

ANNUAL REPORT

2019-20

#InvestForGood

DSP
INVESTMENT MANAGERS



INVESTMENT MANAGERS

Notice of Twenty-Fourth Annual General Meeting of DSP Investment Managers Private Limited

Notice is hereby given that the Twenty-Fourth Annual General Meeting of the Members of the DSP Investment Managers Private Limited will be held on Tuesday, September 29, 2020 at 11.00 a.m. at Kanha, the Board Room, Mafatlal Centre, 10th Floor, Nariman Point, Mumbai - 400021 to transact the following business -

Ordinary Business:

- (1) To receive, consider and adopt:
 - (a) the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2020 and the Reports of the Board of Directors and Auditors thereon; and
 - (b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2020 and the Reports of the Auditors thereon.

BY ORDER OF THE BOARD OF DIRECTORS
OF THE COMPANY

Sd/-
PRITESH MAJMUDAR (Dr.)
COMPANY SECRETARY

REGISTERED OFFICE:

Mafatlal Centre, 10th Floor, Nariman Point,
Mumbai - 400 021

Place: Mumbai

Date: September 03, 2020

INVESTMENT MANAGERS

NOTES:

- (i) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- (ii) Instrument of proxy, for use at the above meeting, must be lodged at the Registered Office of the Company not later than 48 hours before the time fixed for the Meeting.
- (iii) Corporate Members are requested to send to the Registered Office of the Company a duly certified copy of the Board Resolution, under Section 113 of the Companies Act, 2013, authorizing their representative to attend and vote at the Annual General Meeting.
- (iv) The Company's Statutory Auditors, M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, Mumbai (Firm Registration No. 117366W/W-100018), were appointed as Statutory Auditors of the Company for a period of five consecutive years at the Twenty-first Annual General Meeting ("AGM") of the Members held on September 7, 2017 on a remuneration to be mutually agreed upon by the Board of Directors and the Statutory Auditors.

Their appointment was subject to ratification by the Members at every subsequent AGM. Pursuant to the amendments made to Section 139 of the Companies Act, 2013 by the Companies (Amendment) Act, 2017 effective from May 7, 2018, the requirement of seeking ratification of the Members for the appointment of the Statutory Auditors has been withdrawn from the Statute.

In view of the above, ratification by the Members for continuance of their appointment at this AGM is not being sought. The Statutory Auditors have given a confirmation to the effect that they are eligible to continue with their appointment and that they have not been disqualified in any manner from continuing as Statutory Auditors.

- (v) As there is no Special Business to be conducted, no Explanatory Statement pursuant to Section 102 of Companies Act, 2013, is annexed.
- (vi) Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the company on all working days, except Saturdays, during business hours up to the date of the AGM.
- (vii) The Statutory Registers maintained by the Company under the provisions of the Companies Act, 2013, will be available for inspection of members at the Annual General Meeting.
- (viii) The Members are requested to notify promptly any change in their address to the Company and are requested to register their e-mail address (if not provided earlier) and changes if any, therein, to enable the Company to send all communications to shareholders in electronic mode/e-mail.
- (ix) Map of the venue of the Annual General Meeting is given at the end of the notice.

BY ORDER OF THE BOARD OF DIRECTORS
OF THE COMPANY

Sd/-
PRITESH MAJMUDAR (Dr.)
COMPANY SECRETARY

REGISTERED OFFICE:

Mafatlal Centre, 10th Floor, Nariman Point, Mumbai - 400 021

Place: Mumbai

Date: September 03, 2020



INVESTMENT MANAGERS

ATTENDANCE SLIP

24TH ANNUAL GENERAL MEETING ON TUESDAY, SEPTEMBER 29, 2020

Name	:	
Address	:	
DP ID No.	:	
Client ID	:	
No. of Equity Shares held	:	

I certify that I am a registered member/proxy for the Registered Member of the Company.

I hereby record my presence at the 24TH ANNUAL GENERAL MEETING of the Company to be held at Kanha, the Board Room, Mafatlal Centre, 10th Floor, Nariman Point, Mumbai - 400021 on Tuesday, September 29, 2020 at 11.00 a.m.

Member's/Proxy's Signature

NOTES:

1. Members/Proxy holders are requested to bring the attendance slip with them when they come to the meeting and hand it over at the entrance after affixing signature.
2. Members are requested to bring their copy of the Annual Report along with them to the meeting.

INVESTMENT MANAGERS

Form No. MGT-11
PROXY FORM

(Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014)

CIN of Company : U74140MH1996PTC099483

Name of Company : DSP Investment Managers Private Limited

Address of its Registered Office : Mafatlal Centre, 10th Floor, Nariman Point, Mumbai - 400 021

Name of the shareholder(s)

Registered address

E-mail Id

Folio No / Client ID

DP ID

I/We, being the shareholder(s) ofshares of the above named company, hereby appoint :

Name

Address

Email-id

.....

.....

Signature Or failing him

Name

Address

Email-id

.....

.....

Signature Or failing him

Name

Address

Email-id

.....

.....

Signature Or failing him

As my / our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 24th Annual General Meeting of the Company to be held on Tuesday, September 29, 2020 at 11.00 a.m. at Kanha, The Board Room, Mafatlal Centre, 10th Floor, Nariman Point, Mumbai - 400 021 and at any adjournment thereof in respect of such resolutions as are indicated below :

Resoluti on No.	Type of Resolution	Resolutions
		Ordinary Business
1	Ordinary Resolution	To receive, consider and adopt: (a) the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2020 and the Reports of the Board of Directors and Auditors thereon; and (b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2020 and the Reports of the Auditors thereon.

Signed thisday of 2020

Signature of shareholder

Signature of Proxy holder(s)

Affix

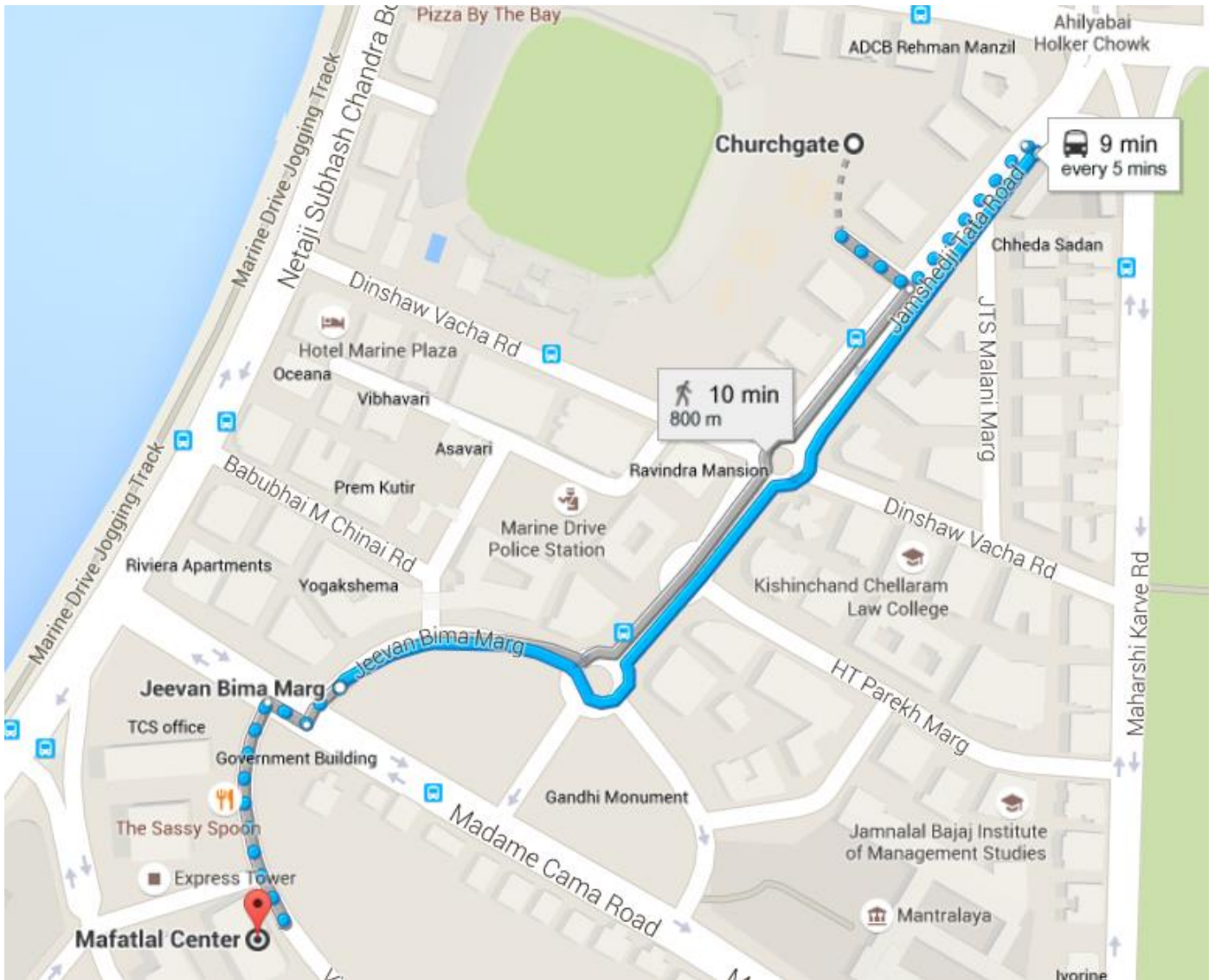
Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Map of the Venue of the Annual General Meeting

DSP Investment Managers Private Limited

Regd. Off.: Mafatlal Centre, 10th Floor, Nariman Point, Mumbai 400 021, India

CIN U74140MH1996PTC099483 • +91 22 6657 8000 • www.dspim.com



Directors' Report

DSP Investment Managers Private Limited (Formerly known as DSP BlackRock Investment Managers Private Limited)

To the Members,

Your Directors are pleased to present the 24th Annual Report together with the audited financial statement of your Company for the financial year ended March 31, 2020.

1. Company Profile:

The Company/AMC is Investment Manager to DSP Mutual Fund ('Mutual Fund'), a mutual fund registered under Securities and Exchange Board of India ('SEBI') (Mutual Funds) Regulations, 1996 ('Mutual Fund Regulations').

The Company is also Investment Manager to DSP Alternative Investment Fund - Category III ('AIF Fund'), an Alternative Investment Fund registered under SEBI (Alternative Investment Funds) Regulations, 2012.

The AMC offers non-binding investment advisory services as well as investment management services to offshore funds for investment in Indian securities in terms of approval granted by SEBI.

The AMC provides Investment Management Services to DSP India Fund and DSP India Investment Fund (both based out in Mauritius) and to DSP Global Funds ICAV, an umbrella type Irish Collective Asset-management Vehicle.

The AMC qualifies with the conditions to be considered as an 'Eligible Fund Manager' for the purposes of section 9A of the IT Act read with rule 10V and rule 10VA of the Indian Income-Tax Rules, 1962.

2. Share Capital and Issue of Bonus Shares:

During the year, there is no change in the Issued, Subscribed and Paid-up capital of the Company against the previous year.

The total Issued, Subscribed and Paid-up capital of the Company is Rs. 250 crores comprising of 25 crores equity shares of face value of Rs. 10/- each.

3. Net worth and Financials:

The net worth of the Company stands at Rs. 12,258.75 million as of March 31, 2020, against Rs. 11,062.92 million, as of March 31, 2019.

The summarized financial results of the Company for the year ended March 31, 2020, as compared with the previous financial year, are as under:

Particulars	Year ended March 31, 2020 (Rs. In Millions)	Year ended March 31, 2019 (Rs. In Millions)
Income	4,534.32	7,220.00
Profit before tax	1,556.91	3687.66
Provision of Taxation	396.61	1201.89
Profit after Taxation	1,160.31	2485.78
Balance brought forward	8,562.92	8,405.11

Balance carried to General Reserves	Nil	Nil
Other deductions during the year on account of issue of bonus shares	Nil	(2,300.00)
Share based payments	25.32	1.84
Share Issue Expenses - Increase in authorised capital	Nil	(27.02)
Share Issue Expenses - Issuance of Bonus Shares	Nil	(2.30)
Transfer to P&L Account	1,170.52	2,485.28
Balance carried to Balance Sheet	9,758.75	8,562.92

The Company holds certain investments in the form of Non-Convertible Debentures (NCD's) with the intention to sell them in the near future and not to hold them till their maturity. Since the Company could not sell the NCD before end of the current financial year and due to non-payment of interest and principal over three quarters, as per the terms of the issue, as also looking at the bleak possibilities in the future and further based on Company's analysis on the fair valuation of the said NCD's as at 31st March 2020, the Company has provided Rs.1,126,78 million as an unrealised loss in its books of account for the same.

4. Dividends:

Though your Company continued to register profits during the financial year ended March 31, 2020, your Directors consider it prudent to conserve resources and therefore do not recommend any dividend for the financial year ended March 31, 2020.

5. 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.

6. Consolidated Financial Statements:

In terms of Section 129(3) of the Companies Act, 2013, the Consolidated Financial Statements of the Company are prepared in accordance with relevant Indian Accounting Standards issued by the Institute of Chartered Accountants of India and forms an integral part of this Report.

7. Business Review:

a. Mutual Fund:

The AMC manages funds of the Scheme(s) of the Mutual Fund in accordance with the provisions of the Investment Management Agreement executed by the AMC with DSP Trustee Private Limited (formerly known as DSP BlackRock Trustee Company Private Limited), the Trust Deed constituting the Mutual Fund, Mutual Fund Regulations, and the investment objectives & strategy of the Scheme(s). The AMC managed 39 open ended schemes and 30 closed ended schemes as on March 31, 2020.

The AMC manages assets of the following open ended schemes of the Mutual Fund:

Sr. No.	Name of Scheme	Sr. No.	Name of Scheme
1	DSP Low Duration Fund	20	DSP Liquid ETF
2	DSP World Gold Fund	21	DSP Focus Fund

Sr. No.	Name of Scheme	Sr. No.	Name of Scheme
3	DSP Tax Saver Fund	22	DSP Savings Fund
4	DSP US Flexible* Equity Fund	23	DSP Government Securities Fund
5	DSP Nifty 50 Index Fund	24	DSP Equity Fund
6	DSP Nifty Next 50 Index Fund	25	DSP Regular Savings Fund
7	DSP Overnight Fund	26	DSP World Energy Fund
8	DSP Natural Resources and New Energy Fund	27	DSP Short Term Fund
9	DSP Strategic Bond Fund	28	DSP Corporate Bond Fund
10	DSP Equity Opportunities Fund	29	DSP Credit Risk Fund
11	DSP TOP 100 Equity Fund	30	DSP Arbitrage Fund
12	DSP Small Cap Fund	31	DSP Dynamic Asset Allocation Fund
13	DSP Equal Nifty 50 Fund	32	DSP World Agriculture Fund
14	DSP World Mining Fund	33	DSP Liquidity Fund
15	DSP 10Y G-Sec Fund	34	DSP Equity & Bond Fund
16	DSP Banking & PSU Debt Fund	35	DSP Global Allocation Fund
17	DSP Ultra Short Fund	36	DSP India T.I.G.E.R Fund (The Infrastructure Growth and Economic Reforms Fund)
18	DSP Healthcare Fund	37	DSP Mid Cap Fund
19	DSP Bond Fund	38	DSP Equity Savings Fund
39	DSP Quant Fund		

The AMC also manages close ended debt oriented schemes viz. Fixed Maturity Plans and Dual Advantage Funds and close ended equity scheme viz. DSP 3 Years Close Ended Equity Fund, DSP A.C.E. Fund (Analyst's Conviction Equalized) - Series 1 and DSP A.C.E. Fund (Analyst's Conviction Equalized) - Series 2.

*The term "Flexible" in the name of the Scheme signifies that the Investment Manager of the Underlying Fund can invest either in growth or value investment characteristic securities placing an emphasis as the market outlook warrants.

b. Alternative Investment Fund:

DSP India Enhanced Equity Fund, an open ended scheme was the first scheme offered by DSP Alternative Investment Fund ('AIF Fund') in April 2014. Further, the AIF Fund launched DSP Emerging Stars Fund, a close ended scheme in December 2015. The Fund also launched DSP AIF Pharma Fund, a close ended scheme in August 2016, which got matured on November, 2019; DSP Core Fund, a close ended scheme in September 2016, however the tenure of the scheme was extended for the period of 2 years i.e. the scheme will mature on October 27, 2022 instead of October 27, 2020.; and DSP India Enhanced Equity SatCore Fund, an open ended scheme in February 2017 and DSP High Conviction Fund, an close ended scheme in January 2018.

DSP Margin of Safety Fund (a close ended scheme) and DSP Good to Great Fund (an open ended scheme) is approved by SEBI, however the same was not launched during the FY: 2019 to 2020.

c. DSP Global Funds ICAV

In order to expand its footprint globally, DSP Group, has setup DSP Global Funds ICAV (the “ICAV”), an umbrella type Irish Collective Asset-management Vehicle, authorised by the Central Bank of Ireland (“Central Bank”) to carry on business as an ICAV and the two sub-funds under ICAV namely, DSP India Equity Fund and DSP India Bond Fund (collectively referred as “ICAV Funds” or any new sub-fund setup under the umbrella of ICAV) are registered with SEBI as Category I FPI under the SEBI’s FPI regime, for investing in Indian securities market.

The AMC acts as an Investment Manager to ICAV Funds in terms of no objection received from SEBI vide its letter dated October 27, 2015 for providing management and advisory services to pooled assets (broad based funds). The AMC continues to qualify with the conditions to be considered as an ‘Eligible Fund Manager’ for the purposes of section 9A of the IT Act read with rule 10V and rule 10VA of the Indian Income-Tax Rules, 1962.

d. Non-Binding Advisory Services / Investment Management Services to Offshore Funds

The AMC provides non-binding investment advisory services as well as Investment Management services to offshore funds.

