gas Ltd.	Others	-	-	19	0
Infosys Ltd.	Others	-	-	7	0
Ipca Laboratories Ltd	Others	11	0	-	-
Jk Lakshmi Cement Ltd.	Others	189	1	189	1
Jsw Steel Ltd	Others	33	0	-	-
Just Dial Ltd.	Others	91	1	91	1
K.P.R. Mill Limited	Others	-	-	10	0
Macrotech Developers Ltd	Others	22	0	-	-
Mahanagar Gas Ltd	Others	-	-	9	0
Max Financial Services Ltd	Others	-	-	13	0
Minda Industries Ltd.	Others	113	1	113	1
Mtar Technologies Ltd	Others	14	0	-	-
Nmdc Ltd	Others	155	0	-	-
Petronet Lng Ltd.	Others	-	-	39	0
Pi Industries Ltd	Others	20	1	20	0
Sbi Life Insurance Company Ltd	Others	-	-	11	0
Srf Ltd	Others	9	0	-	-
State Bank Of India	Others	266	1	266	1
Sun Pharmaceuticals Industries Ltd	Others	27	0	-	-
Sun Tv Network Ltd.	Others	-	-	21	0
Tamil Nadu Newsprint & Papers Ltd.	Others	-	-	69	0
Tata Chemicals Ltd.	Others	25	0	18	0
Tata Coffee Ltd.	Others	-	-	87	0
Tata Consumer Products Ltd	Others	-	-	16	0
Tata Elxsi Ltd.	Others	-	-	3	0

Notes to Financial Statement (Contd..)

Particulars	Subsidiary/ Others	As at 31 March 2022		As at 31 March 2021	
		Units	Amount	Units	Amount
Tata Motors Ltd - Dvr	Others	-	-	91	0
Tata Power Co.Ltd.	Others	104	0	117	0
Tata Steel Ltd.	Others	-	-	14	0
Tinplate Company Of India Ltd.	Others	-	-	55	0
Titan Company Limited	Others	-	-	6	0
Trident Ltd.	Others	-	-	666	0
Vaibhav Global Ltd	Others	135	1	27	1
Vedanta Ltd	Others	60	0	-	-
Welspun India Ltd.	Others	-	-	130	0
West Coast Paper Mills Ltd.	Others	-	-	37	0
Zee Entertainment Enterprises Ltd	Others	68	0	-	-
Investment at amortised cost (B)					
Investment in subsidiaries/fellow subsidiaries					
Equity					
Motilal Oswal Home Finance Limited (formerly known as Aspire Home Finance Corporation Limited)	Fellow Subsidiary	20	0	20	0
India Business Excellence Management Company	Subsidiary	40,000	58	40,000	58
Total gross (A+B)			236		632
(I) Investment outside India			58		58
(II) Investment in India			178		574
C) Total (I+II)			236		632
D) Less : Allowance for Impairment loss			-		-
E) Total net (C-D)			236		632

Note : 8 Other financial assets

	As at 31 March 2022	As at 31 March 2021
Margin Money with holding company	43	20
	43	20

Note : 9 Current tax asset (net)

	As at 31 March 2022	As at 31 March 2021
Advance Tax (net of provision for tax of Rs 38,51,00,281)	2593	674
	2593	674

Notes to Financial Statement (Contd..)

Note 10 : Property, plant and equipment Current Year

Particulars	Gross Block				Accumulated Depreciation				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 2022	Balance as at 31 March 2021
Leasehold improvements	103	-	-	103	103	-	-	103	0	0
Computers	60	16	-	76	48	10	0	58	18	12
Furniture and fixtures	25	-	-	25	23	0	0	23	2	2
Electrical equipments	0	-	-	0	0	0	-	0	0	0
Office equipments	15	-	-	15	15	0	0	15	1	1
Vehicles	205	-	-	205	103	16	1	118	87	102
Total (A)	408	16	-	425	291	26	1	317	108	117

Note 10 : Intangible assets Current Year

Particulars	Gross Block				Accumulated 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 2022	Balance as at 31 March 2021
Computer software	4	-	-	4	4	-	-	4	0	0
Total (B)	4	-	-	4	4	-	-	4	0	0
Total (A+B)	412	16	-	429	295	26	1	321	108	117

Note 10 : Property, plant and equipment Previous Year

Particulars	Gross Block				Accumulated Depreciation				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 2021	Balance as at 31 March 2020
Leasehold improvements	103	-	-	103	103	-	-	103	0	0
Computers	54	6	-	60	41	7	-	48	12	13
Furniture and fixtures	25	-	-	25	22	0	-	23	2	2
Electrical equipments	0	-	-	0	0	0	-	0	0	0
Office equipments	15	-	-	15	15	0	-	15	1	1
Vehicles	181	24	-	205	82	21	-	103	102	99
Total (A)	378	30	-	408	263	29	-	291	117	115

Note 10 : Intangible assets Previous Year

Particulars	Gross Block				Accumulated 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 2021	Balance as at 31 March 2020
Computer software	4	-	-	4	4	-	-	4	0	0
Total (B)	4	-	-	4	4	-	-	4	0	0
Total (A+B)	382	30	-	412	267	29	-	295	117	115

There have been no acquisitions through business combinations and no revaluation of Property, Plant and Equipment and other intangible assets during the year ended March 2022 and March 2021.

Notes to Financial Statement (Contd..)

Note : 11 Other non - financial assets

	As at 31 March 2022	As at 31 March 2021
Prepaid expenses	10103	5270
Advance against expenses	18	4
	10121	5274

Note : 12 Trade payables

	As at 31 March 2022	As at 31 March 2021
Due to micro and small enterprise	0	0
Due to other than micro and small enterprise	2752	95
	2752	95

Note 12 (i) : Payables ageing schedule

For the year ended 31 March 2022

Particulars	Outstanding for following periods from due date of payment				Total
	< 1 year	1-2 yrs	2-3 yrs	> 3 yrs	
MSME	-	-	-	-	-
Others	2,752	-	-	-	2,752
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-

For the year ended 31 March 2021

Particulars	Outstanding for following periods from due date of payment				Total
	< 1 year	1-2 yrs	2-3 yrs	> 3 yrs	
MSME	-	-	-	-	-
Others	95	-	-	-	95
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-

Note : 13 Borrowings (Other than Debt Securities)

	As at 31 March 2022	As at 31 March 2021
At Amotised Cost		
Unsecured- From related parties	1	1
Total (A)	1	1
Borrowings in India	1	1
Borrowings outside India	-	-
Total (B)	1	1
Unsecured	1	1
Total (C)	1	1

Notes to Financial Statement (Contd..)

Note : 14 Other financial liabilities

	As at 31 March 2022	As at 31 March 2021
Other payables	491	612
Interest accrued and due on borrowings	2	0
Accrued salaries & benefits	4	1
Provision for expenses	137	26
	634	639

Note : 15 Deferred tax liabilities (net)

	As at 31 March 2022	As at 31 March 2021
Deferred tax liabilities		
Placement fees amortisation	2511	1507
Unrealised gain	6	2
Others	0	
	2517	1509
Deferred tax assets		
Timing difference on property, plant and equipments as per books and as per Income Tax Act, 1961	21	27
Gratuity provision	49	54
Heritage provision	3	4
MAT credit receivable	-	125
Business loss	78	-
Impact of Changes in Accounting tax rate	193	-
	344	210
Net deferred tax (assets)/liabilities (A-B)	2173	1299

Note : 16 Provisions

	As at 31 March 2022	As at 31 March 2021
Provision for employee benefits		
Gratuity obligation (Refer note 44)	195	184
Heritage obligation (Refer note 44)	12	14
ExGratia payable	2260	1765
Compensated Absences	54	40
	2521	2003

Notes to Financial Statement (Contd..)

Note : 17 Other non - financial liabilities

	As at 31 March 2022	As at 31 March 2021
Advance received from customers	2812	869
Statutory dues payable	443	161
	3255	1030

Note-18 Notes to financial statements for year ended 31st March, 2022.

	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021	As at 31 March 2021
	Number of shares	In Rupees	Number of shares	In Rupees
Authorised :				
Equity Shares of Re. 10/- each (previous year Rs. 10 each)	50,00,000	500	50,00,000	500
Issued, Subscribed and Paid Up :				
Equity Shares of Re. 10/- each (Face value of Rs. 10 each)	30,00,000	300	30,00,000	300
Total	30,00,000	300	30,00,000	300

18.1 Rights, preferences and restrictions attached to shares

Equity Shares :

The Company has issued one class of shares referred to as equity shares having a par value of Rs. 10 /- each. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of Company, the holder of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

18.2 Reconciliation of the number of shares outstanding

	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021	As at 31 March 2021
	Number of shares	In Rupees	Number of shares	In Rupees
Number of shares at the beginning(Face value of Rs 10 each)	30,00,000	300	30,00,000	300
Changes due to prior period error	-	-	-	-
Restated at the beginning of the year	30,00,000	300	30,00,000	300
Changes during the year	-	-	-	-
Number of shares at the end	30,00,000	300	30,00,000	300

Notes to Financial Statement (Contd..)

18.3 Share holder having more than 5% equity holding in the Company

Name of Shareholder	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021	As at 31 March 2021
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Motilal Oswal Financial Services Limited	29,90,000	99.67	29,90,000	99.67

18.4 Shares held by promoters

Shareholding pattern as on March 31, 2022			% Change during the year
Name of the Shareholders	No. of shares held	% of shares held	
Motilal Oswal Financial Services Limited and its nominees	30,00,000	100.00	0.00
Total A	30,00,000	100.00	

Shareholding pattern as on March 31, 2021			% Change during the year
Name of the Shareholders	No. of shares held	% of shares held	
Motilal Oswal Financial Services Limited and its nominees	30,00,000	100.00	0.00
Total A	30,00,000	100.00	

Note 19 : Other Equities

	As at 31 March 2022	As at 31 March 2021
a) Retained earnings		
(i) Surplus/(deficit) in Profit & Loss Account		
Balance at the beginning of the year	3,528	1,233
Add: Transfer from Statement of Profit and Loss	10,589	2,412
Add: General Reserves	-	4
Less: Deemed equity contribution	-	(13)
Less: Dividend paid	(7,016)	(108)
Less: Impact of scheme of merger	(104)	-
Balance at the end of year	6,997	3,528
(ii) Other comprehensive income		
Balance at the beginning of the year	(19)	(28)
Add: Transfer from Statement of Profit and Loss	18	9
Balance at the end of year	(1)	(19)
(iii) Deemed Equity Contribution*		
Balance at the beginning of the year	13	-
Add: Transfer from Statement of Profit and Loss	-	13
Balance at the end of year	13	13
	7,009	3,522

Notes to Financial Statement (Contd..)

	As at 31 March 2022	As at 31 March 2021
b) Capital redemption reserve		
Balance at the beginning of the year	495	495
Add: Transfer from Profit and Loss	-	-
Balance at the end of year	495	495
c) Other reserve- Preference share equity component		
Balance at the beginning of the year	97	97
Add: Transfer during the year	-	-
Balance at the end of year	97	97
	7,601	4,114

* Deemed equity contribution is the shares to be issued to the shareholders of demerged company by the holding company of the company as on effective date of the scheme of arrangement.

Pursuant to the Order dated March 11, 2022 passed by the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT"), the Scheme of Arrangement between Passionate Investment Management Private Limited ("the Transferor Company 1" or "PIMPL") and MOPE Investment Advisors Private Limited ("the Transferee Company 2" or "the Demerged Company 1" or "the Transferor Company 3" or "MOPE") and Motilal Oswal Real Estate Investment Advisors Private Limited ("the Transferor Company 2" or "MORE") and Motilal Oswal Real Estate Investment Advisors II Private Limited ("the Demerged Company 2" or "the Transferor Company 4" or "MORE II") and MO Alternate Investment Advisors Private Limited ("the Resulting Company" or "MO Alternate") and Motilal Oswal Financial Services Limited ("the Transferee Company 1" or "the Holding Company of the Resulting Company" or "MOFSL") and their respective Shareholders (the Scheme) was made effective on March 30, 2022.

Nature and purpose of reserves

Surplus in the Statement of Profit and Loss

Surplus in the Statement of Profit and Loss pertain to the accumulated earnings made by the company over the years.

Capital redemption reserve

The capital redemption reserve is created to be utilised towards redemption of preference shares. The reserve will be utilised in accordance with provision of the Act.

Other comprehensive income

Other comprehensive income consist of remeasurement gains/ losses on defined benefit plans, gain /(loss) of equity instruments carried through FVTOCI.

Other reserve- Preference share equity component

This represents equity component of preference shares.

Note : 20 Fees and commission income

	For the year ended 31 March 2022	For the year ended 31 March 2021
Advisory fees and referral fees	1,942	1,160
Management fees	12,355	7,719
Other operating revenue	3	15
	14,300	8,894

Notes to Financial Statement (Contd..)

Note : 21 Training Fees Income

	For the year ended 31 March 2022	For the year ended 31 March 2021
Training fees income	91	85
	91	85

Note : 22 Dividend income

	For the year ended 31 March 2022	For the year ended 31 March 2021
Dividend	7,016	207
	7,016	207

Note : 23 Net gain on fair value change

	For the year ended 31 March 2022	For the year ended 31 March 2021
Net gain on financial instruments at fair value:		
Unrealised gain	16	8
Realised gain	(9)	16
	7	24

Note : 24 Other income

	For the year ended 31 March 2022	For the year ended 31 March 2021
Miscellaneous income	9	0
Interest on loan	90	4
Interest on income tax refund	5	9
Recovery of Expenses	279	32
	383	45

Note : 25 Finance cost

	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest cost	5	41
	5	41

Notes to Financial Statement (Contd..)

Note : 26 Fees and commission expense

	For the year ended 31 March 2022	For the year ended 31 March 2021
Placement fees	3,048	1,420
	3,048	1,420

Note : 27 Employee benefits expense

	For the year ended 31 March 2022	For the year ended 31 March 2021
Salary, bonus and allowances	5,762	3,191
Contribution to provident & other funds (Refer note 44)	114	78
Staff welfare expenses	42	33
Gratuity (Refer note 44)	41	37
	5,959	3,339

Note : 28 Other expenses

	For the year ended 31 March 2022	For the year ended 31 March 2021
Business support charges	329	329
Rates and taxes	5	0
Rent	292	292
Insurance	7	4
Computer repairs and maintenance	4	0
Legal and professional charges	322	245
Remuneration to auditors (Refer note 35)	4	13
Marketing and brand promotion expenses	29	9
Printing and stationery	11	2
Power and fuel	17	15
Communication expenses	18	9
Travelling expenses	144	92
Miscellaneous expenses	84	70
Corporate Social Responsibility	31	61
	1,297	1,141

Note : 29.1 Tax expense

The Company pays taxes according to the rates applicable in India. Most taxes are recorded in the income statement and relate to taxes payable for the reporting 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 the tax benefit exceeds the cumulative income statement expense on share 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 regulation is subject to interpretation.

Notes to Financial Statement (Contd..)

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 recognised 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 recognised when it is considered recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as probable that there will be suitable taxable profits against which to recover carried forward tax losses and from 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 2022	Year ended 31 March 2021
Current tax expense		
Current tax for the year	125	1,087
Tax adjustment in respect of earlier years	-	(29)
Total current tax expense	125	1,058
Deferred taxes		
Change in deferred tax liabilities	749	(187)
Net deferred tax expense	749	(187)
	874	871

Note : 29.2 Tax recognised through other comprehensive income:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Remeasurement of defined benefit plan	(1)	(0)
Total	(1)	(0)

Note : 29.3 Tax reconciliation (for profit and loss)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Profit/(loss) before income tax expense	11,463	3,283
Tax at the rate of 25.17%	2,885	956
Tax effect of:		
Tax adjustment of previous years	-	(29)
Expenses not deductible for tax purposes	-	9
Temporary tax difference	12	(2)
Tax benefit on business loss	-	(31)
Income not taxable	(1,766)	(31)
Change due to deferred tax	-	(0)
Tax rate diff	(386)	-
MAT writtenoff	125	-
unrealised gains	4	-
Income tax expense	874	871

Notes to Financial Statement (Contd..)

Note : 29.4 Effective tax rate

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Effective tax rate	7.62%	26.54%

Note : 29.5 Net deferred tax

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred tax assets on account of:		
Provision for gratuity	49	54
Provision for heritage	3	4
Business loss	-	-
Timing difference on property, plant and equipments as per books and as per Income Tax Act, 1961	21	27
MAT credit receivable	-	125
Business loss	78	-
Impact of Changes in Accounting tax rate	193	-
Others	-	-
Total deferred tax assets (A)	344	210
Deferred tax liability on account of :		
Amortization of distribution costs	2,511	1,507
Unrealised gain	6	2
Total deferred tax liabilities (B)	2,517	1,509
Net deferred tax assets / (liabilities) (A-B)	(2,173)	(1,299)

Note : 30 Capital Management

A 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 company monitors its capital by using gearing ratio, which is net debt to total equity. Net debt includes borrowings net of cash and bank balances and total equity comprises of equity share capital and retained earnings.

B The capital composition is as follows:

Particulars	31 March 22	31 March 21
Net debt (A)	(1,891)	(2,187)
Total equity (B)	7,309	3,822
Gearing ratio (A / B)	-26%	-57%

Notes to Financial Statement (Contd..)

Note : 31 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.

Assets	As at 31 March 22			As at 31 March 21		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial assets						
Cash and cash equivalents	1,894	-	1,894	2,188	-	2,188
Trade receivables	3,928	-	3,928	278	-	278
Loans	314	-	314	298	-	298
Investments	178	58	236	574	58	632
Other financial assets	43	-	43	20	-	20
Non-Financial assets						
Current tax assets (net)	-	2,593	2,593	-	674	674
Property, plant and equipment	-	108	108	-	117	117
Other intangible assets	-	0	0	-	0	0
Other non-financial assets	1,664	8,457	10,121	1,017	4,257	5,274
Total assets	8,021	11,216	19,237	4,376	5,106	9,481
Liabilities						
Financial liabilities						
Trade payables	2,752	-	2,752	95	-	95
Other financial liabilities	634	-	634	639	-	639
Borrowings (Other than debt securities)	1		1	1		1
Non financial liabilities						
Current tax liabilities (net)	-	-	-	-	-	-
Deferred tax liabilities (net)	-	2,173	2,173	-	1,300	1,300
Provisions	2,342	179	2,521	1,832	171	2,003
Other non financial liabilities	3,255	-	3,255	1,030	-	1,030
Total liabilities	8,984	2,352	11,336	3,597	1,471	5,068

Note : 32 Fair value measurements

Financial instruments by category:

Particulars	As at 31 March 2022		As at 31 March 2021	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
Cash and cash equivalents	-	1,894	-	2,188
Balance with banks	-	-	-	-
Trade receivables	-	3,928	-	278
Loans	-	314	-	298

Notes to Financial Statement (Contd..)

Particulars	As at 31 March 2022		As at 31 March 2021	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Investments	178	58	574	58
Other financial assets	-	43	-	20
Total financial assets	178	6,237	574	2,842
Financial liabilities				
Trade payables	-	2,752	-	95
Borrowings (Other than debt securities)	-	1	-	1
Other financial liabilities	-	634	-	639
	-	3,387	-	735

I. Fair value hierarchy

The fair values of the financial assets and liabilities are included at the amount 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. This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the Indian Accounting standard. An explanation of each level follows underneath the table.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. For example, listed equity instruments that have quoted market price.

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 asset included in level 3.

II. Valuation techniques used to determine fair value

Significant valuation techniques used to value financial instruments include:

- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.

The fair values for investment in private equity funds are based on the estimation of the fair value of Investee company by using Available Market Prices (AMP) and the Price of Recent Investments (PRI) method.

The carrying amounts of cash and cash equivalent, trade receivables, current loans, trade payables, other current financial liabilities are valued at amortised cost.

Investment includes investment in equity shares and mutual funds, which are categorised as per below

Notes to Financial Statement (Contd..)

As on 31 March 2022

Particulars	Level 1	Level 2	Level 3
Investment in Equity Shares	18	-	
Investment in Mutual Funds	160	-	-

As on 31 March 2021

Particulars	Level 1	Level 2	Level 3
Investment in Equity Shares	16	-	
Investment in Mutual Funds	558	-	-

III. Fair value of financial instrument measured at amortised cost

Fair value of financial asset and liabilities are equal to their carrying amount.

Note : 33 Financial risk management

"The company is exposed primarily to fluctuations in foreign currency exchange rates, credit, liquidity and price risk which may adversely impact the fair value of its financial instrument. The Company has a risk management policy which covers risk associated with the financial assets and liabilities. The risk management policy is approved by Board of Directors. The focus of the risk management is to assess the unpredictability of the financial environment and to mitigate potential adverse effect on the financial performance of the company. The Company's principal financial liabilities comprises of trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include Investments, loans, cash and cash equivalents and trade receivables that derive directly from its operations."

A Credit risk

Credit risk refers to risk that counter party will default in its contractual obligation resulting in financial loss to the company.

The company is exposed to credit risk from its operating activities (primarily for trade receivables).

To manage credit risk, the Company follows a policy of providing 0-30 days credit to the customers basis the nature of customers. For some of the customer company follows the policy of receiving advance payment towards services. The credit limit policy is established considering the current economic trends of the industry in which the company is operating.

However, the trade receivables are monitored on a periodic basis for assessing any significant risk of non-recoverability of dues and provision is created accordingly."

Bank balances are held with only high rated banks.

Age of receivables that are past due:

Particulars	As at 31 March 2022	As at 31 March 2021
Upto 3 months	3,075	274
3 - 6 months	823	0
6 - 12 months	24	0
More than 12 months	6	3
Total	3,928	277

Notes to Financial Statement (Contd..)

B Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities viz. Trade payables and other financial liabilities.

Liquidity risk management

The Company's management is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

(i) Maturities of non – derivative financial liabilities

As at 31 March 2022

Particulars	Upto 1 year	Between 1 and 5 years	Beyond 5 years	Total
Financial liabilities				
Trade payables	2,752	-	-	2,752
Borrowings	1	-	-	1
Other current financial liabilities	634	-	-	634
Total	3,387	-	-	3,387

As at 31 March 2021

Particulars	Upto 1 year	Between 1 and 5 years	Beyond 5 years	Total
Financial liabilities				
Trade payables	95	-	-	95
Borrowings	1	-	-	1
Other current financial liabilities	439	-	-	439
Total	535	-	-	535

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 exchange rates.

The Company is not exposed to foreign currency risk as it does not have any payables or receivables in foreign currency."

(ii) Interest rate risk

Interest rate risk arises from the sensitivity of the financial liabilities to changes in market rate of interest.

Notes to Financial Statement (Contd..)

(iii) Price risk

The company is exposed to price risk from its investment in equity shares & mutual funds classified in the balance sheet at fair value through profit and loss. The Investments held by the Company are ancillary to the Investment management business objective. The investment in equity shares and mutual funds is for high-RoE opportunities. They also serve as highly liquid "resources" available for future investments in business, if required.

Sensitivity to price risk

The following table summarises the impact of sensitivity of NAVs with all other variables held constant. The below impact on the Company's profit before tax is based on changes in the NAVs of mutual funds at balance sheet date:

Sensitivity	31 March 2022	31 March 2021
Impact on profit before tax for 10% increase in NAV/price	18	57
Impact on profit before tax for 10% decrease in NAV/Price	(18)	(57)

Note 34 : Due to micro and small enterprises

Under the Micro, Small and Medium Enterprises Development Act 2006 (MSMED Act, 2006), certain disclosures are required to be made relating to dues to Micro and Small enterprises. On the basis of information and records available with the management, following disclosures are made:

Particulars	31 March 2022	31 March 2021
Principal amount remaining unpaid to any supplier as at the year end	-	-
Interest due thereon	-	-
Amount of interest paid by the company in terms of Section 16 of the MSMEDA, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
Amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year)but without adding the interest specified under the MSMEDA	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-

Note 35 : Auditor's remuneration

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
As Auditors:		
Statutory audit	4	9
Interim audit	-	4
Out of pocket expenses	0	0
Total	4	13

Notes to Financial Statement (Contd..)

Note 36 : Provisions made comprises of

For the year ended 31 March 2022

Particulars	Opening balance as at 01 April 2021	Provided during the financial year	Provision reversed/paid during the financial year	Closing balance as at 31 March 2022
Gratuity	184	22	11	195
Heritage obligation	14	-	2	12
Ex-gratia	1,764	2,273	1,777	2,260
Compensated absences	40	16	2	54
Total	2,002	2,311	1,792	2,521

For the year ended 31 March 2021

Particulars	Opening balance as at 01 April 2020	Provided during the financial year	Provision reversed/paid during the financial year	Closing balance as at 31 March 2021
Gratuity	165	35	16	184
Heritage obligation	12	2	-	14
Ex-gratia	1,838	1,776	1,850	1,764
Compensated absences	29	11	-	40
Total	2,044	1,824	1,866	2,002

Note 37 : 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.

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Profit attributable to equity shareholders (Rupees) [A]	10,589	2,413
Nominal value per share (in Rupees)	10	10
Weighted average number of equity shares outstanding during the year (Face value per share Re. 10 each) [B]	3,12,78,120	3,12,78,120
Basic earnings per share [A] / [B] (Rupees)	33.85	7.71

Note 38 : Segment information:

The Company's principal activity is to act as an investment advisor and primarily operated in India and regularly reviewed by Chief Operating Decision Maker for Company's performance and resource allocation. For the purpose of disclosure of segment information, the Company considers the operations as single business segment. Thus, as defined in Ind AS 108 "Operating Segments", the Company's entire business falls under this one operational segment.

Notes to Financial Statement (Contd..)

Note 39 : Transactions in foreign currency

(i) Earnings in foreign currency (on accrual basis)

(In Rupees)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Advisory fee - carry income	-	-
Advisory fees	1,172	76
Sub - advisory fees	525	608
Dividend Income	7,016	207
Total	8,713	891

(i) Expenditure in foreign currency (on accrual basis)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Travelling and conveyance expenses	4	2
Membership fees	2	2
Total	6	4

Note 40 : Contingent liabilities and commitments to the extent not provided for :

(a) No contingent liability and commitments in the current financial year. (Previous year - Nil)

Note 41 : Corporate social responsibility

The Ministry of Corporate Affairs has notified Section 135 of the Companies Act, 2013 on Corporate Social Responsibility with effect from April 1, 2014. As per the provisions of the said section, the Company has undertaken the following CSR initiatives during the financial year 2021-22.

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Total amount required to be spent during the year	31	61
(b) Total amount of expenditure incurred during the year	31	61
(c) Shortfall at the end of the year	-	-
(d) Total amount of previous years shortfall	-	-
(e) Reason for shortfall	NA	NA

The Company undertakes the following activities in the nature of Corporate social responsibility (CSR):

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Donation for education	26	5
Donation for science lab	-	14
Donation for medical aid	2	8
Donation for school support	-	15
Donation for construction of hostel	-	10
Donation for medical treatment	-	10
Donation for Eradication Poverty	3	-

Notes to Financial Statement (Contd..)

Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard :

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Contribution to Motilal Oswal Foundation	31	61

Note 42 : Unhedged foreign currency

The Company is not having any unhedged foreign currency exposure as on 31 March 2022

Note 43 : Related party disclosure

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:

(i) List of related parties and their relationship

Holding company

- Motilal Oswal Financial Services Limited

Ultimate Holding company

- Motilal Oswal Financial Services Limited (Passionate Investment Management Private Limited- Ultimate holding company merged with Motilal Oswal Financial Services Limited w.e.f 1/04/2020 being appointed date of merger)

Subsidiary and step-down subsidiary

- India Business Excellence Management Company

Fellow subsidiaries

- Motilal Oswal Finvest Limited (formerly known as Motilal Oswal Capital Markets Limited)
- Motilal Oswal Trustee Company Limited
- Motilal Oswal Commodities Broker Private Limited
- Motilal Oswal Asset Management Company Limited
- Motilal Oswal Investment Advisory Limited
- Motilal Oswal Wealth Limited
- Motilal Oswal Securities International Private Limited
- Motilal Oswal Capital Market (Hongkong) Private Limited
- Motilal Oswal Capital Markets (Singapore) Pte. Limited
- Motilal Oswal Home Finance Limited (Formerly known as Aspire Home Finance Corporation Limited)
- Motilal Oswal Asset Management (Mauritius) Private Limited
- Motilal Oswal Capital Limited
- Glide Tech Investment Advisors Private Limited
- Motilal Oswal Finsec IFSC Limited
- TM Investment Technologies Private Limited

Associates

- India Realty Excellence Fund II LLP

Notes to Financial Statement (Contd..)

Key management personnel

- Motilal Oswal - Director
- Raamdeo Agarawal- Director
- Vishal Tulsyan - Managing Director and Chief Executive Officer

Enterprises in which key management personnel have control

- OSAG Enterprises LLP

Enterprises in which key management personnel and their relatives exercise significant Influence

- Motilal Oswal Foundation (Trust)

(ii) Transactions with related parties for the year ended 31 March 2022

Transaction	Name of the related party	Holding Company / Subsidiary Company / Fellow Subsidiary (A)		Key Managerial Personnel / Relative of KMP (B)		Associate (C)		Total (A+B+C)	
		31 March 22	31 March 21	31 March 22	31 March 21	31 March 22	31 March 21	31 March 22	31 March 21
Training Fees	Motilal Oswal Financial Services Ltd	70	67	-	-	-	-	70	67
Business support service	Motilal Oswal Financial Services Limited	329	329	-	-	-	-	329	329
Referral fees	Motilal Oswal Wealth Management Limited	2	6	-	-	-	-	2	6
Placement fees expense	Motilal Oswal Wealth Management Limited	2,530	641	-	-	-	-	2,530	641
	Motilal Oswal Financial Services Limited	1,566	449	-	-	-	-	1,566	449
	Glide Tech Investment Advisors Private Limited	477	-	-	-	-	-	477	-
	TM Investment Technologies Private Limited	540	-	-	-	-	-	540	-
Setup fees expense	Motilal Oswal Wealth Management Limited	112	-	-	-	-	-	112	-
	Motilal Oswal Financial Services Limited	927	-	-	-	-	-	927	-
Advisory fees	India Business Excellence Management Co	1,697	683	-	-	-	-	1,697	683
Dividend paid	Motilal Oswal Financial Services Limited	6,115	94	-	-	-	-	6,115	94
	Mr.Vishal Tulsyan	-	-	708	12	-	-	708	12
Interest expense	Motilal Oswal Finvest Limited	5	41	-	-	-	-	5	41
Rent expense	Motilal Oswal Financial Services Limited	292	292	-	-	-	-	292	292

Notes to Financial Statement (Contd..)

Transaction	Name of the related party	Holding Company / Subsidiary Company / Fellow Subsidiary (A)		Key Managerial Personnel / Relative of KMP (B)		Associate (C)		Total (A+B+C)	
		31 March 22	31 March 21	31 March 22	31 March 21	31 March 22	31 March 21	31 March 22	31 March 21
Dividend income	India Business Excellence Management Company	7,016	207	-	-	-	-	7,016	207
Donation	Motilal Oswal Foundation (Trust)	-	-	31	61	-	-	31	61
	Motilal Oswal Finvest Limited	2,356	5,418	-	-	-	-	2,356	5,418
	Motilal Oswal Finvest Limited	2,356	5,407	-	-	-	-	2,356	5,407
Loan taken (Maximum balance)	Motilal Oswal Finvest Limited	420	1,675	-	-	-	-	420	1,675
Loan given	Motilal Oswal Financial Services Limited	8,400	-	-	-	-	-	8,400	-
Repayment of loan given	Motilal Oswal Financial Services Limited	8,400	-	-	-	-	-	8,400	-
Interest income	Motilal Oswal Financial Services Limited	75	-	-	-	-	-	75	-
Employee compensation - Managerial remuneration	Mr.Vishal Tulsyan	-	-	1,360	1,257	-	-	1,360	1,257

(iii) Outstanding balances of / with related parties :

Transaction	Name of the related party	Holding Company / Subsidiary Company / Fellow Subsidiary (A)		Key Managerial Personnel / Relative of KMP (B)		Total	
		31 March 22	31 March 21	31 March 22	31 March 21	31 March 22	31 March 21
Outstanding balances:							
	Motilal Oswal Finvest Limited	3	1	-	-	3	1
Rent / MOT Cost	Motilal Oswal Financial Services Limited	48	163	-	-	48	163
Trade payable/ receivable	India Business Excellence Management Co	723	869	-	-	723	869
	Motilal Oswal Financial Services Limited	169	28	-	-	169	28
	Motilal Oswal Wealth Management Limited	479	72	-	-	479	72
	Glide Tech Investment Advisors Private Limited	324	-	-	-	324	-
	TM Investment Technologies Private Limited	583	-	-	-	583	-
Prepaid expenses	Motilal Oswal Financial Services Limited	3,292	2,239	-	-	3,292	2,239
	Motilal Oswal Wealth Management Limited	3,735	1,888	-	-	3,735	1,888
	Glide Tech Investment Advisors Private Limited	477	-	-	-	477	-
	TM Investment Technologies Private Limited	540	-	-	-	540	-
Loan/Interest receivable	Motilal Oswal Financial Services Limited	15	-	-	-	15	-
Investment	India Business Excellence Management Co	58	58	-	-	58	58
	Aspire Home Finance Corporation Limited	0	0	-	-	0	0

Notes to Financial Statement (Contd..)

Note 44 : Employee benefits

Disclosure pursuant to Ind AS -19 "Employee benefits" is given as below:

Defined contribution plan:

Contribution to defined contribution plans, recognised as expense for the year is as under :

(In Rupees)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Employers' contribution to provident fund	90	63
National Pension Scheme	24	15
Total	114	78

Defined benefit plan:

The Company 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 upto Rs. 20,00,000.

The following table set out the status of the gratuity plan as specified under section 133 of the Companies Act, 2013, under Ind AS 19 "Employee benefits."

Particulars	Gratuity (unfunded)		Other long term benefits	
	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021
I) Actuarial assumptions				
Mortality	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Discount rate (per annum)	6.50%	3.93%	3.92%	3.93%
Rate of escalation in salary (per annum)	11.44%	14.20%	-	-
Expected rate of return on plan assets (per annum)	-	-	-	-
Employee attrition rate (Past Service)	PS: 0 to 37 : 12.21%	PS: 0 to 40 : 17.17%	PS: 0 to 37 : 54.43%	PS: 0 to 37 : 54.43%
Expected average remaining service	6.24	4.57	4.57	0.52
II) Changes in present value of obligations (PVO)				
PVO at beginning of period	184	165	14	12
Interest cost	7	8	-	-
Current service cost	34	29	(2)	1
Transfer in liabilities		15	-	-
Transfer out liabilities		(15)	-	-
Past service cost - (non vested benefits)	-	-	-	-
Past service cost - (vested benefits)	-	-	-	-
Benefits paid	(11)	(8)	(0)	1
Contributions by plan participants	-	-	-	-
Business combinations	-	-	-	-

Notes to Financial Statement (Contd..)

Particulars	Gratuity (unfunded)		Other long term benefits	
	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021
Curtailments	-	-	-	-
Settlements	-	-	-	-
Actuarial (gain)/less on obligation	(19)	(10)	-	-
PVO at end of period	195	184	12	14
III) Interest expense				
Interest cost	7	8	-	-
IV) Fair value of plan assets				
Fair value of plan assets at the beginning	-	-	-	-
Interest income	-	-	-	-
V) Net Liability				
PVO at beginning of period	184	165	-	-
Fair value of the assets at beginning report	-	-	-	-
Net Liability	184	165	-	-
VI) Net Interest				
Interest Expenses	7	8	-	-
Interest Income	-	-	-	-
Net Interest	7	8	-	-
VII) Actual return on plan assets				
Less: Interest income included above	-	-	-	-
Return on plan assets excluding interest income	-	-	-	-
VIII) Actuarial (Gain)/loss on obligation				
Due to Demographic Assumption	1	6	-	-
Due to Financial Assumption	(49)	(9)	-	-
Due to Experience	29	(6)	-	-
Total Actuarial (Gain)/Loss	(19)	(9)	-	-
IX) Fair Value of Plan Assets				
Opening Fair Value of Plan Asset	-	-	-	-
Adjustment to Opening Fair Value of Plan Asset	-	-	-	-
Return on Plan Assets excl. interest income	-	-	-	-
Interest Income	-	-	-	-
Contributions by Employer	11	8	-	-
Contributions by Employee	-	-	-	-
Benefits Paid	(11)	(8)	-	-

Notes to Financial Statement (Contd..)

Particulars	Gratuity (unfunded)		Other long term benefits	
	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021
Fair Value of Plan Assets at end	-	-	-	-
X) Past Service Cost Recognised				
Past Service Cost- (non vested benefits)	-	-	-	-
Past Service Cost -(vested benefits)	-	-	-	-
Average remaining future service till vesting of the benefit	-	-	-	-
Recognised Past service Cost- non vested benefits	-	-	-	-
Recognised Past service Cost- vested benefits	-	-	-	-
Unrecognised 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	195	184	-	-
Fair Value of Plan Assets at end of period	-	-	-	-
Funded Status	(195)	(184)	-	-
Unrecognised Past Service Cost- non vested benefits	-	-	-	-
Net Asset/(Liability) recognized in the balance sheet	(195)	(184)	-	-
XII) Expense recognised in the statement of profit and loss				
Current service cost	34	29	(2)	7
Net Interest	7	8	-	-
Past service cost - (non vested benefits)	-	-	-	-
Past service cost - (vested benefits)	-	-	-	-
Transfer in liability	-	-	-	-
Transfer out liability	-	-	-	-
Curtailment Effect	-	-	-	-
Settlement Effect	-	-	-	-
Unrecognised past service cost - non vested benefits	-	-	-	-
Actuarial (Gain)/Loss recognized for the period	-	-	-	-
Expense recognized in the statement of profit and loss	41	38	(2)	7

Notes to Financial Statement (Contd..)

Particulars	Gratuity (unfunded)		Other long term benefits	
	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021
XIII) Other Comprehensive Income (OCI)				
Actuarial (Gain)/Loss recognized for the period	(19)	(9)	-	-
Asset limit effect	-	-	-	-
Return on Plan Assets excluding net interest	-	-	-	-
Unrecognized Actuarial (Gain)/Loss from previous period	-	-	-	-
Total Actuarial (Gain)/Loss recognized in (OCI)	(19)	(9)	-	-
XIV) Movement in liability recognized in balance sheet				
Opening net liability	184	165	7	6
Adjustment to opening balance	-	-	-	-
Expenses as above	41	38	(2)	1
Transfer in liabilities		15	-	-
Transfer out liabilities		(15)	-	-
Contribution paid	(11)	(8)	-	-
Other Comprehensive Income(OCI)	(19)	(9)	-	-
Closing net liability	195	185	5	7
XV) Projected Service Cost 31 March 2022	37	34	-	-
XVI) Asset Information				
Cash and Cash Equivalents	-	-	-	-
Gratuity Fund	-	-	-	-
Debt Security - Government Bond	-	-	-	-
Equity Securities - Corporate debt securities	-	-	-	-
Other Insurance contracts	-	-	-	-
Property	-	-	-	-
Total Itemized Assets	-	-	-	-

XVII) Sensitivity Analysis

	DR: Discount Rate		ER : Salary escalation rate:	
	PVO DR +1%	PVO DR -1%	PVO ER +1%	PVO ER -1%
PVO	104	117	113	107

Notes to Financial Statement (Contd..)

XVIII) Expected Payout

Year	Expected	Expected	Expected	Expected	Expected	Expected Outgo
	Outgo First	Outgo Second	Outgo Third	Outgo Fourth	Outgo Fifth	Six to ten years
Payouts	20,05,640	20,49,477	20,45,708	20,24,752	25,73,446	84,03,229

XIX) Asset Liability Comparisons

Year	31-03-2018	31-03-2019	31-03-2020	31-03-2021	31-03-2022
PO at End of period	101	114	165	184	195
Plan Assets	-	-	-	-	-
Surplus / (Deficit)	(101)	(114)	(165)	(184)	(195)
Experience adjustments on plan assets	-	-	-	-	-

Weighted average remaining duration of defined benefit obligation

Risk associated with defined benefit plan:

1) Investment/interest risk:

Since the scheme is not funded company is not exposed to investment/interest risk.

2) Longevity risk:

The company is not exposed to risk of employee living longer as the benefit under the scheme ceases on the employee separating from the employer for any reason.

Note 45 : Revenue from contracts with customers

The Company 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.

The Company is an Investment Manager and provide, investment management and administrative services to the Alternate Investment Funds, provide investment advisory services to offshore clients. The company earns Managements fees from respective businesses.

a) Disaggregation of revenue

Revenue from contracts with customers:

Set out below is the disaggregation of revenue from contracts with customers and reconciliation to profit and loss account:

Notes to Financial Statement (Contd..)

