

19th October, 2010

National Stock Exchange of India Limited,
'Exchange Plaza', G – Block,
Bandra Kurla Complex,
Bandra (East),
Mumbai-400 051.

Dear Sir,

Ref.: MOTILALOFS

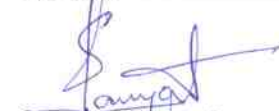
Sub.: Unaudited Financial Results as per Clause 41 of the Listing Agreement

Please find attached the Unaudited Financial Results and statement of Assets & Liabilities (Standalone & Consolidated) of the Company for the Second quarter and half ending 30th September, 2010 along with the Segment wise Results as per Clause 41 of the Listing Agreement duly approved by the Board of Directors at its Meeting dated 20th October, 2010.

Thanking you,

Yours faithfully,

For **Motilal Oswal Financial Services Limited**



Samrat Sanyal

Company Secretary & Compliance Officer

Encl: as above

MOTILAL OSWAL FINANCIAL SERVICES LTD

Registered Office: Palm Spring Centre, Palm Court Complex, 2nd Floor, Link Road, Malad (W), Mumbai - 400 064

Tel: +91-22-30801000, Fax: +91-22-28449044 Email: investors@motilaloswal.com

CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER & HALF YEAR ENDED 30TH SEPTEMBER 2010

(Rs in Lakhs)

Particulars	Quarter Ended		Half Year Ended		Year Ended
	30.09.2010	30.09.2009	30.09.2010	30.09.2009	31.03.2010
1. (a) Income from Operations	15,103	15,854	29,345	30,139	60,731
(b) Other Operating Income	346	479	716	944	1,777
Total	15,449	16,333	30,061	31,083	62,508
2. Expenditure					
a. Operating Cost	3,878	4,226	7,230	8,398	16,296
b. Employees cost	3,918	3,596	7,805	6,782	13,666
c. Depreciation	341	352	651	688	1,419
d. Other expenditure	2,431	1,688	4,199	3,208	6,872
e. Total	10,568	9,862	19,885	19,076	38,253
3. Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	4,881	6,471	10,176	12,007	24,255
4. Other Income	314	790	842	961	2,024
5. Profit before Interest & Exceptional Items (3+4)	5,195	7,261	11,018	12,968	26,279
6. Interest	119	324	271	574	962
7. Profit after Interest but before Exceptional Items (5-6)	5,076	6,937	10,747	12,394	25,317
8. Exceptional Items - Expense/(Income)	-	(25)	-	166	(6)
9. Profit / (Loss) from Ordinary Activities before tax (7-8)	5,076	6,962	10,747	12,228	25,323
10. Tax expense	1,645	2,094	3,493	3,916	7,881
11. Net Profit / (Loss) from Ordinary Activities after tax but before minority interests (9-10)	3,431	4,868	7,254	8,312	17,442
12. Share of minority interests in (profits)/ loss	(120)	(122)	(188)	(168)	(397)
13. Net Profit from Ordinary Activities after tax and Minority Interests (11-12)	3,311	4,746	7,066	8,144	17,045
14. Paid-up equity share capital (Face Value of Re. 1/- Per Share)	1,443	1,431	1,443	1,431	1,432
15. Reserves excluding Revaluation Reserves					93,161
16. Earnings Per Share (EPS)					
a) Basic EPS	2.30	3.33	4.92	5.72	11.91
b) Diluted EPS	2.30	3.33	4.92	5.72	11.90
17. Dividend Per Share (Face Value Re. 1 each)					1.20
18. Public shareholding					
- Number of shares	44,364,636	43,117,637	44,364,636	43,117,637	43,268,016
- Percentage of shareholding	30.75%	30.14%	30.75%	30.14%	30.22%
19. Promoters and promoter group Shareholding					
a) Pledged/Encumbered					
- Number of shares	8,500,000	17,585,000	8,500,000	17,585,000	8,500,000
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	8.51%	17.60%	8.51%	17.60%	8.51%
- Percentage of shares (as a % of the total share capital of the company)	5.89%	12.29%	5.89%	12.29%	5.94%
b) Non-encumbered					
- Number of shares	91,390,193	82,349,704	91,390,193	82,349,704	91,404,200
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	91.49%	82.40%	91.49%	82.40%	91.49%
- Percentage of shares (as a % of the total share capital of the company)	63.36%	57.57%	63.36%	57.57%	63.84%

Notes: -

1) The above results were reviewed by the Audit Committee and taken on record by the Board of Directors of the Company at its Meeting held on Wednesday, 20th October, 2010. The results for the quarter and half year ended 30th September, 2010 have been reviewed by the Statutory Auditors of the Company in accordance with the Standard on Review Engagement (SRE) 2400, Engagements to Review Financial Statements issued by the Institute of Chartered Accountants of India.

