

Motilal Oswal Financial Services Limited

CIN: L67190MH2005PLC153397

Regd. Off.: Motilal Oswal Tower,
Rahimtullah Sayani Road,

Opp. Parel ST Depot,
Prabhadevi, Mumbai – 400025

Board: +91 22 7193 4200 / 4263

Fax: +91 22 5036 2365

May 19, 2023

To,

BSE Limited

P. J. Towers,
Dalal Street, Fort,
Mumbai - 400001

Security Code: 532892

National Stock Exchange of India Limited

Exchange Plaza, Plot No. C/1, G Block,
Bandra-Kurla Complex, Bandra (E),
Mumbai - 400051

Symbol: MOTILALOF5

Sub.: Annual Secretarial Compliance Report for the year ended March 31, 2023

Dear Sir/ Madam,

Pursuant to the provisions of Regulation 24(A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (as amended from time to time) read with circular no. CIR/CFD/CMD1/27/2019, please find enclosed herewith Annual Secretarial Compliance Report issued by M/s. U. Hegde & Associates, Practicing Company Secretary, for the year ended March 31, 2023.

Kindly take the same on record.

Thanking you,

Yours faithfully,

For Motilal Oswal Financial Services Limited

Kailash Purohit

Company Secretary & Compliance Officer

Encl.: As above

U. HEGDE & ASSOCIATES

COMPANY SECRETARIES

SECRETARIAL COMPLIANCE REPORT OF MOTILAL OSWAL FINANCIAL SERVICES LIMITED (CIN: L67190MH2005PLC153397) FOR THE YEAR ENDED MARCH 31, 2023

I have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **Motilal Oswal Financial Services Limited** (hereinafter referred to as "the Company") having its registered office at Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai 400 025. Secretarial Review was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon. Based on our verification of the Company's books, papers, minutes books, forms & returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents & authorized representatives during the conduct of Secretarial Review, I hereby report that in my opinion, the Company has, during the review period covering the financial year ended on March 31, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes & compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined:

- (a) all the documents & records made available to me and explanation provided by the Company,
- (b) the filings/ submissions made by the Company to the stock exchanges,
- (c) website of the Company and
- (d) any other document/ filing, as may be relevant which has been relied upon to make this certification

for the year ended March 31, 2023 ("Review Period") in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, Circulars, Guidelines issued thereunder and
- (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA") & the Rules made thereunder and the Regulations, Circulars, Guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI").

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:

- (a) the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018; (*Not Applicable during the review period*)
- (c) the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) the SEBI (Buyback of Securities) Regulations, 2018;

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- (e) the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (f) the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- (g) the SEBI (Prohibition of Insider Trading) Regulations, 2015;
- (h) the SEBI (Stock Brokers) Regulations, 1992;
- (i) the SEBI (Intermediaries) Regulations, 2008;
- (j) the SEBI (Depositories and Participants) Regulations, 2018;
- (k) the SEBI (Research Analyst) Regulations, 2014;
- (l) the SEBI (Investment Advisers) Regulations, 2013;
- (m) the SEBI (Alternative Investment Fund) Regulations, 2012 (to the extent applicable);
- (n) the SEBI (Portfolio Managers) Regulations, 2020;
- (o) Circulars/ Guidelines issued thereunder;

and based on the above examination, I hereby report that, during the Review Period:

Sr. No.	Particulars	Compliance Status (Yes/ No/ N.A.)	Observations/ Remarks by PCS
1	Secretarial Standards: The compliances of the Company are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI) notified by the Central Government under Section 118(10) of the Companies Act, 2013 and mandatorily applicable.	Yes	-
2	Adoption and timely updation of the Policies: <ul style="list-style-type: none"> • All applicable policies under the SEBI Regulations are adopted with the approval of the Board of Directors of the Company and • All the policies are in conformity with the SEBI Regulations and have been reviewed & updated on time, as per the Regulations/ Circulars/ Guidelines issued by the SEBI. 	Yes	-
3	Maintenance and disclosures on Website: <ul style="list-style-type: none"> • The Company is maintaining a functional website; • Timely dissemination of the documents/ information under a separate section on the website and • Web-links provided in the annual corporate governance reports 	Yes	-



	under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/ section of the website.		
4	Disqualification of Director: None of the Director of the Company are disqualified under Section 164 of the Companies Act, 2013.	Yes	-
5	To examine details related to Subsidiaries of listed entities: a. Identification of material subsidiary companies and b. Requirements with respect to disclosure of material as well as other subsidiaries.	Yes Yes	-
6	Preservation of Documents: The Company is preserving and maintaining records as prescribed under the SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under the SEBI LODR Regulations, 2015.	Yes	-
7	Performance Evaluation: The Company has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/ during the financial year as prescribed in the SEBI Regulations.	Yes	-
8	Related Party Transactions: a. The Company has obtained prior approval of the Audit Committee for all Related Party Transactions and b. The Company has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ ratified/ rejected by the Audit Committee, in case no prior approval has been obtained.	Yes Yes	-
9	Disclosure of events or information: The Company has provided all the required disclosure(s) under Regulation 30 along with Schedule III of the SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	-