Particulars	31 March 22				31 March 21			
	Type of service				Type of service			
	Investment management fees	Referral fees	Investment advisory/ sub advisory services	Training fees	Investment management fees	Referral fees	Investment advisory/ sub advisory services	Training fees
Total revenue from contracts with customers	12,355	228	1,714	91	7,719	246	914	85
Geographical markets								
India	12,355	228	17	91	7,719	246	231	85
Outside India	-	-	1,697	-	-	-	683	-
Total revenue from contracts with customers	12,355	228	1,714	91	7,719	246	914	85
Timing of revenue recognition								
Services transferred at a point in time	-	-	-	-	-	-	-	-
Services transferred over time	12,355	228	1,714	91	7,719	246	914	85
Total revenue from contracts with customers	12,355	228	1,714	91	7,719	246	914	85

b) Contract balances

Trade receivable are non-interest bearing balances.

c) Performance obligations

The performance obligation of the Company is providing advisory and investment management services, which is completed as per the terms and conditions of the advisory and investment management agreement. The usual payment term for the performance obligation of the company is three month.

Note 46 : Lease

The Company has taken office premises on short term lease. The Company as a lessee recognised Rs.292 lacs in the statement of profit and loss under the head "rent".

General description of lease terms: -

- Lease rentals are charged on the basis of agreed terms.
- Assets are taken on lease for a period of less than 12 months.
- Lease agreement is cancellable and there is no escalation clause

Note 47 : Additional regulatory information required under (WB) (xvi) of Division III of Schedule III amendment, disclosure of ratios, is not applicable to the Company as it is not an NBFC registered under Section 45-IA of Reserve Bank of India Act, 1934.

Note 48 : Business Combinations

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 Passionate 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 Transferor Company 3") and Motilal

Notes to Financial Statement (Contd..)

Oswal Real Estate Investment Advisors Private Limited ("the Transferor Company 2") and Motilal Oswal Real Estate Investment Advisors II Private Limited ("the Demerged Company 2" or "the Transferor Company 4") and MO Alternate Investment Advisors Private Limited (erstwhile Motilal Oswal Fincap Private Limited) ("the Resulting Company") and Motilal Oswal Financial Services Limited ("the Transferee Company 1" 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 an application with Hon'ble NCLT. Pursuant to the directions issued by Hon'ble NCLT, the Meeting of equity shareholders was scheduled on 16 December 2021 and the Scheme was approved by shareholders with requisite majority. Consequently, the Hon'ble NCLT approved the Scheme of Arrangement vide order dated 11 March 2022. The effect of the said Scheme was given on 30 March 2022 from the appointed date of 01 April 2020 by restating the financial statement for the year ended 31 March 2021.

- (b) 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 restated figures based on the audited accounts of the Transferor, Transferee and Resulting Company.

Accounting treatment given in the books for the Scheme:

Notwithstanding anything to the contrary contained in any other clause in the Scheme, 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:

- 1.1 The Transferee Company 2 shall record the assets and liabilities of the Transferor Company 1, 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(iii) of Appendix C of Ind AS 103.
- 1.2 The Transferee Company 2 shall preserve the identity of the reserves of the Transferor Company 2 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 2 and it shall be aggregated with the corresponding balance appearing in the financial statements of the Transferee Company 2.
- 1.3 The shares held by the Transferee Company 2 in the Transferor Company 2 on the Effective Date shall be cancelled.
- 1.4 Loans and advances, receivables, payables and other dues outstanding between the Transferor Company 2 and the Transferee Company 2 will stand cancelled and there shall be no further obligation / outstanding in that behalf.
- 1.5 The difference between the net assets transferred to the Transferee Company 2 pursuant to Clause 22.1 as reduced by Reserves recorded in the Transferee Company 2 pursuant to Clause 22.2 and after giving effect Clause 22.3 and 22.4, the difference shall be adjusted against Capital Reserve of the Transferee Company 2.
- 1.6 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 till the Appointed Date will be quantified and adjusted as per Ind AS, to ensure that the financial statements of Transferee Company 2 reflects the financial position on the basis of consistent accounting policy.

Notes to Financial Statement (Contd..)

- 1.7 The Transferor Company 2 is a wholly owned subsidiary of the Transferee Company 2 and therefore on amalgamation of the Transferor Company 2 into the Transferee Company 2 there shall be no issue of shares by the Transferee Company 2 in this regard as consideration.
- 1.8 Upon Part C of the Scheme coming into effect, all equity shares of the Transferor Company 2 held by the Transferee Company 2 (held either directly or through its nominees) shall stand cancelled without any further application, act or deed."

2. DEMERGER OF THE FUND MANAGEMENT UNDERTAKING 1 FROM THE DEMERGED COMPANY 1 INTO RESULTING COMPANY

- 2.1 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 applicable 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

- 2.1.1 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.
- 2.1.2 Loans and advances, receivables, payables and other dues outstanding between the Demerged Company 1 and the Resulting Company relating to the Fund Management Undertaking 1 will stand cancelled and there shall be no further obligation / outstanding in that behalf.
- 2.1.3 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").
- 2.1.4 The difference, being the excess of carrying value of assets over the carrying value of liabilities transferred pursuant to Clause 1.1.1 and after giving effect to clause 1.1.2 and clause 1.1.3 above shall be adjusted to the other equity of the Demerged Company 1.
- 2.2 The Resulting Company 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 applicable 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 Resulting Company

- 2.2.1 The Resulting Company shall record the assets and liabilities pertaining to the Fund Management Undertaking 1, transferred to and vested in it at their respective carrying values as appearing in the books of the Demerged Company 1. "
- 2.2.2 Loans and advances, receivables, payables and other dues outstanding between the Demerged Company 1 and the Resulting Company relating to the Fund Management Undertaking 1 will stand cancelled and there shall be no further obligation / outstanding in that behalf.
- 2.2.3 The identity of the reserves transferred by the Demerged Company 1 pertaining to the Fund Management Undertaking 1 pursuant to clause 1.1.3 of the Scheme, shall be preserved and vested in it and shall appear in the financial statements of the Resulting Company in the same form and

Notes to Financial Statement (Contd..)

manner, in which they appeared in the financial statements of the Demerged Company 1, prior to Scheme becoming effective.

- 2.2.4 The difference, being the Net Assets transferred from the Demerged Company 1 pursuant to Clause 1.2.1 above after giving effect to Clause 1.2.2 and 1.2.3, shall be adjusted to Capital Reserve of the Resulting Company.

For the purpose of this Clause 1, "Net Assets" would mean difference between the carrying value of assets and liabilities."

- 3.1 The Demerged Company 2 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 applicable 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 2

- 3.1.1 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.
- 3.1.2 Loans and advances, receivables, payables and other dues outstanding between the Demerged Company 2 and the Resulting Company relating to the Fund Management Undertaking 3 will stand cancelled and there shall be no further obligation / outstanding in that behalf.
- 3.1.3 The Demerged Company 2, 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 2 ("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 2.1.1 and after giving effect to clause 2.1.2 and clause 2.1.3 above shall be adjusted to the other equity of the Demerged Company 2.

- 3.2 The Resulting Company 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 applicable 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 Resulting Company

- 3.2.1 The Resulting Company shall record the assets and liabilities pertaining to the Fund Management Undertaking 2, transferred to and vested in it at their respective carrying values as appearing in the books of the Demerged Company 2.
- 3.2.2 Loans and advances, receivables, payables and other dues outstanding between the Demerged Company 2 and the Resulting Company relating to the Fund Management Undertaking 2 will stand cancelled and there shall be no further obligation / outstanding in that behalf.
- 3.2.3 The identity of the reserves transferred by the Demerged Company 2 pertaining to the Fund Management Undertaking 2 pursuant to clause 2.1.3, shall be preserved and vested in it and shall appear in the financial statements of the Resulting Company in the same form and manner, in which they appeared in the financial statements of the Demerged Company 2, prior to scheme becoming effective.

Notes to Financial Statement (Contd..)

- 3.2.4 The difference, being the Net Assets transferred from the Demerged Company 2 pursuant to Clause 2.2.1 above after giving effect to Clause 2.2.2 and Clause 2.2.3, shall be adjusted to Capital Reserve of the Resulting Company.

For the purpose of this Clause 2, "Net Assets" would mean difference between the carrying value of assets and liabilities."

Additional disclosures

c) Voting interest acquired

- The fund management division of MOPE Investment Advisors Private Limited (MOPE) got demerged and amalgamated into the Company and consequently equity shares were issued by the holding company of the Company to the shareholders of MOPE.
- The fund management division of Motilal Oswal Real Estate Investment Advisors II Private Limited (MORE II) got demerged and amalgamated with the Company and consequently equity shares were issued by the holding company of the company to the shareholders of MORE II.

d) Reason for business combination

- Business Combination will lead to clear cut and straight forward shareholding structure and eliminating needless layers of shareholding tiers and at the same time demonstrate the Promoter Group's direct commitment and engagement and improve the confidence of all shareholders.
- Concentrated management focus on the business in a more professional manner.
- Develop combined long-term corporate strategies and financial policies.
- Operational rationalization, organizational efficiency and optimal utilization of resources.
- From a governance perspective and keeping in mind amendments as per Section 2(87) and Section 186 of the Companies Act, 2013, group intends to reduce the three-layers and simplify the corporate structure.
- Reduced layer of entities shall enhance flexibility to incorporate subsidiaries and/or acquire companies or any other body corporates with controlling stake as per their business strategies.

e) Acquisition date & date of control:- 01 April 2020

f) Consideration transferred

- **To the shareholders of the MOPE Investment Advisors Private Limited –**

9,06,120 fully paid up equity shares at Rs.636.10/- each of the holding Company 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 –**

3,72,000 fully paid up equity shares at Rs.636.10/- each of the holding company of the company shall be issued and allotted to the equity shareholders of Motilal Oswal Real Estate Investment Advisors II Private Limited.

Notes to Financial Statement (Contd..)

g) Identifiable assets acquired and liabilities assumed

Particulars	As at March 31 2021	Adjustments on account of amalgamation			Adjustment of merger	As at April 01 2021
	As per signed annual report	MOPE	MORE II	MORE		(Restated)
Assets						
Financial Assets						
Cash and Cash Equivalent	7,60,899	21,36,36,039	43,63,932	73,385		21,88,34,255
Trade Receivables	19,68,600	38,31,129	2,19,91,760	-		2,77,91,489
Loan	-	120	2,98,27,000	-		2,98,27,121
Investments	1,70,00,736	57,83,353	4,04,30,684	-		6,32,14,773
Other Financial Assets	20,08,261	-	-	-		20,08,261
Non Financial Assets						
Property, plant and equipment	6,255	76,95,054	39,82,394	-		1,16,83,703
Deferred tax assets (net)		-	-	-		
Current Tax Asset	48,92,055	6,77,02,653	5,22,99,687	-	(5,75,30,480)	6,73,63,915
Other Non Financial Assets	1,863	36,44,89,222	16,29,58,502	-		52,74,49,587
	2,66,38,669	66,31,37,570	31,58,53,958	73,385	(5,75,30,480)	94,81,73,104
Liabilities						
Financial Liabilities						
Payables	13,933	8,70,463	86,06,202	3,100		94,93,698
Loan	-	-	-	90,000		90,000
Other Financial Liabilities	4,03,031	1,48,51,152	86,16,447	43,918	4,00,00,000	6,39,14,549
Non Financial Liabilities						
Current Tax Liabilities	-	-	-			
Deferred tax Liability (net)	(26,06,015)	3,64,13,551	3,57,04,824	50,742	6,04,48,469	13,00,11,572
Provisions	-	15,42,36,346	4,60,03,774	-		20,02,40,121
Other Non Financial Liabilities	(1,04,398)	9,34,39,020	98,10,339	(1,14,407)		10,30,30,555
Equity						
Equity Share Capital	3,00,00,000	-	-	-	12,78,120	3,12,78,120
Other Equity	(10,67,882)	36,33,27,038	20,71,12,372	31	(15,92,57,069)	41,01,14,489

Notes to Financial Statement (Contd..)

h) Acquisition-related costs

ii) No cost has been incurred related to acquisition.

i) 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 - MOPE	-	-	59,21,83,392	
Transferor Company 1 - MORE II	-	-	35,29,24,748	
Transferor Company 1 - MORE	-	-	-	-

j) 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
MO Alternate	2,17,97,64,150	1,05,88,32,786	92,54,65,406	24,11,74,045

k) Nature of business of the combining entities

Name of combining entities	General nature of business of combining entities
Demerged Company 1 - MOPE	Investment Manager of Private Equity funds
Demerged Company 2 - MORE II	Investment Manager of Real Estate funds

l) Description and number of shares issued, together with 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 share exchanged to extent of business combination
Demerged Company 1 - MOPE	Equity Shares	9,06,120	0.61%
Demerged Company 2 - MORE II	Equity Shares	3,72,000	0.25%

m) The amount of any difference between the consideration and the value of net identifiable assets acquired and the treatment thereof : Nil

Note 49: Compliance with approved Scheme of Arrangements

The accounting treatment of the approved Scheme of arrangement 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 restated figures based on the audited accounts of the Transferor, Transferee and Resulting Company.

Note 50 : The Company does not have any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended 31 March 2022 and 31 March 2021.

Notes to Financial Statement (Contd..)

Note 51 : MAT impact

MAT credit available as on appointed date has been bifurcated into fund management division and remaining division based on the net assets value of demerged companies as on the appointed date 1st April 2020.

Note 52 : Previous year figures have been regrouped / reclassified wherever necessary.

Note 53 : Amount below Rs.50,000 have been rounded off or shown as "0".

For Singhi & co

Chartered Accountants
Firm Registration No : 302049E
UDIN : 22007592AHYLZL3591

S. Chandrasekhar

Partner
Membership No : 007592

Place : Mumbai
Date : 27 April 2022

For and on behalf of the Board of Directors

For MO Alternate Investment Advisors Private Limited
(Formerly known as Motilal Oswal Fincap Private Limited)

Vishal Tulsyan

Managing Director and
Chief Executive Officer
DIN : 00139754

Place : Mumbai
Date : 27 April 2022

Motilal Oswal

Director
DIN : 00024503

Glide Tech Investment Advisory Private Limited FINANCIAL STATEMENT

INDEPENDENT AUDITORS' REPORT

To,

The Members Glide Tech Investment Advisory Private limited,

Report on audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of Glide Tech Investment Advisory Private limited which comprises the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, and statement of cash flows for the year then ended, and notes to the financial statements, including 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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and profit/loss, and its cash flows for the period ended on March 31, 2022.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 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

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Special purpose 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.

Key audit matter	How our audit addressed the key audit matter
-----NIL-----	

Responsibility of Management for the Standalone Financial Statements

The management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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; design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of

INDEPENDENT AUDITORS' REPORT (Contd..)

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 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 is also responsible for overseeing the company's financial reporting process.

Auditors' Responsibilities for the Audit of the Standalone Financial Statements

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 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:

- 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 explaining 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.

INDEPENDENT AUDITORS' REPORT (Contd..)

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 the financial statements of the current year 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

1. As required by section 197(16) of the Act, 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.
2. 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 Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
3. As required by Section 143(3) of the Act, 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 purposes 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 Balance Sheet & Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors are disqualified as on 31st 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 Control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - (g) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

INDEPENDENT AUDITORS' REPORT (Contd..)

- (i) The Company does not have any pending litigations which would impact its financial position;
- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Aneel Lasod And Associates*Chartered Accountants*

Firm Registration No.: 124609W

Aneel Lasod*(Partner)*

M.No:-040117

Place: Mumbai

Date: 22-04-2022

UDIN: 22040117AIARRX4331

INDEPENDENT AUDITORS' REPORT (Contd..)

Annexure "A" referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

According to the information and explanation sought by us and given by the company and the book of accounts and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

1. Fixed Assets:

- a. The company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant, Equipment. and intangible assets.
- b. The Property, Plant, Equipment and intangible assets were physically verified by the management at reasonable intervals and no discrepancies were noticed with that stated in the books of accounts.
- c. The Company has not revalued its Property, Plant, Equipment (including rights of use assets) or intangible assets during the year.
- d. According to the information, explanations and representation given to us, no Proceedings have been initiated or is pending against the company during the year for holding any Benami Transactions (Prohibition) Act, 1988 (45 of 1988) rules made thereunder.

2. Inventories:

According to the information and explanations given to us, there are no inventories on the balance sheet date; therefore paragraph 3(ii) (a) of the order is not applicable to the company.

3. Investment or Guarantee or Granting any Loan or Advances:

The Investments made are in the nature of investment and are not prima faces prejudicial to the company's interest. Further, according to the information and Explanation provided to us, the company has not provided any Guarantees or Granting any Loan or Advances during the year.

4. Compliance of section 185 and 186 of the Companies Act, 2013:-

According to the information and explanations given to us; in respect of loans, investments, guarantees and security are not given by the company, therefore Section 185 and 186 of the Companies Act, 2013 are not applicable.

5. Deposits from Public:

In our opinion and according to the information and explanations given to us, the company has not accepted any deposit from the "public" attracting the provisions of Sections 73 and 76 of the Companies Act 2013 or the rules framed there under.

6. Cost Records:

The Central Government has not prescribed the maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 for any of the activities conducted/services rendered by the Company. Accordingly Para 3(vii) of the Order is not applicable.

INDEPENDENT AUDITORS' REPORT (Contd..)

7. Statutory Dues:

- a. According to the records of the Company and according to the information and explanations provided to us, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Service Tax, Goods and Service Tax, Professional Tax, and any other statutory dues wherever applicable with the appropriate authorities.
- b. According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees State Insurance, Income Tax, Service Tax, Goods and Service Tax, Professional Tax, and any other statutory dues were outstanding as at 31st March, 2022 for a period of more than six months from the date they became payable.
- c. According to the information and explanations given to us, there are no dues of Provident Fund, Employees State Insurance, Income Tax, Service Tax, Professional Tax, SEBI turnover fees and any other statutory dues, which have not been deposited on account of any dispute.

8. Unrecorded income:

According to the information and explanations given to us, there are no transactions which have not been recorded in the books of Accounts but have been surrendered or disclosed as income in Income Tax Assessments under the Income tax Act, 1961 during the year.

9. Repayment and Usage of Borrowings:

- a. According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowing or in the payment of interest thereon to any lender.
- b. On the basis of information and explanation provided to us, the company has not declared a willful defaulter by any bank or financial institution or other lender
- c. According to the information, explanations and representation given to us and to the best of our knowledge and belief, company has not taken term loan during the year.
- d. On an overall examination of the financial statements of the company, funds raised on short term basis do not seem to have used for loan term purposes.
- e. The Company does not have any subsidiaries, associates or joint ventures. Accordingly, to the report under paragraph 3(ix) (e) of the order is not applicable to the company
- f. The Company does not have any subsidiaries, associates or joint ventures. Accordingly, to the report under paragraph 3(ix) (f) of the order is not applicable to the company.

10. Money raised through on Shares:

- 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 or partially) during the year and hence reporting under paragraph 3(x) (b) of the order is not applicable to the company.

INDEPENDENT AUDITORS' REPORT (Contd..)

11. Fraud:

- a. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the year.
- b. According to the information and explanations given to us and to the best of our knowledge, no report u/s 143(12) 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.
- c. According to the information, explanations and representation given to us, by the management there were no whistle blower complaints received during the year by the company and hence reporting under paragraph 3(xi) (c) of the order is not applicable to the company.

12. Nidhi Company:

The Company is not a Nidhi Company; and hence reporting under paragraph 3(xii) of the order is not applicable to the company.

13. Related Party Transaction:

According to the information and explanations given to us all the transactions with the related parties are in compliance with Section 177 and Section 188 of the Companies Act, 2013 wherever applicable the details have been disclosed in the Financial Statements etc.

14. Internal Audit:

- a. In our opinion the company has an adequate internal audit system commensurate with the size and the nature of its business.

15. Non cash transactions:

According to the information and explanations given to us the company has not entered into non cash transactions with directors or persons connected with him as covered under section 192 of the Companies Act, 2013; therefore this clause is not applicable.

16. 45-IA of RBI Act, 1934:

The Company is not a Non-Banking Financial Company therefore the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934; therefore this clause is not applicable.

17. Cash Losses:

According to the information and explanations given to us and based on our examination of the record of the company, the company has not incurred cash losses in the financial year but in immediately preceding financial year there was a cash loss of Rs. 79,15,599/-

18. Auditors Resignation:

There is no resignation of the statutory auditor during the year, hence this clause is not applicable to the company.

INDEPENDENT AUDITORS' REPORT (Contd..)

19. Financial Position:

According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that 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.

20. CSR Compliance:

CSR Paragraph (xx) (b) of the order is not applicable to the company.

21. Consolidated Financial Statements (CFS):

According to the information and explanations given to us and based on our examination of the records of the company, there are no subsidiaries/ associates/ Joint ventures of the company and hence the paragraph 3(xxi) of the order is not applicable to the company.

For Aneel Lasod And Associates

Chartered Accountants

Firm Registration No.: 124609W

Aneel Lasod

(Partner)

M.No:-040117

Place: Mumbai

Date: 22-04-2022

INDEPENDENT AUDITORS' REPORT (Contd..)

Annexure B to the Auditors' Report

Report on the Internal Financial Controls 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 of Glide Tech Investment Advisory Private Limited ('the Company') as of 31 March, 2022 in conjunction with our audit of the standalone 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 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 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 Companies Act, 2013.

Auditors' 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 on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both 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 were 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 auditors' 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 authorizations of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the

INDEPENDENT AUDITORS' REPORT (Contd..)

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, 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 31 March 2022, 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 issued by the Institute of Chartered Accountants of India.

For Aneel Lasod And Associates

Chartered Accountants

Firm Registration No.:- 124609W

Aneel Lasod

(Partner)

M.No:-040117

Place: Mumbai

Date: 22-04-2022

BALANCE SHEET

(All amounts are in INR Hundred, unless otherwise stated)

BALANCE SHEET AS AT 31ST MARCH, 2022

Particulars	Note No.	As at 31 March 2022	As at 31 March 2021
I. ASSETS			
A. Non-current assets			
a) Property, plant and equipment	4(a)	15,616	11,872
b) Other intangible assets	4(b)	79,931	78,831
c) Financial Assets			
(i) Investments	5	1,820	-
d) Deferred tax assets (net)	6	81,645	57,502
Total non - current assets (A)		1,79,012	1,48,205
B. Current assets			
a) Financial assets			
(i) Cash and cash equivalents	7	14,568	10,733
(ii) Receivables	8	5,17,452	-
b) Other current assets	9	4,692	14,593
Total Current assets (B)		5,36,712	25,326
Total Assets (A+B)		7,15,724	1,73,531
II. EQUITY AND LIABILITIES			
A. Equity:			
Equity share capital	10	7,00,000	4,00,000
Other equity	11	(3,29,690)	(2,69,535)
Total equity (A)		3,70,310	1,30,465
B. Liabilities			
1. Current liabilities			
a) Financial liabilities			
i) Borrowings	12	2,03,262	-
ii) Other payables	13	22,455	13,158
iii) Provisions	14	1,05,139	29,115
b) Other current liabilities	15	14,558	793
Total current liabilities (B)		3,45,414	43,066
Total Equity and Liabilities (A+B)		7,15,724	1,73,531

The accompanying notes 1 to 35 form an integral part of the financial statements

This is the Balance Sheet referred to in our report of even date

For Aneel Lasod And Associates

Chartered Accountants

Firm Reg. No. - 124609W

UDIN: 22040117AIARRX4331

For and on behalf of the Board of Directors

Glide Tech Investment Advisory Private Limited

Aneel Lasod

Partner

M No: 40117

Place : Mumbai

Date : 22 April 2022

Pratik Oswal

Director

DIN : 06704419

Place : Mumbai

Date : 22 April 2022

Raamdeo Agarawal

Director

DIN : 00024533

STATEMENT OF PROFIT AND LOSS

(All amounts are in INR Hundred, unless otherwise stated)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

Particulars	Note No.	For the Period ended 31 March 2022	For the Period ended 31 March 2021
Income			
Revenue from operations			
(i) Fees and commission income	16	4,77,472	-
(ii) Net gain on fair value change	17	41	-
1) Total revenue from operations		4,77,513	-
2) Other income	18	14,850	-
3) Total Income (1 + 2)		4,92,363	-
Expenses			
(i) Employee benefit expense	19	4,63,256	1,70,459
(ii) Finance cost	20	9,642	2,133
(iii) Other expenses	21	98,621	51,668
(iv) Depreciation	4	8,512	24,463
4) Total expenses		5,80,031	2,48,723
5) Profit/(loss) before tax (3 - 4)		(87,668)	(2,48,723)
Tax expense/(credit):	22		
(i) Current tax		-	-
(ii) Deferred tax expense/(credit)		(24,684)	(24,534)
6) Total tax expense		(24,684)	(24,534)
7) Profit/(Loss) after tax (5-6)		(62,984)	(2,24,189)
Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
(a) Actuarial gain/(loss) on post retirement benefit plans		2,348	(3,497)
(b) Deferred tax impact on the above		(540)	800
8) Other comprehensive income		1,807	(2,697)
Total comprehensive income for the period (7+8)		(61,177)	(2,26,886)
Earnings/(Loss) per equity share	23		
Basic and diluted		(1.01)	(7.34)

The accompanying notes 1 to 35 form an integral part of the financial statements

This is the Statement of Profit and Loss referred to in our report of even date

For Aneel Lasod And Associates

Chartered Accountants

Firm Reg. No. - 124609W

UDIN: 22040117AIARRX4331

Aneel Lasod

Partner

M No: 40117

Place : Mumbai

Date : 22 April 2022

For and on behalf of the Board of Directors

Glide Tech Investment Advisory Private Limited

Pratik Oswal

Director

DIN : 06704419

Place : Mumbai

Date : 22 April 2022

Raamdeo Agarawal

Director

DIN : 00024533

CASH FLOW STATEMENT

(All amounts are in INR Hundred, unless otherwise stated)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

Particulars	Period ended 31 March 2022	Period ended 31 March 2021
A. Cash flow from operating activities		
Profit before tax	(87,668)	(2,48,723)
Adjustment for :		
Interest on loans	9,642	2,133
Depreciation	8,512	24,463
Gratuity	4,907	407
Operating profit/(loss) before working capital changes	(64,607)	(2,21,720)
Adjustment for working capital changes :		
5) Increase/(decrease) in Receivables	(5,17,452)	-
5) Increase/(decrease) in Other current assets	9,901	(14,593)
5) Increase/(decrease) in Other Payables	(13,158)	13158
5) Increase/(decrease) in Provisions	73,465	-
5) Increase/(decrease) in Other current liabilities	13,765	793
Net changes in working capital	(4,33,480)	(641)
Cash generated from operating activities	(4,98,087)	(2,22,361)
Income taxes paid (net of refunds)	-	-
Net cash flow (used in)/ generated from operating activities	(4,98,087)	(2,22,361)
B. Cash flow from investing activities		
Sale of investments		
Net purchase of investment	(1,778)	-
Purchase of Fixed Assets	(13,356)	(1,08,275)
Net cash used in investing activities	(15,134)	(1,08,275)
C. Cash flow from financing activities		
Issue of equity shares	3,00,000	3,00,000
Short-term borrowings	3,50,262	1,27,300
Repayment of short-term borrowings	(1,47,000)	(1,27,300)
Interest Payment	(7,401)	(2,132)
Net cash used in financing activities	4,95,861	2,97,868
Net (decrease)/ increase in cash and cash equivalents {(A) + (B) + (C) }	(17,359)	(32,768)
Cash and cash equivalent at the beginning of the year	10,733	23,020
Cash and cash equivalents at the end of the year (Refer Note no. 10)	(6,626)	(9,748)
* Composition of cash and cash equivalent		
Balance with scheduled bank - In Current Account	14,568	10,733
	14,568	10,733

The accompanying notes 1 to 35 form an integral part of the financial statements

This is the Cash Flow Statement referred to in our report of even date.

For Aneel Lasod And Associates

Chartered Accountants

Firm Reg. No. - 124609W

UDIN: 22040117AIARRX4331

Aneel Lasod

Partner

M No: 40117

Place : Mumbai

Date : 22 April 2022

For and on behalf of the Board of Directors

Glide Tech Investment Advisory Private Limited

Pratik Oswal

Director

DIN : 06704419

Place : Mumbai

Date : 22 April 2022

Raamdeo Agarawal

Director

DIN : 00024533

STATEMENT OF CHANGES IN EQUITY

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2022

(All amounts are in INR Hundred, unless otherwise stated)

(A) Equity share capital

Particulars	Equity share capital	
	Number of shares	Amount
As at 30 April 2020	10,00,000	1,00,000
Add/Less: Changes due to prior period errors	-	-
Restated as at 01 April 2020	10,00,000	1,00,000
Issued during the year	30,00,000	3,00,000
As at 31 March 2021	40,00,000	4,00,000
Add/Less: Changes due to prior period errors	-	-
Restated as at 01 April 2021	40,00,000	4,00,000
Issued during the year	30,00,000	3,00,000
As at 31 March 2022	70,00,000	7,00,000

(B) Other Equity

Particulars	Reserves and Surplus		Reserves and Surplus	
	31 March 2022		31 March 2021	
	Surplus/(deficit) in the Statement of Profit and Loss	Employee stock options outstanding reserve	Surplus/(deficit) in the Statement of Profit and Loss	Employee stock options outstanding reserve
Balance at the beginning of the reporting period	(2,69,535)	-	(60,908)	-
Add/Less: Changes due to prior period errors	-	-	-	-
Restated balance	(2,69,535)	-	(60,908)	-
Profit during the year	(61,177)	-	(2,08,627)	-
Transfer during the year	-	1,023	-	-
Balance at the end of the reporting period	(3,30,712)	1,023	(2,69,535)	-

For Aneel Lasod And Associates
Chartered Accountants
Firm Reg. No. - 124609W
UDIN: 22040117AIARRX4331

For and on behalf of the Board of Directors
Glide Tech Investment Advisory Private Limited

Aneel Lasod
Partner
M No: 40117
Place : Mumbai
Date : 22 April 2022

Pratik Oswal
Director
DIN : 06704419
Place : Mumbai
Date : 22 April 2022

Raamdeo Agarawal
Director
DIN : 00024533

Notes to Financial Statement (Contd..)

Summary of significant accounting policies and other explanatory information

1. Corporate informations

Glide Tech Investment Advisory Private Limited ("GTIAPL" or the "Company") was incorporated on 29 November 2019. The registered and corporate office of the Company is situated at Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400 025.

The Company's principle activity is to act as an Investment Advisor and provide, investment advisory and administrative services to the various scheme of mutual funds and private equity funds.

The Company is registered with Securities and Exchange Board of India ("SEBI") under SEBI (Investment Advisors) Regulations, 2013.

These financial statements contain financial information of the company and were authorized for issue by the Board of Directors on 22 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 and other relevant provisions of the Act.

Accounting policies have been applied consistently over all the periods presented in these financial statements.

(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 values;
- Assets held for sale – measured at fair value less cost to sell;
- Defined benefit plans – plan assets measured at fair value; and

(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 II of Schedule III to the Companies Act, 2013 on 11 October 2013, 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 16.

Notes to Financial Statement (Contd..)

(iv) Use of estimates and judgements

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 at each balance sheet date are discussed in note 3.

2.2. 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 is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period. 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. 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 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.

Notes to Financial Statement (Contd..)

2.3. 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.

2.4. 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 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 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 profit or 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 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. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 31.

Notes to Financial Statement (Contd..)

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 (FVOCI); or
- Amortised cost.

1. Financial assets carried at amortised cost

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. 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 FVTPL:

Notes to Financial Statement (Contd..)

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 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

Financial liabilities are classified at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Notes to Financial Statement (Contd..)

(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.

2.5. 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.

2.6. 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 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 Company provides pro-rata depreciation from the date of installation till date the assets are sold or disposed. Leasehold improvements are amortised over the term of underlying lease.

Assets	Useful life
Computers	3 years

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.

2.7. 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

Notes to Financial Statement (Contd..)

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.

2.8. 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.

(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 reporting 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.

2.9. 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 shareholders 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.

Notes to Financial Statement (Contd..)

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.

2.10. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirements.

2.11. 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.

2.12. Recent accounting development

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. On 24 March 2021, the Ministry of Corporate Affairs ("MCA") through a notification amended Schedule III of the Companies Act, 2013. 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:

- 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 asset under development in specified format prescribed under amendment.
- Specific disclosure: Amendment requires to disclose transaction/ 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.
- 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.

Notes to Financial Statement (Contd..)

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 an ongoing basis. Any changes to accounting estimates are recognised on prospective basis.

Information about critical judgments in applying accounting policies, as well as estimates 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. 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.
- (b) **Allowance for impairment of financial asset:** The Company recognises loss allowances for expected credit loss on its financial assets measured at amortised cost. At each reporting date, company assess whether financial assets carried at amortised cost are credit impaired. Financial assets are credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial assets have occurred.
- (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 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.
- (e) **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.

Note 4(a): Property, plant and equipment

Current year	Gross block				Accumulated depreciation				Net block	
Particulars	As at 01 April 2021	Additions	Deductions	As at 31 March 2022	As at 01 April 2021	Additions	Deductions	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021
Computer	17,441	12,009	-	29,450	5,569	8,265	-	13,834	15,616	11,872
	17,441	12,009	-	29,450	5,569	8,265	-	13,834	15,616	11,872

Notes to Financial Statement (Contd..)

Note 4(b): Intangible Assets

Current year	Gross block				Accumulated depreciation				Net block	
Particulars	As at 01 April 2021	Additions	Deductions	As at 31 March 2022	As at 01 April 2021	Additions	Deductions	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021
Computer software	98,539	1,347	-	99,886	19,708	247	-	19,955	79,931	78,831
	98,539	1,347	-	99,886	19,708	247	-	19,955	79,931	78,831

Note 4(a) : Property, plant and equipment

Previous year	Gross block				Accumulated depreciation				Net block	
Particulars	As at 01 April 2020	Additions	Deductions	As at 31 March 2021	As at 01 April 2020	Additions	Deductions	As at 31 March 2021	As at 31 March 2021	As at 31 March 2020
Computer	7,704	9,737	-	17,441	813	4,756	-	5,569	11,872	6,891
	7,704	9,737	-	17,441	813	4,756	-	5,569	11,872	6,891

Note 4(b): Intangible Assets

Previous year	Gross block				Accumulated depreciation				Net block	
Particulars	As at 01 April 2020	Additions	Deductions	As at 31 March 2021	As at 01 April 2020	Additions	Deductions	As at 31 March 2021	As at 31 March 2021	As at 31 March 2020
Computer software	-	98,539	-	98,539	-	19,708	-	19,708	78,831	-
	-	98,539	-	98,539	-	19,708	-	19,708	78,831	-

Note 5 : Investments

Particulars	Subsidiary/ Others	As at 31 March 2022		As at 31 March 2021	
		Units	Amount	Units	Amount
Investment - at Fair value through profit and loss					
Investments in Mutual Funds					
MOTILAL OSWAL MF 5 YEAR G SEC ETF	Others	100	50	-	-
MOTILAL OSWAL MOST SHARES M50 ETF	Others	654	1,133	-	-
MOTILAL OSWAL MF MID 100 ETF	Others	183	57	-	-
MOTILAL OSWAL MF NASDAQ 100 ETF	Others	500	580	-	-
Total gross			1820		-
(I) Investment outside India			1,820		-
(II) Investment in India			-		-
C) Total (I+II)			1820		-
D) Less : Allowance for Impairment loss			-		-
E) Total net (C-D)			1820		-

Note 6 : Deferred tax assets (net)

	As at 31 March 2022	As at 31 March 2021
Deferred tax asset arising on account of:		
Preliminary expenses	3,743	3,593
Business loss	86,905	60,632
Gratuity provision	-	800
Total deferred tax assets (A)	90,648	65,025

Notes to Financial Statement (Contd..)

	As at 31 March 2022	As at 31 March 2021
Deferred tax liability arising on account of:		
Gratuity provision	1,859	-
Timing difference on property, plant and equipments as per books and as per Income Tax Act, 1961	6,604	6,604
Unrealised Gain	540	-
Total deferred tax liability (B)	9,003	6,604
Deferred tax assets/ (liability) (net)) (A-B)	81,645	58,421

Note 7 : Cash and cash equivalents

	As at 31 March 2022	As at 31 March 2021
Balance with banks		
In current accounts	14,568	10,733
Total	14,568	10,733

Note 8: Receivables

	As at 31 March 2022	As at 31 March 2021
Considered good - unsecured	5,17,452	-
Total	5,17,452	-

Note 8 (i) : Receivable ageing schedule

For the year ended 31 March 2022

Particulars	Outstanding for following periods from the date of transactions					
	Less than 6 months	6 months - 1 year	1 -2 year	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	5,17,452	-	-	-	-	5,17,452
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-

Notes to Financial Statement (Contd..)

Note 9 : Other current assets

	As at 31 March 2022	As at 31 March 2021
Balance with govt. authority	-	13,356
Prepaid expenses	4,692	1,237
Total	4,692	14,593

Note 10 : Share capital

Particulars	31 March 2022		31 March 2021	
	Number of shares	Amount	Number of shares	Amount
Authorised				
Equity shares of Rs. 10 each (Previous year Rs.10 each)	1,00,00,000	10,00,000	10,00,000	1,00,000
Issued, Subscribed and Paid up				
Equity shares of Rs. 10 each fully paid up (Previous year Rs.10 each)	70,00,000	7,00,000	40,00,000	4,00,000
	70,00,000	7,00,000	40,00,000	4,00,000

10.1 Reconciliation of number of shares outstanding at the beginning and at the end of the year

Particulars	31 March 2022		31 March 2021	
	Number of shares	Amount	Number of shares	Amount
At beginning of the year	40,00,000	4,00,000	10,00,000	1,00,000
Issued during the year	30,00,000	3,00,000	30,00,000	3,00,000
At the end of the year	70,00,000	7,00,000	40,00,000	4,00,000

10.2 Shareholder having more than 5% equity holding in the company

Particulars	31 March 2022		31 March 2021	
	Number of shares	Amount	Number of shares	Amount
Motilal Oswal Financial Services Ltd.	69,99,994	99.99%	39,99,994	99.99%

10.3 Shares held by holding company

Particulars	31 March 2022		31 March 2021	
	Number of shares	Amount	Number of shares	Amount
Motilal Oswal Financial services Limited	69,99,994	99.99%	39,99,994	100%

10.4 Shares held by promoters at the end of year

Shareholding pattern as on March 31, 2022			% Change during the year***
Name of the Shareholders	No. of shares held	% of shares held	
Motilal Oswal Financial services Limited and its nominees	70,00,000	100.00	75.00
Total A	70,00,000	100	

Notes to Financial Statement (Contd..)

Shareholding pattern as on March 31, 2021			% Change during the year***
Name of the Shareholders	No. of shares held	% of shares held	
Motilal Oswal Financial services Limited and its nominees	40,00,000	100.00	300.00
Total A	40,00,000	100	

Note 11 : Other Equity

	As at 31 March 2022	As at 31 March 2021
a) Employee stock options outstanding reserve		
Balance at the beginning of the year	-	-
Add: Transfer from Statement of Profit and Loss	1,023	-
Balance at the end of year	1,023	-
b) Statement of Profit and Loss		
Balance at the beginning of the year	(2,69,535)	(60,908)
Add: Transfer from Statement of Profit and Loss	(61,177)	(2,08,627)
Balance at the end of year	(3,30,712)	(2,69,535)
	(3,29,690)	(2,69,535)

Nature and Purpose of Reserves

Retained earnings

Retained earnings pertains to the accumulated earnings/losses made by the company over the years.

Note 12 : Borrowings (Other than Debt Securities)

Particulars	As at 31 March 2022	As at 31 March 2021
Borrowings at amortised cost		
Loans from related parties	2,03,262	-
Total	2,03,262	-

Note 13 : Other payables

Particulars	As at 31 March 2022	As at 31 March 2021
Interest accrued and due on borrowings	1,260	-
Creditors for expenses	19,145	10,925
Salaries and others	2,050	2,233
Total	22,455	13,158

Notes to Financial Statement (Contd..)

Note 14 : Provisions

Particulars	As at 31 March 2022	As at 31 March 2021
Provision for employee benefits		
ExGratia payable	90,351	20,020
Gratuity	7,384	4,825
Compensated absences	7,337	4,270
Heritage club benefit	67	-
Total	1,05,139	29,115

Note 15 : Other current liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Balance with govt. authority	9,685	-
Withholding and other taxes payable	4,873	793
Total	14,558	793

Note 16 : Fees and commission income

Particulars	For the Period ended 31 March 2022	For the Period ended 31 March 2021
Placement fee - Private equity funds	4,77,472	-
	4,77,472	-

Note 17 : Net gain /(loss) on fair value change

Particulars	For the Period ended 31 March 2022	For the Period ended 31 March 2021
Net gain on financial instruments at fair value:		
Realised gain	41	-
Total	41	-

Note 18 : Other Income

Particulars	For the Period ended 31 March 2022	For the Period ended 31 March 2021
Other Non-Operating Income	14,850	-
Total	14,850	-

Notes to Financial Statement (Contd..)