During the year, Central Board of Direct Taxes has granted approval to DSP India Fund, DSP India Investment Fund (both based out in Mauritius), DSP India Equity Fund and DSP India Bond Fund under section 9A of the IT Act, read with rule 10VA and rule 10V of the Indian Income-tax Rules, 1962 to be considered as ‘Eligible Investment Fund’.

The assets under the offshore advisory as well as management business as on March 31, 2020 are 6,345.47 crores.

e. COVID-19 Pandemic

The last quarter of FY 19-20 took an unfortunate turn with the outbreak of COVID-19 which impacted many countries and it was declared a Global Pandemic by World Health Organisation (WHO). To contain the outbreak, governments in many countries imposed partial or full lockdown. The Government of India imposed a full lockdown effective March 31, 2020. In this nationwide lockdown, though most services across the nation had been suspended, establishments like securities market intermediaries, including our Company, were exempt from lockdown and therefore functional.

The Company initiated Work from Home for all employees, much before imposition of nationwide lockdown due to our strong and resilient infrastructure, processes and committed employees. Since major part of infrastructure is cloud based, we could enhance the capacity comfortably to manage the volumes and handle all important functions like investments, sales, customer service remotely. The Virtual Private Connectivity ensured that all critical functions not only worked seamlessly from home but also enabled the company to adhere to all regulatory timelines.

While the current scenario has impacted our sales from walk-in customers, but due to our strong digital presence and solutions customers are able to transact seamlessly. Currently, all our operations continue to work remotely using the existing infrastructure in place.

There has been no material change in the controls or processes followed in the closing of the financial statements of the Company. The Company has assessed the impact of the pandemic on its operations and its assets including the value of investments and trade receivables as on March 31, 2020 and does not find it to be material. Since the revenue of the Company is ultimately dependent on the value of the assets it manages, changes in market conditions and the trend of flows into mutual funds may have an impact on the operations of the Company. Basis the assessment, the management does not, at this juncture, believe that the impact on the value of the Company’s assets or its operations is likely to be material.

8. Subsidiaries:

DSP Global Services (Mauritius) Limited ('DSP-GSML') (Formerly known as known as DSP Investment Managers (Mauritius) Limited)

DSP Global Services (Mauritius) Limited, registered under laws of Mauritius, was a wholly owned subsidiary of the Company upto February 13, 2020. The Company used to provide non-binding advisory services to DSP-GSML. During the year, The Company sold its entire stake in DSP-GSML to DSP Adiko Holdings Private Limited and DSP HMK Holdings Private Limited.

DSP Pension Fund Managers Pvt. Ltd. ('DSP-PFM') (formerly known as DSP BlackRock Pension Fund Managers Pvt. Ltd.)

The Company holds 62.50% of equity share capital of DSP-PFM. DSP-PFM ceased to be Pension Fund Managers under the National Pension System with effect from July 31, 2014 consequent to its decision to not to match the lowest bid (Investment Management Fee was 0.01% p.a.) under the Request for Proposal issued by PFRDA dated January 16, 2014, since it was commercially unviable. The scheme assets (net of liabilities) managed by DSP-PFM as on July 31, 2014 were transferred to the default Pension Fund, SBI Pension Funds Pvt. Ltd., on August 1, 2014.

The summarized financial results of DSP-PFM for the year ended March 31, 2020 are as under:

Particulars	Year ended March 31, 2020 (Rs. in million)
Income	23.97
Profit before tax	22.71
Provision of Taxation	10.28
Profit After Taxation	12.42
Balance brought forward	53.42
Balance carried to Balance Sheet	65.85
Net worth	335.85

The statement containing the salient features of the financial statement of subsidiaries of the Company in the prescribed format AOC-1 is appended as Annexure I to the Report. Further, the audited financial statements in respect of subsidiaries of the Company are available at the Registered Office of the Company for review of members.

9. Material changes:

During the year, 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.

10. Board of Directors and Committee(s) of Directors:**Board of Directors:**

The Board of Directors of the Company currently comprises of six Directors. There were no changes in the constitution of the Board of Directors during the FY 2019-20.

Committee(s) of Directors:

The Board has constituted following Committee(s) of Directors:

1. Audit Committee

The Audit Committee comprises of Mr. Uday Khanna - Chairman (Independent Director), Mr. Subhash Mundra and Mr. Dhananjay Mungale (Independent Director).

The terms of reference of the Audit Committee includes reviewing the half yearly and annual financial statements of Mutual Fund, annual financial statements of the Company, internal control systems, internal audit plan, SEBI inspection reports, audit reports and observations of statutory and internal auditors, implementation of audit recommendations as well as compliance of regulations with regard to operations of the Company, the Mutual Fund and the Alternative Investment Fund.

2. Corporate Social Responsibility Committee

The Corporate Social Responsibility ('CSR') Committee was constituted during financial year ended March 31, 2015 under section 135 of the Companies Act, 2013 ('the Act') read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The CSR Committee comprises of Mr. Hemendra Kothari (Chairman), Mr. Uday Khanna (Independent Director) and Mr. Dhananjay Mungale (Inducted as a member of the Committee with effect from July 22, 2019).

The terms of reference of the CSR Committee include formulation of CSR Policy, recommendation of expenditure for CSR activities, monitoring implementation of the CSR projects/ activities undertaken by the Company and to implement CSR Policy.

3. Nomination & Remuneration Committee:

Nomination & Remuneration Committee ('NRC') of the Company was constituted at the Board meeting held on November 28, 2018. The NRC comprises of Mr. S. Ramadorai (Chairman), Mr. Uday Khanna (Independent Director), Mr. Dhananjay Mungale (Independent Director) and Mr. Hemendra Kothari.

The terms of reference of NRC include determination of all the terms and implementation of the Employee Stock Option Scheme in line with the provisions of the Companies Act, 2013 and applicable regulations.

11. Meetings of the Board and Committee(s)

Four meetings of Board of Directors were held during the financial year ended March 31, 2020. These meetings were held on April 25, 2019, July 22, 2019, October 21, 2019 and February 11, 2020.

Four meetings of Audit Committee of the Company were held during the financial year ended March 31, 2020. These meetings were held on April 25, 2019, July 22, 2019, October 21, 2019 and February 11, 2020.

Two meetings of Corporate Social Responsibility Committee meetings were held during the financial year ended March 31, 2020. These meetings were held on July 22, 2019 and February 11, 2020.

No meeting of Nomination & Remuneration Committee was held during the FY 2019-20.

The details of attendance of the Directors in the meeting of the Board of Directors and Committee(s) of Directors during the financial year ended March 31, 2020 are given below:

Sr No	Name	Designation	No. of Board meetings attended	No. of Audit Committee meetings attended	No. of CSR Committee meetings attended
1	Mr. Hemendra Kothari	Director	4	N.A.	2
2	Mr. Uday Khanna	Independent	3	3	2

		Director^			
3	Mr. Ramadorai Subramaniam	Independent Director^	4	N.A.	N.A.
4	Ms. Aditi Kothari Desai	Director	3	N.A.	N.A.
5	Mr. Dhananjay Mungale [#]	Independent Director^	4	4	1
6	Mr. Subhash S Mundra	Independent Director^	3	3	N.A.
Total Number of meetings held			4	4	2

N.A. - Not a member of the Committee

^ Independent Director in terms of SEBI (Mutual Funds) Regulations, 1996.

[#] Mr. Dhananjay Mungale was appointed as a member of the Corporate Social Responsibility Committee w.e.f. July 22, 2019.

12. Statutory Auditors:

M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No. 117366W/W-100018) ('M/s. DHS') had been re-appointed as Statutory Auditors of DSP Investment Managers Pvt. Ltd. in its Board Meeting held On July 22, 2019 ('Company') to hold office from 21st Annual General Meeting held on September 7, 2017 till the conclusion of the 26th Annual General Meeting of the Company to be held in the year 2022.

The shareholders of the Company at their meeting held on November 22, 2018 approved the issue and allotment of Bonus shares. Thereafter, at Board Meeting held on November 28, 2018, the Board of Directors of the Company approved the allotment of bonus shares.

Due to increase in paid up/issued share capital of Company, after taking into consideration of the issue of bonus shares, the Company now fell into the criteria mentioned in section 139 of Companies Act, 2013. As per the Section 139 (2) of Companies Act 2013 ('Act'), a company falling into the criteria mentioned in the Act shall appoint or re-appoint an individual as auditor for not more than one term of five consecutive years; and an audit firm as auditor for not more than two terms of five consecutive years.

Considering the above, the Company had sought opinion from the legal counsel, M/s. Talwar Thakore & Associates and post taking into consideration all the facts, the counsel stated that the subsequent increase in the paid up share capital of the Company above the thresholds specified under the Act and rules formed thereunder stated as follows:

1. There was no requirement for M/s. DHS to resign or
2. For the Company to seek removal M/s. DHS or
3. Does not lead to any disqualification under the Act.

The Statutory Auditors have given a confirmation to the effect that they are eligible to continue with their appointment and that they have not been disqualified in any manner from continuing as Statutory Auditors.

13. Conservation of Energy, Technology Absorption and 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. However, regular efforts are made to adopt appropriate energy conservation measures and technology absorption methods.

b. Foreign Exchange earnings and outgo:

The earnings in foreign currency for the FY 2019-20 is Rs 13,78,96,465.92 and the total expenditure incurred in foreign currency is Rs. 507,73,096.73 as per the audited financials.

14. Directors' Responsibility Statement:

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

1. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. 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 at the end of the financial year and of the profit of the company for that period;
3. 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;
4. the Directors had prepared the annual accounts on a going concern basis; and
5. 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.

15. Secretarial Standards:

The Directors state that 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 followed by the Company.

16. Corporate Social Responsibility:

Pursuant to section 135 of the Act, a brief outline on Corporate Social Responsibility ('CSR') Policy of the Company and the CSR activities/initiatives undertaken by the Company is annexed herewith as Annexure II.

17. Extract of the Annual Return and Web Link of Annual Return:

Pursuant to section 134(3)(a) extract of Annual Return as provided under section 92(3) of the Act is annexed herewith in Form No. MGT-9 as Annexure III. The Annual Return is available at the web-link: <https://www.dspim.com/about-us/mandatory-disclosure/amc-financials>

18. Particulars of contracts or arrangements with related parties:

There were no related party transactions in terms of section 188(1) of the Act.

19. Risk management:

Your Company has committed to follow the highest standards of risk management. To this effect the following measures have been taken:

- I. Rolled out Compliance manual which lays down internal control parameters including internal control systems.
- II. The Company has following policies to mitigate regulatory, financial and legal risk:
 - a) Business Contingencies Plan
 - b) Investment & RQA Oversight Process

- c) Operating Event Policy
- d) Information Security & Privacy Policy
- e) Code of Business Conduct and Ethics
- f) Policy Regarding Business Activities with Government Official
- g) Outsourcing Policy
- h) Anti-Money Laundering Policy
- i) Privacy Policy
- j) Anti-Bribery and Corruption Policy
- k) Anti-Fraud Policy

Further, the Legal and Compliance Department of the Company obtains Compliance Certificate from concerned Head of Functions confirming compliance with the applicable Acts, Rules and Regulations applicable to the respective Department on quarterly basis.

20. 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.

21. Reporting of Fraud:

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

22. Prevention of Sexual Harassment of Women at Workplace:

In line with the requirement of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has adopted a policy on prohibition of sexual harassment at workplace. There were no cases filed of any sexual harassment by any employee including visitors or other non-employees during the financial year ended March 31, 2020.

23. Loans, guarantee, security and acquisition made by the company:

The details of loans, guarantee, security and acquisition made by the company during the financial year ended March 31, 2020 annexed herewith as Annexure IV.

24. Particulars of Employees:

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

25. Registrar and Transfer Agents:

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

26. Employee Stock Option Scheme:

With the objective of rewarding and motivating employees for their long association and in recognition of their dedicated service to the Company and also to attract and retain the best talent, the Company introduced 'Employees Stock Option Scheme 2019' ('ESOP Scheme') to grant incentive stock options to certain key employees of the Company and its subsidiaries. The Board of Directors of the Company ('Board') have constituted the Nomination and Remuneration Committee ('NRC') and at its meeting held on November 28, 2018 gave powers to formulate an Employees Stock Options Scheme for the Company. A

detailed report with respect to options exercised, vested, lapsed, exercise price, vesting period etc. during year under consideration is as follows:-

1. Options granted- The Board has approved to grant 1,04,16,667 Options as per the ESOP Scheme in one or more tranches. The NRC Committee during the FY 2019-20 has approved to grant 274,000 options to the eligible employees as per the ESOP scheme.
2. Options vested: NIL
3. Options exercised: NIL
4. The total number of shares arising as a result of exercise of option: NIL
5. Options lapsed: Tranche 1 : 529,700 Tranche 2 : 2,800
6. The exercise price: Rs. 70.40 per share
7. Variation of terms of options: There is no variation in ESOP Scheme during FY 2019-20. Please check with Finance
8. Money realized by exercise of options: NIL
9. Total number of options in force: 76,11,000
10. Employee wise details of options granted to:-
 - a. Key managerial personnel: Not Applicable
 - b. Any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year: There were 4 employees who have received grant of options amounting to 5% or more under the Scheme.-None
 - c. Identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant: No employee has received options equal to or exceeding one percent of the issued capital of the company during the year.- None

27. General:

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

1. Details relating to deposits covered under Chapter V of the Act - as the Company has not accepted any deposits during the year.
2. Details of significant and material orders 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.

28. Appreciation:

The Directors would like to express their appreciation to the Government of India, the Securities and Exchange Board of India (SEBI), the Reserve Bank of India (RBI), the Association of Mutual Funds of India (AMFI), Indian Private Equity and Venture Capital Association (IVCA), and the Trustees for their continued support and guidance.

The Directors would also like to thank the Auditors, Custodian, Fund Administration, Registrar & Transfer Agent of the schemes, KYC Registration Agencies, Bankers, Distributors, Brokers, Stock Exchanges, Depositories and all other service providers for their valuable support.

The Directors wish to thank all unit holders for their strong support.

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

For and on behalf of the Board of Directors

Sd/-

Hemendra Kothari

Chairman

(DIN: 00009873)

Place: Mumbai

Date: July 16, 2020

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.in lakhs)

1.	Name of the subsidiary	DSP Global Services (Mauritius) Ltd (formerly DSP Investment Managers (Mauritius) Ltd.) Upto 13-Feb-2020	DSP Pension Fund Managers Pvt. Ltd.
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	March 31, 2020	March 31, 2020
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR	INR
4.	Share capital	Nil	2700.00
5.	Reserves & surplus	Nil	658.47
6.	Total assets	Nil	3510.33
7.	Total Liabilities	Nil	151.86
8.	Investments	Nil	3464.48
9.	Turnover	Nil	239.71
10.	Profit / (Loss) before taxation	Nil	227.09
11.	Provision for taxation	Nil	102.84
12.	Profit / (Loss) after taxation	Nil	124.25
13.	Proposed Dividend	Nil	Nil
14.	% of shareholding	Nil	62.50

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sl. No.	Name of associates/Joint Ventures	Name
1	Latest audited Balance Sheet Date	-
2	Shares of Associate/Joint Ventures held by the company on the year end (No., Amount of Investment in Associates/Joint Venture, Extend of Holding%)	-
3	Description of how there is significant influence	-
4	Reason why the associate/joint venture is not consolidated	-
5	Net worth attributable to shareholding as per latest audited Balance Sheet	-
6	Profit/Loss for the year	-
	i Considered in Consolidation	-
	i Not Considered in Consolidation	-

ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

In order to create a meaningful impact it is important to focus on fewer projects. The Company concentrates its CSR efforts around the following themes which will account for 80% of the fund allocations:

- i. **Education and Empowerment of Children:** with special emphasis on underprivileged children, education and empowerment of adolescent girl children.
- ii. **Skill Development:** including employment enhancing vocation skills.
- iii. **Wildlife & Environment Protection** - Projects focused on restoring ecological balance, protection of flora and fauna, protection of animals including collaborative efforts required to train and empower institutions protecting wildlife and raise awareness amongst the people.

The Company shall also undertake other CSR projects/activities as listed in Schedule VII of the Act. However, allocation of funds to such projects/activities shall not exceed 20% of the yearly CSR budget. The CSR projects/activities shall be undertaken in locations within India. The CSR Policy is annexed to the Report as **Annexure A**.

The CSR Policy may be accessed on the Company's website at the link: <https://dspim.com/docs/dspim-csr-policy.pdf>

2. The Composition of the CSR Committee are as follows:

In accordance with Section 135 of the Companies Act, 2013 the CSR Committee comprises of Mr. Hemendra Kothari (Chairman) Mr. Uday Khanna (Independent Director) and Mr. Dhananjay Mungale (Independent Director).

