Directors' Report

DSP FUND MANAGERS IFSC PRIVATE LIMITED

To the Members,

Your Directors are pleased to present the Third Annual Report together with the Audited Financial Statements of your Company for the period ended March 31, 2025.

1. Company Profile:

DSP Fund Managers IFSC Private Limited ('the Company') is registered under the Companies Act, 2013 ('the Act') and has been set up to carry on the business of investment management / Fund Management Entity (FME). The Company is a Registered with International Financial Services Centres Authority ("IFSCA") as Registered FME (Retail) under the IFSCA (Fund Management) Regulations, 2022.

2. Share Capital:

As on March 31, 2025, the Authorised Share Capital of the Company is INR 50,00,00,000 comprising of 5,00,00,000 equity shares of INR10/- each.

As on March 31, 2025, the Company had Issued, Subscribed and Paid-up Capital of INR 37,00,00,000 comprising of 3,70,00,000 equity shares of INR.10 each.

The Subscribers of the Company are as follows:

Name of Subscribers	No of shares allotted	Face value per share
DSP Asset Managers Private Limited	3,69,99,999	10
Aditi Kothari jointly with DSP Asset Managers Private Limited (nominee shareholder)	1	10
Total	3,70,00,000	10

3. Financial Results:

The summarized financial results of the Company for the year ended March 31, 2025, as compared with the previous financial year, are as under:

Particulars	As on March 31, 2025	As on March 31, 2024
	(INR. In Lakhs)	(INR. In Lakhs)
Income	8,203.40	56.53
Profit / (Loss) before tax	6,015.83	(112.89)
Provision of Taxation	50.33	0
Profit / (Loss) After Taxation	5,965.50	(112.89)

Other Comprehensive income	164.87	(2.87)
Balance brought forward	(116.81)	(1.05)
Balance carried to Balance Sheet*	6,013.56	(116.81)

The net worth of the Company stands at INR. 9,713.56 Lakhs as of March 31, 2025, against INR. (3,583.19 Lakhs) as of March 31, 2024.

4. State of the Company's Affairs:

The financial statements of the Company reflect the performance of the Company on a standalone basis. The financial statements for the financial year ended on March 31, 2025 and March 31, 2024 have been prepared in accordance with Indian Accounting Standards (IndAS) as prescribed under the Companies Act, 2013 read with rules framed thereunder ("Act") and other accounting principles generally accepted in India. During the financial year under review, the company has put in processes of commencement of business operations and have also received a total income of INR. 8,203.40 lakhs comprising of Asset Management Fees of INR. 7,997.49 Lakhs and Other Income of INR. 205.91 lakhs. Further, the total expenses excluding tax expense have increased from INR. 169.42 lakhs to INR. 2,187.57 Lakhs as compared to the previous financial year. The Company has made a profit after tax of INR. 5,965.50 Lakhs as compared to the previous financial year's loss after tax of INR. 112.89 Lakhs.

5. Business Update:

The Company has received Certificate of Registration on August 31, 2023 from the IFSCA to act as Fund Management Entity - Retail ('FME Retail').

During the year, the Company has launched DSP India Absolute Return Fund and DSP India Fund – India Long/Short Strategy Fund with Cash Management Option, Restricted scheme (Non-Retail scheme) ("Schemes") construed as Cat III Alternative Investment Fund (AIF) as per the IFSCA (Fund Management) Regulations, 2025 ("IFSCA FM Regulations).

Further, during the year, the Company have received approval/acknowledgement from IFSCA on various schemes which the Company is in process of launching the same.

6. Change in nature of business:

During the year under purview, there has been no change in nature of business of the Company.

7. Dividends:

In view of the profits made by the company during the year under review, your Board of Directors consider it prudent to conserve resources and therefore do not recommend any dividend for the Financial Year ended March 31, 2025.

8. Transfer to Reserve:

The Board of Directors of your Company has decided not to transfer any amount to the Reserves for the year under review.

9. Subsidiary/joint ventures/associate companies & its performance:

During the year, the Company did not have any Subsidiaries, Joint Ventures or Associate Companies.

10. Material changes:

There were no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the Report.

11. Board of Directors:

(A) Composition of the Board of Directors:

The Board of Directors of the Company currently comprises of four Directors as follows:

Sr. No.	Name	Designation
1	Mr. Vikram Desai	Director
2	Mr. Subramanya Surianarayana Moorthy	Independent Director (pursuant to IFSCA FM Regulations)
3	Mr. Amal Dhru	Independent Director (pursuant to IFSCA FM Regulations)
4	Ms. Smita Mankad	Independent Director (pursuant to IFSCA FM Regulations)

(B) Committee(s) of the Board of Directors:

Section 177 of Companies Act, 2013 and relevant rules made thereunder are not applicable to Private Companies, however, as part of good corporate governance and enhancing internal controls, the Board have approved to constitute Audit Committee and approved its terms of Reference at its meeting held on 21st April, 2025. The first Audit Committee Meeting was held on July 18, 2025.