Note 19 : Employee benefits expense

Particulars	For the Period ended 31 March 2022	For the Period ended 31 March 2021
Salary, bonus and allowances	4,47,223	1,63,345
Staff welfare expenses	4,146	5,544
Contribution to provident & other funds	5,957	1,163
Gratuity (Refer note 30)	4,907	407
Expenses on employee stock option scheme	1,023	-
Total	4,63,256	1,70,459

Note 20 : Finance cost

Particulars	For the Period ended 31 March 2022	For the Period ended 31 March 2021
Interest on borrowing measured at amortised cost	9,642	2,133
Total	9,642	2,133

Note 21 : Other expenses

Particulars	For the Period ended 31 March 2022	For the Period ended 31 March 2021
Insurance	2,901	1,127
Computer repairs and maintenance	9,958	2,694
Legal and professional charges	13,628	11,143
Business support Charges	8,400	8,400
membership and subscription	1,021	5,000
Remuneration to auditors (Refer Note 21)	600	600
Repairs and maintenance	215	-
Miscellaneous expenses	7,540	9,132
Rent	8,400	8,400
Communication expenses	40	28
Printing and stationery Charges	190	26
Power and fuel	502	420
Marketing & brand promotion expenses	41,090	3,866
Travelling & Conveyance Expenses	614	(65)
Data processing charges	1,938	897
Advertisement expenses	1,462	-
Training Expenses	122	-
Total	98,621	51,668

Note 22.1 : Tax expense

The Company pays taxes according to the rates applicable in India. Most taxes are recorded in the income statement and relate to taxes payable for the reporting 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 the tax benefit exceeds the cumulative income statement expense on share plans. The Company provides for current tax according to the tax laws of India using tax rates

Notes to Financial Statement (Contd..)

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 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 recognised 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 recognised when it is considered recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as probable that there will be suitable taxable profits against which to recover carried forward tax losses and from 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	Period ended 31 March 2022	Period ended 31 March 2021
Current tax expense		
Current tax for the year	-	-
Total current tax expense	-	-
Deferred taxes		
Change in deferred tax liabilities	(24,684)	(42,793)
Net deferred tax expense	(24,684)	(42,793)
	(24,684)	(42,793)

Note 22.2 : Tax reconciliation (for profit and loss)

Particulars	Period ended 31 March 2022	Period ended 31 March 2021
Profit/(loss) before income tax expense	(87,668)	(2,48,723)
Tax at the rate of Nil (for 31 March 2022 - Nil)		
Tax effect of amounts which are not deductible / not taxable in calculating taxable income		
Expenses not deductible for tax purposes	-	(74,743)
Business loss	(26,274)	-
Gratuity	1,858	-
Change in tax rate	(5,188)	-
PPE	4,920	38,539
Tax on actuarial gain/loss	-	800
Income tax expense	(24,684)	(35,404)

Note 22.3:

Particulars	Period ended 31 March 2022	Period ended 31 March 2021
Deferred tax assets on account of:		
Preliminary Expenses	3,743	3,267
Business loss	86,905	55,120
Gratuity provision	-	800
Total deferred tax assets (A)	90,648	59,187

Notes to Financial Statement (Contd..)

Particulars	Period ended 31 March 2022	Period ended 31 March 2021
Deferred tax liability on account of :		
Gratuity provision	1,859	
Timing difference on property, plant and equipments as per books and as per Income Tax Act, 1961	6,604	1,685
Unrealised Gain	540	
Total deferred tax liabilities (B)	9,003	1,685
Net deferred tax (liability)/ Assets (A-B)	81,645	57,502

Note 22.4 : Deferred tax related to the following:

Particulars	As at 31 March 2022	Recognised through profit and loss	As at 31 March 2021	Recognised through profit and loss	As at 31 March 2020
Deferred tax assets on account of:					
Preliminary Expenses	3,743	476	3,267	(10,809)	14,076
Business loss	86,905	31,785	55,120	55,120	-
Gratuity provision	-	(800)	800	800	-
Total deferred tax assets	90,648	31,461	59,187	45,111	14,076
Deferred tax liabilities on account of:					
Gratuity provision	1,859	1,859	-	-	-
Timing difference on property, plant and equipments as per books and as per Income Tax Act, 1961	6,604	4,919	1,685	1,518	166
Unrealised Gain	540	540	-	-	-
Total deferred tax liabilities	9,003	7,318	1,685	1,518	166
Total deferred tax Assets/liability (net)	81,645	24,143	57,502	43,592	13,910

Note 23 : 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 22			As at 31 March 21		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial assets						
Cash and cash equivalents	14,568	-	14,568	10,733	-	10,733
Receivables	5,17,452	-	5,17,452			
Investments		1,820	1,820			
Other financial assets	4,692	-	4,692	14,593	-	14,593
Non-financial assets						
Property, plant and equipment	-	15,616	15,616	-	11,872	11,872
Other intangible assets	-	79,931	79,931	-	78,831	78,831
Deferred tax assets	-	81,645	81,645	-	57,502	57,502

Notes to Financial Statement (Contd..)

Particulars	As at 31 March 22			As at 31 March 21		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Total Assets	5,36,712	1,79,012	7,15,724	25,326	1,48,205	1,73,531
Liabilities						
Financial liabilities						
Borrowings	2,03,262	-	2,03,262			
Other payables	22,455	-	22,455	13,158	-	13,158
Provisions	97,755	7,384	1,05,139	24,299	4,816	29,115
Other current liabilities	14,558	-	14,558	793	-	793
Total Liabilities	3,38,030	7,384	3,45,414	38,250	4,816	43,066

Note 24 : Fair value measurements

Financial instruments by category:

Particulars	31 March 2022		31 March 2021	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
Cash and cash equivalents	-	14,568	-	10,733
Receivables	-	5,17,452	-	-
Investments	1,820	-	-	-
Other financial assets	-	4,692	-	14,593
Total Financial Assets	1,820	5,36,712	-	25,326
Financial Liabilities				
Borrowings	-	2,03,262	-	-
Other payables	-	22,455	-	13,159
Provisions	-	1,05,139	-	29,115
Other financial liabilities	-	14,558	-	793
	-	3,45,414	-	43,067

I. Fair value hierarchy

The fair values of the financial assets and liabilities are included at the amount 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. This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the Indian Accounting standard. An explanation of each level follows underneath the table.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. For example, listed equity instruments that have quoted market price.

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

Notes to Financial Statement (Contd..)

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 asset included in level 3.

II. Valuation techniques used to determine fair value

Significant valuation techniques used to value financial instruments include:

- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.

The fair values for investment in mutual fund are based on the quoted market prices and Fair value of security deposits are based on discounted cash flows using a discount rate determined considering company's incremental borrowing rate.

The carrying amounts of Cash and cash equivalent, trade receivables, current loans, trade payables, other current financial liabilities are considered to be approximately equal to the fair value.

Mutual fund investment have been categorised into level 2 of fair value hierarchy. Loans have been categorised into level 2 of the fair value hierarchy.

III. Fair value of financial instrument measured at amortised cost

Fair value of Financial asset and liabilities are equal to their carrying amount.

Note:

During the periods mentioned above, there have been no transfers amongst the levels of hierarchy.

Note 25 : Financial risk management

The company is exposed primarily to credit, liquidity and price risk which may adversely impact the fair value of its financial instrument. The Company has a risk management policy which covers risk associated with the financial assets and liabilities. The risk management policy is approved by Board of Directors. The focus of the risk management is to assess the unpredictability of the financial environment and to mitigate potential adverse effect on the financial performance of the company.

The Company's principal financial liabilities comprises of trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include Investments, loans, cash and cash equivalents that derive directly from its operations.

A Credit risk

The company is exposed to credit risk from its operating activities (primarily for trade receivables).

To manage credit risk, the Company follows a policy of providing 0-30 days credit to the customers basis the nature of customers. For some of the customer company follows the policy of receiving advance payment towards services. The credit limit policy is established considering the current economic trends of the industry in which the company is operating.

Notes to Financial Statement (Contd..)

However, the trade receivables are monitored on a periodic basis for assessing any significant risk of non-recoverability of dues and provision is created accordingly.

Bank balances are held with only high rated banks.

Age of receivables that are past due:

Particulars	As at 31 March 2022	As at 31 March 2021
Upto 3 months	5,17,452	-
3 - 6 months	-	-
6 - 12 months	-	-
More than 12 months	-	-
Total	5,17,452	-
Provision for expected credit loss	-	-

B Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities viz. Trade payables and other financial liabilities.

Liquidity risk management

The Company's management is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

(i) Maturities of non – derivative financial liabilities

As at 31 March 2022

Particulars	Upto 1 year	Between 1 and 5 years	Beyond 5 years	Total
Financial Liabilities				
Borrowings	2,03,262	-	-	2,03,262
Other payables	22,455	-	-	22,455
Provisions	97,755	7,384	-	1,05,139
Other current liabilities	14,558	-	-	14,558
Total	3,38,030	7,384	-	3,45,414

As at 31 March 2021

Particulars	Upto 1 year	Between 1 and 5 years	Beyond 5 years	Total
Financial Liabilities				
Borrowings	-	-	-	-
Other payables	13,158	-	-	13,158
Provisions	29,115	-	-	29,115
Other current liabilities	793	-	-	793
Total	43,066	-	-	43,066

Notes to Financial Statement (Contd..)

(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 exchange rates.

The Company is not exposed to foreign currency risk as it does not have any payables or receivables in foreign currency.

(ii) Cash flow and fair value interest rate risk

Interest rate risk arises from the sensitivity of the financial liabilities to changes in market rate of interest.

The Company is not exposed to interest rate risk as it does not have any borrowings.

(iii) Price risk

The company is exposed to price risk from its investment in mutual fund, classified in the balance sheet at fair value through profit and loss.

The Investments held by the Company are ancillary to the Investment management business objective.

Sensitivity to price risk

The following table summarises the impact of sensitivity of NAVs with all other variables held constant. The below impact on the Company's profit before tax is based on changes in the NAVs of mutual funds at balance sheet date:

Sensitivity	31 March 2022	31 March 2021
Impact on profit before tax for 10% increase in NAV/price	182	
Impact on profit before tax for 10% decrease in NAV/Price	(182)	-

Note 26 : 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.

Particulars	31 March 2022	31 March 2021
The principal amount remaining unpaid at the end of the year	-	-
The interest amount remaining unpaid at the end of the year	-	-
Balance of Micro and Small enterprise at the end of the year	-	-

Notes to Financial Statement (Contd..)

Note 27 : Auditors' fees

Particulars	For the Period ended 31 March 2022	For the Period ended 31 March 2021
Statutory audit fees	600	600
Out of pocket expenses	-	-
Total	600	600

Note 28 : Provisions made comprises of

Particulars	Opening balance as at 01 April 2021	Provided during the financial year	Provision reversed/paid during the financial year	Closing balance as at 31 March 2022
Ex-gratia	20,020	90,351	20,020	90,351
Gratuity	4,825	7,354	4,795	7,384
Compensated absences	4,270	3,067	-	7,337
Heritage club benefits	-	67	-	67
Total	29,115	1,00,839	24,815	1,05,139

Particulars	Opening balance as at 01 April 2020	Provided during the financial year	Provision reversed/paid during the financial year	Closing balance as at 31 March 2021
Ex-gratia	10,000	20,020	10,000	20,020
Gratuity	921	3,904	-	4,825
Compensated absences	-	4,270	-	4,270
Heritage club benefits	-	-	-	-
Total	10,921	28,194	10,000	29,115

Note 29: Earnings per equity share

Particulars	For the Period ended 31 March 2022	For the Period ended 31 March 2021
Profit attributable to equity shareholders (in Rupees)	(62,984)	(2,24,189)
Weighted average number of equity shares outstanding during the year	62,19,178	30,54,795
Nominal value per share (in Rupees)	10	10
Earnings per share (Basic and diluted) (in Rupees)	(1.01)	(7.34)

Notes to Financial Statement (Contd..)

Note 30 : Employee benefits

Disclosure pursuant to Ind AS -19 "Employee benefits" is given as below:

Defined contribution plan:

Contribution to defined contribution plans, recognised as expense for the year is as under :

Particulars	Period ended 31 March 2022	Period ended 31 March 2020
Employers' contribution to provident fund	5,704	179

Defined benefit plan:

The Company 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 upto Rs. 20,00,000.

The following table set out the status of the gratuity plan as specified under section 133 of the Companies Act, 2013, Ind AS 19 "Employee benefits" and the reconciliation of opening and closing balances of the present value of the defined benefit obligation.

Particulars	Gratuity (unfunded) Period ended 31 March 2022	Gratuity (unfunded) Period ended 31 March 2021
I) Actuarial assumptions		
Mortality	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Discount rate (per annum)	7.34%	3.93%
Rate of escalation in salary (per annum)	4.57%	8.14%
Expected rate of return on plan assets (per annum)		
Employee attrition rate (past service)	PS: 0 to 37 : 1.08%	PS: 0 to 40 : 17.28%
Expected average remaining service	23.15	4.67
II) Changes in present value of obligations (PVO)		
PVO at beginning of period	4,825	921
Interest cost	190	44
Current service cost	4,670	2,500
Transfer in liabilities	47	-
Transfer out liabilities	-	(2,137)
Past service cost - (non vested benefits)	-	-
Past service cost - (vested benefits)	-	-
Benefits paid	-	-
Contributions by plan participants	-	-
Business combinations	-	-
Curtailments	-	-
Settlements	-	-
Actuarial (gain)/loss on obligation	(2,348)	3,497
PVO at end of period	7,384	4,825

Notes to Financial Statement (Contd..)

Particulars	Gratuity (unfunded) Period ended 31 March 2022	Gratuity (unfunded) Period ended 31 March 2021
III) Fair value of plan assets		
Interest cost	190	44
III) Fair value of plan assets	-	-
Fair value of plan assets at the beginning	-	-
Interest income	-	-
IV) Net liability		
PVO at beginning of period	4,825	-
Fair value of the assets at beginning report	-	-
Net Liability	4,825	-
V) Net Interest		
Interest expenses	190	44
Interest income	-	-
Net interest	190	44
VII) Actuarial (gain)/loss on obligation		
Less Interest income included above	-	-
Return on plan assets excluding interest income	-	-
VII) Actuarial (gain)/loss on obligation		
Due to demographic assumption	918	770
Due to financial assumption	(20,114)	(1,773)
Due to experience	16,847	4,500
Total actuarial (gain)/loss	(2,348)	3,497
VIII) Fair value of plan assets		
Opening fair value of plan asset	-	-
Adjustment to opening fair value of plan asset	-	-
Return on plan assets excluding interest income	-	-
Interest income	-	-
Contributions by employer	-	-
Contributions by employee	-	-
Benefits paid	-	-
Fair value of plan assets at end	-	-
IX) Past service cost recognised		
Past service cost- (non vested benefits)	-	-
Past service cost- (vested benefits)	-	-
Average remaining future service till vesting of the benefit	-	-

Notes to Financial Statement (Contd..)

Particulars	Gratuity (unfunded) Period ended 31 March 2022	Gratuity (unfunded) Period ended 31 March 2021
Recognised past service cost- non vested benefits	-	-
Recognised past service cost- vested benefits	-	-
Unrecognised past service cost- non vested benefits	-	-
X) Amounts to be recognized in the balance sheet and statement of profit & loss account		
PVO at end of period	7,384	4,825
Fair value of plan assets at end of period		
Funded Status	(7,384)	(4,825)
Net asset/(liability) recognized in the balance sheet	(7,384)	(4,825)
XI) Expense recognised in the statement of profit and loss		
Current service cost	4,670	2,500
Net interest	190	44
Past service cost - (non vested benefits)	-	-
Past service cost - (vested benefits)	-	-
Transfer in liabilities	47	-
Curtailment effect	-	-
Settlement effect	-	-
Unrecognised past service cost - non vested benefits	-	-
Actuarial (gain)/loss recognized for the period	-	-
Expense recognized in the statement of profit and loss	4,907	2,544
XII) Other comprehensive income (OCI)		
Actuarial (gain)/loss recognized for the period	(2,348)	3,497
Asset limit effect	-	-
Return on plan assets excluding net interest	-	-
Unrecognized actuarial (gain)/loss from previous period	-	-
Total actuarial (gain)/loss recognized in (OCI)	(2,348)	3,497
XIII) Movement in liability recognized in balance sheet		
Opening net liability	4,825	921
Adjustment to opening balance	-	-
Transfer in liabilities	47	
Transfer out liabilities	-	(2,137)
Expenses as above	4,907	2,544
Contribution paid	-	-
Other comprehensive income(OCI)	(2,348)	3,497
Closing net liability	7,431	4,825

Notes to Financial Statement (Contd..)

Particulars	Gratuity (unfunded) Period ended 31 March 2022	Gratuity (unfunded) Period ended 31 March 2021
XIV)Schedule III of The Companies Act 2013		
Current liability	21	10
Non - current liability	7,364	4,815
XV) Projected service cost 31 March 2023	4,895	4,670

XVI) Sensitivity analysis

Particulars	DR: Discount Rate		ER : Salary escalation rate:	
	PVO DR +1%	PVO DR -1%	PVO ER +1%	PVO ER -1%
PVO	6292	8735	8748	6266

XVII) Expected payout

Year	Expected Outgo First	Expected Outgo Second	Expected Outgo third	Expected Outgo fourth	Expected Outgo Fifth	Expected Outgo Six to Ten
Payouts	21	23	125	161	184	1648

XVIII) Asset liability comparisons

Year	31-12-2018	31-12-2019	31-03-2020	31-03-2021	31-03-2022
PVO at end of period	-	867	921	4,825	7,384
Plan assets	-	-	-	-	-
Surplus / (deficit)	-	(867)	(921)	(4,825)	(7,384)
Experience adjustments on plan assets	-	-	-	-	-

Weighted average remaining duration of defined benefit obligation

17.89

Note 31 : Related party disclosure:-

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:

a. List of related parties and their relationship

(i) Holding company:

Motilal Oswal Financial Services Limited (Formerly known as Motilal Oswal Securities Limited)

Notes to Financial Statement (Contd..)

(ii) Fellow subsidiaries:

Motilal Oswal Finvest Limited (Formerly known as Motilal Oswal Capital Markets Private Limited)
 Motilal Oswal Asset Management Company Limited
 Motilal Oswal Alternet Investment Advisors Private Limited (Formerly known as Motilal Oswal Fincap Private Limited)
 Motilal Oswal Commodities Broker Private Limited
 Motilal Oswal Investment Advisors Limited
 India Business Excellence Management Company
 Motilal Oswal Wealth Limited
 Motilal Oswal Capital Markets (Hongkong) 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)
 Motilal Oswal Asset Management (Mauritius) Private Limited
 Motilal Oswal Finsec IFSC Limited
 Motilal Oswal Capital Limited
 Motilal Oswal Trustee Company Limited

(iii) Key Management Personnel (KMP)

(a) Managing director and Chief Executive Officer

Mr. Pratik Oswal

(b) Executive directors

Mr. Pratik Oswal

(c) Non - executive directors

Mr. Navin Agarwal

Mr. Raamdeo Agarawal

(iv) Relative of KMP

Suneeta Agrawal (wife of Raamdeo Agrawal)

Vaibhav Agrawal (son of Raamdeo Agrawal)

Shital Somaiyaa (wife of Navin Agarwal)

Natasha Oswal (wife of Pratik Oswal)

(v) Enterprises in which key managerial personnel have control

Motilal Oswal Foundation

(vi) Enterprises in which KMP have control

OSAG Enterprise LLP

Notes to Financial Statement (Contd..)

b. Transactions with related parties

Nature of transaction	Name of the related party	Holding Company / Subsidiary Company / Fellow Subsidiary		Key Managerial Personnel / Relative of KMP	
		Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021
Managerial remuneration	Mr. Pratik Oswal	-	-	46,480	28,479
Loan taken	Motilal Oswal Finvest Limited	3,29,000	1,27,300	-	-
	Motilal Oswal Wealth Limited	16,262	-	-	-
Loan repaid	Motilal Oswal Finvest Limited	1,42,000	1,27,300	-	-
	Motilal Oswal Wealth Limited	-	-	-	-
Interest expense	Motilal Oswal Finvest Limited	9,263	2,133	-	-
	Motilal Oswal Wealth Limited	379	-	-	-
Rent expense	Motilal Oswal Financial Services Limited	8,400	8,400	-	-
Business support charges	Motilal Oswal Financial Services Limited	8,400	8,400	-	-
Recovery of Expenses	Motilal Oswal Asset Management Company Limited	1,650	-	-	-
Referral Fees	MO Alternate Investment Advisors Private Limited	4,77,472	-	-	-

c. Outstanding balances of / with related parties :

Nature of transactions	Name of the Related party	As at 31 March 2022	As at 31 March 2021
Rent payable	Motilal Oswal Financial Services Limited	17,541	9,673
Interest payable	Motilal Oswal Finvest Limited	1,127	-
	Motilal Oswal Wealth Limited	134	-
Recovery of Expense	Motilal Oswal Asset Management Company Limited	1,782	-
Loan	Motilal Oswal Finvest Limited	1,87,000	-
	Motilal Oswal Wealth Limited	16,262	-
Referral Fees	MO Alternate Investment Advisors Private Limited	5,15,670	-

Notes to Financial Statement (Contd..)

Note 32 : Additional regulatory information required under (WB) (xvi) of Division III of Schedule III amendment, disclosure of ratios, is not applicable to the Company as it is not NBFC registered under Section 45-IA of Reserve Bank of India Act, 1934.

Note 33 : Contingent liabilities and Commitments

There are no contingent liabilities and commitments as at the balance sheet date.

Note 34 : Unhedged foreign currency

The Company is not having any unhedged foreign currency exposure as on 31 March 2022

Note 35 : Amount below Rs.50 have been rounded off or shown as "0".

For Aneel Lasod And Associates

Chartered Accountants
Firm Reg. No. - 124609W
UDIN: 22040117AIARRX4331

For and on behalf of the Board of Directors

Glide Tech Investment Advisory Private Limited

Aneel Lasod

Partner
M No: 40117
Place : Mumbai
Date : 22 April 2022

Pratik Oswal

Director
DIN : 06704419
Place : Mumbai
Date : 22 April 2022

Raamdeo Agarawal

Director
DIN : 00024533

Motilal Oswal Finsec IFSC Limited

FINANCIAL STATEMENT

Independent Auditors' Report

**To,
The Members
Motilal Oswal Securities International Private Limited,
Report on audit of the Standalone Financial Statements**

Opinion

We have audited the accompanying Standalone financial statements of Motilal Oswal Finsec IFSC Limited which comprises the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, and statement of cash flows for the year then ended, and notes to the financial statements, including 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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and profit, and its cash flows for the year ended on March 31, 2022.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 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

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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.

There are no key audit matters to communicate.

Responsibility of Management for the Standalone Financial Statements

The management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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; 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.

Independent Auditors' Report (Contd..)

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.

The Board of Directors is also responsible for overseeing the company's financial reporting process

Auditors' Responsibilities for the Audit of the Standalone Financial Statements

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 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:

- 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 explaining 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.

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

Independent Auditors' Report (Contd..)

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 the 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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, 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 purposes 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 Balance Sheet & Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) As the company is a Private Limited company with a turnover not exceeding Rs. Fifty Crores and does not have borrowings exceeding Rs. Twenty Five Crores from any bank or financial institution or anybody corporate at any point of time during the financial year, the report on Internal Financial Controls prescribed under clause (i) of sub section 3 of section 143 of the Companies Act, 2013 is not applicable.
 - (g) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company does not have any pending litigations which would impact its financial position;
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Independent Auditors' Report (Contd..)

- (iv) Based on the audit procedures and representation received from the management, Nothing has come to our notice that has caused us to believe that there is material misstatement under the sub-clause (i) and (ii) of the Rule
- (v) The Company has not declared and paid any dividend during the year.

For PGS & Associates
Chartered Accountants
Firm Registration No.: 0122384W
UDIN: 22111592AHUSBB5560

Premal H Gandhi
Partner
Membership No. 111592
Place: Mumbai
Date: 26th April 2022

Independent Auditors' Report (Contd..)

Annexure A referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property Plant and Equipment.
- (b) The Property Plant and Equipment of the Company have been physically verified by the Management during the year and no material discrepancies between the book records and the physical inventory have been noticed.
- (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 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 or both during the year.
- (e) There are no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
2. The Company did not have any inventory at any time during the year. Hence, the requirements of clause (ii) of paragraph 3 of the said Order are not applicable to the Company.
3. The Company has granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act. Hence, the requirements of sub clause (b) (c),(d) (e) & (f) to clause (iii) of paragraph 3 of the said Order are not applicable to the Company.
 - A) No loans granted to related parties which are outstanding as on date
 - B) No loans granted to non-related parties during the year
4. According to the information and explanation given to us, in respect of loans, investments, guarantees, and security the company has complied with the provisions of section 185 and 186 of the companies Act, 2013.
5. The Company has not accepted any deposits from the public under the provisions of Sections 73 to 76 or any relevant provisions of the Companies Act and the rules framed there under.
6. Pursuant to the rules made by the Central Government of India, the Company is not required to maintain cost records under sub-section (1) of section 148 of the Companies Act in respect of its products.
7. (a) According to the information and explanation given to us and the records of the Company examined by us in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of investor education and protection fund, direct and indirect taxes and other material statutory dues as applicable with the appropriate authorities in India and no such dues are outstanding for a period of more than six month from the date they became payable.
- (b) According to the information and explanations given to us, and the records of the Company examined by us, there are no dues in respect of direct and indirect taxes as March 31, 2022 which have not been deposited on account of any dispute.
8. The Company has not surrendered or disclosed any transaction as income during the year in the tax assessment under the Income Tax Act, 1961. Accordingly, Paragraph 3 (viii) of the Order is not applicable.
9. The Company does not have any loans or borrowings or in payment of interest from any financial institutions, banks, government or debenture holders during the year. Accordingly, Paragraph 3 (ix) of the Order is not applicable.

Independent Auditors' Report (Contd..)

10. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) or term loans or any preferential allotment or private placement during the year. Accordingly, paragraph 3(x) of the Order is not applicable. However, The Company has made provision of Employee stock Option Plan, and which is in compliance with The Companies Act, 2013.
11. According to the information and explanations given to us, we have neither come across any instance of fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year, nor have been informed of such case by the management.
12. In our opinion, and according to the information and explanation given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us, and the records of the Company examined by us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the Indian Accounting Standard (IndAS) 24 – Related Party Disclosure.
14. According to the information and explanations given to us, and the records of the Company examined by us, The Company is not required to conduct internal audit due to size and nature of its business.
15. According to the information and explanations given to us, and the records of the Company examined by us, The Company has not entered into any non-cash transaction with directors or persons connected with him.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
17. According to the information and explanations given to us, and the records of the Company examined by us, The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
18. According to the information and explanations given to us, and the records of the Company examined by us, there is no resignation of statutory auditor during the year.
19. According to the information and explanations given to us, and the records of the Company examined by us, there is no material uncertainty exists as on the date of the audit report that Company is 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.
20. According to the information and explanations given to us, and the records of the Company examined by us, The Company has not transferred any unspent amount to a Fund specified in schedule VII of the Companies Act.
21. The Companies (Auditor's Report) Order (CARO) has been issued for Standalone Financial Statement. Accordingly, Paragraph 3 (xxi) of the Order is not applicable.

For PGS & Associates

Chartered Accountants

Firm Registration No.: 0122384W

UDIN: 22111592AHUSBB5560

Premal H Gandhi

Partner

Membership No. 111592

Place: Mumbai

Date: 26th April 2022

Independent Auditors' Report (Contd..)

Annexure B to the Auditors' Report

Report on the Internal Financial Controls 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 of Motilal Oswal Finsec IFSC Limited ('the Company') as of 31 March 2022 in conjunction with our audit of the standalone 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 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 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 Companies Act, 2013.

Auditors' 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 on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both 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 were 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 auditors' 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 authorizations of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Independent Auditors' Report (Contd..)

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, 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 31 March 2022, 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 issued by the Institute of Chartered Accountants of India.

For PGS & Associates
Chartered Accountants
Firm Registration No.: 0122384W
UDIN: 21111592AAAACM1353

Premal H Gandhi
Partner
Membership No. 111592
Place: Mumbai
Date: 26th April 2022

Balance Sheet

BALANCE SHEET AS AT 31st MARCH, 2022

Particulars	Notes	As At 31-Mar-2022 Rs.	As At 31-Mar-2021 Rs.
I ASSETS			
1. Financial assets			
(a) Cash and Cash Equivalents	1	12,17,76,053	3,02,33,379
(b) Investment	2	56,97,315	
(c) Receivables	3	-	9,60,00,000
(d) Other financial assets	4	1,41,79,296	56,15,801
Sub - total Financial assets		14,16,52,664	13,18,49,180
2. Non-Financial assets			
(a) Other Non-Financials Assets	5	2,31,184	8,25,230
(b) Property, Plant & Equipment	6	5,94,823	2,79,562
Sub - total Non- Financial assets		8,26,007	11,04,792
Total Assets		14,24,78,671	13,29,53,972
II EQUITY & LIABILITIES			
1. Financial liabilities			
(a) Other financials Liabilities	7	1,36,803	21,50,638
(b) Provisions	8	8,38,814	93,038
(c) Borrowings(Other than debt securities)	9	-	2,00,000
Sub - total Financial liabilities		9,75,617	24,43,676
2. Equity:			
(a) Equity share capital	10	12,00,00,000	12,00,00,000
(b) Other Equity	11	2,15,03,054	1,05,10,296
Sub - total Equity		14,15,03,054	13,05,10,296
Total Equity and Liabilities		14,24,78,671	13,29,53,972

Notes referred above form part is an integral part of financial statements.

As per our report of even date

For PGS & Associates

Chartered Accountants

Firm Number :122384W

Premal Gandhi

Partner

M.No.: 111592

Place: Mumbai

Dated: 26th April 2022

Gaurav Kedia

Chief Executive Officer

For Motilal Oswal Finsec IFSC Limited

Rajat Rajgarhia

Director

DIN - 07682114

Ajay Menon

Director

DIN - 00024589

Aditya Khaitan

Chief Financial Officer

Dharmi Naik

Company Secretary

Statement of Profit And Loss

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

Particulars	Notes	For The Period Ended 31-Mar-22 Rs.	For The Period Ended 31-Mar-21 Rs.
Revenue from Operations	12	1,51,60,510	1,66,39,767
Other Income	13	-	2,950
Total Revenue		1,51,60,510	1,66,42,717
Expenses:			
Employee Benefits	14	26,44,310	11,56,999
Finance Cost	15	10,927	1,256
Depreciation	16	84,739	77,485
Other Expense	17	(13,20,548)	53,74,188
Total Expenses		14,19,429	66,09,927
Profit/(Loss) Before Tax		1,37,41,081	1,00,32,790
Tax Expense:			
Current Tax		-	-
Deferred Tax		-	-
For previous year(s) (Income tax)		29,74,530	2,41,680
Profit/(Loss) for the year		1,07,66,551	97,91,110
Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
Acturail Gain/(losses) on post retirement benefit plans		2,26,206	(84,666)
(ii) Income Tax there on		-	-
Total		2,26,206	(84,666)
Total Comprehensive Income		1,09,92,757	97,06,444
Earnings Per Share (Rs.)			
Basic and Diluted Earnings/(Loss) per share		0.90	0.82
(Face value of Rs. 10 each)			

Notes referred above form part is an integral part of financial statements.

As per our report of even date

For PGS & Associates

Chartered Accountants

Firm Number :122384W

Premal Gandhi

Partner

M.No.: 111592

Place: Mumbai

Dated: 26th April 2022

Gaurav Kedia

Chief Executive Officer

For Motilal Oswal Finsec IFSC Limited

Rajat Rajgarhia

Director

DIN - 07682114

Ajay Menon

Director

DIN - 00024589

Aditya Khaitan

Chief Financial Officer

Dharmi Naik

Company Secretary

Cash Flow Statement

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

Particulars	As at 31-Mar-2022		As at 31-Mar-2021
	Rs.		Rs.
CASH FLOW FROM OPERATING ACTIVITIES			
PROFIT/(LOSS) BEFORE TAX		1,37,41,081	1,00,32,790
Adjustment For:			
Depreciation	84,739		
		84,739	77484.71
OPERATING PROFIT/(LOSS)		1,38,25,821	1,01,10,275
Adjustment For:			
(Increase)/Decrease In Other financial assets	(85,63,495)		(56,05,144)
(Increase)/Decrease In Other financial Receivable	9,60,00,000		
(Increase)/ Decrease In Other Non-Financials Assets	5,94,046		(8,10,031)
Increase/(decrease) in borrowings	(2,00,000)		2,00,000
Increase/(decrease) in Provisions	9,71,982		8,372
Increase/ (Decrease) In Other financials Liabilities	(20,13,836)	8,67,88,698	21,10,395
CASH GENERATED FROM OPERATIONS		10,06,14,519	60,13,867
Taxes Paid		(29,74,530)	(2,41,680)
NET CASH FROM OPERATING ACTIVITIES		9,76,39,989	57,72,187
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Assests	(4,00,000)		(3,57,047.00)
Purchase of Investment	(56,97,315)	(60,97,315)	-
NET CASH FLOW FROM INVESTING ACTIVITIES		(60,97,315)	(3,57,047)
NET CASH FLOW FOR THE YEAR		9,15,42,674	54,15,140
Cash & Cash Equivalents As At 01.04.2021	-	3,02,33,379	2,48,18,239
Balances With bank	3,02,33,379	-	
Effect Of Exchange Rate Changes			
Cash & Cash Equivalents As At 31.03.2022	-	12,17,76,053	3,02,33,379
Cheques In hand			
Balances With bank	12,17,76,053	-	3,02,33,379
Effect Of Exchange Rate Changes			

The above statement of Cash Flow has been prepared under indirect method as set out in Ind AS 7, 'Statement of Cash Flow', as specified under section 133 'of the companies Act, 2013 read with Rule "7" of the Companies (Account) Rules, 2015 (as amended) This is the statement of Cash Flow referred to in our report of even date.

Notes referred above form part is an integral part of financial statements.

As per our report of even date

For PGS & Associates

Chartered Accountants

Firm Number :122384W

Premal Gandhi

Partner

M.No.: 111592

Place: Mumbai

Dated: 26th April 2022

Gaurav Kedia

Chief Executive Officer

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Director

DIN - 07682114

Ajay Menon

Director

DIN - 00024589

Aditya Khaitan

Chief Financial Officer

Dharmi Naik

Company Secretary

STATEMENT OF CHANGES IN EQUITY

Statement of Changes in Equity for the year ended 31 March 2022

(a) Equity share capital

Particulars	Equity share capital	
	Number of shares	Amount
As at 01 April 2020	1,20,00,000	12,00,00,000
Changes in Equity Share Capital due to prior year errors	-	-
Restated balance at the beginning of the previous reporting year	1,20,00,000	12,00,00,000
As at 31 March 2021	1,20,00,000	12,00,00,000
Changes in Equity Share Capital due to prior year errors	-	-
Restated balance at the beginning of the previous reporting year	1,20,00,000	12,00,00,000
Changes during the year	-	-
As at 31 March 2022	1,20,00,000	12,00,00,000

(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 gain/(losses) on post retirement benefit plans	
Balance as at 01 April 2020	-	-	-	-	-	-	8,03,852	-	-	8,03,852
Changes in accounting policy or prior year errors	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the previous reporting year	-	-	-	-	-	-	8,03,852	-	-	8,03,852
Due to exercise of options	-	-	-	-	-	-	-	-	-	-
Additions during the year	-	-	-	-	-	-	97,91,110	-	(84,666)	97,06,444
Balance as at 31 March 2021	-	-	-	-	-	-	1,05,94,962	-	(84,666)	1,05,10,296
Changes in accounting policy or prior year errors	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting year	-	-	-	-	-	-	1,05,94,962	-	(84,666)	1,05,10,296
Additions during the year	-	-	-	-	-	-	1,07,66,551	-	2,26,206	1,09,92,757
Balance as at 31 March 2022	-	-	-	-	-	-	2,13,61,513.69	-	1,41,540.00	2,15,03,054

Notes to Financial Statement

A. Corporate information

1. Motilal Oswal Finsec IFSC Limited carry on the business as IFSC (International Financial Service Centre) Unit in accordance with the Securities Exchange Board of India (IFSC) Guidelines, 2015 to act as intermediary as per such guidelines in IFSC, Investment Consultants, stock brokers, Trading cum clearing member, underwriters, and to invest, sell, purchase, exchange, surrender, extinguish, relinquish, subscribe, acquire, undertake, underwrite, hold, auction, convert, or otherwise deal in any shares, stocks, debentures, debentures stock, bonds, depository receipts, hedge instruments, warrants, certificates, options futures, money market securities, marketable or non-marketable securities, derivatives and other instruments or securities issued or guaranteed given by any Government, semi-government, or any other authority or to deal in other permissible securities as prescribed in such guidelines or as may be amended from time to time.
2. Motilal Oswal Finsec IFSC Limited carry on business as investment advisor or Portfolio management consultant in IFSC for providing services to clients as permitted under such guidelines or as amended from time to time.
3. Motilal Oswal Finsec IFSC Limited carry on financial services activities, as permitted under the Special Economic Zones Act, 2005 read with the Special Economic Zones Rules, 2006 and any matter considered necessary in furtherance thereof, in accordance with license to operate, from International Financial Services Centre located in an approved multi services Special Economic Zone, granted by the Reserve Bank of India or the Securities and Exchange Board of India or the Insurance Regulatory and Development Authority of India.

B. Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a. Basis of preparation

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities are measured at fair value.

b. 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.

Notes to Financial Statement (Contd..)

Current Taxes

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 Taxes

Deferred income 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 income 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 income 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. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

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.

The Company has not yet recognized any deferred tax in the books on account of tax holidays available in Sez, Gandhinagar

c. 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, and bank overdrafts. Bank overdrafts are shown within borrowings in liabilities in the balance sheet.

Notes to Financial Statement (Contd..)

d. 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 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 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 profit or loss.

e. 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 (FVPL);
- Fair value through other comprehensive income (FVOCI); or
- Amortized cost.

The classification requirements for debt and equity instruments are described below:

Debt instruments

Debt instruments are those instruments that meet the definition of a financial liability from the issuer's perspective, such as loans, government and corporate bonds and trade receivables.

Notes to Financial Statement (Contd..)

Classification and subsequent measurement of debt instruments depend on:

- (i) the Company's business model for managing the asset; and
- (ii) the cash flow characteristics of the asset.

Based on these factors, the Company classifies its debt instruments into one of the following three measurement categories:

Amortized cost : Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest ('SPPI'), and that are not designated at FVPL, are subsequently measured at amortized cost using effective interest rate ('EIR') method less impairment, if any. The amortization of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

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.

Fair value through profit or loss: A financial asset not classified as either amortized 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.

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 other income 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 'other income' in the Statement of Profit and Loss.

(ii) Impairment

The Company assesses on a forward looking basis the expected credit losses (ECL) associated with its debt instruments carried at amortized cost and FVOCI and with the exposure arising from loan commitments and financial guarantee contracts. The Company recognizes a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;

Notes to Financial Statement (Contd..)

- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The measurement of the ECL allowance is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behavior (e.g. the likelihood of customers defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation techniques used in measuring ECL, which also sets out key sensitivities of the ECL to changes in these elements.

(iii) 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 recognised to the extent of continuing involvement in the financial asset.

f. Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest method.

(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.

Notes to Financial Statement (Contd..)

g. 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.

h. Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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 profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives & 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.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognized in the statement of profit or loss.

i. Other Financial liabilities

Financial liabilities are initially recognised at fair value (net of transaction costs incurred). Difference between the fair value and the transaction proceeds on initial recognition is recognised as an asset / liability based on the underlying reason for the difference.

Subsequently all financial liabilities are measured at amortised cost using the effective interest rate method.

j. Provisions and Contingent Liabilities:

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 Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Notes to Financial Statement (Contd..)

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.

k. Earnings per share

a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit or loss (excluding other comprehensive income) attributable to owners 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.

l. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest rupee as per the requirements

C. 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. 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 judgments 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, 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.
- (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.

Notes to Financial Statement (Contd..)

- (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 budgeted data for the future.

(e) **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.

Note 1: Cash & Cash Equivalents

Particulars	As at 31-March-2022 Rs.	As at 31-Mar-2021 Rs.
Balance with bank		
Scheduled banks- In current accounts	12,17,76,053	3,02,33,379
TOTAL	12,17,76,053	3,02,33,379

Note 2: Investments

Particulars	Subsidiary/ others	Shares / Units		Quoted / Unquoted	Amount as at	
		31 March 2022	31 March 2021		31 March 2022	31 March 2021
		Number	Number			
1) Investment in private equity funds	others					
Investment in Business Excellence Trust IV G	others	-	-	Unquoted	56,97,315	-
Total					56,97,315	

Note 3: Receivables

Particulars	As at 31-March-2022 Rs.	As at 31-Mar-2021 Rs.
Other receivables		
Due from members	-	9,60,00,000
TOTAL	-	9,60,00,000

Notes to Financial Statement (Contd..)

