

Directors' Report

	Rs. in million	
	Year ended 31st March, 2010	Year ended 31st March, 2009
Deferred Tax Expenditure / (Income)	(17.90)	(25.09)
Fringe Benefit Tax	—	11.42
Wealth Tax	0.19	0.26
Tax for the prior year	3.92	(4.68)
Profit after tax before Minority Interest	1,744.21	934.31
Minority Interest in profits	(39.74)	(38.35)
Profit after tax and Minority Interest	1,704.47	895.96
Profit brought forward from previous year	2,820.90*	2046.25
Minority share in dividend and others for previous financial year	—	45.44
Dividend from subsidiary company for the previous financial year	—	113.63
Profit available for the Appropriations	4,525.36	3101.28
Less: Appropriations		
Transfer to Statutory Reserve & Capital Redemption Reserve	84.79	90.62
Pre acquisition (Profits)/Loss	(5.12)	1.68
Proposed Dividend	171.81	113.62
Distribution tax on proposed Dividend	28.53	19.30
Transfer to General Reserve	55.58	51.19
Balance of Profit carried to Balance Sheet	4,189.77	2824.87

* Includes opening balance of reserves (Rs. 3.97 million) of subsidiaries acquired during the year

Dividend

Keeping in view the overall performance during the year, your Directors are pleased to recommend a dividend of Rs. 1.20 per Equity Share on the face value of Re.1 each, being 120% dividend, payable to those members whose names appear in the Register of Members as on the Book Closure Date. The Dividend and dividend distribution tax will absorb a sum of Rs. 178.08 million.

Results of Operations (MOFSL Standalone)

The Revenue for the year decreased by 11.04% from Rs. 722.36 million to Rs. 642.59 million. The Profit before interest and taxation registered a decrease of 11.97% and were down from Rs. 683.33 million to Rs. 601.56 million. The Company's net profit for the year is Rs. 423.96 million down from Rs. 453.12 million in the previous year, a decrease of 6.44% over the previous financial year.

The detailed results of operations of the Company are given in the Management Discussion & Analysis forming part of this Report.

Subsidiary Companies and Consolidated Results of Operations

The subsidiary companies of your Company are moving on from strength to strength and contributing to the overall growth of your Company. These subsidiaries have created a niche for themselves with their excellent performance and are continuing to add to the shareholders' value.

The Consolidated Group Profit for the year after exceptional items, prior period adjustments and tax and after deducting minority interests is Rs. 1,704.47 million as against Rs. 895.96 million earned last year - a growth of 90.24%. During the year under review, Motilal Oswal Securities Limited (MOSL), the 'Material Non-listed Subsidiary' of the Company earned the revenues of Rs. 5,158.99 million and PAT of Rs. 1191.41 million. During the year under review, the market share of MOSL was 3.2% as against 4.2% in the previous financial year.

During the year under review, Motilal Oswal Insurance Brokers Private Limited became a subsidiary of the Company and Motilal Oswal Asset Management Company Limited and Motilal Oswal Trustee Company Limited became the subsidiary of MOSL and in turn of the Company. The Statement pursuant to section 212 of the Companies Act, 1956, containing details of the Company's Subsidiaries is attached.