The Audit Committee comprises of Mr. Amal Dhru – Chairman (Independent Director), Mr. SSN Moorthy and Ms. Smita Mankad (Independent Director).

12. Meetings of the Board:

A. Board of Directors Meetings:

Four meetings of Board of Directors were held during the Financial Year ended March 31, 2025. These meetings were held on May 16, 2024, July 05, 2024, October 17, 2024, and January 17, 2025.

The details of the Directors' attendance for the above mentioned Board Meetings are as follows:

Sr. No	Name of the Director	No. of Board meetings held during term	No. of Board meetings attended
1	Ms. Smita Mankad	4	4
2	Mr. Amal Dhru	4	4
3	Mr. Subramanya Surianarayana Moorthy	4	4
4	Mr. Vikram Desai	4	4

B. Committee of Directors Meetings:
During the period under review, there were no such Committees of the Board being formed. Hence, the details are not provided.

13. Key Managerial Personnel:

The Board at its meeting held on December 5, 2023 had appointed Ms. Sejal Viral Furia (ICSI Membership No: A35507) as the Company Secretary of the Company.

14. Independent Directors:

The Company being Private Limited Company, provisions of Section 149 of the Act for appointment of Independent Directors does not apply to the Company. Hence, the statement on declaration to be given by Independent Director is not required to be disclosed. Also, statement regarding opinion of the Board with regard to integrity, expertise and experience (including the proficiency) of the independent directors appointed during the year along with details of re-appointment of independent directors under provisions of section 149(10) of the Companies Act, 2013 are not required to be disclosed.

However, the Company has appointed Independent Directors as per the requirements of the International Financial Services Centres Authority (Fund Management) Regulations, 2025 as amended till date and Circulars issued thereunder and requisite declarations from such Directors have been obtained at the time of their respective appointments.

15. Particulars of Employees:

The details of employees in receipt of remuneration pursuant to Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are not applicable to the Company.

16. Auditors:

M/s. B S R & Co. LLP, Chartered Accountants (FRN: 101248W/W-100022) were appointed as the Statutory Auditors of the Company in terms of the applicable provisions of the Act from the first Annual General Meeting of the Company until the conclusion of the 6th Annual General Meeting.

17. Explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made by Statutory Auditors, Internal Auditors and Secretarial Auditors if any:

There are no qualifications, reservations, adverse remark or disclaimer made by the Statutory Auditor. The observations and comments given by the Statutory Auditors in their report read together with notes on financial statements are self-explanatory and hence does not require any further comments in terms of Section 134 of the Act.

Further, Internal Audit as well as Secretarial audit are not applicable to the Company, hence the comments are not offered.

18. Conservation of Energy, Technology Absorption and Exports/Foreign Exchange Earnings and Outgo:

a. Energy Conservation and Technology Absorption:

The Company does not carry any manufacturing activity. Hence, the particulars required to be furnished in the Directors' Report under section 134(3)(m) of the Act read with Rule 8(3)(A) and (B) of the Companies (Accounts) Rules, 2014 relating to energy conservation and technology absorption are not applicable to the Company.

b. Foreign Exchange earnings and outgo:

US Dollar (USD) is the currency of the primary economic environment in which the Company operates and hence the functional currency of the Company. The financial statements are presented in Indian Rupees (INR), which is the Company's presentation currency. As the Parent Company presents its financial statements in Indian Rupees (INR), the Company's financial statements are translated into Indian Rupees (INR).

For the purpose of preparation of financial statements in Indian Rupees (INR), the assets and liabilities of the Company are translated into Indian Rupees (INR) using the rate of exchange prevailing at the reporting date and its Statement of Profit and Loss is translated using an average rate to translate income and expense items. The exchange differences arising from the translation of financial statements of the Company is recognized in Other Comprehensive Income (OCI) and is presented within other equity as foreign currency translation reserve.

The earnings in foreign currency for the FY 2024-25 is INR.6.39 Lakhs and the total expenditure incurred in foreign currency is INR. 2,002.56 Lakhs as per the audited financials.

19. Directors Responsibility Statement:

Pursuant to section 134(3)(c) of the Act, the Directors of your Company state that:

a) in the preparation of the annual accounts for the financial year ended March 31, 2025, the applicable accounting standards had been followed along with proper explanation relating to material departures;
b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company for the financial year ended on March 31, 2025 and of the profit of the company for that period;
c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
d) the directors had prepared the annual accounts on a going concern basis; and
e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

20. Secretarial Standards:

The Directors state that the applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly complied by the Company during the year under review.