Note 3 (i) : Receivable ageing schedule

For the year ended 31 March 2022

Particulars	Outstanding for following periods from due date of payment					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	5,03,899	-	-	-	-	5,03,899
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-

For the year ended 31 March 2021

Particulars	Outstanding for following periods from due date of payment					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	36,12,254	-	-	-	-	36,12,254
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-

Notes to Financial Statement (Contd..)

Note 4: Other financial assets

Particulars	As at 31-March-2022 Rs.	As at 31-Mar-2021 Rs.
Considered good - secured	-	-
Considered good - unsecured	5,03,899	36,12,254
Trade Receivables which have significant increase in credit risk		
Trade Receivables - Credit impaired		
Deposits with exchange	1,36,75,397	20,03,547
TOTAL	1,41,79,296	56,15,801

Note 5: Other Non-Financials Assets

Particulars	As at 31-March-2022 Rs.	As at 31-Mar-2021 Rs.
Taxes Receivable	96,000	-
Prepaid Expense	1,25,184	55,701
Advance Against Expenses	10,000	7,69,529
TOTAL	2,31,184	8,25,230

Note 6: Property plants and equipments

Particulars	As at 31-March-2022 Rs.	As at 31-Mar-2021 Rs.
Property plants and equipments	5,94,823	2,79,562
TOTAL	5,94,823	2,79,562

Note 6: Property plants and equipments

Current Period											
Asset Class Code	Particulars	Gross Block				Accumulated Depreciation				Net Block	
		Opening	Additions	Deductions	Closing	Opening	Additions	Deductions	Closing	Opening	Closing
INCS0001	COMPUTER SOFTWARE		4,00,000		4,00,000		6,776		6,776	-	3,93,224
TAFF0001	FURNITURE	90,500.00			90,500	8,598	8,598		17,195	81,903	73,305
TAOE0010	OFFICE EQUIPMENTS	27,770.00			27,770	4,798	5,276		10,074	22,973	17,696
TAPE0001	COMPUTER-1	1,66,000.00			1,66,000	52,567	52,567		1,05,133	1,13,433	60,867
TAPE0003	NETWORK EQUIPMENTS	72,777.00			72,777	11,523	11,523		23,046	61,254	49,731
Total		3,57,048	4,00,000	-	7,57,048	77,484	84,740	-	1,62,224	2,79,562	5,94,823

Notes to Financial Statement (Contd..)

Previous Period											
Asset Class Code	Particulars	Gross Block				Accumulated Depreciation				Net Block	
		Opening	Additions	Deductions	Closing	Opening	Additions	Deductions	Closing	Opening	Closing
TAFF0001	FURNITURE		90,500		90,500		8,598		8,598	-	81,903
TAOE0010	OFFICE EQUIPMENTS		27,770		27,770		4,798		4,798	-	22,973
TAPE0001	COMPUTER-1		1,66,000		1,66,000		52,567		52,567	-	1,13,433
TAPE0003	NETWORK EQUIPMENTS		72,777		72,777		11,523		11,523	-	61,254
Total		-	3,57,047	-	3,57,047	-	77,485	-	77,485	-	2,79,562

Note: There have been no acquisitions through business combinations and no change of amount due to revaluation of Property, plant and equipment and other intangible assets during the year ended 31 March 2022 and 31 March 2021.

Note 7: Other financials Liabilities

Particulars	As at 31-March-2022 Rs.	As at 31-Mar-2021 Rs.
Payable for Expenses	37,180	21,15,122
Taxes payable	99,623	35,517
TOTAL	1,36,803	21,50,639

Note 7 (i) : Trade 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	37,180	-	-	-	37,180
(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	21,15,122	-	-	-	21,15,122
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Notes to Financial Statement (Contd..)

Note 8: Provisions

Particulars	As at 31-March-2022 Rs.	As at 31-Mar-2021 Rs.
Provision for Gratuity	38,814	93,038
Ex-gratia Payable	8,00,000	
TOTAL	8,38,814	93,038

Note 9: Borrowings(Other than debt securities)

Particulars	As at 31-March-2022 Rs.	As at 31-Mar-2021 Rs.
From related parties(unsecured)	-	2,00,000
TOTAL	-	2,00,000

Note 10: Equity share capital

Particulars	As at 31-March-2022 Rs.	As at 31-Mar-2021 Rs.
Authorised:		
1,20,00,000 Equity Shares of Rs.10/- each	12,00,00,000	12,00,00,000
	12,00,00,000	12,00,00,000
Issued, Subscribed and Paid Up:		
1,20,00,000 Equity Shares of Rs.10/- each. (All the above, equity shares are held by Motilal Oswal Financials Services Ltd the holding company and it's nominee)	12,00,00,000	12,00,00,000
TOTAL	12,00,00,000	12,00,00,000

1.1 Reconciliation of number of Equity shares outstanding

Particulars	As at 31-March-2022 Rs.	As at 31-Mar-2021 Rs.
Number of shares at beginning of the year	1,20,00,000	1,20,00,000
Add: Shares issued during this year	-	-
Number of shares at the end of the year	1,20,00,000	1,20,00,000

1.2 Share holder having more than 5% equity holding in the Company

Particulars	As at 31-March-2022 Rs.	As at 31-Mar-2021 Rs.
Motilal Oswal Financial Services Ltd. (Holding Company)	1,20,00,000	1,20,00,000

Notes to Financial Statement (Contd..)

1.3 Details of Shareholding by Promoters

Particulars	As at 31-March-2022 Rs.	As at 31-Mar-2021 Rs.
Motilal Oswal Financial Services Ltd. (Holding Company)	1,20,00,000	1,20,00,000

Note 11: Other Equity

Particulars	As at 31-March-2022 Rs.	As at 31-Mar-2021 Rs.
Profit & Loss Account		
Opening balance	1,05,10,297	8,03,852
Add: Additions during the year	1,07,66,551	97,91,110
Add: Ind AS Impact	2,26,206	(84,666)
TOTAL	2,15,03,054	1,05,10,296

Note 12: Revenue from Operations

Particulars	For The Period Ended 31-Mar-22 Rs.	For The Period Ended 31-Mar-21 Rs.
Revenue	1,51,60,510	1,66,39,767
TOTAL	1,51,60,510	1,66,39,767

Note 13: Other Income

Particulars	For The Period Ended 31-Mar-22 Rs.	For The Period Ended 31-Mar-21 Rs.
Other Income	-	2,950
TOTAL	-	2,950

Notes14: Employee benefits

Particulars	For The Period Ended 31-Mar-22 Rs.	For The Period Ended 31-Mar-21 Rs.
Salaries and Incentives	24,18,258	10,48,059
Contribution to provident and other funds	51,191	56,176
Gratuity	1,71,982	51,930
Staff welfare expenses	2,879	834
TOTAL	26,44,310	11,56,999

Notes to Financial Statement (Contd..)

Notes15: Finance Cost

Particulars	For The Period Ended 31-Mar-22 Rs.	For The Period Ended 31-Mar-21 Rs.
Interest	10,927	1,254
TOTAL	10,927	1,254

Notes16: Depreciation

Particulars	For The Period Ended 31-Mar-22 Rs.	For The Period Ended 31-Mar-21 Rs.
Depreciation	84,739	77,485
TOTAL	84,739	77,485

Note 17: Other Expenses

Particulars	For The Period Ended 31-Mar-22 Rs.	For The Period Ended 31-Mar-21 Rs.
Remuneration to Auditors	26,250	25,000
Legal & Professional Fees	1,06,065	1,03,394
House keeping Charges	2,40,958	2,13,566
Electricity Charges	5,768	42,105
Insurance	22,890	8,938
Rent Expenses	10,21,130	9,43,140
Membership and Subscription Fees	87,851	1,56,957
Advertisement expenses	10,880	
Marketing and Brand Promotion	-	57,385
Travelling, lodging and boarding expenses	-	
Communication and data charges	(788)	-
Business Support Charges	-	21,50,000
Computer Running Expense	-	60,800
Foreign Exchange Fluctuation	(29,27,684)	5,22,063
Repairs and maintenance - others	1,77,537	8,84,750
Miscellaneous Expenses	(91,405)	2,06,091
TOTAL	(13,20,548)	53,74,189

Notes to Financial Statement (Contd..)

Note 18: Auditors' Remuneration:

Auditor's Remuneration (inclusive of Service Tax):

(In Rupees)

Particulars	For The Period Ended 31-Mar-22 Rs.	For The Period Ended 31-Mar-21 Rs.
As Auditors:		
Audit fees	26,250	25,000
In any other capacity, in respect of:		
Other Certification	-	-
TOTAL	26,250	25,000

Note 19: Basic & Diluted Earnings per share:

Particulars	For The Period Ended 31-Mar-22 Rs.	For The Period Ended 31-Mar-21 Rs.
Net Profit/(Loss) attributable to equity shareholders [A] (Rs.)	1,09,92,757	97,06,444
Weighted Average Number of equity shares issued [B]	1,20,00,000	1,20,00,000
Basic & Diluted Earnings per share (EPS)[A/B] (Rs.)	0.92	0.81

Note 20: Gratuity Plan:

The following table set out the gratuity plan as required under AS 15

Reconciliation of opening and closing balances of the present value of the defined benefit obligation.

Period Covered	For The Period Ended 31-Mar-22 Rs.	For The Period Ended 31-Mar-21 Rs.
Assumptions as at	31-Mar-22	31-Mar-21
Interest / Discount Rate	6.20%	3.93%
Expected Return On Plan Assets		
Mortality	IALM (2012-14) Ult.	IALM (2012-14) Ult.
Rate of increase in compensation	9.70%	9.70%
Disability	Nil	Nil
Employee Attrition Rate (Past Service)	PS: 0 to 37 : 16.67%	PS: 0 to 40 : 0%
Expected average remaining service	4.94	29.63

Notes to Financial Statement (Contd..)

Changes in the present value of the obligations

Particulars	For The Period Ended 31-Mar-22 Rs.	For The Period Ended 31-Mar-21 Rs.
Present value of obligation at beginning of the period	93,012	-
Interest cost	3,655	374
Current service cost	1,68,353	32,519
Past service cost - (non vested benefit)	-	-
Past service cost - (vested benefit)	-	-
Transfer in Liability	-	19,011.00
Benefits paid	-	(43,558.00)
Actuarial (gain) loss on obligation	(2,26,206)	84,666
Present value of obligation at end of the period	38,814	93,012

Changes in fair value of the plan assets

Particulars	For The Period Ended 31-Mar-22 Rs.	For The Period Ended 31-Mar-21 Rs.
Fair value of plan assets at beginning of the period	-	-
Expected return on plan assets	-	-
Contributions	-	-
Benefits paid	-	-
Actuarial gain (Loss) plan assets	-	-
Fair value of plan assets at end of the period	-	-

Fair value of plan assets

Particulars	For The Period Ended 31-Mar-22 Rs.	For The Period Ended 31-Mar-21 Rs.
Fair value of plan assets at beginning of the period	-	-
Actual return on plan assets	-	-
Contributions	-	-
Benefit paid	-	-
Fair value of plan assets at end of the period	-	-

Notes to Financial Statement (Contd..)

Experience History

Particulars	For The Period Ended 31-Mar-22 Rs.	For The Period Ended 31-Mar-21 Rs.
(Gain)/Loss on obligation due to change in Assumption	-	-
Experience (Gain)/Loss on obligation	(2,26,206)	84,666
Actuarial (Gain)/Loss on plan asset	(2,26,206)	84,666

Actuarial Gain/(Loss) Recognized

Particulars	For The Period Ended 31-Mar-22 Rs.	For The Period Ended 31-Mar-21 Rs.
Due to Demographic Assumption*	(93,551)	-
Due to Financial Assumption	(9,312)	-
Due to Experience 31st March 22	(1,23,343)	84,666
Total Actuarial (Gain)/Loss	(2,26,206)	84,666

Past service cost recognized

Particulars	For The Period Ended 31-Mar-22 Rs.	For The Period Ended 31-Mar-21 Rs.
Past service cost - (non vested benefit)	-	-
Past service cost - (vested benefit)	-	-
Average remaining future service till vesting benefit	-	-
Recognized Past service cost - non vested benefits	-	-
Recognized Past service cost - vested benefits	-	-
Unrecognized Past service cost - non vested benefits	-	-

Amounts to be recognized in the balance sheet and statement of profit & loss account

Particulars	For The Period Ended 31-Mar-22 Rs.	For The Period Ended 31-Mar-21 Rs.
Present value of obligation at end of period	38,814	93,012
Fair value of plan assets at end of period	-	-
Funded status	(38,814)	(93,012)
Unrecognised Actuarial Gain/(Loss)	-	-
Unrecognised past service cost - non vested benefits	-	-
Net Liability/ (Asset) recognised in the Balance Sheet	(38,814)	(93,012)

Notes to Financial Statement (Contd..)

Profit and Loss Account – Expense

Particulars	For The Period Ended 31-Mar-22 Rs.	For The Period Ended 31-Mar-21 Rs.
Current service cost	1,68,327	32,519
Interest cost	3,655	374
Past service cost - (non vested benefit)	-	-
Past service cost - (vested benefit)	-	-
Unrecognised past service cost - non vested benefits	-	-
Expected return on plan assets	-	-
Net actuarial (gain)/ loss recognised for the period	-	-
Expenses Recognised in the statement of Profit & Loss Account	1,71,982	32,893

Movement in net liability recognized in the Balance Sheet

Particulars	For The Period Ended 31-Mar-22 Rs.	For The Period Ended 31-Mar-21 Rs.
Opening net liability	93,038	-
Transfer in Liability	-	19,011
Expenses as above	1,71,982	32,919
Contribution paid	-	(43,558)
Other Comprehensive Income(OCI)	(2,26,206)	84,666
Closing net Liability	38,814	93,038

Other Comprehensive Income (OCI)

Particulars	For The Period Ended 31-Mar-22 Rs.	For The Period Ended 31-Mar-21 Rs.
Actuarial (Gain)/Loss recognized for the period	(2,26,206)	84,666
Asset limit effect	-	-
Return on Plan Assets excluding net interest	-	-
Unrecognized Actuarial (Gain)/Loss from previous period	-	-
Total Actuarial (Gain)/Loss recognized in (OCI)	(2,26,206)	84,666

Schedule III of the Companies Act 2013

Particulars	For The Period Ended 31-Mar-22 Rs.	For The Period Ended 31-Mar-21 Rs.
Current Laibility	49	21
Non-Current Liability	38,765	92,991
Heritage Club Benefits	-	-
Current Laibility	-	-
Non-Current Liability	-	26

Notes to Financial Statement (Contd..)

Note 21: Financial risk management

Company has operations in India. Whilst 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 exposures relating to his or her responsibilities.

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 obligation. The Company does not have credit risk.

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, 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.

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 company does not have any market risk.

Note 22: Fair value measurements

Financial instruments by category:

The following table shows the carrying amount and fair values of financial assets and financial liabilities, (Amount in rupees)

Particulars	As at March 2022		As at March 2021	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
Cash and cash equivalents	-	12,17,76,053	-	3,02,33,379
Investment		56,97,315		
Trade receivables	-	-	-	9,60,00,000
Other financial assets	-	1,41,79,296	-	56,15,801
Total Financial Assets		14,16,52,664		13,18,49,180
Other Non-Financials Assets				
Taxes Receivable		96,000		-
Prepaid Expense	-	1,25,184	-	55,701
Advance Against Expenses	-	10,000	-	7,69,529
Total Non-Financial Assets		2,31,184		8,25,230
Financial Liabilities				
Other financial liabilities		1,36,803		21,50,638
Provisions		8,38,814		93,038
Borrowings(Other than debt securities)		-		2,00,000
Total Financial Liabilities		9,75,617		24,43,676

Notes to Financial Statement (Contd..)

Note 23: 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 2022			As at 31-March 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial assets						
Cash and cash equivalents	12,17,76,053	-	12,17,76,053	3,02,33,379	-	3,02,33,379
Investment	-	56,97,315	56,97,315	-	-	-
Receivables	-	-	-	9,60,00,000	-	9,60,00,000
Other financial assets	1,41,79,296	-	1,41,79,296	56,15,801	-	56,15,801
Other Non-Financials Assets	-	-	-	-	-	-
Current tax assets	-	-	-	-	-	-
	-	-	-	-	-	-
Non-Financial assets	-	-	-	-	-	-
Property, plant and equipment	-	5,94,823	5,94,823	-	2,79,562	2,79,562
Other non-financial assets	2,31,184	-	2,31,184	8,25,230	-	8,25,230
Deferred Tax Assets (net)	-	-	-	-	-	-
	-	-	-	-	-	-
Total Assets	13,61,86,533	62,92,138	14,24,78,671	13,26,74,410	2,79,562	13,29,53,973
Liabilities						
Financial Liabilities						
Other financial liabilities	1,36,803	-	1,36,803	21,50,638	-	21,50,638
	-	-	-	-	-	-
Non Financial Liabilities	-	-	-	-	-	-
Provisions	8,38,814	-	8,38,814	93,038	-	93,038
Borrowings (Other than debt securities)	-	-	-	2,00,000	-	2,00,000
Other non - financial liabilities	-	-	-	-	-	-
Accrued salary and benefits	-	-	-	-	-	-
Total Liabilities	9,75,617	-	9,75,617	24,43,676	-	24,43,676

Note 24: Related Party Disclosure:

I. Names of Related Parties:

A) Enterprises where control exists:

- Motilal Oswal Financial Services Limited - Holding Company

Transactions with related parties: 31-03-2021

Particulars	Name of the related Party	For The Year Ended 31-Mar-22 Rs.	For The Year Ended 31-Mar-21 Rs.
Loan	Motilal Oswal Finvest Limited	-	2,00,000
Trade Payable	Motilal Oswal Financial Services Limited	33,154	-
Interest on Loan	Motilal Oswal Finvest Limited	10,927	-
Trade Payable	Motilal Oswal Finvest Limited	9,943	-

Note: 'Income/receipts figures are shown in brackets.

Notes to Financial Statement (Contd..)

B) Fellow subsidiaries:

- Motilal Oswal Finvest Limited (formerly known as Motilal Oswal Capital Markets Limited)²
- Motilal Oswal Trustee Company Limited
- MO Alternate investment Advisors Private Limite
- Motilal Oswal Commodities Broker Private Limited
- Motilal Oswal Investment Advisors Limited (formerly known as Motilal Oswal Investment Advisors Private Limited)
- Motilal Oswal Wealth Management Limited
- Motilal Oswal Asset Management Company
- Motilal Oswal Capital Market (Hongkong) Pvt Ltd.
- Motilal Oswal Capital Market (Singapore) Pte Ltd.
- Motilal Oswal Securites International Private Limited
- Aspire Home Finance Corporation Lintied
- India Business Excellence Management Company
- Motilal Oswal Asset Management (Mauritius) Private Limited
- Motilal Oswal Capital Limited
- TM Investment Technologies Pvt. Ltd.
- Glide Tech Investment Advisory Private Limited

Note 25: Due to Micro,small and medium enterprises

The Company does not have any due from Micro,small and medium enterprises

Note 26: Segment Information

The Company is engaged in single segment as defined in IND AS - 108, hence there are no other reportable segments.

Note 27: A. Foreign currency transactions:

(i) Expenses incurred in Foreign Currency:

Particulars	For The Year Ended 31-Mar- 22 Rs.	For The Year Ended 31-Mar- 21 Rs.
Legal And Professional Fees	15,044	-
Membership & Subscription Fees	1,57,238	1,11,945
Total	1,72,282	1,11,945

(ii) Income Received in Foreign Currency:

Particulars	For The Year Ended 31-Mar- 22 Rs.	For The Year Ended 31-Mar- 21 Rs.
Research and advisory fees	1,51,60,510	1,66,39,767

Notes to Financial Statement (Contd..)

B. Outstanding Foreign currency exposure:

(i) Receivables

Particulars	Currency	As at 31 March 2022	As at 31 March 2021
Foreign currency exposure outstanding	USD (USA Dollar)	6,925	31,620
	INR (Indian Rupees)	5,15,566	23,09,544
	GBP (Pound Sterling)	-	10,276
	INR (Indian Rupees)	-	10,42,634
	EUR(EURO Dollar)	-	2,750
	INR (Indian Rupees)	-	2,38,590
Foreign currency receivable in next 5 years including interest	USD (USA Dollar)	6,925	31,620
	INR (Indian Rupees)	5,15,566	23,09,544
	GBP (Pound Sterling)	-	10,276
	INR (Indian Rupees)	-	10,42,634
	EUR(EURO Dollar)	-	2,750
	INR (Indian Rupees)	-	2,38,590
Unhedged foreign currency exposure	USD (USA Dollar)	6,925	31,620
	INR (Indian Rupees)	5,15,566	23,09,544
	GBP (Pound Sterling)	-	10,276
	INR (Indian Rupees)	-	10,42,634
	EUR(EURO Dollar)	-	2,750
	INR (Indian Rupees)	-	2,38,590

(ii) Deposit

Particulars	Currency	As at 31 March 2022	As at 31 March 2021
Foreign currency exposure outstanding	USD (USA Dollar)	1,81,700	26,700
	INR (Indian Rupees)	1,36,75,397	20,03,547
Foreign currency receivable in next 5 years including interest	USD (USA Dollar)	NA	NA
	INR (Indian Rupees)	NA	NA
Unhedged foreign currency exposure	USD (USA Dollar)	1,81,700	26,700
	INR (Indian Rupees)	1,36,75,397	20,03,547

(iii) Investment

Particulars	Currency	As at 31 March 2022	As at 31 March 2021
Foreign currency exposure outstanding	USD (USA Dollar)	75,000	-
	INR (Indian Rupees)	56,97,315	-
Foreign currency receivable in next 5 years including interest	USD (USA Dollar)	NA	NA
	INR (Indian Rupees)	NA	NA
Unhedged foreign currency exposure	USD (USA Dollar)	75,000	-
	INR (Indian Rupees)	56,97,315	-

Notes to Financial Statement (Contd..)

Note 28: In the opinion of the Board of Directors, all current assets, loans and advances would be realizable at least of an amount equal to the amount at which they are stated in the Balance sheet. There is no impairment in the Fixed Assets.

Note 29: Additional regulatory information required under (WB) (xvi) of Division III of Schedule III amendment, disclosure of ratios, is not applicable to the Company as it is not an NBFC registered under Section 45-IA of Reserve Bank of India Act, 1934.

As per our report of even date

For PGS & Associates
Chartered Accountants
 Firm Number :122384W

Premal Gandhi
Partner

M.No.: 111592

Place: Mumbai

Dated: 26th April 2022

Gaurav Kedia
 Chief Executive Officer

For Motilal Oswal Finsec IFSC Limited

Rajat Rajgarhia
 Director
 DIN - 07682114

Ajay Menon
 Director
 DIN - 00024589

Aditya Khaitan
 Chief Financial Officer

Dharmi Naik
 Company Secretary

TM Investment Technologies Pvt. Ltd

FINANCIAL STATEMENT

INDEPENDENT AUDITORS' REPORT

To,
The Members
TM Investment Technologies Pvt. Ltd,

Report on audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of TM Investment Technologies Pvt. Ltd which comprises the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, and statement of cash flows for the year then ended, and notes to the financial statements, including 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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and profit, and its cash flows for the year ended on March 31, 2022.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 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

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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.

There are no key audit matters to communicate.

Responsibility of Management for the Standalone Financial Statements

The management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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; 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 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.

Independent Auditors' Report (Contd..)

The Board of Directors is also responsible for overseeing the company's financial reporting process

Auditors' Responsibilities for the Audit of the Standalone Financial Statements

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 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:

- 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 explaining 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.

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 the 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.

Independent Auditors' Report (Contd..)

Report on Other Legal and Regulatory Requirements

1. 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 Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, 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 purposes 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 Balance Sheet & Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act
 - (f) As the company is a Private Limited company with a turnover not exceeding Rs. Fifty Crores and does not have borrowings exceeding Rs. Twenty Five Crores from any bank or financial institution or anybody corporate at any point of time during the financial year, the report on Internal Financial Controls prescribed under clause (i) of sub section 3 of section 143 of the Companies Act, 2013 is not applicable.
 - (g) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company does not have any pending litigations which would impact its financial position;
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - (iv) Based on the audit procedures and representation received from the management, Nothing has come to our notice that has caused us to believe that there is material misstatement under the sub-clause (i) and (ii) of the Rule.
 - (v) The Company has not declared and paid any dividend during the year

For PGS & Associates
Chartered Accountants
Firm Registration No.: 0122384W
UDIN: 22111592AHTRYN2471

Premal H Gandhi
Partner
Membership No. 111592
Place: Mumbai
Date: 25th April 2022

Independent Auditors' Report (Contd..)

Annexure A referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property Plant and Equipment.
- (b) The Property Plant and Equipment of the Company have been physically verified by the Management during the year and no material discrepancies between the book records and the physical inventory have been noticed.
- (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 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 or both during the year.
- (e) There are no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
2. The Company did not have any inventory at any time during the year. Hence, the requirements of clause (ii) of paragraph 3 of the said Order are not applicable to the Company.
3. The Company has granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act. Hence, the requirements of sub clause (b) (c),(d) (e) & (f) to clause (iii) of paragraph 3 of the said Order are not applicable to the Company.
 - A) No loans granted to related parties which are outstanding at the end of financial year.
 - B) No Loans granted to any non-related parties.
4. According to the information and explanation given to us, in respect of loans, investments, guarantees, and security the company has complied with the provisions of section 185 and 186 of the companies Act, 2013.
5. The Company has not accepted any deposits from the public under the provisions of Sections 73 to 76 or any relevant provisions of the Companies Act and the rules framed there under.
6. Pursuant to the rules made by the Central Government of India, the Company is not required to maintain cost records under sub-section (1) of section 148 of the Companies Act in respect of its products.
7. (a) According to the information and explanation given to us and the records of the Company examined by us in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of investor education and protection fund, direct and indirect taxes and other material statutory dues as applicable with the appropriate authorities in India and no such dues are outstanding for a period of more than six month from the date they became payable.
- (b) According to the information and explanations given to us, and the records of the Company examined by us, there are no dues in respect of direct and indirect taxes as March 31, 2022 which have not been deposited on account of any dispute.
8. The Company has not surrendered or disclosed any transaction as income during the year in the tax assessment under the Income Tax Act, 1961. Accordingly, Paragraph 3 (viii) of the Order is not applicable.
9. The Company does not have any loans or borrowings or in payment of interest from any financial institutions, banks, government or debenture holders during the year. Accordingly, Paragraph 3 (ix) of the Order is not applicable.

Independent Auditors' Report (Contd..)

10. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) or term loans or any preferential allotment or private placement during the year. Accordingly, paragraph 3(x) of the Order is not applicable. However, The Company has made provision of Employee stock Option Plan, and which is in compliance with The Companies Act, 2013.
11. According to the information and explanations given to us, we have neither come across any instance of fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year, nor have been informed of such case by the management.
12. In our opinion, and according to the information and explanation given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us, and the records of the Company examined by us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the Indian Accounting Standard (IndAS) 24 – Related Party Disclosure.
14. According to the information and explanations given to us, and the records of the Company examined by us, The Company is not required to conduct internal audit due to size and nature of its business.
15. According to the information and explanations given to us, and the records of the Company examined by us, The Company has not entered into any non-cash transaction with directors or persons connected with him.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
17. According to the information and explanations given to us, and the records of the Company examined by us, The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
18. According to the information and explanations given to us, and the records of the Company examined by us, there is no resignation of statutory auditor during the year.
19. According to the information and explanations given to us, and the records of the Company examined by us, there is no material uncertainty exists as on the date of the audit report that Company is 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.
20. According to the information and explanations given to us, and the records of the Company examined by us, The Company has not transferred any unspent amount to a Fund specified in schedule VII of the Companies Act.
21. The Companies (Auditor's Report) Order (CARO) has been issued for Standalone Financial Statement. Accordingly, Paragraph 3 (xxi) of the Order is not applicable.

For PGS & Associates
Chartered Accountants
Firm Registration No.: 0122384W
UDIN: 22111592AHTRYN2471

Premal H Gandhi
Partner
Membership No. 111592
Place: Mumbai
Date: 25th April, 2022

BALANCE SHEET

BALANCE SHEET AS AT 31ST MARCH, 2022

Particulars	Notes	As At 31-Mar-2022 Rs.	As At 31-Mar-2021 Rs.
I ASSETS			
1. Financial assets			
(a) Cash and Cash equivalents	1	70,84,788	45,85,354
(b) Receivables	2	6,46,36,734	-
Sub - total Financial assets		7,17,21,522	45,85,354
2. Non-Financial assets			
(a) Deferred tax asset	3	5,35,107	-
(b) Property, plant and equipment	4	4,91,02,238	6,10,82,314
(c) Other non - financial assets	5	5,57,412	2,53,320
Sub - total Non - Financial assets		5,73,90,387	7,25,96,170
Total Assets		12,91,11,909	7,71,81,524
II EQUITY & LIABILITIES			
1. Financial liabilities			
(a) Other financials Liabilities	6	14,16,696	35,83,060
(b) Provisions	7	1,95,729	3,47,068
(c) Borrowings(Other than debt securities)	8	3,51,00,000	-
2. Non - financial liabilities			
(a) Other non - financial liabilities	9	34,07,959	7,00,290
Sub - total Financial liabilities		4,01,20,384	46,30,418
2. Equity:			
(a) Equity share capital	10	9,00,00,000	9,00,00,000
(b) Other Equity	11	(10,08,475)	(1,74,48,894)
Sub - total Equity		8,89,91,525	7,25,51,106
Total Equity and Liabilities		12,91,11,909	7,71,81,524

Notes referred above form integral part of financial statements.

As per our report of even date

For PGS & Associates

Chartered Accountants

Firm Number :122384W

For TM Investment Technologies Pvt. Ltd.

Premal Gandhi

Partner

M.No.: 111592

Place: Mumbai

Dated: 25th April 2022

Vaibhav Agarwal

Managing Director

DIN - 06663890

Upahar Sood

Whole-time Director

DIN -07206900

STATEMENT OF PROFIT AND LOSS

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD YEAR ENDED 31ST MARCH, 2022

Particulars	Notes	For The Period Ended 31-Mar-22 Rs.	For The Period Ended 31-Mar-21 Rs.
Revenue from Operations	12	7,32,64,086	3,80,817
Total Revenue		7,32,64,086	3,80,817
Expenses:			
Finance Cost	13	18,38,545	
Fees and commission expense	14	11,38,855	41,554
Employee Benefits	15	2,23,64,506	65,80,036
Depreciation	4	1,35,44,449	55,39,551
Other Expense	16	1,97,88,817	54,30,171
Total Expenses		5,86,75,171	1,75,91,312
Profit/(Loss) Before Tax		1,45,88,915	(1,72,10,495)
Tax Expense:			
Current Tax		-	-
Deferred Tax		(6,97,528)	-
Profit/(Loss) for the year		1,52,86,443	(1,72,10,495)
Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
Actuarial Gain/(loss) on post retirement benefit plans		6,45,344	(2,38,399)
(ii) Income Tax there on		(1,62,420)	-
Total		4,82,924	(2,38,399)
Total Comprehensive Income		1,57,69,367	(1,74,48,894)
Earnings Per Share (Rs.)			
Basic and Diluted Earnings/(Loss) per share (Face value of Rs. 10 each)		1.70	(1.91)

Notes referred above form integral part of financial statements.

As per our report of even date

For PGS & Associates

Chartered Accountants

Firm Number :122384W

For TM Investment Technologies Pvt. Ltd.

Premal Gandhi

Partner

M.No.: 111592

Place: Mumbai

Dated: 25th April 2022

Vaibhav Agarwal

Managing Director

DIN - 06663890

Upahar Sood

Whole-time Director

DIN -07206900

CASH FLOW STATEMENT

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

Particulars	As at 31-Mar-2022 Rs.	As at 31-Mar-2021 Rs.
CASH FLOW FROM OPERATING ACTIVITIES		
PROFIT/(LOSS) BEFORE TAX	1,45,88,915	(1,72,10,495)
Adjustment For:		
Depreciation	1,35,44,449	
ESOP Expenses	6,71,053	
Actuarial Gain	6,45,344	
	1,48,60,846	53,01,152
OPERATING PROFIT/(LOSS)	2,94,49,761	(1,19,09,343)
Adjustment For:		
(increase)/Decrease In Other Financial Assets		(1,12,60,536)
(increase)/Decrease In Receivables	(6,46,36,734)	-
(increase)/Decrease In Other Non-Financials Assets	37,60,814	(2,53,320)
increase/(Decrease) in Borrowings	3,51,00,000	-
increase/(Decrease) in Provision	(1,51,339)	-
increase/(Decrease) in Other Non Financial Liabilities	27,07,669	-
increase/(Decrease) In Other Financials Liabilities	(21,66,365)	(2,53,85,955)
CASH GENERATED FROM OPERATIONS	40,63,806	(1,87,92,781)
Taxes Paid		
NET CASH FROM OPERATING ACTIVITIES	40,63,806	(1,87,92,781)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchased software/Computer	(15,64,373)	(15,64,373)
NET CASH FLOW FROM INVESTING ACTIVITIES	(15,64,373)	(6,66,21,865)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of equity share	-	9,00,00,000
NET CASH FLOW FROM FINANCING ACTIVITIES	-	9,00,00,000
NET CASH FLOW FOR THE YEAR	24,99,433	45,85,354
Cash & Cash Equivalents As At 01.04.2021	-	-
Balances With bank	-	45,85,353
Cash & Cash Equivalents As At 31.03.2022	-	70,84,788
Cheques In hand		
Balances With bank	70,84,788	-
Effect Of Exchange Rate Changes		

The above statement of Cash Flow has been prepared under indirect method as set out in Ind AS 7, 'Statement of Cash Flow', as specified under section 133 'of the companies Act, 2013 read with Rule "7" of the Companies (Account) Rules, 2015 (as amended) 'This is the statement of Cash Flow referred to in our report of even date.

As per our report of even date

For PGS & Associates

Chartered Accountants

Firm Number :122384W

Premal Gandhi

Partner

M.No.: 111592

Place: Mumbai

Dated: 25th April 2022

For TM Investment Technologies Pvt. Ltd.

Vaibhav Agarwal

Managing Director

DIN - 06663890

Upahar Sood

Whole-time Director

DIN -07206900

STATEMENT OF CHANGES IN EQUITY

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2022

(a) Equity share capital

Particulars	Equity share capital	
	Number of shares	Amount
As at 01 April 2020		
Changes in Equity Share Capital due to prior year errors	-	-
Restated balance at the beginning of the previous reporting year	-	-
Changes during the year	90,00,000	
As at 31 March 2021	90,00,000	-
Changes in Equity Share Capital due to prior year errors	-	-
Restated balance at the beginning of the previous reporting year	90,00,000	-
Changes during the year	-	
As at 31 March 2022	90,00,000	-

(b) Other Equity

Particulars	Reserves and Surplus							Other comprehensive income		Total
	Capital Redemption Reserve	Capital Reserve	Securities Premium	Share Option Outstanding account	General reserve	Statutory Reserve	Retained earnings	"Equity instruments through other comprehensive income"	Actuarial gain/(losses) on post retirement benefit plans	
Balance as at 01 April 2020	-	-	-	-	-	-	-	-	-	-
Changes in accounting policy or prior year errors	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the previous reporting year	-	-	-	-	-	-	-	-	-	-
Due to exercise of options	-	-	-	-	-	-	-	-	-	-
Additions during the year	-	-	-	-	-	-	(1,72,10,495)	-	(2,38,399)	(1,74,48,894)
Balance as at 31 March 2021	-	-	-	-	-	-	(1,72,10,495)	-	(2,38,399)	(1,74,48,894)
Changes in accounting policy or prior year errors	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting year	-	-	-	-	-	-	(1,72,10,495)	-	(2,38,399)	(1,74,48,894)
Additions during the year	-	-	-	671053	-	-	1,52,86,443	-	4,82,924	1,64,40,420
Balance as at 31 March 2022	-	-	-	6,71,053	-	-	(19,24,053)	-	2,44,525	(10,08,475)

Notes to Financial Statement (Contd..)

A. Corporate information

1. TM Investment Technologies Private Limited carry on the business as Investment Consultants, Research Analysts and to establish and on the business of portfolio management, financial and investment advisory and other financial and advisory service activities such as investment counselling, financial consultancy ,advisory and consultants to investments in securities using customized innovative solution oriented online digital platform.
2. TM Investment Technologies Private Limited carry on the business as related to investment research, savings, capital protection and investment advisory services for client with an end objective of wealth maximization for customers/clients.
3. TM Investment Technologies Private Limited carry on the business through a robust online platform, and to solicit and procure sales of mutual fund, deposits, commercial paper, debentures ,bonds and other securities issued or guaranteed by any company, firm, body corporate, etc.
4. TM Investment Technologies Private Limited carry on the business to use digital technologies and innovate to support, enable or provide alternatives to investment advisor and financial services such as mobile wallet, contactless NFC technology, robo advisory, robotic process automation, etc.

B. Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a. Basis of preparation

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities are measured at fair value.

b. 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 Taxes

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.

Notes to Financial Statement (Contd..)

Deferred Taxes

Deferred income 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 income 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 income 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. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

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.

c. 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, and bank overdrafts. Bank overdrafts are shown within borrowings in liabilities in the balance sheet.

d. 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 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:

Notes to Financial Statement (Contd..)

- 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 profit or loss.

e. 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 (FVPL);
- Fair value through other comprehensive income (FVOCI); or
- Amortized cost.

The classification requirements for debt and equity instruments are described below:

Debt instruments

Debt instruments are those instruments that meet the definition of a financial liability from the issuer's perspective, such as loans, government and corporate bonds and trade receivables.

Classification and subsequent measurement of debt instruments depend on:

- (i) the Company's business model for managing the asset; and
- (ii) the cash flow characteristics of the asset.

Based on these factors, the Company classifies its debt instruments into one of the following three measurement categories:

Amortized cost : Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest ('SPPI'), and that are not designated at FVPL, are subsequently measured at amortized cost using effective interest rate ('EIR') method less impairment, if any. The amortization of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

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.

Notes to Financial Statement (Contd..)

Fair value through profit or loss: A financial asset not classified as either amortized 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.

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 other income 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 'other income' in the Statement of Profit and Loss.

(ii) Impairment

The Company assesses on a forward looking basis the expected credit losses (ECL) associated with its debt instruments carried at amortized cost and FVOCI and with the exposure arising from loan commitments and financial guarantee contracts. The Company recognizes a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The measurement of the ECL allowance is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behavior (e.g. the likelihood of customers defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation techniques used in measuring ECL, which also sets out key sensitivities of the ECL to changes in these elements.

(iii) 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.

Notes to Financial Statement (Contd..)

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 recognised to the extent of continuing involvement in the financial asset.

f. Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest method.

(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.

g. 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.

h. Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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 profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives & 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.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognized in the statement of profit or loss.

Notes to Financial Statement (Contd..)

i. Other Financial liabilities

Financial liabilities are initially recognised at fair value (net of transaction costs incurred). Difference between the fair value and the transaction proceeds on initial recognition is recognised as an asset / liability based on the underlying reason for the difference.

Subsequently all financial liabilities are measured at amortised cost using the effective interest rate method.

j. Provisions and Contingent Liabilities:

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 Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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.

k. Earnings per share

a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit or loss (excluding other comprehensive income) attributable to owners 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.

l. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest rupee as per the requirements

C. 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. Continuous evaluation is done on the estimation and

Notes to Financial Statement (Contd..)

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 judgments 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, 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.
- (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 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.
- (e) **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.

Notes to Financial Statement (Contd..)

Note 1: Cash & Cash Equivalents

Particulars	As at 31-Mar-2022 Rs.	As at 31-Mar-2021 Rs.
Balance with bank		
Scheduled banks- In current accounts	70,84,788	45,85,353
TOTAL	70,84,788	45,85,353

Note 2: Receivables

Particulars	As at 31-Mar-2022 Rs.	As at 31-Mar-2021 Rs.
Considered good - secured	-	-
Considered good - unsecured	6,46,36,734	
Trade Receivables which have significant increase in credit risk		
Trade Receivables - Credit impaired		
TOTAL	6,46,36,734	-

Note 2 (i) : Receivable ageing schedule

For the year ended 31 March 2022

Particulars	Outstanding for following periods from due date of payment					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	6,46,36,734			-	-	6,46,36,734
(ii) Undisputed Trade receivables - which have significant increase in credit risk				-	-	-
(iii) Undisputed Trade receivables - credit impaired				-	-	-
(iv) Disputed Trade receivables - considered good				-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk				-	-	-
(vi) Disputed Trade receivables - credit impaired				-	-	-

Notes to Financial Statement (Contd..)

