

Motilal Oswal Home Finance Limited*

CIN: U65923MH2013PLC248741

Regd Office: Motilal Oswal Tower, Rahimtullah Sayani Rd,
Opp. Parel ST Depot, Prabhadevi, Mumbai - 400 025.

☎ 022 4718 9999 / 6272 9898. Fax: 022 5036 2365

Email: hfquery@motilaloswal.com

January 27, 2021

BSE Limited

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

Sub: Unaudited Financial Results along with Limited Review Report for the quarter and nine months ended December 31, 2020

Dear Sir/Madam,

Pursuant to the para 1.2 of Annexure II of SEBI circular reference no. SEBI/HO/DDHS/DDHS/CIR/P/2019/115 dated October 22, 2019 (as amended from time to time), we hereby inform the Exchange that the Board of Directors (“Board”) of the Company at its meeting held on January 27, 2021 has, inter alia, approved the Unaudited Financial Results of the Company for the quarter and nine months ended December 31, 2020.

In this regard, please find enclosed following:

- 1) Unaudited Financial Results for the quarter and nine months ended December 31, 2020 along with Limited Review Report issued by Walker Chandiook & Co. LLP, Statutory Auditors of the Company.
- 2) The disclosures as required under Regulation 52(4) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended from time to time).

Kindly take the same on record.

Thanking you,

Yours faithfully,

For Motilal Oswal Home Finance Limited

Ritin Mawani
Company Secretary & Compliance Officer

Encl.: As above

Walker Chandiook & Co LLP

11th floor, Tower II,
One International Center,
SB Marg, Prabhadevi (W)
Mumbai – 400 013
India

T +91 22 6626 2699

F +91 22 6626 2601

Independent Auditor's Review Report on Unaudited Interim Financial Results of Motilal Oswal Home Finance Limited for the period ended 31 December 2020

To the Board of Directors of Motilal Oswal Home Finance Limited

Introduction

1. We have reviewed the accompanying statement of unaudited interim financial results of **Motilal Oswal Home Finance Limited** ('the Company') for the quarter and nine-month period ended **31 December 2020** ('the Statement'). The Statement has been prepared by the Company's management, pursuant to the requirements of SEBI circular no. CIR/CFD/CMD1/44/2019 dated 29 March 2019, solely to assist the Management of the Holding Company in the preparation of its consolidated financial results for the quarter and nine-month period ended 31 December 2020 pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. The Statement is the responsibility of the Company's Management and has been approved by the Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review of the Statement, which has been prepared by the management in accordance with the accounting principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 (the 'Act'), and other accounting principles generally accepted in India.

Scope of Review

2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Companies Act, 2013, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Motilal Oswal Home Finance Limited
Independent Auditor's Review Report on Unaudited Interim Financial Results of Motilal
Oswal Home Finance Limited for the period ended 31 December 2020**

Conclusion

3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), which is applicable to the Holding Company as specified in paragraph 1 above, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Emphasis of Matter

4. We draw attention to Note 5 to the accompanying Statement, which describes the impact of uncertainties relating to the effects of COVID-19 pandemic on expected credit loss recognised towards the loans to customers outstanding as at 31 December 2020. Our conclusion is not modified in respect of this matter.

Restriction on distribution or use

5. The Statement has been prepared by the Company's Management solely to assist the Management of the Holding Company in the preparation of its consolidated financial results for the quarter and nine-month period ended 31 December 2020 pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time and therefore, it may not be suitable for other purpose. This review report is issued solely for the aforementioned purposes, and accordingly should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Further, we do not accept or assume any liability or any duty of care for any other purpose for which or to any other person to whom this review report is shown or into whose hands it may come without our prior consent in writing.

For **Walker Chandniok & Co LLP**
Chartered Accountants
Firm Registration No:001076N/N500013

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Murad D. Daruwalla
Partner
Membership No:043334

UDIN:21043334AAAAAF2522

Place: Mumbai
Date: 27 January 2021

Statement of unaudited interim financial results for the quarter and nine-month period ended 31 December 2020

(Amount in lakhs unless otherwise stated)