3. Average net profit of the company for last three financial years Rs. 25,051.51 lakhs
4. Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above) Rs. 501.03 lakhs
5. Details of CSR spent during the financial year.
 - (a) Total amount to be spent for the financial year; Rs. 464.14 lakhs
 - (b) Amount unspent, if any; Rs. 36.89 lakhs*

*unspent during the year 2019-2020 than the prescribed CSR expenditure

(c) Manner in which the amount spent during the financial year is detailed below:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR project or activity identified.	Sector in which the Project is covered.	Projects or programs (1) Local area or other (2) Specify the State and district where projects or a program was undertaken	Amount outlay (budget/limit) project or programs wise (in Rs.)	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs. (2) Overheads: (in Rs.)	Cumulative expenditure upto to the reporting period. (in Rs.)	Amount spent: Direct or through implementing agency
1	Seva Sahayog Foundation	Seva Sahayog Foundation has been serving for over 10 years towards the development and welfare for the underprivileged section of the urban slum lives.	Mumbai, Maharashtra	5,07,500	32,869	5,40,369	Direct
2	The Aangan Trust	Protection of vulnerable group of children to assure of a childhood free from trafficking, child marriage, hazardous work, violence & exploitation.	Mumbai, Maharashtra	25,00,000	6,664	25,06664	Direct
3	Impact Foundation (India)	Dasra Giving Circle (DGC) 10 to 19 is a high impact platform that unites funders, technical experts, the government and social organizations to reach 5 million adolescents, and move the needle on outcomes key to adolescent empowerment. Key	Mumbai, Maharashtra	38,20,000	108201.59	39,28,201.59	Implementing Agency

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR project or activity identified.	Sector in which the Project is covered.	Projects or programs (1) Local area or other (2) Specify the State and district where projects or a program was undertaken	Amount outlay (budget/limit) project or programs wise (in Rs.)	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs. (2) Overheads: (in Rs.)	Cumulative expenditure upto to the reporting period. (in Rs.)	Amount spent: Direct or through implementing agency
		objectives are: 1. Delay marriage age 2. Delay age at first pregnancy 3. Complete secondary education					
4	Paragon Charitable Trust (Muktangan)	The focus of this initiative is on child friendly education through innovative pedagogy for the urban, under-served community with the principle "education for the community, by the community".	Mumbai, Maharashtra	50,00,000	8,830	50,08,830	Direct
5	SAHAARA CHARITABLE SOCIETY	Sahaara Charitable Society exists to serve and equip these marginalized people to grow into positive contributors of society. The Sahaara Charitable Society has many initiatives like the Anandalay Girls, Mahima Girls, Parivartan, and Pragati but DSP is closely related to their Anadalay Girls Project.	Mumbai, Maharashtra	22,37,820	55,144	22,92,964	Direct
6	Prerana	Prerana intervenes in the red light areas of Mumbai to end	Mumbai, Maharashtra	24,00,000	-	24,00,000	Direct

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR project or activity identified.	Sector in which the Project is covered.	Projects or programs (1) Local area or other (2) Specify the State and district where projects or a program was undertaken	Amount outlay (budget/limit) project or programs wise (in Rs.)	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs. (2) Overheads: (in Rs.)	Cumulative expenditure upto to the reporting period. (in Rs.)	Amount spent: Direct or through implementing agency
		intergenerational prostitution trafficking by supporting education, offering shelter to mothers and children during the most dangerous hours of the night, placing at-risk children in secure long term institutions and more. Prerana empowers mothers to work actively to protect their children from the sex trade and to bring them security and success throughout childhood and beyond. Prerana advocates to policymakers and influencers to create systemic change on behalf of trafficked persons.	a				
7	CEQUIN - Centre For Equity And Inclusion (A Unit Of Jai Jawan Jai Kisan Trust)	Goal is empowerment of women and girls to enable them lead a life of dignity, exercise their choices and develop capacities.	Delhi	20,00,000	--	20,00,000	Direct

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR project or activity identified.	Sector in which the Project is covered.	Projects or programs (1) Local area or other (2) Specify the State and district where projects or a program was undertaken	Amount outlay (budget/limit) project or programs wise (in Rs.)	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs. (2) Overheads: (in Rs.)	Cumulative expenditure upto to the reporting period. (in Rs.)	Amount spent: Direct or through implementing agency
		To create a gender equitable society by: 1. Addressing Gender based Violence 2. Building leadership 3. Promoting education 4. Facilitating economic empowerment 5. Enhancing health and wellbeing					
8	SD FOUNDATION	This Foundation creates the backbone of Vidyadhan by selecting deserving yet needy students for an opportunity to be sponsored as it has done for over 15 years.	Kerala	10,00,000	-	10,00,000	Direct
9	Bhartiya Jain Sanghtana (BJS)	To enhance water storage capacity of all water bodies of a Taluka through desilting program.	Akola, Maharashtra	50,00,000	118001.79	51,18,001.79	Direct
10	Wildlife Conservation Trust (WCT)	To upgrade the status of key tiger bearing forests....	Tadoba, Nagpur	37,14,000	-	37,14,000	Direct
11	Kailash Satyarthi Children's Foundation	The Kailash Satyarthi Children's Foundation envisions a world where every	Delhi	32,05,727	-	32,05,727	Direct

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR project or activity identified.	Sector in which the Project is covered.	Projects or programs (1) Local area or other (2) Specify the State and district where projects or a program was undertaken	Amount outlay (budget/limit) project or programs wise (in Rs.)	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs. (2) Overheads: (in Rs.)	Cumulative expenditure upto to the reporting period. (in Rs.)	Amount spent: Direct or through implementing agency
		child is free, safe, healthy and educated.					
12	Chief Ministers Relief Fund- Odisha	Disaster Relief Program- Floods relief	Odisha	5,00,000	-	5,00,000	Direct
13	SNEHA (Society For Nutrition, Education And Health Action)	To improve the quality and coverage of maternal and child health services of ICDS (Integrated Child Development Scheme) and to strengthen linkages between community volunteers and public health and nutrition system.	Mumbai	5,44,000	-	5,44,000	Direct
14	Nayi Disha	Supporting families of children with intellectual and developmental disabilities.	Mumbai	5,00,000	-	5,00,000	Direct
15	Cuddles Foundation	Only NGO in India that focuses on battling childhood cancer with very specific and tailor-made nutritional interventions - customized diet planning, hot meal program, family ration baskets, parent support group	Mumbai	9,00,000	-	9,00,000	Direct

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR project or activity identified.	Sector in which the Project is covered.	Projects or programs (1) Local area or other (2) Specify the State and district where projects or a program was undertaken	Amount outlay (budget/limit) project or programs wise (in Rs.)	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs. (2) Overheads: (in Rs.)	Cumulative expenditure upto to the reporting period. (in Rs.)	Amount spent: Direct or through implementing agency
		sessions on nutrition etc.					
16	Foundation For Promotion Of Sports And Games	Is committed to bridging the gap between the best athletes in India and the best athletes in the world thus helping Indian athletes to win Olympic Gold medals.	Mumbai	20,00,000	-	20,00,000	Direct
17	The Akshaya Patra Foundation	Implementing the Mid-Day Meal Scheme in Government & Government - aided schools	Puri, Odisha	28,63,700	-	28,63,700	Direct
18	Ammada Trust	Menstrual Health Sanitation for adolescent girls	Uttar Pradesh	4,95,000	-	4,95,000	Direct
19	Parikrma	Parikrama supports children right from age 5 till they turn 25 and provides them better education. They bear the costs of children's further education as well, either in the form of formal college education or vocational training. They conduct	Bangalore	41,98,602	45,068	42,43,670	Direct

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR project or activity identified.	Sector in which the Project is covered.	Projects or programs (1) Local area or other (2) Specify the State and district where projects or a program was undertaken	Amount outlay (budget/limit) project or programs wise (in Rs.)	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs. (2) Overheads: (in Rs.)	Cumulative expenditure upto to the reporting period. (in Rs.)	Amount spent: Direct or through implementing agency
		vocational and skills enrichment workshops to ensure basic hygiene, alcohol de-addiction camps, basic health check-ups, financial planning, counselling for distressed families.					
20	Abhinav Bindra Foundation	To sponsor the training and guide athletes through pragmatic way of training to achieve their goals in the national & international forums.	Mohali	21,00,000	57,400.92	21,57,400.92	Direct
Total				4,54,86,349	4,32,179.30	4,59,18,528.30	
Miscellaneous Admin Expenses					4,96,098.70		
					9,28,278/-		

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.

The Company has allocated resources for CSR activities only after due diligence and identification of eligible Projects/Programs. The Company shall endeavor to identify more eligible projects for utilization of the allocated budget for CSR activities in the coming years.

7. Responsibility Statement.

The implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the Company.

For and on behalf of the Board of Directors

Sd/-
Hemendra Kothari
Chairman
DIN: 00009873

Place: Mumbai
Date: July 16, 2020

**CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY
(U/S 135 OF THE COMPANIES ACT, 2013)**

I. Background

- a. The Companies Act, 2013 (The Act) requires both public and private companies in India which have either
- i. net worth of INR 5 billion or more or
 - ii. turnover of INR 10 billion or more or
 - iii. net profit of INR 50 million or more

within the immediately preceding financial year, to contribute 2% of their average net profits of the three preceding financial years to Corporate Social Responsibility initiatives, or specify their reasons for not spending that amount in their Board of Director's annual reports.

- b. The CSR spending of each company is to be overseen by a sub-committee of the company's board of directors, whose duties include developing a CSR policy, recommending CSR activities to be undertaken and the amount of spending on each activity, and monitoring the company's CSR policy. The company's board of directors is responsible for ensuring that at least 2% of the average net profit of the company over the three immediately preceding financial years is spent on CSR initiatives in pursuance of its CSR Policy.

- c. The Companies (Corporate Social Responsibility Policy) Rules, 2014 ("the Rules") further clarify that:

- i. a company's CSR policy shall specify the CSR projects and programs to be undertaken, modalities of execution, implementation schedules and monitoring processes;
- ii. companies may choose to conduct their CSR programs through trusts, societies or charitable companies operating in India, provided that if the entity is not set up by the company, its holding or subsidiary or associated company, that entity has been carrying out related activities for at least three years;
- iii. companies may collaborate or pool resources with other companies to undertake their CSR activities, so long as the companies can report separately on those CSR activities;
- iv. CSR activities must be undertaken within India;
- v. activities that are for the exclusive benefit of employees of the company or their families, contributions to political parties and activities in the normal course of business are excluded from the CSR spending; and
- vi. up to 5% of a company's annual CSR expenditures including expenditure on administrative overheads, may be used for capacity building of the company's own personnel or of their implementing agencies.

- d. The Rules also set out the disclosure requirements for the Board of Directors' Annual Report where a company meets the section 135 threshold. The information to be disclosed to the Registrar in the Board's Annual Report includes the CSR policy and projects, composition of their CSR Committees, average net profits for the last three fiscal years, prescribed CSR expenditures, details of CSR spending during the fiscal year, reasons for failing to meet their CSR spending if the company has failed to spend the 2% required, and a statement by the CSR Committee that the implementation and monitoring of the CSR policy is in compliance with the CSR objectives and Policy. The Board must also display the company's CSR policy on its website, if such a website exists.

- e. Schedule VII of the Act (appended as **Annexure B** to this Policy) has prescribed the types of activities for which CSR expenditures can be made:

II. Policy Statement

- a. DSP Investment Managers Pvt Ltd (The "Company") commits to conduct its business in a responsible, fair, transparent and ethical manner and extend its responsibility to create a meaningful social impact to the local communities.

- b. In this endeavour, the Company commits to undertake CSR activities in accordance with the provisions of Section 135 of the Indian Companies Act, 2013 and related Rules.

III. CSR Objectives, Projects - Activities

- a. In order to create a meaningful impact it is important to focus on fewer projects. The Company will concentrate its CSR efforts around the following themes which will account for 80% of the fund allocations:
- i. **Education and Empowerment of Children:** with special emphasis on underprivileged children, education and empowerment of adolescent girl children.
 - ii. **Skill Development:** including employment enhancing vocation skills.
 - iii. **Wildlife & Environment Protection** - Projects focused on restoring ecological balance, protection of flora and fauna, protection of animals including collaborative efforts required to train and empower institutions protecting wildlife and raise awareness amongst the people.
- b. The Company shall also undertake other CSR projects/activities as listed in Schedule VII of the Act. However, allocation of funds to such projects/activities shall not exceed 20% of the yearly CSR budget.
- c. The CSR projects/activities shall be undertaken in locations within India.

IV. CSR Organization:

- a. **CSR Committee:** The Committee shall comprise of two or more directors. Following shall be the scope of the CSR Committee:
- i. formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the projects/activities to be undertaken by the Company in areas or subject, as specified in Schedule VII;
 - ii. recommend the amount of expenditure to be incurred on CSR projects/activities.
 - iii. shall institute a transparent monitoring mechanism for implementation of the CSR projects/activities undertaken by the Company.
 - iv. Submit an annual report of CSR projects/activities to the Board.
- b. **DSP Gives Committee:** This committee shall comprise of employees drawn from various functions and shall have the following duties and responsibilities:
- i. Recommend Policy changes to the CSR committee
 - ii. Develop CSR strategies and project identification mechanism
 - iii. Evaluation of NGOs, their proposals and allocation of funds.
 - iv. Coordinate CSR projects/activities.
 - v. Administration of CSR budget and its allocation.
 - vi. Periodic assessment of the activities of NGOs supported by the Company and the impact generated.
 - vii. Periodic reporting to the CSR committee.

V. Modalities of Execution

- a. The day to day implementation and execution of CSR activities/projects shall be carried out through the DSP Gives Committee.
- b. Execution will largely be in the form of support to non-profit and voluntary organizations (NGOs) focusing on activities/projects included in paragraph III above.
- c. The Company will also support non-profit organizations which play the role of a catalyst in the themes/sectors identified in paragraph III (a) above by working with both philanthropists and social entrepreneurs and bring together knowledge, funding and people. Their activities could be in the form of providing research on social issues to funders, conducting workshops and training for NGOs to build skills, providing a platform or forum for philanthropists to identify competent NGOs and for NGOs to raise funds.
- d. All such organisations shall have an established track record as specified in the Act (currently three years).

- e. The Company shall consider the following modes of support.
 - i. financial support (monetary donations, grants,)
 - ii. Sponsorship to workshops and training programs for NGOs to provide skill sets necessary to build and maintain a sustainable and scalable organisation and accelerate their impact.
 - iii. in-kind giving
 - iv. other material support
 - v. employee volunteering (making time, skills, mentoring, etc.)
- f. The Company could seek assistance from firms specializing in the social sector for research on social issues, to identify NGOs with good track record, good governance standards, and a sustainable model and post funding monitoring of NGO's progress. It is equally important to continuously monitor the activities of the NGOs being supported to ensure that they meet the targeted levels of impact committed at the time of funding.
- g. The Company will also encourage its employees to contribute to CSR initiatives by matching charitable donations rupee for rupee through a Matching Gifts Program.
- h. The Company will encourage its employees to donate their time to local causes and will accommodate reasonable requests for time away from the office to engage in community activities.
- i. The following activities do not qualify as CSR Activities under the Companies Act, 2013:
 - i. Projects or activities not falling within Schedule VII (Annexure 1);
 - ii. Activities undertaken in pursuance of normal course of business;
 - iii. Projects or programs or activities that benefit only the employees of the Company and their families
 - iv. Direct or indirect contribution to any political party.

VI. CSR Budget

- a. At the commencement of each fiscal year the Board will agree an amount which should be allocated to CSR programs. This amount shall not be less than as prescribed by the Act (Currently, a minimum of 2% of its average Net Profits in the immediately preceding three (3) financial years). Average Net profits shall mean the net profits of the Company as per the Profit & Loss Statement prepared in accordance with the Companies Act, 2013; Net Profits shall exclude (a) profits arising from any overseas branch or branches of the Company (whether operated as a separate company or otherwise); or (b) dividend received from other companies in India.
- b. The surplus arising out of the CSR activities or projects shall not form part of the business profit of the Company.
- c. Contributions by employees may also be received and utilized in respect of the CSR activities undertaken.
- d. The Company will aim to grow this core amount over time and, depending on the profitability of the Company, may make specific one-off donations.

The Policy would at all times comply with the applicable provisions of the Companies Act, 2013 and the rules made thereunder, as may be amended from time to time.

Activities which may be included in the Corporate Social Responsibility Policy as per Schedule VII of the Act

- I. eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;
- II. promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- III. promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- IV. ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund setup by the Central Government for rejuvenation of river Ganga;
- V. protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
- VI. measures for the benefit of armed forces veterans, war widows and their dependents;
- VII. training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports;
- VIII. contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
- IX. contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- X. rural development projects.
- XI. slum area development.

Explanation.— For the purposes of this item, the term 'slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.

Note: This Annexure may be revised in line with any amendments/inclusions made to Schedule VII of the Companies Act, 2013.

Form No. MGT- 9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2020

[Pursuant to section 92 (3) of the Companies Act, 2013 and rule 12 (1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	U74140MH1996PTC099483
ii.	Registration Date	May 13, 1996
iii.	Name of the Company	DSP Investment Managers Private Limited
iv.	Category/Sub-Category of the Company	Category: Company Limited by Shares Sub-Category: Indian Non Government Company
v.	Address of the Registered office and contact details	Registered Office: Mafatlal Centre, 10th Floor, Nariman Point, Mumbai - 400 021 Contact details: +91 22 66578000
vi.	Whether listed company	No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Name: KFin Technologies Private Limited Address: Selenium Building Tower-B, Plot No 31 & 32, 1th Floor, Gachibowli, Financial District, Nanakramguda, Serilingampally-Hyderabad - 500 032, Telangana Contact details: Tel. No.: 022 67720300 / 67720400

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sr . No.	Name and Description of main products/ services	NIC Code of the Product/ Service	% to total turnover of the company
1	Fund Management Activities	6630	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/ GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
1	Name: DSP ADIKO Holdings Pvt. Ltd. Address: Mafatlal Centre, 11th Floor, Nariman Point, Mumbai - 400 021	U65990MH1983PTC029547	Holding	54.00	2(46)
2	Name: DSP Pension Fund Managers Pvt. Ltd. Address: Mafatlal Centre, 10th Floor, Nariman Point, Mumbai - 400 021	U67190MH2012PTC238252	Subsidiary	62.50	2(87)(ii)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during The year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
<i>Indian</i>									
a) Individual/ HUF	3,00,00,000	-	3,00,00,000	12	3,00,00,000	-	3,00,00,000	12	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp	22,00,00,000	-	22,00,00,000	88	22,00,00,000	-	22,00,00,000	88	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total(A)(1):-	25,00,00,000	-	25,00,00,000	100	25,00,00,000	-	25,00,00,000	100	-
<i>Foreign</i>									
a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total(A)(2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	25,00,00,000	-	25,00,00,000	100	25,00,00,000	-	25,00,00,000	100	-
B. Public Shareholding									
<i>Institutions</i>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital	-	-	-	-	-	-	-	-	-

Funds									
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total(B)(1)	-	-	-	-	-	-	-	-	-
2. Non Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
(i) Indian									
(ii) Overseas									
b) Individuals	-	-	-	-	-	-	-	-	-
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh									
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh									
Others(Specify)	-	-	-	-	-	-	-	-	-
Sub-total(B)(2)	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	25,00,00,000	-	25,00,00,000	100	25,00,00,000	-	25,00,00,000	100	-

ii. Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	DSP HMK Holdings Pvt. Ltd.	8,50,00,000	34	-	8,50,00,000	34	-	-
2	DSP ADIKO Holdings Pvt. Ltd.	13,50,00,000	54	-	13,50,00,000	54	-	-

3	Ms. Aditi Kothari Desai	1,50,00,000	6	-	1,50,00,000	6	-	-
4	Ms. Shuchi Kothari	1,50,00,000	6	-	1,50,00,000	6	-	-
	Total	25,00,00,000	100	-	25,00,00,000	100	-	-

iii. Change in Promoters' Shareholding (please specify, if there is no change)

Sr. no	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
DSP HMK Holdings Pvt. Ltd.					
1	At the beginning of the year	8,50,00,000	34	8,50,00,000	34
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
3	At the End of the year	8,50,00,000	34	8,50,00,000	34
DSP ADIKO Holdings Pvt. Ltd.					
1	At the beginning of the year	13,50,00,000	54	13,50,00,000	54
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
3	At the End of the year	13,50,00,000	54	13,50,00,000	54
Mrs. Aditi Kothari Desai					
1	At the beginning of the year	1,50,00,000	6	1,50,00,000	6
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for	-	-	-	-

Sr. no	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
3	At the End of the year	1,50,00,000	6	1,50,00,000	6
Ms. Shuchi Kothari					
1	At the beginning of the year	1,50,00,000	6	1,50,00,000	6
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
3	At the End of the year	1,50,00,000	6	1,50,00,000	6

iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): N.A.