For the year ended 31 March 2021

Particulars	Outstanding for following periods from due date of payment					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	-	-	-	-	-	-
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-

Note 3: Deferred Tax

Particulars	As at 31-Mar-2022 Rs.	As at 31-Mar-2021 Rs.
Deferred tax assets	5,35,107	-
TOTAL	5,35,107	-

Note 4: Property plants and equipments

Particulars	As at 31-Mar-2022 Rs.	As at 31-Mar-2021 Rs.
Property plants and equipments	4,91,02,238	6,10,82,314
TOTAL	4,91,02,238	6,10,82,314

Note 4: Property plants and equipments

Asset Class Code	Particulars	Current Period									
		Gross Block				Accumulated Depreciation				Net Block	
		Opening	Additions	Deductions	Closing	Opening	Additions	Deductions	Closing	Opening	Closing
INCS0001	COMPUTER SOFTWARE	6,65,43,060.00	8,73,200		6,74,16,260	55,27,074	1,34,04,151		1,89,31,225	6,10,15,986	4,84,85,035
TAOE0009	MOBILE		32,373	-	32,373		3,571		3,571	-	28,802
TAPE0001	COMPUTER-1	78,805.10	6,58,800		7,37,605	12,477	1,36,726		1,49,204	66,328	5,88,401
Total		6,66,21,865	15,64,373	-	6,81,86,238	55,39,551	1,35,44,449	-	1,90,84,000	6,10,82,314	4,91,02,238

Asset Class Code	Particulars	Current Period									
		Gross Block				Accumulated Depreciation				Net Block	
		Opening	Additions	Deductions	Closing	Opening	Additions	Deductions	Closing	Opening	Closing
INCS0001	COMPUTER SOFTWARE		6,65,43,060		6,65,43,060		55,27,074		55,27,074	-	6,10,15,986
TAPE0001	COMPUTER-1		78,805		78,805		12,477		12,477	-	66,328
Total		0.00	6,66,21,865	-	6,66,21,865	-	55,39,551	-	55,39,551	-	6,10,82,314

Notes to Financial Statement (Contd..)

Note: There have been no acquisitions through business combinations and no change of amount due to revaluation of Property, plant and equipment and other intangible assets during the year ended 31 March 2022 and 31 March 2021.

Note 5: Other non - financial assets

Particulars	As at 31-Mar-2022 Rs.	As at 31-Mar-2021 Rs.
Prepaid expenses	3,01,590	1,09,241
For supply of services	2,55,822	1,44,079
Taxes Receivable	71,95,630	1,12,60,536
TOTAL	5,57,412	2,53,320

Note 6: Other financials Liabilities

Particulars	As at 31-Mar-2022 Rs.	As at 31-Mar-2021 Rs.
Payable for Expenses	11,96,576	35,23,091
Accrued salaries and benefits	2,20,120	59,969
TOTAL	14,16,696	35,83,060

Note 6 (i) : Trade 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	11,96,576	-	-	-	11,96,576
(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	35,23,091	-	-	-	35,23,091
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Notes to Financial Statement (Contd..)

Note 7: Provisions

Particulars	As at 31-Mar-2022 Rs.	As at 31-Mar-2021 Rs.
Provision for Gratuity	1,95,729	3,47,068
TOTAL	1,95,729	3,47,068

Note 8: Borrowings(Other than debt securities)

Particulars	As at 31-Mar-2022 Rs.	As at 31-Mar-2021 Rs.
From Related parties(unsecured)	3,51,00,000	-
TOTAL	3,51,00,000	-

Note 9: Non - financial liabilities

Particulars	As at 31-Mar-2022 Rs.	As at 31-Mar-2021 Rs.
Advance Received From Customers	34,07,959	7,00,290
TOTAL	34,07,959	7,00,290

Note 10: Equity share capital

Particulars	As at 31-Mar-2022 Rs.	As at 31-Mar-2021 Rs.
Authorised:		
120,00,000 Equity Shares of Rs.10/- each	12,00,00,000	12,00,00,000
	12,00,00,000	9,00,00,000
Issued, Subscribed and Paid Up:		
90,00,000 Equity Shares of Rs.10/- each.	9,00,00,000	9,00,00,000
TOTAL	9,00,00,000	9,00,00,000

1.1 Reconciliation of number of Equity shares outstanding

Particulars	As at 31-Mar-2022 Rs.	As at 31-Mar-2021 Rs.
Number of shares at beginning of the year	90,00,000	-
Add: Shares issued during this year	-	90,00,000
Number of shares at the end of the year	90,00,000	90,00,000

Notes to Financial Statement (Contd..)

1.2 Share holder having more than 5% equity holding in the Company

Motilal Oswal Financial Services Ltd. (Holding Company)

1.3 Details of Shareholding by Promoters as at 31.3.2022

Particulars	As at 31-Mar-2022 Rs.	As at 31-Mar-2021 Rs.
Motilal Oswal Financial Services Ltd. (Holding Company)	57,44,700	57,44,700
Mr. Vaibhav Agrawal	32,55,295	32,55,295

Note 11: Other Equity

Particulars	As at 31-Mar-2022 Rs.	As at 31-Mar-2021 Rs.
Share Option Outstanding account		
Opening balance	-	-
Option granted during the year	6,71,053.18	-
Closing balance	6,71,053.18	-
Profit & Loss Account		
Opening balance	(1,74,48,894)	-
Add: Additions during the year	1,52,86,443	(1,72,10,495)
Add: Ind AS Impact	4,82,924	(2,38,399)
Closing balance	(16,79,528)	(1,74,48,894)
TOTAL	(10,08,475)	(1,74,48,894)

Note 12: Revenue from Operations

Particulars	For The Period Ended 31-Mar-22 Rs.	For The Period Ended 31-Mar-21 Rs.
Software Income	84,76,052	3,80,817
Technical Support	1,07,88,034	-
Fees and Commission	5,40,00,000	-
TOTAL	7,32,64,086	3,80,817

Notes13: Finance Cost

Particulars	For The Period Ended 31-Mar-22 Rs.	For The Period Ended 31-Mar-21 Rs.
Interest	18,38,545	-
TOTAL	18,38,545	-

Notes to Financial Statement (Contd..)

Note 14 Fees and commission expense

Particulars	For The Period Ended 31-Mar-22 Rs.	For The Period Ended 31-Mar-21 Rs.
Advisory and other fees	11,38,855	41,554
TOTAL	11,38,855	41,554

Note 15: Employee Benefits

Particulars	For The Period Ended 31-Mar-22 Rs.	For The Period Ended 31-Mar-21 Rs.
Salaries and Incentives	2,06,20,237	63,69,120
Share based payments	6,71,053	-
Gratuity	4,94,005	1,08,669
Contribution to provident and other funds	5,50,829	95,737
Staff welfare expenses	28,382	6,510
TOTAL	2,23,64,506	65,80,036

Note 16: Other Expenses

Particulars	For The Period Ended 31-Mar-22 Rs.	For The Period Ended 31-Mar-21 Rs.
Remuneration to Auditors	35,833	16,667
Legal & Professional Fees	38,11,316	67,277
Marketing and Brand Promotion	1,10,99,240	34,57,961
Insurance	2,64,229	-
Rent Expenses	1,80,000	1,12,500
Membership and Subscription Fees	600	5,00,000
Printing and Stationary	2,500	-
Computer maintenance and software charges	27,57,841	11,16,265
Communication and data charges	3,830	1,592
Travelling Expenses	43,215	1,849
Bank Charges	9,007	7,841
Business Support Charges	1,80,000	1,12,500
Miscellaneous Expenses	14,01,207	35,720
TOTAL	1,97,88,817	54,30,171

Notes to Financial Statement (Contd..)

Note 17: Auditors' Remuneration:

Auditor's Remuneration (inclusive of Service Tax):

Particulars	For The Period Ended 31-Mar-22	For The Period Ended 31-Mar-21
As Auditors:		
Audit fees	35,833	16,667
In any other capacity, in respect of:		
Other Certification	-	-
TOTAL	35,833	16,667

Note 18: Basic & Diluted Earnings per share:

Particulars	For The Period Ended 31-Mar-22	For The Period Ended 31-Mar-21
Net Profit/(Loss) attributable to equity shareholders [A] (Rs.)	1,57,69,367	(1,74,48,894)
Weighted Average Number of equity shares issued [B]	90,00,000	90,00,000
Basic & Diluted Earnings per share (EPS)[A/B] (Rs.)	1.70	(1.91)

Note 19: Deferred Tax Assets / (Liability):

In the presence of virtual certainty of realization of carried forward tax losses, management has created deferred tax assets for the year under review. The same will be reassessed at subsequent balance sheet date and will be accounted for in the year of virtual certainty. The component of Deferred Tax Assets/(Liabilities) are as under.

Particulars	For The Period Ended 31-Mar-22	For The Period Ended 31-Mar-21
Difference between tax depreciation and book depreciation	10,51,812	-
Provision for post retirement benefits and other employee benefits	(49,261)	-
Provision for Business Loss	(13,45,345)	-
Difference between Preliminary expenses	(1,92,313)	-
Deferred Tax (Liability)/Assets	(5,35,108)	-

Note 20: Gratuity Plan:

The following table set out the gratuity plan as required under AS 15

Reconciliation of opening and closing balances of the present value of the defined benefit obligation.

Particulars	For The Period Ended 31-Mar-22	For The Period Ended 31-Mar-21
Assumptions as at	31-Mar-22	31-Mar-21
Interest / Discount Rate	6.15%	3.93%
Expected Return On Plan Assets		

Notes to Financial Statement (Contd..)

Particulars	For The Period Ended 31-Mar-22	For The Period Ended 31-Mar-21
Mortality	IALM (2012-14) Ult	IALM (2012-14) Ult.
Rate of increase in compensation	5.00%	5.00%
Disability	Nil	Nil
Employee Attrition Rate (Past Service)	PS: 0 to 37 : 16.67%	PS: 0 to 40 : 0%
Expected average remaining service	4.88	26.85

Changes in the present value of the obligations

Particulars	For The Period Ended 31-Mar-22	For The Period Ended 31-Mar-21
Present value of obligation at beginning of the period	3,47,068	-
Interest cost	13,633	380
Current service cost	4,80,372	88,960
Past service cost - (non vested benefit)	-	-
Past service cost - (vested benefit)	-	-
Transfer in Liability	-	19,329.00
Benefits paid	-	-
Actuarial (gain) loss on obligation	(6,45,344)	2,38,399
Present value of obligation at end of the period	1,95,729	3,47,068

Changes in fair value of the plan assets

Particulars	For The Period Ended 31-Mar-22	For The Period Ended 31-Mar-21
Fair value of plan assets at beginning of the period	-	-
Expected return on plan assets	-	-
Contributions	-	-
Benefits paid	-	-
Actuarial gain (Loss) plan assets	-	-
Fair value of plan assets at end of the period	-	-

Fair value of plan assets

Particulars	For The Period Ended 31-Mar-22	For The Period Ended 31-Mar-21
Fair value of plan assets at beginning of the period	-	-
Actual return on plan assets	-	-
Contributions	-	-
Benefit paid	-	-
Fair value of plan assets at end of the period	-	-

Notes to Financial Statement (Contd..)

Experience History

Particulars	For The Period Ended 31-Mar-22	For The Period Ended 31-Mar-21
Due to Demographic Assumption	(1,10,074)	
Due to Financial Assumption	(38,902)	
(Gain)/Loss on obligation due to change in Assumption	-	-
Experience (Gain)/Loss on obligation	(4,96,368)	2,38,399
Actuarial (Gain)/Loss on plan asset	(6,45,344)	2,38,399

Actuarial Gain/(Loss) Recognized

Particulars	For The Period Ended 31-Mar-22	For The Period Ended 31-Mar-21
Actuarial Gain/(Loss) for the period (obligation)	(4,96,368)	(2,38,399)
Actuarial Gain/(Loss) for the period (plan assets)	(6,45,344)	-
Total Gain/(Loss) for the period	(6,45,344)	(2,38,399)
Actuarial Gain/(Loss) recognized for the period	(6,45,344)	(2,38,399)
Unrecognized Actuarial Gain/(Loss) at the end of the period	-	-

Past service cost recognized

Particulars	For The Period Ended 31-Mar-22	For The Period Ended 31-Mar-21
Past service cost - (non vested benefit)	-	-
Past service cost - (vested benefit)	-	-
Average remaining future service till vesting benefit	-	-
Recognized Past service cost - non vested benefits	-	-
Recognized Past service cost - vested benefits	-	-
Unrecognized Past service cost - non vested benefits	-	-

Amounts to be recognized in the balance sheet and statement of profit & loss account

Particulars	For The Period Ended 31-Mar-22	For The Period Ended 31-Mar-21
Present value of obligation at end of period	1,95,729	3,47,068
Fair value of plan assets at end of period		-
Funded status	(1,95,729)	(3,47,068)
Unrecognised Actuarial Gain/(Loss)		-
Unrecognised past service cost - non vested benefits		-
Net Liability/ (Asset) recognised in the Balance Sheet	(1,95,729)	(3,47,068)

Notes to Financial Statement (Contd..)

Profit and Loss Account – Expense

Particulars	For The Period Ended 31-Mar-22	For The Period Ended 31-Mar-21
Current service cost	4,80,372	88,960
Interest cost	13,633	380
Past service cost - (non vested benefit)		-
Past service cost - (vested benefit)		-
Unrecognised past service cost - non vested benefits		-
Expected return on plan assets		-
Net actuarial (gain)/ loss recognised for the period		-
Expenses Recognised in the statement of Profit & Loss Account	4,94,005	89,340

Movement in net liability recognized in the Balance Sheet

Particulars	For The Period Ended 31-Mar-22	For The Period Ended 31-Mar-21
Opening net liability	3,47,068	-
Transfer in Liability	-	19,329
Expenses as above	4,94,005	89,340
Other Comprehensive Income(OCI)	(6,45,344)	2,38,399
Closing net Liability	1,95,729	3,47,068

Other Comprehensive Income (OCI)

Particulars	For The Period Ended 31-Mar-22 Rs.	For The Period Ended 31-Mar-21 Rs.
Actuarial (Gain)/Loss recognized for the period	(6,45,344)	2,38,399
Asset limit effect		-
Return on Plan Assets excluding net interest		-
Unrecognized Actuarial (Gain)/Loss from previous period		-
Total Actuarial (Gain)/Loss recognized in (OCI)	(6,45,344)	2,38,399

Schedule III of the Companies Act 2013

Particulars	For The Period Ended 31-Mar-22	For The Period Ended 31-Mar-21
Current Laibility	413	321
Non-Current Liability	1,95,316	3,46,747
Heritage Club Benefits		
Current Laibility		-
Non-Current Liability		-

Notes to Financial Statement (Contd..)

Note : 21 Tax expense

A. The Company pays taxes according to the rates applicable in India. Most taxes are recorded in the income statement and relate to taxes payable for the reporting 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 the tax benefit exceeds the cumulative income statement expense on share 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 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 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, 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 recognised when it is considered recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as probable that there will be suitable taxable profits against which to recover carried forward tax losses and from 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.

B. Component of income tax expense

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
I. Tax expense recognised in the statement of profit and loss		
Current tax expense		
Current tax for the year	-	-
Tax adjustment in respect of earlier years	-	-
Total current tax expense	-	-
Deferred tax (credit)		
Origination and reversal of temporary differences	(6,97,528)	-
Net deferred tax (credit)	(6,97,528)	-
	(6,97,528)	-
II. Tax on other comprehensive income		
Deferred tax charge / (credit)		
(Gain)/loss on equity instruments through other comprehensive income		-
(Gain)/loss on remeasurement of net defined benefit plans	1,62,420	-
	1,62,420	-

C. Reconciliation of effective tax rate

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Profit/(loss) before income tax expense	1,45,88,915	(1,72,10,495)
Tax at the rate of 25.17%	36,71,738	-
Differences due to:		
Temporary tax difference	-	-
Exempt income	-	-

Notes to Financial Statement (Contd..)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Tax adjustment of previous years	(43,69,266)	-
Tax at different rate	-	-
Expenses disallowed under income tax	-	-
Income tax expense	(6,97,528)	-

D. Significant components and movements in deferred tax assets and liabilities

Movement during the year ended 31 March 21	As at 1 April 2020	(Credit)/ charge in the Statement of Profit and Loss	Credit)/charge in Other Comprehensive Income	As at 31 March 2021
Deferred tax (assets) / liabilities				
Difference between tax depreciation and book depreciation	-	-	-	-
Provision for post retirement benefits and other employee benefits	-	-	-	-
Provision for doubtful debts and advances	-	-	-	-
Fair value gain/(loss) on investments	-	-	-	-
MAT credit receivable	-	-	-	-

Movement during the year ended 31 March 22	As at 1 April 2021	(Credit)/charge in the Statement of Profit and Loss	(Credit)/charge in Other Comprehensive Income	As at 31 March 2022
Deferred tax (assets) / liabilities				
Difference between tax depreciation and book depreciation	-	10,51,812	-	10,51,812
Provision for post retirement benefits and other employee benefits	-	(2,11,681)	1,62,420	(49,261)
Provision for doubtful debts and advances	-	-	-	-
Provision for Business Loss	-	(13,45,345)	-	(13,45,345)
Difference between Preliminary expenses	-	(1,92,313)	-	(1,92,313)
Fair value gain/(loss) on investments	-	-	-	-
	-	(6,97,528)	1,62,420	(5,35,108)

Note:

The company offsets tax assets and liabilities if and only if it has legally enforceable rights 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.

Note 22: Financial risk management

Company has operations in India. Whilst 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 exposures relating to his or her responsibilities.

Notes to Financial Statement (Contd..)

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 obligation. The Company does not have credit risk.

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, 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.

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 company does not have any market risk.

Note 23: Fair value measurements

Financial instruments by category:

The following table shows the carrying amount and fair values of financial assets and financial liabilities, (Amount in rupees)

Particulars	As at March 2022		As at March 2021	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
Cash and cash equivalents	-	70,84,788	-	45,85,353
Trade receivables		6,46,36,734		-
Current tax assets		-		-
Other Non-Financials Assets		71,95,630		1,12,60,536
Total Financial Assets		7,89,17,152		1,58,45,889
Financial Liabilities				
Other financial liabilities		14,16,696		35,83,060
Provisions		1,95,729		3,47,068
Borrowings(Other than debt securities)		3,51,00,000		
Other non - financial liabilities		34,07,959		7,00,290
		4,01,20,384		46,30,418

Notes to Financial Statement (Contd..)

Note 24: 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	(Amount in rupees)			(Amount in rupees)		
	As at 31-March 2022			As at 31-March 2021		
Assets	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial assets						
Cash and cash equivalents	70,84,788	-	70,84,788	45,85,353	-	45,85,353
Trade receivables	6,46,36,734	-	6,46,36,734	-	-	-
Other Non-Financials Assets	-	71,95,630	71,95,630	-	1,12,60,536	1,12,60,536
Current tax assets	-	-	-	-	-	-
Non-Financial assets						
Property, plant and equipment	-	4,91,02,238	4,91,02,238	-	6,10,82,314	6,10,82,314
Other non-financial assets	5,57,412	-	5,57,412	2,53,320	-	2,53,320
Deferred Tax Assets (net)	5,35,107	-	5,35,107	-	-	-
Total Assets	7,28,14,041	5,62,97,867	12,91,11,908	48,38,673	7,23,42,850	7,71,81,523
Liabilities						
Financial Liabilities						
Other financial liabilities	11,96,576	-	11,96,576	35,23,091	-	35,23,091
Non Financial Liabilities						
Provisions	1,95,729	-	1,95,729	3,47,068	-	3,47,068
Borrowings(Other than debt securities)	3,51,00,000	-	3,51,00,000	-	-	-
Other non - financial liabilities	34,07,959	-	34,07,959	7,00,290	-	7,00,290
Accrued salary and benefits	2,20,120	-	2,20,120	59,969	-	59,969
Total Liabilities	4,01,20,384	-	4,01,20,384	46,30,418	-	46,30,418

Note 25: Related Party Disclosure:

I. Names of Related Parties:

A) Enterprises where control exists:

- Motilal Oswal Financial Services Limited - Holding Company

Notes to Financial Statement (Contd..)

Transactions with related parties: 31-03-2022

Particulars	Name of the related Party	For The Period Ended 31-Mar-22	For The Period Ended 31-Mar-21
		Rs.	Rs.
Rent	Motilal Oswal Financial Services Limited	1,80,000	1,12,500
Business Support Service	Motilal Oswal Financial Services Limited	1,80,000	1,12,500
Technical Support	Motilal Oswal Financial Services Limited	1,07,88,034	-
Loan Receipt	Motilal Oswal Financial Services Limited	11,00,000	-
Loan Repay	Motilal Oswal Financial Services Limited	11,00,000	-
Loan Receipt	Motilal Oswal Wealth Management Limited	10,00,000	-
Loan Repay	Motilal Oswal Wealth Management Limited	10,00,000	-
Loan Receipt	Motilal Oswal Finvest Limited	3,51,00,000	-
Interest Payable	Motilal Oswal Finvest Limited	2,65,360	-
Interest on Loan	Motilal Oswal Financial Services Limited	84,557	-
Interest on Loan	Motilal Oswal Finvest Limited	17,39,851	-
Interest on Loan	Motilal Oswal Wealth Management Limited	14,137	-
Fees and Commission	MO Alternate investment Advisors Private Limited	5,40,00,000	-
Trade Receivable	Motilal Oswal Financial Services Limited	63,16,734	60,400
Trade Receivable	MO Alternate investment Advisors Private Limited	5,83,20,000	-
Managerial Remuneration	Vaibhav Agrawal	18,00,000	10,50,000
Managerial Remuneration	Upahar Sood	33,45,349	10,50,000

Note: 'Income/receipts figures are shown in brackets.

B) Fellow subsidiaries:

- Motilal Oswal Finvest Limited (formerly known as Motilal Oswal Capital Markets Limited)
- Motilal Oswal Trustee Company Limited
- MO Alternate investment Advisors Private Limited
- Motilal Oswal Commodities Broker Private Limited
- Motilal Oswal Investment Advisors Limited (formerly known as Motilal Oswal Investment Advisors Private Limited)
- Motilal Oswal Wealth Management Limited
- Motilal Oswal Asset Management Company
- Motilal Oswal Capital Market (Hongkong) Pvt Ltd.
- Motilal Oswal Capital Market (Singapore) Pte Ltd.
- Motilal Oswal Securites International Private Limited
- Aspire Home Finance Corporation Limited
- India Business Excellence Management Company
- Motilal Oswal Asset Management (Mauritius) Private Limited
- Motilal Oswal Capital Limited
- Motilal Oswal Finsec IFSC Limited
- GLIDE TECH INVESTMENT ADVISORY PRIVATE LIMITED

Notes to Financial Statement (Contd..)

Note 26 : Due to Micro,small and medium enterprises

The Company does not have any due from Micro,small and medium enterprises

Note 27: Segment Information

The Company is engaged in single segment as defined in IND AS - 108, hence there are no other reportable segments.

Note 28: Expenses incurred in Foreign Currency:

Particulars	For The Period Ended 31-Mar-22	For The Period Ended 31-Mar-21
Software Charges	2,41,940	80,237
Online Digital Marketing Expenses	5,19,322	-
Total	7,61,262	80,237

Note 29: In the opinion of the Board of Directors, all current assets, loans and advances would be realizable at least of an amount equal to the amount at which they are stated in the Balance sheet. There is no impairment in the Fixed Assets.

Note 30: Additional regulatory information required under (WB) (xvi) of Division III of Schedule III amendment, disclosure of ratios, is not applicable to the Company as it is not an NBFC registered under Section 45-IA of Reserve Bank of India Act, 1934.

As per our report of even date

For PGS & Associates

Chartered Accountants
Firm Number :122384W

Premal Gandhi

Partner
M.No.: 111592
Place: Mumbai
Dated: 25th April 2022

For TM Investment Technologies Pvt. Ltd.

Vaibhav Agarwal
Managing Director
DIN - 06663890

Upahar Sood
Whole-time Director
DIN -07206900

Motilal Oswal Capital Limited

FINANCIAL STATEMENT

INDEPENDENT AUDITOR'S REPORT (Contd..)

To
The Members of Motilal Oswal Capital Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

1. Opinion

We have audited the accompanying Financial Statements of Motilal Oswal Capital 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 financial statements 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 changes in equity for the year ended on that date.

2. Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 ("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 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 Financial Statements.

3. 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 Directors Report, but does not include the Financial Statements and our auditor's report thereon. These reports are expected to be made available to us after the date of our auditor's report.

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.

4. Management's Responsibility for the 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 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

INDEPENDENT AUDITOR'S REPORT (Contd..)

with the Ind AS and other accounting principles generally accepted in India. 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 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.

5. Auditor's Responsibilities for the Audit of the Financial Statements

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.

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 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.

INDEPENDENT AUDITOR'S REPORT (Contd..)

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 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.

6. Other Matter

The comparative 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 statement on April 27, 2021. Accordingly, we do not express any opinion on the figures reported in the Financial Statements for the year ended March 31, 2021.

Our opinion is not modified in respect of this matter.

7. 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 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 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

INDEPENDENT AUDITOR'S REPORT (Contd..)

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 does not have any pending litigation which would impact its financial position as at 31 March 2022;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
 - iv. (a) The Management has represented that 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 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. No dividend was declared or paid by the company during the year.

For Singhi & Co.

Chartered Accountants

Firm Registration No. 302049E

S. Chandrasekhar

Partner

Membership No. 007592

UDIN: 22007592AHYLYC1481

Place: Mumbai

Date: 27 April, 2022

INDEPENDENT AUDITOR'S REPORT (Contd..)

Annexure A to the Independent Auditors' Report of even date on the financial statements of Motilal Oswal Capital Limited

Referred to in paragraph [7(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) The Company does not have any fixed assets. Accordingly, the provisions of clause 3(i) of the Order are not applicable.
- (ii) a) The Company does not hold any inventories. Thus paragraph 3(ii)(a) of the Order is not applicable to the Company.
- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have any working capital from banks and financial institutions on the basis of security of current assets. Thus, the provisions of clause 3(ii)(b) of the Order are not applicable.
- (iii) The Company has not granted any loan, 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), 3(iii)(c), 3(iii)(d) and 3(iii)(e) and 3(iii)(f) of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not entered into any transaction covered under Section 185 and Section 186 of the Act in respect of loans, guarantees and security.
- (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.
- 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.
- b) There are no statutory dues referred to in sub- clause (a) above which have not been deposited as on 31 March 2022, on account of disputes.
- (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.

INDEPENDENT AUDITOR'S REPORT (Contd..)

- (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) The Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under paragraph 3(ix)(e) of the Order is not applicable to the Company.
- f) The Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under paragraph 3(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) According to the information and explanations 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) Whistle blower complaints mechanism is not applicable to the Company 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, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable, for all the transactions with related parties and the details of related party transaction have been disclosed in the notes to the financial statements etc, as required by the applicable accounting standards.
- (xiv) Internal Audit is not applicable to the company and hence reporting under paragraph 3 (xiv) of the Order is not applicable to the Company.
- (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.

INDEPENDENT AUDITOR'S REPORT (Contd..)

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) and (b) of the Order is not applicable.

a) 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.

b) 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 incurred cash loss of Rs.3.08 lakhs during the financial year covered by our audit and Rs.23.43 lakhs in 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, explanations and representations given to us and on the basis of the financial ratios, 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) According to sec 135 of Companies Act 2013, Corporate Social Responsibility (CSR) is not applicable to the company. Hence reporting under clause xx (a) is not applicable to the company.

(xxi) According to the information and explanations given to us and based on our examination of the records of the Company, there are no subsidiaries / associates / joint ventures of the Company and hence the paragraph 3(xxi) of the Order is not applicable to the Company.

For Singhi & Co.

Chartered Accountants

Firm Registration No. 302049E

S. Chandrasekhar

Partner

Membership No. 007592

UDIN: 22007592AHYLYC1481

Place: Mumbai

Date: April 27, 2022

INDEPENDENT AUDITOR'S REPORT (Contd..)

Annexure B to the Independent Auditors' Report of even date on the financial statements of Motilal Oswal Capital 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 Capital 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;

INDEPENDENT AUDITOR'S REPORT (Contd..)

- (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

S. Chandrasekhar

Partner

Membership No. 007592

UDIN: 22007592AHYLYC1481

Place: Mumbai

Date: April 27, 2022

BALANCE SHEET

BALANCE SHEET AS AT 31ST MARCH, 2022

(All amounts are in INR Hundred, unless otherwise stated)

Particulars	Note no.	As at 31 March 2022	As at 31 March 2021
I. ASSETS			
1. Non - current assets			
Non - current tax assets (net)	4	2,994	3,335
Total non - current assets (A)		2,994	3,335
2. Current assets			
a) Financial assets			
(i) Investments	5	2,61,009	2,50,866
(ii) Trade receivables	6	15,933	13,571
(iii) Cash and cash equivalents	7	40,966	20,170
(iv) Other bank balances	8	5,05,451	5,05,583
(v) Other current financial assets	9	220	220
b) Other current assets	10	10,650	32,181
Total current assets (B)		8,34,229	8,22,591
Total assets (A+B)		8,37,223	8,25,926
II. EQUITY AND LIABILITIES			
A. Equity:			
Equity share capital	11	8,00,000	8,00,000
Other equity	12	13,712	14,450
Total equity (A)		8,13,712	8,14,450
B. Liabilities			
1. Current liabilities			
a) Financial liabilities			
(i) Trade payables			
- Total outstanding dues of micro enterprises and small enterprises (refer note 25)			
- Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(ii) Other payables	13	17,254	8,043
b) Other current liabilities	14	2,228	1,982
c) Deferred tax liabilities (net)	15	4,029	1,451
Total current liability (B)		23,511	11,476
Total equity and liabilities (A+B)		8,37,223	8,25,926

Summary of significant accounting policies and other explanatory information

The accompanying notes 1 to 33 form an integral part of the financial statements

For Singhi & Co.
Chartered Accountants
Firm Registration No.: 302049E
UDIN: 22007592AHYLYC1481

For and on behalf of the Board of Directors
Motilal Oswal Capital Limited

S. Chandrasekhar
Partner
Membership No.: 007592

Motilal Oswal
Director
DIN : 00024503

Navin Agarwal
Director
DIN : 00024561

Aparna Karmase
Company Secretary and
Compliance Officer

Juzer Dalal
Chief financial officer

Place : Mumbai
Date : 27 April 2022

Place : Mumbai
Date : 27 April 2022

STATEMENT OF PROFIT AND LOSS

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD YEAR ENDED 31ST MARCH, 2022

(All amounts are in INR Hundred, unless otherwise stated)

Particulars	Note no.	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue from operations			
Fees and commission income	16	31,299	46,813
Total revenue from operations		31,299	46,813
Other income	17	35,259	39,419
Total revenue (1 + 2)		66,558	86,231
Expenses			
(i) Finance cost	18	925	1,338
(ii) Other expenses	19	63,793	74,030
Total expenses		64,718	75,368
Profit/(loss) before tax (3 - 4)		1,840	10,864
Tax expense/(credit):	20		
(i) Current tax		-	4,680
(ii) Deferred tax expense/(credit)		2,578	(1,637)
Total tax expenses		2,578	3,043
Profit/(Loss) after tax (5 - 6)		(738)	7,821
Other comprehensive income		-	-
Total comprehensive income/(loss) for the year (7 + 8)		(738)	7,821
Earnings/(Loss) per equity share	28		
Basic and diluted (in Rupees)		(0.01)	0.10
Face value per share (in Rupees)		10	10

Summary of significant accounting policies and other explanatory information

The accompanying notes 1 to 33 form an integral part of the financial statements

For Singhi & Co.
Chartered Accountants
Firm Registration No.: 302049E
UDIN: 22007592AHYLYC1481

For and on behalf of the Board of Directors
Motilal Oswal Capital Limited

S. Chandrasekhar
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Aparna Karmase
Company Secretary and
Compliance Officer

Juzer Dalal
Chief financial officer

Place : Mumbai
Date : 27 April 2022

Place : Mumbai
Date : 27 April 2022

STATEMENT OF CASH FLOWS

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

(All amounts are in INR Hundred, unless otherwise stated)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
A. Cash flow from operating activities		
Profit/(loss) before taxation	1,840	10,864
Adjustment for :		
Interest expense	925	1,338
Interest income on fixed deposits	(24,914)	(30,375)
Realised (gain)/loss	-	(16,855)
Net (gain)/loss on fair value change	(10,142)	7,729
Operating profit/(loss) before working capital changes	(32,291)	(27,299)
Adjustment for working capital changes :		
1) Increase/(decrease) in current financial liabilities	9,460	6,560
2) Increase/(decrease) in other current liabilities	246	(234)
3) (Increase)/decrease in trade receivables	(2,363)	15,519
4) (Increase)/decrease in other current assets	21,531	(17,306)
Net changes in working capital	28,874	4,539
Cash generated/ (used in) from operating activities	(3,417)	(22,760)
Income taxes paid (net of refunds)	341	(673)
Net cash flow (used in)/ generated from operating activities (A)	(3,076)	(23,433)
B. Cash flow from investing activities		
Interest received on fixed deposits	25,046	31,918
Purchase of investment in mutual fund	-	(2,45,000)
Sale of investment in mutual fund	-	2,04,736
Net cash (used in)/ generated from investing activities (B)	25,046	(8,346)
C. Cash flow from financing activities		
Short-term borrowings	20,000	3,540
Repayment of short-term borrowings	(20,000)	(3,540)
Interest paid	(1,173)	(1,089)
Net cash (used in)/ generated from financing activities (C)	(1,173)	(1,089)
Net (decrease)/ increase in cash and cash equivalents {(A) + (B) + (C)}	20,796	(32,868)
Cash and cash equivalent at the beginning of the year	20,170	53,037
Cash and cash equivalents at the end of the year (Refer Note no. 8)	40,966	20,170
* Composition of cash and cash equivalent		
Balance with scheduled bank - In current account	40,966	20,170
	40,966	20,170

Notes:

- (i) The above Statement of Cash Flows has been prepared under indirect method as set out in Ind AS 7, 'Statement of Cash Flows', as specified under section 133 of the Companies Act, 2013.
- (ii) Figures in brackets indicate cash outflows.

For Singhi & Co.
Chartered Accountants
Firm Registration No.: 302049E
UDIN: 22007592AHYLYC1481

S. Chandrasekhar
Partner
Membership No.: 007592

For and on behalf of the Board of Directors
Motilal Oswal Capital Limited

Motilal Oswal
Director
DIN : 00024503

Aparna Karmase
Company Secretary and
Compliance Officer

Navin Agarwal
Director
DIN : 00024561

Juzer Dalal
Chief financial officer

Place : Mumbai
Date : 27 April 2022

Place : Mumbai
Date : 27 April 2022

STATEMENT OF CHANGES IN EQUITY

Statement of Changes in Equity for the year ended 31 March 2022

(All amounts are in INR Hundred, unless otherwise stated)

(A) Equity share capital

(Amount in rupees)

Particulars	Equity share capital	
	Number of shares	Amount
As at 31 March 2020	80,00,000	8,00,000
Issued during the year	-	-
As at 31 March 2021	80,00,000	8,00,000
Issued during the year	-	-
As at 31 March 2022	80,00,000	8,00,000

For 31 March 2022

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
8,00,000	-	-	-	8,00,000

For 31 March 2021

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
8,00,000	-	-	-	8,00,000

(B) Other Equity

Particulars	Reserves and Surplus
	Surplus in the Statement of Profit and Loss
Balance as at 31 March 2020	6,629
Profit for the year	7,821
Balance as at 31 March 2021	14,450
Profit for the year	(738)
Balance as at 31 March 2022	13,712

Summary of significant accounting policies and other explanatory information

The accompanying notes 1 to 33 form an integral part of the financial statements

This is the statement of changes in equity referred to in our report of even date.

For Singhi & Co.
Chartered Accountants
Firm Registration No.: 302049E
UDIN: 22007592AHYLYC1481

S. Chandrasekhar
Partner
Membership No.: 007592

For and on behalf of the Board of Directors
Motilal Oswal Capital Limited

Motilal Oswal
Director
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Navin Agarwal
Director
DIN : 00024561
Juzer Dalal
Chief financial officer

Place : Mumbai
Date : 27 April 2022

Place : Mumbai
Date : 27 April 2022

NOTES TO FINANCIAL STATEMENT (Contd..)

Summary of significant accounting policies and other explanatory information

1. Corporate information

Motilal Oswal Capital Limited ("MOCL"/ the "Company") was incorporated on 19 September 2016. The registered and corporate office of the Company is situated at Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, and Mumbai-400 025.

The Company provides Investment Advisory services to offshore clients. The Company has received registration as an investment advisor under section 203(c) of the Investment Advisers Act of 1940 on 25 May 2017, vide SEC File No 801-110707.

The financial statements were approved for issue by the Company's Board of Directors on 25 April 2022.

2. Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

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 and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III) and other relevant provisions of the Act.

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.

(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.

(iii) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:

- Expected to be realised or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

NOTES TO FINANCIAL STATEMENT (Contd..)

All other assets are classified as non-current.

A liability is classified as current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(iv) Use of estimates and judgments

The preparation of financial statements in conformity with Ind AS 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 judgements that have significant impact on carrying amount of assets and liabilities at each balance sheet date are discussed at note 3.

2.2. Revenue Recognition

The Company recognizes revenue from contract with customers based on five step model as set out in Ind AS 115, "Revenue from Contract with customers" to determine when to recognize revenue and at what amount. Revenue is measured based on the consideration specified in the contract with customers. Revenue from contract 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.

(i) Investment advisory fees

Performance obligations are satisfied over a period of time and investment advisory fee is recognized in accordance with the terms of the contract with the clients.

(ii) Interest income

Interest income is recognized using the effective interest rate.

NOTES TO FINANCIAL STATEMENT (Contd..)

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 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 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 balance sheet method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. 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 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. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, 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, and bank overdrafts.

2.5. 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 party 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 the Statement of profit and loss. Immediately after

NOTES TO FINANCIAL STATEMENT (Contd..)

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 the 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 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 23.

2.6. Financial assets

(i) Classification and subsequent measurement

The Company has applied Ind AS 109 "Financial Instruments" 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.

NOTES TO FINANCIAL STATEMENT (Contd..)

a. Financial assets carried at amortised cost

Financial assets are measured at amortised cost if both the following conditions are met:

- The asset is held with the business model whose objective is to hold asset for collecting contractual cash flows; and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principle and interest (SPPI) on the principle amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using effective interest rate (EIR) method. Amortised cost 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. 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 other income 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 'other income' in the Statement of Profit and Loss.

c. 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 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 probable 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 probability of recovering a financial assets in its entirety or a portion thereof.

NOTES TO FINANCIAL STATEMENT (Contd..)

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 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 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.

2.7. 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.

2.8. Provisions and Contingent Liabilities:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, and 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.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

NOTES TO FINANCIAL STATEMENT (Contd..)

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.

2.9. 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 MOCL'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 generally recognized in profit or 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 profit or 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

2.10. Earnings per share

a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit or loss (excluding other comprehensive income) attributable to owners 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.

2.11. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest hundred as per the requirements.

NOTES TO FINANCIAL STATEMENT (Contd..)

2.12. 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.

2.13. Recent accounting developments

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. On 24 March 2021, the Ministry of Corporate Affairs ("MCA") through a notification amended Schedule III of the Companies Act, 2013. 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:

- 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 asset under development in specified format prescribed under amendment.
- Specific disclosure: Amendment requires to disclose transaction/ 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.
- 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 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 judgments 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:

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Hundred, unless otherwise stated)

- (a) 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.
- (b) Allowance for impairment of financial asset: The Company recognises loss allowances for expected credit loss on its financial assets measured at amortised cost. At each reporting date, Company assess whether financial assets carried at amortised cost are credit impaired. Financial assets are credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial assets have occurred.
- (c) Recognition of deferred tax liabilities - Deferred tax liabilities are recognised on temporary difference created on unreleased loss booked on investments.

Note 4: Non - Current tax assets (net)

Particulars	As at 31 March 2022	As at 31 March 2021
Advance tax and tax deducted at source (Net of provision for income tax 31 March 2022: Rs. 4,680 ; 31 March 2021: Rs 4,680)	2,994	3,335
Total	2,994	3,335

Note 5 : Investment

Particulars	Subsidiary / Others	As at 31 March 2022		As at 31 March 2021	
		Units	Amount	Units	Amount
Investment in Mutual Funds measured at FVTPL (Quoted)					
HDFC liquid fund direct plan (G)	Others	5,607.30	2,61,009	5,607.30	2,50,866
Total			2,61,009		2,50,866

Note 6: Trade receivables

Particulars	As at 31 March 2022	As at 31 March 2021
Considered good - unsecured	15,933	13,571
Total	15,933	13,571

- 1) Trade receivables are recognised initially at fair value and subsequently measured at amortised cost less loss allowances. The Company applies the Ind AS 109 simplified approach for measuring expected credit losses (ECLs) for trade receivables at 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 Company 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 recognised in the income statement. Subsequent recoveries of amounts previously written off are credited to the income statement. In line with the Company's historical experience, and after consideration of current credit exposures, the Company does not expect to incur any credit losses and has not recognised any ECLs in the current year.

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Hundred, unless otherwise stated)

- 2) No trade receivables are due from directors or other officers of the Company 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.