Particulars	Quarter ended			Nine-month period ended		Year ended
	31 December 2020	30 September 2020	31 December 2019	31 December 2020	31 December 2019	31 March 2020
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Revenue from operations						
(a) Interest income	13,316	13,347	13,638	39,810	42,954	56,367
(b) Net gains on fair value changes	116	200	60	398	170	202
(c) Fees and commission income	164	50	131	256	484	738
Total revenue from operations (1)	13,596	13,597	13,829	40,464	43,608	57,307
Other income (2)	94	-	2	152	59	338
Total Income (3) = (1) + (2)	13,690	13,597	13,831	40,616	43,667	57,645
Expenses						
(a) Finance cost	7,143	7,969	8,436	22,663	26,668	34,326
(b) Employee benefits expenses	1,511	1,325	1,437	4,285	4,737	6,266
(c) Depreciation and amortisation expenses	162	162	162	487	515	680
(d) Impairment on financial instruments	2,858	1,930	493	6,062	6,470	7,665
(e) Other expenses	481	535	774	1,506	1,998	2,616
Total expenses (4)	12,155	11,921	11,302	35,003	40,388	51,553
Profit/(loss) before tax (5) = (3) - (4)	1,535	1,676	2,529	5,613	3,279	6,092
Tax expense/ (credit)						
(a) Current tax	-	-	-	-	-	-
(b) Deferred tax	1,070	1,100	890	3,463	1,141	2,184
Total tax expenses (6)	1,070	1,100	890	3,463	1,141	2,184
Profit for the period (7) = (5) - (6)	465	576	1,639	2,150	2,138	3,908
Other comprehensive income						
(i) Items that will not be reclassified to statement of profit and loss						
(a) Actuarial gain/(loss) on post retirement benefit plans	18	7	9	52	72	113
(b) Tax impact on the above	(5)	(2)	(3)	(13)	(25)	(39)
Total other comprehensive income (8)	13	5	6	39	47	74
Total comprehensive income for the period (9) = (7) + (8)	478	581	1,645	2,189	2,185	3,982
Paid up equity share capital (Face value Re. 1 per share)	60,168	60,168	60,128	60,168	60,128	60,130
Other Equity						26,608
Earning per share (EPS) (in INR) *						
Basic	0.01	0.01	0.03	0.04	0.04	0.07
Diluted	0.01	0.01	0.03	0.04	0.04	0.06
Face value per share	1	1	1	1	1	1
* Not annualised except for year end figure						
The accompanying notes form an integral part of these financial results						

Notes:

- 1) The unaudited interim financial results (the 'results') has been reviewed by the Audit Committee and thereafter approved by the Board of Directors of Motilal Oswal Home Finance Limited (Formerly known as Aspire Home Finance Corporation Limited) (the 'Company') at their respective meetings held on 27 January 2021. The aforesaid results have been reviewed by the statutory auditors of the Company.
- 2) The above results has been prepared in accordance with in accordance with the accounting principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting', prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India.
- 3) The Company is primarily engaged into business of providing loans for purchase or construction of residential houses. The Company also provides consumer loans (top-up loans) and loan against properties. The Board reviews the Company's performance as a single business. Further, the Company does not have any separate geographical segment in India. There being only one segment, disclosure for segment as per Ind AS 108 "Operating Segments" is not applicable.
- 4) The Company has elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced through 'The Taxation Laws (Amendment) Act, 2019'. Accordingly, the Company has recognised provision for Income Tax for the nine month ended 31 December 2020 and re-measured its deferred tax assets/ liability basis the rate prescribed in the aforesaid section. Accordingly, an amount of INR 682 and INR 2,048 Lakhs for the quarter and nine-month period ended 31 December 2020 respectively, is attributable to the effect of revising the annual effective income tax rate.
- 5) During the nine months ended 31 December 2020, the Company made an expected credit loss (ECL) provision on stage 1 and 2 assets of INR 1,676 lakhs, taking the overall ECL provision on stage 1 and 2 assets to INR 4,359 lakhs as at 31 December 2020. The ECL provision on stage 1 and 2 assets as a percentage of underlying assets stands at 1.26% as of 31 December 2020 (0.74% as of 31 March 2020). The provision on loans made by the Company is more than requirement as per the RBI guideline dated 17 April 2020. The Company has recognised provisions as at 31 December 2020 towards its assets including loans based on the information available at this point of time including estimates and assumptions specific to the impact of the COVID-19 pandemic, in accordance with the Expected Credit Loss method. Given the dynamic and evolving nature of the COVID-19 pandemic, these estimates and assumptions may be affected by the severity, duration of the pandemic and other variables.
- 6) The Honourable Supreme Court of India ("Hon'ble SC"), in a public interest litigation (Gajendra Sharma Vs. Union of India & Anr), vide an interim order dated 03 September 2020 ("Interim Order"), has directed banks and financial institutions that accounts which were not declared Non Performing Assets ('NPA') till 31 August 2020 shall not be declared as NPA till further orders. However, for ECL provision as per Ind AS accounting guidelines, the Company continues to consider 90 days past due cases under Stage 3 and provisioned accordingly.
- 7) The Government of India, Ministry of Finance, vide Its notification dated 23 October 2020, had announced COVID-19 Relief Scheme for grant of ex-gratia payment of difference between compound interest and simple interest for six months to borrowers in specified loan accounts ("the Scheme"), as per the eligibility criteria and other aspects specified therein and irrespective of whether RBI moratorium was availed or not. During the quarter ended 31 December 2020, the Company has credited accounts of eligible borrowers under the Scheme amounting to INR 740 lakhs.
- 8) The previous year/period figures have been regrouped/reclassified wherever necessary to confirm to the current period/quarter presentation.