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	-	-	-	-
2	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/sweat equity etc):	-	-	-	-
3	At the End of the year (or on the date of separation, if separated during the year)	-	-	-	-

v. Shareholding of Directors and Key Managerial Personnel: NA

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
1	At the beginning of the year	-	-	-	-
2	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
3	At the End of the year	-	-	-	-

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment:

[INR]

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid				
iii) Interest accrued but not				
Total (i+ii+iii)	Nil	Nil	Nil	Nil
Change in Indebtedness during the financial year				
- Addition	Nil	Nil	Nil	Nil
- Reduction				
Net Change	Nil	Nil	Nil	Nil
Indebtedness at the end of the financial year				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	Nil	Nil	Nil	Nil

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		-	-	-	-	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-

	(c)Profits in lieu of salary under section 17(3) Income- tax Act,1961					
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-	-
5	Others, please specify	-	-	-	-	-
6	Total(A)	-	-	-	-	-
	Ceiling as per the Act	-	-	-	-	-

B. Remuneration to other directors:

[INR]

Sl. No.	Particulars of Remuneration	[INR]				
		Mr. S. Ramadorai	Mr. Dhananjay Mungale	Mr. Subhash Mundra	Mr. Uday Khanna	
1	<u>Independent Directors</u> ·Fee for attending board committee meetings	-	-	-	-	-
	Total(1)	-	-	-	-	-
2	<u>Other Non-Executive Directors</u> ·Fee for attending board committee meetings	8,00,000	12,,00,000	9,00,000	9,00,000	38,00,000
	·Commission	-	-	-	-	-
	·Others, please specify	-	-	-	-	-
	Total(2)	8,00,000	12,,00,000	9,00,000	9,00,000	38,00,000
	Total(B)=(1+2)	8,00,000	12,,00,000	9,00,000	9,00,000	38,00,000
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a)Salary as per provisions contained in section17(1)of the Income-tax Act,1961 (b)Value of perquisites u/s 17(2)Income-tax Act,1961 (c)Profits in lieu of salary under section 17(3)Income-tax Act,1961	-	-	-	-

2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-	-
5.	Others, please specify	-	-	-	-
6.	Total	-	-	-	-

VI. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD /NCLT/Court]	Appeal made. If any (give details)
A. Company					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. Directors					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. Other Officers In Default					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

For and on behalf of the Board of Directors

Sd/-
Hemendra Kothari
Chairman
(DIN: 00009873)

Place: Mumbai
Date: July 16, 2020

Details of loans, guarantee, security and acquisition made by the company (as on March 31, 2020)

Nature of transaction (loan / guarantee/ security / acquisition)	Date of transaction	Name of the person or body corporate to whom loan/ guarantee is made or whose securities have been acquired (Listed / Unlisted entities)	Amount of loan/ security /acquisition guarantee (Rs.)	Purpose of transaction	Number and kind of securities	Nominal value and paid up value
Acquisition	09-Jul-2019	DSP Global Services (Mauritius) Limited (formerly DSP Investment Managers (Mauritius) Limited)	34,545,000	wholly owned subsidiary - Additional Capitalization	Management Share	1 USD
Dis-investment	13-Feb-2020	DSP Global Services (Mauritius) Limited (formerly DSP Investment Managers (Mauritius) Limited)	205,714,200	sale of entire stake in the wholly owned subsidiary	Management shares	1.09 USD

For and on behalf of the Board of Directors

Sd/-
Hemendra Kothari
Chairman
(DIN: 00009873)

Place: Mumbai
Date: July 16, 2020

INDEPENDENT AUDITOR'S REPORT

To The Members of DSP Investment Managers Private Limited

Report on the Audit of the Ind AS Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of DSP Investment Managers Private Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information

In our opinion and to the best of our information and according to the explanations given to us the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2020, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Director's Report, but does not include the Consolidated financial statements, Standalone financial Statements and our auditor's report thereon.

- Our opinion on the Standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon
- In connection with our audit of the Standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design,

implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit on the standalone financial statements we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on 31 March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) The Company being a private company, section 197 of the Act related to the managerial remuneration is not applicable.

j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements .

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amount which were required to be transferred to the Investor Education and Protection Fund by the company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deloitte Haskins & Sells LLP
Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Sd/-

Rakesh N. Sharma

Partner

Membership No. 102042

UDIN-

Place: Mumbai

Date: 16-July-2020

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of DSP Investment Managers Private Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Deloitte Haskins & Sells LLP
Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Sd/-
Rakesh N. Sharma
Partner
Membership No. 102042
UDIN-

Place: Mumbai
Date: 16-July-2020

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Some of the fixed assets were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification.
- (c) The Company does not have any immovable properties of freehold or leasehold land and building hence reporting under clause (i) (c) of the CARO 2016 Order is not applicable.
- (ii) The Company does not have any inventory and hence reporting under clause (ii) of the CARO 2016 is not applicable.
- (iii) According to the information and explanation given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanation given to us, the company has complied with the provisions of section 185 and 186 of the companies act, 2013 in respect of grant of loans and making investments. The company has not provided any guarantee or security.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year. There are no unclaimed deposits.
- (vi) Having regard to the nature of the Company's business/ activities, reporting under clause (vi) of CARO 2016 is not applicable.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods & Service Tax, Customs Duty, cess and other material statutory dues applicable to it to the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods & Service Tax, Customs Duty, cess and other material statutory dues in arrears as at March 31,

2020 for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax and Service Tax which have not been deposited as on March 31, 2020 on account of disputes are given below:

Name of Statute	Nature of dues	Forum where the dispute is pending	Period to which the amount relates	Amount (Rs. in Lakhs)
Income Tax Act, 1961	Income Tax	Commissioner of Income tax (Appeals)	FY 2005-06	0.89
		Commissioner of Income tax (Appeals)	FY 2013-14	38.36
		Commissioner of Income tax (Appeals)	FY 2017-18	7.69
Finance Act, 1994	Service Tax	Commissioner of CGST, Mumbai	FY 2011-12 to FY 2014-15	267.75
	Interest on Delayed Payment	Superintendent (Audit) GR V-Central Excise	FY 2006-07	24.12

- (viii) The Company has not taken any loans or borrowings from financial institutions, banks and government and has not issued any debentures. Hence reporting under clause (viii) of CARO 2016 is not applicable to the Company.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the CARO 2016 Order is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) The Company is a private company and hence the provisions of section 197 of the Companies Act, 2013 do not apply to the Company.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.
- (xiii) The Company is a private company and hence the provision of section 177 and second proviso to section 188(1) of the companies act 2013 are not

applicable to the company. The Company has complied with the other provision of section 188 of the act where applicable, as regards the transactions with related parties. In our opinion and according to the information and explanation given to us the company has disclosed the

details of related party transactions in the financial statements as required by the applicable accounting standards.

- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its subsidiary companies or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

Sd/-
Rakesh N. Sharma
Partner
Membership No. 102042
UDIN-

Place: Mumbai
Date: 16-July-2020

DSP Investment Managers Private Limited (Formerly known as DSP BlackRock Investment Managers Private Limited)

Standalone Balance Sheet as at March 31, 2020

(Rs.in Lakhs)

Particulars	Note	As at March 31,2020	As at March 31,2019
Assets			
Financial Assets			
Cash and cash equivalents	5	352.84	513.71
Trade Receivables	6	4,965.44	4,974.97
Loans	7	186.62	89.59
Investments	8	116,833.92	104,212.44
Other Financial assets	9A	497.23	782.84
Non-financial Assets			
Current Tax Assets (Net)	10A	1,353.41	2,535.08
Deferred Tax Assets (Net)	10B	840.47	-
Property, Plant and Equipment	11	1,457.87	1,592.15
Other Intangible Assets	12	108.24	179.95
Right-of-use Assets	34	2,175.51	-
Other non-financial assets	9B	1,112.82	1,401.75
Total assets		129,884.37	116,282.48
Liabilities and Equity			
Financial Liabilities			
Payables	13		
(I) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises		30.68	16.15
(ii) total outstanding dues of enterprises other than micro enterprises and small enterprises		2,217.09	2,912.76
(II) Other Payables			
(i) total outstanding dues of micro enterprises and small enterprises		18.40	-
(ii) total outstanding dues of enterprises other than micro enterprises and small enterprises		27.84	18.96
Lease Liabilities	34	2,254.46	-
Non-financial liabilities			
Provisions	14	1,827.10	1,390.27
Deferred tax liabilities (Net)	10B	-	979.76
Other non-financial liabilities	15	921.29	335.40
		7,296.86	5,653.30
Equity			
Equity share capital	16	25,000.00	25,000.00
Other equity	17	97,587.51	85,629.18
Total equity		122,587.51	110,629.18
Total liabilities and equity		129,884.37	116,282.48

Corporate Information, Significant accounting Policies and the accompanying notes are an integral part of the financial statements

In terms of our report attached.

For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-
Rakesh N. Sharma
Partner

Sd/-
Hemendra Kothari
Chairman
DIN: 00009873

Sd/-
Dhananjay Mungale
Director
DIN: 00079129

Sd/-
Gaurav Nagori
Chief Financial Officer

Sd/-
Pritesh Majmudar
Company Secretary

Place: Mumbai
Date: 16-July-2020

Place: Mumbai
Date: 16-July-2020

DSP Investment Managers Private Limited (Formerly known as DSP BlackRock Investment Managers Private Limited)

Standalone Statement of Profit and Loss for the year ended 31st March 2020

(Rs. in Lakhs)

	Particulars	Note No.	Year Ended March 31, 2020	Year Ended March 31, 2019
	Revenue from operations			
	Fees and commission Income	18	43,293.09	65,311.92
(I)	Total Revenue from operations		43,293.09	65,311.92
(II)	Other Income	19	2,050.12	6,888.07
(III)	Total Income		45,343.21	72,199.99
	Expenses			
(i)	Finance Costs	21	300.20	106.15
(ii)	Fees, Commission and other scheme expenses	22	2,568.71	11,752.06
(iii)	Employee Benefits Expenses	23	13,696.86	14,289.89
(iv)	Depreciation, amortization and impairment	24	1,975.17	813.58
(v)	Other expenses	25	11,233.08	8,361.72
(IV)	Total Expenses		29,774.02	35,323.40
(V)	Profit before tax		15,569.19	36,876.59
(VI)	Tax Expense:			
	(1) Current Tax	26	5,820.68	11,134.43
	(2) Deferred Tax	27	(1,854.57)	884.45
			3,966.11	12,018.88
(VII)	Profit for the year		11,603.08	24,857.71
(VIII)	Other Comprehensive Income	28		
	(i) Items that will not be reclassified to profit or loss			
	Remeasurements of the defined benefit plans;		136.43	(7.49)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(34.34)	2.62
	Other Comprehensive Income		102.09	(4.87)
(IX)	Total Comprehensive Income for the period		11,705.17	24,852.84
(X)	Earnings per equity share			
	Basic (Rs.)	29	4.64	9.94
	Diluted (Rs.)	29	4.64	9.94

Corporate Information, Significant accounting Policies and the accompanying notes are an integral part of the financial statements

In terms of our report attached.

For Deloitte Haskins & Sells LLP

Chartered Accountants

Sd/-
Rakesh N. Sharma
Partner

For and on behalf of the Board of Directors

Sd/-
Hemendra Kothari
Chairman
DIN: 00009873

Sd/-
Dhananjay Mungale
Director
DIN: 00079129

Sd/-
Gaurav Nagori
Chief Financial Officer

Sd/-
Pritesh Majmudar
Company Secretary

Place: Mumbai
Date: 16-July-2020

Place: Mumbai
Date: 16-July-2020

DSP Investment Managers Private Limited (Formerly known as DSP BlackRock Investment Managers Private Limited)
Standalone Statement of cash flows for the year ended March 31, 2020

(Rs. in Lakhs)

Particulars	Year ended March 31, 2020		Year ended March 31, 2019	
Cash flows from operating activities				
Profit for the year		15,569.19		36,876.59
Adjustments for:				
Dividend income	(74.30)		(112.98)	
Interest income	(6.68)		(6.36)	
Interest on statutory liabilities	(21.69)		106.15	
Lease liabilities (at amortised cost)	321.89		-	
Share based payments	253.16		18.44	
Net loss on derecognition of property, plant and equipment	10.56		27.92	
Net loss / (gain) on financial instruments at fair value through profit and loss account	4,777.49		(6,563.33)	
Reversal of provision of Value of investment carried at Cost	(1,205.17)		-	
Gain on sale of subsidiary	(506.52)		-	
Depreciation and amortisation of non-current assets	761.87		813.58	
Depreciation of Right-of-Use Assets	1,213.30		-	
		5,523.91		(5,716.58)
Operating profit before working capital changes		21,093.10		31,160.01
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
Trade Receivables	9.53		2,930.62	
Other financial assets	285.61		(240.61)	
Other non - financial assets	270.76		592.18	
Adjustments for increase / (decrease) in operating liabilities:				
Provisions	573.26		11.62	
Trade Payables	(662.74)		(3,311.07)	
Other non - financial liabilities	585.89		(101.90)	
		1,062.31		(119.16)
Cash generated from operations		22,155.41		31,040.85
Income taxes paid		(4,639.01)		(12,532.30)
Net cash generated from operating activities		17,516.40		18,508.55
Cash flows from investing activities				
Payments to acquire investments	(65,047.80)		(119,050.60)	
Proceeds on sale of investments	47,648.83		101,629.44	
Dividend Received	74.30		112.98	
Interest received	6.68		6.36	
Payments for property, plant and equipment	(565.59)		(506.77)	
Proceeds from disposal of property, plant and equipment	26.20		17.25	
Loans to employees (Net)	(97.03)		(36.38)	
Net cash used in investing activities		(17,954.41)		(17,827.72)
Cash flows from financing activities				
Repayment of borrowings	-		(126.60)	
Sale of subsidiary	1,711.69		-	
Share Issue Expenses	-		(293.19)	
Interest paid	21.69		(106.15)	
Lease payments	(1,456.24)		-	
Net cash generated / (used in) from financing activities		277.14		(525.94)
Net (decrease) / increase in cash and cash equivalents		(160.87)		154.89
Cash and cash equivalents at the beginning of the year		513.71		358.82
Cash and cash equivalents at the end of the year		352.84		513.71

Corporate Information, Significant accounting Policies and the accompanying notes are an integral part of the financial statements

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS -7 "Cash flow Statement"

In terms of our report attached.
For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-
Rakesh N. Sharma
Partner

Sd/-
Hemendra Kothari
Chairman
DIN: 00009873

Sd/-
Dhananjay Mungale
Director
DIN: 00079129

Sd/-
Gaurav Nagori
Chief Financial Officer

Sd/-
Pritesh Majmudar
Company Secretary

Place: Mumbai
Date: 16-July-2020

Place: Mumbai
Date: 16-July-2020

Statement of Changes in Equity for the year ended March 31, 2020

Equity share capital

(Rs. in Lakhs)

Particulars	Amount
Balance as at 31-March-2018	2,000.00
Changes in equity share capital during the year Issue of Bonus Shares	23,000.00
Balance as at 31-March-2019	25,000.00
Changes in equity share capital during the year	-
Balance as at 31-March-2020	25,000.00

Other equity

(Rs. in Lakhs)

	Reserves and Surplus			Items of Other Comprehensive Income (OCI)	Total
	General Reserve	Retained Earnings	ESOP Reserve	Re-measurements of net defined benefit plans	
Balance at the beginning of the reporting period	24.00	83,961.52	-	65.57	84,051.09
Other deductions during the year on account of issue of bonus shares	(24.00)	(22,976.00)	-	-	(23,000.00)
Profit for the year after income tax	-	24,857.71	-	-	24,857.71
Other Comprehensive Income for the year before income tax	-	-	-	(7.49)	(7.49)
Less: Income Tax on Other Comprehensive Income	-	-	-	2.62	2.62
Total Comprehensive Income for the year	-	24,857.71	-	(4.87)	24,852.84
Share based payments	-	-	18.44	-	18.44
Share Issue Expenses - Increase in authorised capital	-	(270.19)	-	-	(270.19)
Share Issue Expenses - Issuance of Bonus Shares	-	(23.00)	-	-	(23.00)
Balance as at March 31, 2019	-	85,550.04	18.44	60.70	85,629.18
Balance at the beginning of the reporting period	-	85,550.04	18.44	60.70	85,629.18
Profit for the year after income tax	-	11,603.08	-	-	11,603.08
Other Comprehensive Income for the year before income tax	-	-	-	136.43	136.43
Less: Income Tax on Other Comprehensive Income	-	-	-	(34.34)	(34.34)
Total Comprehensive Income for the year	-	11,603.08	-	102.09	11,705.17
Share based payments	-	-	253.16	-	253.16
Balance as at March 31, 2020	-	97,153.12	271.60	162.79	97,587.51

DSP Investment Managers Private Limited (Formerly known as DSP BlackRock Investment Managers Private Limited)

Notes to Standalone Ind AS Financial Statements for the year ended 31st March, 2020

DSP Investment Managers Private Limited

1) Corporate Information

DSP Investment Managers Private Limited ("the Company" formerly known as DSP BlackRock Investment Managers Private Limited) was incorporated in India on May 13, 1996. The Company operates as an 'Asset Management Company' for schemes of DSP Mutual Fund (MF) (formerly known as DSP BlackRock Mutual Fund), registered with the Securities and Exchange Board of India (SEBI), in India. The Company also renders non-binding investment management advisory services to offshore entities. The Company also functions as Investment Manager for all the schemes of DSP Alternative Investment Fund (AIF), which was registered with SEBI on June 13, 2013. The Registered office of the Company is at Mumbai, Maharashtra.