Note 6 (i) : Receivable ageing schedule

For the year ended 31 March 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1 - 2 year	2 - 3 year	More than 3 years	
(i) Considered good – Secured	-	-	-	-	-	-
(ii) Considered good – Unsecured	15,933	-	-	-	-	-
(iii) Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-
(iv) Trade Receivables – credit impaired	-	-	-	-	-	-

For the year ended 31 March 2021

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1 - 2 year	2 - 3 year	More than 3 years	
(i) Considered good – Secured	-	-	-	-	-	-
(ii) Considered good – Unsecured	13,571	-	-	-	-	-
(iii) Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-
(iv) Trade Receivables – credit impaired	-	-	-	-	-	-

Note 7: Cash and cash equivalents

Particulars	As at 31 March 2022	As at 31 March 2021
Balance with banks		
In current accounts	40,966	20,170
Total	40,966	20,170

Note 8: Other bank balances

Particulars	As at 31 March 2022	As at 31 March 2021
Fixed deposit with bank having maturity within twelve months	5,05,451	5,05,583
Total	5,05,451	5,05,583

Note

1. Fixed deposit is made for period of one year, depending on the forecasted cash requirements of the Company, and earn interest at the respective fixed deposit rates.

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Hundred, unless otherwise stated)

Note 9: Other current financial assets

Particulars	As at 31 March 2022	As at 31 March 2021
Other deposit	100	100
Security deposits	120	120
Total	220	220

Note

- The Company's financial assets include cash and deposits and trade receivables. Financial assets are classified as being at FVTPL or as receivables. The classification adopted by the Company depends on the purpose for which the financial assets were acquired and is determined at initial recognition.

Note 10: Other current assets

Particulars	As at 31 March 2022	As at 31 March 2021
Prepaid expenses	-	305
Indirect tax credit receivable	10,650	31,876
Total	10,650	32,181

Note 11: Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Amount	Number of shares	Amount
Authorised share capital				
Equity shares of Rs. 10 each (Previous year Rs. 10 each)	80,00,000	8,00,000	80,00,000	8,00,000
Issued, subscribed and fully paid up				
Equity shares of Rs. 10 each fully paid up (Previous year Rs. 10 each)	80,00,000	8,00,000	80,00,000	8,00,000
	80,00,000	8,00,000	80,00,000	8,00,000

11.1 Reconciliation of number of equity shares outstanding at the beginning and at the end of the year

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Amount	Number of shares	Amount
Balance at beginning of the year	80,00,000	8,00,000	80,00,000	8,00,000
Add: Shares issued during the year	-	-	-	-
Balance at the end of the year	80,00,000	8,00,000	80,00,000	8,00,000

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Hundred, unless otherwise stated)

11.2 Shareholder having 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
Motilal Oswal Asset Management Company Limited	79,99,994	99.99%	79,99,994	99.99%
	79,99,994	99.99%	79,99,994	99.99%

11.3 Shares held by holding 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
Motilal Oswal Asset Management Company Limited	79,99,994	99.99%	79,99,994	99.99%

11.4 Shares held by Promoters

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
Motilal Oswal Asset Management Company Limited	79,99,994	99.99%	79,99,994	99.99%

11.4 Rights, preferences and restriction attached to each class of shares

The Company has one class of shares referred to as equity shares having a par value of Rs. 10. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holder of the equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all the preferential amounts. However, there is no preferential amount as at 31st March 22. 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.

11.5 The Company has not issued any bonus shares for consideration other than cash nor there been any buyback of shares during five years immediately preceding 31 March 2022.

Note 12: Other Equity

Particulars	As at 31 March 2022	As at 31 March 2021
a) Surplus in the Statement of Profit and Loss		
Balance at the beginning of the year	14,450	6,629
Add: Transfer from Statement of Profit and Loss	(738)	7,821
Balance at the end of year	13,712	14,450

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Hundred, unless otherwise stated)

Nature and Purpose of Reserves

Surplus in the Statement of Profit and Loss

Surplus in the Statement of Profit and Loss pertain to the accumulated earnings / losses made by the company over the years.

Note 13: Other payables

Particulars	As at 31 March 2022	As at 31 March 2021
Interest accrued and due	-	248
Other payables	17,254	7,795
Total	17,254	8,043

For the year ended March 2022

Particulars	Outstanding for following periods from the date of transactions				Total
	Less than 1 year	1 -2 year	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	17,254	-	-	-	17,254
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-

For the year ended March 2021

Particulars	Outstanding for following periods from the date of transactions				Total
	Less than 1 year	1 -2 year	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	7,795	-	-	-	7,795
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-

Note 14: Other current liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Outstanding expenses	1,875	1,927
Withholding and other taxes payable	353	54
Total	2,228	1,982

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Hundred, unless otherwise stated)

Note 15: Deferred tax assets/(liabilities) (net)

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred tax assets arising on account of:		
Others	-	25
Total deferred tax assets(A)	-	25
Deferred tax liability arising on account of:		
Net gain on mutual fund investment measured at FVTPL	4,029	1,476
Total deferred tax liabilities (B)	4,029	1,476
Deferred tax assets/(liabilities) (net) (A-B)	4,029	1,451

Note 16 : Fees and commission income

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Investment advisory fees	31,299	46,813
Total	31,299	46,813

Note 17 : Other income

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
i) Interest income on financial assets measured amortized cost		
- Interest on fixed deposit	24,914	30,375
ii) Net gain/(loss) on foreign currency transaction and translation	203	(81)
iii) Realised gain (non - current investment)	-	16,855
iv) Net gain/(loss) on mutual fund investment measured at FVTPL	10,142	(7,729)
Total	35,259	39,419

Note 18 : Finance cost

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest on borrowing measured at amortised cost	925	1,338
Total	925	1,338

Note 19 : Other expenses

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Business Support expense	20,729	22,241
Data processing charges	88	-
Printing and stationery	8	-

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Hundred, unless otherwise stated)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Legal and professional charges	30,256	46,588
Set up expenses	-	1,097
Remuneration to auditors (Refer note no 26)	188	260
Registration and filing charges	-	222
Communication expenses	2,366	2,487
Depository charges	-	225
Miscellaneous expenses	10,158	910
Total	63,793	74,030

Note 20.1: Tax expense

The Company pays taxes according to the rates applicable in India. Most taxes are recorded in the income statement and relate to taxes payable for the reporting 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 the tax benefit exceeds the cumulative income statement expense on share 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 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 recognised 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 recognised when it is considered recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as probable that there will be suitable taxable profits against which to recover carried forward tax losses and from 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	For the year ended 31 March 2022	For the year ended 31 March 2021
Current tax expense		
Current tax for the year	-	4,680
Tax adjustment in respect of earlier years		
Total current tax expense	-	4,680
Deferred taxes		
Change in deferred tax liabilities	2,578	(1,637)
Net deferred tax expense/ (credit)	2,578	(1,637)
Total tax expense/ (credit)	2,578	3,043

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Hundred, unless otherwise stated)

Note 20.2: The reconciliation of estimated income tax expense at tax rate to income tax expense reported in statement of profit and loss is as follows for 31 March 2022 and 31 March 2021.

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Profit/(loss) before income tax expense	1,840	10,864
Tax at the rate of 25.17% (for 31 March 2021 - 25.17%)	463	2,734
Tax effect of amounts which are not deductible / not taxable in calculating taxable income		
Income not subject to tax	(463)	1,945
Deferred tax on account of:		
Others	25	(2)
Net gain on mutual fund investment measured at FVTPL	2,553	(1,634)
Income tax expense	2,578	3,043

Note 20.3: Net Deferred Tax

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Deferred tax assets on account of:		
Others	-	25
Total deferred tax assets (A)	-	25
Deferred tax liability on account of :		
Net gain on mutual fund investment measured at FVTPL	4,029	1,476
Total deferred tax liabilities (B)	4,029	1,476
Net deferred tax assets/(liability) (A-B)	4,029	1,451

Note 20.4: Deferred tax related to the following:

Particulars	As at 31 March 2022	Recognised through profit and loss	As at 31 March 2021	Recognised through profit and loss	As at 31 March 2020
Deferred tax assets on account of:					
Others	-	(25)	25	2	23
Total deferred tax assets	-	(25)	25	2	23
Deferred tax liabilities on account of:					
Net gain on mutual fund investment measured at FVTPL	4,029	2,553	1,476	(1,634)	3,111
Total deferred tax liabilities	4,029	2,553	1,476	(1,634)	3,111
Total deferred tax assets/liability (net)	(4,029)	(2,578)	(1,451)	1,637	(3,088)

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Hundred, unless otherwise stated)

Note 21: Capital Management

The primary objective of the Company's capital management policy is to ensure compliance with regulatory capital requirements. In line with this objective, the Company ensures adequate capital at all times and manages its business in a way in which capital is protected, satisfactory business growth is ensured and cash flows are monitored. The Company maintains an actively managed capital base to cover risks inherent in the business and meets the capital requirement of SEBI regulations.

Note 22 : Revenue from contracts with customers

The Company 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.

The Company provides Investment Advisory services to offshore clients and provides PMS services for which invoice is raised to MOAMC i.e. domestic revenue. The company earns advisory fees from offshore businesses.

a) Disaggregation of revenue

Revenue from contracts with customers:

Set out below is the disaggregation of revenue from contracts with customers and reconciliation to profit and loss account:

Particulars	Type of service
	Investment advisory services - Offshore
Total Revenue from contracts with customers	31,299
Geographical Markets	
India	2,785
Outside India	28,514
Total Revenue from contracts with customers	31,299
Timing of revenue recognition	
Services transferred at a point in time	
Services transferred over time	31,299
Total Revenue from contracts with customers	31,299

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Hundred, unless otherwise stated)

b) Contract balances (refer note 7)

Trade receivable are non-interest bearing balances.

c) Performance obligations

The performance obligation of the Company is to provide advisory services, which is completed as per the terms and conditions of the advisory agreement.

Note 23 : Fair value measurements

Financial instruments by category:

Particulars	As at 31 March 2022		As at 31 March 2021	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial Assets				
Cash and cash equivalents	-	40,966	-	20,170
Bank balance other than above	-	5,05,451	-	5,05,583
Trade receivables	-	15,933	-	13,571
Investments	2,61,009	-	2,50,866	-
Other current financial assets	-	220	-	220
Total financial assets	2,61,009	5,62,570	2,50,866	5,39,544
Financial Liabilities				
Other payables	-	17,254	-	8,043
Other current liabilities	-	2,228	-	1,982
Total financial liabilities	-	19,482	-	10,024

I. Fair value hierarchy

The fair values of the financial assets and liabilities are included at the amount 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. This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the Indian Accounting Standard. 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 instruments that have quoted market price.

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 maximize 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 asset included in level 3.

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Hundred, unless otherwise stated)

II. Valuation techniques used to determine fair value

Significant valuation techniques used to value financial instruments include:

- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.

The fair values for investment in mutual fund are based on the NAV.

The carrying amounts of Cash and cash equivalent, trade receivables, trade payables, other financial liabilities are considered to be approximately equal to the fair value.

Investment includes investment in mutual funds only which have been categorised into level 1 of fair value hierarchy.

III. Fair value of financial instrument measured at amortised cost

Fair value of financial asset and liabilities are equal to their carrying amount.

Note:

During the periods mentioned above, there have been no transfers amongst the levels of hierarchy.

Note 24 : Financial risk management

The Company is exposed primarily to fluctuations in credit, liquidity and price risk which may adversely impact the fair value of its financial instrument. The Company has a risk management policy which covers risk associated with the financial assets and liabilities. The focus of the risk management is to assess the unpredictability of the financial environment and to mitigate potential adverse effect on the financial performance of the company. The Company's principal financial liabilities comprises of other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include Investments, cash and cash equivalents that derive directly from its operations.

A Credit risk

Credit risk refers to the risk that a counter party will default on its contractual obligation resulting in financial loss to the Company.

The Company is exposed to credit risk from its operating activities (primarily for trade receivables).

To manage credit risk, the Company follows a policy of providing 0-30 days credit to the customers basis the nature of customers. For some of the customer Company follows the policy of receiving advance payment towards services. The credit limit policy is established considering the current economic trends of the industry in which the company is operating.

However, the trade receivables are monitored on a periodic basis for assessing any significant risk of non-recoverability of dues and provision is created accordingly.

Bank balances are held with only high rated banks.

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Hundred, unless otherwise stated)

Age of receivables that are past due:

Particulars	As at 31 March 2022	As at 31 March 2021
Upto 3 months	15,933	13,571
3 - 6 months	-	-
6 - 12 months	-	-
More than 12 months	-	-
Total	15,933	13,571

B Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities. i.e. other payables

Liquidity risk management

The Company's management is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

(i) Maturities of non – derivative financial liabilities

As at 31 March 2022

Particulars	Upto 1 year	Between 1 and 5 years	Beyond 5 years	Total
Financial Liabilities				
Other payables	17,254	-	-	5,436
Total	17,254	-	-	5,436

As at 31 March 2021

Particulars	Upto 1 year	Between 1 and 5 years	Beyond 5 years	Total
Financial Liabilities				
Other payables	8,043	-	-	8,043
Total	8,043	-	-	8,043

(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.

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Hundred, unless otherwise stated)

(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.

The Company is exposed to foreign currency risk as it has receivables in foreign currency.

(ii) Interest rate risk

Interest rate risk arises from the sensitivity of the financial liabilities to changes in market rate of interest.

The Company is not exposed to interest rate risk as it does not have any borrowings or any investments with fluctuating interest rate

(iii) Price risk

The company is exposed to price risk from its investment in mutual funds, classified in the balance sheet at fair value through profit and loss.

The Investments held by the Company are ancillary to the Investment management business objective.

The investment in long term mutual fund is for high-RoE opportunities. They also serve as highly liquid "resources" available for future investments in business, if required.

Sensitivity to price risk

The following table summarizes the impact of sensitivity of NAVs with all other variables held constant. The below impact on the Company's profit before tax is based on changes in the NAVs of mutual funds at balance sheet date:

Sensitivity	For the year ended 31 March 2022	For the year ended 31 March 2021
Impact on profit before tax for 1% increase in NAV/price	2,610	2,509

Note 25 : 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.

Particulars	As at 31 March 2022	As at 31 March 2021
The principal amount remaining unpaid at the end of the year	-	-
The interest amount remaining unpaid at the end of the year	-	-
Balance of Micro and Small Enterprise at the end of the year	-	-

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Hundred, unless otherwise stated)

Note 26 : Auditors' fees

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Statutory audit fees	188	260
Out of pocket expenses	-	-
Total	188	260

Note 27 : Segment Reporting

The Company's principal activity is to act as an investment advisor and primarily operated in India and regularly reviewed by Chief Operating Decision Maker for Company's performance and resource allocation. For the purpose of disclosure of segment information, the Company considers the operations as single business segment. Thus, as defined in Ind AS 108 "Operating Segments", the Company's entire business falls under this one operational segment.

Note 28 : Earnings / (Loss) 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.

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Profit/(Loss) attributable to equity shareholders (Rupees)	(738)	7,821
Weighted average number of equity shares outstanding during the year	80,00,000	80,00,000
Nominal value per share (Rupees)	10	10
Earnings/(Loss) per share (Basic and diluted) (Rupees)	(0.01)	0.10

Note 29 : Transactions in foreign currency

(i) Earnings in foreign currency (on accrual basis)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Advisory income	28,514	25,528
Total	28,514	25,528

(ii) Expenditure in foreign currency (on accrual basis)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Legal and professional fees	24,674	45,775
Filing fees	110	-
Total	24,784	45,775

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Hundred, unless otherwise stated)

Note 30 : Unhedged foreign currency

Particulars of unhedged foreign currency exposure as at the reporting date

Foreign currency transactions of the Company are not hedged by derivative instruments or otherwise. The details of foreign currency exposures of the Company as at year end are:

Particulars	Currency	As at 31 March 2022	As at 31 March 2021
Trade receivables	USD	121	129
	INR	9,168	9,590

Note 31 : Related party disclosures

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:

a. List of related parties and their relationship

(i) Holding company:

Motilal Oswal Asset Management Company Limited

(ii) Holding company of Motilal Oswal Asset Management Company Limited:

Motilal Oswal Financial Services Limited (Previously known as Motilal Oswal Securities Limited)

Passionate Investment Management Private Limited - Ultimate holding company (merged with Motilal Oswal Financial Services Limited w.e.f. 01/04/2020 being appointed date of merger).

(iii) Fellow subsidiaries:

Motilal Oswal Finvest Limited (Formerly known as Motilal Oswal Capital Markets Private Limited)
 Motilal Oswal Alternate Investment Advisors Private Limited (Formerly known as Motilal Oswal Fincap Private Limited)
 MO Alternative IFSC Private Limited
 Motilal Oswal Commodities Broker Private Limited
 Motilal Oswal Investment Advisors Limited
 India Business Excellence Management Company
 Motilal Oswal Wealth Management Limited
 Motilal Oswal Capital Markets (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)
 Motilal Oswal Trustee Company Limited
 Motilal Oswal Asset Management (Mauritius) Private Limited
 Glide Tech Investment Advisors Private Limited

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Hundred, unless otherwise stated)

Motilal Oswal Finsec IFSC Private Limited
TM Investment Technologies Private Limited

(iv) Key Management Personnel (KMP)

(a) Executive directors

Mr. Akhil Chaturvedi
Mr. Motilal Oswal
Mr. Navin Agrawal

(b) Other KMP

Mr. Prashant Joshi - CEO (w.e.f - 01.02.2022)
Mr. Juzer Dalal - CFO (w.e.f - 01.02.2022)
Ms. Aparna Karmase - Compliance Officer

(v) Enterprises in which KMP and their relatives exercise significant influence

Motilal Oswal Foundation
Motilal Oswal HUF

b. Transaction and balances with related parties

Nature of transaction	Name of the related party	Holding company/Fellow subsidiary	
		Year ended 31 March 2022	Year ended 31 March 2021
Advisory income	Motilal Oswal Asset Management (Mauritius) Private Limited	28,514	25,528
Advisory income	Motilal Oswal Asset Management Company Limited	-	6,347
Business Support expense	Motilal Oswal Asset Management Company Limited	20,729	22,241
Interest expense	Motilal Oswal Fininvest Limited	925	1,338
Loan taken	Motilal Oswal Fininvest Limited	20,000	35,400
Loan repaid	Motilal Oswal Fininvest Limited	20,000	35,400
Loan taken	Motilal Oswal Financial Services Limited	-	5,000
Loan repaid	Motilal Oswal Financial Services Limited	-	5,000

Outstanding balances	Name of the related party	Holding company/Fellow subsidiary	
		Year ended 31 March 2022	Year ended 31 March 2021
Trade receivable	Motilal Oswal Asset Management (Mauritius) Private Limited	9,168	9,590
Trade payable	Motilal Oswal Asset Management Company Limited	11,818	6,473

NOTES TO FINANCIAL STATEMENT (Contd..)

(All amounts are in INR Hundred, unless otherwise stated)

Note 32 : Contingent liabilities and Commitments

There are no contingent liabilities and commitments as at the balance sheet date.

Note 33 : Amounts below Rs. 50 have been rounded off and shown as "0"

For Singhi & Co.
Chartered Accountants
Firm Registration No.: 302049E
UDIN: 22007592AHYLYC1481

For and on behalf of the Board of Directors
Motilal Oswal Capital Limited

S. Chandrasekhar
Partner
Membership No.: 007592

Motilal Oswal
Director
DIN : 00024503

Navin Agarwal
Director
DIN : 00024561

Aparna Karmase
Company Secretary and
Compliance Officer

Juzer Dalal
Chief financial officer

Place : Mumbai
Date : 27 April 2022

Place : Mumbai
Date : 27 April 2022

Motilal Oswal Asset Management (Mauritius) Private Limited

FINANCIAL STATEMENT

Accountants Certificate

To,
The Board of Directors,
Motilal Oswal Asset Management (Mauritius) Private Limited

We have verified the conversion from foreign currency to INR of the accompanying balance sheet of **Motilal Oswal Asset Management (Mauritius) Private Limited** as on 31st March, 2022 and the related Statement of Profit and Loss for the year ended 31st March, 2022 which has been prepared and certified by the Management of Motilal Oswal Financial Services Limited and denominated in U S Dollars converted to Indian Rupees, with books of account and records maintained and produced to us for verification and information and explanations given to us by the management of the Motilal Oswal Financial Services Limited have found it to be in accordance therewith and there is no GAAP adjustments.

This certificate has been issued to the Management of the Company based on unaudited financial statement and to assist the auditors of the ultimate holding company with their audit of the consolidated financial statements and should not be used for any other purpose.

For PGS & ASSOCIATES
Chartered Accountants
Firm Registration No.: 122384W
UDIN: 22111592AIGUZS4413

Premal Gandhi
Partner
Membership No.: 111592
Place: Mumbai
Date: 26th April 2022

BALANCE SHEET

(Amount in rupees)

BALANCE SHEET AS AT 31ST MARCH, 2022

Particulars	Note No.	As at 31 March 2022	As at 31 March 2021
I. ASSETS			
1. Financial assets			
(a) Cash and cash equivalents	3	1,66,98,144	2,09,35,869
(b) Receivables			
(i) Trade receivables	4	3,53,36,522	92,37,720
(c) Investments	5	7,559	7,330
Sub - total financial assets		5,20,42,225	3,01,80,919
2. Non - financial assets			
(a) Other non - financial assets	6	1,94,77,036	1,97,56,960
Sub - total non - financial assets		1,94,77,036	1,97,56,960
Total assets		7,15,19,261	4,99,37,879
II. LIABILITIES AND EQUITY			
Liabilities			
1. Financial liabilities			
(a) Payables			
(i) Trade payables			
(ii) total outstanding dues of micro enterprise and small enterprise		-	-
(ii) total outstanding dues of creditors other than micro enterprise and small enterprise	7	93,97,283	1,01,69,987
(b) Other financial liabilities	8	7,69,215	8,08,322
Sub - total financial liabilities		1,01,66,498	1,09,78,309
2. Equity:			
(a) Equity share capital	9	4,79,41,476	4,79,41,476
(b) Other equity	10	1,34,11,287	(89,81,906)
Sub - total equity		6,13,52,763	3,89,59,570
Total Liabilities and equity		7,15,19,261	4,99,37,879

Notes referred to above form an integral part of these financial statements

As per our report of attached even date

For PGS & Associates
Chartered Accountants
Firm Registration No. 122384W
UDIN:22111592AIGUZS4413

For Motilal Oswal Asset Management (Mauritius) Pvt. Ltd.

Premal H. Gandhi
Partner
M.No. : 111592

Director

Director

Place : Mumbai
Date : 26 April, 2022

STATEMENT OF PROFIT AND LOSS

(Amount in rupees)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

Particulars	Note No	Year Ended 31 March 2022 In Rupees	Year Ended 31 March 2021 In Rupees
1) Income			
a) Revenue from operations			
Fees and commission income	11	9,10,99,149	4,21,62,778
Total Income		9,10,99,149	4,21,62,778
Expenses :			
Other Expenses	12	4,39,34,147	3,08,91,417
Total expenses		4,39,34,147	3,08,91,417
Profit/(Loss) before taxation		4,71,65,001	1,12,71,361
Tax expenses			
Current Tax		14,83,513	6,02,479
Profit/(Loss) after taxation		4,56,81,489	1,06,68,882

Notes referred to above form an integral part of these financial statements

As per our report of attached even date

For PGS & Associates
Chartered Accountants
Firm Registration No. 122384W
UDIN:22111592AIGUZS4413

For Motilal Oswal Asset Management (Mauritius) Pvt. Ltd.

Premal H. Gandhi
Partner
M.No. : 111592

Director

Director

Place : Mumbai
Date : 26 April, 2022

STATEMENT OF CASH FLOW

(Amount in rupees)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
A. Cash flow from operating activities		
Profit / (Loss) before taxation	4,71,65,001	1,12,71,361
Adjustment for FCTR	37,05,007	(7,03,026)
Operating profit	5,08,70,008	1,05,68,334
Adjustment for working capital changes		
1) Increase/(decrease) in financial liabilities	(39,107)	(33,69,475)
2) Increase/(decrease) in trade payables	(7,72,704)	83,03,679
3) (Increase)/decrease in trade receivables	(2,60,98,802)	(58,47,330)
4) (Increase)/decrease in other non - financial assets	2,79,924	(36,14,329)
Cash generated from operations	2,42,39,320	60,40,880
Taxes Paid (Net of Refunds)	(14,83,513)	(4,31,403)
Net cash generated from operating activities	2,27,55,807	56,09,477
B. Cash flow from investing activities		
Investment in mutual fund	(229)	151
Net cash used in investing activities	(229)	151
C. Cash flow from financing activities		
Dividend paid	(2,69,93,302)	-
Net cash used in financing activities	(2,69,93,302)	-
Net increase / (decrease) in cash & cash equivalents during the year (A+B+C)	(42,37,725)	56,09,628
Cash & cash equivalents as at beginning of the year	2,09,35,869	1,53,26,241
Cash & cash equivalents as at end of the year	1,66,98,144	2,09,35,869
Components of cash & cash equivalents (also refer note 4)		
Balances with banks		
In current accounts	1,66,98,144	2,09,35,869
	1,66,98,144	2,09,35,869

Notes:

- The above Statement of Cash Flows has been prepared under indirect method as set out in Ind AS 7, 'Statement of Cash Flows', as specified under section 133 of the Companies Act, 2013 read with Rule "7" of the Companies (Account) Rules, 2015 (as amended).
- Figures in brackets indicate cash outflows.

This is the Statement of Cash Flows referred to in our report of even date.

For PGS & Associates

Chartered Accountants

Firm Registration No. 122384W

UDIN:22111592AIGUZS4413

Premal H. Gandhi

Partner

M.No. : 111592

For Motilal Oswal Asset Management (Mauritius) Pvt. Ltd.

Director

Director

Place : Mumbai

Date : 26 April, 2022

STATEMENT OF CHANGES IN EQUITY

Statement of Changes in Equity for the year ended 31 March 2022

Share Capital

(Amount in rupees)

Particulars	Equity share capital		Total
	Number of shares	Amount	
As at 31 March 2020	3,32,599	4,79,41,476	4,79,41,476
Issue of Equity shares	-	-	-
As at 31 March 2021	3,32,599	4,79,41,476	4,79,41,476
Issue of Equity shares	-	-	-
As at 31 March 2022	3,32,599	4,79,41,476	4,79,41,476

Other Equity

(Amount in rupees)

Particulars	Reserves and Surplus		Reserves and Surplus		Total	
	31 March 2022		31 March 2021		31 March 2022	31 March 2021
	Foreign currency translation reserve	Profit and loss	Foreign currency translation reserve	Profit and loss		
Balance at the beginning of the reporting period	19,54,953	(1,09,36,859)	26,57,980	(2,16,05,741)	(89,81,906)	(1,89,47,761)
Changes due to prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	19,54,953	(1,09,36,859)	26,57,980	(2,16,05,741)	(89,81,906)	(1,89,47,761)
Profit/(loss) during the year	37,05,007	4,56,81,489	(7,03,026)	1,06,68,882	4,93,86,495	99,65,856
Dividends	-	(2,69,93,302)	-	-	(2,69,93,302)	-
Balance at the end of the reporting period	56,59,960	77,51,327	19,54,953	(1,09,36,859)	1,34,11,287	(89,81,906)

Shares held by promoters at the end of year

Shareholding pattern as on March 31, 2022			% Change during the year
Name of the Shareholders	No. of shares held	% of shares held	
Motilal Oswal Asset Management Company Limited	2,85,000	100	0.00
Total A	2,85,000	100	

STATEMENT OF CHANGES IN EQUITY

Shareholding pattern as on March 31, 2021			% Change during the year
Name of the Shareholders	No. of shares held	% of shares held	
Motilal Oswal Asset Management Company Limited	2,85,000	100	0.00
Total A	2,85,000	100	

For PGS & Associates

Chartered Accountants

Firm Registration No. 122384W

UDIN:22111592AIGUZS4413

For Motilal Oswal Asset Management (Mauritius) Pvt. Ltd.
Premal H. Gandhi

Partner

M.No. : 111592

Director

Director

Place : Mumbai

Date : 26 April, 2022

Notes to Financial Statement (Contd..)

Summary of significant accounting policies and other explanatory information

1. Corporate information

Motilal Oswal Asset Management (Mauritius) Pvt. Ltd (the "Company") was incorporated on 8 January 2015 under the Mauritius Companies Act 2001 as a public company limited by shares and holds a Category 1 Global Business License issued by the Financial Services Commission ("FSC") under the Financial Services Act 2007.

The Company is also licensed as a CIS Manager under the Securities Act 2005 and its principal activity is to act as Investment Manager.

The Company is engaged towards holding standards of corporate governance through awareness of business ethics and supervision of its advisory team by its Board of Directors.

The transactions of the Company are denominated in US Dollars which have been converted into Indian Rupees for reporting purposes at the rate applied as per paragraph (c) of Note 2 of Significant Accounting Policies.

2. Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1. Basis of preparation

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities 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) Order of liquidity

The Company is covered in the definition of Non-Banking Financial Company as defined in Companies (Indian Accounting Standards) (Amendment) Rules, 2016. Pursuant to Ind AS 1 and amendment to Division III of Schedule III to the Companies Act, 2013 on October 11, 2013, the Company presents its balance sheet in the order of liquidity. This is since the Company does not supply goods or services within a clearly identifiable operating cycle, therefore making such presentation more relevant. 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 16.

Notes to Financial Statement (Contd..)

2.2. Foreign currency translation

(i) Functional and presentation currency

The Company receives funds in USD and all expenses are routed out of the USD bank account. Accordingly, the directors have determined the Company's functional and presentation currency as the USD. The financial statements of the Company prepared in US Dollars are in accordance with and comply with International Financial Reporting Standards ("IFRS"). These Indian Rupee ("INR") statements and amounts are in accordance with Ind AS in India and are disclosed and included solely for convenience and for inclusion in the consolidated financial statements of Motilal Oswal Financials Services Limited. For the purpose of conversion the items in the statement of profit and loss have been converted at the average rate for the period and the items in the balance sheet have been converted at the closing rate except for share capital which has been converted at the historical rate.

(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 generally recognised in profit or 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 recognised in profit or 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 recognised in other comprehensive income.

2.3. Revenue Recognition

Revenue is measured at fair value of the consideration received or receivable.

(i) Management fees

The Company has entered into an Investment Management Agreement, on 1st March 2016, with Motilal Oswal India Fund ("the Fund") which has retained the Company to act as Investment Manager and to provide services with respect to the assets of the Fund. In consideration of and as compensation for services to be rendered, the Company is entitled to a Management Fee not exceeding 1.25% per annum of the Net Asset Value attributable to Class A shares of the Fund.

(ii) Incentive fees

The Company is entitled to a performance profit allocation from Motilal Oswal India Fund ("the Fund") based on the performance of the Fund equal to upto 20% of any appreciation in the value of the Fund during the performance period.

(iii) Dividend Income

Dividend income is recognised in the statement of profit or 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

Notes to Financial Statement (Contd..)

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. 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 Taxes

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 recognised amounts and there is an intention to settle the asset and the liability on a net basis.

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, and bank overdrafts. Bank overdrafts are shown within borrowings in liabilities in the balance sheet.

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 profit or loss. Immediately after initial recognition, an expected credit loss allowance (ECL) is recognised 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 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 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.

Notes to Financial Statement (Contd..)

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 profit or loss.

2.7. 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 (FVPL);
- Fair value through other comprehensive income (FVOCI); or
- Amortized cost.

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 are recognised as other income 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 'other income' in the Statement of Profit and Loss.

(ii) Impairment

The Company assesses on a forward looking basis the expected credit losses (ECL) associated with its debt instruments carried at amortized cost and FVOCI and with the exposure arising from loan commitments and financial guarantee contracts. The Company recognises a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The measurement of the ECL allowance is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behavior (e.g. the likelihood of customers defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation techniques used in measuring ECL, which also sets out key sensitivities of the ECL to changes in these elements.

Notes to Financial Statement (Contd..)

(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.

2.8. Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest method.

(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 company or the counterparty.

2.10. Other Financial liabilities

Financial liabilities are initially recognised at fair value (net of transaction costs incurred). Difference between the fair value and the transaction proceeds on initial recognition is recognised as an asset / liability based on the underlying reason for the difference.

Notes to Financial Statement (Contd..)

Subsequently all financial liabilities are measured at amortized cost using the effective interest rate method.

2.11. Provisions and Contingent Liabilities:

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 Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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.

2.12. Contributed Equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.13. 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.

2.14. Earnings per share

a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit or loss (excluding other comprehensive income) attributable to owners 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.

Notes to Financial Statement (Contd..)

2.15. Expenses

Advisory fees

An Investment Advisory agreement was made on 11th February 2016 between the Company and Motilal Oswal Asset Management Company Limited which terminated on the 6th November 2017 due to professional reasons.

As from 7th November 2017, Motilal Oswal Capital Limited has been appointed as investment advisor and in connection with the performance of its services, the Company will pay the Investment Advisor advisory fees on an arm's length basis and which shall be determined between the parties.

Note 3 : Cash and cash equivalents

	As at 31 March 2022 In Rupees	As at 31 March 2021 In Rupees
Balance with bank	1,66,98,144	2,09,35,869
Total	1,66,98,144	2,09,35,869

Note 4 : Receivables

	As at 31 March 2022 In Rupees	As at 31 March 2021 In Rupees
(I) Trade receivables		
Considered good - unsecured	3,53,36,522	92,37,720
Total	3,53,36,522	92,37,720

Note 5 : Investments

	As at 31 March 2022 In Rupees	As at 31 March 2021 In Rupees
Motilal Oswal India Fund	7,559	7,330
Total	7,559	7,330

Note 6: Other non - financial assets

	As at 31 March 2022 In Rupees	As at 31 March 2021 In Rupees
Prepaid Expenses	1,94,77,036	1,97,56,960
Total	1,94,77,036	1,97,56,960

Notes to Financial Statement (Contd..)

Note 7 : Trade Payable

	As at 31 March 2022 In Rupees	As at 31 March 2021 In Rupees
Others	93,97,283	1,01,69,987
Total	93,97,283	1,01,69,987

Note 8 : Other Financial Liability

	As at 31 March 2022 In Rupees	As at 31 March 2021 In Rupees
Tax payable	-	1,71,076
Creditors for Expenses	7,69,215	6,37,246
Total	7,69,215	8,08,322

Note 9 : Share Capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of Shares	Rupees	Number of Shares	Rupees
Authorised :				
Equity Shares of USD 1 each	3,32,599	4,79,41,476	3,32,599	4,79,41,476
Issued, Subscribed and Paid Up :				
Equity Shares of USD 1 each fully Paid up	3,32,599	4,79,41,476	3,32,599	4,79,41,476
Total	3,32,599	4,79,41,476	3,32,599	4,79,41,476

[All the above shares are held by Motilal Oswal Asset Management Company Limited, the holding/promoter company]

Note 10 : Other Equity

	As at 31 March 2022	As at 31 March 2021
a) Foreign Currency Translation Reserves		
Balance at beginning of the year	19,54,953	26,57,980
Add:- Gain/(loss) on translation during the period	37,05,007	(7,03,026)
Balance at the end of year	56,59,960	19,54,953
b) Profit/(Deficit) in the statement of profit and loss		
Balance at beginning of the year	(1,09,36,859)	(2,16,05,741)
Add: Transfer from Statement of Profit and Loss	4,56,81,489	1,06,68,882
Less: Dividend paid	(2,69,93,302)	-
Balance at the end of year	77,51,327	(1,09,36,859)
Total	1,34,11,287	(89,81,906)

Notes to Financial Statement (Contd..)

Nature and Purpose of Reserves

Profit and loss

Profit and loss pertain to the accumulated earnings / losses made by the company over the years.

Note 11 : Fees and commission income

	Year ended 31 March 2022 In Rupees	Year ended 31 March 2021 In Rupees
Incentive Fee Income	6,63,47,026	2,23,96,815
Management fee	2,47,52,123	1,97,65,963
Total	9,10,99,149	4,21,62,778

Note 12 : Other Expenses

	Year ended 31 March 2022 In Rupees	Year ended 31 March 2021 In Rupees
Advisory Fee Expense	28,51,469	25,25,749
Accounting fees	2,29,902	1,29,685
Directors fees	2,25,699	2,03,790
Professional fees	52,52,200	22,46,141
Insurance Charges	1,92,487	2,54,128
Audit fees	7,48,650	7,49,134
Other Expenses	7,655	19,79,802
MOIF Expenses	-	54,13,304
Disbursements/Distribution Fee	3,44,26,085	1,73,89,685
Total	4,39,34,147	3,08,91,417

Note 13 : 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.

Notes to Financial Statement (Contd..)

Note : 14 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.

(Amount in rupees)

Particulars	31 March 22			31 March 21		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial assets						
Cash and cash equivalents	1,66,98,144	-	1,66,98,144	2,09,35,869	-	2,09,35,869
Trade receivables	3,53,36,522	-	3,53,36,522	92,37,720	-	92,37,720
Investments	-	7,559	7,559	-	7,330	7,330
Non-Financial assets						
Other non-financial assets	1,94,77,036	-	1,94,77,036	1,97,56,960	-	1,97,56,960
Total Assets	7,15,11,702	7,559	7,15,19,261	4,99,30,550	7,330	4,99,37,880
Liabilities						
Financial Liabilities						
Trade payables	93,97,283	-	93,97,283	1,01,69,987	-	2,56,331
Other financial liabilities	7,69,215	-	7,69,215	8,08,322	-	6,07,653
Total Liabilities	1,01,66,498	-	1,01,66,498	1,09,78,309	-	8,63,984

Note : 15 Fair value measurements

Financial instruments by category:

(Amount in rupees)

Particulars	31 March 22			31 March 21		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial assets						
Cash and cash equivalents	1,66,98,144	-	1,66,98,144	2,09,35,869	-	2,09,35,869
Trade receivables	3,53,36,522	-	3,53,36,522	92,37,720	-	92,37,720
Investments	-	7,559	7,559	-	7,330	7,330
Non-Financial assets						
Other non-financial assets	1,94,77,036	-	1,94,77,036	1,97,56,960	-	1,97,56,960
Total Assets	7,15,11,702	7,559	7,15,19,261	4,99,30,550	7,330	4,99,37,880
Liabilities						
Financial Liabilities						
Trade payables	93,97,283	-	93,97,283	1,01,69,987	-	2,56,331
Other financial liabilities	7,69,215	-	7,69,215	8,08,322	-	6,07,653
Total Liabilities	1,01,66,498	-	1,01,66,498	1,09,78,309	-	8,63,984

I. Fair value hierarchy

The fair values of the financial assets and liabilities are included at the amount 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. This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the

Notes to Financial Statement (Contd..)

inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the Indian Accounting standard. An explanation of each level follows underneath the table."

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. For example, listed equity instruments that have quoted market price.

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 asset included in level 3.

II. Valuation techniques used to determine fair value

Significant valuation techniques used to value financial instruments include:

- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.

The fair values for investment in mutual fund are based on the quoted market prices and Fair value of security deposits are based on discounted cash flows using a discount rate determined considering company's incremental borrowing rate.

The carrying amounts of Cash and cash equivalent, trade receivables, current loans, trade payables, other current financial liabilities are considered to be approximately equal to the fair value.

The Investment would be categorised in Level 3 of the fair value hierarchy

III. Fair value of financial instrument measured at amortised cost

Fair value of Financial asset and liabilities are equal to their carrying amount.

Note:

During the periods mentioned above, there have been no transfers amongst the levels of hierarchy.

Note 16 : Financial risk management

The company is exposed primarily to fluctuations in foreign currency exchange rates, credit, liquidity and price risk which may adversely impact the fair value of its financial instrument. The Company has a risk management policy which covers risk associated with the financial assets and liabilities. The risk management policy is approved by Board of Directors. The focus of the risk management is to assess the unpredictability of the financial environment and to mitigate potential adverse effect on the financial performance of the company. The Company's principal financial liabilities comprises of trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include Investments, loans, cash and cash equivalents that derive directly from its operations.

Notes to Financial Statement (Contd..)

A Credit risk

The company is exposed to credit risk from its operating activities (primarily for trade receivables).

To manage credit risk, the Company follows a policy of providing 0-30 days credit to the customers basis the nature of customers. The credit limit policy is established considering the current economic trends of the industry in which the company is operating.

However, the trade receivables are monitored on a periodic basis for assessing any significant risk of non-recoverability of dues and provision is created accordingly.

Bank balances are held with only high rated banks.

Age of receivables that are past due:

(Amount in Rupees)

Particulars	As at 31 March 2022	As at 31 March 2021
Upto 3 months	3,53,36,522	92,37,720
3 - 6 months	-	-
6 - 12 months	-	-
More than 12 months	-	-
Total	3,53,36,522	92,37,720
Provision for expected credit loss	-	-

B Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities viz. Trade payables and other financial liabilities.

