



Motilal Oswal Financial Services Limited
CIN: L67190MH2005PLC153397
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Prabhadevi, Mumbai – 400025
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October 30, 2020

BSE Limited
P. J. Towers,
Dalal Street, Fort,
Mumbai - 400001
Security Code: 532892

National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block,
Bandra-Kurla Complex, Bandra (E),
Mumbai - 400051
Symbol: MOTILALOFS

Sub: Investor(s)/Analyst(s) Presentation – Financial Performance for Q2FY 2020-21

Dear Sir/Madam,

This is with reference to our earlier letter dated October 22, 2020 regarding Earnings Conference Call with Institutional Investor(s)/Analyst(s) for discussing Q2 FY2020-21 Financial Performance of the Company.

In this regard, please find enclosed herewith the Presentation to be made to Investor(s) /Analyst(s). Further, the said Presentation will be uploaded on the Company's website at www.motilaloswalgroup.com.

Kindly take the same on record.

Thanking you,

Yours faithfully,
For Motilal Oswal Financial Services Limited

Kailash Purohit
Company Secretary & Compliance Officer
Encl.: As above



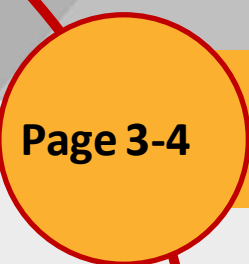
Motilal Oswal Financial Services Ltd

Earnings Presentation | Q2FY21 & H1FY21

BUSINESSES BUILDING SCALE

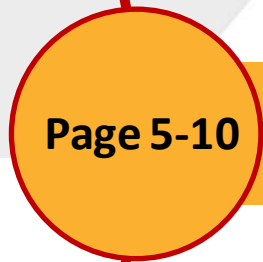
FOCUS ON PROFITABLE GROWTH

STRONG LIQUIDITY ON BALANCE SHEET



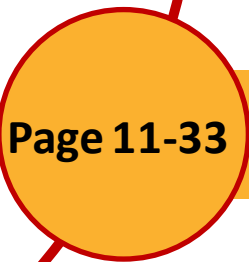
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Key Highlights



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Financials



Page 11-33

Businesses

Motilal Oswal Financial Services

CAPITAL MARKETS

- Market share improved by 80bps YoY to 3.1%
- Market share in cash & derivative segment is at multi-quarter high
- Highest ever broking revenues/profit in a quarter
- Highest ever new clients addition +198% YoY in H1FY21
- Strong liquidity on parent balance sheet with unutilised banking lines of Rs 13 bn and cash of Rs 5.5 bn.

ASSET MANAGEMENT

- AMC AUM stood at Rs 386 bn, +10% QoQ in Q2FY21
- AMC gross sales gained traction in H1FY21, +25% YoY.
- Launched Multi Asset Fund and AIF
- Committed investment PE & RE AUM till date stands at Rs 65 bn
- Wealth AUM: Rs 200 bn, +13% QoQ in Q2FY21
- Wealth Net sales at multi-period high, Rs 13.4 bn in H1FY21 vs 3.2 bn in H1FY20

HOUSING FINANCE

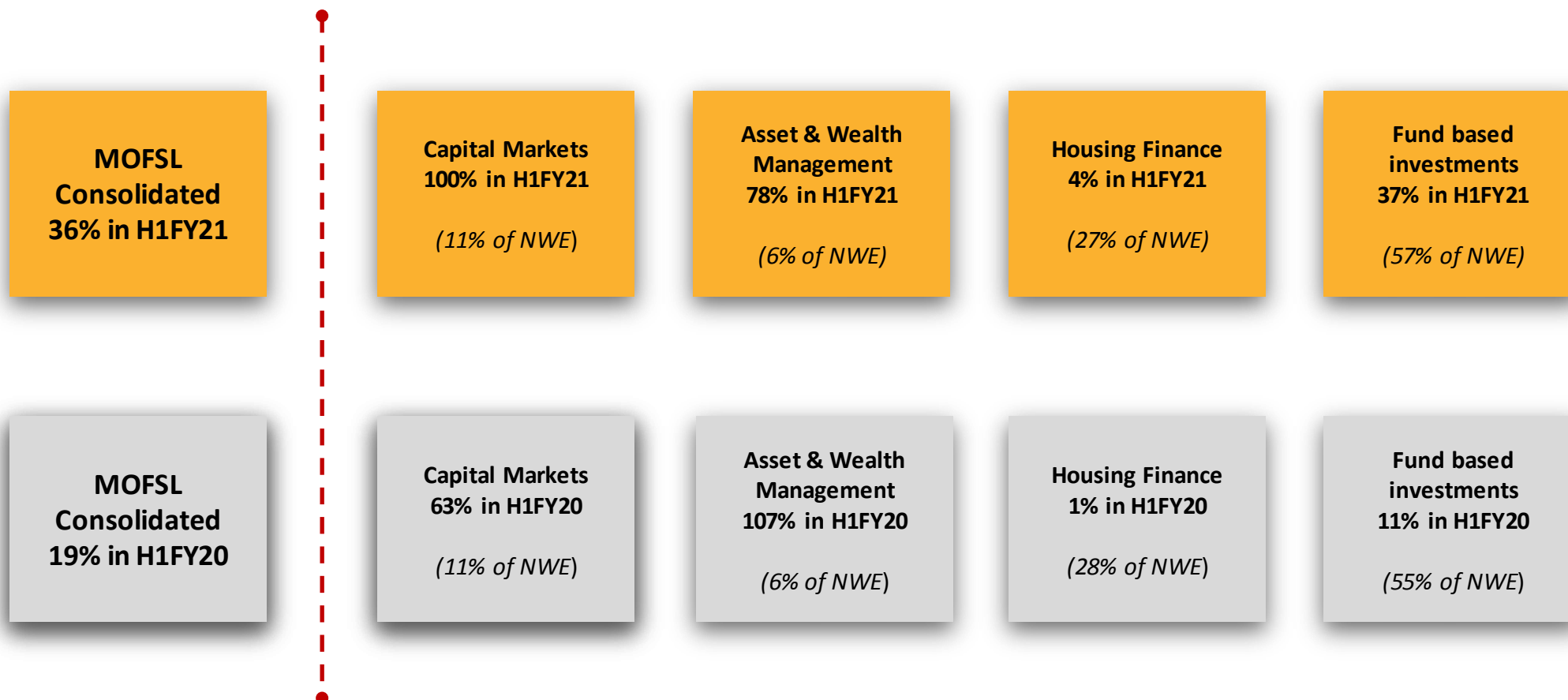
- New MD & CEO on-boarded
- CoF reduction by 50bps QoQ led to margin expansion
- GNPA 1.6%, NNPA 1.2%
- Covid provisioning stands at 70 bps
- Strong traction in collection efficiency
- Superior quality of new book underwritten
- Strong liquidity on balance sheet with undrawn sanction of Rs 7.2 bn & cash of Rs 5.1 bn.

FUND BASED INVESTMENTS

- Total quoted equity investment including MTM gains at Rs 14.3 bn
- Total equity investment on books including alternate investments stands at Rs 21.3 bn
- Cumulative XIRR of ~13.3% on total quoted investments
- Company has completed buyback of equity shares of Rs 1.5 bn (Including tax).

Group RoE*

Segment-wise RoE, with % of net worth employed (NWE)



Note: * Excluding Other comprehensive income and exceptional item in H1FY21

Consolidated Financials – Revenue Mix

Particulars (Rs mn)	Q2FY21	Q2FY20	YoY (%)	Q1FY21	QoQ (%)	H1FY21	H1FY20	YoY (%)
Broking	4,216	3,007	40%	3,434	23%	7,650	5,785	32%
Investment Banking	20	83	-76%	4	-	23	86	-73%
Asset Management	1,162	1,364	-15%	1,036	12%	2,198	2,807	-22%
Private Equity	268	255	5%	219	23%	487	495	-2%
Wealth Management	349	279	25%	221	58%	570	500	14%
Housing Finance	1,360	1,463	-7%	1,333	2%	2,693	2,990	-10%
Fund Based (Ex-MTM)	96	99	-3%	82	18%	178	169	6%
Total Revenues	7,472	6,549	14%	6,328	18%	13,800	12,832	8%
Total Revenues after Intercompany adjustments	6,911	5,999	15%	5,909	17%	12,820	11,849	8%
Operating Costs	3,906	3,588	9%	3,287	19%	7,193	6,585	9%
EBITDA	3,005	2,411	25%	2,622	15%	5,627	5,264	7%
PBT	1,800	1,066	69%	1,428	26%	3,228	2,585	25%
Operating PAT (1)	1,233	926	33%	1,030	20%	2,263	1,919	18%
MTM PAT (2)	1,731	501	246%	1,305	33%	3,036	802	279%
Exceptional Item (3)	-	-	-	-666	-	-666	-	-
Reported PAT(4) = (1)+(2)+(3)	2,965	1,427	108%	1,670	78%	4,634	2,721	70%

1. Operating PAT is excluding MTM on fund based investments and exceptional item
2. MTM PAT includes profits/(loss) on account of Fund based investments made in Equity & Alternate Funds
3. Exceptional item comprises of full provision made by the company on account of negative price settlement of Crude Oil Derivative positions of the customers in Commodity broking.
4. Reported PAT numbers are post minority and exceptional item

Consolidated Financials – PAT Mix

PAT (Rs mn)	Q2FY21	Q2FY20	YoY (%)	Q1FY21	QoQ (%)	H1FY21	H1FY20	YoY (%)
Broking	815	540	51%	613	33%	1,427	941	52%
Investment Banking	-18	12	-	-39	-	-57	-27	-
Capital Markets	797	551	44%	573	39%	1,370	913	50%
Asset Management	290	468	-38%	240	21%	530	830	-36%
Private Equity	68	56	21%	52	31%	121	107	13%
Wealth Management	82	7	-	0	-	82	13	-
Asset & Wealth	440	531	-17%	292	51%	732	950	-23%
Home Finance	57	-118	-	111	-49%	168	53	217%
Fund Based (Ex-MTM)	-3	24	-	-2	-	-5	47	-
Total Intercompany	-57	-63	-	58	-	1	-40	-
Operating PAT	1,233	926	33%	1,030	20%	2,263	1,919	18%
MTM PAT	1,731	501	246%	1,305	33%	3,036	802	279%
Exceptional Item	-	-	-	-666	-	-666	-	-
Reported PAT	2,965	1,427	108%	1,670	78%	4,634	2,721	70%

Note : Adjusted to adoption to new tax regime in Q2FY20 broking PAT growth would have been 69%, AMC PAT de-growth would have been 26% and consolidated profit growth would have been 122%.

Consolidated Balance Sheet

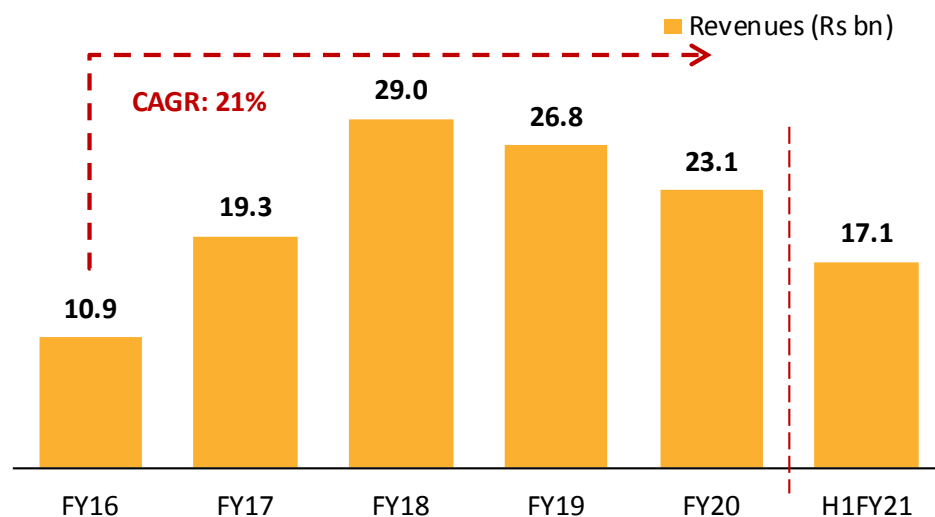
Particulars (Rs bn)	H1FY21	FY20
Sources of Funds		
Net Worth	34.9	30.9
Borrowings (1)	46.4	46.3
Minority Interest	0.5	0.4
Total Liabilities	81.7	77.5
Application of Funds		
Fixed assets (net block)	3.4	3.3
Investments	25.9	30.9
Loans and Advances (2)	41.6	40.8
Net current assets	10.9	2.5
Total Assets	81.7	77.5

1 Borrowings are inclusive of MOHFL. Ex- MOHFL borrowings are Rs 14.2 bn in Sep-20.

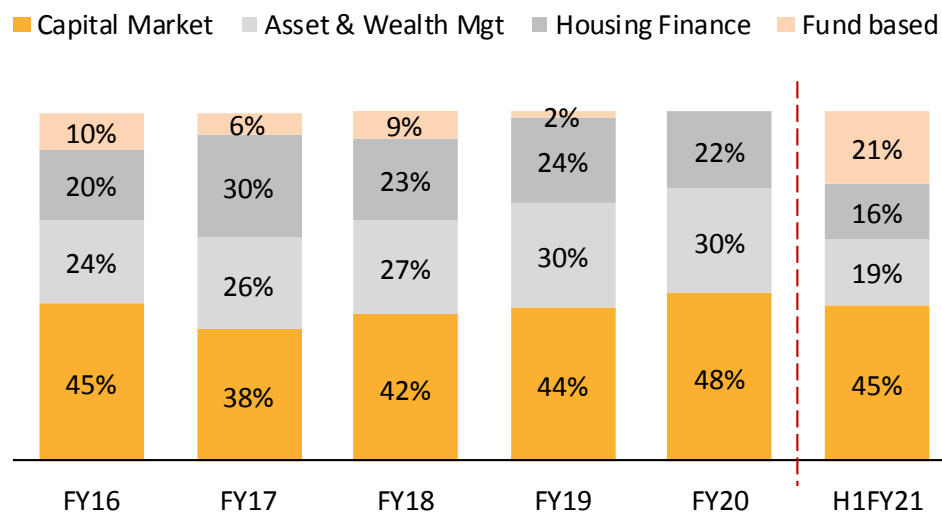
2 Loan & Advances include loan book of Motilal Oswal Home Finance and Margin Trading Facility book.