The DSP Group (comprising of DSP HMK Holdings Private Limited, DSP ADIKO Holdings Private Limited), along with Ms. Aditi Kothari Desai, and Ms. Shuchi Kothari purchased the entire 40% stake held by BlackRock Advisors Singapore Pte. Ltd. in the Company on August 16, 2018 as per Share Purchase Agreement entered on May 7, 2018. Consequently, the Company changed its name from DSP BlackRock Investment Managers Private Limited to DSP Investment Managers Private Limited.

2) Basis of Preparation of Financial Statements

The Standalone Financial Statements (SFS) of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

The financial statements are presented in Rupees and all values are rounded to the nearest Lakhs, except when otherwise indicated.

3) Significant accounting policies

a. Property, plant and equipment

Items of Property, Plant and Equipment are stated in the balance sheet at historical cost less accumulated depreciation and impairment loss, if any. The historical cost of Property, Plant and Equipment comprises of its purchase price and cost directly attributable to bringing the assets to their working condition for their intended use.

On transition to Ind AS, the Company elected to continue with the carrying value of all of its Property, Plant and Equipment recognised as at 1st April, 2015 ("transition date") measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

The capital advances include cost of fixed assets that are not ready for their intended use and also includes advances paid to acquire fixed assets.

DSP Investment Managers Private Limited (Formerly known as DSP BlackRock Investment Managers Private Limited)

Notes to Standalone Ind AS Financial Statements for the year ended 31st March, 2020

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefit is expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognized.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives, using the straight-line method as prescribed under Schedule II of the Company's Act 2013. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Estimated useful lives of property, plant and equipment as stipulated under Schedule II of the Company Act, 2013 and adopted by management for various block of assets in as under:-

Asset	Useful life of asset (Years)
Office Equipment	5
Furniture and Fixtures	10
Vehicles	8
Computers and Allied Equipments	3 and 6

Leasehold improvements are amortised over the lower of the lease period and management's estimate of the useful life of the asset.

b. Intangible Assets

Intangible assets that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over useful life of three years. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. As on April 01, 2017 i.e. its date of transition to Ind AS, the Company has used Indian GAAP carrying value as deemed cost.

An intangible asset is derecognised when no future economic benefit is expected from use. Gains or losses arising from derecognition of an intangible asset are recognised in the Statement of Profit and Loss.

c. Impairment

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

d. Employee benefits

Short Term Benefits:

Short Term Employee Benefits are accounted for in the period during which the services have been rendered.

DSP Investment Managers Private Limited (Formerly known as DSP BlackRock Investment Managers Private Limited)

Notes to Standalone Ind AS Financial Statements for the year ended 31st March, 2020

Post-Employment Benefits

a) Defined Contribution Plan

The Company has defined contribution plans for post-employment benefits in the form of Provident fund.

Under the Provident Fund plan, the company contributes to a Government administered Provident Fund on behalf of employees. The Company has no further legal or constructive obligation to pay further amount to the provident fund. The Company's contribution to the Government Provident Fund is charged to the Statement of Profit and Loss in the periods during which the related services are rendered by employees.

b) Defined Benefit Plan

Employee Benefits under Defined Benefit Plan i.e. gratuity which fall due for payment after a period of twelve months from rendering service or after completion of employment are measured by the projected unit credit method (PUCM) on the basis of actuarial valuation carried out by third party actuaries at each balance sheet date.

Remeasurements:

For defined benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuation being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to the Statement of Profit and Loss. Past service cost is recognised in the Statement of Profit and Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Other Long Term employee benefit obligation Compensated Absences

The Company's net obligation in respect of long-term employee benefits (compensated absences) is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised in the Statement of Profit and Loss in the period in which they arise.

e. Share based payments - Employee Stock Option Scheme ('ESOP')

The fair value of options granted under Employee Stock Option Plan is recognized as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options. The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognizes the impact of the revision, if any, in the Statement of Profit and Loss, with a corresponding adjustment to equity. Upon exercise of share options, the proceeds received are allocated to share capital up to the par value of the shares issued with any excess being recorded as share premium.

f. Foreign currency transactions

The Company's financial statements are presented in Rupees, which is also its functional currency.

DSP Investment Managers Private Limited (Formerly known as DSP BlackRock Investment Managers Private Limited)

Notes to Standalone Ind AS Financial Statements for the year ended 31st March, 2020

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Foreign currency monetary items of the Company are restated at the prevailing rates of exchange at the Balance Sheet date. All gains and losses arising out of fluctuations in exchange rates are accounted for in the Statement of Profit and Loss.

g. Revenue recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115-Revenue from Contracts with Customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found within Ind AS.

The company recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one obligation, the company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.

The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements.

The contracts include a single performance obligation that is satisfied over time and the fees earned is considered as variable consideration that is included in the transaction price to the extent that no significant revenue reversal is expected to occur.

(i) Fees from Mutual Fund Operations:

Investment management fees are recognised net of taxes on an accrual basis as a percentage of the daily net assets of the schemes of DSP Mutual Fund, in accordance with the Securities and Exchange Board of India ('SEBI') (Mutual Fund) Regulations, 1996 (the 'SEBI Regulations') as amended from time to time.

(ii) Alternate Investment Fund (Category III):

Investment management fees are recognized net of taxes on an accrual basis as a percentage of the net assets of the AIF schemes, in accordance with the Private Placement Memorandum (PPM) and Contribution Agreement (CA) signed by the contributors.

Performance fee, if any, is accrued in accordance with the PPM and CA signed by the contributors.

(iii) Fees from Offshore Investment Management Operations:

Offshore investment management fees are computed in accordance with the relevant scheme documents

DSP Investment Managers Private Limited (Formerly known as DSP BlackRock Investment Managers Private Limited)

Notes to Standalone Ind AS Financial Statements for the year ended 31st March, 2020

or agreed side letters with clients and are based on the assets under management of the funds as computed and provided by independent third party fund accountants.

(iv) Advisory Services:

Advisory fees are computed in accordance with the relevant agreements and are based on the assets under management of the funds as computed and provided by independent third party fund accountants / custodians.

h. Fees, Commission and other scheme expenses

Expenses incurred upto 21st October 2018 related to the schemes of DSP Mutual Fund in excess of the fees accrued in the schemes and in excess of the limits prescribed by SEBI are charged to the Statement of Profit and Loss, in accordance with Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.

Further, amount charged under 'Fees, Commission and other scheme expenses' also include new fund offer expenses, and other expenses relating to the schemes which do not fall under regulation 52(4) of the SEBI (Mutual Funds) regulation 1996.

Expenses accrued by the Schemes of Alternate Investments Fund are subject to limits specified in private placement memorandum. Expenses in excess of accruals by the Schemes are required to be borne by the Company and as such, are charged to the Statement of Profit and Loss.

i. Leases

Accounting under Ind AS 116 "Leases" w.e.f. 1st April, 2019

As a lessee:

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company recognises a right-of-use asset and a lease liability at the lease commencement date except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term. Lease term is a non-cancellable period together with periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option.

The right-of-use asset is initially measured at cost at the commencement date. The cost comprises of the amount of the initial measurement of lease liability; any lease payments made at or before the commencement date less any lease incentives received; any initial direct costs, and restoration costs.

At the commencement date, the lease liability is measured at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. The Company uses its incremental borrowing rate as the discount rate and this rate is defined as the rate of interest that the Company would have to pay to borrow over a similar term and with a similar security the funds necessary to obtain an asset of a similar value to the right-of-use-asset in a similar economic environment

Lease payments included in the measurement of the lease liability comprise fixed lease payments (including in-substance fixed payments), less any lease incentives; variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date; the amount expected to be payable by the lessee under residual value guarantees; the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

DSP Investment Managers Private Limited (Formerly known as DSP BlackRock Investment Managers Private Limited)

Notes to Standalone Ind AS Financial Statements for the year ended 31st March, 2020

After the commencement date, the right-of-use asset is measured at cost less any accumulated depreciation and any accumulated impairment losses, and the lease liability is measured by (i) increasing the carrying amount to reflect interest on the lease liability; (ii) reducing the carrying amount to reflect the lease payments made; and (iii) remeasuring the carrying amount to reflect any reassessment or lease modifications, or to reflect revised in-substance fixed lease payments.

Interest on the lease liability in each period during the lease term is the amount that produces a constant periodic rate of interest on the remaining balance of the lease liability. Interest expense on the lease liability is a component of finance costs.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

Transition to Ind AS 116:

Effective 1st April, 2019, the Company adopted Ind AS 116 "Leases", with respect to lease contracts outstanding as on 1st April, 2019 with the transition option of not retrospectively adjusting the comparative information presented and recognising the Right-of-Use asset at an amount of Rs. 3,319 Lakhs equal to the lease liability as on 1st April, 2019. The effect of adoption of Ind AS 116 on the profit for the year and earnings per share is not significant. The nature of expenses in respect of operating leases has changed from lease rent, included in other expenses, in previous year to depreciation cost for the right-to-use asset and finance cost for interest accrued on lease liability. The weighted average of lessee's incremental borrowing rate applied to the lease liabilities as at April 01, 2019 was 11.34%.

The following is the summary of practical expedients elected on initial application:

- Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
- Excluded the initial direct costs from the measurement of the ROU asset at the date of initial application.
- Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17

Accounting under Ind AS 17 "Leases" up to 31st March, 2019

As a lessee:

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease. Incremental payments structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases are not considered for straight lining.

j. Tax Expense

Tax expense represents the sum of the income tax, currently payable and deferred tax.

Current tax

The tax currently payable is based on 'taxable profit' for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is

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calculated using tax rates that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax

Deferred income tax is recognised using the balance-sheet approach. Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

k. Earnings Per Share

The Company reports basic and diluted Earnings per Share (EPS) in accordance with Ind AS 33 on Earnings per Share. Basic EPS is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

l. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of

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resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured with sufficient reliability. The Company does not recognize a contingent liability but discloses its existence in the financial statements unless the possibility of an outflow of economic resources is considered remote.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

m. Cash Flow statement

The Cash Flow Statement is prepared by the indirect method set out in Ind AS 7 on Cash Flow Statements and presents the cash flows by operating, investing and financing activities of the Company. Cash and Cash equivalents presented in the Cash Flow Statement consist of cash on hand and unencumbered bank balances.

n. Financial instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss (FVTPL) are recognised immediately in the Statement of Profit and Loss .

Financial assets

Financial instruments are recognized on the balance sheet when the Company becomes a party to the contractual provisions of the instrument. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost (except for financial assets that are designated as at FVTPL on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the impairment policy on financial assets measured at amortised cost, refer Note below. All other financial assets are subsequently measured at fair value.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and amounts paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

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Income is recognised on an effective interest basis for financial assets other than those that are classified as at FVTPL.

Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables and other contractual rights to receive cash or other financial assets.

For trade receivables and any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance if any, at an amount equal to lifetime expected credit losses.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised as gain or loss in the Statement of Profit and Loss .

Financial liabilities and equity instruments

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and amounts paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period.

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Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

4) Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 3, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty:

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

1. Income taxes:

Significant management judgment is required in determining provision for current income tax and deferred income tax assets and liabilities. Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date.

2. Useful lives of property, plant and equipment:

As described above, the Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. There was no change in the useful life of property, plant and equipment as compared to previous year.

3. Contingencies:

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. There are certain obligations which management has concluded and disclosed in the Financial Statements as contingent liabilities based on all available facts and circumstances which show that it is not probable that an outflow of resources will be required to settle the obligation. Although there can be no assurance of the final outcome of the legal proceedings in which the Company is involved, it is not expected that such contingencies will have material effect on its financial position or profitability.

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5. Cash and cash equivalents

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Balances with Banks in Current Accounts	351.84	513.71
Cash in hand	1.00	-
Total	352.84	513.71

6. Trade Receivables

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Trade Receivables		
Unsecured, considered good	4,965.44	4,974.97
Less: Allowance for bad and doubtful debts	-	-
Total	4,965.44	4,974.97

No trade receivables are due from directors or other officers of the Company.
The credit period is upto 45 days. No interest is charged on trade receivables.

A significant portion of the Company's services is to the DSP Mutual Fund and DSP AIF to which the company is an investment manager. DSP Mutual Fund and DSP AIF accounted for approximately 96.81% and approximately 86.20% of the Company's revenues for the years ended March 31, 2020 and 2019, respectively. Accounts receivable from the DSP Mutual Fund and DSP AIF approximated 81.95% and 86.63% of total accounts receivable as at March 31, 2020 and 2019, respectively.

Based on the certainty of the recovery basis past experience, the high credit worthiness of the customers and confirmations received from them, there is no need to create provisioning on the outstanding debtors.

Ageing of financial assets due but not impaired

(Rs. in Lakhs)

Mar-20	0-30 days	31- 90 days	90-180 days	Total
Trade Receivables	4,801.01	122.99	41.44	4,965.44
Mar-19	0-30 days	31- 90 days	90-180 days	Total
Trade Receivables	4,648.58	326.39	-	4,974.97

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7. Loans

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
	Amortised cost	Amortised cost
Loans Receivables considered good - Unsecured;		
Loans and advances to employees (within India)	186.62	89.59
Gross	186.62	89.59
Less: Impairment loss allowance	-	-
Net	186.62	89.59

8. Investments

(Rs. in Lakhs)

Particulars	As at March 31, 2020			As at March 31, 2019		
	Through profit and loss account	At cost	Total	Through profit and loss account	At cost	Total
	1	2	(3=1+2)	1	2	(3=1+2)
Investments						
Mutual fund units	109,337.68	-	109,337.68	95,204.72	-	95,204.72
Equity instruments	5.00	-	5.00	5.00	-	5.00
Subsidiaries	-	1,687.50	1,687.50	-	2,892.67	2,892.67
Investments in security (Refer Note 39)	848.11	-	848.11	-	-	-
Others -Investment in AIF	4,955.63	-	4,955.63	7,315.22	-	7,315.22
Total – Gross (A)	115,146.42	1,687.50	116,833.92	102,524.94	2,892.67	105,417.61
(i) Overseas Investments	-	-	-	-	1,205.17	1,205.17
(ii) Investments in India	115,146.42	1,687.50	116,833.92	102,524.94	1,687.50	104,212.44
Total (B)	115,146.42	1,687.50	116,833.92	102,524.94	2,892.67	105,417.61
Less: Impairment loss allowance (C)	-	-	-	-	1,205.17	1,205.17
Total – Net D= (A)-(C)	115,146.42	1,687.50	116,833.92	102,524.94	1,687.50	104,212.44

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9.A. Other Financial Assets

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
<u>Security Deposits</u>		
Considered Good	497.23	483.08
Considered Doubtful	5.90	5.90
Less : Provision for doubtful deposits	(5.90)	(5.90)
Net Doubtful	-	-
Total Security Deposit	497.23	483.08
Contractually reimbursable expenses	-	299.76
Total	497.23	782.84

9.B. Other Non-financial Assets

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Prepaid expenses	291.08	224.24
Capital Advances	4.64	22.81
Advances to suppliers	234.35	233.12
Balances with Government authorities	570.74	891.47
Others	12.01	30.11
Total	1,112.82	1,401.75

10A Current tax assets and liabilities

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Current tax assets		
Tax refund receivable	134.91	661.66
Advance Tax	37,156.65	36,957.86
Less : Income Tax Provision set off	(35,938.15)	(35,084.44)
Total	1,353.41	2,535.08

10B Deferred tax balances

The following is the analysis of deferred tax assets/(liabilities) presented in the balance sheet:

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred tax assets	4,573.36	1,680.58
Deferred tax liabilities	3,732.89	2,660.34
Deferred tax asset / (liabilities) (net)	840.47	(979.76)

(Rs. in Lakhs)

2019-20	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance
Deferred tax (liabilities)/assets in relation to:				
Written down value of assets	336.84	(46.21)	-	290.63
Provision for Bonus	436.80	(216.58)	-	220.22
Provision for Gratuity (Section 43B)	371.30	(72.10)	(34.34)	264.86
Provision for Leave Encashment (Section 43B)	114.51	80.47	-	194.98
Provision for expenses	-	131.04	-	131.04
Provision for diminution in value of investments	421.13	(421.13)	-	-
Employee Stock Option Plan Expenses	-	68.36	-	68.36
Lease Liabilities	-	567.40	-	567.40
Fair valuation of investments in securities	-	2,835.87	-	2,835.87
Right-of-use Assets	-	(547.53)	-	(547.53)
Fair valuation of investments in mutual funds	(2,660.34)	(525.02)	-	(3,185.36)
Sub Total	(979.76)	1,854.57	(34.34)	840.47