Liquidity risk management

The Company's management is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

(i) Maturities of non – derivative financial liabilities

As at 31 March 2022

Particulars	Upto 1 year	Between 1 and 5 years	Beyond 5 years	Total
Financial Liabilities				
Trade payables	93,97,283	-	-	93,97,283
Other current financial liabilities	7,69,215	-	-	7,69,215
Total	1,01,66,498	-	-	1,01,66,498

Notes to Financial Statement (Contd..)

As at 31 March 2021

Particulars	Upto 1 year	Between 1 and 5 years	Beyond 5 years	Total
Financial Liabilities				
Trade payables	1,01,69,987	-	-	1,01,69,987
Other current financial liabilities	8,08,322	-	-	8,08,322
Total	1,09,78,309	-	-	1,09,78,309

(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.

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.

The Company is not exposed to foreign currency risk as it does not have any payables or receivables in foreign currency.

(ii) Cash flow and fair value interest rate risk

Interest rate risk arises from the sensitivity of the financial liabilities to changes in market rate of interest.

The Company is not exposed to interest rate risk as it does not have any borrowings.

Note 17 : Taxation

No provision for the current tax has been made in view of taxable loss for the period.

Note 18 : Earnings per share

The numerator and denominator used to calculate basic and diluted earnings per shares are as under:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit/(Loss) attributable to equity shareholders (Rupees)	4,56,81,488	1,06,68,882
Weighted average number of equity shares outstanding during the year	3,32,599	3,32,599
Nominal value per share (Rupees)	74.46	73.30
Earnings/(Loss) per share (Basic and diluted) (Rupees)	137.35	32.08

Note 19 : Translation differences

The translation differences arising during the period on account of foreign currency have been directly taken to Reserves.

Notes to Financial Statement (Contd..)

Note 20 : Related parties transactions

(i) Relationships during the period

A) Enterprises where control exists

Holding Company

- Motilal Oswal Asset Management Company Limited

Holding Company of Motilal Oswal Asset Management Company Limited

- Motilal Oswal Financial Services Limited (formerly known as Motilal Oswal Securities limited)

B) Fellow subsidiaries

- Motilal Oswal Finvest Limited (Formerly known as Motilal Oswal Capital Markets Limited)
- Motilal Oswal Trustee Company Limited
- Motilal Oswal Alternet Investments Advisors Private Limited (Formerly known as Motilal Oswal Fincap Private Limited)
- Motilal Oswal Commodities Broker Private Limited
- Motilal Oswal Investment Advisors Limited
- Motilal Oswal Wealth Limited
- Motilal Oswal Securities International Private Limited
- Motilal Oswal Asset Management Company Limited
- Motilal Oswal Capital Market (Singapore) Pte Ltd.
- Motilal Oswal Home Finance Limited (Formerly known as Aspire Home Finance Corporation Limited)
- India Business Excellence Management Company
- Motilal Oswal Capital Market (Hongkong) Private Limited
- Motilal Oswal Capital Limited
- Glide Tech Investment Advisors Private Limited
- Motilal Oswal Finsec IFSC Limited

C) Enterprises in which key management personnel exercise significant Influence

Nil

ii) Transactions with related parties for the period ended March 31, 2022

Transactions	Name of the related Party	For the year ended March 31, 2022	For the year ended March 31, 2021
Advisory Expense	Motilal Oswal Capital Limited	28,51,469	25,25,749
Payable/ Receivable	Motilal Oswal Capital Limited	9,24,246	9,48,437

Note: Income/receipts figures are shown in brackets.

Notes to Financial Statement (Contd..)

Note 21 : Trade Receivable ageing schedule

For the year ended March 2022

Particulars	Outstanding for following periods from the date of transactions					
	Less than 6 months	6 months - 1 year	1 -2 year	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	3,53,36,522	-	-	-	-	3,53,36,522
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-

For the year ended March 2021

Particulars	Outstanding for following periods from the date of transactions					
	Less than 6 months	6 months - 1 year	1 -2 year	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	92,37,720	-	-	-	-	92,37,720
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-

Notes to Financial Statement (Contd..)

Note 22 : Trade payables ageing schedules

For the year ended 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	93,97,283	-	-	-	93,97,283
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-

For the year ended March 2021

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	1,01,69,987	-	-	-	1,01,69,987
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-

For PGS & Associates

Chartered Accountants

Firm Registration No. 122384W

UDIN:22111592AIGUZS4413

For Motilal Oswal Asset Management (Mauritius) Pvt. Ltd.

Premal H. Gandhi

Partner

M.No. : 111592

Director

Director

Place : Mumbai

Date : 26 April, 2022

India Business Excellence Management Company FINANCIAL STATEMENT

Accountants Certificate

**To,
The Board of Directors,
India Business Excellence Management Company**

We have verified the conversion from foreign currency to INR of the accompanying balance sheet of India Business Excellence Management Company as on 31st March, 2022 and the related Statement of Profit and Loss for the year ended 31st March, 2022 which has been prepared and certified by the Management of Motilal Oswal Financial Services Limited and denominated in US Dollars converted to Indian Rupees, with books of account and records maintained and produced to us for verification and information and explanations given to us by the management of the Motilal Oswal Financial Services Limited have found it to be in accordance therewith and there is no GAAP adjustments.

This certificate has been issued to the Management of the Company based on unaudited financial statement and to assist the auditors of the ultimate holding company with their audit of the consolidated financial statements and should not be used for any other purpose.

**For PGS & ASSOCIATES
Chartered Accountants
Firm Registration No.: 122384W
UDIN : 22111592AIGTQP4643**

**Premal Gandhi
Partner
Membership No.: 111592
Place: Mumbai
Date : 26th April 2022**

BALANCE SHEET

BALANCE SHEET AS AT 31ST MARCH, 2022

Particulars	Note No.	As at 31 March 2022 In Rupees	As at 31 March 2021 In Rupees
I. ASSETS			
1. Financial assets			
(a) Cash and cash equivalents	3	1,35,77,916	10,57,312
(b) Receivables			
(i) Trade receivables	4	4,35,20,731	11,52,12,570
(c) Investments	5	92,519	89,569
Sub - total financial assets		5,71,91,165	11,63,59,451
2. Non - financial assets			
(a) Other non - financial assets	6	20,18,21,230	4,51,19,411
Sub - total non financial assets		20,18,21,230	4,51,19,411
Total Assets		25,90,12,396	16,14,78,862
II. LIABILITIES AND EQUITY			
Liabilities			
1. Financial liabilities			
(a) Trade Payables			
(i) total outstanding dues of creditor other than micro enterprises and small enterprises	7	4,26,39,911	-
(b) Other financial liabilities	8	54,26,646	4,62,505
Sub - total financial liabilities		4,80,66,557	4,62,505
2. Non - Financial liabilities			
(a) Current tax liabilities (net)	9	3,13,688	3,84,957
Sub - total financial liabilities		3,13,688	3,84,957
3. Equity:			
(a) Equity share capital	10	18,32,005	18,32,005
(b) Other equity	11	20,88,00,146	15,87,99,395
Sub - total equity		21,06,32,151	16,06,31,400
Total Liabilities and equity		25,90,12,396	16,14,78,863

Notes referred to above form an integral part of these financial statements

As per our attached report of even date

For PGS & Associates
Chartered Accountants
Firm Registration No. 122384W

For India Business Excellence Management Co.

Premal H. Gandhi
Partner
Membership No. : 111592

Director

Director

Place : Mumbai
Date : 26 April 2021

STATEMENT OF PROFIT AND LOSS

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD YEAR ENDED 31ST MARCH, 2022

Particulars	Note No.	For the year ended 31 March 2022 In Rupees	For the year ended 31 March 2021 In Rupees
Revenue from Operations:			
(i) Dividend Income	12	96,80,09,900	-
(ii) Fees & commission income	13	11,69,15,789	17,11,93,709
Total (A)		1,08,49,25,689	17,11,93,709
Expenses :			
(i) Fees & commission expense	14	31,50,01,219	7,59,27,310
(ii) Other Expenses	15	1,86,79,166	61,35,935
Total (B)		33,36,80,384	8,20,63,245
Profit before tax (C) = (A) - (B)		75,12,45,305	8,91,30,464
Tax Expenses :			
Provision for Tax (D)		21,87,405	22,11,382
Profit for the Year/Period (E) = (C) - (D)		74,90,57,900	8,69,19,082
Earnings Per Share (Rupees)			
Equity share of par value USD 1/- each			
Basic and Diluted		18,726.45	2,172.98

Notes referred to above form an integral part of these financial statements

As per our attached report of even date

For PGS & Associates
Chartered Accountants
Firm Registration No. 122384W

For India Business Excellence Management Co.

Premal H. Gandhi
Partner
Membership No. : 111592

Director

Director

Place : Mumbai
Date : 26 April 2021

STATEMENT OF CASH FLOW

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
A. Cash flow from operating activities		
Profit / (Loss) before taxation	75,12,45,305	8,91,30,464
Adjustment for FCTR	1,63,37,002	(29,17,335)
Operating profit	76,75,82,306	8,62,13,129
Adjustment for working capital changes		
1) Increase/(decrease) in trade payables	4,26,39,911	-
2) Increase/(decrease) in other financial liabilities	49,64,141	1,08,864
3) Increase/(decrease) in other non financial liabilities	-	-
5) (Increase)/decrease in trade receivables	7,16,91,840	(10,86,90,014)
6) Increase/(decrease) in Other non - financial assets	(15,67,01,820)	3,52,19,341
Cash generated from operations	73,01,76,378	1,28,51,321
Taxes Paid (Net of Refunds)	(22,58,674)	(21,46,242)
Net cash generated from operating activities	72,79,17,704	1,07,05,079
B. Cash flow from investing activities		
Current investments	(2,950)	1,830
Net cash used in investing activities	(2,950)	1,830
C. Cash flow from financing activities		
Dividend paid	(71,53,94,151)	(2,06,97,297)
Net cash used in financing activities	(71,53,94,151)	(2,06,97,297)
Net increase / (decrease) in cash & cash equivalents during the year (A+B+C)	1,25,20,604	(99,90,388)
Cash & cash equivalents as at beginning of the year	10,57,312	1,10,47,700
Cash & cash equivalents as at end of the year	1,35,77,916	10,57,312
Components of Cash & cash equivalents (also refer note 3)		
Balance with bank		
in current account	1,35,77,916	10,57,312
Total Cash & Cash Equivalents as at end of year	1,35,77,916	10,57,312

Notes:

- The above Statement of Cash Flows has been prepared under indirect method as set out in Ind AS 7, 'Statement of Cash Flows', as specified under section 133 of the Companies Act, 2013 read with Rule "7" of the Companies (Account) Rules, 2015 (as amended).
- Figures in brackets indicate cash outflows.

This is the Statement of Cash Flows referred to in our report of even date.

For PGS & Associates
Chartered Accountants
Firm Registration No. 122384W

For India Business Excellence Management Co.

Premal H. Gandhi
Partner
Membership No. : 111592

Director

Director

Place : Mumbai
Date : 26 April 2021

STATEMENT OF CHANGES IN EQUITY

Statement of Changes in Equity for the year ended 31 March 2022

Share Capital

(Amount in rupees)

Particulars	Equity share capital	
	Number of shares	Amount
As at 1 April 2020	40,000	18,32,005
Add/Less: Changes due to prior period errors	-	-
Restated as at 01 April 2020	40,000	18,32,005
Changes during the year	-	-
As at 31 March 2021	40,000	36,64,010
Add/Less: Changes due to prior period errors	-	-
Restated as at 01 April 2021	40,000	36,64,010
Changes during the year	-	-
As at 31 March 2022	40,000	73,28,020

Other Equity

Particulars	Reserves and Surplus 31 March 2022		Reserves and Surplus 31 March 2021		Total 31 March 2022	Total 31 March 2021
	Foreign exchange translation reserve	Surplus/ (deficit) in the statement of profit and loss	Foreign exchange translation reserve	Surplus/ (deficit) in the statement of profit and loss		
Balance at the beginning of the reporting period	2,86,75,993	13,01,23,402	3,15,93,328	6,39,01,617	15,87,99,395	9,54,94,945
Add/Less: Changes due to prior period errors	-	-	-	-	-	-
Restated balance	2,86,75,993	13,01,23,402	3,15,93,328	6,39,01,617	15,87,99,395	9,54,94,945
Profit during the year	-	74,90,57,900	-	8,69,19,082	74,90,57,900	8,69,19,082
Addition during the year	1,63,37,002	-	(29,17,335)	-	1,63,37,002	(29,17,335)
Less: Dividend paid	-	(71,53,94,151)	-	(2,06,97,297)	(71,53,94,151)	(2,06,97,297)
Balance at the end of the reporting period	4,50,12,995	16,37,87,152	2,86,75,993	13,01,23,402	20,88,00,146	15,87,99,395

For PGS & Associates
Chartered Accountants
Firm Registration No. 122384W

For India Business Excellence Management Co.

Premal H. Gandhi
Partner
Membership No. : 111592

Director

Director

Place : Mumbai
Date : 26 April 2021

Notes to Financial Statement

Summary of significant accounting policies and other explanatory information

1. Corporate information

The Company was incorporated in Mauritius under the Companies Act 2001 on 27 September 2006 as a private company limited by shares and holds a Category 1 Global Business Licence issued by the Financial Services Commission (the "FSC"). The address of the Company's registered office is IFS Court, Bank Street, TwentyEight, Cybercity, Ebene 72201, Mauritius.

The Company has obtained authorisation from the FSC to act as a CIS Manager under Section 98 of the Securities Act 2005 to Fund I and to Fund IIIA on 7 January 2009 and 22 May 2017 respectively. On 29 April 2011, the Company has also received the FSC's authorisation to provide advisory services to Fund IIA incorporated on 4 July 2011.

These financial statements contain financial information of the company and were authorized for issue by the Board of Directors on 28th April 2022.

2. Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1. Basis of preparation

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities 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) Order of liquidity

The Company is covered in the definition of Non-Banking Financial Company as defined in Companies (Indian Accounting Standards) (Amendment) Rules, 2016. Pursuant to Ind AS 1 and amendment to Division III of Schedule III to the Companies Act, 2013 on October 11, 2013, the Company presents its balance sheet in the order of liquidity. This is since the Company does not supply goods or services within a clearly identifiable operating cycle, therefore making such presentation more relevant. 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 16.

Notes to Financial Statement (Contd..)

2.2. Foreign currency translation

(i) Functional and presentation currency

The Company receives funds in USD and all expenses are routed out of the USD bank account. Accordingly, the directors have determined the Company's functional and presentation currency as the USD. The financial statements of the Company prepared in US Dollars are in accordance with and comply with International Financial Reporting Standards ("IFRS"). These Indian Rupee ("INR") statements and amounts are in accordance with Ind AS in India and are disclosed and included solely for convenience and for inclusion in the consolidated financial statements of Motilal Oswal Financials Services Limited. For the purpose of conversion the items in the statement of profit and loss have been converted at the average rate for the period and the items in the balance sheet have been converted at the closing rate except for share capital which has been converted at the historical rate.

(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 generally recognized in profit or 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 profit or 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.

2.3. Revenue Recognition

Revenue is measured at fair value of the consideration received or receivable.

(i) Investment Management Agreement with Fund I

The Company had entered into an Investment Management Agreement with Fund I. Pursuant to this agreement; the Company assumes the investment management functions and has obtained the relevant authorisations to carry out the role of Investment Manager.

The Company is entitled to a management fee payable as follows:

- (i) during the first year, 2% of the aggregate Capital Commitment of Fund I
- (ii) from the second year onwards during the Commitment Period 2% per annum of the aggregate Capital Commitment of Fund I and
- (iii) after the Commitment Period, 2% per annum of the aggregate direct investment.

As from December 2010, date of the end of commitment period, management fees have been calculated based on 2% per annum of the aggregate of the direct investments.

Notes to Financial Statement (Contd..)

As per the Constitution of Fund I, its life had to terminate on 27 September 2016. Fund I has extended its life by 1.25 years upto 31 December 2018 based on approval of Class A Participating Shareholders to enable Fund I to maximise returns of its remaining portfolio companies. Following a decision of the Board of Directors, the Company stopped charging management fees to Fund I effectively January 2017.

(ii) Investment Management Agreement with Fund - IIIA

The Company had entered into an Investment Management Agreement with Fund-IIIA and assumes the investment management functions. The Company has obtained the relevant authorisations to carry out the role of Investment Manager.

Pursuant to the Investment Management Agreement, the Company receives management income from Fund-IIIA at a rate of not more than 2% per annum based on the aggregate capital commitment of the relevant Class A Shareholders. As per the Constitution of Fund-IIIA, the fees payable to the Company would be upto 2% per annum, as reduced by the management fees being charged at India Business Excellence Fund - III, the Indian Fund in which Fund-IIIA invests.

The Board of directors of Fund IIIA had resolved, on 3 November 2017, that the management fees to be paid to the Company be calculated at 0.5% of the aggregate capital commitments of its Class A Shareholders.

(iii) Advisory Income:

Under the terms of Amended and Restated Investment Advisory Agreement dated 22 August 2013 the Company has been appointed by Fund-IIA as Investment Advisor to provide advisory and consultancy services on investment, divestment and all other related matters and to execute and deliver the documents on its behalf (excluding authority to acquire or dispose of investments except with the approval of the Board) subject to the overall supervision of the Board of the Fund IIA as specified in the Private Placement Memorandum of the latter.

(iv) Dividend Income

Dividend income is recognized in the statement of profit or 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.

2.4. 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 Taxes

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.

Notes to Financial Statement (Contd..)

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, and bank overdrafts. Bank overdrafts are shown within borrowings in liabilities in the balance sheet.

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 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 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 profit or loss.

2.7. 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 (FVPL);
- Fair value through other comprehensive income (FVOCI); or
- Amortised cost.

Notes to Financial Statement (Contd..)

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 other income 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 'other income' in the Statement of Profit and Loss.

(ii) Impairment

The Company assesses on a forward looking basis the expected credit losses (ECL) associated with its debt instruments carried at amortized cost and FVOCI and with the exposure arising from loan commitments and financial guarantee contracts. The Company recognizes a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The measurement of the ECL allowance is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behavior (e.g. the likelihood of customers defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation techniques used in measuring ECL, which also sets out key sensitivities of the ECL to changes in these elements.

(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.

Notes to Financial Statement (Contd..)

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.

2.8. Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest method.

(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 company or the counterparty.

2.10. Other Financial liabilities

Financial liabilities are initially recognised at fair value (net of transaction costs incurred). Difference between the fair value and the transaction proceeds on initial recognition is recognised as an asset / liability based on the underlying reason for the difference.

Subsequently all financial liabilities are measured at amortised cost using the effective interest rate method.

2.11. Provisions and Contingent Liabilities:

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 Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the

Notes to Financial Statement (Contd..)

risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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.

2.12. Contributed Equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.13. 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.

2.14. Earnings per share

a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit or loss (excluding other comprehensive income) attributable to owners 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.

2.15. Expenses

Advisory Expenses:

The Company has entered into an Investment Advisory Service Agreement with MO Alternate Investment Advisors Private Limited ("MO Alternate"). Pursuant to the agreement, the Company receives non exclusive, non binding advice and recommendation pertaining to investment opportunities in India from MO Alternate. Effective as from 1 April 2007, the Company pays to MO Alternate a minimum fee on an annual basis which is equal to 130% of all the ordinary and necessary expenses incurred by MO Alternate from the purpose of such investment and divestment advice.

Sub advisory expenses:

The Company has entered in an Amended and Restated Sub-advisory Agreement with MO Alternate on 22 August 2013. Pursuant to the agreement, the Company receives non exclusive, non binding advice and

Notes to Financial Statement (Contd..)

recommendation pertaining to investment opportunities in India from MO Alternate. The Company pays to MO Alternate a minimum fee on an annual basis which is equal to 130% of all the ordinary and necessary expenses incurred by MO Alternate from the purpose of such investment advice. In addition to the minimum fees, MO Alternate is also entitled to a performance incentive fee payable on the half yearly basis as may be decided by the Board of the Company and paid within 30 days of such decision by the Board.

Placement agreement:

The Company has entered into placement agreement with several placement agents and the fees payable to the agents between the parties from time to time and the payment mode are defined in the agreement.

Note 3 : Cash and Bank Balances

	As at 31 March 2022 In Rupees	As at 31 March 2021 In Rupees
Cash and cash equivalents		
Balances with bank	1,35,77,916	10,57,312
Total	1,35,77,916	10,57,312

Note 4 : Trade Receivables

	As at 31 March 2022 In Rupees	As at 31 March 2021 In Rupees
Unsecured, considered good		
Trade Receivables(Outstanding for less than six months)	4,35,20,731	11,52,12,570
Total	4,35,20,731	11,52,12,570

Note 4 (i) : Receivable ageing schedule

For the year ended 31 March 2022

Particulars	Outstanding for following periods from due date of payment					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	4,35,20,731	-	-	-	-	4,35,20,731
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-

Notes to Financial Statement (Contd..)

For the year ended 31 March 2021

Particulars	Outstanding for following periods from due date of payment					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	4,35,20,731	-	-	-	-	4,35,20,731
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-

Note 5 : Investment

	As at 31 March 2022 In Rupees	As at 31 March 2021 In Rupees
India Business Excellence Fund-I (200 Units of USD 0.01 each)	92,519	89,569
Total	92,519	89,569

Note 6 : Other non financial asset

	As at 31 March 2022 In Rupees	As at 31 March 2021 In Rupees
Prepaid Expenses	20,18,21,230	4,51,19,411
Total	20,18,21,230	4,51,19,411

Note 7 : Trade Payables

	As at 31 March 2022 In Rupees	As at 31 March 2021 In Rupees
Due to creditors other than micro enterprise and small enterprise	4,26,39,911	-
Total	4,26,39,911	-

Notes to Financial Statement (Contd..)

Note 7 (i) : Payables ageing schedule

For the year ended 31 March 2022

Particulars	Outstanding for following periods from due date of payment				Total
	< 1 year	1-2 yrs	2-3 yrs	> 3 yrs	
MSME	-	-	-	-	-
Others	4,26,39,911	-	-	-	4,26,39,911
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-

For the year ended 31 March 2021

Particulars	Outstanding for following periods from due date of payment				Total
	< 1 year	1-2 yrs	2-3 yrs	> 3 yrs	
MSME	-	-	-	-	-
Others	-	-	-	-	-
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-

Note 8 : Other financial liabilities

	As at 31 March 2022 In Rupees	As at 31 March 2021 In Rupees
Creditors for Expenses	54,26,646	4,62,505
Total	54,26,646	4,62,505

Note 9 : Current tax liabilities (net)

	As at 31 March 2022 In Rupees	As at 31 March 2021 In Rupees
Provision for Taxation	3,13,688	3,84,957
Total	3,13,688	3,84,957

Note 10 : Share Capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of Shares	Rupees	Number of Shares	Rupees
Authorised :				
Equity Shares of USD 1 each	40,000	18,32,005	40,000	18,32,005
Issued, Subscribed and Paid Up :				
Equity Shares of USD 1 each fully Paid up	40,000	18,32,005	40,000	18,32,005
Total	40,000	18,32,005	40,000	18,32,005

Notes to Financial Statement (Contd..)

Shareholding pattern as on March 31, 2022			% Change during the year
Name of the Shareholders	No. of shares held	% of shares held	
MO Alternate Investment Advisors Private Limited	40,000	100.00	-
Total	40,000	100.00	-

Shares held by promoters at the end of year

Shareholding pattern as on March 31, 2021			% Change during the year
Name of the Shareholders	No. of shares held	% of shares held	
MO Alternate Investment Advisors Private Limited	40,000	100	-
Total A	40,000	100	

Note 11 : Other Equity

	As at 31 March 2022 In Rupees	As at 31 March 2021 In Rupees
a) Foreign exchange translation reserve		
Balance at the beginning of the year	2,86,75,993	3,15,93,328
Add: Transferred during the year	1,63,37,002	(29,17,335)
Balance at the end of year	4,50,12,995	2,86,75,993
b) Statement of Profit and Loss		
Balance at the beginning of the year	13,01,23,402	6,39,01,617
Add: Transfer from Statement of Profit and Loss	74,90,57,900	8,69,19,082
Less : Dividend paid	(71,53,94,151)	(2,06,97,297)
Balance at the end of year	16,37,87,152	13,01,23,402
	20,88,00,146	15,87,99,395

Note 12 : Dividend income

	For the year ended 31 March 2022 In Rupees	For the year ended 31 March 2021 In Rupees
From subsidiary companies	96,80,09,900	-
Total	96,80,09,900	-

Note 13 : Fees & commission income

	For the year ended 31 March 2022 In Rupees	For the year ended 31 March 2021 In Rupees
Management and advisory fees	11,69,06,853	15,57,50,123
Realised gain on investment	-	1,54,13,944
Other Income	8,935	29,642
Total	11,69,15,789	17,11,93,709

Notes to Financial Statement (Contd..)

Note 14 : Fees & commission Expense

	For the year ended 31 March 2022 In Rupees	For the year ended 31 March 2021 In Rupees
Advisory and sub-advisory fees	31,50,01,219	7,59,27,310
Total	31,50,01,219	7,59,27,310

Note 15 : Other expenses

	For the year ended 31 March 2022 In Rupees	For the year ended 31 March 2021 In Rupees
Audit fees	7,75,004	8,40,727
Insurance	4,71,868	4,33,739
Legal and professional fees	79,39,394	80,182
Forex loss	-	4,21,512
Rates and taxes	11,02,340	7,47,576
Miscellaneous Expenses	83,90,561	36,12,198
Total	1,86,79,166	61,35,935

Note : 16.1 Tax expense

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Current tax expense		
Current tax for the year	21,87,405	22,11,382
Tax adjustment in respect of earlier years	-	-
Total current tax expense	21,87,405	22,11,382

Note : 16.2 Tax reconciliation (for profit and loss)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Profit/(loss) before income tax expense	75,12,45,305	8,91,30,464
Tax effect of amounts which are not deductible / not taxable in calculating taxable income		
Exempt income	(149)	(1,54,17,729)
Items outside scope of taxation	(5,91,305)	-
Non allowable expenses	59,19,008	-
Unauthorised deductions	30,70,69,420	-
Income subject to partial exemption of 80 %	(1,03,46,32,437)	
Profit adjusted for tax purposes	2,90,09,842	7,37,12,735
Tax calculated at the rate of 15%	43,51,476	1,10,56,910
Deemed tax credit at 80%	(21,64,072)	(88,45,528)

Notes to Financial Statement (Contd..)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Under provision for the previous year	-	-
Tax charge for the year	21,87,405	22,11,382
Income tax expense	21,87,405	22,11,382

Note : 17 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.

(Amount in Rupees)

Particulars	31 March 22	31 March 21
Cash and cash equivalents	1,35,77,916	10,57,312
Total Cash and cash equivalents	1,35,77,916	10,57,312
Equity	18,32,005	18,32,005
Retained earnings	20,88,00,146	15,87,99,395
Capital	21,06,32,151	16,06,31,400

Note : 18 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	31 March 22			31 March 21		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial assets						
Cash and cash equivalents	1,35,77,916	-	1,35,77,916	10,57,312	-	10,57,312
Trade receivables	4,35,20,731	-	4,35,20,731	11,52,12,570	-	11,52,12,570
Investments	-	92,519	92,519	-	89,569	89,569
Non-Financial assets						
Other non-financial assets	-	20,18,21,230	20,18,21,230	-	4,51,19,411	4,51,19,411
Total Assets	5,70,98,646	20,19,13,749	25,90,12,396	11,62,69,882	4,52,08,980	16,14,78,862
Liabilities						
Financial Liabilities						
Trade payables	4,26,39,911	-	4,26,39,911	-	-	-
Other financial liabilities	54,26,646	-	54,26,646	4,62,505	-	4,62,505
Non Financial Liabilities						
Current tax liabilities (net)	3,13,688	-	3,13,688	3,84,957	-	3,84,957
Total Liabilities	4,83,80,245	-	4,83,80,245	8,47,462	-	8,47,462

Notes to Financial Statement (Contd..)

Note : 19 Fair value measurements

Financial instruments by category:

(Amount in rupees)

Particulars	31 March 2022		31 March 2021	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
Cash and cash equivalents	-	1,35,77,916	-	10,57,312
Trade receivables	-	4,35,20,731	-	11,52,12,570
Investments	92,519	-	89,569	-
Total Financial Assets	92,519	5,70,98,646	89,569	11,62,69,882
Financial Liabilities				
Trade payables	-	4,26,39,911	-	-
Other financial liabilities	-	54,26,646	-	4,62,505
Total Financial Liabilities	-	4,80,66,557	-	4,62,505

I. Fair value hierarchy

The fair values of the financial assets and liabilities are included at the amount 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. This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the Indian Accounting standard. An explanation of each level follows underneath the table.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. For example, listed equity instruments that have quoted market price.

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 asset included in level 3.

II. Valuation techniques used to determine fair value

Significant valuation techniques used to value financial instruments include:

- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.

The fair values for investment in mutual fund are based on the quoted market prices and Fair value of security deposits are based on discounted cash flows using a discount rate determined considering company's incremental borrowing rate.

Notes to Financial Statement (Contd..)

The carrying amounts of Cash and cash equivalent, trade receivables, current loans, trade payables, other current financial liabilities are considered to be approximately equal to the fair value.

The Investment would be categorised in Level 3 of the fair value hierarchy

III. Fair value of financial instrument measured at amortised cost

Fair value of Financial asset and liabilities are equal to their carrying amount.

Note:

During the periods mentioned above, there have been no transfers amongst the levels of hierarchy.

Note : 20 Financial risk management

The company is exposed primarily to fluctuations in foreign currency exchange rates, credit, liquidity and price risk which may adversely impact the fair value of its financial instrument. The Company has a risk management policy which covers risk associated with the financial assets and liabilities. The risk management policy is approved by Board of Directors. The focus of the risk management is to assess the unpredictability of the financial environment and to mitigate potential adverse effect on the financial performance of the company.

The Company's principal financial liabilities comprises of trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include Investments, loans, cash and cash equivalents that derive directly from its operations.

A Credit risk

The company is exposed to credit risk from its operating activities (primarily for trade receivables).

To manage credit risk, the Company follows a policy of providing 0-30 days credit to the customers basis the nature of customers. For some of the customer company follows the policy of receiving advance payment towards services. The credit limit policy is established considering the current economic trends of the industry in which the company is operating.

However, the trade receivables are monitored on a periodic basis for assessing any significant risk of non-recoverability of dues and provision is created accordingly.

Bank balances are held with only high rated banks.

Age of receivables that are past due:

Particulars	(Amount in rupees)	
	As at 31 March 2022	As at 31 March 2021
Upto 3 months	4,35,20,731	11,52,12,570
3 - 6 months	-	-
6 - 12 months	-	-
More than 12 months	-	-
Total	4,35,20,731	11,52,12,570

Notes to Financial Statement (Contd..)

Provision for expected credit loss

B Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities viz. Trade payables and other financial liabilities.

Liquidity risk management

The Company's management is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

(i) Maturities of non – derivative financial liabilities

As at 31 March 2022

(Amount in rupees)

Particulars	Upto 1 year	Between 1 and 5 years	Beyond 5 years	Total
Financial Liabilities				
Trade payables	4,26,39,911			4,26,39,911
Other financial liabilities	54,26,646			54,26,646
Total	4,80,66,557	-	-	4,80,66,557

As at 31 March 2021

(Amount in rupees)

Particulars	Upto 1 year	Between 1 and 5 years	Beyond 5 years	Total
Financial Liabilities				
Trade payables	-			-
Other financial liabilities	4,62,505			4,62,505
Total	4,62,505	-	-	4,62,505

(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.

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.

The Company is not exposed to foreign currency risk as it does not have any payables or receivables in foreign currency.

(ii) Cash flow and fair value interest rate risk

Interest rate risk arises from the sensitivity of the financial liabilities to changes in market rate of interest.

Notes to Financial Statement (Contd..)

The Company is not exposed to interest rate risk as it does not have any borrowings.

(iii) Price risk

The company is exposed to price risk from its investment in mutual fund, classified in the balance sheet at fair value through profit and loss.

The Investments held by the Company are ancillary to the Investment management business objective.

Sensitivity to price risk

The following table summarises the impact of sensitivity of NAVs with all other variables held constant. The below impact on the Company's profit before tax is based on changes in the NAVs of mutual funds at balance sheet date:

(Amount in rupees)

Sensitivity	31 March 2022	31 March 2021
Impact on profit before tax for 10% increase in NAV/price	9,252	8,957
Impact on profit before tax for 10% decrease in NAV/Price	(9,252)	(8,957)

Note 21 : Taxation

Provision for the current tax has been made for Rs 21,87,405 Previous year Rs. 22,11,382/-

Note 22 : Basic and diluted Earnings/(Loss) per share:

The numerator and denominator used to calculate basic and diluted earnings per shares are as under:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Net Profit attributable to equity shareholders [A] (Rupees)	74,90,57,900	8,69,19,082
Weighted Average of equity shares issued [B] (face value of Re. 1 each)	40,000	40,000
Basic and Diluted Earnings per share [A/B] (Rupees)	18,726.45	2,172.98

Note 23 : Translation differences

The translation differences arising during the period on account of foreign currency have been directly taken to Reserves.

Note 24 : Related parties transactions

(i) Relationships during the period

A) Enterprises where control exists

- MO Alternate Investment Advisors Private Limited – Holding Company
- Motilal Oswal Financial Services Limited – Holding Company of MO Alternate Investment Advisors Private Limited

Notes to Financial Statement (Contd..)

B) Fellow subsidiaries

- Motilal Oswal Finvest Limited (formerly known as Motilal Oswal Capital Markets Limited)
- Motilal Oswal Trustee Company Limited
- Motilal Oswal Commodities Broker Private Limited
- Motilal Oswal Investment Advisors Limited
- Motilal Oswal Wealth Limited
- Motilal Oswal Securities International Private Limited
- Motilal Oswal Asset Management Company Limited
- Motilal Oswal Capital Market (Singapore) Pte Ltd.
- Motilal Oswal Home Finance Limited (formerly known as Aspire Home Finance Corporation Limited)
- Motilal Oswal Capital Markets (Hongkong) Private Limited
- Motilal Oswal Asset Management (Mauritius) Private Limited
- Motilal Oswal Capital Limited
- Glide Tech Investment Advisors Private Limited
- Motilal Oswal Finsec IFSC Limited

ii) Transactions with related parties

Transactions	Name of the related Party	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Dividend paid	MO Alternate Investment Advisors Private Limited	71,53,94,151	2,06,97,297
Advisory Fee	MO Alternate Investment Advisors Private Limited	17,16,75,811	6,66,13,212
Trade Payables	MO Alternate Investment Advisors Private Limited	4,26,39,911	-
Prepaid Advisory Fee	MO Alternate Investment Advisors Private Limited	16,22,19,706	11,49,94,145

Note: Income/receipts figures are shown in brackets.

For PGS & Associates
Chartered Accountants
Firm Registration No. 122384W

For India Business Excellence Management Co.

Premal H. Gandhi
Partner
Membership No. : 111592

Director

Director

Place : Mumbai
Date : 26 April 2021

Motilal Oswal Capital Markets (Hong Kong) Private Limited

FINANCIAL STATEMENT

ACCOUNTANTS CERTIFICATE

To,
The Board of Directors,
Motilal Oswal Capital Markets (Hong Kong) Private Limited

We have verified the conversion from foreign currency to INR of the accompanying balance sheet of Motilal Oswal Capital Markets (Hong Kong) Private Limited as on 31st March 2022 and the related Statement of Profit and Loss for the year ended 31st March 2022 which has been prepared and certified by the Management of Motilal Oswal Financial Services Limited which is denominated in Hongkong Dollars converted to Indian Rupees. The Books of account and records maintained and produced to us for verification and information and explanations given to us by the management of the Motilal Oswal Financial Services Limited have found it to be in accordance therewith and there are no GAAP adjustments.

This certificate has been issued to the Management of the Company based on unaudited financial statement and to assist the auditors of the ultimate holding company with their audit of the consolidated financial statements and should not be used for any other purpose.