2) The consolidated results of the Company include the results of the subsidiaries – Motilal Oswal Securities Limited (99.95%), Motilal Oswal Investment Advisors Private Limited (87.50%), Motilal Oswal Private Equity Advisors Private Limited (85%), Motilal Oswal Commodities Broker Private Limited (97.55%), Motilal Oswal Capital Markets Private Limited (99.95%), Antop Traders Private Limited (99.95%), Motilal Oswal Insurance Brokers Private Limited (99%), Motilal Oswal Asset Management Company Limited (99.95%) and Motilal Oswal Trustee Company Limited (99.95%)

3) During the current quarter 'ESOP Committee' of the Board of Directors of the Company at its meeting held on 27th September, 2010 has allotted 35,750 Equity Shares of the face value of Re. 1 each fully paid-up to the Employees on exercise of the Stock Options granted in accordance with the provisions of the 'Motilal Oswal Financial Services Limited - Employees' Stock Option Scheme - III.

4) Pursuant to the approval of the members obtained at the 5th Annual General Meeting of the Company held on 24th July, 2010, a Committee of the Board of Directors of the Company at its Meeting held on 11th August, 2010, has allotted 9,84,463 equity shares of the face value of Re.1 each at the rate of Rs. 167.93 per share to certain employees of Motilal Oswal Investment Advisors Private Limited (MOIAPL), a subsidiary of the Company, in discharge of the purchase consideration for acquisition of 62,500 equity shares of Rs. 10 each of MOIAPL acquired by the Company from them.

5) In respect of the arbitrage open positions as on 30th September 2010, in accordance with the accounting policy followed by the company on the grounds of prudence as prescribed under Accounting standard -1, the company has not recognized mark-to-market net profit (after tax) of Rs 473 lacs and Rs 509 lacs for the quarter and half-year ended 30th September 2010 respectively.

6) During the quarter ended 30th September 2010, Motilal Oswal Mutual Fund launched its first Mutual Fund scheme – "Motilal Oswal MOST Shares M50", an open ended Exchange Traded Fund and the NFO collected Rs 235.77 crores. The NFO expenses charged to Motilal Oswal Asset Management Company Limited, a subsidiary of the company is Rs 298.87 lacs (after tax).

7. The previous financial quarter /half-year/year figures have been regrouped/rearranged wherever necessary to make them comparable.

8. Standalone financial results are summarised below and also available on the Company's website: www.motilaloswal.com.

Particulars	Quarter Ended		Half Year Ended		Year Ended
	30.09.2010	30.09.2009	30.09.2010	30.09.2009	31.03.2010
Gross Revenue	895	2,297	3,528	3,703	6,426
Profit Before Tax	727	2,061	3,224	3,312	5,729
Profit After Tax	521	1,739	2,648	2,584	4,238

9) Information on investor complaints pursuant to Clause 41 of the Listing Agreement for the quarter ended 30th September, 2010

	Opening balance	Additions	Disposal	Closing balance
Number of complaints	NIL	4	4	NIL

10) CONSOLIDATED UNAUDITED SEGMENT RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER 2010

Particulars	Quarter Ended		Half Year Ended		(Rs in Lakhs) Year Ended
	30.09.2010	30.09.2009	30.09.2010	30.09.2009	31.03.2010
1. Segment Revenue					
(a) Equity Broking & Other related activities	12,648	13,296	25,278	25,528	50,130
(b) Financing & Other activities	895	1,460	2,187	2,867	5,590
(c) Investment Banking	1,723	1,523	3,016	2,486	8,503
(d) Unallocated	944	992	1,585	1,501	3,797
Total	16,210	17,271	32,067	32,380	66,020
Less: Inter Segment Revenue	447	148	1,164	336	1,487
Income From Operations, Other Operating Income & Other Income	15,763	17,124	30,903	32,044	64,533
2. Segment Results Profit / (Loss) before tax and interest from Each segment)					
(a) Equity Broking & Other related activities	3,785	4,371	8,006	8,292	18,450
(b) Financing & Other activities	727	1,224	1,882	2,475	4,895
(c) Investment Banking	996	978	1,397	1,335	3,217
(d) Unallocated	(292)	543	(232)	662	1,472
Total	5,216	7,116	11,053	12,764	26,034
Less: Interest	140	179	307	370	717
Profit/(Loss) from Ordinary Activities before Exceptional Items & Tax	5,076	6,937	10,747	12,394	25,317
3. Capital Employed					
(Segment assets - Segment Liabilities)					
(a) Equity Broking & Other related activities	50,332	32,228	50,332	32,228	47,879
(b) Financing & Other activities	51,997	47,623	51,997	47,623	49,417
(c) Investment Banking	979	1,889	979	1,889	799
(d) Unallocated	(937)	6,974	(937)	6,974	(3,087)
Total	102,371	88,714	102,371	88,714	95,008

