

Motilal Oswal Asset Management Company Limited

Board Report

To the Members

Your Directors have pleasure in presenting the Ninth Annual Report together with the Audited Accounts of your Company for the financial year ended March 31, 2017.

Financial Highlights

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
	(Rupees)	(Rupees)
Income	3,413,452,803	1,850,541,914
Income/(Loss) before Interest, Depreciation and Taxation	765,187,381	362,500,776
Interest	116,336	4,292,048
Depreciation	6,200,464	5,563,747
Income/(Loss) before Taxation	758,870,581	352,644,981
Prior Year Income	-	1,299,310
Provision for Taxation		
Current Tax	163,078,407	77,916,841
MAT credit entitlement	(45,640,746)	15,309,376
Deferred Tax Asset	231,408,131	(3,595,351)
Prior Year Taxes	(87,529,441)	-
Income/(Loss) for the year	497,554,231	264,313,425
Balance of Loss carried forward	-	-

Principal Activities & Significant Events:

- **Mutual Fund Activities**

Pursuant to Investment Management Agreement dated May 21, 2009 with Motilal Oswal Trustee Company Ltd., the Company is acting as Investment Manager for Motilal Oswal Mutual Fund under Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.

As on March 31, 2017, Motilal Oswal Mutual Fund had 9 Schemes with the assets under management of Rs. 9,290 crores and the total number of investors in all its Schemes as on that date was 341, 279.

The Scheme wise details are as under:

As on March 31, 2017

Sr. No.	Name of Scheme	AUM of the Scheme (Rs. In Crores)	No. of Folios
1.	Motilal Oswal MOST Shares M50 ETF (MOST Shares M50)	20.71	3,696
2.	Motilal Oswal MOST Shares Midcap 100 ETF (MOST Shares Midcap 100)	27.32	3,734
3.	Motilal Oswal MOST Shares NASDAQ-100 ETF (MOST Shares NASDAQ 100)	72.08	3,188
4.	Motilal Oswal MOST Focused 25 Fund (MOST Focused 25)	494.98	26,482
5.	Motilal Oswal MOST Ultra Short Term Bond Fund (MOST Ultra Short Term Bond Fund)	403.33	7,129
6.	Motilal Oswal MOST Focused Midcap 30 Fund (MOST Focused Midcap 30)	1304.95	49,388
7.	Motilal Oswal MOST Focused Multicap 35 Fund (MOST Focused Multicap 35)	5991.66	166,346
8.	Motilal Oswal MOST Focused Long Term Fund (MOST Focused Long Term)	391.09	46,853
9.	Motilal Oswal MOST Focused Dynamic Equity Fund (MOST Focused Dynamic Equity)	583.72	34,463
	Total	9,290	341,279

- **Portfolio Management Services**

As on March 31, 2017, the Company provided Portfolio Management Services to 21,883 clients and managed assets of Rs. 9,844.21 crores. The Company also provides Advisory Services to 10 Corporate Clients for assets of Rs. 607.81 crores.

- **Alternative Investment Fund**

As on March 31, 2017, Motilal Oswal Alternative Trust had 2 Schemes with the assets under management of Rs. 538.35 crores and the total number of investors as on that date was 625.



Motilal Oswal Asset Management Company Limited
Corp. & Regd. Office : 10th Floor, Motilal Oswal Tower,
Rahimtullah Sayani Road, Opposite Parel ST Depot,
Prabhadevi, Mumbai - 400025
Board: +91 22 3980 4263 / 3982 5500
Fax: +91 22 3089 6884
CIN : U67120MH2008PLC188186

Dividend & Reserves

No Dividend was declared for the current financial year due to conservation of Profits to meet future business requirements of the Company.

During the year under review, the Company has transferred a sum of Rs 49,75,54,231/- to Reserves and Surplus.

Capital and Holding Company

a) Sub-division of Share Capital of the Company

The Board of Directors through circular resolution dated February 20, 2017 had approved the proposal to sub-divide the face value of equity shares of the Company from Rs. 10 to Re. 1 per share with effect from February 28, 2017. Further, the Share Capital of the Company has been sub divided from 6,50,00,000 (Six Crore Fifty Lakhs) equity shares of Rs. 10/- (Rupees Ten) each of the company forming part of the authorized share capital, into 65,00,00,000 (Sixty Five Crores) equity shares of Re. 1/- (Rupee One) and the Company is continued to be a wholly owned subsidiary of Motilal Oswal Securities Limited. The Company issued a new share certificate of Re.1 each in place of the old share certificate, for shareholders holding shares in physical form.

b) Increase in Authorised and Paid up Share Capital of the Company

The Board of Directors at its meeting held on April 24, 2017 had approved to increase the Authorised Share Capital of the Company from Rs. 65,00,00,000/- divided into 65,00,00,000 Equity Shares of Re. 1/- each to Rs. 65,50,00,000/- divided into 65,50,00,000 Equity Shares of Re. 1/- each by creation of 50,00,000 Equity Shares of Re. 1/- each in order to meet the long term financial requirements and allotment of ESOP's to the Employees of the Company.

The paid up Share Capital of the Company as on March 31, 2017 is Rs. 65,00,00,000/- (Rupees Sixty Five Crores only). During the year under review, the Company allotted 500,000 equity shares under employee stock option scheme of the Company. Accordingly, the paid up Share Capital of the Company as on June 16, 2017 is Rs. 65,05,00,000/- (Rupees Sixty Five Crores and Five Lakhs only).

Subsidiary Company and its details

During the year under review, Motilal Oswal Capital Limited was incorporated in India on September 19, 2016 as our wholly owned subsidiary company.

Accordingly, as on March 31, 2017, the Company has the following subsidiary companies:

1. Motilal Oswal Asset Management (Mauritius) Private Limited.
2. Motilal Oswal Capital Limited

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013, a statement containing salient features of financial statement of subsidiary companies in Form AOC-1 is enclosed as 'Annexure A' to this Report.

Number of Board Meetings

The Board of Directors met four times in the financial year 2016-2017.

The details of the meetings are as below:

Dates on which the Board Meetings were held	Total Strength of the Board	No. of Directors Present
April 21, 2016	4	3
July 20, 2016	4	3
October 21, 2016	4	4
January 25, 2017	4	4

The Attendance of the Directors at the Board meeting is as below:

Name	No. of Board meetings held	No. of meetings attended
Mr. Raamdeo Agarawal	4	4
Mr. Aashish P Somaiyaa	4	4
Mr. Kanu Doshi	4	4
Mr. Ashok Jain	4	2

Directors

Mr. Raamdeo Agarawal, Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

The Board of Directors may recommend the aforesaid re-appointment to the members.

The Board comprises of two Independent Directors i.e. Mr. Kanu Doshi and Mr. Ashok Jain who are not liable to retire by rotation in terms of the provisions of section 152 of the Companies Act, 2013.

Mr. Aashish P. Somaiyaa, Managing Director & CEO is not liable to retire by rotation pursuant to Articles of Association of the Company.

Key Managerial Personnel

As per Section 2013 of the Companies Act, 2013, following are the Key Managerial Personnel of the Company:

- a) Mr. Aashish P Somaiyaa, Managing Director & Chief Executive Officer
- b) Ms. Aparna Karmase, Head – Compliance, Legal & Secretarial

Notes:

1. Ms. Sarika Shah had stepped down from the position of Company Secretary with effect from October 21, 2017 and Ms. Aparna Karmase was appointed as Company Secretary with effect from January 25, 2017.
2. Mr. Sameer Kamath has stepped down from the position of Chief Financial Officer of the Company with effect from April 24, 2017.

Directors' Responsibility Statement

Pursuant to section 134(3) (c) and 134(5) of the Companies Act, 2013, your Directors confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) they have, in the selection of the accounting policies, consulted the Statutory Auditors and these have been applied consistently and reasonable and prudent judgments and estimates have been made so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the Profit of the Company for the year ended on that date;
- (iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the annual accounts have been prepared on a going concern basis and

- (v) they have devised proper systems to ensure compliance with the provisions of all applicable laws and the systems were adequate and operating effectively.

Statement of Declaration by Independent Directors under section 149(7) of Companies Act, 2013

The Company has received the statement of declaration under section 149(7) of the Companies Act, 2013 from Mr. Kanu Doshi and Mr. Ashok Jain, Independent Directors of the Company.

Performance Evaluation

In accordance with the provisions of section 134(3)(p) of the Companies Act, 2013, the formal annual performance evaluation was conducted of the Board as well as of its Committees and the Directors individually. A structured questionnaire was prepared and circulated to the Directors to get their views/inputs on various aspects such as providing of strategic directions, process, performance, governance & compliance and overall performance etc. of the Board and various aspects with respect to the terms of the Committees. The performance evaluation of the Independent Directors and chairman was also carried out by the entire Board.

The Nomination and remuneration Committee carried out an evaluation of the entire Board, various committees' and the Directors of the Company

The Directors were satisfied with the evaluation results and expressed their satisfaction with the evaluation process.

Secretarial Audit

In accordance with the provisions of Section 204 of the Companies Act, 2013 read with rules there under, the Company has appointed M/s. Umashankar Hegde & Associates., Company Secretaries, for conducting the secretarial audit of the Company for the financial year 2017-2018.

The Secretarial Audit Report for the financial year 2016-17 is enclosed as 'Annexure B' to this Report.

Committees of the Board

i. Audit Committee

The Audit Committee presently comprises of Mr. Raamdeo Agarawal, Mr. Kanu Doshi and Mr. Ashok Jain, Directors of the Company.

The Company has established a vigil mechanism and the committee oversees, the genuine concerns expressed by the employees and the Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who reports their concerns. The Company has also provided direct access to the Chairman of the Audit Committee on reporting issues concerning the interests of employees and the Company.

ii. Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Board of Directors presently comprises of Mr. Raamdeo Agarawal, Mr. Kanu Doshi and Mr. Ashok Jain, Directors of the Company.

iii. Corporate Social Responsibility (CSR) Committee

The Corporate Social Responsibility (CSR) Committee of the Board of Directors presently comprises of Mr. Kanu Doshi, Mr. Raamdeo Agarawal and Mr. Aashish P Somaiyaa, Directors of the Company.

Particulars of Loans, Guarantees or Investments

The details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in notes to financial statements.

Related Party Transactions

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business.

In terms of Section 134(3)(h) of the Companies Act, 2013, the details of contracts / arrangements entered into with Related Parties are provided in Form AOC-2 and is enclosed as 'Annexure C' to this Report.

All related party transactions are placed before the Audit Committee for approval.

Corporate Social Responsibility (CSR) Initiatives

The Company believes in enhancing the human intangible asset and strive to contribute largely to the education & learning front. Over the years, MO Group have been striving to achieve a balance of economic, environmental and social imperatives while satisfying the needs and expectations of internal and external stakeholders.

As the part of the initiatives under Corporate Social Responsibility, the Company together with Motilal Oswal Group is making dedicated efforts in contributing to various areas like eradicating hunger and poverty, education and health care.

The Company has also framed the Corporate Social Responsibility (CSR) Policy containing the details of activities to be undertaken under CSR, prohibited activities under CSR, Budgeting and Allocation of funds, monitoring and evaluation of CSR activities.

During the year under review, the Company has made contribution to the following:

- 1) Dilasa Sanstha
- 2) Gramin Vikas Vigyan Samiti
- 3) United Way of Baroda

The Annual Report on CSR activities is enclosed as '**Annexure D**' to this Report.

Development and Implementation of Risk Management Policy

The Company on a regular basis reviews its entity-wide Risk Management framework with an endeavor to enhance the control environment via risk mitigation and reducing the impact of risks within acceptable levels wherein due emphasis has been given on identification, assessment and economic control of those risks that endanger the assets and earning capacity of the business.

Details of significant and material orders passed by the Regulators or Courts or Tribunals

There were no significant and material orders passed by the Regulators or Courts or Tribunals during the financial year ended March 31, 2017.