For and on behalf of the Board of Directors

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Motilal Oswal
Chairman
DIN: 00024503

Place: Mumbai
Date: 27 January 2021

Information as required under Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015

1) Credit Rating

Instruments	ICRA	CRISIL
Commercial Paper	[ICRA]A1+	CRISIL A1+
Market Linked Non-Convertible Debentures	PP-MLD [ICRA] A+ with Stable outlook	CRISIL PP-MLD AA-r/ Stable
Non-Convertible Debentures	[ICRA]A+(Stable)	CRISIL AA-/Stable

There was no change in the credit rating during the quarter ended December 31, 2020.

- 2) The Company has maintained 100% asset cover or asset cover as per the terms of offer document/ Information Memorandum and/or Debenture Trust Deed, sufficient to discharge the principal amount at all times for the Non-Convertible Debentures. The said Non-Convertible Debentures are secured by exclusive charge on specific receivables & pari-passu charge/ mortgage on the immovable property, wherever applicable.
- 3) Debt-equity ratio: 3.14 (Net Debt-equity ratio : 2.90)
- 4) Previous due dates for the payment of Interest/ repayment of Principal of Non-Convertible Debentures & Commercial Papers and whether the same has been paid or not: **Please refer Annexure A**
- 5) Next due dates for the payment of Interest/Principal along with the amount of interest of Non-Convertible Debentures & Commercial Papers payable and the redemption amount: **Please refer Annexure B**
- 6) Debt service coverage ratio: 0.09
- 7) Interest service coverage ratio: 1.26
- 8) Outstanding redeemable preference shares (quantity and value): Nil
- 9) Debenture Redemption Reserve: Not Applicable
- 10) Net worth: Rs. 89,043 Lacs
- 11) Net profit after tax: Rs. 2,150 Lacs
- 12) Earnings Per Share: 0.04

Annexure A

Details of payment of Interest/ repayment of Principal (From July 1, 2020 to December 31, 2020)

(A) Non-Convertible Debentures:

Sr. No.	ISIN	Type of Payment	Due Date of Payment	Actual Date of Payment
1	INE658707265	Interest	July 1, 2020	July 1, 2020
2	INE658708057*	Interest and Principal	July 15, 2020	July 15, 2020
3	INE658R07257	Interest	July 24, 2020	July 24, 2020
4	INE658R08149	Interest	July 28, 2020	July 28, 2020
5	INE658707265	Interest	August 3, 2020	August 3, 2020
6	INE658R08123	Interest	August 10, 2020	August 10, 2020
7	INE658R07257	Interest and Principal	August 24, 2020	August 24, 2020
8	INE658R08149	Interest	August 28, 2020	August 28, 2020
9	INE658707265	Interest	September 1, 2020	September 1, 2020
10	INE658R07372	Interest	September 22, 2020	September 22, 2020
11	INE658R08149	Interest and Principal	September 28, 2020	September 28, 2020
12	INE658R07125	Interest	November 16, 2020	November 11, 2020
13	INE658R07265	Interest	October 1, 2020	October 1, 2020
14	INE658R07265	Interest	November 2, 2020	November 2, 2020
15	INE658R07265	Interest and Principal	November 19, 2020	November 19, 2020
16	INE658R07372	Interest	December 22, 2020	December 22, 2020
17	INE658R07315	Interest and Principal	October 16, 2020	October 16, 2020
18	INE658R07323	Interest and Principal	November 26, 2020	November 26, 2020

*Partial Redemption

(B) Commercial Papers:

Sr. No.	ISIN	Type of Payment (Principal/Interest)	Due Date of Payment	Actual date of payment
1	INE658R14410	Principal and Interest	November 19, 2020	November 19, 2020

Annexure B

Details of next due dates for payment of Interest/ repayment of Principal (From January 1, 2021 to June 30, 2021)

(A) Non-Convertible Debentures:

Sr. No.	ISIN	Type of Payment	Amount	Due Date of Payment
1	INE658R07281	Interest	300,821,918	January 29, 2021
2	INE658R07372	Interest	6,034,932	March 22, 2021
3	INE658R07356	Interest	200,000,000	March 26, 2021
4	INE658R07125	Interest	48,395,801	May 15, 2021
5	INE658R07372	Interest	6,169,041	June 22, 2021
6	INE658R07380	Interest	47,500,000	June 25, 2021
7	INE658R07398	Interest	48,000,000	June 29, 2021
8	INE658R08057	Interest and Principal	43,446,000	April 28, 2021
9	INE658R07273	Interest and Principal	1,276,112,419	April 30, 2021

(B) Commercial Papers:

Sr. No.	ISIN	Type of Payment	Due Date of Payment	Amount
1	INE658R14428	CP Repayment	February 25, 2021	500,000,000
2	INE658R14436	CP Repayment	March 15, 2021	450,000,000

For Motilal Oswal Home Finance Limited

Ritin Mawani
 Company Secretary & Compliance Officer