Financial Performance

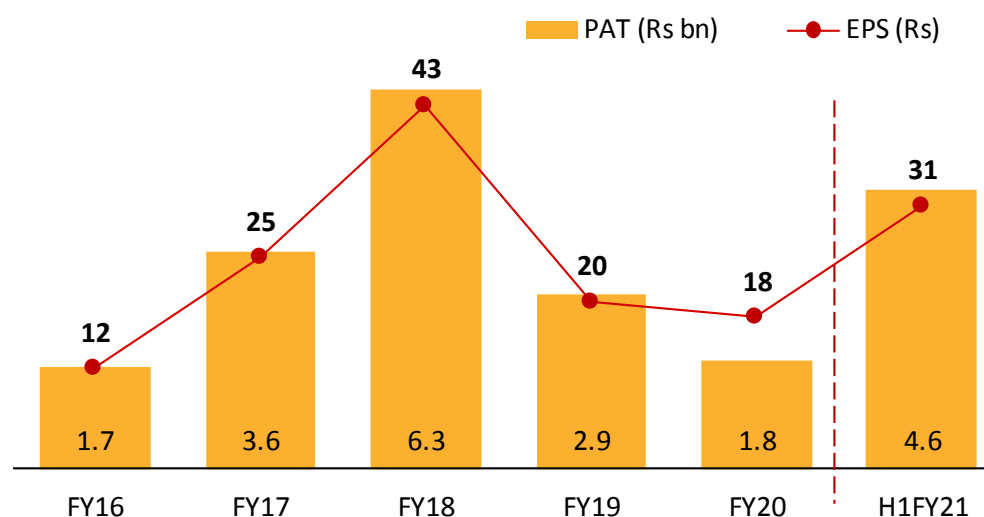
Revenue Trend



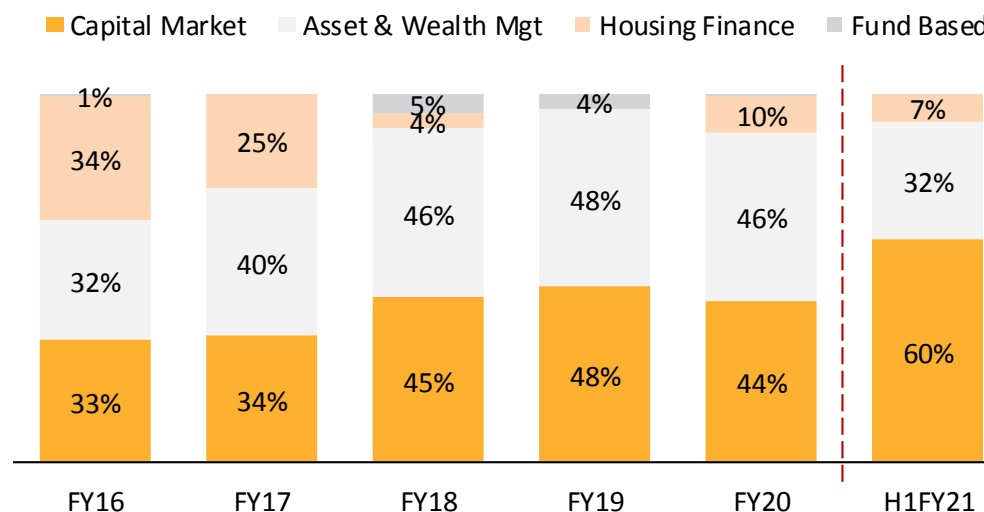
Revenue Mix



Profitability Trend

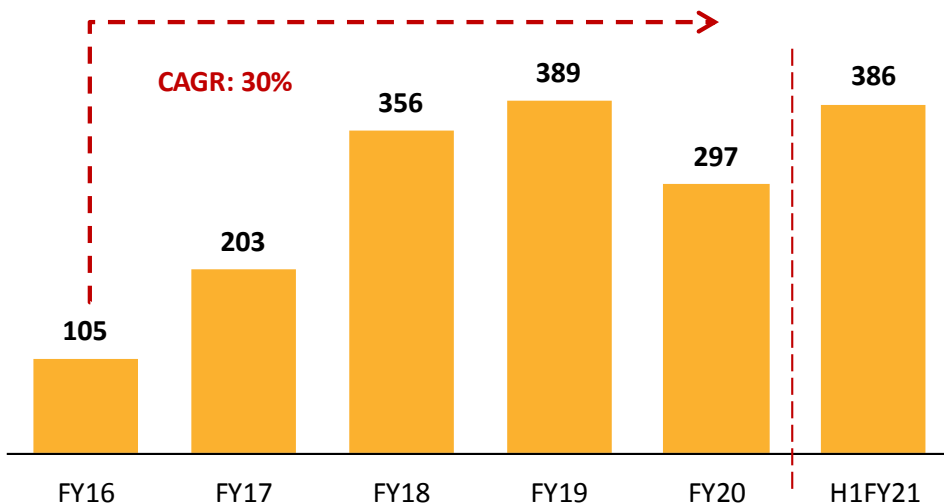


Operating Profit Mix

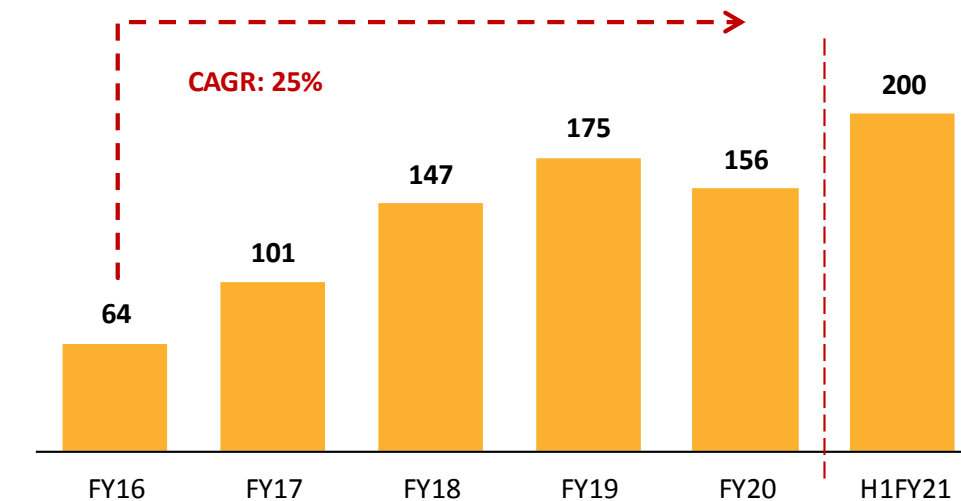


Note: Revenue and PAT are as per IGAAP for FY16 & FY17. H1FY21 EPS is not annualized.

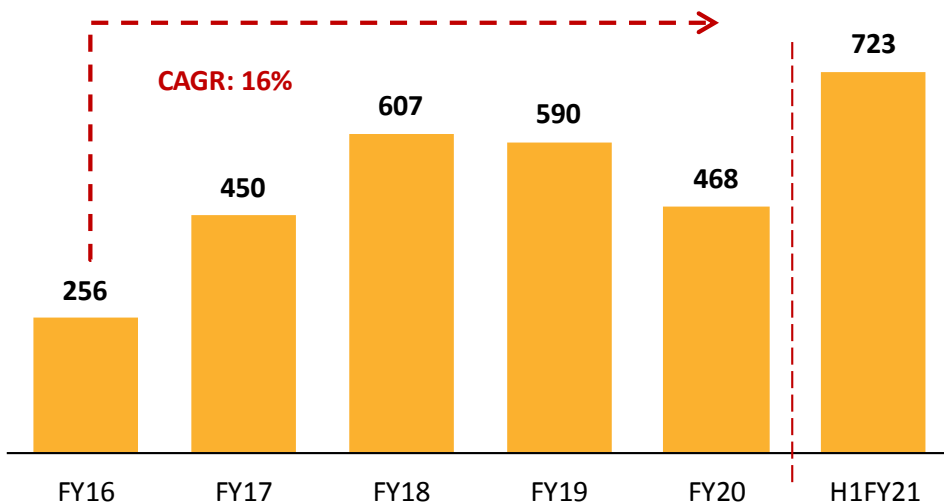
AMC AUM growth trend (Rs bn)



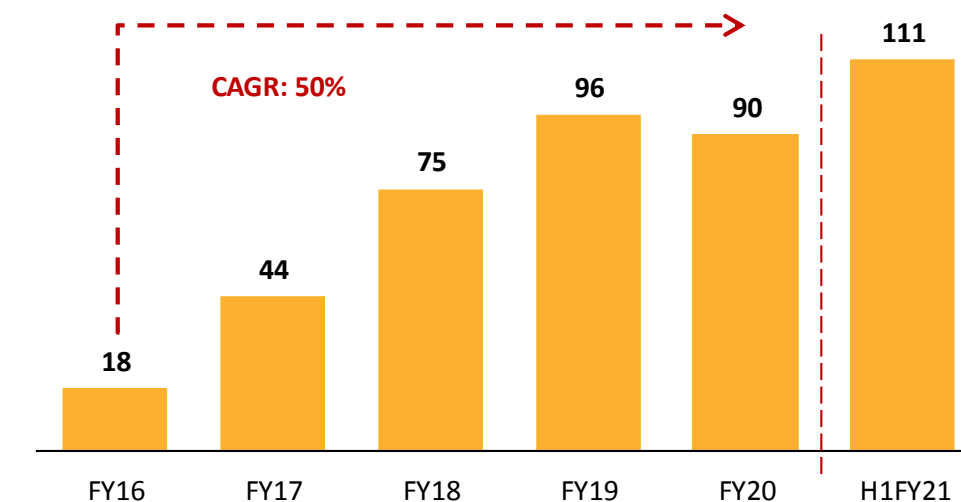
Wealth AUM growth trend (Rs bn)



DP AUM growth trend (Rs bn)



Distribution AUM growth trend (Rs bn)



GROWTH DRIVERS

BROKING & DISTRIBUTION

- ADTO grew 70% YoY with rise in market share in Q2FY21
- Operating leverage continues to play
- Client acquisitions up by 198% YoY in H1FY21
- Branch & manpower expansion underway
- Distribution business aiming big with newly added Insurance distribution.

ASSET MANAGEMENT

- Traction in gross flows; net flows declined in line with industry.
- Stable redemption market share.
- Expanding product offerings across passive category.
- Traction in digital and direct channel.

WEALTH MANAGEMENT

- Strong traction in gross and net sales.
- Strong net sales of high equity products has boosted yield.
- Cost optimisation drive has provided cushion to margins.
- Rise in RM productivity will aid margins in future.
- Client level engagement is all-time high with no. of families reaching 4,653 +25% YoY

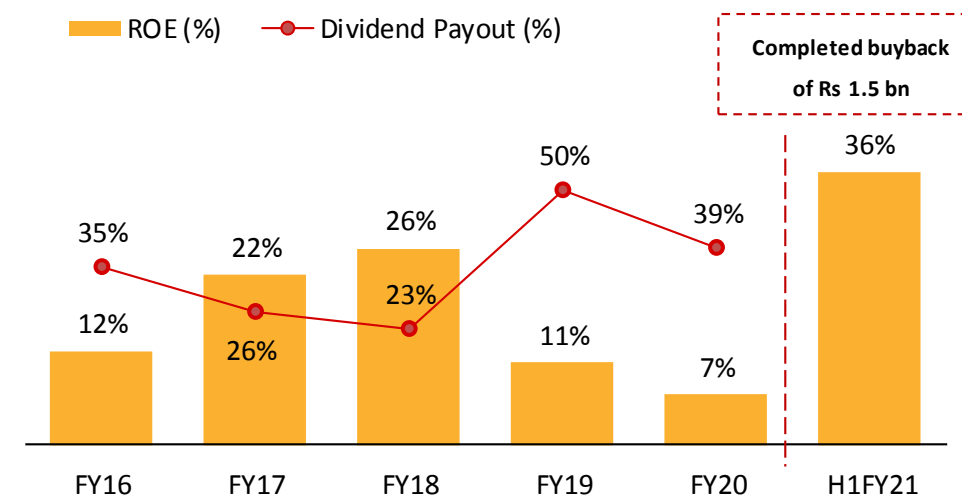
HOUSING FINANCE

- GNPA /NNPA at 1.6%/1.2% respectively
- Spread improved to 4.9% led by lower cost of funds
- Strong traction in collection efficiency, Sept'20 exit run rate was at 103% (excluding prepayment).
- Provisioning step-up to 100% with special Covid provisioning

Key Highlights

- Q2FY21 performance remains encouraging on most of the fronts. Our engagement level with clients across businesses is at its best.
- Despite of lockdown, we have witnessed limited impact, in fact we have seen surge in some of the businesses led by sharp recovery in market.
- Home Finance business has seen sharp reduction in CoF leading to margin expansion. Home Finance company is well capitalised with net gearing of 3.1x.
- Consolidated net debt is Rs 35.4 bn. Excluding Home finance net debt is Rs 8.3 bn. Total D/E stood at 1.3x. Ex-MOHF D/E stood at 0.4x. Net of investments, we have net cash on balance sheet.

ROE trend



Note: ROE for FY18, FY19, FY20 & H1FY21 are excluding OCI.

Market share improved by 80 bps YoY to 3.1%; multi-quarter high

Highest ever revenue and profit achieved in Q2FY21

Added 2.04 lakh new clients in H1FY21

Distribution business AUM at an all-time high at Rs 111 bn

Online business 64% of retail volume

Particulars (Rs mn)	Q2FY21	Q2FY20	YoY (%)	Q1FY21	QoQ (%)	H1FY21	H1FY20	YoY (%)
Revenues	4,216	3,007	40%	3,434	23%	7,650	5,785	32%
- Brokerage	3,028	1,813	67%	2,409	26%	5,437	3,476	56%
- Distribution	244	297	-18%	166	47%	410	513	-20%
Operating Costs	2,701	1,958	38%	2,220	22%	4,921	3,769	31%
EBITDA	1,515	1,049	45%	1,214	25%	2,729	2,016	35%
<i>EBITDA Margin</i>	<i>36%</i>	<i>35%</i>	-	<i>35%</i>	-	<i>36%</i>	<i>35%</i>	-
PBT	1,115	655	70%	814	37%	1,928	1,251	54%
PAT	815	540	51%	613	33%	1,427	941	52%
Exceptional Item	-	-	-	-666	-	-666	-	-
PAT incl. exceptional items	815	540	51%	-53	-	762	941	-19%

- Retail broking revenues are at all time high led by strong surge in volumes and market share gain across cash and derivative segment.
- PAT growth on YoY basis would have been 69% in Q2FY21 after excluding the impact of adoption to new tax regime in Q2FY20. Exceptional item in H1FY21 comprises of full provision made on account of negative price settlement of Crude Oil Derivative positions of the customers in Commodity Broking.
- In **Retail broking** business we have witnessed strong traction in new clients addition driven by franchisee and retail channel , total 1.17 lakh clients acquired in Q2FY21, +34% QoQ. Active clients have also registered 9% QoQ growth at 0.45 mn as of September 2020.
- **Distribution** business AUM grew by 9% QoQ at Rs 111 bn. Current penetration of only ~14% on total client base. We have started Insurance broking business a year back and have registered strong premium collection in first year of business.
- Significant investment has been made in talent (+600, +53% YoY). Branch count increased to 76 from 30 in Q2FY20.
- MOFSL's overall ADTO grew 70% YoY to Rs 380 bn in Q2FY21. Overall market share (ex-prop) stood at 3.1% in Q2FY21 supported by robust traction in high yield-cash market share.
- Broking business also runs a margin funding and LAS business, with total book size of ~Rs 5.5 bn as of H1FY21.

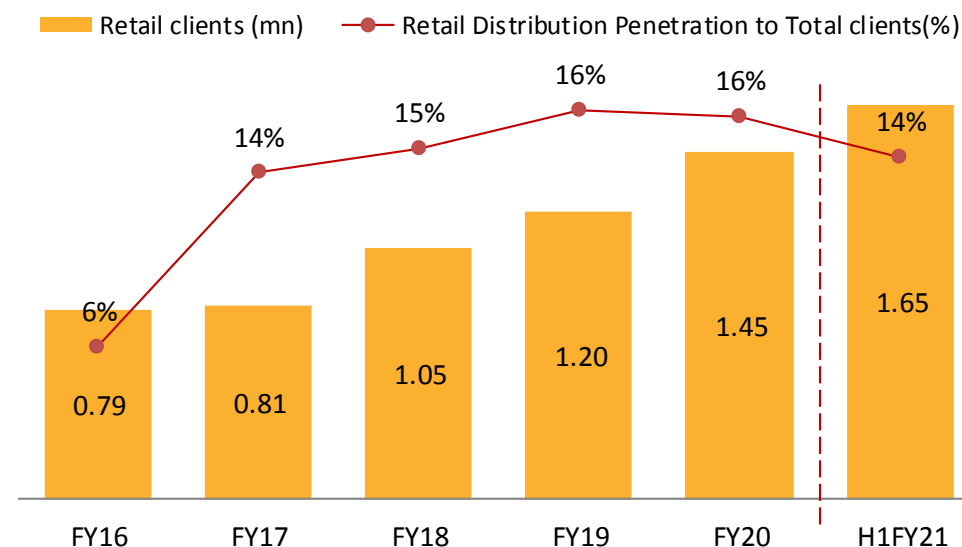
Retail Broking & Distribution

- Mobile app witnessed more than 3 lakh monthly logins for the first time.
- 54% of clients trade through MO Trader app.
- New website and mobile application launched with investment product focus.
- Launched EDUMO- short educational videos on financial markets
- Focus towards development and infusion of entrepreneurial spirit in new and existing franchisees has led strong growth in client base as well as franchisee base (+15% YoY).
- Acquisition of smaller regional brokers by converting them in franchisees is gaining traction across geographies.
- Organized AIF webinar which was attended by more than 650+ HNI clients generating good prospects.

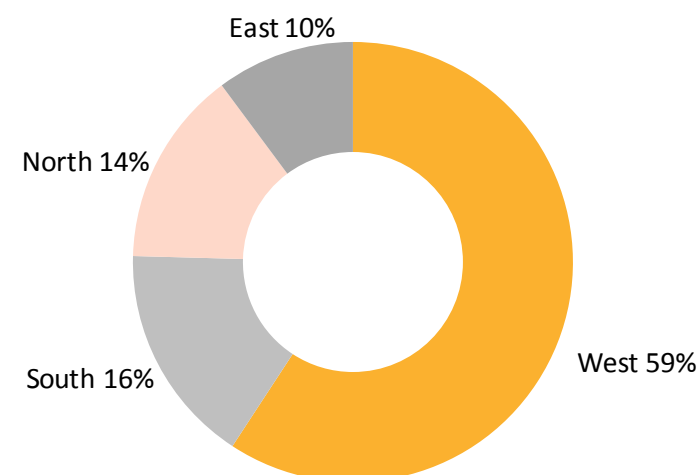
Institutional Broking

- Strong improvement in domestic client rankings in H1 with top 3 retained in most clients.
- This has been the result of focus driven differentiated research products with 250+ companies covering 21 sectors.
- Empanelment with new funds in new geographies
- Corporate access has always been a key focus area. Hosted two large conferences in September AGIC & Ideation conference where >200+ corporate participated.
- Frequency of arranging webinars and expert calls has gone up significantly.