Statutory Auditors

M/s. PBK & Co. (erstwhile known as M/s. Premal H Gandhi, Chartered Accountants) were being appointed as Statutory Auditors for the term of 5 years. M/s. PBK & Co. has expressed

their unwillingness to act as Statutory Auditors of the Company with effect from forthcoming Annual General Meeting. Hence, in accordance with provisions of Section 139 of the Companies Act, 2013, the members of the Audit Committee and Board in its meeting held on July 6, 2017, recommended the appointment of M/s. Walker Chandiook & Co. LLP (Auditing arm of Grant Thornton) as Statutory Auditor of the Company, for the period of five years to hold the office from the conclusion of 9th AGM till the conclusion of 14th AGM of the Company. Accordingly, the members will be required to approve the terms and conditions of appointment including remuneration in consultation with the Auditors.

Auditors Report

The Auditors Report to the Members on the Accounts of the Company for the financial year ended March 31, 2017 does not contain any qualification and is self-explanatory, hence does not call for any comment of the Board.

Public Deposits

The Company has not accepted any deposits from the public or its employees during the year under review.

Conservation of Energy and Technology Absorption and Foreign Exchange Earnings and Outgo

In view of the nature of activities which are being carried on by the Company, Rule 8(3) of the Companies (Accounts) Rules, 2014 concerning conservation of energy and technology absorption respectively are not applicable to the Company.

There was inflow of foreign exchange of Rs. 21,68,360/- during the year under review. Details of the foreign exchange outflow are given in the notes to Accounts.

Company's Nomination & Remuneration Policy relating to Directors Appointment, Payment of Remuneration and Discharge of their Duties

The Company's Nomination & Remuneration Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is enclosed as 'Annexure E' to this Report.

Annual Return

The extracts of Annual Return pursuant to the provisions of Section 92 of the Companies Act, 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is enclosed as 'Annexure F' to this Report.

Particulars of Employees

The information required pursuant to Section 197 of the Companies Act, 2013, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

Material changes and commitment, if any, affecting the Financial Position of the Company occurred between the end of the financial year to which this Financial Statements relate and the date of the report

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate on the date of this report.

Policy on Prevention of Sexual Harassment of Women at Workplace

The Company values the dignity of individuals and strives to provide a safe and respectable work environment to all its employees. The Company is committed to provide an environment, which is free of discrimination, intimidation and abuse. The Company believes that it is the responsibility of the organisation to protect the integrity and dignity of its women employees and also to avoid conflicts and disruptions in the work environment due to such cases. The Company has put in place a 'Policy against Sexual Harassment' as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("Sexual Harassment Act"). As per the policy, any women employee may report her complaint to the Redressal Committee formed for this purpose. We affirm that adequate access was provided to any complainant who wishes to register a complaint under the policy. There were no complaints received by the Company, during the FY 2016-17.

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CIN : U67120MH2008PLC188186

Acknowledgements

The Directors take this opportunity to place on record their gratitude for the valuable assistance, support and guidance received from Securities & Exchange Board of India, Reserve Bank of India and all government and regulatory bodies.

The Directors wish to place on record their sincere appreciation of the valuable services rendered by all the employees of the Company.

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


Raamdeo Agarawal
Chairman
(DIN: 00024533)

Place: Mumbai
Date: July 6, 2017

ANNEXURE A

Financial Highlights of Subsidiary for year ended March 31, 2017

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Rs. In millions)			
1	Name of the subsidiary	Motilal Oswal Asset Management (Mauritius) Private Limited	Motilal Oswal Capital Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period		
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	1 USD = 64.802015	
4	Share capital	13.29	1.00
5	Reserves & surplus	(10.55)	(0.10)
6	Total assets	5.36	1.03
7	Total Liabilities	2.61	0.13
8	Investments	0.01	-
9	Turnover/Revenue	0.52	-
10	Profit before taxation	(6.70)	(0.12)
11	Provision for taxation	-	(0.03)
12	Profit after taxation	(6.70)	(0.10)
13	Proposed Dividend	-	-
14	% of shareholding	100%	100%

* through Motilal Oswal Asset Management Company Limited

Notes:-

1. There are no subsidiaries which are yet to commence the operation during the year under review.
2. There are no subsidiaries which were liquidated or sold off during the year under review.
3. Share application money is not included in total liability as well as share capital.
4. Turnover includes other income.
5. Percentage of shareholding is Effective Shareholding.

U. HEGDE & ASSOCIATES

COMPANY SECRETARIES

SECRETARIAL AUDIT REPORT MR-3

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2017.

To,
The Members,
Motilal Oswal Asset Management Company Limited
10th Floor, Motilal Oswal Tower, Rahimtullah Sayani Road,
Opp. Parel ST Depot, Prabhadevi, Mumbai - 400025

I, have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Motilal Oswal Asset Management Company Limited (MOAMC) having CIN - U67120MH2008PLC188186. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company and its officers, during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2017 has generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I, have examined the books, papers, minute books, forms and returns filed and other records maintained by MOAMC for the financial year ended on March 31, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas



U. HEGDE & ASSOCIATES
COMPANY SECRETARIES

- Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; *(Not applicable for the audit period)*
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; *(Not applicable for the audit period)*
 - d) The Securities and Exchange Board of India (Share Based Employee Benefit Regulation, 2014); *(Not applicable for the audit period)*
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; *(Not applicable for the audit period)*
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; *(Not applicable for audit period)*
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; *(Not applicable for the audit period) and*
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; *(Not applicable for the audit period).*
- (vi) I have relied on the representation made by the Company and its officer for systems and mechanisms formed by the Company for compliance of the following specific applicable laws.
- 1) The Security Exchange Board of India (Portfolio Managers) Regulation, 1993
 - 2) The Security Exchange Board of India (Mutual Funds) Regulations, 1996
 - 3) The Security Exchange Board of India (Alternative Investment Funds) Regulations, 2012
 - 4) Rules, Regulations, Guidelines, notifications & Circulars issued by SEBI and Association of Mutual Fund of India (AMFI) as applicable to Asset Management Company.

I have also examined the compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) SEBI (Listing Disclosure and Obligation Requirements) Regulation, 2015 (applicable w.e.f December 1, 2015) applicable listed units of Mutual Fund.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.



I further report that;

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period there were no specific events/actions having major bearing on operations of the Company other than the those mentioned below;

- a) Mr. Ashish Somaiya was re-appointed as Managing Director of the Company in the designation as Key Managerial Personnel for period of 3 years.
- b) Ms. Aparna Karamse was appointed as Company Secretary of the Company and designated as Key Managerial Personnel in place of Ms. Sarika Shah, who resigned as Company Secretary of the Company and as Key Managerial Personnel of the Company.
- c) Subdivision of equity share capital of the company from 1 share of Rs.10/- each to 10 equity shares of Re.1/- each.

FOR U. HEGDE & ASSOCIATES, COMPANY SECRETARIES

U. Hegde

UMASHANKAR K HEGDE
Proprietor
A.CS No- 22133 # C.O.P N0- 11161



Date: April 21, 2017
Place: Mumbai

ANNEXURE C

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

Details of contracts or arrangements or transactions not at arm 's length basis

NOT APPLICABLE

Details of material* contracts or arrangement or transactions at arm 's length basis

Sr. No.	Name of the Related Party	Nature of the relationship	Nature of Contract	Salient terms of the contracts or arrangements or transactions including the value, if any	Amount paid as advances, if any
	Motilal Oswal Securities Limited	Holding Company	Availing of Distribution Services	Brokerage on Distribution of Mutual Fund and Portfolio Management Services	NIL
	Motilal Oswal Wealth Management Limited	Subsidiary of the Holding Company	Availing of Distribution Services	Brokerage on Distribution of Portfolio Management Services	NIL
	Motilal Oswal Financial Services Limited	Holding Company of Motilal Oswal Securities Limited	Availing of Loans	Loans taken during the year from Motilal Oswal Financial Services Limited	NIL

*Materiality is defined as per Clause 49 of the Listing Agreement i.e. transactions exceeding ten percent of the annual consolidated turnover as per the last audited financial statements of the Company.

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


Raamdeo Agarawal
Chairman
(DIN : 00024533)

Place : Mumbai
Date : July 6, 2017

ANNEXURE D

Annual Report on CSR Activities

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs
- The Company recognizes the responsibilities towards society and strongly intends to contribute to nurture children with multiple disabilities and visual impairment and thus providing new lease of life for such children's.
2. The Composition of the CSR Committee.
- The Company's endeavour is to provide help towards this section of the society which has not yet gained much importance.
- The Committee comprises of three directors: Mr. Kanu Doshi (Director), Mr. Raamdeo Agarawal and Mr. Aashish P Somaiyaa

3. Average net profit of the company for last three financial years

133,324,570/-

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)

2,666,491/-

5. Details of CSR spent during the financial year.

(a) Total amount spent for the financial year

2,895,000/-

(b) Amount unspent, if any;

(c) Manner in which the amount spent during the financial year is detailed below

Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs Subheads: 1. Local area or other 2. Specify the State and where projects or programs was undertaken	Amount Outlay (Budget) project or programs wise	Amount spent on the projects or programs Subheads: 1. Direct expenditure on project or programs 2. Overheads	Cumulative expenditure upto the reporting period	Amount Spent : Direct or through implementing agency
1.	DILASA SANSTHA		Drought relief Project				1,700,000.00
2.	GRAMIN VIKAS VIGYAN SAMITI		10% to GRAVIS and 90% to TATA MEMORIAL CENTER				1,145,000.00
3.	UNITED WAY OF BARODA		Donation fund is used for education & health care				50,000.00
	*Give details of implementing agency: In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.						

spending the amount in its
Board report.

The CSR Committee confirms that the implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives and policy of the Company.

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



Mr. Kanu Doshi
Chairman (CSR Committee)
(DIN: 00577409)



Mr. Raamdeo Agarawal
Director
(DIN: 00024533)

Place: Mumbai

Date: July 6, 2017

ANNEXURE E

**MOTILAL OSWAL ASSET
MANAGEMENT COMPANY LIMITED**

NOMINATION AND REMUNERATION POLICY

Act, 2013 read along with the applicable rules thereto.

1. OBJECTIVE

The Nomination and Remuneration Committee (NRC) and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto. The Key Objectives of the Committee would be:

- 1.1. To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- 1.2. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- 1.3. To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- 1.4. To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- 1.5. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- 1.6. To devise a policy on Board diversity
- 1.7. To develop a succession plan for the Board and to regularly review the plan;

2. DEFINITIONS

- 2.1. Act means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
- 2.2. Board means Board of Directors of the Company.
- 2.3. Directors mean Directors of the Company.
- 2.4. Key Managerial Personnel means
 - 2.4.1. Chief Executive Officer or the Managing Director or the Manager;
 - 2.4.2. Whole-time director;
 - 2.4.3. Chief Financial Officer;
 - 2.4.4. Company Secretary; and
 - 2.4.5. such other officer as may be prescribed.
- 2.5. Senior Management means personnel of the company who are members of its core management team excluding the Board of Directors including Functional Heads.

3. ROLE OF COMMITTEE

- 3.1. Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee

The Committee shall:

- 3.1.1. Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- 3.1.2. Identify persons who are qualified to become Director and persons who may be

appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.

3.1.3. Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

3.2. Policy for appointment and removal of Director, KMP and Senior Management

3.2.1. Appointment criteria and qualifications

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Managing Director/Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

3.2.2. Term / Tenure

- a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding three/ five years at a time.

- b) Independent Director:

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

3.2.3. Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval.