10	<p>Prohibition of Insider Trading: The Company is in compliance with Regulation 3(5) & 3(6) of the SEBI (Prohibition of Insider Trading) Regulations, 2015.</p>	Yes	-
11	<p>Actions taken by the SEBI or Stock Exchange(s), if any: No action(s) has been taken against the Company/ its Promoters/ Directors/ Subsidiaries either by the SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by the SEBI through various circulars) under the SEBI Regulations and Circulars/ Guidelines issued thereunder except as provided under separate paragraph herein.</p>	Yes ✓	<p>The SEBI along with Exchanges and Depositories had conducted joint inspection of the Company's trading and demat business i.e. Annual Audit conducted at every broker by the SEBI in routine practices. Inspection period was April 2018 to August, 2019.</p> <p>During the inspection which the SEBI had made certain observations which were technical and operational in nature and had issued a show cause notice vide letter no: SEBI/EAD-3/BM/LD/31186/2021 dated November 01, 2021 against the Company with respect to their observations.</p> <p>Following that, on December 28, 2021, the Company has filed its reply to the SEBI. Accordingly, the SEBI vide its adjudication order No. ORDER/BM/LD/2022-23/16301 dated April 29, 2022 have imposed the penalty</p>



			<p>of Rs. 25 lakhs and the Company has paid the said penalty on May 23, 2022.</p> <p>I have been informed that there is no impact of the SEBI Adjudication Order on the operations of the Company and that the aforesaid SEBI adjudication order is with respect to routine and operating matter of the Company and there is no material impact on the revenue/ fundamentals.</p>
12	Additional Non-compliances, if any: No any additional non-compliance observed for all the SEBI Regulations/ Circulars/ Guidance Notes etc.	N.A	During the period under review there were no instances of non-compliance observed for applicable the SEBI Regulations/ Circulars/ Guidance Notes etc.

Compliances related to resignation of the Statutory Auditors from listed entities and their material subsidiaries as per the SEBI Circular CIR/CFD/CMD1/114/2019 dated October 18, 2019:

Sr. No.	Particulars	Compliance Status (Yes/ No/ N.A.)	Observations/ Remarks by PCS*
1	Compliances with the following conditions while appointing/ re-appointing an Auditor		
	i. If the Auditor has resigned within 45 days from the end of a quarter of a financial year, the Auditor before such resignation, has issued the limited review/ audit report for such quarter; or	N.A.	During the period under review, there were no incidence of resignation by the Statutory Auditors of the Company.
	ii. If the Auditor has resigned after 45 days from the end of a quarter of a financial year, the Auditor before such resignation, has issued the	N.A.	



	<p>limited review/ audit report for such quarter as well as the next quarter; or</p> <p>iii. If the Auditor has signed the limited review/ audit report for the first three quarters of a financial year, the Auditor before such resignation has issued the limited review/ audit report for the last quarter of such financial year as well as the audit report for such financial year.</p>	<p>N.A.</p>	
<p>2</p>	<p>Other conditions relating to resignation of the Statutory Auditors</p>		
	<p>i. Reporting of concerns by the Auditor with respect to the Company/ its material subsidiary to the Audit Committee:</p> <p>a. In case of any concern with the management of the Company/ material subsidiary such as non-availability of information/ non-cooperation by the management which has hampered the audit process, the Auditor has approached the Chairman of the Audit Committee of the Company and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings.</p> <p>b. In case the Auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents has been brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non-receipt of information/ explanation from the Company, the Auditor has informed the Audit Committee the details of information/ explanation</p>	<p>N.A.</p> <p>N.A.</p>	<p>During the period under review there were no incidence of resignation by the Statutory Auditors of the Company.</p>



	<p>sought and not provided by the management, as applicable.</p> <p>c. The Audit Committee/ Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the Auditor relating to the proposal to resign as mentioned above and communicate its views to the management and the Auditor.</p> <p>ii. Disclaimer in case of non-receipt of information: The Auditor has provided an appropriate disclaimer in its audit report, which is in accordance with the Standards of Auditing as specified by the ICAI/ NFRA, in case where the Company/ its material subsidiary has not provided information as required by the Auditor.</p>	N.A.	
3	<p>The Company / its material subsidiary has obtained information from the Auditor upon resignation, in the format as specified in Annexure- A in SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019.</p>	N.A.	<p>During the period under review there were no incidences of resignation by the Statutory Auditors of the Company.</p>

The Company has complied with the points 6(A) & 6(B) as mentioned in the SEBI Circular No. CIR/CFD/CMD1/114/2019 dated October 18, 2019 and it has incorporated all the terms & conditions in the respective appointment letter/ supplemental letter issued to the Statutory Auditors.

(a) The Company has complied with the provisions of the above Regulations and Circulars/ Guidelines issued thereunder, except in respect of matters specified below:-

Sr. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Regulation / Circular No.	Deviations	Action Taken by	Type of Actions	Details of Violation	Fine Amount	Observations/ Remarks of PCS	Management Response	Remarks
Not Applicable										



(b) The Company has taken the following actions to comply with the observations made in previous reports:-

Sr. No.	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Regulation/ Circular No	Deviations	Action Taken by	Type of Actions	Details of Violation	Fine Amount	Observations/ Remarks of PCS	Management Response	Remarks
Not Applicable										

Assumptions & Limitation of scope and Review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the Company.
2. My responsibility is to certify based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. I have not verified the correctness and appropriateness of financial Records and Books of Accounts of the Company.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For U. Hegde & Associates,
Company Secretaries



Umashankar K Hegde
(Proprietor)
COP No. - 11161
M. No. - A22133



ICSI Unique Code:
Peer Review Certificate No - 1263/2021

UDIN: -A022133E000212037

Date: 27/04/2023
Place: Mumbai