(Rs. in Lakhs)

2018-2019	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance
Deferred tax (liabilities)/assets in relation to:				
Written down value of assets	257.65	79.19	-	336.84
Provision for Bonus	561.31	(124.51)	-	436.80
Provision for Gratuity (Section 43B)	366.90	1.78	2.62	371.30
Provision for Leave Encashment (Section 43B)	112.23	2.28	-	114.51
Provision for diminution in value of investments	421.14	(0.01)	-	421.13
Fair valuation of investments in mutual funds	(1,817.16)	(843.18)	-	(2,660.34)
Sub Total	(97.93)	(884.45)	2.62	(979.76)

11. Property, Plant and Equipment

(Rs. in Lakhs)

Particulars	As at March 31, 2020						As at March 31, 2019					
	Computers & Allied Equipments	Office Equipments	Furniture & Fixtures	Improvements to Leasehold property	Vehicles	Total	Computers & Allied Equipments	Office Equipments	Furniture & Fixtures	Improvements to Leasehold property	Vehicles	Total
Balance at the beginning of the year	1,099.86	601.03	114.33	568.02	389.05	2,772.29	928.24	556.72	94.87	568.02	362.40	2,510.25
Additions	221.97	104.32	15.02	99.20	86.08	526.59	174.66	44.62	19.73	-	74.36	313.37
Disposals	(1.29)	(2.84)	(1.71)	-	(43.57)	(49.41)	(3.04)	(0.31)	(0.27)	-	(47.71)	(51.33)
Balance at the end of the year	1,320.54	702.51	127.64	667.22	431.56	3,249.47	1,099.86	601.03	114.33	568.02	389.05	2,772.29
Accumulated depreciation as at the beginning of the year	437.24	223.31	20.62	388.12	110.85	1,180.14	208.01	102.29	9.17	174.22	56.68	550.37
Depreciation for the year	256.38	133.46	12.71	158.58	62.98	624.11	229.53	121.04	11.47	213.90	59.99	635.93
Disposals	(0.50)	(0.88)	(0.39)	-	(10.88)	(12.65)	(0.30)	(0.02)	(0.02)	-	(5.82)	(6.16)
Accumulated depreciation as at the end of the year	693.12	355.89	32.94	546.70	162.95	1,791.60	437.24	223.31	20.62	388.12	110.85	1,180.14
Net carrying amount as at the end of the year	627.42	346.62	94.70	120.52	268.61	1,457.87	662.62	377.72	93.71	179.90	278.20	1,592.15

12. Other Intangible assets

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
	Software	Software
Balance at the beginning of the year	558.48	486.34
Additions	66.04	72.14
Disposals	(4.49)	-
Balance at the end of the year	620.03	558.48
Accumulated amortization:		
At beginning of the year	378.53	200.88
Amortization	137.75	177.65
Disposals	(4.49)	-
Total amortization	511.79	378.53
Net carrying amount	108.24	179.95

The amortisable amount of intangible assets is allocated over the best estimate of its useful life of three years on a straight-line basis.

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13 Payables

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
	At Amortised Cost	At Amortised Cost
(I) Trade Payables		
(i) total outstanding dues of micro enterprises and small enterprises	30.68	16.15
(ii) total outstanding dues of enterprises other than micro enterprises and small enterprises	2,217.09	2,912.76
(I) Other Payables		
(i) total outstanding dues of micro enterprises and small enterprises	18.40	-
(ii) total outstanding dues of enterprises other than micro enterprises and small enterprises	27.84	18.96
Total	2,294.01	2,947.87

Total outstanding dues of micro enterprises and small enterprises

(Rs. in Lakhs)

Particulars	As at 31 March, 2020	As at 31 March, 2019
(a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;	49.08	16.15
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year;	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
Total	49.08	16.15

Note :Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

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 Notes to Standalone Financial Statements for the year ended 31st March 2020

14. Provisions

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Provisions for Compensated Absences	774.73	327.70
Provisions for Gratuity	1,052.37	1,062.57
Total	1,827.10	1,390.27

15. Other Non-financial Liabilities

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Statutory remittances	921.29	335.40
Total	921.29	335.40

Equity

16 Equity Share Capital

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Authorised Capital Equity shares of the par value of Rs.10 each (1,00,00,00,000 as at 31st March, 2020 and 1,00,00,00,000 as at 31st March, 2019)	100,000	100,000
(b) Issued , subscribed and fully paid up Equity shares of Rs.10 each fully paid-up (25,00,00,000 as at 31st March, 2020 and 25,00,00,000 as at 31st March, 2019)	25,000	25,000

(Rs. in Lakhs)

Particulars	Balance at the beginning of the year	Changes in equity share capital during the year	Balance at the end of the year
For the year ended 31st March , 2019	2,000	23,000	25,000
For the year ended 31st March , 2020	25,000	-	25,000

(c) Reconciliation of the number of shares outstanding at the beginning and at the end of the period

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	250,000,000	20,000,000
Bonus shares issued during the year	-	230,000,000
Balance at the end of the year	250,000,000	250,000,000

(d) Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Each shareholder is eligible for one vote per share held. Dividend, if proposed by the Board of Directors, is subject to the approval of the shareholders. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(e) Details of shares held by each shareholder holding more than 5% shares:

Name of the Shareholders	No. of Shares held	% of Holding	No. of Shares held	% of Holding
	As at March 31, 2020		As at March 31, 2019	
DSP HMK Holdings Pvt. Ltd.	85,000,000	34.00%	85,000,000	34.00%
DSP ADIKO Holdings Pvt. Ltd.	135,000,000	54.00%	135,000,000	54.00%
Ms Aditi Kothari Desai	15,000,000	6.00%	15,000,000	6.00%
Ms Shuchi Kothari	15,000,000	6.00%	15,000,000	6.00%

(f) Ordinary Shares allotted as fully paid up Bonus Shares

Particulars	For the year ended 2020 (no of shares)	For the year ended 2019 (no of shares)
Bonus Shares issued in 2018-19	-	230,000,000

(g) Employee Stock Option Plan

Each Option entitles the holder thereof to apply for and be allotted one Ordinary Share of the Company of Rs. 10 each upon payment of the exercise price during the exercise period. The Options are granted under the ESOP Series 2019 Scheme. Further details of DSP Employee Stock Option Schemes are provided in Note 38.

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17. Other Equity

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Surplus in profit or loss account	97,153.12	85,550.04
Other Comprehensive Income	162.79	60.70
Employee Stock Option Reserve	271.60	18.44
Total	97,587.51	85,629.18

Other equity movement

Surplus in profit or loss account

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at beginning of the year	85,550.04	83,961.52
Profit for the year	11,603.08	24,857.71
Utilised for issue of Bonus shares	-	(22,976.00)
Utilised for increase in authorised capital	-	(270.19)
Utilised for share issue expenses on Bonus shares	-	(23.00)
Balance at end of the year	97,153.12	85,550.04

General Reserve

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at beginning of the year	-	24.00
Utilised for issue of Bonus shares	-	(24.00)
Balance at end of the year	-	-

Other Comprehensive Income

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Remeasurement of Defined benefit plan		
Balance at beginning of the year	60.70	65.57
Provisions made during the year	136.43	(7.49)
Income tax on above	(34.34)	2.62
Balance at end of the year	162.79	60.70

Employee Stock Option Reserve

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at beginning of the year	18.44	-
Arising on share-based payments	253.16	18.44
Balance at end of the year	271.60	18.44

Nature and purpose of reserve

Surplus in profit or loss account

Surplus in profit or loss account represents surplus/accumulated profits of the company and are available for distribution to shareholders.

General Reserve

General reserve represents appropriation of surplus profit and loss.

Other Comprehensive Income

Other Comprehensive Income represents effects of remeasurement of defined benefit obligations, net of taxes.

Share Options Outstanding Account

This Reserve relates to stock options granted by the Company to employees under DSP Employee Stock Option Schemes. This Reserve is transferred to Securities Premium Account or Retained Earnings on exercise or cancellation of vested options.

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18. Fees and Commission Income

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Asset Management Fees	41,914.11	56,296.89
Offshore Investment Management Fees	1,235.19	208.87
Offshore Non Binding Advisory Fees	143.79	8,806.16
Total	43,293.09	65,311.92

19. Other income

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Net gain on fair value changes (Refer Note 20 below)	-	6,563.33
Reversal of provision of Value of investment carried at cost	1,205.17	-
Gain on sale of subsidiary	506.52	-
Interest on income tax refund	242.20	206.76
Dividend Income	74.30	112.98
Interest Income on Staff Loans	6.68	6.36
Net gain on foreign currency transaction and translation	25.81	26.56
Net loss on derecognition of property, plant and equipment	(10.56)	(27.92)
Total	2,050.12	6,888.07

20. Net (loss)/ gain on fair value changes

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Net (loss)/gain on financial instruments at fair value through profit and loss account		
On financial instruments measured at fair value through profit and loss account	(4,777.49)	6,563.33
Total Net (loss)/gain on fair value changes	(4,777.49)	6,563.33
Fair Value changes- Realised	4,164.41	2,441.21
Fair Value changes- Un Realised (Refer Note 39)	(8,941.90)	4,122.12
Total	(4,777.49)	6,563.33

21. Finance cost

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Interest on borrowings	-	17.17
Interest on statutory liabilities	(21.69)	88.98
Interest on lease liabilities (at amortised cost)	321.89	-
Total	300.20	106.15

22. Fees, Commission and other scheme expenses (Refer note below)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Referral Fees	1,776.41	2,189.05
Brokerage	(463.61)	7,076.75
Advertisement and publicity	1,065.09	1,648.88
Scheme Expenses	190.82	837.38
Total	2,568.71	11,752.06

Note : Fees, Commission and other scheme expenses are shown net of reimbursement. Refer Sr No. 9 and 10 of sub clause (ii) of Note no 32.

23. Employee benefits

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Salaries and wages including bonus	12,830.93	13,649.05
Contribution to provident and other funds	494.67	475.33
Employee stock option plan expenses	253.16	18.44
Staff welfare expenses	118.10	147.07
Total	13,696.86	14,289.89

24. Depreciation , Amortisation and Impairment

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Depreciation on Tangible Assets	624.12	635.93
Amortisation of Intangible Assets	137.75	177.65
Depreciation of Right-of-Use Assets (Refer Note 34)	1,213.30	-
Total	1,975.17	813.58

25. Other expenses (Refer note below)

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Rent (Refer note 34)	-	1,449.87
Taxes and energy costs	238.05	215.68
Business promotion expenses	-	620.73
Repairs and maintenance	850.18	849.19
Communication Costs	145.13	257.54
Printing and stationery	75.12	95.65
Technology and Infrastructure Cost	749.95	634.74
Director's fees, allowances and expenses	38.00	105.00
Risk reporting fees	162.53	156.41
Auditor's fees and expenses	28.94	43.13
Legal and Professional charges	2,080.88	2,137.44
Subscriptions and membership charges	787.31	537.37
Insurance	190.52	124.81
Corporate Social Responsibility Expense	454.86	343.21
Travelling & Conveyance	352.51	406.73
Net loss on fair value changes (Refer Note 20 above)	4,777.49	-
Other expenditure	301.61	384.22
Total	11,233.08	8,361.72

Note : Other expenses are shown net of reimbursement. Refer Sr No. 9 sub clause (ii) of Note no 32.

Expenses towards Corporate Social Responsibility

(Rs. in Lakhs)

Particulars	For the year ended 31 March, 2020	For the year ended 31 March, 2019
Details of Corporate Social Responsibility (CSR) expenditure :		
a) Expenditure related to Corporate Social Responsibility	454.86	343.21
b) Gross amount required to be spent during the year (as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof)	501.03	363.08

Payments to the auditors comprise (net of taxes)

(Rs. in Lakhs)

Particulars	For the year ended 31 March, 2020	For the year ended 31 March, 2019
Payments to the auditors comprise (net of taxes)		
As auditors - statutory audit	21.25	21.25
As auditors - tax audit	3.40	3.40
As auditors - other services	3.50	18.25
Reimbursement of expenses	0.79	0.23
Total	28.94	43.13

26. Current Tax

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Amount recognised in profit or loss		
Current tax for the year	5,802.30	11,167.32
Tax for earlier years	18.38	(32.89)
Total current tax	5,820.68	11,134.43

27. Deferred Tax

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Amount recognised in profit or loss		
Deferred tax for the year	(1,854.57)	884.45
Total Deferred tax	(1,854.57)	884.45

28. Other Comprehensive Income

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
The tax (charge)/credit arising on income and expenses recognised in other comprehensive income is as follows		
Items that will not be reclassified to profit or loss		
- Remeasurements gain/ (losses) on defined benefit plans	136.43	(7.49)
(ii) Income tax relating to items that will not be reclassified to profit or loss	(34.34)	2.62
Total	102.09	(4.87)

The reconciliation of income tax expense to accounting profit:

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Profit before tax from continuing operations	15,569.19	36,876.59
Income tax expense calculated at 25.168% (2018-2019: 34.944%)	3,918.45	12,886.16
Effect of income that is exempt from taxation	(18.70)	(39.48)
Effect of expenses that are not deductible in determining taxable profit	112.05	90.29
Effect on deferred tax balances due to the change in income tax rate from 34.944% to 25.168%	465.52	-
Interest on Income tax refund considered in return of AY 2018-19 but accounted in AY 19-	-	(51.00)
Interest on Income tax refund accounted in AY 2019-20 but charged to tax in AY 2020-21	14.20	-
Effect of tax income chargeable at different rates	(509.45)	(836.82)
Adjustments recognised in the current year in relation to the current tax of prior years	18.38	(32.89)
Income tax expense	4,000.45	12,016.26
Effect of Deferred Tax asset/ (Liability)	1,820.23	(881.83)
Current tax expense recognised in profit or loss.	5,820.68	11,134.43

The Company has elected to exercise the option permitted u/s 115BAA of the Income- tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. The Company has accordingly recognised Provision for Income tax for the year ended 31st March, 2020 and re-measured its net Deferred Tax Assets basis the rate prescribed in the said section. The full impact of this change has been recognized in the Statement of Profit and Loss for the year ended 31st March, 2020.

29. Earning per share

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Basic/ Diluted	Rs. per share	Rs. per share
Profit for the year attributable to owners of the Company	11,603.08	24,857.71
Weighted average number of equity shares outstanding	2,500.00	2,500.00
Basic (in Rs.)	4.64	9.94
Diluted EPS (in Rs.)	4.64	9.94

Note:

There is no dilution to the basic EPS as the effect of potential ordinary shares (in the nature of ESOP) is anti-dilutive, hence the same has been ignored for diluted EPS.

DSP Investment Managers Private Limited (Formerly known as DSP BlackRock Investment Managers Private Limited)
Notes to Standalone Financial Statements for the year ended 31st March 2020

Notes to Financial Statements

30. Contingent liabilities and Commitments

i) Contingent Liabilities

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Claims against the company not acknowledged as debts	21.45	21.45
Claims relating to Service Tax matters	291.87	344.38
Claims relating to Income Tax matters	107.80	100.11
Total	421.12	465.94

ii.) Commitments

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	67.48	102.33
Total	67.48	102.33
Tangible assets	45.92	94.75
Other Intangible assets	21.56	7.58

31 Employee benefit plans

Brief description of the Plans:

Defined contribution plans:

The Company makes Provident Fund contributions which are defined contribution plans. Under the Scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs. 234.16 Lakhs (for the year ended March 31, 2019: Rs. 276.24 Lakhs) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Defined benefit plans:

The gratuity scheme is a defined benefit plan that provides for a lump sum payment to the employees on exit either by way of retirement, death or disability. The benefits are defined on the basis of final salary and the period of service.

Other long term benefit plans

The Company operates a compensated absences scheme for employees. The employees are entitled to compensated absences benefits based on the last drawn salary i.e. Cost to Company (until previous it was based on last drawn basic component of Salary) and number of days of leave accumulated based on the policy of the Company.

These plans typically expose the Company to actuarial risks such as: interest rate risk, demographic risk and salary inflation risk

Interest rate risk:	The defined benefit obligation calculated uses a discount rate based on government bonds. All other aspects remaining same, if bond yields fall, the defined benefit obligation will increase.
Demographic risk:	This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligations is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in financial analysis the retirement benefit of the short career employee typically costs less per year as compared to a long service employee.
Salary Inflation risk:	All other aspects remaining same, higher than expected increases in salary will increase the defined benefit obligation.

(a) The disclosure as required by Ind AS 19 as per actuarial valuation regarding Employee Retirement Benefits Plan for Gratuity is as follows:

The principal assumptions used for the purpose of the actuarial valuations were as follows:

Particulars	Valuations as at	
	31 March, 2020	31 March, 2019
Financial Assumptions		
Discount Rate	6.40%	7.15%
Rate of salary increase	5.42%	7.80%
Demographic Assumptions		
Mortality Rate	Indian Assured Lives Mortality (2012-14) Ult table	Indian Assured Lives Mortality (2012-14) Ult table

Amount recognised in Statement of Profit and Loss in respect of these defined benefit plan are as follow:

(Rs. in Lakhs)

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Current service cost	124.50	121.80
Net interest on net defined benefit obligation	71.23	77.29
Cost recognised in Profit & Loss	195.73	199.09
Actuarial gain due to DBO experience	(26.82)	(42.09)
Actuarial (gain) / loss due to DBO assumption changes	(109.61)	49.58
Cumulative Actuarial (gain) / loss recognised via OCI at year end	(136.43)	7.49
Total Defined Benefit Cost	59.30	206.58

The amount included in the Balance Sheet arising from the entity's obligation in respect of its defined benefit plan is as follows:

Particulars	As at 31 March, 2020	As at 31 March, 2019
Defined benefit obligation (DBO)	1,052.37	1,062.57

Movement in the present value of the defined benefit obligation are as follows:

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
DBO at end of previous year	1,062.57	1,049.98
Current service cost	124.50	121.80
Interest cost on the DBO	71.23	77.29
Actuarial gain - experience	(26.82)	(42.09)
Actuarial (gain) / loss - assumptions	(109.61)	49.58
Benefits paid	(69.50)	(193.99)
DBO at end of current year	1,052.37	1,062.57

Reconciliation of Net Balance Sheet Position:

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Net defined benefit liability at end of previous year	1,062.57	1,049.98
Service cost	124.50	121.80
Net interest on net defined benefit liability	71.23	77.29
Amount recognised in OCI	(136.43)	7.49
Employer contributions	(69.50)	(193.99)
Net defined benefit liability at end of current year	1,052.37	1,062.57

The Gratuity Scheme is un-funded.