Distribution business Penetration

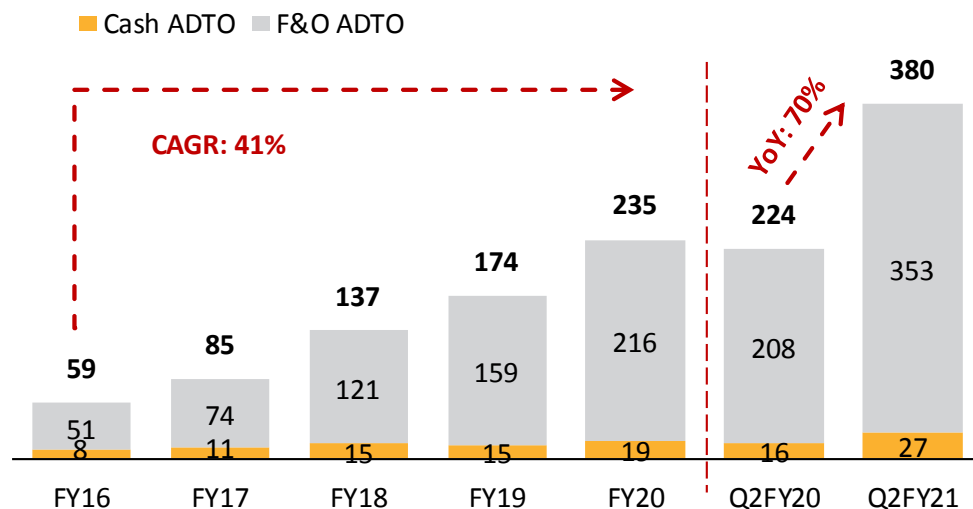


Geographic Distribution of Retail Active Clients (Cash)

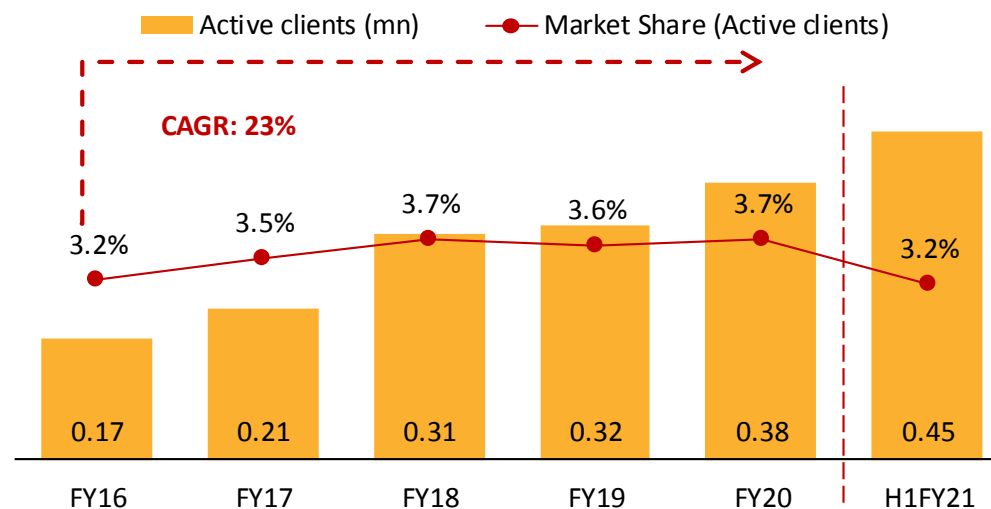


Broking & Distribution – Strong growth in Volume and Client acquisition

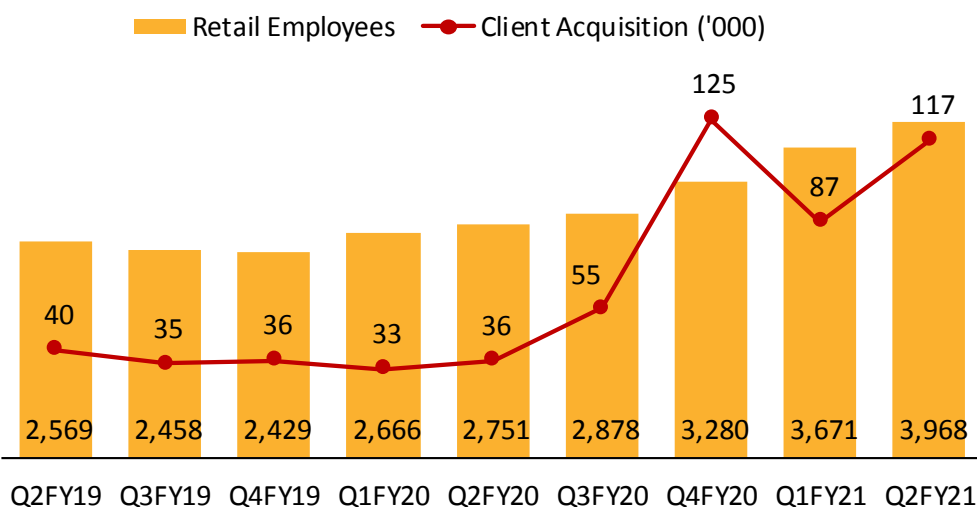
MOFSL Broking ADTO (Ex-prop, Rs bn)



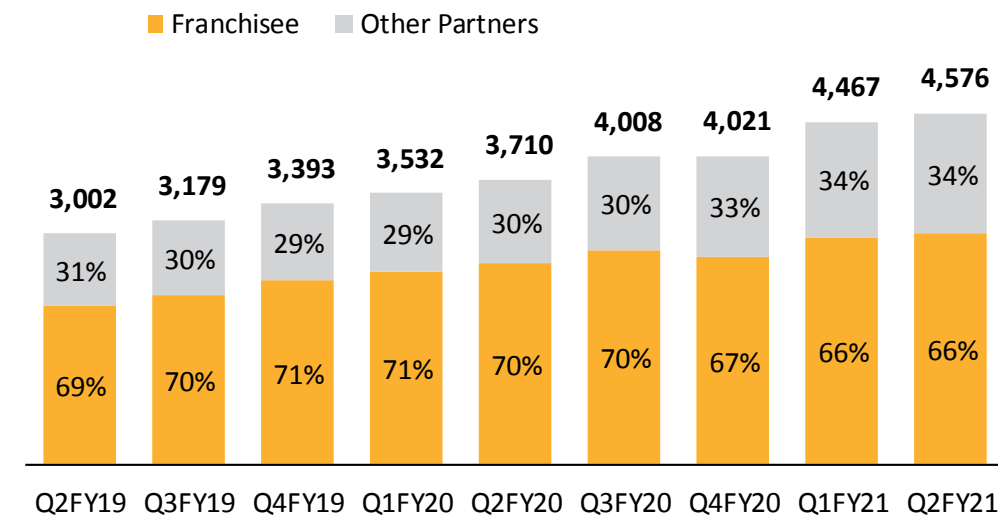
Rising share of Active Clients (mn)



Clients Acquisition and Retail Employees Trend

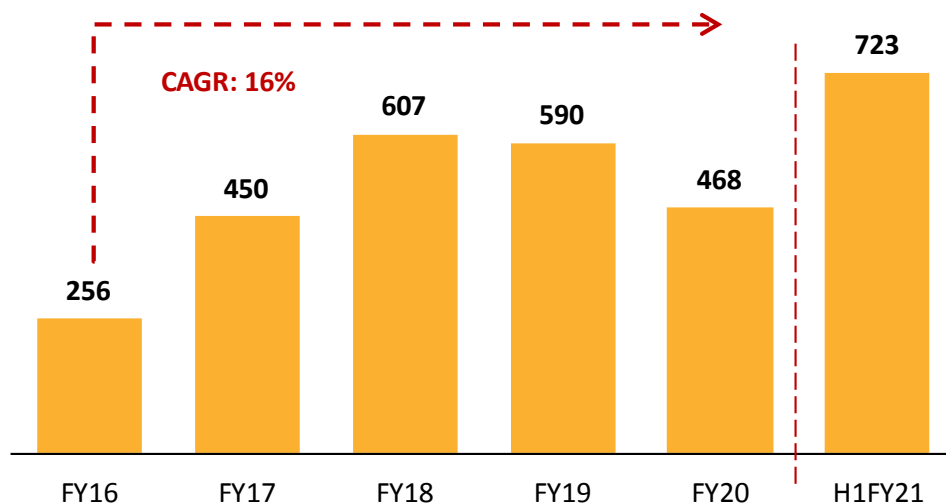


Acquisition Trend of Franchisees/Business Partners

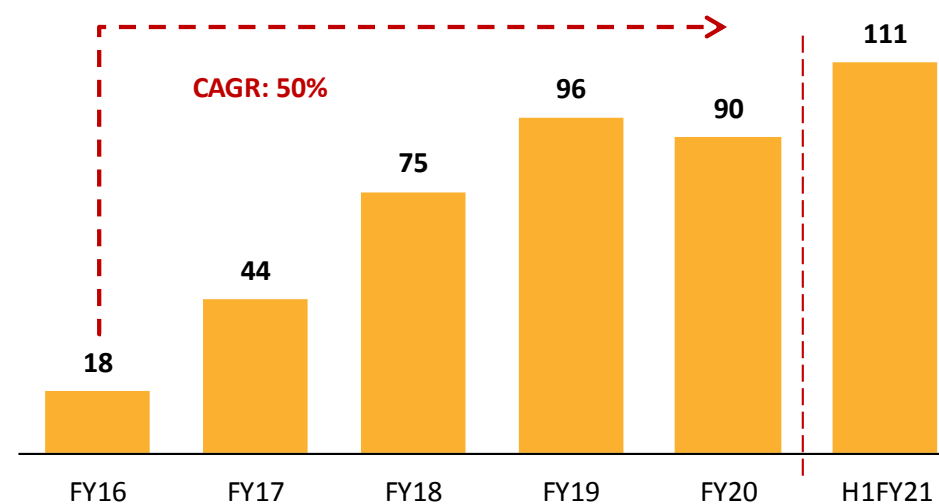


Broking & Distribution – Strong growth in Distribution AUM

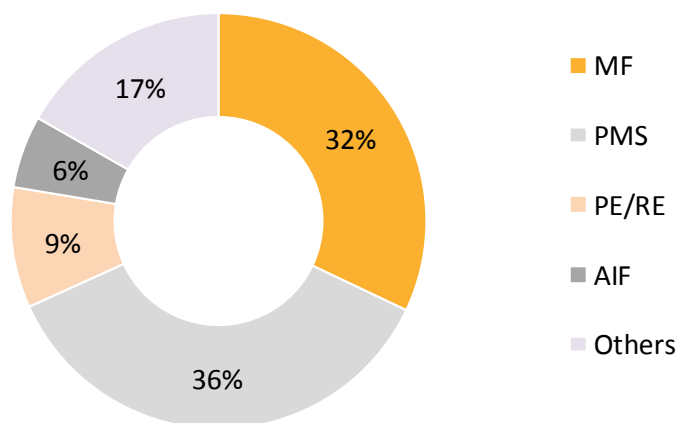
DP AUM growth trend (Rs bn)



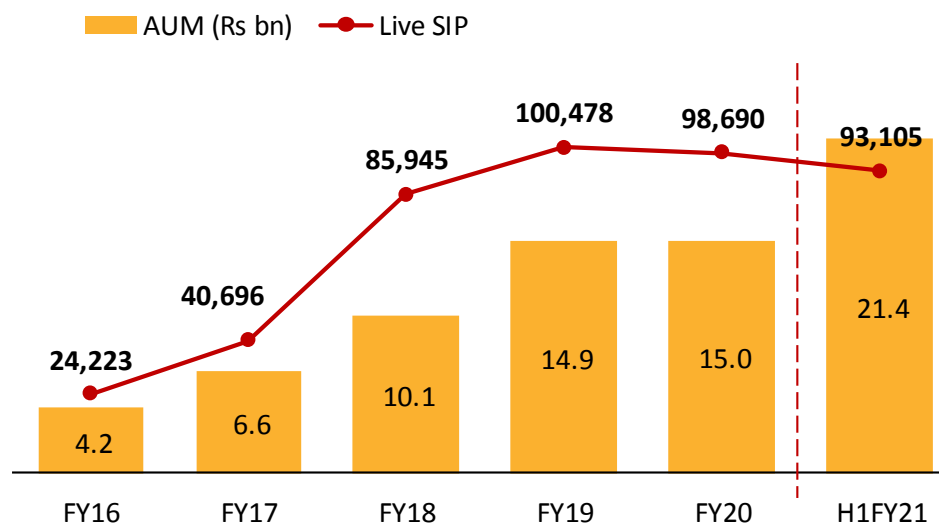
Rising Distribution AUM (Rs bn)



Distribution AUM Mix



SIP AUM and Live SIP



DEALS



QIP - Rs 177 bn



QIP - Rs 150 bn



QIP - Rs 28 bn



QIP - Rs 10 bn



QIP - Rs 49.9 bn



IPO - Rs 19.1 bn



IPO - Rs 4.6 bn

Particulars (Rs mn)	Q2FY21	Q2FY20	YoY (%)	Q1FY21	QoQ (%)	H1FY21	H1FY20	YoY (%)
Revenues	20	83	-76%	4	-	23	86	-73%
Operating Costs	36	59	-38%	54	-33%	90	114	-53%
EBITDA	-16	24	-	-51	-	-67	-28	-
PBT	-20	21	-	-52	-	-72	-35	-
PAT	-18	12	-	-39	-	-57	-27	-

- During the quarter, we associated with ICICI Bank for its largest ever QIP of Rs 150 bn. We were successful in securing demand from a cross section of Domestic Funds as well as Global Long Only and Multi Strategy Funds.
- We also participated in the QIP of HDFC aggregating to about Rs 177 bn. This was our third straight association with the corporation's fund raising program over the past 3 years.
- We were also the Sole Lead Manager for Granules India Ltd for its Rs 1.4 bn of share buyback program.
- The team continues to engage on a wide cross-section of mandated transactions across capital markets and advisory. Sharp recovery in capital markets augur well for deal closures.

**AMC Closing AUM
Rs 386 bn, +10% QoQ
in Q2FY21**

**Traction in SIP
addition**

**Launched Multi
Asset Fund**

**Traction in direct and
digital channel**

**Stable market share of
1.9% in MF Equity
AUM**

Particulars (Rs mn)	Q2FY21	Q2FY20	YoY (%)	Q1FY21	QoQ (%)	H1FY21	H1FY20	YoY (%)
Avg. AUM (bn)	375	370	1%	326	15%	350	379	-8%
Total Revenues	1,162	1,364	-15%	1,036	12%	2,198	2,807	-22%
-Mutual Fund (Net)	258	333	-23%	240	8%	498	675	-26%
-Alternates (Net)	424	461	-8%	357	19%	782	941	-17%
Opex	280	289	-3%	266	5%	547	556	-2%
EBITDA	411	509	-19%	335	23%	746	1,074	-31%
EBITDA Margin	35%	37%	-	32%	-	34%	38%	-
PBT	399	502	-20%	330	21%	729	1,063	-31%
PAT	290	468	-38%	240	21%	530	830	-36%

- In H1FY21, AMC's profit impacted on account of lower average AUM and due to cut in TER in mutual funds. However, this impact would be neutralised post TER revision in October month. Further, PAT de-growth on YoY basis would have been 26% instead of 38% after excluding the impact of adoption to new tax regime in Q2FY20.
- In Q2FY21, MF AUM stood at Rs 222 bn (+13% QoQ), while PMS and AIF AUM stood at Rs 139 bn (+5% QoQ) and Rs 23 bn (+2% QoQ) respectively.
- Gross sales of AMC improved 47% YoY and 31% QoQ in Q2FY21.
- Industry has witnessed multi-quarter high net outflow in equity category in Q2FY21. We had also witnessed net outflow in line with the industry.
- We have added 1.4 lakh SIPs in H1FY21 vs 1.2 lakh in FY20. This has resulted in increase in new SIP count market share by 100 bps in H1FY21 to 2.4%. SIP inflows in Q2FY21 was at Rs 4.16 bn, +8% QoQ (on realised basis).

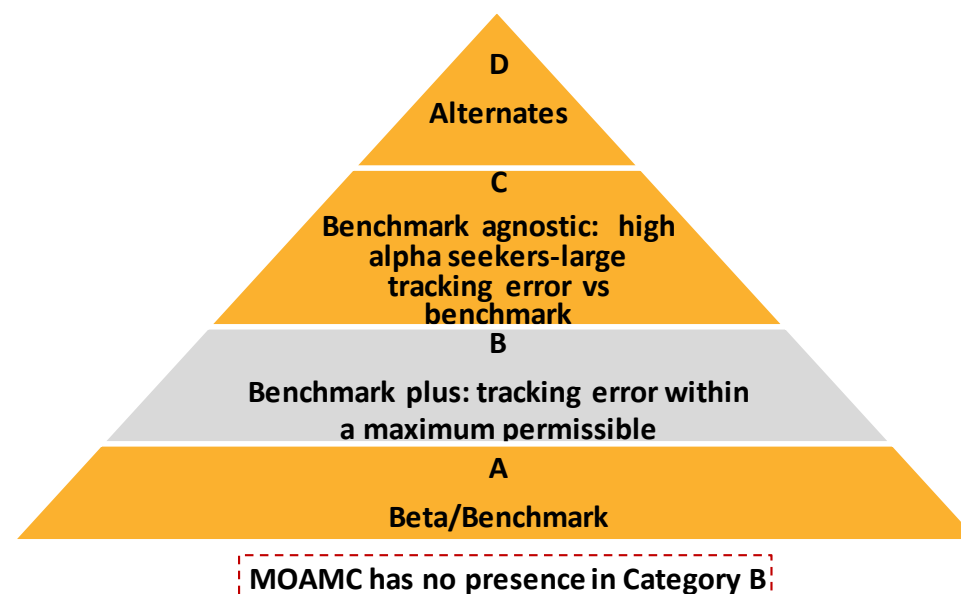
- Market share in MF Equity AUM continued to remain stable at 1.9% in Q2FY21. Overall industry witnessed a fall in equity flows.
- Efforts in offshore marketing have yielded modest results as of now. We remain committed to raise AUMs from offshore going forward.
- Launched MO Multi Asset Fund in Q2FY21. The fund provides investors an opportunity to invest in multiple asset classes such as equity, debt, ETFs, money market instruments and international equity index/ETFs.
- Our entry in passive category will help us to on-board clients from bottom of pyramid which are typically new to equity asset class or has lower risk appetite. Moreover, this has also ensured our presence in bottom as well as top of the equity product pyramid.
- MOAMC is only AMC which offers passive international funds. That is because we are building an entire bouquet of passive funds in preparation for a world view where we believe that index funds will gain traction not for obvious reasons like alpha or lack of alpha, but because of simplicity, ease of choice and sticking to decisions, preferences of a minimalist thought process etc.