3.2.4. Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

3.2.5. Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

3.3. Policy relating to the Remuneration for the Whole-time Director, Managing Director, KMP and Senior Management Personnel

3.3.1. Remuneration to Managing/Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:

The Remuneration/ Compensation/ Commission etc. to be paid to Director / Managing Director etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

3.3.2. Remuneration to Non- Executive / Independent Director:

The Non-Executive Independent Director may receive remuneration / compensation /commission as per the provisions of Companies Act, 2013. The amount of sitting fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

4. MEMBERSHIP

4.1 The Committee shall consist of a minimum 3 Members.

4.2 Minimum 2 members shall constitute a quorum for the Committee meeting.

4.3 Term of the Committee shall be continued unless terminated by the Board of Directors.

5. CHAIRPERSON

5.1 The members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.

5.2 Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

6. FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at such intervals as may be required.

7. SECRETARY

The Company Secretary of the Company shall act as Secretary of the Committee.

8. VOTING

8.1 Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.

8.2 In the case of equality of votes, the Chairman of the meeting will have a casting vote.

9. NOMINATION DUTIES

The duties of the Committee in relation to nomination matters include:

9.1 Ensuring that there is an appropriate induction in place for new Directors and members of Senior

Management and reviewing its effectiveness;

- 9.2 Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
- 9.3 Identifying and recommending Directors who are to be put forward for retirement by rotation.
- 9.4 Determining the appropriate size, diversity and composition of the Board;
- 9.5 Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- 9.6 Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- 9.7 Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- 9.8 Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- 9.9 Recommend any necessary changes to the Board; and
- 9.10 Considering any other matters, as may be requested by the Board.

10. REMUNERATION DUTIES

The duties of the Committee in relation to remuneration matters include:

- 10.1 Consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.
- 10.2 Approving the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.
- 10.3 Delegating any of its powers to one or more of its members or the Secretary of the Committee.
- 10.4 Consider any other matters as may be requested by the Board.

11. REVIEW AND AMENDMENT

- 11.1 The NRC or the Board may review the Policy as and when it deems necessary.
- 11.2 The NRC may issue the guidelines, procedures, formats, reporting mechanism and manual in supplement and better implementation to this Policy, if it thinks necessary.
- 11.3 This Policy may be amended or substituted by the NRC or by the Board as and when required and also by the Compliance Officer where there is any statutory changes necessitating the change in the policy.

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


Raamdeo Agarawal
Chairman
(DIN: 00024533)

Place: Mumbai

Date: April 21, 2016

ANNEXURE F

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2017

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- i) **CIN:** U67120MH2008PLC188186
- ii) **Registration Date:** 14/11/2008
- iii) **Name of the Company:** Motilal Oswal Asset Management Company Limited
- iv) **Category / Sub-Category of the Company:** Company Limited by shares/ Indian Non Govt. Company
- v) **Address of the registered office and contact details:** 10th Floor, Motilal Oswal Tower, Rahimtullah Sayani Road, Opp. Parel ST Depot, Prabhadevi, Mumbai - 400025
Tel. No.: +91 22 3980 4263/+91 22 3982 5500
- vi) **Whether listed company Yes / No:** No
- vii) **Name, Address and Contact details of Registrar and Transfer Agent, if any:** N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Investment Manager to Motilal Oswal Mutual Fund	66301	35%
2	Portfolio Manager	66309	63%
3	Alternative Investment Fund		2%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S.R. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Motilal Oswal Securities Limited	U65990MH1994PLC079418	Holding	100	2(46)
2	Motilal Oswal Asset Management (Mauritius) Pvt. Ltd.	127396 C1/GBL	Subsidiary	100	2(87)
3	Motilal Oswal Capital Limited	U65100MH2016PLC285990	Subsidiary	100	2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of	No. of Shares held at the beginning of the	No. of Shares held at the end of the year	%
-------------	--	---	---

C. Shares held by	-	-	-	-	-	-	-	-	-
Custodian for GDRs & ADRs									
Grand Total (A+B+C)	-	650000000	650000000	100		650000000	650000000	100	NIL

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1.	Motilal Oswal Securities Limited	64999994	99.99%	-	649999940	99.99%	-	NIL
2.	Motilal Oswal Securities Limited jointly with Mr. Motilal Oswal	1	0.00%	-	10	0.00%	-	NIL
3.	Motilal Oswal Securities Limited jointly with Mr. Ramdeo Agarawal	1	0.00%	-	10	0.00%	-	NIL
4.	Motilal Oswal Securities Limited jointly with Ms. Vimla Oswal	1	0.00%	-	10	0.00%	-	NIL
5.	Motilal Oswal Securities Limited jointly with Ms. Suneeta Agarawal	1	0.00%	-	10	0.00%	-	NIL
6.	Motilal Oswal Securities Limited jointly with Mr. Navin Agarawal	1	0.00%	-	10	0.00%	-	NIL

7.	Motilal Oswal Securities Limited jointly with Mr. Ajay Menon	1	0.00%	-	10	0.00%	-	NIL
	Total	550000000	100%	-	550000000	100%	-	NIL

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	Name	Shareholding		Date	Increase /Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares at the beginning of the year	% of total shares of the company				No. of shares	% of total shares of the company
	Motilal Oswal Securities Limited	64999994	99.99%	-	-	Nil Movement during the year	649999940	99.99%
	Motilal Oswal Securities Limited jointly with Mr. Motilal Oswal	1	0.00%	-	-	Nil Movement during the year	10	0.00%
	Motilal Oswal Securities Limited jointly with Mr. Ramdeo Agarawal	1	0.00%	-	-	Nil Movement during the year	10	0.00%
	Motilal Oswal Securities Limited jointly with Ms. Vimla Oswal	1	0.00%	-	-	Nil Movement during the year	10	0.00%
	Motilal Oswal Securities Limited Jointly with Mrs. Suneeta Agarawal	1	0.00%	-	-	Nil Movement during the year	10	0.00%
	Motilal Oswal Securities Limited Jointly with Mr. Navin Agarwal	1	0.00%	-	-	Nil Movement during the year	10	0.00%
	Motilal Oswal Securities Limited Jointly with Mr. Ajay Menon	1	0.00%	-	-	Nil Movement during the year	10	0.00%

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	*For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
NIL					

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	*For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
NIL					

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Details	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)		-		-
Change in Indebtedness during the financial year				
• Addition	-	32,50,000	-	32,50,000
• Reduction	-	32,50,000	-	32,50,000
Net Change		0.00		0.00
Indebtedness at the end of the financial year				
i) Principal Amount	-	Nil	-	Nil
ii) Interest due but not paid	-	13,253	-	13,253
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)		Nil		Nil

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

A. *REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:

Sl. no.	Particulars of Remuneration	Name of MD/WTD/Manager and KMP				Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-

2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-
	Total (A)					
	Ceiling as per the Act	-	-	-	-	-

**kindly refer the caption 'Particulars of Employees' of the Board Report.*

B. REMUNERATION TO OTHER DIRECTORS:

Sl. No.	Particulars of Remuneration	Name of Directors		Total
		Mr. Kanu Doshi	Mr. Ashok Jain	
1.	Independent Directors <ul style="list-style-type: none"> • Fee for attending board / committee meetings • Commission • Others, please specify 	Rs. 1,60,000/-	Rs. 70,000/-	Rs. 2,30,000/-
	Total (1)	Rs. 1,60,000/-	Rs. 70,000/-	Rs. 2,30,000/-
2.	Other Non-Executive Directors <ul style="list-style-type: none"> • Fee for attending board / committee meetings • Commission • Others, please specify 	-	-	-
	Total (2)	-	-	-
	Total (B)=(1+2)	Rs. 1,60,000/-	Rs. 70,000/-	Rs. 2,30,000/-
	Overall Ceiling as per the Act (per Board meeting)	Within the overall limit of 1% of the Net Profits of the Company		

C. *REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WT

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-

	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961				
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify	-	-	-	-
5.	Others, please Specify	-	-	-	-
	Total	-	-	-	-

*kindly refer the caption 'Particulars of Employees' of the Board Report.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
Penalty					
Punishment					
Compounding					
A. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

NIL

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


Raamdeo Agarawal
 Chairman
 (DIN: 00024533)

Place: Mumbai

Date: July 6, 2017

PBK & CO.

CHARTERED ACCOUNTANTS



Suite # 6-7, Akulawadi, 10, Laxmi Narayan Lane,
Matunga (C.R.), Mumbai 400019.
t: +91 (22) 2401 4916 | f: +91 (22) 2402 4916
w: www.pbkco.com

Independent Auditors Report

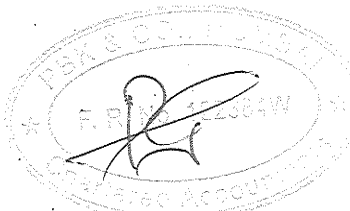
To the Members of Motilal Oswal Asset Management Company Limited

Report on the Standalone Financial Statements

We have audited the accompanying financial statements of Motilal Oswal Asset Management Company Limited (“the Company”), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory 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 Companies Act, 2013 (“the Act”) with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows 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 the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and fair presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

A circular stamp containing a handwritten signature in black ink. The signature is stylized and appears to be the initials 'R' and 'C'.

Opinion

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 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 31st March 2017, its profit and its cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015("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 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 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 appears from the examination of those books;
 - c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d. in our opinion the aforesaid standalone financial statements comply with the accounting standards notified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 ;
 - e. on the basis of written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of section 164(2) of the Act.



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- 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"; and
- g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the companies (Audit and Auditor) Rule 2014, in our opinion to the best of our information and according to the explanations given to us:
 - i. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses
 - ii. There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund.
 - iii. The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and it is in accordance with books of accounts maintained.

For P B K & Co

Chartered Accountants

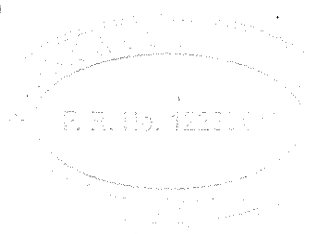
Firm Registration No.:122384W



Premal H Gandhi

Partner

Membership No. 111592



Place: Mumbai

Date: 24/04/2017

PBK & CO.

CHARTERED ACCOUNTANTS

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 fixed assets.

(b) The fixed assets 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) The Company did not have any immovable properties at anytime during the year. Hence, the requirements of sub clause (c) to clause (i) of paragraph 3 of the said Order are not applicable to the Company.
2. The Company did not have any inventory at anytime 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 not 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 (a) (b) & (c) to clause (iii) of paragraph 3 of the said Order are not applicable to the Company.
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, income-tax, sales- tax, wealth tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues as applicable with the appropriate authorities in India.



(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 income-tax, sales tax, wealth tax, service tax, customs duty, excise duty, value added tax and cess as at March 31, 2017 which have not been deposited on account of any dispute.

8. The Company does not have any loans or borrowings from any financial institutions, banks, government or debenture holders during the year. Accordingly, Paragraph 3 (viii) of the Order is not applicable.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.
10. 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.
11. The Company has provided for managerial remuneration under the provisions of section 197 read with Schedule V to the Companies Act, 2013.
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 Accounting Standard (AS) 18 – Related Party Transaction.
14. According to the information and explanations given to us, and the records of the Company examined by us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
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 transactions with directors or persons connected with him.



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CHARTERED ACCOUNTANTS

16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For P B K & Co

Chartered Accountants

Firm Registration No.:122384W



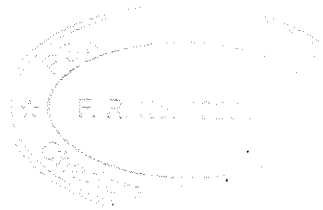
Premal H Gandhi

Partner

Membership No. 111592

Place: Mumbai

Date: 24/04/2017



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 Asset Management Company Limited ('the Company') as of 31 March 2017 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.



Handwritten signature and circular stamp of PBK & CO. CHARTERED ACCOUNTANTS. The stamp contains the number 12233-4W.

PBK & CO.
CHARTERED ACCOUNTANTS

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.