Sensitivity Analysis

Method used for sensitivity analysis:

The sensitivity results above determine their individual impact on the Plan's end of year Defined Benefit Obligation. In reality, the Plan is subject to multiple external experience items which may move the Defined Benefit Obligation in similar or opposite directions, while the Plan's sensitivity to such changes can vary over time. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

Discount Rate

(Rs. in Lakhs)

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Effect on DBO due to 50bp increase in Discount Rate	(30.30)	(31.77)
Effect on DBO due to 50bp decrease in Discount Rate	31.90	33.47

Salary escalation rate

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Effect on DBO due to 50bp increase in Salary Escalation Rate	32.05	33.15
Effect on DBO due to 50bp decrease in Salary Escalation Rate	(30.72)	(31.77)

Expected future benefits payable - Maturity profile of defined benefit obligation

Projected Benefits Payable in Future Years From the Date of Reporting	Estimated as at March 31, 2020	Estimated as at March 31, 2019
1st Following Year	145.20	132.68
2nd Following Year	145.08	134.72
3rd Following Year	132.49	139.76
4th Following Year	124.35	129.67
5th Following Year	138.83	123.21
6th Following Year	126.15	135.49
7th Following Year	88.92	128.64
8th Following Year	92.68	92.04
9th Following Year	80.81	95.97
Sum of Years 10 and above	558.77	675.42

Other Disclosures

a) The weighted average duration of the obligations as at March 31, 2020 is 5.91 years (March 31, 2019: 6.14 Years).

32. Notes to Financial Statements

i) Name of the related party and nature of relationship where control exists:

Name of Related Parties	Type of relationship	Ownership interest		Country of incorporation
		March 31, 2020	March 31, 2019	
DSP ADIKO Holdings Pvt. Ltd.	Holding Company	54%	54%	India
DSP HMK Holdings Pvt. Ltd.	Company having significant influence	34%	34%	India

Enterprise where control exists :

Subsidiary

DSP Pension Fund Managers Pvt. Ltd.

DSP Global Services (Mauritius) Ltd.

(erstwhile DSP Investment Managers (Mauritius) Ltd.)

Country of incorporation

India

Mauritius

Subsidiary upto 13th February 2020

Other Related Parties

Mutual Funds and Alternate Investment Funds managed by the company and other affiliated enterprises

Name of Related Parties	Formerly known as	Country of incorporation
DSP Trustee Pvt. Ltd.	DSP BlackRock Trustee Company Pvt. Ltd.	India
DSP Mutual Fund	DSP BlackRock Mutual Fund	India
BlackRock India Equities Fund (Mauritius) Ltd. (uptill 16th August, 2018)		Mauritius
BlackRock Asset Management North Asia Ltd. (uptill 16th August, 2018)		Hong Kong
Reclamation Properties (India) Pvt. Ltd.		India
Reclamation Realty (India) Pvt. Ltd.		India
BlackRock Financial Management, Inc. (uptill 16th August, 2018)		New York
DSP India Enhanced Equity Fund	DSP BlackRock India Enhanced Equity Fund	India
DSP Emerging Stars Fund	DSP BlackRock Emerging Stars Fund	India
DSP AIF Pharma Fund	DSP BlackRock AIF Pharma Fund	India
DSP AIF Core Fund	DSP BlackRock AIF Core Fund	India
DSP India Enhanced Equity SatCore Fund	DSP BlackRock India Enhanced Equity SatCore Fund	India
DSP High Conviction Fund	DSP BlackRock High Conviction Fund	India

Key Management Personnel

Mr.Hemendra Kothari

Ms.Aditi Kothari

Mr.Dhananjay Mungale

Mr. Uday Khanna

Mr.Subhash S Mundra

Mr. Ramadorai Subramaniam

Chairman

Executive Director

Independent Director

Independent Director

Independent Director

Independent Director

Enterprise in which key management personnel can exercise significant influence.

Impact Foundation (India)

Wildlife Conservation Trust

ii) Transactions during the year with Related Parties :

(Rs. in Lakhs)

Sr no	Nature of Transaction	Holding Company	Company having significant influence	Subsidiaries		Mutual Funds and Alternate Investment Funds managed by the company and other affiliated enterprises		Enterprise in which key management personnel and their relatives can exercise significant influence	Key Management Personnel	Total
		DSP Adiko Holdings Pvt Ltd	DSP HMK Holdings Pvt Ltd	DSP Global Services (Mauritius) Ltd.	DSP Pension Fund Managers Pvt. Ltd.	DSP Mutual Fund	Others			
	Revenue									
1	Asset Management Fees / Offshore Non Binding Advisory Fees									
	For the year ended March 20	-	-	51.15	-	37,120.90	4,793.21	-	-	41,965.26
	For the year ended March 19	-	-	205.53	-	50,124.54	7,523.10 ⁽¹⁾	-	-	57,853.17
	Expenditure									
2	Rent									
	For the year ended March 20	-	-	-	-	-	599.58	-	-	599.58
	For the year ended March 19	-	-	-	-	-	606.69 ⁽²⁾	-	-	606.69
3	Risk reporting fee									
	For the year ended March 20	-	-	-	-	-	-	-	-	-
	For the year ended March 19	-	-	-	-	-	59.54 ⁽³⁾	-	-	59.54
4	Remuneration									
	For the year ended March 20	-	-	-	-	-	-	-	196.01	196.01
	For the year ended March 19	-	-	-	-	-	-	-	201.37 ⁽⁷⁾	201.37
5	Director Sitting Fees									
	For the year ended March 20	-	-	-	-	-	-	-	38.00 ⁽⁸⁾	38.00
	For the year ended March 19	-	-	-	-	-	-	-	105.00	105.00
6	Reimbursement of expenses									
	For the year ended March 20	-	-	-	-	-	10.63	-	-	10.63
	For the year ended March 19	-	-	-	-	-	0.55 ⁽⁴⁾	-	-	0.55
7	Other expenses									
	For the year ended March 20	-	-	-	-	131.38	-	-	-	131.38
	For the year ended March 19	-	-	-	-	762.62	-	-	-	762.62
8	Reimbursement of brokerage									
	For the year ended March 20	-	-	-	-	0.05	-	-	-	0.05
	For the year ended March 19	-	-	-	-	7,139	-	-	-	7,138.57
9	Recovery of expenses									
	For the year ended March 20	-	-	-	-	(543.62)	-	-	(0.16) ⁽¹⁰⁾	(543.78)
	For the year ended March 19	-	-	-	-	(582.00)	-	-	0.96	(581.04)
10	Recovery of Placement fee									
	For the year ended March 20	-	-	-	-	-	21.65	-	-	21.65
	For the year ended March 19	-	-	-	-	-	(569.23) ⁽¹³⁾	-	-	(569.23)
11	Corporate Social Responsibility (CSR)									
	For the year ended March 20	-	-	-	-	-	-	75.75	-	75.75
	For the year ended March 19	-	-	-	-	-	-	64.06 ⁽⁵⁾	-	64.06

ii) Transactions during the year with Related Parties :

(Rs. in Lakhs)

Sr no	Nature of Transaction	Holding Company	Company having significant influence	Subsidiaries		Mutual Funds and Alternate Investment Funds managed by the company and other affiliated enterprises		Enterprise in which key management personnel and their relatives can exercise significant influence	Key Management Personnel	Total
		DSP Adiko Holdings Pvt Ltd	DSP HMK Holdings Pvt Ltd	DSP Global Services (Mauritius) Ltd.	DSP Pension Fund Managers Pvt. Ltd.	DSP Mutual Fund	Others			
	Investments									
12	Investment in subsidiaries / Purchases of units of mutual fund / AIF / Securities									
	As at 31st March 20	-	-	345.45	-	59,738.97	-	-	-	60,084.42
	As at 31st March 19	-	-	-	-	119,662.98	4,637.63 ⁽¹¹⁾	-	-	124,300.61
13	Sales									
	For the year ended March 20	-	-	1,550.68	-	53,650.14	805.78 ⁽¹⁴⁾	-	-	56,006.60
	For the year ended March 19	-	-	-	-	104,621.53	2,257.91	-	-	106,879.44
14	Dividend on Units									
	For the year ended March 20	-	-	-	-	74.30	-	-	-	74.30
	For the year ended March 19	-	-	-	-	112.98	-	-	-	112.98
15	Sales of Subsidiary shares to Significant Holdings	1,234.29	822.86	-	-	-	-	-	-	2,057.14
16	Purchase of Investment in other security (including accrued interest)									
	For the year ended March 20	-	-	-	-	12,115.89	-	-	-	12,115.89
	For the year ended March 19	-	-	-	-	-	-	-	-	-
	Balances Outstanding as at 31 March 2020									
17	Investments in subsidiaries / mutual fund / AIF									
	As at 31st March 20	-	-	-	1,687.50	109,337.67	4,955.62	-	-	115,980.79
	As at 31st March 19	-	-	-	1,687.50	95,204.73	7,315.22 ⁽⁹⁾	-	-	104,207.45
18	Trade receivables									
	As at 31st March 20	-	-	-	-	3,593.25	448.85	-	-	4,042.10
	As at 31st March 19	-	-	175.59	-	3,693.02	567.12 ⁽⁶⁾	-	-	4,435.72
19	Trade payables									
	As at 31st March 20	-	-	-	-	-	-	-	-	-
	As at 31st March 19	-	-	-	-	22.39	-	-	-	22.39
20	Contractually reimbursable expenses									
	As at 31st March 20	-	-	-	-	-	-	-	-	-
	As at 31st March 19	-	-	-	-	64.13	235.63 ⁽¹²⁾	-	-	299.76

	For the year ended 2019- 2020	For the year ended 2018- 2019
(1) Offshore Non Binding Advisory Fees		
BlackRock India Equities Fund (Mauritius) Ltd.	-	492.97
BlackRock Asset Management North Asia Ltd. <i>(erstwhile BlackRock Hong Kong Ltd.)</i>	-	857.88
Asset Management fees		
DSP India Enhanced Equity Fund	782.84	1,281.62
DSP Emerging Stars Fund	695.65	964.99
DSP AIF Pharma Fund	312.02	715.27
DSP AIF Core Fund	917.84	1,327.67
DSP India Enhanced Equity SatCore Fund	726.00	1,218.52
DSP High Conviction Fund	1,358.85	664.18
(2) Reclamation Properties (India) Pvt. Ltd.	379.77	386.88
Reclamation Realty (India) Pvt. Ltd.	219.81	219.81
(3) BlackRock Financial Management, Inc.	-	59.54
(4) DSP India Enhanced Equity SatCore Fund	10.19	-
DSP High Conviction Fund	0.44	0.55
(5) Impact Foundation India	38.61	33.50
Wildlife Conservation Trust	37.14	30.56
(6) Balance as at 31 March 2020 - Offshore Non Binding Advisory Fees / Asset Management Fees		
DSP India Enhanced Equity Fund	68.82	80.51
DSP Emerging Stars Fund	48.80	98.32
DSP AIF Pharma Fund	41.44	90.79
DSP AIF Core Fund	67.21	105.86
DSP India Enhanced Equity SatCore Fund	76.98	83.57
DSP High Conviction Fund	145.61	108.07
(7) Remuneration		
Aditi Kothari	196.01	201.37
(8) Director's Sitting Fees		
Mr. Ranjan Pant	-	11.00
Dr. Omkar Goswami	-	8.00
Mr. Piyush Mankad	-	20.00
Mr. Dhananjay Mungale	-	21.00
Mr. Uday Khanna	9.00	15.00
Mr. Subhash S Mundra	9.00	13.00
Mr. David Graham	-	4.00
Mr. Ramadorai Subramaniam	8.00	13.00
Mr. Dhananjay Mungale	12.00	-

	For the year ended 2019-2020	For the year ended 2018-2019
(9) Investment balance in AIF		
Investments In AIF - 13054	1,307.30	1,642.92
DSP Emerging Star Fund	728.30	1,163.47
DSP AIF Pharma Fund	-	943.39
DSP AIF Core Fund	900.01	1,399.93
DSP India Enhanced Equity SatCore Fund	1,194.91	1,132.54
DSP High Conviction Fund	825.10	1,032.97
(10) (Recovery) / Reimbursement of expenses		
Aditi Kothari	(0.16)	0.96
(11) Investments made during the year		
DSP AIF Pharma Fund	-	1,353.91
DSP AIF Core Fund	-	1,052.50
DSP High Conviction Fund	-	2,231.22
(12) Contractually reimbursable expenses		
DSP High Conviction Fund	-	235.63
(13) Recovery of Placement fee		
DSP India Enhanced Equity SatCore Fund	12.98	(29.11)
DSP High Conviction Fund	8.67	(540.12)
(14) Investments sold during the year		
DSP AIF Pharma Fund	805.78	1,279.59
DSP AIF Core Fund	-	978.32

Footnote:

Outstanding balances (other than borrowings) at the year-end are unsecured and interest free and settlement occurs in cash.

The transactions with related parties are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions. All the Related Party Transactions are reviewed and approved by the Audit Committee.

Compensation of key managerial personnel

The remuneration of key management personnel during the year is as follows:

(Rs. In Lakhs)

Particulars	Year ended March	Year ended
	31, 2020	March 31, 2019
Short-term benefits	232.28	304.64
Post-employment benefits @ Other Long Term Employee Benefits	1.73	1.73
Total	234.01	306.37

@ Compensation of key managerial personnel excludes provision for gratuity and compensated absences which is determined on the basis of actuarial valuation done on overall basis for the Company.

33 Operating Segment

The principal business of the Company is Asset Management. All other activities of the Company revolve around its main business. The Executive Committee of the Company, has been identified as the chief operating decision maker (CODM). The CODM evaluates the Company's performance, allocates resources based on analysis of the various performance indicators of the Company as a single unit. The Company operates only in one Business Segment i.e. Asset Management, hence does not have any reportable Segments as per Ind AS 108 "Operating Segments".

Information about services

(Rs. in Lakhs)

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Asset Management Fees	41,914.11	56,296.89
Offshore Investment Management Fees	1,235.19	208.87
Offshore Non Binding Advisory Fees	143.79	8,806.16
Total	43,293.09	65,311.92

Information about revenue from external customers in various geographical areas

The Company operates in geographical areas - India (country of domicile) and others (outside India).

The Company's revenue from external customers by location of operations are detailed below.

(Rs. in Lakhs)

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
- India	41,914.11	56,296.89
- Others	1,378.98	9,015.03
	43,293.09	65,311.92

All non-current assets are located in India. (Refer Note 40)

Information about major customers

Revenue includes sales of Rs. 37,120.90 Lakhs and 4,793.21 Lakhs (for the year ended March 31, 2019: 50,124.61 Lakhs and 6172.28 Lakhs) which arose from service to the Mutual Fund and Alternative Investment Funds which account for 85.74% and 11.07% (for the year ended March 31, 2019: 76.75 % and 9.45 %) of the total revenue respectively. No other single customer contributed 10% or more to the Company's revenue for the year 2019-2020 and for the year 2018-2019.

34. Disclosures required under Ind AS 116 "Leases"

The Company has taken office premises on lease. The lease term in respect of these leases range from 3 to 10 years. In respect of the said leases, the additional information is as under:

(Rs. in Lakhs)	
Payments recognised as an expense	Year ended 31 March, 2020
Depreciation charge for right-of-use assets	1,213.30
Total cash outflow for leases	1,456.24
Maturity analysis of lease liabilities:	
not later than one month;	105.94
later than one month and not later than three months;	207.08
later than three months and not later than one year;	629.85
later than one year and not later than five years; and	1,600.85
later than five years	396.17

The movement in right-of-use assets and lease liabilities during the year ended March 31, 2020 is as follows:

(Rs. in Lakhs)		
Particulars	Right-of-use assets	lease liabilities
Balance at the beginning	3,319.09	3,319.09
Addition during the year	69.72	69.72
Depreciation	1,213.30	-
Finance cost	-	321.89
Lease rent payment	-	1,456.24
Closing Balnce	2,175.51	2,254.46

General description of significant leasing agreements

- (i) Refundable interest free deposits have been given under lease agreements.
- (ii) Some of the agreements provide for increase in rent.
- (iii) Some of the agreements provide for early termination by either party with a specified notice period / renewal with conditions

For the year ended 31 March 2019, no operating lease commitments were disclosed in accordance with Ind AS 17 since there were no future minimum lease payments under non-cancellable operating leases. Hence, the entire liability of Rs. 3,319.09 Lakhs is incremental as compared to the present value of the operating lease commitments disclosed in the previous year i.e Nil. The difference is on account of lease term beyond non-cancellable periods being considered under the new leasing standard, Ind AS 116.

Since Ind AS 116 has become applicable w.e.f. 1st April, 2019, disclosure of comparative information is not applicable.