Notes:

1. The above Segment information is presented on the basis of the unaudited consolidated financial statements. The company's operations predominantly relate to equity broking and other related activities, financing and other activities, investment banking, commodities broking & venture capital advisory. In accordance with Accounting Standard -17 on segment reporting and Company (Accounting Standards) Rules, 2006, the Company has equity broking and other related activities, financing and other activities & investment banking as reportable segments. The balance is shown as unallocated items.

2. The previous financial quarter /half-year/year figures have been regrouped/rearranged wherever necessary to make them comparable.

11) STATEMENT OF ASSETS & LIABILITIES (CONSOLIDATED)

Particulars	Half year ended Unaudited	
	30.09.2010	30.09.2009
1. Shareholder's Fund		
a) Share Capital	1,443	1,431
b) ESOP outstanding	4	4
c) Share Application Money	-	2
d) Reserves & Surplus	100,463	86,240
	101,910	87,677
2. Loan Fund		
a) Secured Loan	2,097	2,501
b) Unsecured Loan	9,396	13,502
	11,493	16,003
3. Minority Interest	461	1,038
TOTAL	113,863	104,717
4. Fixed Assets	26,290	23,565
5. Investments	6,134	4,938
6. Deferred Tax Assets (Net)	482	299
7. Current Assets, Loans & Advances		
a) Inventories	26,754	44,350
b) Sundry Debtors	34,321	49,636
c) Cash & Bank balances	35,155	31,197
d) Loans & Advances	67,321	50,677
e) Other current Assets	591	781
	164,143	176,642
8. Less: Current Liabilities & Provisions		
a) Current Liabilities	58,611	79,269
b) Provisions	24,574	21,457
	83,185	100,726
Net Current Assets	80,958	75,915
TOTAL	113,863	104,717

On behalf of the Board of Directors
Motilal Oswal Financial Services Limited



Motilal Oswal
Chairman & Managing Director

MOTILAL OSWAL FINANCIAL SERVICES LTD

Registered Office: Palm Spring Centre, 2nd Floor, Palm Court Complex, Link Road, Malad (W), Mumbai - 400 064
Tel: +91-22-30801000, Fax: +91-22-28449044

email:investors@motilaloswal.com

Website: www.motilaloswal.com

STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER 10

Particulars	Quarter Ended		Half Year Ended		(Rs. in Lacs) Year Ended
	30.9.2010	30.9.2009	30.09.2010	30.09.2009	31.03.2010
1 a. Income from Operations	851	1,197	2,094	2,545	5,109
b. Other Operating Income	26	1	27	2	4
Total	877	1,198	2,121	2,547	5,113
2. Expenditure					
a. Operating Cost	66	1	67	3	8
b. Employees cost	36	37	74	67	153
c. Depreciation	0	0	0	0	0
d. Marketing & brand promotion	54	27	112	40	127
e. Other expenditure	10	18	51	48	122
Total	166	83	304	158	411
3. Profit from Operations before other income, interest and exceptional items (1-2)	711	1,115	1,818	2,389	4,702
4. Other Income	18	1,099	1,407	1,156	1,312
5. Profit before interest and exceptional items (3+4)	729	2,214	3,225	3,545	6,014
6. Interest	1	153	1	233	285
7. Profit after interest but before exceptional items (5-6)	728	2,061	3,224	3,312	5,729
8. Exceptional items	-	-	-	-	-
9. Profit/Loss from ordinary activities before tax (7+8)	728	2,061	3,224	3,312	5,729
10. Tax expense	207	322	576	728	1,491
11. Net profit/loss from ordinary activities after tax (9-10)	521	1,739	2,648	2,584	4,238
12. Extraordinary item (net of tax expense Rs.)	-	-	-	-	-
13. Net profit/loss for the period (11-12)	521	1,739	2,648	2,584	4,238
14. Paid-up equity share capital (Face Value of Rs 1/- Per share)	1,443	1,431	1,443	1,431	1,432
15. Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year					45,911
16. Earnings Per Share (EPS)					
a) Basic EPS	0.36	1.22	1.85	1.82	2.97
b) Diluted EPS	0.36	1.22	1.84	1.81	2.97
17. Proposed Dividend Per Share (Face Value Rs. 1 each)	-	-	-	-	1.20
18. Public shareholding					
Number of shares	44,364,636	43,117,637	44,364,636	43,117,637	43,268,016
Percentage of shareholding	30.75%	30.14%	30.75%	30.14%	30.22%
19. Promoters and promoter group Shareholding					
a) Pledged/Encumbered					
- Number of shares	8,500,000	17,585,000	8,500,000	17,585,000	8,500,000
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	8.51%	17.60%	8.51%	17.60%	8.51%
- Percentage of shares (as a % of the total share capital of the company)	5.89%	12.29%	5.89%	12.29%	5.94%
b) Non-encumbered					
- Number of shares	91,390,193	82,349,704	91,390,193	82,349,704	91,404,200
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	91.49%	82.40%	91.49%	82.40%	91.49%
- Percentage of shares (as a % of the total share capital of the company)	63.36%	57.57%	63.36%	57.57%	63.84%