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 2017, 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 P B K & Co
Chartered Accountants
Firm Registration No.:122384W

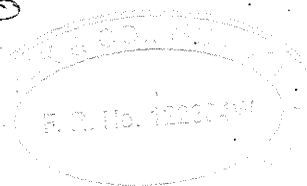

Premal H Gandhi

Partner

Membership No. 111592

Place: Mumbai

Date: 24/04/2017



MOTILAL OSWAL ASSET MANAGEMENT COMPANY LIMITED
BALANCE SHEET AS AT 31ST MARCH 2017

Particulars	Note No.	As at	As at
		31-Mar-17 In Rupees	31-Mar-16 In Rupees
I. EQUITY AND LIABILITIES			
A. Share Holders' Funds :			
(a) Share Capital	1	65,00,00,000	65,00,00,000
(b) Reserves and Surplus	2	70,36,43,223	20,16,85,991
Total (A)		1,35,36,43,223	85,16,85,991
B. Non-Current Liabilities :			
(a) Long Term Provisions	3	92,38,382	55,89,547
(b) Deferred Tax Liabilities (Net)	4	22,78,12,779	(35,95,351)
Total (B)		23,70,51,161	19,94,196
C. Current Liabilities :			
(a) Trade Payables	5	59,11,92,045	15,77,48,450
(b) Other Current Liabilities	6	8,63,38,411	2,50,79,041
(c) Short-Term Provisions	7	11,25,66,329	8,80,83,463
Total (C)		79,00,96,785	27,09,10,954
TOTAL (A+B+C)		2,38,07,91,169	1,12,45,91,141
II. ASSETS			
D. Non-Current Assets:			
(a) Fixed Assets			
Tangible Assets	8	46,75,502	43,54,669
Intangible Assets	8	65,82,456	57,95,794
(b) Non-Current Investments	9	68,37,90,760	47,84,98,760
(c) Long Term Loans and Advances	10	29,05,33,113	2,83,47,099
Total (D)		98,55,81,831	51,69,96,322
E. Current Assets:			
(a) Trade Receivables	11	54,13,86,146	25,24,90,904
(b) Cash and Bank Balances	12	5,33,07,417	7,63,86,968
(c) Short-Term Loans and Advances	13	80,05,15,775	27,87,16,947
Total (E)		1,39,52,09,338	60,75,94,819
TOTAL (D+E)		2,38,07,91,169	1,12,45,91,141

Significant Accounting Policies 20
Notes forming part of Accounts 21-37

Notes referred to above form an integral part of the Financial Statements

As per our attached Report of Even Date

For P B K & Co.

Chartered Accountants

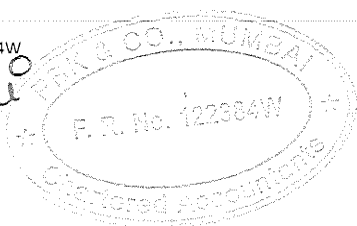
Firm Registration No. 122384W



Premal H. Gandhi

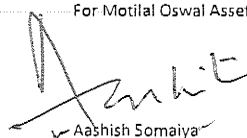
Partner

Membership.No 111592



For and on behalf of the Board of Directors

For Motilal Oswal Asset Management Company Limited



Aashish Somaiya

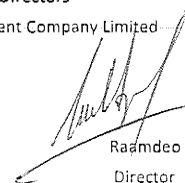
Managing Director & CEO

Din No : 06705119



Aparna Karmase

Company Secretary



Raamdeo Agarawal

Director

Din No: 0024533

Place : Mumbai

Date : 24th April, 2017

Place : Mumbai

Date : 24th April, 2017

MOTILAL OSWAL ASSET MANAGEMENT COMPANY LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2017

Particulars	Note No.	For The Year Ended 31-Mar-17 In Rupees	For The Year Ended 31-Mar-16 In Rupees
Revenue			
Revenue from Operations	14	3,40,12,44,166	1,84,86,86,338
Other Income	15	1,22,08,637	18,55,576
Total (A)		3,41,34,52,803	1,85,05,41,914
Expenditure			
Employee Benefit Expenses	16	29,98,83,892	22,22,31,843
Finance Cost	17	1,16,336	42,92,048
Depreciation	8	62,00,464	55,63,747
Other Expenses	18	2,34,83,81,530	1,26,58,09,295
Total (B)		2,65,45,82,222	1,49,78,96,933
Profit/(Loss) before Taxation	(C) = (A) - (B)	75,88,70,581	35,26,44,981
Prior year income	(D)	-	12,99,310
Profit/(Loss) after exceptional item	(E) = (C) - (D)	75,88,70,581	35,39,44,291
Prior Period Item			
Less: Provision for Taxation			
For Current year		16,30,78,407	7,79,16,841
Deferred tax		23,14,08,130	(35,95,351)
Prior Year Taxes		(8,75,29,441)	-
Minimum Alternate Tax Credit Entitlement		(4,56,40,746)	1,53,09,376
	(F)	26,13,16,350	8,96,30,866
Profit/(Loss) After Tax	(G) = (E) - (F)	49,75,54,231	26,43,13,425

Earnings Per Share (Face Value of share Rs. 1 each)

Basic	0.77	0.41
Diluted	0.76	0.41

Significant accounting policies 20
Notes forming part of Accounts 21-37
Notes referred to above form an integral part of the financial

For P B K & Co.
Chartered Accountants
Firm Registration No. 122384W

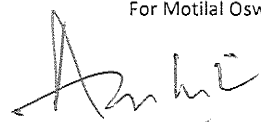
Premal H. Gandhi

Partner

Membership.No 111592

Place : Mumbai
Dated : 24th April, 2017

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


Aashish Somaiya


Raamdeo Agarawal

Managing Director & CEO

Director

Din No : 06705119

Din No: 0024533


Aparna Karmase
Company Secretary

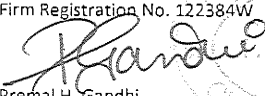
Place : Mumbai
Dated : 24th April, 2017

MOTILAL OSWAL ASSET MANAGEMENT COMPANY LIMITED
CASH FLOW STATEMENT

Particulars	For the Year Ended 31st March 2017	For the Year Ended 31st March 2016
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	75,88,70,581	35,26,44,981
Add/(Less):		
1) Interest Expenses/ Borrowing Cost	1,16,336	42,92,048
2) Profit on Sale of Investment	(96,28,612)	(15,55,637)
3) Depreciation	62,00,464	55,63,747
4) Interest Received	(7,01,565)	(3,44,774)
5) Provision for Doubtful Debt	52,63,348	-
6) Bad debts	6,01,941	-
7) Employee Stock Option Cost	44,03,000	-
OPERATING PROFIT	76,51,25,493	36,06,00,365
Adjustment for:		
1) Increase/(Decrease) Long Term Provisions	36,48,835	20,82,693
2) Increase/(Decrease) Short term borrowings	-	-
2) Increase/(Decrease) Trade Payables	43,34,43,595	(13,10,69,715)
3) Increase/(Decrease) Other Current Liabilities	6,12,59,370	(25,37,812)
4) Increase/(Decrease) Short Term Provision	1,44,68,871	3,62,66,324
5) (Increase)/Decrease In Long term loans and advances	(14,62,24,931)	1,87,38,019
6) (Increase)/Decrease In Trade Receivables	(29,47,60,531)	19,97,32,484
7) (Increase)/Decrease In Short-term Loans & Advances	(52,17,98,828)	(27,13,73,389)
CASH GENERATED IN OPERATIONS	31,51,61,873	21,24,38,969
Taxes Paid (Net of Refunds)	(13,58,55,306)	(8,47,76,646)
Prior period income (Recovery of MF distribution cost & recovery)	-	12,99,311
NET CASH FROM OPERATING ACTIVITIES	17,93,06,567	12,89,61,634
CASH FLOW FROM INVESTING ACTIVITIES		
Interest Received on Fixed Deposits & Others	7,01,565	3,44,774
Purchase of Fixed Assets	(73,07,959)	(24,76,094)
Sale of Investment	-	15,55,637
Investment in Mutual Fund	(3,02,00,00,000)	(1,00,00,000)
Proceeds from Sale of Mutual Fund (including profit)	3,02,96,28,612	-
Investment in Non Current Investment	(19,90,00,000)	-
Investments in Subsidiary - Share Application Money	(62,92,000)	(33,30,010)
NET CASH FLOW FROM INVESTING ACTIVITIES	(20,22,69,782)	(1,39,05,693)
CASH FLOW FROM FINANCING ACTIVITIES		
Increase/(Decrease) Short-term Borrowings	-	(3,63,28,914)
Interest Expenses	(1,16,336)	(42,92,048)
NET CASH FLOW FROM FINANCING ACTIVITIES	(1,16,336)	(4,06,20,962)
NET INCREASE IN CASH & CASH EQUIVALENTS DURING THE YEAR	(2,30,79,551)	7,44,34,980
<u>Cash & Cash Equivalents comprise of</u>		
Cash in hand	3,11,800	-
Scheduled Bank - In Current Account	7,60,75,168	19,51,990
Cash & Cash Equivalents as at beginning of the year	7,63,86,968	19,51,990
<u>Cash & Cash Equivalents as at end of the year</u>		
Cash in hand	5,75,748	3,11,800
Scheduled Bank - In Current Account	5,27,31,669	7,60,75,168
Cash & Cash Equivalents as at end of the year	5,33,07,417	7,63,86,968

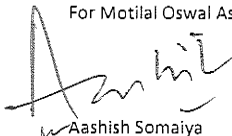
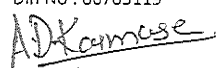
Note : The above cash flow statement has been prepared under the Indirect method" as set out in Accounting Standard - 3 on cash flow statements issued by the Institute of Chartered Accountants of India.

As Per Our Report Of Even Date Attached

For P B K & Co.
Chartered Accountants
Firm Registration No. 122384W

Premal H. Gandhi
Partner
Membership.No 111592



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


Aashish Somaiya
Managing Director & CEO
Din No : 06705119

Aparna Karmase
Company Secretary


Baamdeo Agarawal
Director
Din No: 0024533

Place : Mumbai
Date : 24th April, 2017

Place : Mumbai
Date : 24th April, 2017

MOTILAL OSWAL ASSET MANAGEMENT COMPANY LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

Note 1 : Share Capital	As At	As At	As At	As At
	31-Mar-17	31-Mar-17	31-Mar-16	31-Mar-16
	Number of Shares	In Rupees	Number of Shares	In Rupees
Authorised				
65,00,00,000 Equity Shares (PY 6,50,00,000 Equity Shares) of Rs. 1 each (PY Rs. 10 each)#	65,00,00,000	65,00,00,000	65,00,00,000	65,00,00,000
Total	65,00,00,000	65,00,00,000	65,00,00,000	65,00,00,000

Issued, Subscribed & Paid Up	As At	As At	As At	As At
	31-Mar-17	31-Mar-17	31-Mar-16	31-Mar-16
	Number of Shares	In Rupees	Number of Shares	In Rupees
65,00,00,000 Equity Shares (PY 6,50,00,000 Equity Shares) of Rs. 1 each (PY Rs. 10 each)#	65,00,00,000	65,00,00,000	65,00,00,000	65,00,00,000
Total	65,00,00,000	65,00,00,000	65,00,00,000	65,00,00,000

During the year company has sub divided its each equity share of Rs. 10/- each into 65,00,00,000 equity share of Rs. 1/- each and accordingly the no. of shares of previous year has been rearranged in line with current year

1.1 Terms and Conditions

Equity Shares :

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

The Company has one class of equity shares having a par value of Rs. 1/-(Previous year: 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.