Performance across product and categories

Product	Strategy	Inception Date	Since Inception Return	Since Inception Alpha
PMS-Value	Large-Cap	25-Mar-03	18.9%	2.9%
PMS-IOP	Mid-Cap	15-Feb-10	6.7%	2.1%
PMS-NTDOP	Multi-Cap	11-Dec-07	14.0%	5.4%
MF – F-30	Mid-Cap	24-Feb-14	14.9%	0.9%
MF – F-25	Large-Cap	13-May-13	11.8%	1.9%
MF – F-35	Multi-Cap	28-Apr-14	15.5%	5.0%

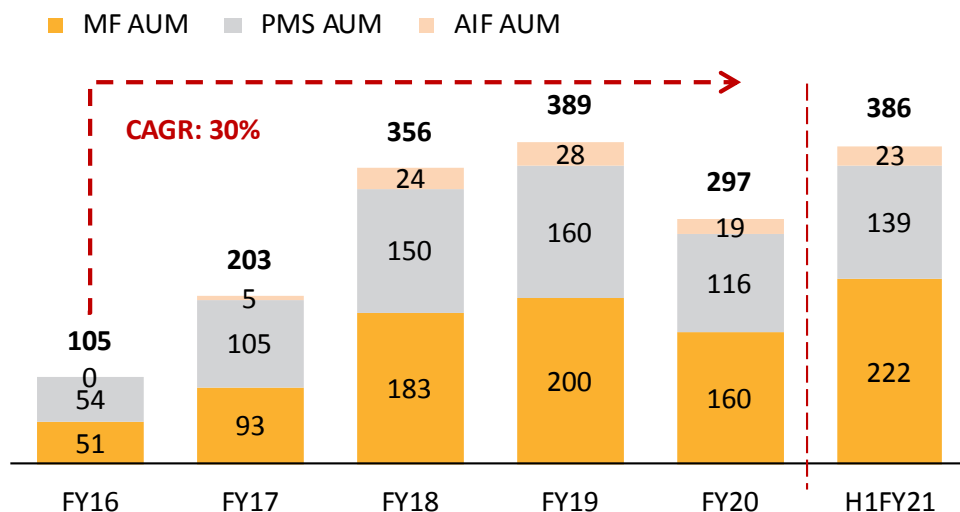
* Read above MF (direct) performances with their corresponding Disclaimers in the funds' Fact Sheets, which are available in www.motilaloswalmf.com.

Equity Product Pyramid

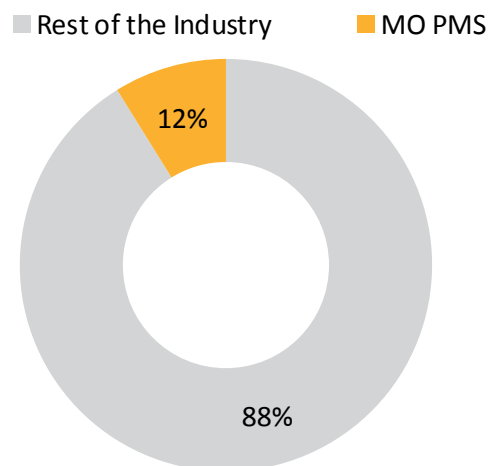


Asset Management – Potential levers to scale business

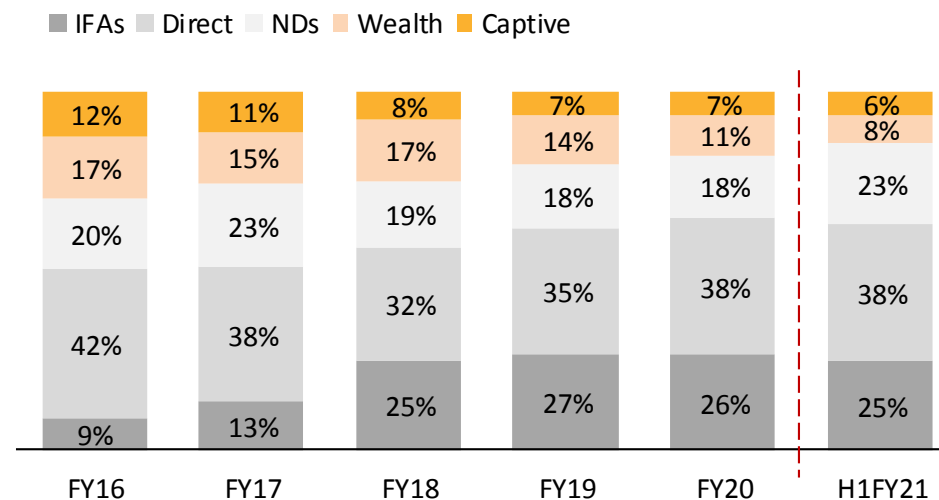
MOAMC AUM breakup and growth trend (Rs bn)



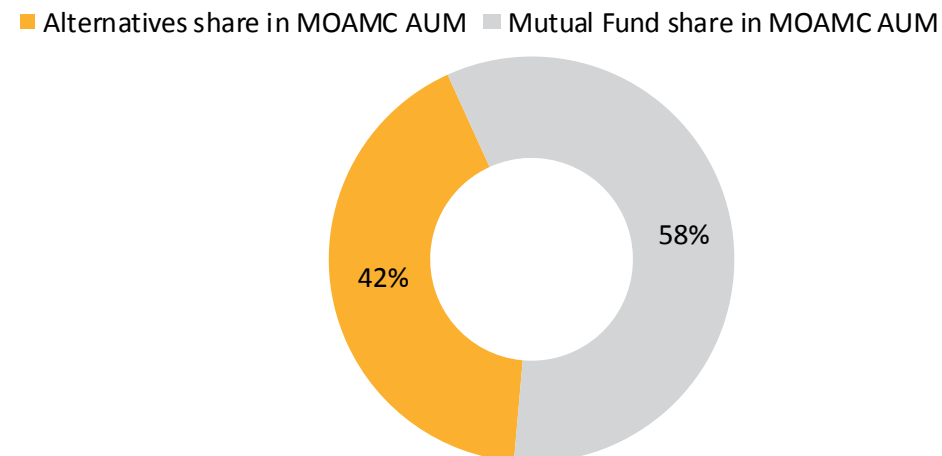
MOPMS market share



MOMF AUM sourcing mix



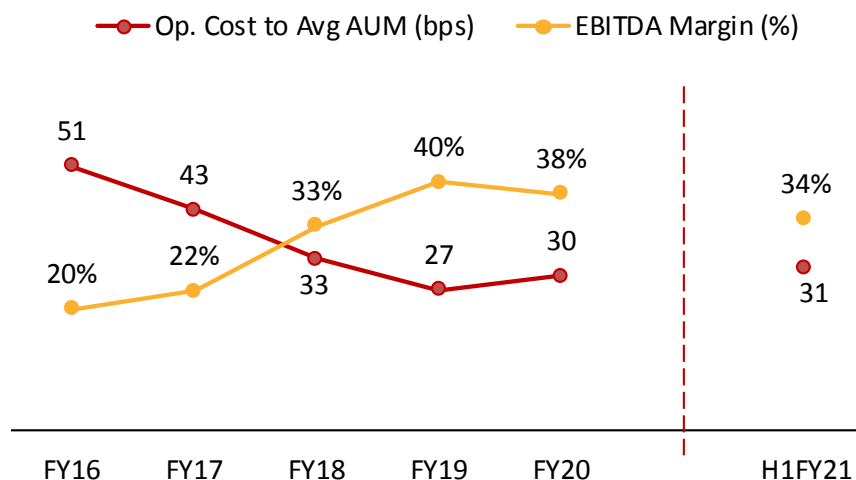
Alternatives share in MOAMC AUM



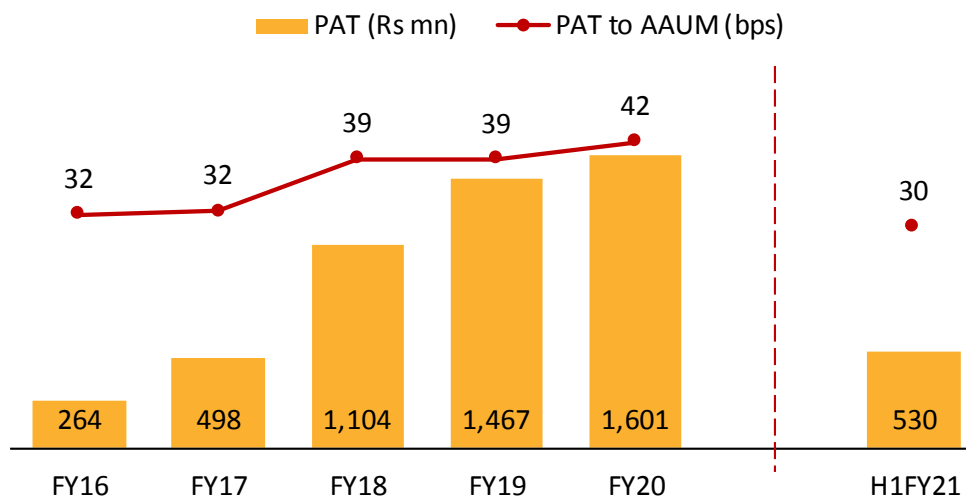
*Alternatives includes PMS and AIF

Asset Management – Potential levers to scale profitability

AMC EBITDA and Opex to AUM trend

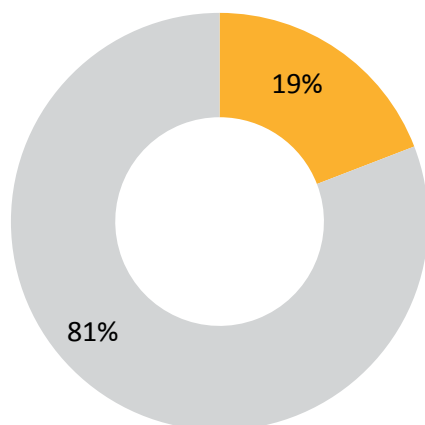


MOAMC profitability trend



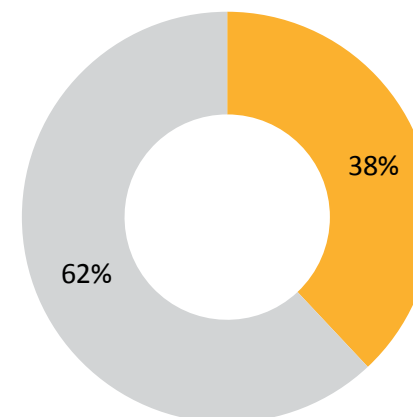
Share of performance linked AUM in alternatives

■ Alternatives AUM - Performance linked
 ■ Alternatives AUM - Fixed fee



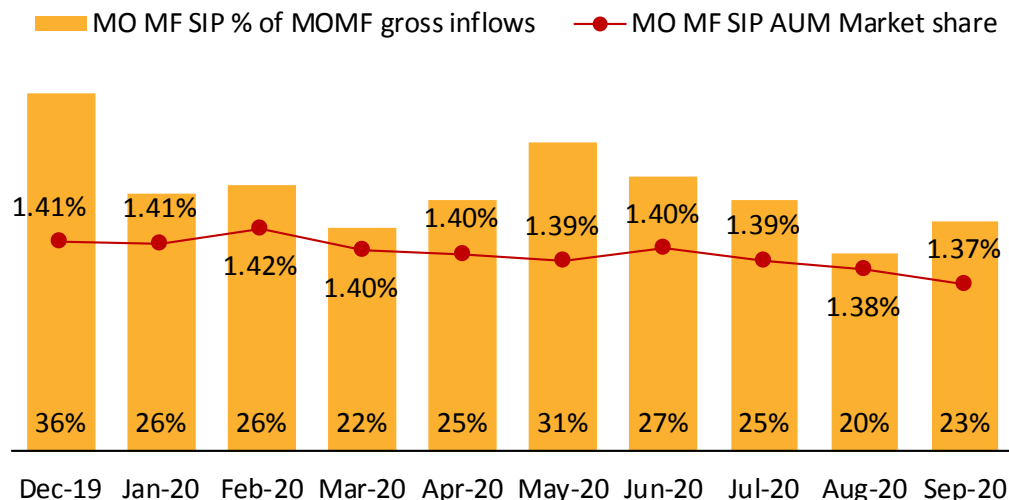
MOMF AUM Mix

■ Share of Direct in MF Eq AUM
 ■ Share of Regular in MF Eq AUM

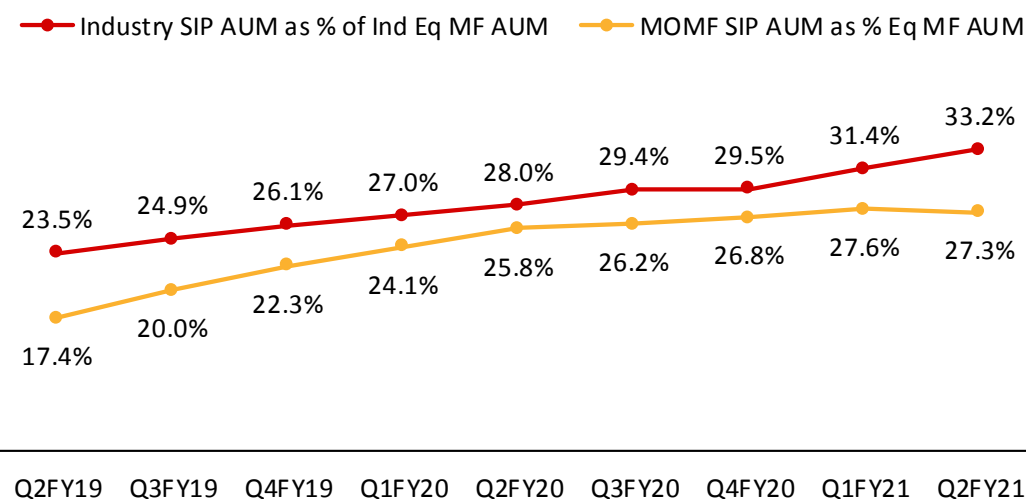


Asset Management – Granularity of MF AUM

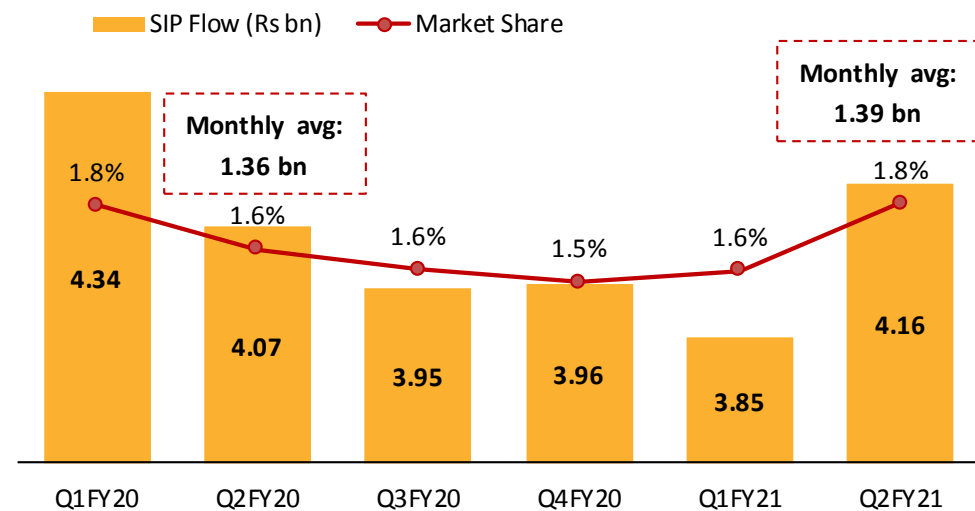
MOMF SIP AUM of inflows and SIP market share



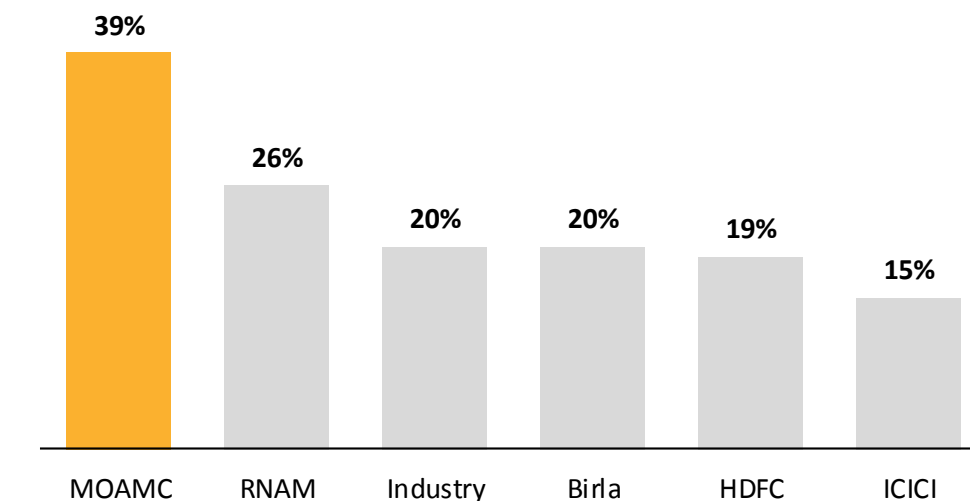
MOMF rising SIP proportion



MOMF SIP flows (Rs bn)



Share of Retail AUM in total MF AUM



Note :SIP Flows amount are on realized basis

Source : AMFI

**Committed investment
AUM till date stands at
Rs 65 bn**

**Strong performance of
IREF II & III funds with
+21% IRR**

**IREF IV raised Rs 11.5 bn
in an environment of
uncertain market
conditions**

**IBEF I delivered a
portfolio of IRR of
27.9% on exited
investments**

Particulars (Rs mn)	Q2FY21	Q2FY20	YoY (%)	Q1FY21	QoQ (%)	H1FY21	H1FY20	YoY (%)
Total Revenues	268	255	5%	219	23%	487	495	-2%
Operating Cost	158	159	0%	144	10%	302	300	1%
EBITDA	110	96	14%	75	47%	185	195	-5%
PBT	107	90	19%	74	45%	181	184	-1%
PAT	68	56	21%	52	31%	121	107	13%

Growth PE Funds

- India focused mid-market PE fund with global & domestic institutions, family office and HNI investors.
- MOPE Funds stand out with stellar performance. Fund I has delivered a portfolio IRR of 26.3%.
- Fund II was deployed across 11 investments after raising commitments from marquee institutions and expect the exits to happen going forward.
- Fund III was raised in 2018 with a corpus of ~Rs 23 bn of which it has already committed 70% across 7 investments; the Fund is extensively evaluating opportunities across its preferred sectors for deploying the balance amount.