21. Annual Return and Web Link of Annual Return:

Pursuant to Section 92(3),134(3)(a) of the Act read with the Companies (Management and Administration) Rules, 2014, since the Company does not have any website, it is not required to upload its Annual Return on the website. Further a copy of the Annual Return shall be filed with the Registrar of Companies.

22. Risk Management:

Your Company has committed to a control and compliant environment ensuring that the risk management structure is appropriate to the scale of the business. The Company has a Risk Management policy which outlines a set of principles or standards, which inter alia comprise the Policies, Procedures, Roles & Responsibilities of the Risk Managers, Principal Officers and the Board of the Company which helps efficient risk management for managing various risks with an the aim of protecting the interests of clients/investors and their assets. The Risk Management Policy also outlines a framework, which the Company appointed advisors and vendors will have to adapt to help manage Outsourcing and Third Party Risk efficiently.

23. Internal Financial Controls:

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation were observed.

24. Reporting of Fraud:

There was no instance of fraud during the year under review which required the Statutory Auditors to report to the Board under Section 143(12) of Act and Rules framed thereunder.

25. Prevention of Sexual Harassment of Women at Workplace:

The details in respect of the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are not applicable to the Company.

26. Registrar and Transfer Agents:

M/s. KFin Technologies Private Limited are the Registrar and Transfer Agents of the Company.

27. Particulars of Employees:

The details of employees in receipt of remuneration pursuant to Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are not applicable to the Company as it is a Private Company.

28. Employee Stock Option Scheme:

The details of the Employees Stock Option Scheme to be disclosed as per provisions of Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 are not applicable as the Company did not issue any employee stock options during the financial year ended on March 31, 2025.

29. Particulars of contracts or arrangements with related parties

The details in respect of the contracts or arrangements with related parties in the form AOC-2 is attached in **Annexure-I.**

30. Complaint Handling and Grievance Redressal.

Pursuant to the IFSCA Circular titled "Complaint Handling and Grievance Redressal by Regulated Entities in the IFSC" dated December 02, 2024, the details of all complaints received, resolved, rejected and pending for the financial year is as below:

No. of complaints received	No. of complaints resolved	No. of complaints rejected	No. of complaints pending
0	0	0	0

31. Disclosure on Environmental, Social and Governance (ESG):

Pursuant to Regulation 72 (1) of IFSCA (FM) Regulations, 2025, Fund Management Entity (FME) managing AUM above USD 3 billon as at the close of a financial year shall disclose in its annual report how the FME identifies, assesses and manages material sustainability – related risk and establish and disclose in its annual report the process of factoring sustainability related risks and opportunities into fund manager's investment strategies and processes, including, where relevant, data and methodologies used. Since, the Company is not managing the AUM above USD 3 billon as at the close of a financial year, hence this section is not applicable to Company.

32. General:

Your Directors state that no disclosure or reporting is required in respect of the following items during the year under review:

a. Details relating to deposits covered under Chapter V of the Act - as the Company has not accepted any deposits during the year.

b. Details of significant and material orders were passed by the Regulators or Courts or Tribunals which impacts the going concern status and Company's operations in future – as no significant and material order has been passed by the Regulators or Courts or Tribunals which impacts the going concern status and Company's operations in future.

c. Details of loans, guarantees or investments under section 186 of the Act – as there were no loans, guarantees or investments under section 186 of the Act during the year.

d. Details of corporate social responsibility activities – as the provisions of Section 135 of the Act are not applicable during the year under review.

e. A statement indicating the manner in which formal annual evaluation of the performance of the Board, its Committees and of individual Directors has been made- is not applicable during the year under review.

f. Details of recommendations of Vigil Mechanism under provisions of 177(10) of the Companies Act, 2013 are not applicable to the Company.

g. Details of ratio of the remuneration of each director to the median employee's remuneration and such other details under provisions of section 197(12) & 197(14) are not applicable to the Company.

h. Details of Company's policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of Section 178 of the Act are not applicable to the Company.

i. The provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time are not applicable to the Company for the financial year under review. Hence, the Company is not required to maintain Cost Records under the said Rules.

j. Disclosure Under Section 43(A)(ii) of the Act: The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

k. Disclosure Under Section 54(1)(D) of the Act: The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

l. Disclosure Under Section 62(1)(B) of the Act: The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

m. Disclosure Under Section 67(3) of the Act: During the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 is furnished.

n. Amount transferred to Investor Education and Protection Fund: The Company was not required to transfer any funds to the investor education and protection fund as per the provisions of Section 125 of the Act during the financial year under review.

o. Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year alongwith their status as at the end of the financial year: No application was filed for Corporate Insolvency Resolution Process, by a financial or operational creditor or by the Company itself under the Insolvency and Bankruptcy Code, 2016 before the National Company Law Tribunal.

p. Details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof - There was no instance of one-time settlement with any Bank or Financial Institution.