Subdivision of Shares: The company has subdivided its shares as on 28th Feb 2017. Existing equity shares having nominal value of Rs.10/- per share have been sub divided into 65,00,00,000 equity share having nominal value of Rs.1/- per share. Authorised share capital of 6,50,00,000 would now comprise of 65,00,00,000 equity share of Rs. 1/- each

1.3 Reconciliation of number of shares outstanding	As At	As At	As At	As At
	31-Mar-17	31-Mar-17	31-Mar-16	31-Mar-16
	Number of Shares	In Rupees	Number of Shares	In Rupees
Number of share at beginning of the year#	65,00,00,000	65,00,00,000	65,00,00,000	65,00,00,000
Addition during the year#	-	-	-	-
Number of Share at the end of the year	65,00,00,000	65,00,00,000	65,00,00,000	65,00,00,000

During the year company has sub divided its each equity share of Rs. 10/- each into 65,00,00,000 equity share of Rs. 1/- each and accordingly the no. of shares of previous year has been rearranged in line with current year

1.4 Share holder having more than 5% equity holding in the Company

Name of Shareholder	As At		As At	
	31-Mar-17	31-Mar-17	31-Mar-16	31-Mar-16
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Motilal Oswal Securities Ltd (Holding Company)#	65,00,00,000	100.00	65,00,00,000	100

During the year company has sub divided its each equity share of Rs. 10/- each into 65,00,00,000 equity share of Rs. 1/- each and accordingly the no. of shares of previous year has been rearranged in line with current year

Note 2 : Reserves And Surplus	As At	As At
	31-Mar-17	31-Mar-16
	In Rupees	In Rupees
a) Surplus in Profit & Loss A/c		
Opening Balance	20,16,85,991	(6,26,27,434)
Addition during the year	49,75,54,231	26,43,13,425
Closing Balance	69,92,40,223	20,16,85,991
b) Employee Stock Option Plan Reserve		
	44,03,000	-
Total	70,36,43,223	20,16,85,991

Note 3 : Long Term Provisions	As At	As At
	31-Mar-17	31-Mar-16
	In Rupees	In Rupees
Provision for Employee Benefits (Unfunded) (Refer Note No. 29)	92,38,382	55,89,547
Total	92,38,382	55,89,547

Note 4 : Deferred Tax Liabilities	As At	As At
	31-Mar-17	31-Mar-16
	In Rupees	In Rupees
Deferred Tax Liabilities		
Gratuity Provision	(36,76,025)	(22,42,831)
Fixed Assets	(21,12,457)	(13,52,520)
Amortization of Portfolio Management Distribution	23,54,22,801	-
Provision for Doubtful Debt	(18,21,539)	-
Total	22,78,12,779	(35,95,351)



MOTILAL OSWAL ASSET MANAGEMENT COMPANY LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

Note 5 : Trade Payable	As At	As At
	31-Mar-17	31-Mar-16
	In Rupees	In Rupees
Sundry Creditors	59,11,92,045	15,77,48,450
Total	59,11,92,045	15,77,48,450

Note 6 : Other Current Liabilities	As At	As At
	31-Mar-17	31-Mar-16
	In Rupees	In Rupees
Salaries and Others	9,63,343	5,34,903
Withholding and Other Taxes Payable	93,47,803	46,11,327
Creditors for Expenses	4,12,30,636	1,35,24,064
Other Payables	3,47,83,376	64,08,748
Interest Accrued and Due	13,253	-
Total	8,63,38,411	2,50,79,041

Note 7 : Short Term Provisions	As At	As At
	31-Mar-17	31-Mar-16
	In Rupees	In Rupees
Provision for Employee Benefits		
ExGratia Payable	9,05,11,815	6,22,45,057
Gratuity Obligation (Refer Note No. 29)	13,83,513	8,91,125
Other		
Provision for Taxes (Net of Advance tax)	1,60,86,426	60,72,431
Provision for Expenses	45,84,575	1,88,74,850
Total	11,25,66,329	8,80,83,463

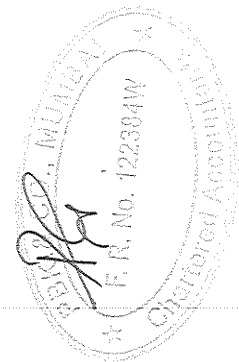


MOTILAL OSWAL ASSET MANAGEMENT COMPANY LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

Note No. 8 Fixed Assets

Current Year	Gross Block				Accumulated Depreciation				Net Block	
	As at 01-04-16	Additions	Deductions	As at 31-03-17	As at 01-04-16	Additions	Deductions	As at 31-03-17	As at 31-03-17	As at 31-03-16
TANGIBLE ASSETS										
CUSTOMER RIGHTS TO PORTFOLIO MANAGEMENT CLIENTS	38,34,987	-	-	38,34,987	38,34,987	-	-	38,34,987	-	-
RENOVATION TO LEASED OFFICE PREMISES	1,30,93,321	-	-	1,30,93,321	1,05,19,932	25,73,361	-	1,30,93,293	28	25,73,389
COMPUTER	47,80,266	16,54,239	-	64,34,505	41,92,806	4,91,355	-	46,84,161	17,50,344	5,87,460
FURNITURE	28,18,270	-	-	28,18,270	19,28,621	2,38,620	-	21,67,241	6,51,029	8,89,649
ELECTRICAL EQUIPMENT	-	1,39,276	-	1,39,276	-	9,577	-	9,577	1,29,699	-
OFFICE EQUIPMENTS	3,02,575	1,68,837	-	4,71,412	1,80,529	1,06,052	-	2,86,581	1,84,832	1,22,046
CAR	17,80,375	25,87,742	-	43,68,117	15,98,253	8,10,294	-	24,08,547	19,59,571	1,82,122
Total (A)	2,66,09,794	45,50,094	-	3,11,59,888	2,22,55,128	42,29,260	-	2,64,84,388	46,75,502	43,54,666
INTANGIBLE ASSETS										
COMPUTER SOFTWARE	76,72,803	27,57,865	-	1,04,30,668	18,77,008	19,71,204	-	38,48,212	65,82,456	57,95,795
	76,72,803	27,57,865	-	1,04,30,668	18,77,008	19,71,204	-	38,48,212	65,82,456	57,95,795
Total (A+B)	3,42,82,597	73,07,959	-	4,15,90,556	2,41,32,136	62,00,464	-	3,03,32,600	1,12,57,958	1,01,50,461

Previous Year	Gross Block				Accumulated Depreciation				Net Block	
	As at 01-04-15	Additions	Deductions	As at 31-03-16	As at 01-04-15	Additions	Deductions	As at 31-03-16	As at 31-03-16	As at 31-03-15
TANGIBLE ASSETS										
CUSTOMER RIGHTS TO PORTFOLIO MANAGEMENT CLIENTS	38,34,987	-	-	38,34,987	34,07,660	4,27,327	-	38,34,987	-	4,27,327
RENOVATION TO LEASED OFFICE PREMISES	1,30,93,321	-	-	1,30,93,321	79,39,500	25,80,432	-	1,05,19,932	25,73,389	51,53,821
COMPUTER	45,69,664	2,10,602	-	47,80,266	34,04,076	7,88,730	-	41,92,806	5,87,460	11,65,588
FURNITURE	28,18,270	-	-	28,18,270	15,09,723	4,18,898	-	19,28,621	8,89,649	13,08,547
OFFICE EQUIPMENTS	1,49,486	1,53,089	-	3,02,575	1,48,518	32,011	-	1,80,529	1,22,046	968
CAR	17,80,375	-	-	17,80,375	14,85,777	1,12,475	-	15,98,253	1,82,122	2,94,598
	2,62,46,103	3,63,691	-	2,66,09,794	1,78,95,255	43,59,873	-	2,22,55,128	43,54,666	83,50,848
Total (A)	55,60,400	21,12,403	-	76,72,803	6,73,135	12,03,873	-	18,77,008	57,95,795	48,87,265
COMPUTER SOFTWARE	55,60,400	21,12,403	-	76,72,803	6,73,135	12,03,873	-	18,77,008	57,95,795	48,87,265
Total (A+B)	3,18,06,503	24,76,094	-	3,42,82,597	1,85,68,390	55,63,746	-	2,41,32,136	1,01,50,461	1,32,38,113

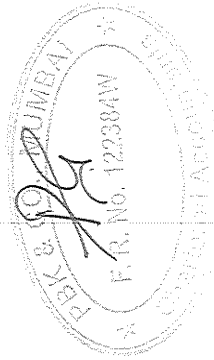


MOTILAL OSWAL ASSET MANAGEMENT COMPANY LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

Note No. 9 Non Current Investment

Name of the Body Corporate	Subsidiary / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount
		31-Mar-17	31-Mar-16			31-Mar-17	31-Mar-16	
Non Trade Investments								
Investment in equity instruments								
Investment In MOAM(M) Pvt. Ltd.	Subsidiary	2,05,000	75,000	Unquoted	Fully paid-up	100%	100%	46,68,750
Investment In MOAM(M) Pvt. Ltd.	Subsidiary	-	Pending Allotment	Unquoted				33,30,000
Investment in Equity Shares Of MF Utilities India Pvt. Ltd.	Subsidiary	1	1	Unquoted	Fully paid-up			5,00,000
Investment in Equity Shares of Aspire Home Finance Corporation Ltd	Subsidiary	1,00,000	-	Unquoted	Fully paid-up	100%	100%	10,00,000
Investment in Motilal Oswal Capital Limited								
Investment in Mutual Funds								
Motilal Oswal MOST Focused Midcap 30 Fund - Direct Plan Growth	Others	1,32,70,563	1,29,10,454	Quoted	-	-	-	18,00,00,000
Motilal Oswal MOST Focused Multicap 35 Fund - Direct Dividend Reinvestment	Others	30,00,000	30,00,000	Quoted	-	-	-	3,00,00,000
Motilal Oswal MOST Focused Multicap 35 Fund - Direct Growth	Others	3,18,90,936	2,32,90,696	Quoted	-	-	-	42,60,00,000
Motilal Oswal MOST Focused 25 Fund (MOST Focused 25)	Others	6,16,771	3,06,557	Unquoted				1,00,00,000
Motilal Oswal MOST Ultra Short Term Bond Fund (MOST Ultra Short Term Bond Fund)	Others	8,76,376	4,38,043	Unquoted				1,04,00,000
Motilal Oswal MOST Focused Dynamic Equity Fund	Others	5,00,000	-	Unquoted				50,00,000
Total								68,37,90,760
								47,84,98,760

Details of quoted and unquoted investments:	Cost	Market Value
Aggregate value of quoted investments and market value	64,36,00,000	1,14,85,76,112
Aggregate value of unquoted investments	4,01,90,760	Not Applicable
Aggregate provision for diminution in value of investments	Nil	Not Applicable



MOTILAL OSWAL ASSET MANAGEMENT COMPANY LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

Note 10 : Long Term Loans And Advances	As At	As At
	31-Mar-17	31-Mar-16
	In Rupees	In Rupees
Unsecured , Considered Good		
Rent, Electricity, and Other Deposits	3,17,00,590	60,66,511
Other Loans and Advances (Unsecured, considered good)		
Prepaid Expenses	12,22,22,487	16,31,635
Advance Tax (Net of Provision)	42,72,051	2,06,48,954
MAT Credit Entitlement	13,23,37,985	-
Total	29,05,33,113	2,83,47,099

Note 11 : Trade Receivables	As At	As At
	31-Mar-17	31-Mar-16
	In Rupees	In Rupees
Unsecured, Considered Good		
a.) Outstanding for a period more than six months from the date they are due for payment	60,11,178	2,21,16,631
b.) Outstanding for a period less than 6 months from the date they are due for payment	54,06,38,316	23,03,74,273
Provision for Doubtful Debt	(52,63,348)	-
Total	54,13,86,146	25,24,90,904

Note 12 : Cash And Bank Balances	As At	As At
	31-Mar-17	31-Mar-16
	In Rupees	In Rupees
Cash and Cash Equivalents		
Cash on Hand	5,75,748	3,11,800
Balance with banks		
In Current Accounts	5,27,31,669	7,60,75,168
Total	5,33,07,417	15,27,73,935

Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 as provided in the Table below:			
Particulars	SBNs	Other denomination notes (Rupees)	Total
Closing cash in hand as on 8-11-2016	-	8,65,455.00	8,65,455.00
Withdrawn from Bank	-	6,71,258.00	6,71,258.00
(+) Permitted receipts	-	-	-
(-) Permitted payments	-	12,26,367.00	12,26,367.00
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on 30-12-2016	-	3,10,346.00	3,10,346.00

Note 13 : Short Term Loans And Advances	As At	As At
	31-Mar-17	31-Mar-16
	In Rupees	In Rupees
Others (Unsecured, considered good)		
Loan and Advances to employees	75,00,904	1,03,675
Other	-	62,55,221
MAT Credit Receivable		
Prepaid Expenses	69,20,19,656	25,23,76,029
Other Deposits	54,26,979	54,500
Service Tax Credit Receivable	9,55,68,236	1,99,27,522
Total	80,05,15,775	27,87,16,947



MOTILAL OSWAL ASSET MANAGEMENT COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

Note 14 : Income From Operations	For The Year Ended 31-Mar-17 In Rupees	For The Year Ended 31-Mar-16 In Rupees
Investment management and advisory fees		
Mutual Fund Management Fees	1,18,75,95,242	65,67,29,607
AIF Management Fees	6,29,07,113	-
Advisory Fees	1,79,60,212	2,11,74,709
Portfolio Management Fees	2,13,17,71,557	1,17,07,82,021
Other Operating Revenue	10,10,043	
Total	3,40,12,44,166	1,84,86,86,338

Note 15 : Other Income	For The Year Ended 31-Mar-17 In Rupees	For The Year Ended 31-Mar-16 In Rupees
Gain on Sale of Investments	96,28,612	15,55,637
Interest on Income Tax Refund	18,75,565	
Net Gain/Loss on Foreign Currency Transactions and Translation	2,895	(44,835)
Interest Received on Deposits with Banks and Others	7,01,565	3,44,774
Total	1,22,08,637	18,55,576

Note 16 : Expenses	For The Year Ended 31-Mar-17 In Rupees	For The Year Ended 31-Mar-16 In Rupees
Employee Benefit		
Salary, Bonus And Allowances	28,19,63,133	21,31,73,242
Contribution To Provident & Other Funds	29,16,078	26,93,314
Staff Welfare Expenses	53,09,322	32,28,909
Gratuity (Refer Note 29)	52,92,359	31,36,378
Employee Stock Option Scheme	44,03,000	
Total	29,98,83,892	22,22,31,843

Note 17 : Finance Cost	For The Year Ended 31-Mar-17 In Rupees	For The Year Ended 31-Mar-16 In Rupees
Interest Cost	1,16,336	42,92,048
Total	1,16,336	42,92,048



Note 18 : Other Expenses	For The Year Ended 31-Mar-17 In Rupees	For The Year Ended 31-Mar-16 In Rupees
Distribution Cost and Spillover Expense		
- for Mutual Fund Schemes	60,93,54,404	30,87,60,138
- for Portfolio Management Services	1,29,52,26,126	75,73,97,485
- for Alternate Investment Funds	8,92,49,019	-
Depository and Processing Charges	1,49,97,305	91,54,346
Rent	4,09,49,371	1,21,53,246
Rates and Taxes	23,894	17,375
Insurance	14,23,350	16,90,703
Computer Maintenance	53,98,053	39,50,634
Registration and Filing Charges	1,66,213	3,01,113
Legal and Professional Fees	2,32,47,774	2,19,33,973
Auditors' Remuneration (Refer Note No. 22)	1,38,104	1,09,043
Marketing and Brand Promotion Expenses	9,43,85,505	3,95,31,948
Advertisement Expenses	8,73,67,210	4,91,78,423
Printing and Stationery	1,08,12,935	63,26,638
Power and Fuel	53,35,636	20,65,431
Communication Expenses	66,82,328	67,04,462
Travelling and Conveyance Expenses	2,48,33,767	2,03,20,239
Stamp and Postage Charges	1,06,10,419	98,40,669
Entertainment Expenses	93,03,999	75,93,475
Data processing Charges	40,43,116	24,10,898
Miscellaneous Expenses	60,72,713	42,59,056
Donation	28,95,000	21,10,000
Bad Debts Written Off	6,01,941	-
Provision for Doubtful Debts	52,63,348	-
Total	2,34,83,81,530	1,26,58,09,295



SIGNIFICANT ACCOUNTING POLICIES & NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

19. Background

Motilal Oswal Asset Management Company Limited (MOAMC the Company) was incorporated on November 14, 2008. The principal shareholder of the Company as at March 31, 2017 is Motilal Oswal Securities Limited (MOSL).

The Company's principle activity is to provide, investment management and administrative services to the Schemes of Motilal Oswal Mutual Fund (the Fund), portfolio management services and investment advisory services to offshore funds.

Pursuant to the approval granted by the Securities and Exchange Board of India (SEBI) dated June 30, 2010, the Company has entered into an agreement with MOSL for assignment of the portfolio management services business of MOSL with effect from September 16, 2010.

20. 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 respects with the generally accepted accounting principles in India, the applicable accounting standards notified under Section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014 issued by Institute of Chartered Accountant of India and the provisions of the Companies Act, 2013.

All assets and liabilities have been classified as current or noncurrent as per the company's normal operating cycle and other criteria set out in the schedule III to the Companies Act 2013. Based on the nature of business the company has ascertained its operating cycle as twelve months for the purpose of current and non - current classification of assets and liabilities.

(b) Use of estimates

The preparation of the financial statements in conformity with the generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets, liabilities and disclosure of contingent 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 revisions to such estimates are recognized prospectively in the current and future periods.

(c) Property, plant & equipment

Property, plant & equipments are stated at the cost of acquisition less accumulated depreciation thereon. Cost of acquisition is inclusive of taxes, duties, freight and other incidental costs relating to their acquisition and installation of these assets.

On all assets except as mentioned below, depreciation is provided on useful life basis and on pro-rata basis for additions/ deletions during the period, in line with Schedule II to the Companies Act, 2013.

- Improvements to leasehold premises are depreciated over the initial period of lease.
- Customer rights to portfolio management clients and computer software are amortized over a period of five years.

Depreciation is based on the cost of an asset less its residual value as notified in Schedule II to the Companies Act, 2013. In pursuant of Schedule II of the Companies Act 2013, the property, plant &



equipments of the significant value are componentized with separate useful life. In case of addition, depreciation is provided pro-rata for entire month in which addition is made and in case of deletions, depreciation is provided till month preceding month of disposal of such assets. On all assets, except as mentioned below, depreciation has been provided based on Written Down Value method using the useful life as specified in Schedule II to the Companies Act, 2013.

(d) Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset (tangible and intangible) may be impaired. If such an 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. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

(e) Investments

Transactions for purchase and sale of investments are recognized as at the trade date.

Investments are classified into long-term investments and current investments. Investments that are intended to be held for one year or more are classified as long-term investments and investments that are readily realizable and are intended to be held for less than one year are classified as current investments.

Long term investments are valued at cost and a provision is made to recognize any diminution in value, other than temporary, determined separately for each investment.

Current investments are valued at cost or market/fair value, whichever is lower. In case of investment in units of mutual funds, the net asset value of units declared by the mutual fund is considered as the market/fair value. The comparison of cost and market/ fair value is done separately in respect of each individual investment.

(f) Revenue Recognition

Revenue is recognized when there is reasonable certainty of its ultimate realization/collection.

- Investment management fees

Investment Management fees are recognized on an accrual 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.

- Investment advisory and portfolio management fees

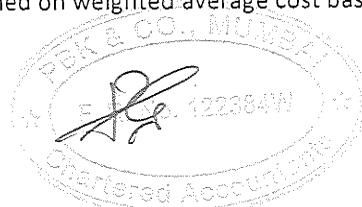
Investment advisory fee is recognized on an accrual basis in accordance with the terms of the contract with the clients. Portfolio management fees are recognized on an accrual basis in accordance with the Portfolio Management Agreement entered with respective clients.

- Alternate Investment Management Fees

Alternate Investment Management Fee is recognized on an accrual basis in accordance with Private Placement Memorandum.

- Profit or loss on sale of investments

The gains/ losses on sale of investments are recognized in the statement of profit and loss on the trade date. Profit or loss on sale of investments is determined on weighted average cost basis.



- Interest and dividend income

Interest income is accounted on an accrual basis. Dividend income is recognized when the right to receive dividend is established.

(g) Distribution Cost for Portfolio Management Services

Distribution cost for Portfolio Management Services are charged to statement of profit and loss on accrual basis.

(h) Foreign Currency Transactions

Transactions in foreign currencies are recognized at the prevailing exchange rates on the transaction date. Realized gains or losses on settlement of foreign currency transactions are recognized in the statement of profit and loss. Foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange difference is recognized in the statement of profit and loss.

(i) Employee Benefits

Long term employee benefits

Defined contribution plan

The Company has a defined contribution plan for post employment benefits in the form of Provident Fund. Under the provident fund plan, the Company contributes to a Government administered provident fund on behalf of employees. The Company has no further obligation beyond making the contributions.

The Company's contribution to the above Plan is charged to the statement of profit and loss as incurred.

Defined benefit plan

The Company has a defined benefit plan for post employment benefits in the form of Gratuity. The Company accounts for gratuity based on an actuarial valuation which is carried out by an independent actuary as at the year end. The actuarial valuation method used by the actuary for measuring the liability is the Projected Unit Credit Method. Actuarial gains and losses comprise experience adjustment and the effects of changes in actuarial assumptions are recognized immediately in the statement of profit and loss.

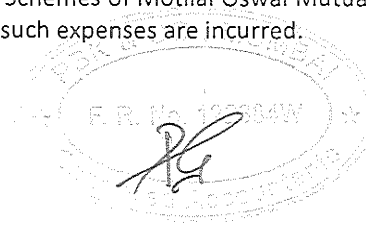
Ex-gratia (Bonus)

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.

(j) Fund related expenses

New Fund Offer expenses

Expenses relating to initial issue of Mutual Fund Schemes of Motilal Oswal Mutual Fund are charged to the statement of profit and loss in the year in which such expenses are incurred.



Recurring fund expenses

Expenses incurred (inclusive of advertisement/brokerage expenses) on behalf of schemes of Motilal Oswal Mutual Fund are recognized in the statement of profit and loss unless considered recoverable from the schemes of the Fund in accordance with the provisions of SEBI (Mutual Fund) Regulations, 1996.

(k) 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.

(l) Taxes on income

Income-tax expense comprises of current tax (i.e. amount of tax for the period determined in accordance with the income-tax law), and deferred tax charge or credit (reflecting the tax effect of timing differences between accounting income and taxable income for the period).

Current tax

Current tax is determined as the amount payable in respect of taxable income for the year. While computing the taxable income, due credit is taken for allowances and exemption in accordance with Indian 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.

Minimum Alternate Tax

In case the company is liable to pay income tax u/s 115 JB of the Income Tax Act, 1961, the amount of tax paid in excess of normal income tax is recognized as asset (MAT credit Entitlement) only if there is convincing evidence for realization of such asset during the specified period. MAT credit entitlement is reviewed at each Balance Sheet date.

Deferred tax

Deferred tax is recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are recognized only to the extent there is reasonable certainty that the asset can be realized in future. However, where there is an unabsorbed depreciation or a carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of the assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.

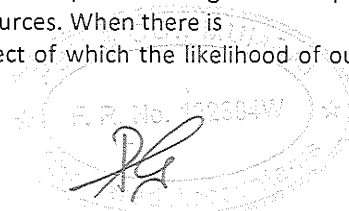
(m) Earnings per share

Basic earning per share is computed by dividing net profit or loss for the period 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 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.

(n) 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.