Real Estate Funds

- Real Estate focused fund driving superior risk adjusted returns through debt related / structured equity instruments. Focuses on Mid-income housing projects.
- IREF II is fully deployed across 14 investments. The Fund has secured 10 complete exits and 1 structured exit and has returned money equalling 125.4% of the Fund Corpus back to the investors. Average IRR on exited investments is 21.3%
- IREF III has deployed Rs 13.56 bn including reinvestments across 24 investments. The Fund has secured 6 full exits and has returned money equalling 35.6% of the investible funds back to its investors. Average IRR on exited investments is 22.4%.
- IREF IV, launched in the third quarter of 2018 achieved its final close in February 2020 at Rs.11.48 bn. The fund has deployed Rs.5.8 bn across 10 investments.

PE & RE – Fund performance and allocation

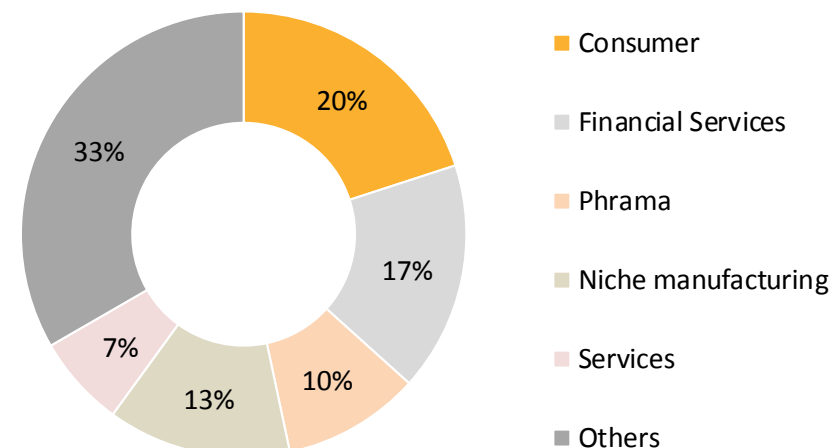
MOPE Funds Performance

No. of Investments	30
Investments Fully Exited	10
Drawdown	Rs 20.4 bn
Amount Invested	Rs 18.2 bn
Current Value of Investments*	Rs 24.2 bn
IBEF Fund IRR	27%+

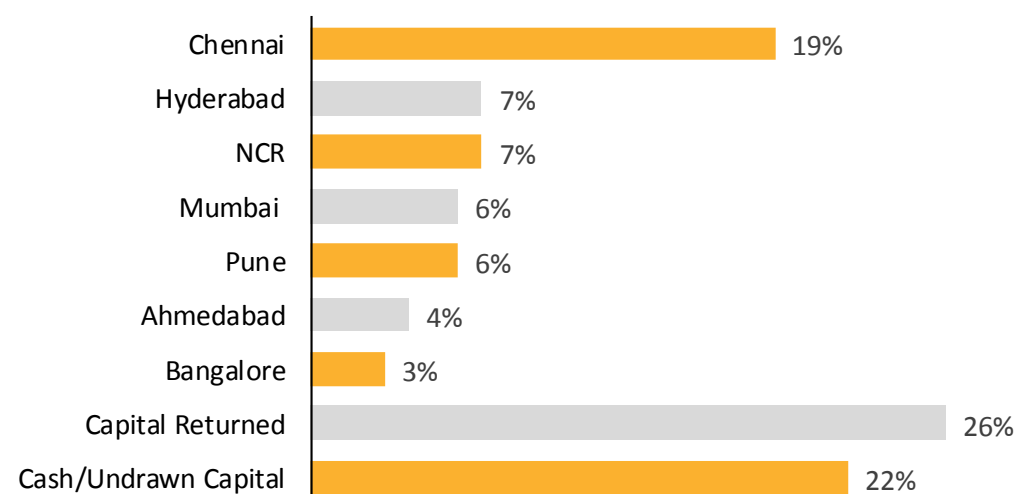
MORE Funds Performance

No. of Investments	55
Investments Fully Exited	29
Amount Invested	Rs 30.6 bn
Total Receipts	Rs 23.2 bn
Amount Distributed	Rs 15.5 bn
Average IRR of Fully Exited Investments (Fund II, III & IV)	21%+

MOPE Funds- Sector Allocation



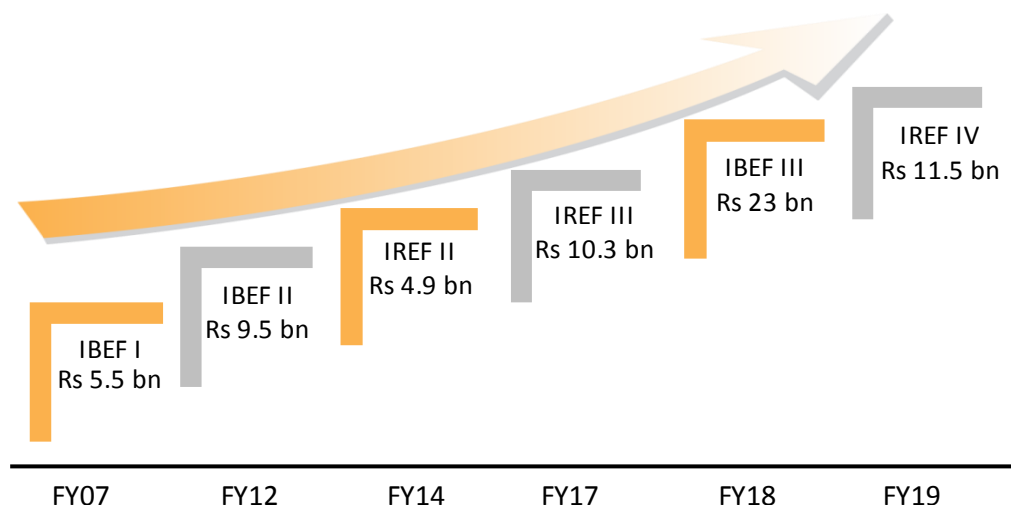
MORE Funds- City Allocation



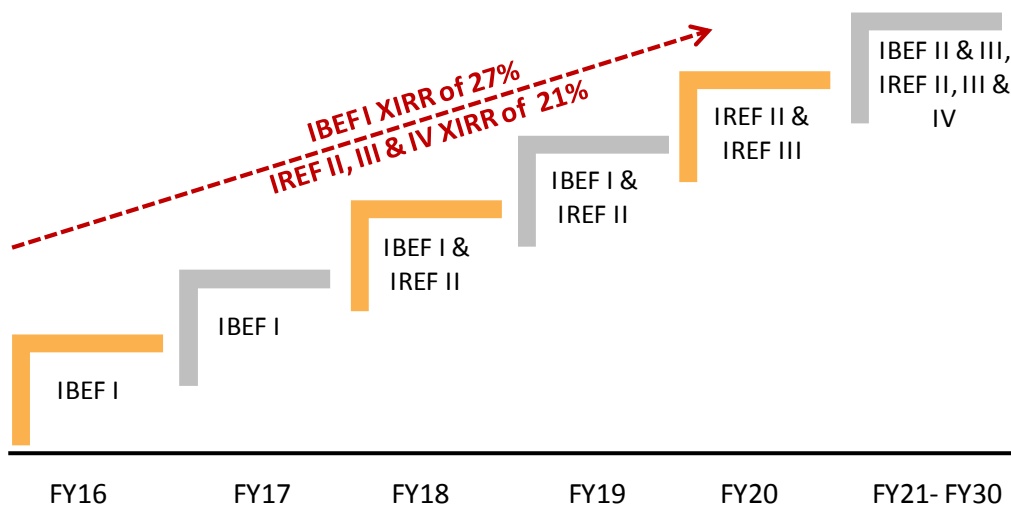
*Value of investments is based on the Valuation Report as on 31st March 2020 by Grant Thornton (GT), a leading global audit firm.

PE & RE– Exits from 7 funds provides strong visibility over next decade

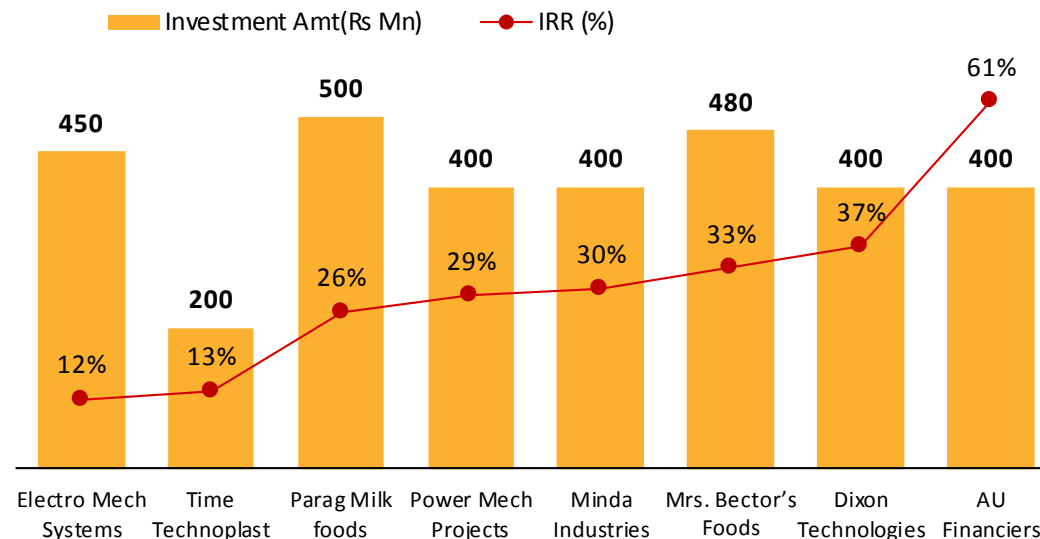
Launch period of PE & RE Funds



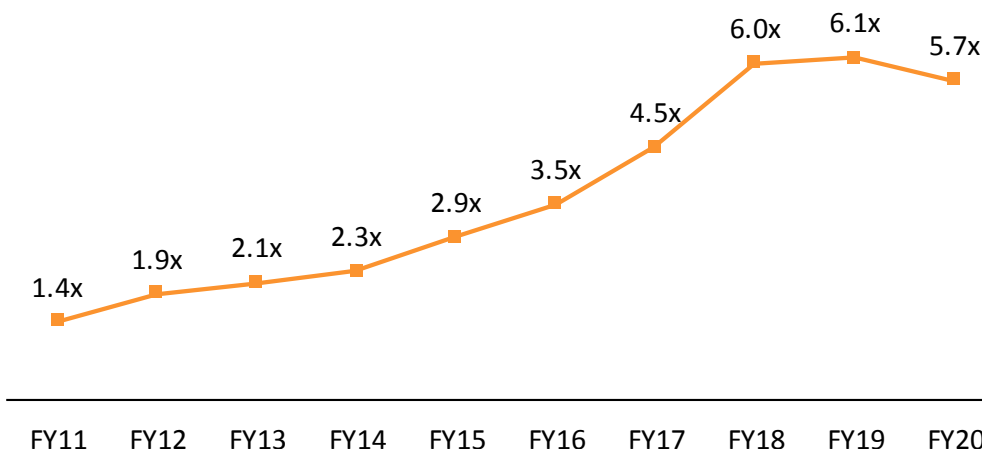
Exit period of PE & RE Funds



QGLP investments delivering higher IRR



IBEF I exits delivering 5.7x MoC



Wealth AUM
at an all-time high at Rs
200 bn, up 13% QoQ

Strong traction in
Gross/Net sales with
multi-quarter high. Net
sales at Rs 13.4 bn in H1

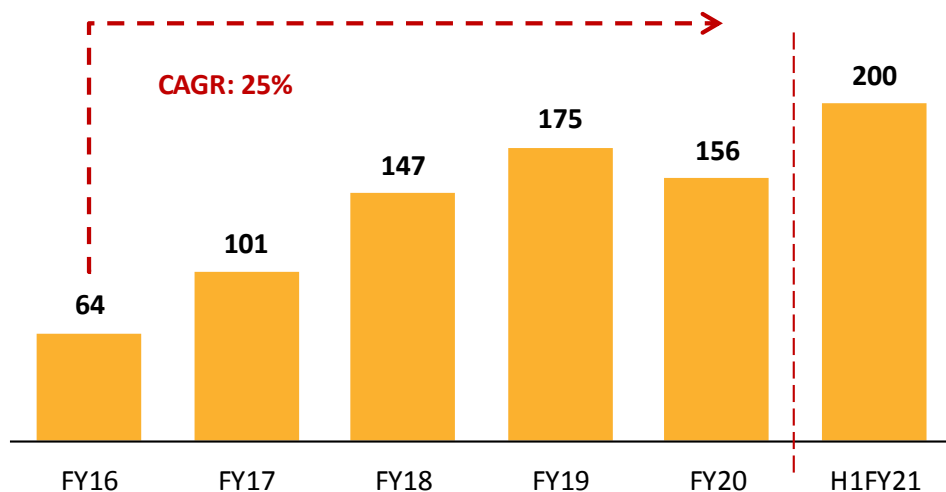
Intense client
engagement through 53
webinars covering
4000+ unique
clients/prospects.

Client acquisition
growth rate at +25% YoY

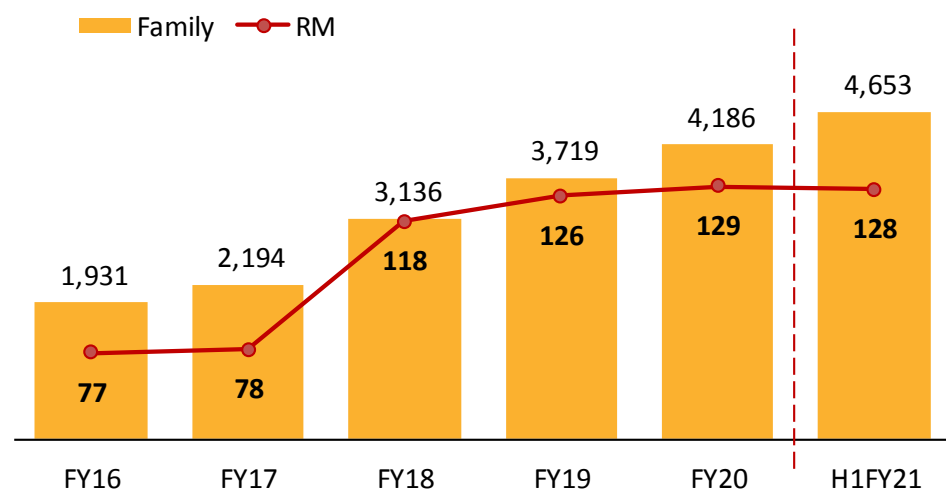
Particulars (Rs mn)	Q2FY21	Q2FY20	YoY (%)	Q1FY21	QoQ (%)	H1FY21	H1FY20	YoY (%)
AUM (bn)	200	181	10%	178	13%	200	181	10%
Revenues	349	279	25%	221	58%	570	500	14%
Operating Cost	236	261	-10%	217	9%	453	472	-4%
EBITDA	113	17	-	4	-	118	28	-
PBT	110	13	-	1	-	111	21	-
PAT	82	7	-	0	-	82	13	-

- Wealth business revenue grew by 25% & 14% YoY in Q2FY21 & H1FY21 respectively led by strong net sales of 13.4 bn in H1FY21 vs Rs 3.2 bn in H1FY20. Further, higher net sales of high yielding equity products in Q2FY21 has boosted revenues during the quarter.
- Opex declined in H1FY21 by 4% YoY led by several cost optimisation measures.
- Currently, 41% of RMs are less than 2 years of vintage. RM productivity will pick up in line with their rising vintage. As existing RM vintage increases ,profitability of the business can improve commensurately.
- Trail based revenue model since inception has helped us to cover our fixed costs despite higher investment in RMs in recent past.
- Yield has improved in Q2FY21 by 24bps at ~78 bps led by higher net sales of high yielding equity product during the quarter. Equity mix of ~61% in total AUM in Q2FY21.
- Open architecture model is enabling the incremental sales to be driven by non captive products, resulting in more diversified products offering.
- Focus on portfolio strategy implementation using Investment charters, technology solutions and higher yield.