For PGS & ASSOCIATES

Chartered Accountants

Firm Registration No.: 122384W

UDIN: 22111592AHWRLX5778

Premal Gandhi

Partner

Membership No.: 111592

Place: Mumbai

Date: 27th April 2022

BALANCE SHEET

Balance Sheet as at 31th March 2022

Particulars	Note	March 22 (HKD)	March 22 (INR)	March 21 (HKD)	March 21 (INR)
I. ASSETS					
1. Financial assets					
(a) Cash and cash equivalents	1	8,71,607	84,13,518	5,84,511	55,10,786
(b) Receivables					
(i) Trade Receivables	2	4,85,111	46,82,707	5,36,794	50,60,909
(c) Other financial assets	3	66,771	6,44,536	56,258	5,30,399
Total financial assets (A)		14,23,489	1,37,40,761	11,77,563	1,11,02,094
2. Non-financial assets					
Total non-financial assets (B)		-	-	-	-
Total Assets (A+B)		14,23,489	1,37,40,761	11,77,563	1,11,02,094
II. LIABILITIES AND EQUITY					
1. Financial liabilities					
(a) Other financial liabilities	4	1,03,931	10,03,236	86,583	8,16,311
Total financial liabilities (A)		1,03,931	10,03,236	86,583	8,16,311
2. Equity					
(a) Equity share capital	5	60,00,000	4,12,02,000	60,00,000	4,12,02,000
(b) Other equity	6	(46,80,442)	(2,84,64,475)	(49,09,021)	(3,09,16,217)
Total equity (B)		13,19,558	1,27,37,525	10,90,979	1,02,85,783
Total Liabilities and Equity (A+B)		14,23,489	1,37,40,761	11,77,563	1,11,02,094

As per our Report of even date

For PGS & Associates
Chartered Accountants
Firm Reg No.122384W

For Motilal Oswal Capital Markets (Hongkong) Private Limited

Premal H Gandhi
Partner
M.No.: 111592
Place: Mumbai
Date : 27th April 2022

Martin Brendon Marnick
Director

Gaurav Kedia
Director

STATEMENT OF PROFIT AND LOSS

Statement of Profit and Loss for the period ended 31st March 22

Particulars	Note	March 22 (HKD)	March 22 (INR)	March 21 (HKD)	March 21 (INR)
1) Income:					
(a) Revenue from operations					
(a) Interest income	7	8	76	8	76
(b) Fees and commission income	8	12,92,819	1,24,43,023	5,53,647	52,92,147
Total revenue from operations		12,92,827	1,24,43,100	5,53,655	52,92,222
(b) Other income	9	-	-	68,500	6,54,771
Total income (a+b) (1)		12,92,827	1,24,43,100	6,22,155	59,46,993
2) Expenses:					
(a) Fees and commission expense	10	51,679	4,97,396	-	-
(b) Employee benefit expense	11	5,72,927	55,14,265	5,91,073	56,49,889
(c) Other expenses	12	4,39,642	42,31,433	4,47,832	42,80,694
Total expenses (2)		10,64,248	1,02,43,094	10,38,905	99,30,583
3) Profit before tax (3) = (1) - (2)		2,28,579	22,00,006	(4,16,750)	(39,83,590)
4) Profit after tax (4) = (3)		2,28,579	22,00,006	(4,16,750)	(39,83,590)
5) Total comprehensive income (5) = (4)		2,28,579	22,00,005	(4,16,750)	(39,83,590)

As per our Report of even date

For PGS & Associates
Chartered Accountants
Firm Reg No.122384W

For Motilal Oswal Capital Markets (Hongkong) Private Limited

Premal H Gandhi
Partner
M.No.: 111592
Place: Mumbai
Date : 27th April 2022

Martin Brendon Marnick
Director

Gaurav Kedia
Director

CASH FLOW STATEMENT

Cash flow statement for the year ended March 31, 2022

Cash flow statement	March 22 (HKD)	March 22 (INR)	March 21 (HKD)	March 21 (INR)
A. Cash flow from Operating Activities :				
Profit before taxation	2,28,579	22,00,005	(4,16,750)	(39,83,590)
Adjustments for :				
Foreign Currency Translation Reserve	-	2,51,737	-	(2,79,386)
	-	2,51,737	-	(2,79,386)
Operating profit before Working Capital changes	2,28,579	24,51,743	(4,16,750)	(42,62,976)
Adjustments for Working Capital changes				
(Increase)/ Decrease in trade receivables	-	-	0	5
(Increase)/ Decrease in other financial assets	(10,514)	(1,14,137)	5,36,532	51,89,698
Increase / (Decrease) in Trade Payables	51,684	3,78,201	(5,36,794)	(50,60,913)
Increase/ (Decrease) in other financial liabilities	17,348	1,86,925	(22,516)	(2,36,437)
Net change in working capital	58,518	4,50,989	(22,777)	(1,07,647)
Cash generated from / (used in) Operations	2,87,096	29,02,731	(4,39,528)	(43,70,623)
Net cash generated from /(used in) operating activities (A)	2,87,096	29,02,731	(4,39,528)	(43,70,623)
C. Cash flow from financing activities				
D. Net increase/ (decrease) in cash and cash equivalents (A + B + C)	2,87,096	29,02,731	(4,39,528)	(43,70,623)
E. Cash and cash equivalents at the beginning of the year				
Scheduled bank - In current account	5,84,511	55,10,786	10,24,039	98,81,409
Total (E)	5,84,511	55,10,786	10,24,039	98,81,409
F. Cash and cash equivalents at the end of the year :				
Scheduled bank - In current account	8,71,607	84,13,518	5,84,511	55,10,786
Total (G)	8,71,607	84,13,518	5,84,511	55,10,786

As per our Report of even date

For PGS & Associates
Chartered Accountants
Firm Reg No.122384W

For Motilal Oswal Capital Markets (Hongkong) Private Limited

Premal H Gandhi
Partner
M.No.: 111592
Place: Mumbai
Date : 27th April 2022

Martin Brendon Marnick
Director

Gaurav Kedia
Director

NOTES TO FINANCIAL STATEMENT

Summary of significant accounting policies and other explanatory information

1. Cash and Cash Equivalents

	March 22 (HKD)	March 22 (INR)	March 21 (HKD)	March 21 (INR)
Balances with banks				
In current accounts	8,71,607	84,13,518	5,84,511	55,10,786
Total	8,71,607	84,13,518	5,84,511	55,10,786

2. Receivables

	March 22 (HKD)	March 22 (INR)	March 21 (HKD)	March 21 (INR)
(i) Trade receivables				
Unsecured, considered good	4,85,110	46,82,708	5,36,794	50,60,908
Total	4,85,110	46,82,708	5,36,794	50,60,908

Note 2.1 : Receivable ageing schedule

For the year ended 31 March 2022

Particulars	Outstanding for following periods from due date of payment					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	-	-	46,82,708	-	-	46,82,708
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-

For the year ended 31 March 2021

Particulars	Outstanding for following periods from due date of payment					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	-	-	50,60,908	-	-	50,60,908
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-

NOTES TO FINANCIAL STATEMENT

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1 - 2 year	2 - 3 year	More than 3 years	
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-

3. Other Financial Assets

	March 22 (HKD)	March 22 (INR)	March 21 (HKD)	March 21 (INR)
Rent, electricity, and other deposits	66,771	6,44,536	56,258	5,30,399
Total	66,771	6,44,536	56,258	5,30,399

4. Other financial liabilities

	March 22 (HKD)	March 22 (INR)	March 21 (HKD)	March 21 (INR)
Other payables (includes payable to vendors)	15,795	1,52,468	1,052	9,919
Provision for expenses	88,136	8,50,768	85,531	8,06,392
Total	1,03,931	10,03,236	86,583	8,16,311

5. Equity Share Capital March 22 HKD

	Number	Amount
Paid-up		
Equity shares of HKD1 each		60,00,000
Total		60,00,000
Share Capital transferred to Balance Sheet		60,00,000

Equity Share Capital March 22 INR	Number	Amount
Paid-up		
Equity shares of Re. 1 each		4,12,02,000
Total		4,12,02,000
Share Capital transferred to Balance Sheet		4,12,02,000

Equity Share Capital March 21 HKD	Number	Amount
Equity shares of HKD1 each		60,00,000
Total		60,00,000
Share Capital transferred to Balance Sheet		60,00,000

NOTES TO FINANCIAL STATEMENT

Equity Share Capital March 21 INR	Number	Amount
Paid-up		
Equity shares of Re. 1 each		4,12,02,000
Total		4,12,02,000
Share Capital transferred to Balance Sheet		4,12,02,000

6. Other Equity

	March 22 (HKD)	March 22 (INR)	March 21 (HKD)	March 21 (INR)
Foreign currency translation reserve				
Balance at the beginning of the year	-	81,04,408	-	83,83,794
Foreign Currency Translation Reserve for the period	-	2,51,737	-	(2,79,386)
Balance at the end of the year	-	83,56,144	-	81,04,408
Retained earnings				
Balance at the beginning of the year	(49,09,021)	(3,90,20,625)	(44,92,271)	(3,50,37,035)
Add: Net profit for the year	2,28,579	22,00,006	(4,16,750)	(39,83,590)
Balance as at end of the year	(46,80,442)	(3,68,20,620)	(49,09,021)	(3,90,20,625)
Total	(46,80,442)	(2,84,64,475)	(49,09,021)	(3,09,16,217)

7. Interest Income

	March 22 (HKD)	March 22 (INR)	March 21 (HKD)	March 21 (INR)
On financial assets measured at amortised cost				
Interest on deposits with banks	8	76	8	76
Total	8	76	8	76

8. Fees and commission Income

	March 22 (HKD)	March 22 (INR)	March 21 (HKD)	March 21 (INR)
Research and advisory fees	12,92,819	1,24,43,023	5,53,647	52,92,147
Total	12,92,819	1,24,43,023	5,53,647	52,92,147

9. Other Income

	March 22 (HKD)	March 22 (INR)	March 21 (HKD)	March 21 (INR)
Other Non-Operating Income	-	-	68,500	6,54,771
Total	-	-	68,500	6,54,771

NOTES TO FINANCIAL STATEMENT

10. Fees and commission expense

	March 22 (HKD)	March 22 (INR)	March 21 (HKD)	March 21 (INR)
Brokerage sharing with intermediaries - Broking	51,679	4,97,396	-	-
Total	51,679	4,97,396	-	-

11. Employee benefits expense

	March 22 (HKD)	March 22 (INR)	March 21 (HKD)	March 21 (INR)
Salary, bonus and allowances	5,54,927	53,41,020	5,73,073	54,77,832
Contribution to provident fund and other benefits	18,000	1,73,245	18,000	1,72,057
Total	5,72,927	55,14,265	5,91,073	56,49,889

12. Other Expenses

	March 22 (HKD)	March 22 (INR)	March 21 (HKD)	March 21 (INR)
Rent	1,38,108	13,29,252	1,38,108	13,20,133
Legal and professional charges	2,31,256	22,25,772	2,59,565	24,81,107
Remuneration to auditors	45,000	4,33,113	37,000	3,53,672
Printing and stationery	1,630	15,686	1,971	18,836
Communication expenses	2,400	23,099	2,400	22,941
Foreign exchange fluctuation	3,426	32,976	1,283	12,263
Miscellaneous expenses	17,822	1,71,536	7,505	71,743
Total	4,39,642	42,31,433	4,47,832	42,80,694

13) Background

Motilal Oswal Capital Markets (Hongkong) Private Limited ('The Company') was incorporated in Hongkong on September 30, 2011 (CR No.1668413). The principal shareholder of the Company as at March 31, 2022 is Motilal Oswal Financial Services Limited (MOFSL).

The Company's principal activity is to distribute research (produced by MOFSL) and render financial advice on Indian equities to institutional investors in Hongkong.

The Company is seeking to conduct regulated activities such as dealing in securities and advising on securities as it intends to provide a brokerage service in relation to stocks, unit trusts, mutual funds, debt securities and stock derivatives. The Company is also seeking to distribute institutional research to Hongkong and overseas institutional clients.

The transactions of the Company are in local currency, which have been converted into Indian Rupees for reporting purposes at the rate applied as per paragraph (c) of Note 2 of Significant Accounting Policies.

NOTES TO FINANCIAL STATEMENT

14) Significant accounting policies

(a) Basis of preparation

The financial statements of the Company are prepared under the historical cost convention on the accrual basis of accounting and comply in all material aspects with accounting principles generally accepted in India.

(b) Use of Estimates

The preparation of the financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent assets and liabilities on the date of the financial statements. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements. Any differences of actual results to such estimates are recognized prospectively in the current and future periods.

(c) Conversion to Indian Rupees

For the purpose of these financial statements, 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 and is disclosed as Reserves and surplus. The share capital is carried forward at the rate of exchange prevailing on the transaction date.

(d) Operating Leases

Lease rentals in respect of operating lease are charged to the statement of profit and loss as per the terms of the lease arrangement on a straight-line basis over the lease period.

(e) Taxes on income

Current tax is determined as the amount of tax payable in respect of taxable income for the year using the tax rates enacted or substantially enacted at the balance sheet date.

Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

(f) Earnings per share

Basic earning per share is computed by dividing net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted earning per share is computed by dividing the net profit or loss 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.

NOTES TO FINANCIAL STATEMENT

(g) Contingencies and provisions

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

15) Financial Instruments

The Company is exposed to credit risk, liquidity risk and market risk arising in the normal course of its business and financial instruments. The Company's risk management objectives, policies and processes mainly focus on minimising the potential adverse effects of these risks on its financial performance and position by closely monitoring the individual exposure.

a. Market risk

(i) Foreign exchange risk

The Company has no significant concentration of foreign exchange risk

(ii) Interest rate risk

The Company has no significant concentration of interest rate risk

b. Credit risk

The Company's operations involve the risk that counterparties may be unable to meet the terms of their agreements.

The Company's credit risk is primarily attributable to cash at bank. The Company places its cash with creditworthy institutions.

c. Liquidity risk

The Company is exposed to liquidity risk on financial liabilities. It manages its funds conservatively by maintaining a comfortable level of cash and cash equivalents in order to meet continuous operational need. Various banking facilities and credit lines have also been arranged with different banks in order to fund any emergency liquidity requirements.

Summary quantitative data

At 31 March 2022

(In Rupees)

Particulars	Less than 1 Year	Between 1 and 2 years	Between 2 and 5 years	Over 5 Year	Total
Accrued expenses and other payables	10,03,236	-	-	-	10,03,236
Total	10,03,236	-	-	-	10,03,236

NOTES TO FINANCIAL STATEMENT

At 31 March 2021

Particulars	Less than 1 Year	Between 1 and 2 years	Between 2 and 5 years	Over 5 Year	Total
Accrued expenses and other payables	8,16,311	-	-	-	8,16,311
Amount due immediate holding company	-	-	-	-	-
Total	8,16,311	-	-	-	8,16,311

16) SFC Licence

Motilal Oswal Capital Markets (Hong Kong) Private Limited ("Motilal HK") was incorporated in Hong Kong on 30 September 2011 (CR No 1668413).

The Company received SFC license on 24th June 2014 to Advise on Securities & conduct TYPE IV Activity vide its license no AYY301.

The license allows Motilal HK to distribute Research Reports on Indian Markets only to Hong Kong based Professional Investors.

Motilal HK is a 100% subsidiary of Motilal Oswal Financial Services Limited subsidiary of Passionate Investment Management Private Limited which is its ultimate holding company.

17) Taxation

No provision for the current tax has been made in view of prior year's taxable loss.

18) Operating Leases

The Company had taken office premises under operating lease or leave and license agreements. During the year Rupees 13,29,251 (Previous year Rupees 13,20,133) being lease rentals for the current year are recognized in the statement of profit and loss under the head "rent".

As at March 31, 2022 the total future minimum lease payments under non-cancellable operating leases are payable as follows :-

Particulars	For The Year Ended 31-Mar-2022 Rs.	For The Year Ended 31-Mar-2021 Rs.
Payable within 1 year	10,03,236	8,16,311
Payable after 1 year but not later than 5 years		
Total	10,03,236	8,16,311

NOTES TO FINANCIAL STATEMENT

19) Earnings per share

The numerator and denominator used to calculate basic and diluted earnings per shares are as under:

Particulars	For The Year Ended 31-Mar-2022 Rs.	For The Year Ended 31-Mar-2021 Rs.
Profit/(Loss) attributable to equity shareholders (Rupees)	22,00,005	(39,83,590)
Weighted average number of equity shares outstanding during the year	60,00,000	60,00,000
Nominal value per share (Rupees)	6.87	6.87
Earnings per share (Basic and diluted) (Rupees)	0.37	(0.66)

20) Translation differences

The translation differences arising during the period on account of foreign currency have been directly taken to Reserves.

21) Related parties transactions

In addition to those related party transactions and balances disclosed elsewhere in the financial statements the company had the following transactions with its related parties during the year.

Particulars	For The Year Ended 31-Mar-2022 Rs.	For The Year Ended 31-Mar-2021 Rs.
Service fee paid to immediate holding company	-	-

A) Enterprises where control exists

- Motilal Oswal Financial Services Limited– Holding Company

B) Fellow subsidiaries

Motilal Oswal Investment Advisors Limited (formerly known as Motilal Oswal Investment Advisors Private Limited)
 Motilal Oswal Commodities Broker Private Limited
 Motilal Oswal Finvest Limited (formerly known as Motilal Oswal Capital Markets Limited)
 Motilal Oswal Wealth Management Limited
 MO Alternate investment Advisors Private Limited (formerly known as Motilal Oswal Fincap Private Limited)
 Motilal Oswal Asset Management Company Limited
 Motilal Oswal Asset Management (Mauritius) Private Limited
 Motilal Oswal Trustee Company 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 IFSC Limited

NOTES TO FINANCIAL STATEMENT

Glide Tech Investment Advisory Private Limited
TM Investment Technologies Private Limited

C) Key management personnel

- Abhijeet Tare - Director
- Martin Brendon Marnick - Director

ii) Transactions with related parties for the period ended March 31, 2022

Transactions	Name of the related Party	For the year ended March 31, 2022	For the year ended March 31, 2021
Director's Remuneration	Martin Brendon Marnick	55,14,265	56,49,889
Advisory Fees	Motilal Oswal Financial Services Limited	4,97,396	-
Total		60,11,661	56,49,889

Note: 'Income/receipts figures are shown in brackets.

22) Previous period's figures have regrouped/rearranged where necessary to confirm the current year's classifications.

As per our Report of even date

For PGS & Associates
Chartered Accountants
Firm Reg No.122384W

For Motilal Oswal Capital Markets (Hongkong) Private Limited

Premal H Gandhi
Partner
M.No.: 111592
Place: Mumbai
Date : 27th April 2022

Martin Brendon Marnick
Director

Gaurav Kedia
Director

Motilal Oswal Capital Markets (Singapore) Pte. Ltd.

FINANCIAL STATEMENT

ACCOUNTANTS CERTIFICATE

To,
The Board of Directors,

Motilal Oswal Capital Markets (Singapore) Pte. Ltd.

We have verified the conversion from foreign currency to INR of the accompanying balance sheet of Motilal Oswal Capital Markets (Singapore) Pte. Ltd. as on 31st March, 2022 and the related Statement of Profit and Loss for the year ended 31st March, 2022 which has been prepared and certified by the Management of Motilal Oswal Financial Services Limited which is denominated in Singapore Dollars converted to Indian Rupees. The Books of account and records maintained and produced to us for verification and information and explanations given to us by the management of the Motilal Oswal Financial Services Limited have found it to be in accordance therewith and there is no GAAP adjustments.

This certificate has been issued to the Management of the Company based on unaudited financial statement and to assist the auditors of the ultimate holding company with their audit of the consolidated financial statements and should not be used for any other purpose.

For PGS & ASSOCIATES

Chartered Accountants

Firm Registration No.: 122384W

UDIN: 22111592AHWQKG3171

Premal Gandhi

Partner

Membership No.: 111592

Place: Mumbai

Date: 27th April 2022

BALANCE SHEET

Balance Sheet as at 31st March 2022

Particular	Note	As at 31st March 2022 (SGD)	As at 31st March 2022 (INR)	As at 31st March 2021 (SGD)	As at 31st March 2021 (INR)
I. ASSETS					
1. Financial assets					
(a) Cash and cash equivalents	3	6,87,842	3,83,99,555	21,98,773	11,97,84,471
(b) Receivables					
(i) Trade Receivables	4	2,23,783	1,24,92,962	5,49,461	2,99,33,452
(c) Other financial assets	5	1,08,440	60,53,803	1,13,305	61,72,614
Total financial assets (A)		10,20,065	5,69,46,320	28,61,539	15,58,90,537
2. Non-financial assets					
(a) Property, plant and equipment	6	-	-	59	3,193
Total non-financial assets (B)		-	-	59	3,193
Total Assets (A+B)		10,20,065	5,69,46,320	28,61,598	15,58,93,730
II. LIABILITIES AND EQUITY					
1. Financial liabilities					
(a) Other financial liabilities	7	3,17,163	1,77,05,985	2,68,281	1,46,15,374
Total financial liabilities (A)		3,17,163	1,77,05,985	2,68,281	1,46,15,374
2. Equity					
(a) Equity share capital	8	2,80,000	1,29,53,103	22,50,000	10,40,87,500
(b) Other equity	9	4,22,902	2,62,87,232	3,43,317	3,71,90,856
Total equity (B)		7,02,902	3,92,40,335	25,93,317	14,12,78,356
Total Liabilities and Equity (A+B)		10,20,065	5,69,46,320	28,61,598	15,58,93,730

As per our Report of Even Date

For PGS & Associates
Chartered Accountants
Firm Reg No. 122384W

Premal H Gandhi
Partner
M.No: 111592
Place: Mumbai
Date : 27th April 2022

For Motilal Oswal Capital Market (Singapore) Pte. Ltd.

Abhijit Tare
Director

Rajani Nainesh Bharat
Director

STATEMENT OF PROFIT AND LOSS

Statement of Profit and Loss for the period ended 31st March 22

Particulars	Note	As at 31st March 2022 (SGD)	As at 31st March 2022 (INR)	As at 31st March 2021 (SGD)	As at 31st March 2021 (INR)
1) Income:					
(a) Revenue from operations					
(i) Fees and commission income	10	6,35,542	3,50,87,251	4,85,424	2,63,33,170
Total revenue from operations		6,35,542	3,50,87,251	4,85,424	2,63,33,170
(b) Other income	11	-	-	15	804
Total income (a+b) (1)		6,35,542	3,50,87,251	4,85,439	2,63,33,975
2) Expenses:					
(a) Employee benefit expense	12	4,37,353	2,41,45,542	3,18,473	1,72,76,474
(b) Depreciation and amortisation expense	13	8,737	4,82,378	25,030	13,57,807
(c) Other expenses	14	1,06,556	58,82,774	78,605	42,64,128
Total expenses (2)		5,52,646	3,05,10,694	4,22,108	2,28,98,409
3) Profit before tax (3) = (1) - (2)		82,896	45,76,557	63,331	34,35,566
4) Tax expenses / (credit)					
(a) Current tax		3,311	1,82,772	2,479	1,34,484
Total tax expenses (4)		3,311	1,82,772	2,479	1,34,484
5) Profit after tax (5) = (3) - (4)		79,585	43,93,785	60,852	33,01,082
6) Total comprehensive income		79,585	43,93,785	60,852	33,01,082
Profit after Minority Interest		79,585	43,93,785	60,852	33,01,082

As per our Report of Even Date

For PGS & Associates
Chartered Accountants
Firm Reg No. 122384W

Premal H Gandhi
Partner
M.No: 111592
Place: Mumbai
Date : 27th April 2022

For Motilal Oswal Capital Market (Singapore) Pte. Ltd.

Abhijit Tare
Director

Rajani Nainesh Bharat
Director

CASH FLOW STATEMENT

Cash flow statement for the year ended March 31, 2022

Cash flow statement	As at 31st March 2022 (SGD)	As at 31st March 2022 (INR)	As at 31st March 2021 (SGD)	As at 31st March 2021 (INR)
A. Cash flow from Operating Activities :				
Profit before taxation	82,896	45,76,557	63,331	34,35,566
Adjustments for :				
Depreciation, amortisation and impairment	8,737	4,82,378	25,030	13,57,807
Foreign Currency Translation Reserve	-	(1,36,44,807)	-	49,22,175
	8,737	(1,31,62,429)	25,030	62,79,982
Operating profit before Working Capital changes	91,633	(85,85,872)	88,361	97,15,547
Adjustments for Working Capital changes				
(Increase)/ Decrease in trade receivables	3,25,678	1,74,40,490	(2,32,021)	(1,32,55,213)
(Increase)/ Decrease in other financial assets	4,865	1,18,812	31,931	14,58,067
Increase/ (Decrease) in other financial liabilities	48,882	30,90,611	27,263	19,52,325
Net change in working capital	3,79,425	2,06,49,913	(1,72,827)	(98,44,820)
Cash generated from / (used in) Operations	4,71,058	1,20,64,041	(84,466)	(1,29,273)
Direct taxes paid net (including MAT credit utilised)	(3,311)	(1,82,772)	(2,479)	(1,34,484)
Net cash generated from / (used in) operating activities (A)	4,67,747	1,18,81,269	(86,945)	(2,63,757)
B. Cash flow from Investing Activities :				
Purchase of fixed assets	(8,679)	(4,79,184)	(25,030)	(13,57,921)
Net Cash generated from / (used in) Investing Activities (B)	(8,679)	(4,79,184)	(25,030)	(13,57,921)
C. Cash flow from financing activities				
Proceed from reduction in share capital	(19,70,000)	(9,27,87,000)	-	-
Net cash from / (used in) financing activities (C)	(19,70,000)	(9,27,87,000)	-	-
D. Net increase/ (decrease) in cash and cash equivalents (A + B + C)	(15,10,932)	(8,13,84,915)	(1,11,975)	(16,21,678)
E. Cash and cash equivalents at the beginning of the year				
Cash in hand	10,802	5,88,493	3,802	1,99,778
Scheduled bank - In current account	21,87,971	11,91,95,978	23,06,946	12,12,06,370
Total (E)	21,98,773	11,97,84,471	23,10,748	12,14,06,148
F. Cash and cash equivalents at the end of the year (D+E)	6,87,842	3,83,99,555	21,98,773	11,97,84,471
Cash and cash equivalents at the end of the year :				
Cash in hand	2,720	1,51,872	10,802	5,88,493
Scheduled bank - In current account	6,85,121	3,82,47,683	21,87,971	11,91,95,978
Total (G)	6,87,842	3,83,99,555	21,98,773	11,97,84,471

As per our Report of Even Date

For PGS & Associates
Chartered Accountants
Firm Reg No. 122384W

Premal H Gandhi
Partner
M.No: 111592
Place: Mumbai
Date : 27th April 2022

For Motilal Oswal Capital Market (Singapore) Pte. Ltd.

Abhijit Tare **Rajani Nainesh Bharat**
Director Director

NOTES TO FINANCIAL STATEMENT (Contd..)

NOTES TO THE FINANCIAL STATEMENTS - 31 March 2022

The following notes form an integral part of the financial statements.

1. GENERAL INFORMATION

Motilal Oswal Capital Markets (Singapore) Pte. Ltd. (the "Company") is a private limited liability company incorporated and domiciled in Singapore. The registered office of the Company is located at 80 Raffles Place, #32-01 UOB Plaza, Singapore 048624 and the principal place of business is Level 21 (Suite 31), 16 Collyer Quay, Singapore 049318.

Its immediate and ultimate holding company are Motilal Oswal Financial Services Limited. These companies are incorporated in India.

The principal activity of the Company is the provision of financial advisory services.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

The financial statements of the Company have been prepared in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Financial Reporting Standards in Singapore ("FRSs"). The financial statements, expressed in Singapore Dollars, are prepared in accordance with the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial period. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

Conversion to Indian Rupees:

For the purpose of these financial statements, 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 and is disclosed as Reserves and Surplus. The share capital is carried forward at the rate of exchange prevailing on the transaction date.

(b) Standards Issued but not yet Effective

Certain new standards, amendments and interpretations to existing standards have been published and are mandatory for the Company's accounting periods beginning on or after 1 April 2021 or later periods and which the Company has not early adopted.

The management anticipates that the adoption of the new or revised standards and FRS interpretations will have no material impact on the financial statements of the Company in the period of their initial application.

(c) Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account

NOTES TO FINANCIAL STATEMENT (Contd..)

(d) Financial Assets

(i) Classification and measurement

The Company classifies its financial assets in the following measurement categories:

- at fair value through other comprehensive income ("FVOCI"),
- at fair value through profit or loss ("FVPL"), and
- at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. The Company's financial assets measured at amortised cost include other receivables, amount due from immediate holding company and cash and cash equivalents.

At initial recognition

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

At subsequent measurement

l) Debt instruments

There are three subsequent measurement categories, depending on the company's business model for managing the asset and the cash flow characteristics of the asset:

a) Amortised Cost

Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instruments that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired.

b) FVOCI

Debt instruments that are held for collection of contractual cash flows and for sale, and where the assets' cash flows represent solely payments of principal and interest, are classified as FVOCI. Movements in fair values are recognised in Other Comprehensive Income ("OCI") and accumulated in fair value reserve, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and presented in "other gains/(losses)".

c) FVPL:

Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortized cost or FVOCI are classified as FVPL. Movement in fair values and interest income is recognised in profit or loss in the period in which it arises and presented in "other income" or "other expenses".

NOTES TO FINANCIAL STATEMENT (Contd..)

(II) Equity instruments

The Company subsequently measures all its equity investments at their fair values. Equity instruments are classified as FVPL with movements in their fair values recognised in profit or loss in the period in which the changes arise and presented in "other gains/ (losses)", except where the Company has elected to classify the investments as FVOCI. Movements in fair values of investments classified as FVOCI are presented as "fair value gains and losses" in Other Comprehensive Income.

(ii) Impairment of financial assets

The Company assesses on a forward looking basis the Expected Credit Losses ("ECL") associated with its assets carried at amortised cost and debt instruments measured at FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Impairment on financial assets are measured as either 12-month ECL or lifetime ECL, depending on whether there has been a significant increase in credit risk since initial recognition. If a significant increase in credit risk has occurred since initial recognition, then impairment is measured as lifetime ECL.

(iii) Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

On disposal of a debt instruments, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

On disposal of an equity investment, the difference between the carrying amount and sales proceeds is recognised in profit or loss if there was no election made to recognise fair value changes in other comprehensive income. If there was an election made, any difference between the carrying amount and sales proceeds amount would be recognised in other comprehensive income and transferred to retained profits along with the amount previously recognised in other comprehensive income relating to that asset.

(e) Plant and Equipment

Plant and equipment are stated at cost less accumulated depreciation and any impairment loss recognised in accordance with Note 2(h) to the financial statements. Depreciation is calculated on the straight-line basis so as to write off the cost of the assets over their estimated useful lives, as follows:

Office equipment 3 years

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The estimated useful lives, residual values and depreciation methods are reviewed and adjusted as appropriate, at the end of each financial year.

Subsequent expenditure relating to plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item

NOTES TO FINANCIAL STATEMENT (Contd..)

will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

The gain or loss arising on disposal or retirement of an item of plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset, and is recognised in profit or loss.

Fully depreciated plant and equipment are retained in the financial statements until they are no longer in use.

(f) Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and cash on hand which are readily convertible to known amount of cash and are subject to an insignificant risk of changes in value. Cash and cash equivalents are stated at amounts at which they are readily convertible into cash.

(g) Impairment of Non-Financial Assets

The carrying amounts of the Company's non-financial assets are reviewed at each statement of financial position date to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's fair value less costs to sell and its value in use. The value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life discounted to the present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset.

The impairment loss is charged to the statement of comprehensive income unless it reverses a previous revaluation, in which case, it will be charged to equity. An impairment loss is reversed if there has been a change in estimates used to determine the recoverable amount or when there is an indication that the impairment loss recognised for the asset no longer exists or decreases. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised.

(h) Financial Liabilities

Financial liabilities are classified as either financial liabilities "at fair value through profit or loss" or other financial liabilities.

Financial liabilities are recognised when the Company becomes a party to the contractual agreements governing the instrument.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

(i) Other Financial Liabilities

The financial liabilities measured at amortised cost comprise other payables and amount due to immediate holding company, which are initially recognised at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest method.

NOTES TO FINANCIAL STATEMENT (Contd..)

(j) Revenue Recognition

Revenue is measured based on the 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.

Revenue is recognised when the Company satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

Rendering of services

Revenue from financial advisory services is based on a cost plus mark-up basis on the expenses incurred and recognised at point in time when the services are rendered. Performance obligation is satisfied when the services transferred to the customers.

(k) Employee Benefits

(i) Defined contribution plans

As required by law, the Company makes contributions to the state pension schemes in the countries that operate in accordance with local regulatory requirements. The state pension scheme for Singapore is Central Provident Fund ("CPF"). The defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(ii) Employees' annual leave entitlement

Employee entitlements to annual leave are recognised as a liability when they accrue to employees. The estimated liability for leave is recognised for services rendered by employees up to end of the reporting period.

The fair value of options granted by immediate holding company to the employees of the Company is recognised as an employee expenses with a corresponding increase in amount due to immediate holding company.

The fair value is measured at grant date and spread over the period during which the employees become unconditionally entitled to the options.

(l) Leases

Accounting policy for leases from 1 April 2019

Leases are recognised as right-of-use assets and corresponding lease liabilities at the date of which the leased assets are available for use by the Company. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on their remaining balance of the liability for each period.

Asset and liabilities arising from a lease are initially measure on a present value basis. Lease liabilities include the net present value of fixed lease payments. Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liabilities.

NOTES TO FINANCIAL STATEMENT (Contd..)

The right-of-use asset is subject to testing for impairment if there is an indicator of impairment. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. The useful life of the leasehold property is over the lease term of 24 months.

The Company has elected not to recognise right-of-use assets and lease liabilities for leases where the total lease term is less than 12 months and lease contracts for which the underlying asset has a low value. The payments for such leases are recognised in the profit or loss on a straight-line basis over the lease term.

Accounting policy for leases prior to 1 April 2019

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Operating lease payments are recognised as an expense in the statement of comprehensive income on a straight line basis over the lease term.

(m) Taxation

Current income tax assets and liabilities for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is provided using the liability method, providing for all taxable temporary differences between the carrying amounts of all assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences or tax losses can be utilised.

(n) Foreign Currency Transactions

(i) Functional and presentation currency

Items included in the 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 of the Company are presented in Singapore Dollars, which is the functional and presentation currency of the Company.

(ii) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency at the exchange rates prevailing at the date of the transactions. Monetary assets and monetary liabilities denominated in foreign currencies at the reporting period are translated at exchange rates ruling at that date. Foreign currency exchange differences arising from translation are recognised in the statement of comprehensive income.

NOTES TO FINANCIAL STATEMENT (Contd..)

(o) Related Party

A related party is defined as follows:

(a) A person, or a close member of that person's family, is related to the Company if that person:

- (i) Has control or joint control over the Company;
- (ii) Has significant influence over the Company; or
- (iii) Is a member of the key management personnel of the Company or the Company's parent.

(b) An entity is related to the Company if any of the following conditions applies:

- (i) The entity and the Company are members of the same Company (which means that each parent, subsidiary corporation and fellow subsidiary corporation is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a Company of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity)

NOTES TO FINANCIAL STATEMENT (Contd..)

Summary of significant accounting policies and other explanatory information

3. Cash and Cash Equivalents

	As at 31st March 2022 (SGD)	As at 31st March 2022 (INR)	As at 31st March 2021 (SGD)	As at 31st March 2021 (INR)
Cash on hand	2,720	1,51,872	10,802	5,88,493
Balances with banks				
In current accounts	6,85,121	3,82,47,683	21,87,971	11,91,95,978
Total	6,87,842	3,83,99,555	21,98,773	11,97,84,471

4. Receivables

	As at 31st March 2022 (SGD)	As at 31st March 2022 (INR)	As at 31st March 2021 (SGD)	As at 31st March 2021 (INR)
(i) Trade receivables				
Unsecured, considered good	2,23,783	1,24,92,962	5,49,461	2,99,33,452
Total	2,23,783	1,24,92,962	5,49,461	2,99,33,452

Note 4.1 : Receivable ageing schedule

For the year ended 31 March 2022

Particulars	Outstanding for following periods from due date of payment					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	1,24,92,962	-	-	-	-	1,24,92,962
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-

NOTES TO FINANCIAL STATEMENT (Contd..)

For the year ended 31 March 2021

Particulars	Outstanding for following periods from due date of payment					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	2,99,33,452	-	-	-	-	2,99,33,452
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-

5. Other Financial Assets

	As at 31st March 2022 (SGD)	As at 31st March 2022 (INR)	As at 31st March 2021 (SGD)	As at 31st March 2021 (INR)
Rent, electricity, and other deposits	1,08,440	60,53,803	1,13,305	61,72,614
Total	1,08,440	60,53,803	1,13,305	61,72,614

7. Other financial liabilities

	As at 31st March 2022 (SGD)	As at 31st March 2022 (INR)	As at 31st March 2021 (SGD)	As at 31st March 2021 (INR)
Other payables (includes payable to vendors)	2,17,330	1,21,32,693	2,34,308	1,27,64,629
Provision for expenses	14,078	7,85,907	20,664	11,25,721
Accrued salaries and benefits	83,555	46,64,568	4,615	2,51,413
Lease Liability - OFL	2,200	1,22,818	8,694	4,73,611
Total	3,17,163	1,77,05,985	2,68,281	1,46,15,374

8. Equity Share Capital YTD March 22

	Number	Amount
Paid-up		
Equity shares of Re. 1 each		2,80,000
Total		2,80,000
Share Capital transferred to Balance Sheet		2,80,000

NOTES TO FINANCIAL STATEMENT (Contd..)

Equity Share Capital as at 31 March 22 INR	Number	Amount
Paid-up		
Equity shares of Re. 1 each		1,29,53,103
Total		1,29,53,103
Share Capital transferred to Balance Sheet		1,29,53,103

Equity Share Capital 31st March 2021 SGD	Number	Amount
Paid-up		
Equity shares of Re. 1 each		22,50,000
Total		22,50,000
Share Capital transferred to Balance Sheet		22,50,000

Equity Share Capital 31st March 2021 INR	Number	Amount
Paid-up		
Equity shares of Re. 1 each		10,40,87,500
Total		10,40,87,500
Minority Interest on Share Capital - Computed		-
Minority Interest on Share Capital - Adjusted		-
Total Minority Interest on Share Capital		-
Share Capital transferred to Balance Sheet		10,40,87,500

9. Other Equity

	As at 31st March 2022 (SGD)	As at 31st March 2022 (INR)	As at 31st March 2021 (SGD)	As at 31st March 2021 (INR)
Foreign currency translation reserve				
Balance at the beginning of the year	-	1,93,76,059	-	1,44,53,885
Foreign Currency Translation Reserve for the period	-	(1,52,97,409)	-	49,22,174
Balance at the end of the year	-	40,78,650	-	1,93,76,059
Retained earnings				
Balance at the beginning of the year	3,43,318	1,78,14,797	2,82,466	1,45,13,715
Add: Net profit for the year	79,585	43,93,785	60,852	33,01,082
Balance as at end of the year	4,22,903	2,22,08,583	3,43,318	1,78,14,797
Total	4,22,902	2,62,87,232	3,43,317	3,71,90,856

10. Fees and commission Income

	As at 31st March 2022 (SGD)	As at 31st March 2022 (INR)	As at 31st March 2021 (SGD)	As at 31st March 2021 (INR)
Research and advisory fees	6,35,542	3,50,87,251	4,85,424	2,63,33,170
Total	6,35,542	3,50,87,251	4,85,424	2,63,33,170

NOTES TO FINANCIAL STATEMENT (Contd..)

11. Other Income

	As at 31st March 2022 (SGD)	As at 31st March 2022 (INR)	As at 31st March 2021 (SGD)	As at 31st March 2021 (INR)
Other Non-Operating Income	-	-	15	804
Total	-	-	15	804

12. Employee benefits expense

	As at 31st March 2022 (SGD)	As at 31st March 2022 (INR)	As at 31st March 2021 (SGD)	As at 31st March 2021 (INR)
Salary, bonus and allowances	4,17,729	2,30,62,131	2,75,681	1,49,55,079
Contribution to provident fund and other benefits	4,294	2,37,092	8,167	4,43,042
Expenses on employee stock option scheme	14,226	7,85,385	34,625	18,78,353
Staff welfare expenses	1,104	60,934	-	-
Total	4,37,354	2,41,45,542	3,18,473	1,72,76,474

13. Depreciation and amortization expenses

	As at 31st March 2022 (SGD)	As at 31st March 2022 (INR)	As at 31st March 2021 (SGD)	As at 31st March 2021 (INR)
Depreciation / amortization of property, plant and equipment and intangible assets	8,737	4,82,378	25,030	13,57,807
Total	8,737	4,82,378	25,030	13,57,807

14. Other Expenses

	As at 31st March 2022 (SGD)	As at 31st March 2022 (INR)	As at 31st March 2021 (SGD)	As at 31st March 2021 (INR)
Rent	27,692	15,28,813	24,912	13,51,408
Insurance	731	40,365	2,873	1,55,871
Legal and professional charges	59,495	32,84,638	33,593	18,22,347
Remuneration to auditors	12,540	6,92,313	11,000	5,96,725
Membership and subscription	321	17,722	392	21,285
Printing and stationery	1,005	55,482	578	31,344
Communication expenses	541	29,891	1,390	75,426
Travelling and conveyance expenses	214	11,815	200	10,850
Entertainment expenses	428	23,629	-	-
Miscellaneous expenses	3,588	1,98,106	3,666	1,98,872
Total	1,06,555	58,82,774	78,604	42,64,128

NOTES TO FINANCIAL STATEMENT (Contd..)

15) Taxation

Provision for the current tax has been made for Rs.182,772 , Previous year Rs. 134,484

16) Operating Leases

The Company had taken office premises under operating lease or leave and license agreements.

During the year Rs.15,28,813/- (Previous year Rs.13,51,408/-) being lease rentals for the current year are recognized in the statement of profit and loss under the head "Rent".

As at March 31, 2022 the total future minimum lease payments under non-cancellable operating leases are payable as follows :-

Operating Lease Commitments

Particulars	For the Period Ended 31-Mar-2022 Rs	For the Period Ended 31-Mar-2021 Rs
Payable within 1 year	1,22,818	4,73,611
Payable after 1 year but not later than 5 years		
Total	1,22,818	4,73,611

The above operating lease commitments are based on known rental rates as at the date of this report and do not include any revision in rates which may be determined by the relevant authorities.

17) Earnings per share

The numerator and denominator used to calculate basic and diluted earnings per shares are as under:

Particulars	For the Period Ended 31-Mar-2022 Rs	For the Period Ended 31-Mar-2021 Rs
Profit attributable to equity shareholders (Rupees)	43,93,785	33,01,082
Weighted average number of equity shares outstanding during the year	2,80,000	13,61,111
Nominal value per share (Rupees)	76.47	76.47
Earnings per share (Basic and diluted) (Rupees)	15.69	3.19

18) Translation differences

The translation differences arising during the period on account of foreign currency have been directly taken to Reserves.

19) Related party transactions

(i) Relationships during the year

A) Enterprises where control exists

- Motilal Oswal Financial Services Limited – Holding company

NOTES TO FINANCIAL STATEMENT (Contd..)

B) Fellow subsidiaries

Motilal Oswal Finvest Limited (formerly known as Motilal Oswal Capital Markets Limited)
 Motilal Oswal Trustee Company Limited
 Motilal Oswal Fincap Private Limited (formerly known as Motilal Oswal Insurance Brokers Private Limited)
 Motilal Oswal Commodities Broker Private Limited
 Motilal Oswal Investment Advisors Limited (formerly known as Motilal Oswal Investment Advisors Private Limited)
 MOPE Investment Advisors Private Limited
 Motilal Oswal Wealth Management Limited
 Motilal Oswal Securities International Private Limited
 Motilal Oswal Asset Management Company
 Motilal Oswal Capital Market (Honkong) Pvt Ltd.
 Motilal Oswal Real Estate Investment Advisors Private Limited
 Motilal Oswal Real Estate Investment Advisors II Private Limited
 Aspire Home Finance Corporation Limited
 India Business Excellence Management Company
 Motilal Oswal Asset Management (Mauritius) Private Limited
 Nagori Agro & Cattle Feeds Private Limited
 Motilal Oswal Capital Limited
 Motilal Oswal Finsec IFSC Limited
 Glide Tech Investment Advisory Private Limited

C) Key management personnel

- Abhijit Tare - Director
- Rajani Naine Bharat - Director

ii) Transactions with related parties for the year ended March 31, 2022

Transactions	Name of the related Party	For the Period Ended 31-Mar-2022	For the Period Ended 31-Mar-2021
Advisory Fees (charged) / paid	Motilal Oswal Financial Services Limited	(3,50,87,251)	(2,63,33,170)
Director's remuneration	Kadambari Balachandaran	-	29,48,800
Director's remuneration	Rajani Naine Bharat	93,25,857	-
Advisory Fees Receivable at the year end	Motilal Oswal Financial Services Limited	1,24,92,962	2,99,33,452

Note: 'Income/receipts figures are shown in brackets.

20) Auditor's Remuneration

Particulars	For the Period Ended 31-Mar-2022	For the Period Ended 31-Mar-2021
As Auditors:		
Audit fees	6,92,313	5,96,725
In any other capacity, in respect of:		
Other Certification	-	-
TOTAL	6,92,313	5,96,725

NOTES TO FINANCIAL STATEMENT (Contd..)

21) Previous year figures have regrouped/ rearranged where necessary to confirm to current year's classifications.

As per our Report of Even Date

For PGS & Associates

Chartered Accountants

Firm Reg No. 122384W

For Motilal Oswal Capital Market (Singapore) Pte. Ltd.

Premal H Gandhi

Partner

M.No: 111592

Place: Mumbai

Date : 27th April 2022

Abhijit Tare

Director

Rajani Nainesh Bharat

Director