Note 21 : Taxation

In current year the company has recognised MAT credit entitlement of Rupees 13,23,37,985 /- and in previous year the company has utilised MAT credit entitlement of Rupees 15,309,376/- in accordance with the provisions of the Guidance Note on Accounting for Credit available in respect of Minimum Alternate Tax under the Income Tax Act 1961 issued by the Institute of Chartered Accountants of India.

Note 22 : Auditor's Remuneration :-

Particulars	April 1, 2016 to	April 1, 2015 to
	March 31, 2017	March 31, 2016
	Rupees	Rupees
As Auditors:		
Audit fees	1,03,054	83,500
Out of pocket expenses	-	-
Other matters	35,050	85,500
In any other capacity, in respect of:		
Other Certification		
Service Tax		
TOTAL	1,38,104	1,69,000

NOTE 23 : Provisions made for the period ended 31st March, 2017 comprises of:

In Rupees

Particulars	Opening balance as at 01-Apr-2016	Provided during the F.Y. 2016-17	Provision reversed/paid during the F.Y. 2016-17	Closing balance as at 31-Mar- 2017
Ex-gratia	6,22,45,057	6,83,45,907	4,00,79,149	9,05,11,815
Gratuity	64,80,672	52,92,359	21,40,212	96,32,819
Compensated Absences	3,40,358	4,19,800	3,40,358	4,19,800
Heritage	-	9,89,076	-	9,89,076

Provisions made for the period ended 31st March, 2016 comprises of:

In Rupees

Particulars	Opening balance as at 01-Apr-2015	Provided during the F.Y. 2015-16	Provision reversed/paid during the F.Y. 2015-16	Closing balance as at 31-Mar- 2016
Ex-gratia	4,44,42,740	6,22,45,057	4,44,42,740	6,22,45,057
Gratuity	43,15,883	31,36,378	9,71,589	64,80,672
Compensated Absences	3,25,944	3,40,358	3,25,944	3,40,358



Note 24 :

The lease rentals for premises for the current year Rs. 4,09,07,058/- (Previous year Rs.1,21,53,246/-) are recognized in the statement of profit and loss under the head " Rent ".

Note 25 : Segment Reporting

The Company's principle activity is to provide, investment management and administrative services to the Schemes of Motilal Oswal Mutual Fund (the Fund), portfolio management services and investment advisory services to offshore funds. In the opinion of management, the risks and rewards attached to all the above services are similar in nature. Hence separate segments under Accounting Standard 17 on "Segment Reporting", issued by the Institute of Chartered Accountants of India are not required to be reported as the Company's operations are restricted to single segment i.e. asset management services.

Note 26 : Earnings per share

The numerator and denominators used to calculate basic and diluted earnings per share are as under:

Basic Earnings per share

Particulars	April 1, 2016 to	April 1, 2015 to
	Rupees	Rupees
Profit / (Loss) attributable to equity shareholders (Rupees) [A]	49,75,54,231	26,43,13,425
Weighted average number of equity shares outstanding during the year (Face value of Rs 1 each) [B]	65,00,00,000	65,00,00,000
Basic Earnings per share (Rupees) [A] / [B]	0.77	0.41

Diluted Earnings per share

Profit / (Loss) attributable to equity shareholders (Rupees)	49,75,54,231	26,43,13,425
Less : Impact on Net profit due to exercise of diluted potential equity shares	-	-
Net Profit attributable to equity shareholders for calculation of Diluted EPS (Rupees) [A]	49,75,54,231	26,43,13,425
Weighted average number of equity shares outstanding during the year (Face value of Rs 10 each)	65,00,00,000	65,00,00,000
Weighted Number of additional equity shares outstanding for Diluted EPS	11,38,277	25,19,284
Weighted Number of equity shares outstanding for Diluted EPS [B]	65,11,38,277	65,25,19,284
Diluted Earnings per share (Rupees) [A] / [B]	0.76	0.41



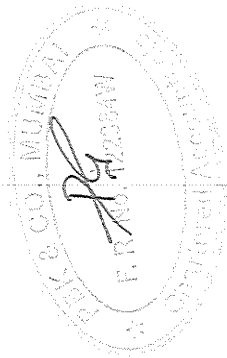
Note 27: Corporate Social Responsibility

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 Rs.26,66,491/- (Previous year Rs 10,60,000/-)
b) Amount spent during the period ended 31st March 2017 and 31st March 2016 on :

(Amount in Rs)

Particulars	April 1, 2016 to March 31, 2017		April 1, 2015 to March 31, 2016	
	Amount paid	Yet to be paid	Amount paid	Yet to be paid
Dilasa Sanstha (Drought Relief)	17,00,000	-	-	-
United Way Of Baroda (Education and Healthcare)	50,000	-	50,000	-
Gramin Vikas Vigyan Samiti	11,45,000	-	-	-
Sholka Missionaries (Setting Up And Running English Medium Schools For Underprivileged Children)		-	10,00,000	-
International Foundation For Research And Education (Construction Of Ashoka University)		-	10,60,000	-
Total	28,95,000	-	21,10,000	-



Note 28 : Disclosure relating to Employee Stock Option Purchase Plan

Details of Stock options

The company has two Stock option Schemes

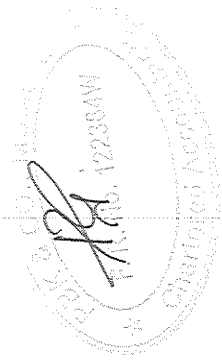
Motilal Oswal Asset Management Company Limited - Employees' Stock Option Scheme - I (ESOP - I)

The ESOP - I was approved by the Board of Directors at the allotment committee meeting on July 22, 2010 and by the members at the meeting held on July 21, 2010) and is for grant of 2,000,000 Equity shares of Rupees 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 the allotment committee meeting on June 26, 2014 for grant of 3,250,000 Equity shares of Rupees 10 each. The activity in the (ESOS-I) and ESOS (II) during the year ended March 2017 and March 2016 is set below:

	For the Year Ended			
	31-Mar-17		31-Mar-16	
	In Numbers	Weighted Average Exercise Price	In Numbers	Weighted Average Exercise Price
The MOAMC (ESOS-I) : (Face value of Rs. 10/- each)				
Option outstanding, beginning of the year	1,70,000	10.00	1,70,000	10.00
Add: Granted	16,50,000	133.97	-	NA
Less: Exercised	-	NA	-	NA
Less: Forfeited	55,000	10	-	NA
Less: Lapsed	65,000	10	-	NA
Option outstanding, end of the year	17,00,000	130.32	1,70,000	10.00
Exercisable at the end of the period	50,000	10	-	-
The MOAMC (ESOS-II) : (Face value of Rs. 10/- each)				
Option outstanding, beginning of the year	29,25,000	16.77	29,25,000	16.77
Add: Granted	2,00,000	133.97	-	NA
Less: Exercised	-	NA	-	NA
Less: Forfeited	-	NA	-	NA
Less: Lapsed	-	NA	-	NA
Option outstanding, end of the year	31,25,000	24.09	29,25,000	16.77
Exercisable at the end of the period	19,50,000	16.77	-	-



Employees' Stock Options Scheme (ESOS) :

During the year 18,50,000 Employee Stock Options (Previous Year Nil) have been granted to the employees of the company.

The Company has adopted intrinsic value method of accounting Employee Compensation Cost in respect of ESOS. The intrinsic value of shares is excess of market price of the shares under ESOS over the exercise price. Employee Compensation Cost is accounted for by amortizing the intrinsic value on the straight line basis over the vesting period. The total amount to be amortized as at March 31, 2017 over the balance vesting period is Rs. 34,64,998/- (Previous year- Nil)

Particulars	Scheme I	Scheme II
Date of grant	22-Jul-10	26-Jun-14
Date of Board Approval	21-Jul-10	21-Jul-11
Date of Shareholder's approval	22-Jul-10	21-Jul-11
Number of options granted	31,60,000	31,25,000
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
Weighted Average Remaining Contractual Life		
CY -Granted but not Vested	3.50 Years	2.20 Years
CY -Vested but not exercised	1.00 Year	1.00 Year
Weighted Average Remaining Contractual Life		
LY -Granted but not Vested	-	1.51 Years
LY -Vested but not exercised	1.50 Years	2.25 Years
Exercise Period	Within a period of 72 months from the date of vesting	Within a period of 84 months from the date of vesting
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	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	132.63	17.32

PRF & CO., INDIA
 Chartered Accountants
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Exercise Pricing Formula

Scheme I

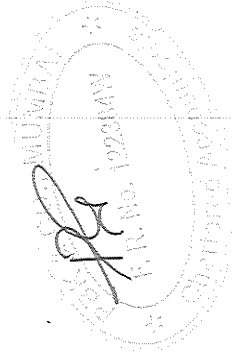
The Committee shall have the authority to determine the Exercise Price having regard to the valuation report of an independent practicing chartered accountant that may be based on such valuation method, as may be considered suitable by him, including but not restricted to the Net Asset Value Method, 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.

Scheme II

The Committee shall have the authority to determine the Exercise Price having regard to the valuation report of an independent practicing chartered accountant that may be based on such valuation method, as may be considered suitable by him, including but not restricted to the Net Asset Value Method, Discounted Cash Flow Method, Earnings Capitalisation Method, Dividend Yield Model, etc. and may also rely upon the future projections of the Company which would be prepared by the management from time to time having regard to the future potential and prospects of the Company. The Committee shall in its absolute discretion, have the authority to grant the Options at such discount as it may deem fit.

Other Information regarding Employee Share Based Payment Plan is as below

Particulars	2016-17	2015-16
Expense arising from employee share based payment plans	44,03,000	NIL
Expense arising from share and stock option plan	NIL	NIL
Total carrying amount at the end of the period	44,03,000	NIL



Note 29 : The following table set out the gratuity plan as required under AS 15.

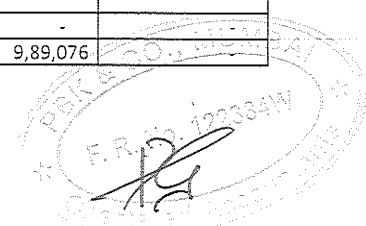
Employee Benefit Disclosure

The Company follows the Revised Accounting Standard 15 on Employee Benefits. Reconciliation of opening and closing balances of the present value of the defined benefit obligation for gratuity benefits is as under:

Gratuity			Other Long Term benefits	
I Assumptions as at	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16
Mortality	IALM (2006-08) Ult.	IALM (2006-08) Ult.	IALM (2006-08) Ult.	-
Interest / Discount Rate	6.96%	7.49%	6.69%	-
Rate of increase in compensation	13.00%	10.00%	-	-
Rate of return (expected) on plan assets	-	-	-	-
Employee Attrition Rate(Past Service (PS))	PS: 0 to 37 : 20.66%	PS: 0 to 37 : 18.6%	PS: 0 to 37 : 28% to 28.16%	-
Expected average remaining service	3.72	4.23	2.49 to 2.55	-
II Changes in present value of obligations (PVO)				
PVO at beginning of year	64,80,672	43,15,883	-	-
Interest cost	4,42,292	2,97,598	-	-
Current Service Cost	25,83,038	18,24,234	9,89,076	-
Past Service Cost- (non vested benefits)	-	-	-	-
Past Service Cost -(vested benefits)	-	-	-	-
Benefits Paid	(11,51,136)	(9,71,589)	-	-
Actuarial (Gain)/Loss on obligation	12,77,953	10,14,546	-	-
PVO at end of year	96,32,819	64,80,672	9,89,076	-
III Changes in fair value of plan assets				
Fair Value of Plan Assets at beginning of year	-	-	-	-
Expected Return ori Plan Assets	-	-	-	-
Contributions	11,51,136	9,71,589	-	-
Benefit Paid	(11,51,136)	(9,71,589)	-	-
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	11,51,136	9,71,589	-	-
Benefit Paid	(11,51,136)	(9,71,589)	-	-
Fair Value of Plan Assets at end of year	-	-	-	-
Funded Status (including unrecognised past service cost)	(96,32,819)	(64,80,672)	(9,89,076)	-
Excess of actual over estimated return on Plan Assets	-	-	-	-