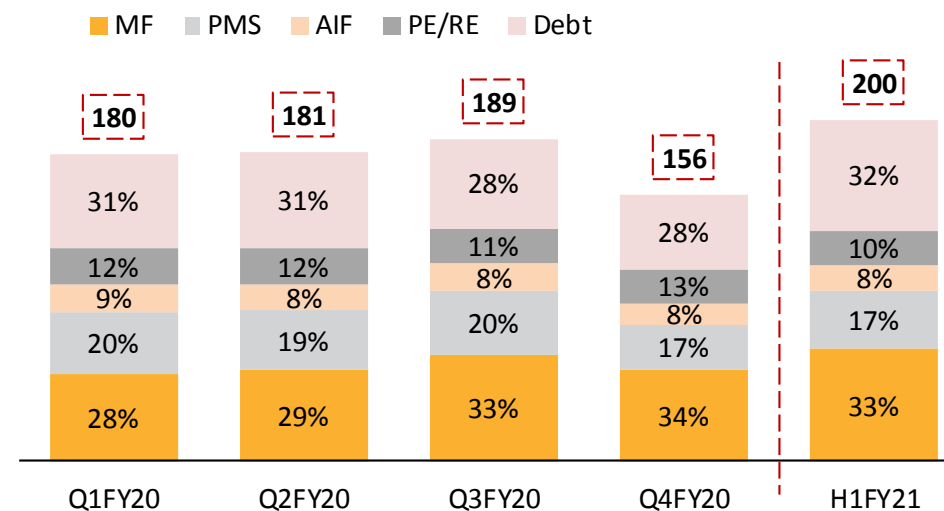
Wealth AUM (Rs bn)



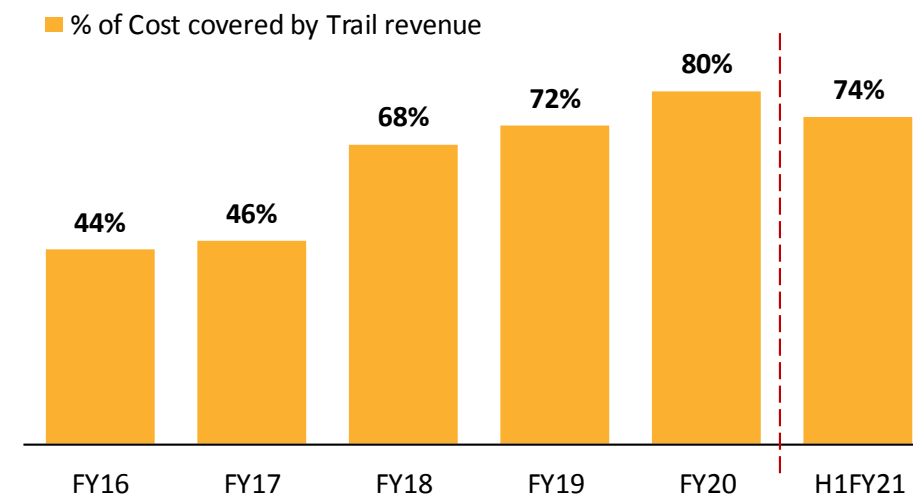
Wealth UHNI Family Clients and Sales RM



AUM Breakup (Rs bn)



Trail income will protect margin in downturn



Arvind Hali joined as MD & CEO;
Amar Bahl joined as Deputy MD & COO

Improvement in CoF led to margin expansion

Strong performance of new loan book with negligible delinquency

Tier 1 CAR remains robust at 44% and liquidity remains strong

Traction in Collection efficiency

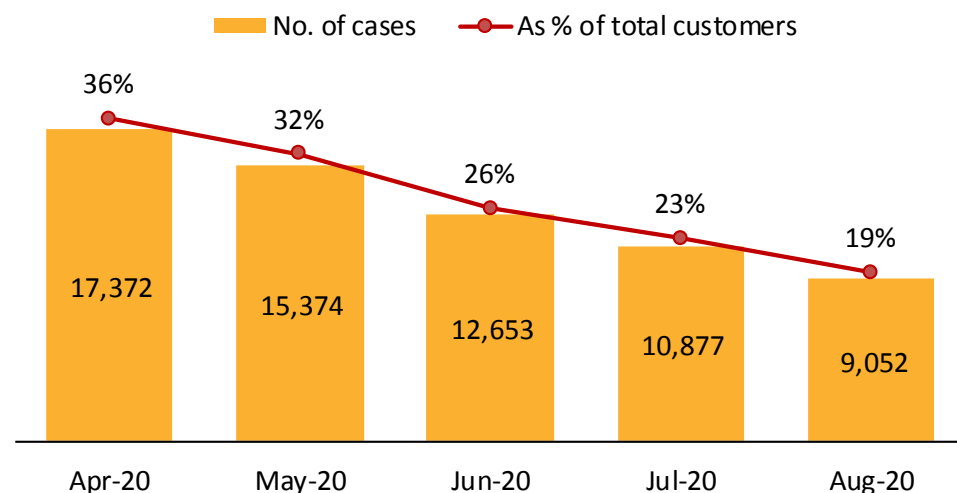
Particulars (Rs mn)	Q2FY21	Q2FY20	YoY (%)	Q1FY21	QoQ%	H1FY21	H1FY20	YoY (%)
Net Interest Income (NII)	558	542	3%	568	-2%	1,126	1,119	1%
Total Income	563	565	0%	578	-3%	1,141	1,164	-2%
Operating Cost	202	249	-19%	210	-4%	412	488	-15%
- Employee Cost	133	170	-22%	145	-8%	277	330	-16%
- Other Cost	70	78	-11%	65	7%	135	158	-14%
Operating Profit (Pre-Prov.)	360	316	14%	368	-2%	728	677	8%
Provisioning	193	491	-61%	127	51%	320	598	-46%
PBT	167	-175	-	240	-30%	408	79	416%
PAT	57	-118	-	111	-49%	168	53	217%

- NII grew by 3% YoY and NIM expanded 20 bps YoY at 5.2% in Q2FY21.
- Yield on Advances improved by 10 bps YoY to 14.2% in Q2FY21 while of Cost of Funds is down by 50 bps QoQ / 120 bps YoY to 9.3%, resulting in expansion in Spread by 40bps QoQ to 4.9%.
- MOHFL carries strong liquidity on balance sheet of Rs 5.1 bn representing 15.8% of its borrowing. The carry cost of said liquidity is Rs 38 mn in H1FY21.
- PAT growth is lower than PBT growth due to impact of deferred Tax (Rs 140 mn in H1) due to reinstatement of tax asset post migration to new regime. (Overall tax rate 59%, Cash Tax Nil).
- In H1FY21 total credit cost at Rs 320 mn due to acceleration in Covid provisioning. Total Covid provisioning stands at Rs 230 mn.
- We have raised Rs 10 bn in H1FY21 at average cost of 7.6%. We expect average CoF to trend lower in H2FY21.
- Opex was brought down to Rs 202 mn in Q2FY21 and is down ~30% from the high. As a result, Cost to Income ratio is down to 36% from 44% in Q2FY20.

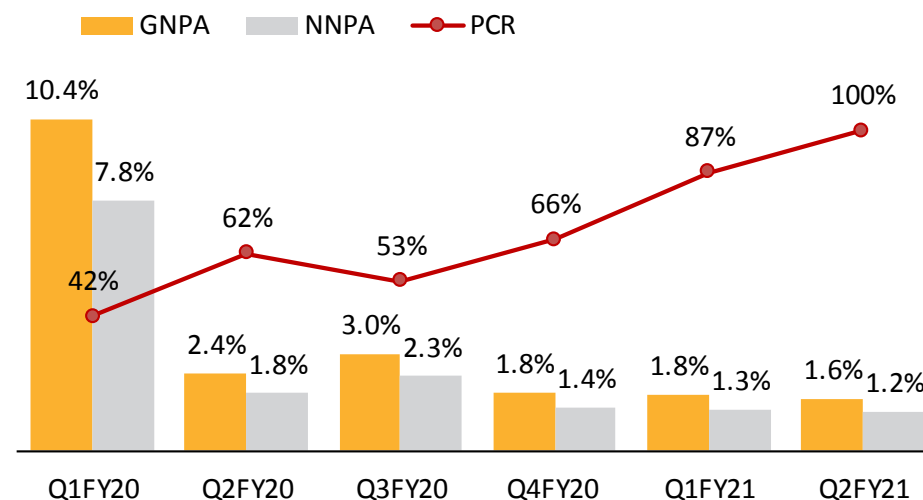
ECL Provisioning Details

Particulars (Rs mn)	Q2FY21
Stage 1 & 2	36,048
% portfolio in stage 1 & 2	98.36%
Stage 3	599
% portfolio in Stage 3	1.64%
ECL Provision % Stage 1 & 2	1.22%
Total Assets	36,524
ECL Provision	600
ECL Provision %	1.64%
Coverage Ratio % (incl. Std. and Covid provisioning)	100%

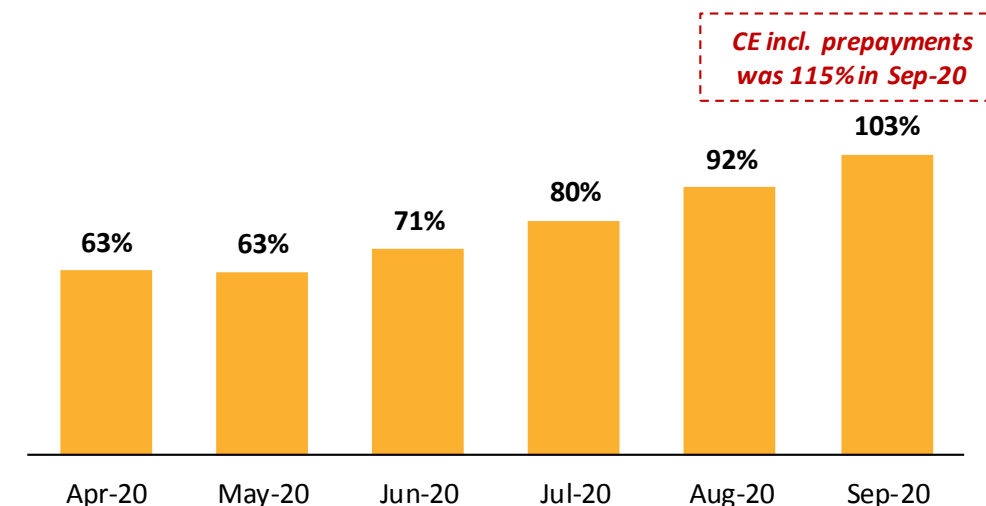
No. of moratorium cases



MOHFL's GNPA and NNPA Trend



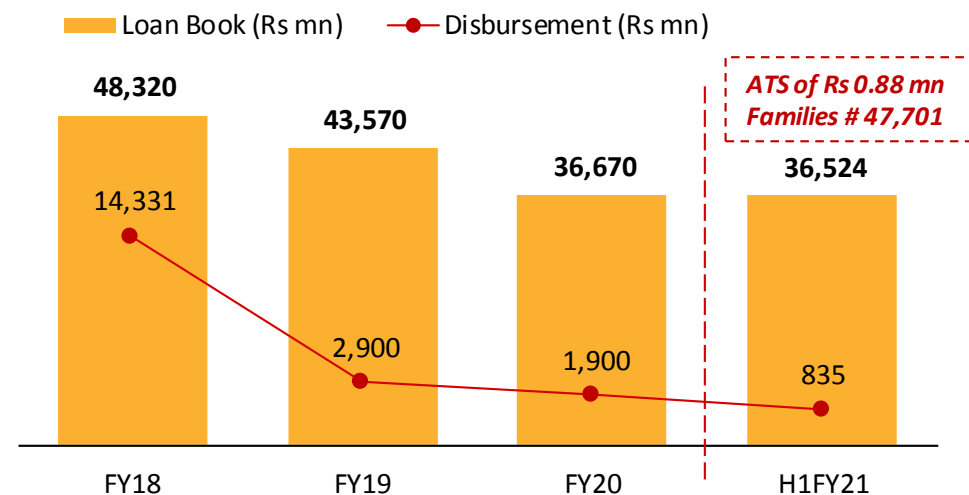
Collection efficiency trend



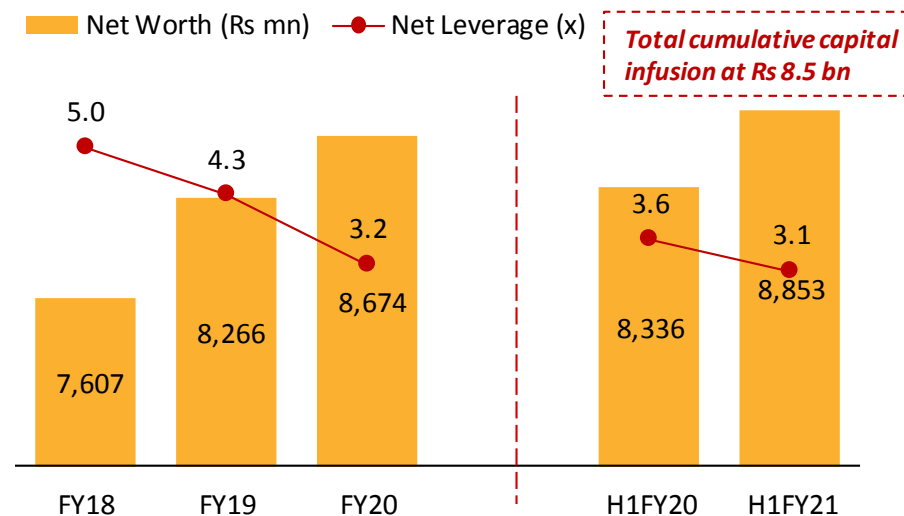
Collection efficiency (CE) = Total Collections / Total EMI Due. CE is excl. prepayments.

- MOHFL board has appointed Mr. Arvind Hali as MD & CEO and Mr. Amar Bahl as Deputy MD & COO. Both are industry veterans with over 20+ years of experience in mortgage industry.
- Disbursements in H1FY21 were Rs 835 mn. While we were planning to ramp up disbursements from H1FY21, this has been pushed back to 2nd half due to the pandemic.
- Encouraging performance of new book sourced from April'18. Only 1 case in NPA pool out of ~6700 cases disbursed. In new book, ~92% of disbursement was in <Rs 1.5mn ticket size.
- Proactive cost measures, process automation and consolidation of branches resulted in lowering of total cost on YoY basis. Centralised credit appraisal for salaried employees to improve efficiency and lower operational cost.
- Traction in legal continues under SARFAESI & Section 138 route enabling more recoveries and resolutions.

Loan book and Disbursements trend

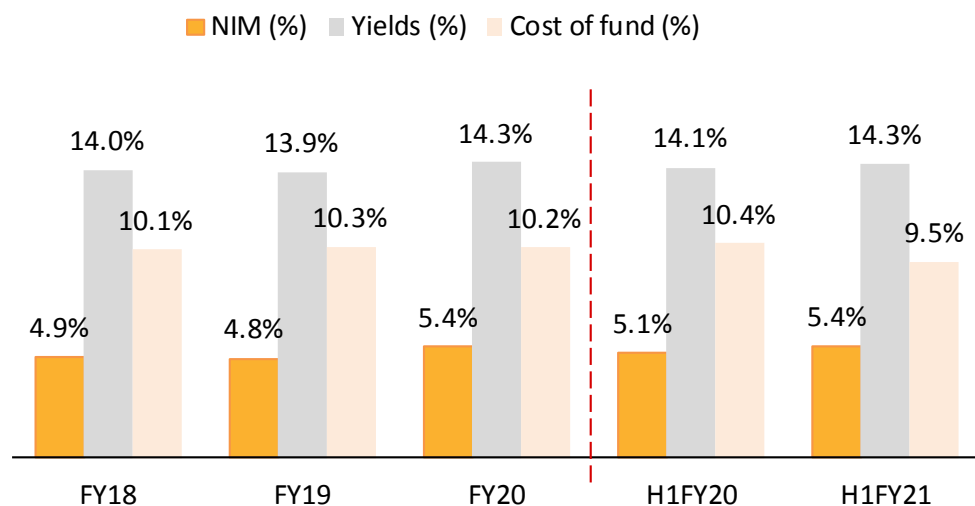


Net Worth (in mn) and Net D/E

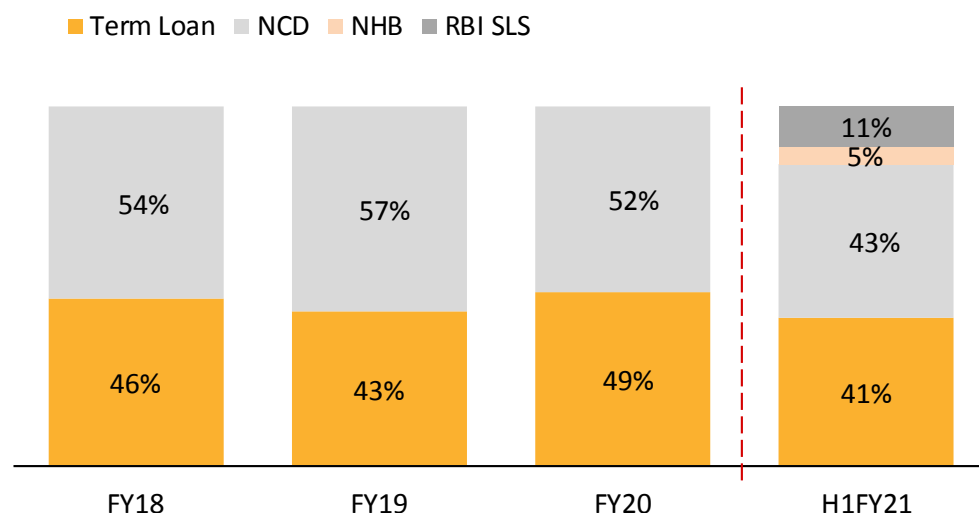


Home Finance – Strong liability management

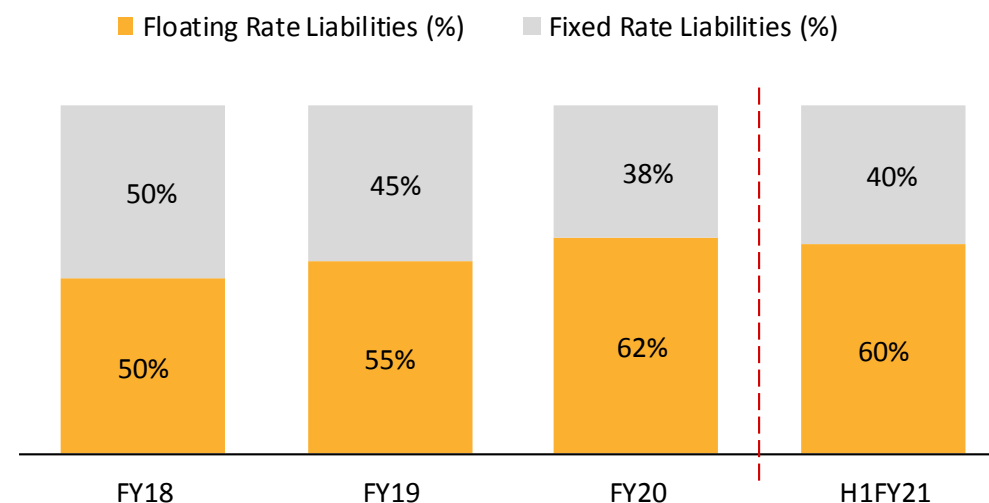
NIM expansion led by traction in CoF & Yields