33. Appreciation:

The Directors would like to express their appreciation to the Government of India, Custodian, Auditors of the Company, International Financial Services Centres Authority, GIFT Special Economic Zone (SEZ), Reserve Bank of India, Securities and Exchange Board of India and other various government agencies for their continued support and direction.

The Directors wish to place on record their appreciation to each and every employee of the Company for their valuable contribution towards setting up the Company.

For and on behalf of the Board of Directors

Mr. Subramanya Surianarayana Moorthy
Director
DIN- 06508812
GFQ B Block,1st Floor, Summit apartment, Mettupalayam Road, Coimbatore North, Coimbatore, Sahs College, Tamil Nadu, 641043

Mr. Amal Dhru
Director
DIN: 00165145
3, Brahman Mitra Mandal Society, Mangaldas Road, Ellisbridge, Ahmedabad-380006

Place: Gandhinagar
Date: July 18, 2025

Annexure I

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under Fourth proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis – NIL	
(a) Name(s) of the related party and nature of relationship	-
(b) Nature of contracts/arrangements/transactions	-
(c) Duration of the contracts / arrangements/transactions	-
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	-
(e) Justification for entering into such contracts or arrangements or transactions	-
(f) date(s) of approval by the Board	-
(g) Amount paid as advances, if any:	-
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	-
2. Details of material contracts or arrangement or transactions at arm's length basis	
Sr. No. (1)	
(a) Name(s) of the related party and nature of relationship	DSP Asset Managers Private Limited ("**DSPAM**") - Holding Company of DSP Fund Managers IFSC Private Limited ("**DSP IFSC**"). Ms. Aditi Kothari Desai is a common shareholder in the Company and DSPAM. Also, Mr. Vikram Desai is a Director in the Company and relative of the common shareholder.
(b) Nature of contracts/arrangements/transactions	Revised Cost Sharing Arrangement between the Company and its Holding Company i.e. DSPAM for sharing certain common administrative and infrastructure facilities or activities.
(c) Duration of the contracts / arrangements/transactions	As per agreement
(d) Salient terms of the contracts or arrangements or transactions including the value (in lakhs)#, if any:	Revised Cost Sharing Arrangement between the Company and its Holding Company i.e. DSPAM for sharing certain common administrative and infrastructure facilities or activities and other terms and conditions as per the agreement.
(e) Date(s) of approval by the Board, if any:	Board noting: 21-03-2024

(f) Amount paid as advances, if any:	Nil
Sr. No. (1)	
(a) Name(s) of the related party and nature of relationship	DSPAM - Holding Company of DSP IFSC Ms. Aditi Kothari Desai is a common shareholder in the Company and DSPAM. Also, Mr. Vikram Desai is a Director in the Company and relative of the common shareholder.
(b) Nature of contracts/arrangements/transactions	Non-binding Investment Advisory Agreement between Company & DSPAM
(c) Duration of the contracts / arrangements/transactions	As per agreement
(d) Salient terms of the contracts or arrangements or transactions including the value (in lakhs)#, if any:	Non-binding Investment Advisory Agreement between Company & DSPAM and other terms and conditions as per the agreement.
(e) Date(s) of approval by the Board, if any:	20-09-2023
(f) Amount paid as advances, if any:	Nil
Sr. No. (1)	
(a) Name(s) of the related party and nature of relationship	All Independent Directors
(b) Nature of contracts/arrangements/transactions	Sitting fees paid to all Independent Directors for attending Board Meeting
(c) Duration of the contracts / arrangements/transactions	Every Board Meeting
(d) Salient terms of the contracts or arrangements or transactions including the value (in lakhs)#, if any:	Sitting fees paid to Independent Directors of the Company as per the Board Resolution
(e) Date(s) of approval by the Board, if any:	20-09-2023
(f) Amount paid as advances, if any:	Nil

For and on behalf of the Board of Directors

Mr. Subramanya Surianarayana Moorthy
Director
DIN- 06508812
GFQ B Block,1st Floor, Summit apartment, Mettupalayam Road, Coimbatore North, Coimbatore, Sahs College, Tamil Nadu, 641043

Mr. Amal Dhru
Director
DIN: 00165145
3, Brahman Mitra Mandal Society, Mangaldas Road, Ellisbridge, Ahmedabad-380006

Place: Gandhinagar
Date: July 18, 2025