V Experience History	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16
(Gain)/Loss on obligation due to change in Assumption	8,80,896	9,35,883	-	-
Experience (Gain)/ Loss on obligation	3,97,057	78,663	-	-
Actuarial Gain/(Loss) on plan assets	-	-	-	-
VI Actuarial Gain/(Loss) Recognized				
Actuarial Gain/(Loss) for the year (Obligation)	(12,77,953)	(10,14,546)	-	-
Actuarial Gain/(Loss) for the year (Plan Assets)	-	-	-	-
Total Gain/(Loss) for the year	(12,77,953)	(10,14,546)	-	-
Actuarial Gain/(Loss) recognized for the year	(12,77,953)	(10,14,546)	-	-
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	96,32,819	64,80,672	9,89,076	-
Fair Value of Plan Assets at end of year	-	-	-	-
Funded Status	(96,32,819)	(64,80,672)	(9,89,076)	-
Unrecognized Actuarial Gain/(Loss)	-	-	-	-
Unrecognised Past Service Cost- non vested benefits	-	-	-	-
Net Asset/(Liability) recognized in the balance sheet	(96,32,819)	(64,80,672)	(9,89,076)	-
IX Expense recognized in the statement of profit and loss				
Current Service Cost	25,83,038	18,24,234	9,89,076	-
Interest cost	4,42,292	2,97,598	-	-
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	12,77,953	10,14,546	-	-
Expense recognized in the statement of profit and loss	43,03,283	31,36,378	9,89,076	-
X Movements in the Liability recognized in Balance Sheet				
Opening Net Liability	64,80,672	43,15,883	-	-
Expenses as above	43,03,283	31,36,378	9,89,076	-
Contribution paid	(11,51,136)	(9,71,589)	-	-
Closing Net Liability	96,32,819	64,80,672	9,89,076	-
XI Revised schedule VI				
Current liability	13,83,513	8,91,125	-	-
Non-current liability	82,49,306	55,89,547	9,89,076	-



Note 30 : Transactions in foreign currency

(i) Revenue in foreign currency :

Particulars	April 1, 2016 to March 31, 2017	April 1, 2015 to March 31, 2016
	Rupees	Rupees
Investment Management fees	21,68,360	4,53,780

(ii) Expenditure in foreign currency :

Particulars	April 1, 2016 to March 31, 2017	April 1, 2015 to March 31, 2016
	Rupees	Rupees
Travel and conveyance	37,38,413	23,45,000
Meeting, Event & Seminar Expenses	2,48,913	-
Sponsorship Expenses	6,71,900	-
Entertainment	-	63,608
Software Charges	4,79,357	-
Legal and professional fees	29,77,927	16,47,015
Total	81,16,510	40,55,623

Note 31 : Related party transactions

(i) Relationships during the year

Holding Company

- Motilal Oswal Securities Limited

Holding Company of Motilal Oswal Securities Limited

- Motilal Oswal Financial Services Limited

Ultimate Holding Company

- Passionate Investment Management Private Limited

Subsidiaries

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

Fellow subsidiaries

- Motilal Oswal Capital Markets Private Limited
- Motilal Oswal Trustee Company Limited
- 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 Capital Market (Hongkong) Private Limited
- Motilal Oswal Capital Markets (Singapore) Pte. Limited
- Aspire Home Finance Corporation Limited
- Motilal Oswal Real Estate Investment Advisors Private Limited
- Motilal Oswal Real Estate Investment Advisors II Private Limited
- India Business Excellence Management Company
- Nagori Agro & Cattle Feeds Private Limited

Key management personnel

- Raamdeo Agrawal – Director
- Aashish Somaiyaa – Managing Director

Relative of Key management personnel

- Suneeta Agrawal (Wife of Raamdeo Agrawal)
- Vaibhav Agrawal (Son of Raamdeo Agrawal)

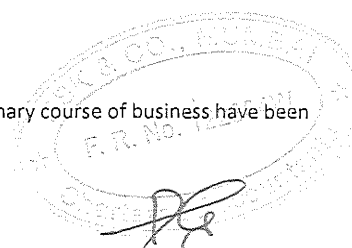
Enterprises in which key management personnel and their relatives exercise significant Influence

- Motilal Oswal Foundation

Enterprises in which key management personnel have control

- OSAG Enterprises LLP
- VISU Associates - Partnership Firm (Dissolved from 31st March, 2017)

(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.



Annexure I
Transactions with related parties for the year ended March 31, 2017 :

Transaction	Name of the related Party	Holding Company / Subsidiary company (A)		Key Managerial Personnel / Relative of	Total (A+B)	
		For the Year Ended March 31, 2017	For the Year Ended March 31, 2016		For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Interest Paid	Motilal Oswal Financial Services Limited	1,16,336	42,92,048	-	1,16,336	42,92,048
Rent Paid	Motilal Oswal Financial Services Limited	3,13,63,010	1,21,33,032	-	3,13,63,010	1,21,33,032
Brokerage on distribution of mutual fund	Motilal Oswal Securities Limited	90,12,150	-	-	90,12,150	-
Brokerage on distribution of portfolio management services	Motilal Oswal Securities Limited	5,33,53,564	3,05,01,891	-	5,33,53,564	3,05,01,891
Business Support Charges	Motilal Oswal Securities Limited	30,86,97,554	21,62,40,486	-	30,86,97,554	21,62,40,486
Brokerage on distribution of portfolio management services	Motilal Oswal Securities Limited	1,45,82,830	4,54,555	-	1,45,82,830	4,54,555
Brokerage on distribution of mutual fund	Motilal Oswal Wealth Management Private Limited	26,75,64,361	14,29,57,399	-	26,75,64,361	14,29,57,399
Set up fees Exps AIF	Motilal Oswal Wealth Management Private Limited	2,94,61,738	1,90,68,163	-	2,94,61,738	1,90,68,163
Distribution Cost AIF 2	Motilal Oswal Securities Limited	1,53,00,000	-	-	1,53,00,000	-
Marketing Commission	Motilal Oswal Wealth Management Private Limited	1,06,35,000	-	-	1,06,35,000	-
Investment Advisory fees (Received) / Paid	Motilal Oswal Wealth Management Private Limited	2,37,136	-	-	2,37,136	-
Rent Deposit Paid	Motilal Oswal Wealth Management Private Limited	1,97,157	-	-	1,97,157	-
Portfolio management services fee	Motilal Oswal Wealth Management Private Limited	43,96,663	15,45,863	-	43,96,663	15,45,863
Reimbursement of TDS	Motilal Oswal Wealth Management Private Limited	(10,97,758)	-	-	(10,97,758)	-
Reimbursement of Electricity Charges	Motilal Oswal Asset Management (Mauritius) Pvt. Ltd	(21,45,160)	(26,31,935)	-	(21,45,160)	(26,31,935)
Reimbursement of Common Cost	Motilal Oswal Financial Services Limited	(2,20,83,940)	60,66,510	-	(2,20,83,940)	60,66,510
Managerial remuneration	Raamdeo Agarwal	-	-	38,365	38,365	37,540
Subscription to Equity Share Capital	Suneeta Agarwal	-	-	15,70,032	15,70,032	13,10,209
Loans taken during the year	Motilal Oswal Commodities Broker Pvt Ltd	5,23,627	12,24,982	-	5,23,627	12,24,982
Loans taken (repaid) during the year	Motilal Oswal Financial Services Limited	47,73,875	-	-	47,73,875	-
Loans taken (Maximum balance)	Motilal Oswal Financial Services Limited	2,32,939	12,22,657	-	2,32,939	12,22,657
Outstanding Balances:	Motilal Oswal Financial Services Limited	32,61,727	-	-	32,61,727	-
Loans	Aashish Somaiyaa	-	-	2,36,82,176	2,36,82,176	1,63,00,000
Deposits	Motilal Oswal Capital Limited	10,00,000	-	-	10,00,000	-
Trade Receivables	Motilal Oswal Asset Management (Mauritius) Pvt. Ltd	1,32,90,750	-	-	1,32,90,750	-
Trade Payables	Motilal Oswal Financial Services Limited	(34,50,00,000)	70,11,61,172	-	(34,50,00,000)	70,11,61,172
Other Receivables	Motilal Oswal Financial Services Limited	34,50,00,000	(74,18,53,190)	-	34,50,00,000	(74,18,53,190)
Other Payables	Motilal Oswal Financial Services Limited	(9,00,00,000)	22,27,06,946	-	(9,00,00,000)	22,27,06,946
Prepaid Expenses	Motilal Oswal Foundation (Trust)	17,00,000	10,60,000	-	17,00,000	10,60,000
Outstanding Balances:	Motilal Oswal Financial Services Limited	-	-	-	-	-
Loans	Motilal Oswal Financial Services Limited	2,20,83,940	-	-	2,20,83,940	-
Deposits	Motilal Oswal Securities Limited	90,12,150	-	-	90,12,150	-
Trade Receivables	Motilal Oswal Wealth Management Private Limited	10,97,758	4,97,362	-	10,97,758	4,97,362
Trade Payables	Motilal Oswal Asset Management (Mauritius) Pvt. Ltd	(8,54,30,749)	(1,83,24,390)	-	(8,54,30,749)	(1,83,24,390)
Other Receivables	Motilal Oswal Financial Services Limited	(9,00,46,735)	(1,49,10,853)	-	(9,00,46,735)	(1,49,10,853)
Other Payables	Motilal Oswal Capital Limited	98,200	-	-	98,200	-
Prepaid Expenses	Motilal Oswal Financial Services Limited	(13,253)	(7,19,826)	-	(13,253)	(7,19,826)
Prepaid Expenses	Motilal Oswal Securities Limited	(38,26,358)	-	-	(38,26,358)	-
Prepaid Expenses	Motilal Oswal Securities Limited	10,13,33,944	4,14,60,551	-	10,13,33,944	4,14,60,551
Prepaid Expenses	Motilal Oswal Wealth Management Private Limited	6,17,37,127	2,38,20,067	-	6,17,37,127	2,38,20,067

Note: Income/receipts figures are shown in brackets.

Signature and Stamp of the Authorizing Officer.

Note 32 :

The Company has acquired 100% shares in Motilal Oswal Capital Limited which becomes Wholly Owned Subsidiary of the company in current Financial Year.

Note 33 :

Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for is Rupees 15,34,337/- (Previous Year: Rupees 29,02,955).

Note 34 :

On 22nd February, 2017 the company has further invested Rs. 26,80,000/- and on 21st March,2017 the company has further invested Rs. 26,12,000/- in its 100% subsidiary Motilal Oswal Asset Management (Mauritius) Private Limited.

Note 35 :

On 18th November, 2016 the company has invested Rs. 10,00,000/- in its 100% subsidiary Motilal Oswal Capital Limited.

Note 36 :

The Chief Financial Officer of the company Sameer Kamath has Resigned w.e.f 24th April,2017. The Company is in process of appointing new CFO. Hence at present there is no signatory to sign financilas in place of CFO.

Note 37 :


Previous year figures have been regrouped/rearranged where necessary to confirm to year's classification.

As per our attached report of even date

For P B K & Co.

Chartered Accountants

Firm Registration No. 122384W


Premal H. Gandhi
Partner
M.No. : 111592

Place: Mumbai

Date: 24th April, 2017

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

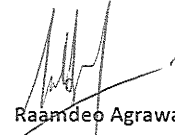


Aashish Somaiyaa
Managing Director
Din No : 06705119


Aparna Karmase
Company Secretary

Place: Mumbai

Date: 24th April, 2017



Raamdeo Agrawal
Director
Din No: 0024533