

28th January, 2011

The Secretary
National Stock Exchange of India Ltd.
Exchange Plaza,
Plot no. C/1, G Block,
Bandra-Kurla Complex
Bandra (E)
Mumbai - 400 051.

Dear Sir,

Sub: Board Meeting dated 28th January, 2011

Ref: Stock Code : MOTILALOFS

1. Appointment of Mr. Vivek Paranjpe, as an Additional Director, as an Independent Director as per clause 49 of the Listing Agreement

It is now informed that the Board of Directors at its Meeting dated 28th January, 2011 has appointed Mr. Vivek Paranjpe as an Additional Director of the Company as per Section 260 of the Companies Act, 1956.

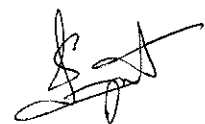
Mr. Vivek Paranjpe would be considered as an Independent Director as per clause 49 of the Listing Agreement with the Stock Exchanges.

Mr. Vivek Paranjpe holds Nil shares in Motilal Oswal Financial Services Limited.

2. Payment of remuneration of Mr. Motilal Oswal, Managing Director

It has already been intimated to the Exchange that the Board of Directors at its Meeting dated 20th October, 2010 had re-appointed Mr. Motilal Oswal as the Managing Director of the Company for a further period of 5 years from 18th January, 2011, without any remuneration.

It is now informed that the Board of Directors at its Meeting dated 28th January, 2011 had decided to pay remuneration to Mr. Oswal as per the following terms and conditions from 1st April, 2011 for the balance period of his tenure.



Terms of remuneration of Mr. Motilal Oswal

I. Remuneration:

Salary: Rs. 20,00,000/- per month

Motilal Oswal Financial Services Ltd.
Palm Spring Centre, 2nd Floor,
New Link Road, Palm Court Complex,
Malad (W), Mumbai - 400 064.
Tel.: +91 22 3080 1000 / 01
Fax : +91 22 2844 9002

II. Perquisites, Benefits and Facilities:-

- a. Medical Reimbursement: Expenses incurred by Mr. Motilal Oswal and/or his family subject to a ceiling of one month's salary per year or five months salary over a period of five years.
- b. Leave Travel Concession: Leave travel concession for Mr. Motilal Oswal and/or his family, once in a year incurred in accordance with the Rules of the Company.
- c. Club Fees: Fees of clubs subject to a maximum of two clubs.
- d. Personal Accident Insurance: Personal Accident Insurance of an amount, the annual premium of which does not exceed Rs.10,000
- e. The Company shall provide a car with a driver and a telephone at the residence of Mr. Motilal Oswal.

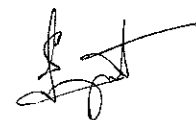
Provision of car for use in Company's business and telephone at residence will not be considered as perquisites.

III. OTHER BENEFITS:

- i) Benefits under loan and other schemes in accordance with the practices, rules and regulations in force by the Company from time to time.
- ii) Such other benefits and amenities as may be provided by the Company to other senior officers from time to time.

The total remuneration proposed to be paid to Mr. Motilal Oswal will not exceed in any case 5% of the net profits of the Company calculated as per sections 349 and 350 of the Companies Act, 1956 in case of individual and does not exceed more than 10% of the net profits of the Company calculated as above for all the working Directors taken together.

Mr. Oswal shall be entitled to reimbursement of actual expenses including traveling, hotel bills, conveyance, entertainment, miscellaneous expenses and incidentals incurred by him on behalf of and for the business of the Company.



IV. MINIMUM REMUNERATION:

Notwithstanding absence or inadequacy of profits in any year during the tenure of Mr. Motilal Oswal, he shall be paid above remuneration as a minimum remuneration subject to limits prescribed under the Companies Act, 1956.

Where in any Financial Year during the currency of the tenure of the Mr. Motilal Oswal, the Company has no profits or its profits are inadequate, the Company may pay to Mr. Oswal above the remuneration as the minimum remuneration by way of salary, perquisites and other allowances and benefits as specified above subject to receipt of the requisite approvals, if any.

3. Appointment of Mr. Balkumar Agarwal as a Director in Motilal Oswal Securities Limited

It is being informed that Mr. Balkumar Agarwal, Independent Director in Motilal Oswal Financial Services Limited has been appointed as a Director in the Board of Motilal Oswal Securities Limited, a material unlisted subsidiary company of Motilal Oswal Financial Services Limited on 28th January, 2011. This was approved in the Board Meeting of Motilal Oswal Securities Limited held on 28th January, 2011.

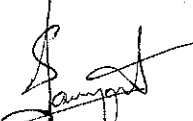
4. Resignation of Mr. Ramesh Agarwal as a Director in Motilal Oswal Securities Limited.

It is being informed that Mr. Ramesh Agarwal, Independent Director in Motilal Oswal Financial Services Limited has resigned from the directorship of Motilal Oswal Securities Limited, a material unlisted subsidiary company of Motilal Oswal Financial Services Limited on 28th January, 2011. This was approved in the Board Meeting of Motilal Oswal Securities Limited held on 28th January, 2011.

Please take note of the above.

Thanking you,

Yours faithfully,
For Motilal Oswal Financial Services Limited



Samrat Sahyal
Company Secretary & Compliance Officer