Diversified liability mix

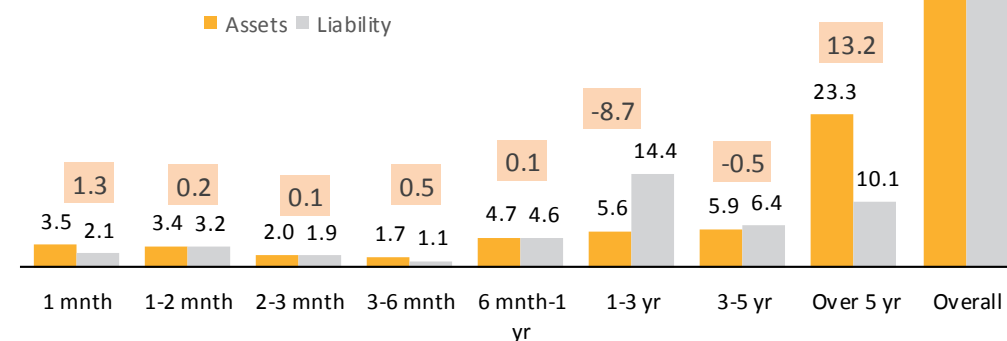


Liability mix based on rates (%)

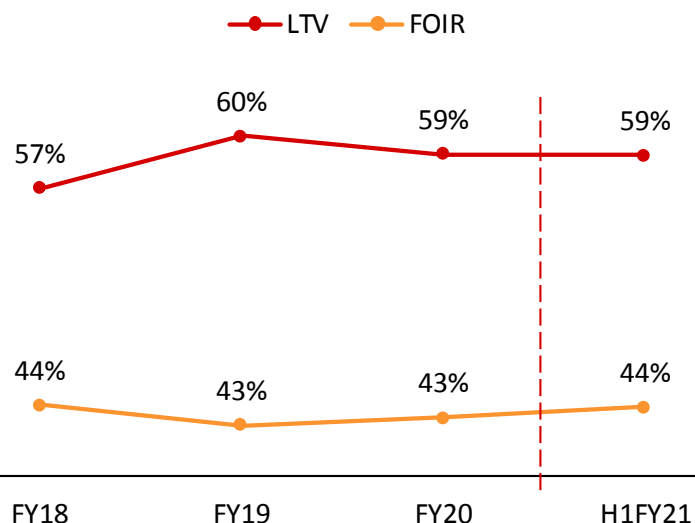


Positive ALM for 1 year (Rs bn)

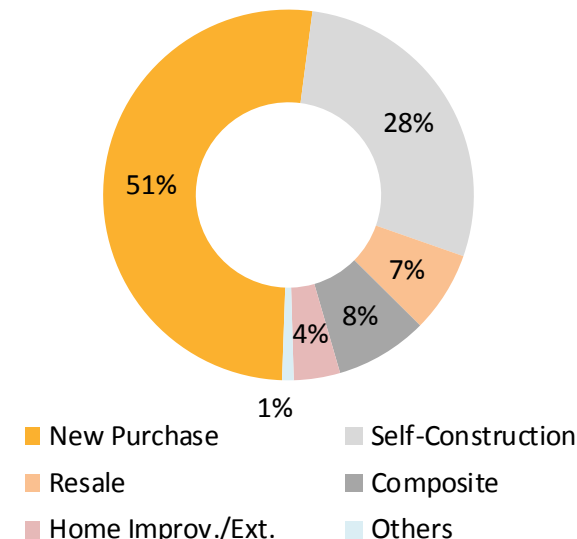
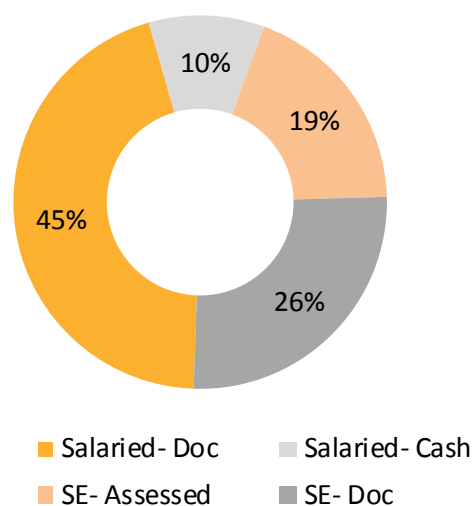
Strong liquidity on balance sheet with undrawn sanction of Rs 7.2 bn & cash of Rs 5.1 bn.



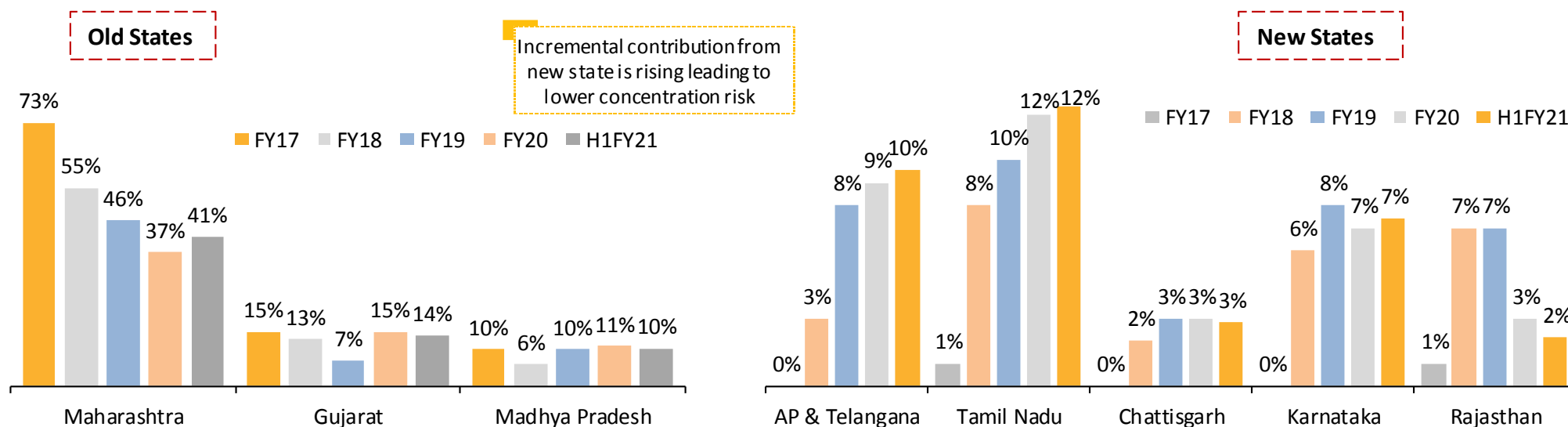
LTV of 59% and FOIR of 43%



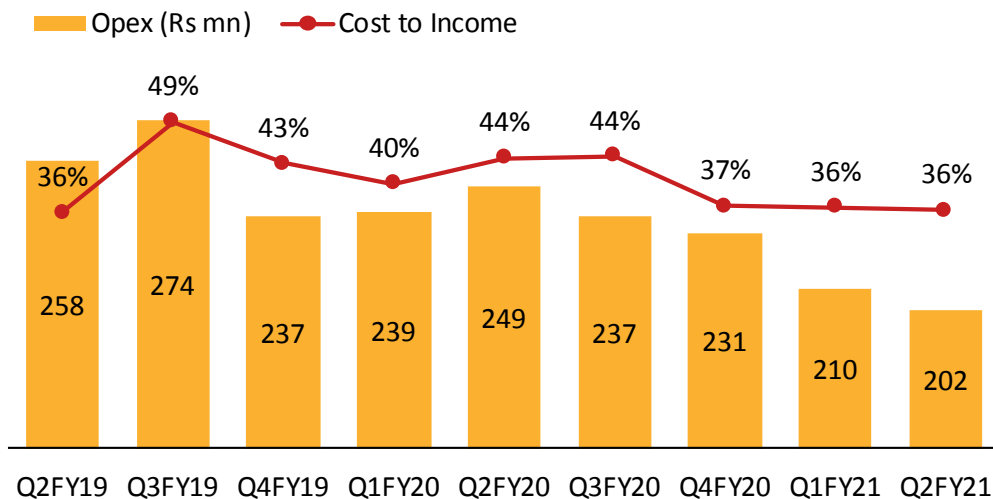
Customer segment mix and Product mix



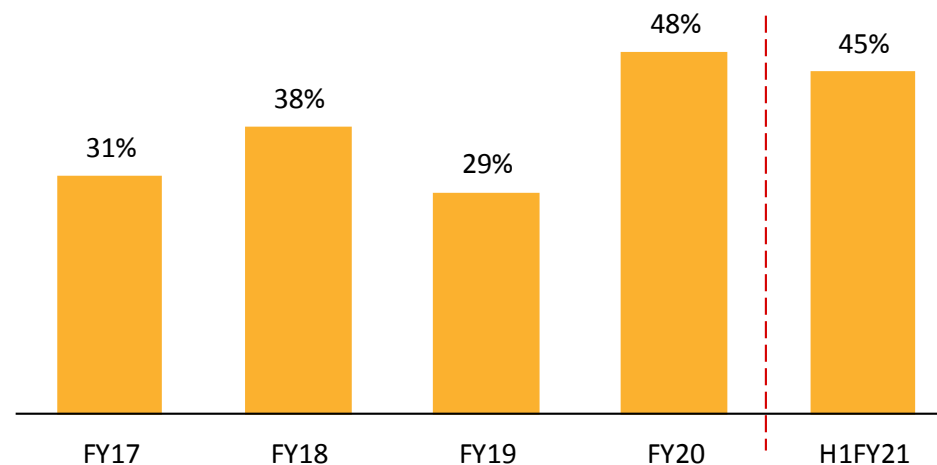
State Wise Disbursement– Rising new state contribution



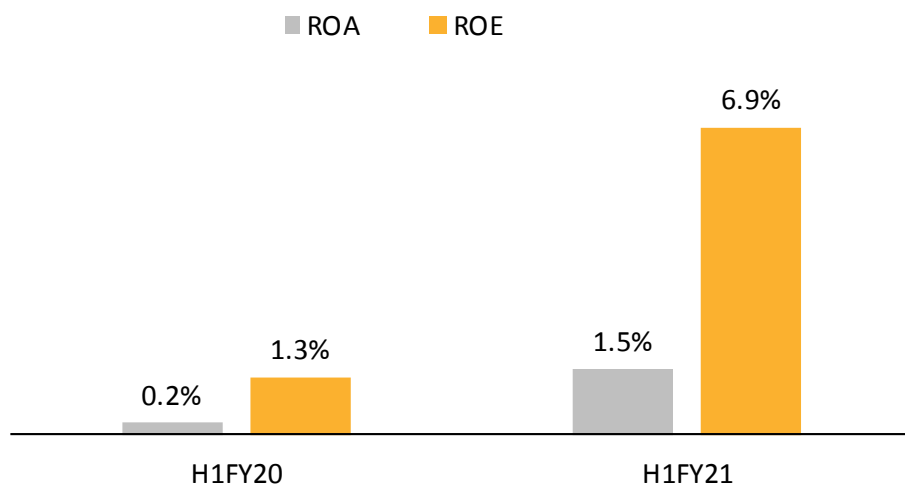
Opex and Cost to Income trend



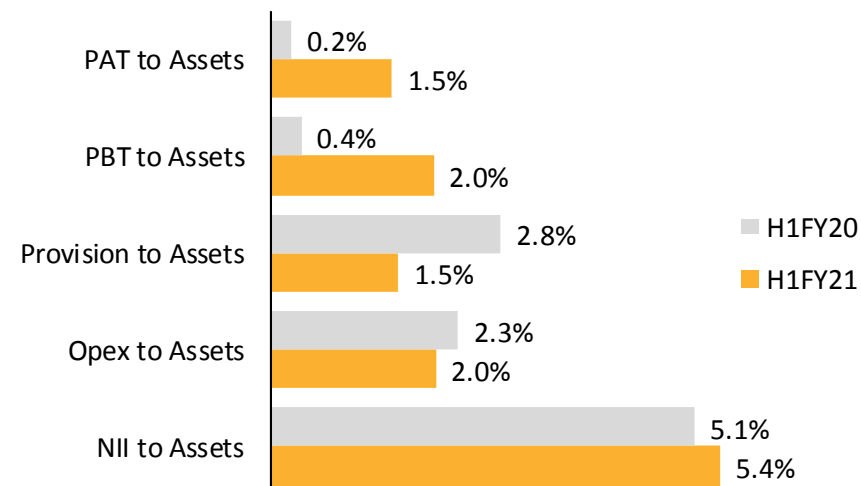
Capital adequacy ratio trend



ROA and ROE



ROA Tree



Note: ROA and ROE are after excluding the impact of adoption to new tax regime in H1FY20.

FUND BASED INVESTMENTS

Total quoted equity investment including MTM gains was Rs 14.3 bn as of Q2FY21.

Total unrealised gain on fund based investments at ~Rs 5.7 bn

Cumulative XIRR of ~13.3% on total quoted investments

XIRR of 27.9% on alternate investments

Particulars (Rs mn)	Q2FY21	Q2FY20	YoY (%)	Q1FY21	QoQ (%)	H1FY21	H1FY20	YoY (%)
Revenues	2,035	295	-	1,485	37%	3,521	634	-
PAT	1,728	525	-	1,303	33%	3,031	849	-

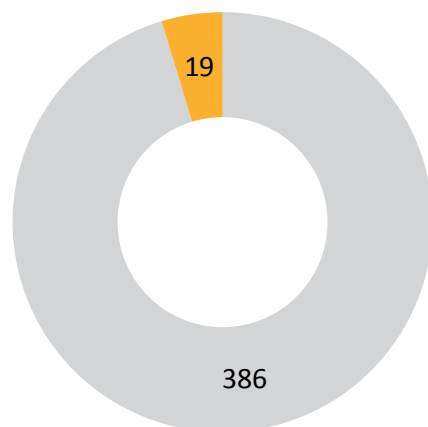
Note: Fund based revenues and PAT excludes Other Comprehensive Income

- Strong traction in fund based revenues are primarily on account of positive MTM during the quarter led by sharp improvement in market.
- Fund based book includes gains/loss on sponsor commitments cum investments in equity MF, PE funds, Real estate funds, AIF and strategic equity investments.
- Total equity investment including alternate funds was at Rs 21.3 bn as of Sep-20, MTM of these gains are now included in earnings under Ind-AS reporting.
- Cumulative XIRR on total quoted equity investments is ~13.3% (since inception), whereas XIRR on alternate investments stands at 27.9%.
- These investments have helped “seed” our new businesses, which are scalable, high-RoE opportunities. They also serve as highly liquid “resources” available for future investments in business, if required.