Notes :-

1) The above results were reviewed by the Audit Committee and taken on record by the Board of Directors of the Company at its Meeting held on Wednesday, 20th October, 2010. The results for the quarter and half year ended 30th September, 2010 have been reviewed by the Statutory Auditors of the Company in accordance with the Standard on Review Engagement (SRE) 2400, Engagements to Review Financial Statements issued by the Institute of Chartered Accountants of India.

2) The Company is engaged in single segment as defined in AS-17, hence segment reporting is not applicable to the Company.

3) Pursuant to the approval of the members obtained at the 5th Annual General Meeting of the Company held on 24th July, 2010, a Committee of the Board of Directors of the Company at its Meeting held on 11th August, 2010, has allotted 9,84,463 equity shares of the face value of Re.1 each at the rate of Rs. 167.93 per share to certain employees of Motilal Oswal Investment Advisors Private Limited (MOIAPL), a subsidiary of the Company, in discharge of the purchase consideration for acquisition of 62,500 equity shares of Rs. 10 each of MOIAPL acquired by the Company from them.

4) Other income during the half year ended 30.09.2010 includes dividend amount of Rs. 1,340.62 lacs received from subsidiary Company Motilal Oswal Investment Advisors (P) Ltd.

5) During the current quarter 'ESOP Committee' of the Board of Directors of the Company at its meeting held on 27th September, 2010 has allotted 35,750 Equity Shares of the face value of Re. 1 each fully paid-up to the Employees on exercise of the Stock Options granted in accordance with the provisions of the 'Motilal Oswal Financial Services Limited - Employees' Stock option Scheme - III.

6) In respect of the arbitrage open positions as on 30th September 2010, In accordance with the accounting policy followed by the company on the grounds of prudence as prescribed under Accounting standard -1, the company has not recognized mark-to-market net profit (after tax) of Rs 222 lacs and Rs 228 lacs for the quarter and half-year ended 30th September 2010 respectively.

7) The previous financial quarter /half year / year figures have been regrouped/rearranged wherever necessary to make them comparable

8) Information on investor complaints pursuant to Clause 41 of the Listing Agreement for the quarter ended 30th September, 2010

Number of complaints	Opening balance	Additions	Disposal	Closing balance
	NIL	4	4	NIL

9) As per Clause 41 of the Listing Agreement, the standalone results will be available on the Company's website www.motilaloswal.com.

10) STATEMENT OF ASSETS & LIABILITIES (STANDALONE)

(Rs in Lakhs)

Particulars	Half year ended Unaudited	
	30.09.2010	30.09.2009
1. Shareholder's Fund		
a) Share Capital	1,443	1,431
b) ESOP outstanding	4	4
c) Share Application Money	-	2
d) Reserves & Surplus	50,311	45,906
	51,758	47,343
2. Loan Fund		
a) Secured Loan	-	-
b) Unsecured Loan	9,396	7,502
	9,396	7,502
3. Deferred Tax Liability (Net)	177	-
TOTAL	61,330	54,845
4. Fixed Assets	11,800	9,875
5. Investments	7,477	5,598
6. Deferred Tax Assets (Net)	-	2
7. Current Assets, Loans & Advances		
a) Inventories	9,981	14,131
b) Sundry Debtors		
c) Cash & Bank balances	171	257
d) Loans & Advances	39,729	28,376
e) Other current Assets	1	0
	49,882	42,764
8. Less: Current Liabilities & Provisions		
a) Current Liabilities	3,636	90
b) Provisions	4,193	3,304
	7,829	3,394
Net Current Assets	42,053	39,370
TOTAL	61,330	54,845

On behalf of the Board of Directors
Motilal Oswal Financial Services Limited



Motilal Oswal
Chairman & Managing Director

Mumbai, 20th October, 2010
investors@motilaloswal.com.