Fund Based investments – Skin in the game

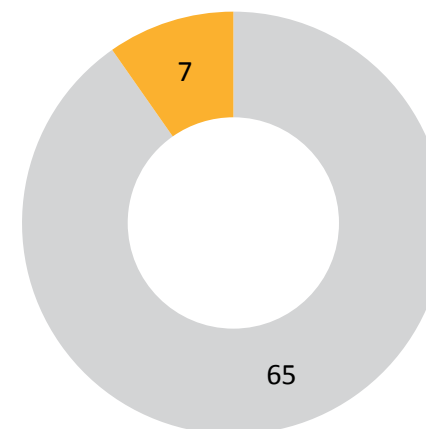
Skin in the game in AMC

■ AMC AUM (Rs bn) ■ Sponsor AUM in AMC (Rs bn)

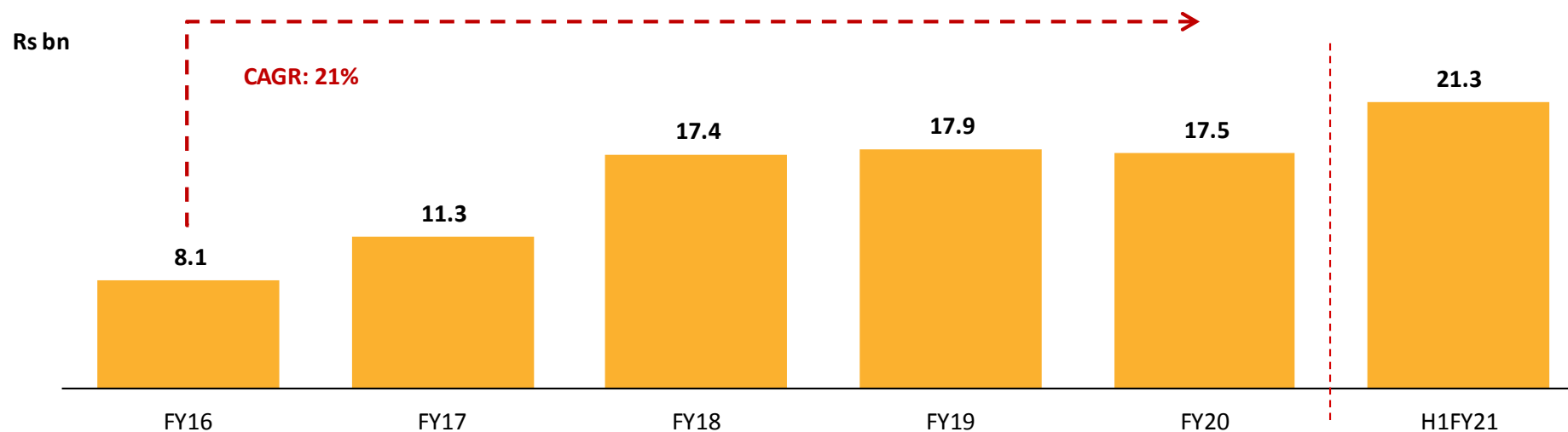


Skin in the game in PE

■ Committed investment AUM (Rs bn) ■ Sponsor Commitment in PE (Rs bn)



Growth in investments over the years



Awards & Accolades



Asia Money Brokers
Poll 2019
No. 2 Local Brokerage
No. 1 Overall Sales,
No. 1 Sales Trading
Team,
No. 1 Corporate
Access Team



MOFSL gets inducted
in the HALL OF FAME
at the 10th Financial
Advisor Awards



Motilal Oswal wins
Multiple Awards at
the PMS AIF World
Event -2020



MOPWM wins Excellent
in designing learning
content award at the
Transformance
Forums Awards
2020



Motilal Oswal wins
Best Creative for TV
at the E4M Prime
Time Awards 2019



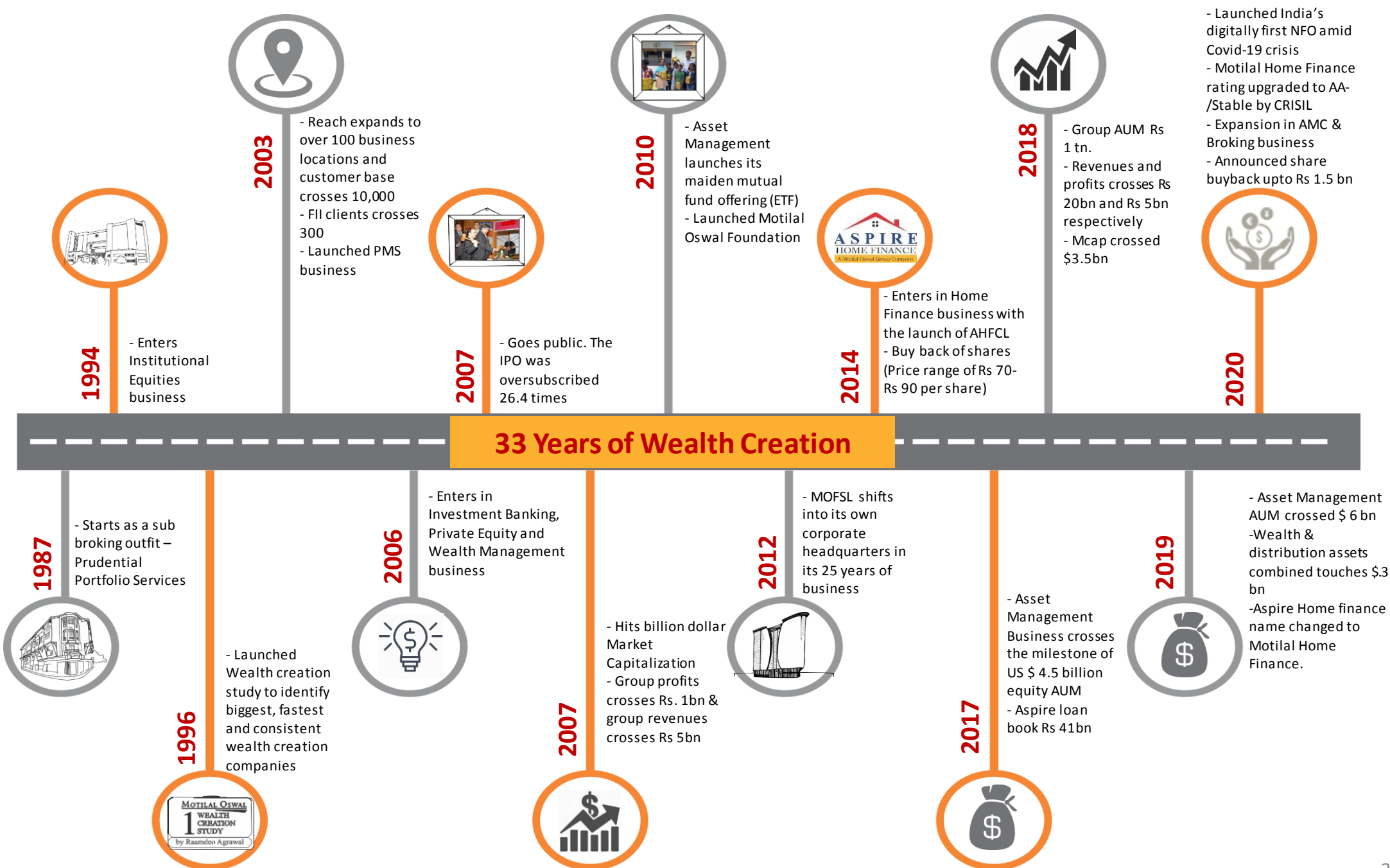
Motilal Oswal
wins Best Use of
Technology in Training &
Best Blended Learning
Strategy award at L&D
Innovation & TECH
Summit by
MERCER.



Gold for Best Use of
Video for the Think
Equity Think Motilal
Oswal Campaign at
ET BrandEquity Shark
Award



Motilal Oswal wins
award for Innovation
in Cross-Media
Marketing at the Asia
Pacific Stevie®
Awards.



Management team



Raamdeo Agrawal, Chairman

A CA by qualification, Mr Agarwal started MOFSL along with Mr Motilal Oswal in 1987. He is Chairman of MOFSL and also the co-founder of MOFSL. A keen believer and practitioner of the QGLP philosophy, his wealth creation insights and decades-rich experience have played a pivotal role in the growth of MOFSL.



Motilal Oswal, MD & CEO

A CA by qualification, Mr. Oswal started MOFSL along with Co-promoter, Mr Raamdeo Agrawal in 1987. He has served on the Boards of the BSE, Indian Merchant's Chamber (IMC), and on various committees of the BSE, NSE, SEBI and CDSL.



Navin Agarwal, MD & CEO – Asset Management

Mr Agarwal is a CA, ICWA, CS and CFA by qualification. He was responsible for the Institutional Broking & Investment Banking business and has been instrumental in building a market-leading position for the Group in Institutional Broking. He has been with MOFSL since 2000.



Ajay Menon , CEO – Retail Broking and Distribution

Mr Menon is a CA by qualification. He possesses over 15 years of experience in Capital Markets. He joined the Group in 1998. He is also a Whole time Director of MOFSL.



Rajat Rajgarhia , CEO – Institutional Equities

Mr Rajgarhia is a CA and MBA by qualification. He joined MOFSL in 2001 as a Research Analyst, went on to Head the Research team, and currently heads the Institutional Equities business.



Abhijit Tare, CEO – Investment Banking

Mr Tare brings with him over 25 years of rich experience in Institutional Equities and Investment Banking. He is a CA by qualification. He has worked with TAIB Securities and HRS Insight. He joined MOFSL Group in 2004.



Arvind Hali, CEO- Housing Finance

Mr Hali is an MMS post graduate from the University of Mumbai and has more than 20 years of experience. Previously he was with Art Housing Finance Ltd. Prior to that, he was associated with Intec Capital, AU Financiers limited, Capri global, Dhanlaxmi Bank, Reliance Capital Ltd, Standard Chartered Bank, and GE countrywide.



Virendra Somwanshi, CEO- Wealth Management

Mr Virendra Somwanshi has joined MOFSL group to head its Wealth Management Business. Mr Somwanshi brings with him 17 years of rich experience from MNCs like Citi Group in the field of Wealth Management and Equities. He was responsible for laying foundations for wealth management in above institution



Vishal Tulsyan, CEO – Private Equity

Mr Tulsyan is a CA (all-India rank holder). He has more than 15 years of experience in Financial Services. He has worked with Rabobank as a Director. He joined MOFSL in 2006 and is the founder MD& CEO, of Motilal Oswal Private Equity (MOPE).



Sharad Mittal, CEO - Real Estate Funds

Mr Mittal has been instrumental in scaling up the MORE business to an AUM of Rs 28 bn in last 6 years. Prior to joining MORE, he was associated with ICICI Bank, ICICI Pru AMC and ASK Property Advisors



Shalibhadra Shah, Chief Financial Officer

Mr Shah is a CA by qualification. He is a Finance professional with 17 years of experience spanning the entire gamut of Finance, Accounts, Taxation & Compliance. He joined MOFSL Group in 2006.

Independent Directors



C. N. Murthy, Independent Director (MOFSL)

Mr Murthy has done his B.Tech (Hons) from IIT, Kharagpur. He is a trained Professional Life/Executive Coach certified by Coaching & Leadership Inc. Canada. He has nearly 40 years of experience in the packaging industry working with ITC Ltd. and with a global packaging major, HPPL headquartered in Finland.



Divya Sameer Momaya, Independent Director (MOFSL)

Mrs. Momaya has done B.com from Garware College of Commerce, University of Pune. She is a founder mentor of D. S. Momaya & Co. and possesses more than 16 years of industry experience. Her corporate journey includes experience with companies like BSEL Infrastructure Realty Limited and Bombay Stock Exchange Limited.



Pankaj Bhansali, Independent Director (MOFSL)

Mr Bhansali is a qualified Chartered Accountant with over 20 years of experience. He has held various positions in Religare Enterprise Limited in India as well as in UK. He is currently the Managing Partner of Arth Capital Advisors Private limited, a boutique investment banking and advisory firm.



Chandrashekhar Karnik, Independent Director (MOFSL)

Mr. Karnik has done Post Graduation in Business Management. He also holds Post Graduate Diploma in Industrial Relations and Personnel Management. He is a Business focused and strategic HR leader with over 43 years of experience. He has worked with corporates such as Forbes & Company Ltd., Hotel Corporation of India Ltd., FER Electricals Ltd. and Bombay Oxygen Corporation Ltd.



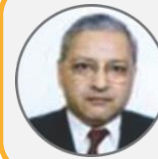
Ashok Jain Independent Director (MOAMC)

Mr Jain is the Whole-time Director and CFO of Gujarat Borosil. He has rich and varied experience of more than two decades in Corporate Management, particularly Finance.



Abhay Hota, Independent Director (MOAMC)

Mr. Hota has rich and varied experience of over 35 years in Regulatory and technical aspects, and Project Management. He has worked with the RBI as a central banker.



Sanjay Kulkarni, Independent Director (MOHFL)

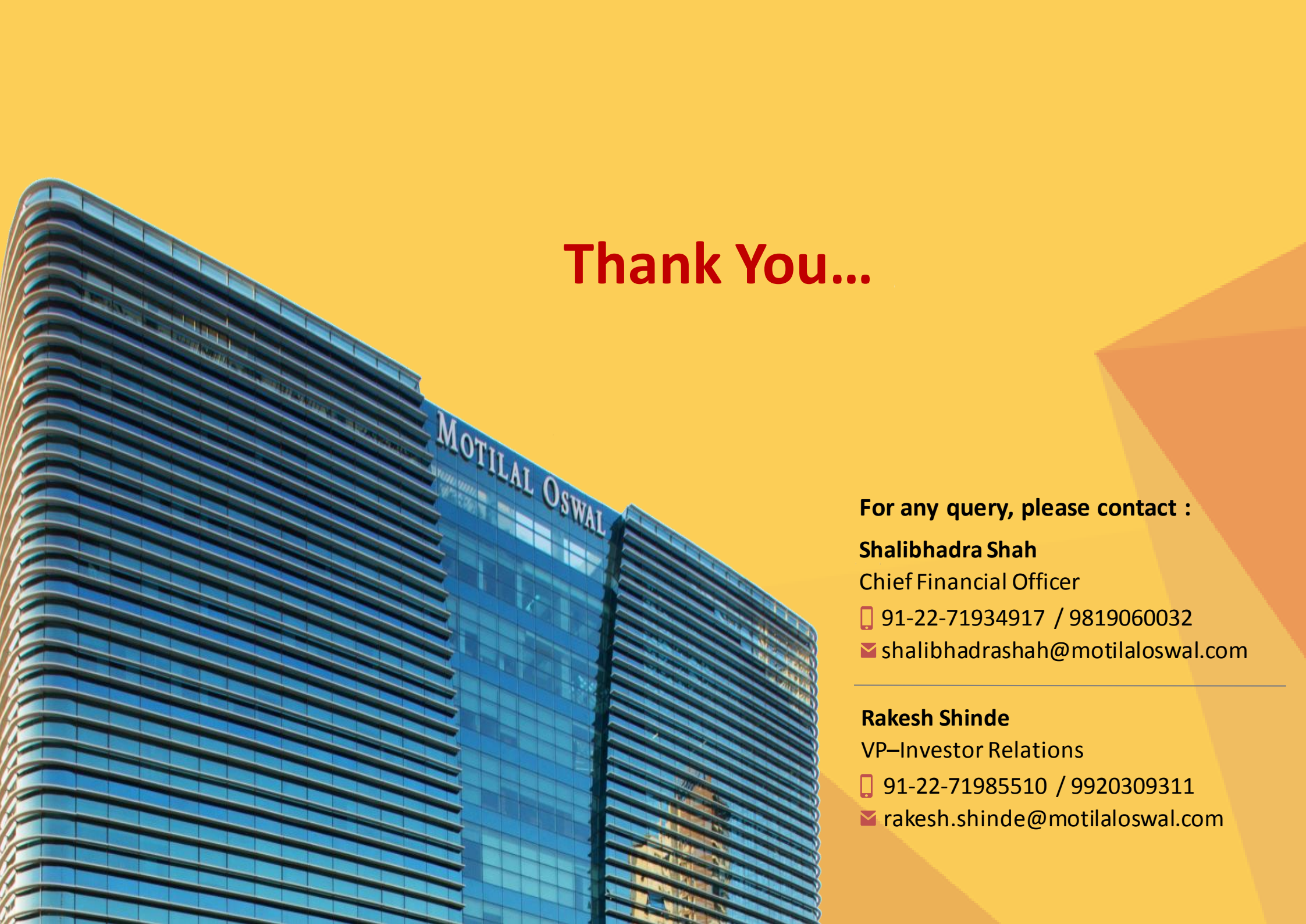
Mr Kulkarni is an Engineer from IIT Mumbai and has done his MBA from IIM Ahmedabad. He has over 40 years of experience in Banking and Financial services.

This earning presentation may contain certain words or phrases that are forward - looking statements. These forward-looking statements are tentative, based on current analysis and anticipation of the management of MOFSL. Actual results may vary from the forward-looking statements contained in this presentations due to various risks and uncertainties involved. These risks and uncertainties include volatility in the securities market, economic and political conditions, new regulations, government policies and volatility in interest rates that may impact the businesses of MOFSL. MOFSL has got all market data and information from sources believed to be reliable or from its internal analysis estimates, although its accuracy can not be guaranteed. MOFSL undertakes no obligation to update forward-looking statements to reflect events or circumstances after the date thereof.

Covid-19 Impact

- The SARS-CoV-2 virus responsible for COVID -19 has spread across the globe and India, which has contributed to a significant decline in the economic activities. Government have introduced a variety of measures to contain the spread of the virus. Governments have Introduced various lockdowns since March 2020. Such lockdowns have been lifted for activities In a phased manner by various governments at various points in time depending on the situation prevailing in their respective jurisdictions. The Company believes that it has taken into account the possible impact of known events arising out of COVID 19 pandemic in the preparation of financial results. The Company will continue to monitor for any material changes to future economic conditions.
- Further, as unlock begun in June month we gradually started opening all our branches by end of June end we have made most of our branches operational and also resumed back normalcy in business.
- In our Home finance business, in accordance with the RBI guidelines relating to COVID-19 Regulatory Package, the Company granted a moratorium of three months on payments of instalments and/ or interest falling due between 1st March 2020 and 31st May 2020 to eligible borrowers. The period was further extended for 3 months till 31st August 2020 by RBI through its circular dated May 23, 2020. The Company has accordingly extended the moratorium option to its borrowers. For such accounts where the moratorium is granted, the asset /Stage-wise classification shall remain stand still during the moratorium period. (i.e. the number of days past-due shall exlude the moratorium period for the purposes of asset classification). The moratorium proportion has been continuously coming down month on month. The Company has recognised provisions as on 30th June 2020 towards its assets including 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. The Company will continue to monitor for any material changes to future economic conditions. Moreover during Q1FY21, the company has made an additional Covid-19 related provision amounting to Rs 130 mn. At June 30, 2020, the company held Covid-19 related total provision of Rs 210 mn. This additional provision made by the Company is more than requirement as per the RBI guideline dated April 17, 2020.

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Thank You...

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