35. Fair Value Disclosures

This section explains the judgment and estimates made in determining the fair value of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair value are disclosed in financial statements. To provide an indication about the reliability of the inputs used in determining the fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standards.

a) Summarised Category Classification of Financial Assets and Financial Liabilities

Particulars	As at March 31, 2020			As at March 31, 2019		
	Amortised cost (classified under level 2 hierarchy- Refer note b below)	At fair value through profit and loss account (classified under level 1 hierarchy- Refer note b below)	Total	Amortised cost (classified under level 2 hierarchy- Refer note b below)	At fair value through profit and loss account (classified under level 1 hierarchy- Refer note b below)	Total
Financial Assets						
Cash and cash equivalents	352.84	-	352.84	513.71	-	513.71
Receivables	4,965.44	-	4,965.44	4,974.97	-	4,974.97
Loans	186.62	-	186.62	89.59	-	89.59
Investments other than subsidiaries at cost	-	115,146.42	115,146.42	-	102,524.94	102,524.94
Other Financial Assets	497.23	-	497.23	782.84	-	782.84
Total Financial Assets	6,002.13	115,146.42	121,148.55	6,361.11	102,524.94	108,886.05
Financial Liabilities						
Trade Payables	2,294.01	-	2,294.01	2,947.87	-	2,947.87
Lease Liabilities	2,254.46	-	2,254.46	-	-	-
Total Financial Liabilities	4,548.47	-	4,548.47	2,947.87	-	2,947.87

Note: Investments representing equity interest in subsidiaries and others are carried at cost less any provision for impairment.

b) Fair Value Hierarchy and Method of Valuation

The following table presents fair value of assets and liabilities measured at fair value on recurring basis as of March 31, 2020

Financial assets/ (Financial liabilities)	Fair value hierarchy	Valuation technique(s) and key input(s)	(Rs. in Lakhs)	
			31 March 2020	31 March 2019
Investments in Mutual Funds & AIFs	Level 1	Market Approach -The fair values of investments in mutual funds is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.	114,293.31	102,519.94
Total			114,293.31	102,519.94

Level 1 : Quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: Input other than quoted prices included within level 1 that are observable for the assets or liability, either directly (i.e.as prices) or indirectly (i.e.derived from prices)

Short term financial assets and liabilities ie. Cash and cash equivalents, trade receivables, trade payables are stated at carrying value which is approximately equal to their fair value.

The Directors consider that the carrying amount of loans and other financial assets approximates to their fair value.

Level 3: Inputs for the assets or liabilities that are not based on observable market data(unobservable inputs)

36. Capital management and Risk management

I Capital Management

The Company's objective while managing the capital are to safeguard its ability to continue as a going concern and to provide adequate returns for its shareholders. The company funds its operations through internal accruals and aims at maintaining a strong capital base to support the future growth of its business.

II Financial Risk Management Framework

The primary business of the company is to manage the schemes of DSP Mutual Fund which requires specialized expertise in investment management. Since this is very crucial aspect which has an extremely significant bearing on the company's performance, a risk management committee is in place to oversee the risks associated with this function. This committee reviews the progress of implementation with regards to risk management practices pertaining to mutual funds

A LIQUIDITY RISK

(i) Liquidity risk management

The Company has established an appropriate liquidity risk management framework for the management of the Company's short-, medium- and long-term funding and liquidity management requirements. The Company manages liquidity risk by way of investments in liquid securities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(ii) Maturities of financial liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

The below excludes maturity analysis of lease liabilities which has been disclosed separately in Note 34.

(Rs. in Lakhs)

Maturities of Financial Liabilities	March 31, 2020		Total	Carrying amount
	Upto 1 year	1 to 5 years		
Non-interest bearing	2,294.01	-	2,294.01	2,294.01
	2,294.01	-	2,294.01	2,294.01
	March 31, 2019		Total	Carrying amount
	Upto 1 year	1 to 5 years		
Non-interest bearing	2,947.87	-	2,947.87	2,947.87
	2,947.87	-	2,947.87	2,947.87

B Market Risks

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Currency Risk

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Company's exposure to currency risk relates primarily to the Company's operating activities when transactions are denominated in a different currency from the Company's functional currency.

The Company's foreign currency exposure are denominated mainly in US Dollar, Singapore Dollar, Euro, Swiss Franc and Pounds which arise mainly from receivables on account of advisory fees and outstanding of trade payables.

As at the end of the reporting period, the carrying amounts of the company's foreign currency denominated financial assets and financial liabilities are as follows:

As at 31 March 2020	Currency	In foreign currency in lakhs	Equivalent Rs in lakhs
Financial Assets			
Trade Receivables	USD	12.25	923.84
Financial Liabilities			
Trade Payables	USD	2.70	203.65
	EUR	0.18	15.35
	GBP	0.21	19.21
	CHF	0.01	0.70
	SGD	0.02	1.30

As at 31 March 2019	Currency	In foreign currency in lakhs	Equivalent Rs in lakhs
Financial Assets			
Trade Receivables	USD	8.76	607.49
	SGD	2.10	107.36
Financial Liabilities			
Trade Payables	USD	2.24	155.98
	Euro	0.52	40.81

Foreign Currency Sensitivity

The following table demonstrate the sensitivity to a reasonable possible change in exchange rate, with all other variables held constant. The impact on the Company's loss before tax is due to changes in the fair value of financial assets and liabilities is as follows:

As at 31 March 2020					
Currencies	USD Impact	SGD impact	Euro Impact	CHF Impact	GBP Impact
Exchange rate at the end of reporting period (Rs./USD), (Rs./SGD), (Rs./Euro), (Rs./CHF) & (Rs./GBP)	75.42	52.69	83.04	78.47	93.08
Net USD/ SGD/ Euro / CHF / GBP (Receivable) / Payable at the end of reporting period	(9.55)	0.02	0.18	0.01	0.21
Impact on profit & loss for the year if 5% increase in Exchange rate	(36.01)	0.06	0.77	0.04	0.96
Impact on profit & loss for the year if 5% decrease in Exchange rate	36.01	(0.06)	(0.77)	(0.04)	(0.96)

As at 31 March 2019			
Currencies	USD Impact	SGD impact	Euro Impact
Exchange rate at the end of reporting period (Rs./USD), (Rs./SGD) & (Rs./Euro)	69.50	51.12	78.04
Net USD/ SGD/ Euro (Receivable)/ Payable at the end of reporting period	(6.52)	(2.10)	0.52
Impact on profit & loss for the year if 5% increase in Exchange rate	(22.66)	(5.37)	2.03
Impact on profit & loss for the year if 5% decrease in Exchange rate	22.66	5.37	(2.03)

(iii) Price risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the equity prices and other market changes that affect market risk sensitive instruments. The Company is exposed to price risk which arises from companies investing in these mutual funds and AIFs.

Particulars	(Rs. in Lakhs)			
	As at 31-Mar-20		As at 31-Mar-19	
	Increase	Decrease	Increase	Decrease
5% movement				
Mutual funds	5,466.88	(5,466.88)	4,760.24	(4,760.24)
AIF's	247.78	(247.78)	365.76	(365.76)

(iii) Interest Risk

The Company's investments are primarily in fixed rate interest bearing investments. Hence, the Company is not significantly exposed to interest rate risk.

37. Ind AS 115

(Rs. in Lakhs)

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
CONTRACT WITH CUSTOMERS		
Details of revenue from contracts with customers recognised by the Company, net of indirect taxes in its statement of Profit and loss.		
Revenue from operations		
• Fees and Commission income - Contract with Customers	43,293.09	65,311.92
	43,293.09	65,311.92

There were no impairment losses recognised on any contract asset / trade receivable in the reporting period.

Disaggregate Revenue

The table below presents disaggregated revenues from contracts with customers by geography and offerings. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of its revenues and cash flows are affected by industry, market and other economic factors.

Revenue based on geography

(Rs. in Lakhs)

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
India	41,914.11	56,296.89
Asia	92.63	1,718.82
Africa	635.58	698.50
Europe	650.77	208.87
America	-	6,388.84

Revenue based on offerings

(Rs. in Lakhs)

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
• Management Services	41,914.11	56,296.89
• Advisory Services	143.79	8,806.16

Contract balances

(Rs. in Lakhs)

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Closing balances		
Trade receivables - current	4,965.44	4,974.97
Trade receivables - non-current	-	-
Opening balances		
Trade receivables - current	4,974.97	7,905.59
Trade receivables - non-current	-	-

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

38. Share-based payment arrangements:

A. Description of share-based payment arrangements

i. Share option plans (equity-settled)

At the General Meetings of the company, DSP Investment Managers Pvt Ltd, the shareholders of the Company had unanimously passed Special Resolution on 15th March 2019, to grant options to the eligible employees of the company. Pursuant to these resolutions, the Employees Stock Options Scheme, 2019 ("Scheme") had been formulated and adopted.

Employee Stock Scheme, 2019

The fair value of the option is determined using a Black-Scholes options pricing model. The expected volatility is based on the historic volatility (calculated based on the weighted average remaining life of the share options), adjusted for any expected changes to future volatility due to publicly available information. The measurement of fair value was not adjusted for any other feature of the option grant and no option grant was subject to a market condition.

Information in respect of Options granted under the Company's Employee Stock Option Schemes

S.No.	Particulars	EMPLOYEES STOCK OPTIONS SCHEME 2019
1	Date of Shareholders' approval	March 18, 2019
2	Total number of Options :	
	Granted in fiscal Year 2018-19	78,69,500 options equivalent to ordinary shares of Rs 10 Each
	Granted in fiscal Year 2019-20	2,74,000 options equivalent to ordinary shares of Rs 10 Each
3	Vesting Schedule (for options Granted in FY 18-19 to 19-20)	Total Grant <= 4000 Options 100% of the Options Granted shall Vest on December 31, 2023 Total Grant > 4000 Options 1. 50% of the Options Granted ("First Tranche") shall Vest on December 31, 2023 ("First Tranche Vesting") 2. Balance 50% of the Options Granted ("Second Tranche") shall Vest on the date of resignation / date of retirement (as the case maybe) ("Second Tranche Vesting")
4	Pricing Formula	The Pricing Formula, as approved by the Shareholders of the Company, is such price, as determined by the Nomination & Compensation Committee, using Free cash flow to Equity Method
5	Maximum term of Options granted Granted in fiscal Year 2018-19	First Tranche - 4.79 Second Tranche - Till retirement/resignation as the case may be
	Granted in fiscal Year 2019-20	First Tranche - 4.36 Second Tranche - Till retirement/resignation as the case may be
6	Variation in terms of Options	None
7	Method used for accounting of : share-based payment plans	The employee compensation cost has been calculated using the Income approach of accounting for Options issued under the Company's Employee Stock Option Schemes. The employee compensation cost as per fair value method for the financial year 2019-20 is 234.72 lakhs (2018-19 is Rs. 18.44 Lakhs)
8	Weighted average exercise prices and weighted average fair values of Options whose exercise price either equals or exceeds or is less than the market price of the stock	Granted in fiscal Year 2018-19 Weighted average exercise price per Option - Rs 70.40 Weighted average fair value per Option - Rs. 69.89 Granted in fiscal Year 2019-20 Weighted average exercise price per Option - Rs 70.40 Weighted average fair value per Option - Rs. 70.38
9	Mode of Settlement Accounting	Equity Settled Accounting
10	Contractual life of the options (Years) Granted in fiscal Year 2018-19	Less than or equal to 5.79 years for first tranche and greater than or equal to 5.79 to 12.37 years for 2nd tranche
	Granted in fiscal Year 2019-20	Less than or equal to 5.36 years for first tranche and greater than or equal to 5.36 to 8.29 years for 2nd tranche
11	Methodology for determination of expected volatility	Determined based on volatility of Index and comparable peer

Activity in the options outstanding under the employee's stock option Scheme are as follows

Summary of the status of Options

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	No. of Options	Weighted average Exercise Prices (Rs.)	No. of Options	Weighted average Exercise Prices (Rs.)
Options outstanding at the beginning of the year	7,869,500	70.40	-	-
Options granted during the year	274,000	70.40	7,869,500	70.40
Options exercised during the year	-	-	-	-
Option forfeited during the year	665,900	70.40	-	-
Option outstanding at the end of the year	7,477,600	70.40	7,869,500	70.40
Options exercisable at the end of the year	-	-	-	-
Options vesting but not exercised at the end of the year	-	-	-	-

Average share price on the date of exercise of the options are as under:

Date of exercise	Weighted average share price (INR)
NA	NA

Information in respect of options outstanding as at 31st March, 2020

Range of exercise price	Number of options	Weighted average remaining life
70.40	7,477,600	<p>For Options Granted in FY 18-19 : Less than or equal to 5.79 years for first tranche and greater than or equal to 5.79 to 12.37 years for 2nd tranche.</p> <p>For Options Granted in FY 19-20 : Less than or equal to 5.36 years for first tranche and greater than or equal to 5.36 to 8.29 years for 2nd tranche</p>

The fair values were calculated using a Black-Scholes Model and the significant assumptions made in this regard are as follows :

Scheme	For Options Granted 2019-20		For Options Granted 2018-19	
	1st Vesting	2nd Vesting	1st Vesting	2nd Vesting
Grant Date	20-Aug-2019	20-Aug-2019	18-Mar-2019	18-Mar-2019
Risk free rate	6.26%	Ranges from 6.34% to 6.70%	7.02%	Ranges from 7.04% to 7.67%
Expected life (Years)	5.36	Ranges from 5.36 to 8.29	5.79	Ranges from 5.79 to 12.37
Expected Volatility	23.59%	23.59%	24.53%	24.53%
Expected Dividend yield	-	-	-	-
Exercise Price (INR)	70.40	70.40	70.40	70.40
Stock Price (INR)	70.38	70.38	69.89	69.89

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

39. Investments in security / Fair Value changes - Un Realised

The Company holds investments in the form of Non-Convertible Debentures (NCD's) of Accelerating Education and Development Private with the intention to sell them in the near future and not to hold them till their maturity and thereby classified the same as Investments, measured at fair value through profit or loss.

Per the terms of issue, the NCD's had quarterly payouts for Interest as well part payment of principal. However, the Issuer company did not honour the dues on 30th September 2019 as also in the subsequent quarters.

Since the Company could not sell the NCD before end of the current financial year and due to non-payment of interest and principal over three quarters, as also looking at the bleak possibilities in the future and further based on Company's analysis on the fair valuation of the said NCD's as at 31st March 2020, the Company has provided Rs.11,267.78 lakhs as an unrealised loss in its books of account for the same.

DSP Investment Managers Private Limited (Formerly known as DSP BlackRock Investment Managers Private Limited)
Notes to Standalone Financial Statements for the year ended 31st March 2020

40 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled which also indicate the current and non-current disclosure

Particulars	31-Mar-20			March 31, 2019		
	Within 12 months (current)	After 12 months (non-current)	Total	Within 12 months (current)	After 12 months (non-current)	Total
Assets						
Cash and cash equivalents	352.84	-	352.84	513.71	-	513.71
Trade Receivables	4,965.44	-	4,965.44	4,974.97	-	4,974.97
Loans	115.47	71.15	186.62	48.88	40.71	89.59
Investments	31,501.64	85,332.28	116,833.92	10,092.06	94,120.38	104,212.44
Other Financial assets	4.05	493.18	497.23	316.30	466.54	782.84
Current tax assets (Net)	-	1,353.41	1,353.41	-	2,535.08	2,535.08
Deferred Tax Assets (Net)	-	840.47	840.47	-	-	-
Property, Plant and Equipment	-	1,457.87	1,457.87	-	1,592.15	1,592.15
Other intangible assets	-	108.24	108.24	-	179.95	179.95
Right-of-Use Assets	888.66	1,286.85	2,175.51	-	-	-
Other non-financial assets	1,104.07	8.75	1,112.82	1,391.18	10.57	1,401.75
Total assets	38,932.17	90,952.20	129,884.37	17,337.10	98,945.38	116,282.48
Liabilities						
(I) Trade Payables						
(i) total outstanding dues of micro enterprises and small enterprises	30.68	-	30.68	16.15	-	16.15
(ii) total outstanding dues of enterprises other than micro enterprises and small enterprises	2,217.09	-	2,217.09	2,912.76	-	2,912.76
(I) Other Payables						
(i) total outstanding dues of micro enterprises and small enterprises	18.40	-	18.40	-	-	-
(ii) total outstanding dues of enterprises other than micro enterprises and small enterprises	27.84	-	27.84	18.96	-	18.96
Lease Liabilities	729.98	1,524.48	2,254.46	-	-	-
Provisions	299.72	1,527.38	1,827.10	196.70	1,193.57	1,390.27
Deferred tax liabilities (Net)	-	-	-	-	979.76	979.76
Other non-financial liabilities	921.29	-	921.29	335.40	-	335.40
Total liabilities	4,245.00	3,051.86	7,296.86	3,479.97	2,173.33	5,653.30
Net			122,587.51			110,629.18

- 41 In early 2020, the existence of a new coronavirus named SARS-CoV-2 responsible for the disease COVID-19, was confirmed and since then the virus has spread across the globe necessitating the World Health Organization (WHO) to declare it a global pandemic. The pandemic has caused disruption to businesses and economic activity which has been reflected in recent fluctuations in markets across the globe. Various governments have introduced a variety of measures to contain the spread of the virus. The Government of India announced a country wide lockdown which still continues across large swathes of the country with some variations. In this nation-wide lock-down, though most services across the nation have been suspended, some establishments like the securities market intermediaries, including our Company, were exempt from the lock-down and therefore continued to remain functional. There has been no material change in the controls or processes followed in the closing of these financial statements of the Company.

The Company has assessed the impact of the pandemic on its operations and its assets including the value of its investments and trade receivables as at March 31, 2020. The management does not, at this juncture, believe that the impact, on account of COVID-19, on the value of the Company's assets is likely to be material. However, since the revenue of the Company is ultimately dependent on the value of the assets it manages, changes in market conditions and the trend of flows into mutual funds may have an impact on the operations of the Company. Since the situation is rapidly evolving, its effect on the operations of the Company may be different from that estimated as at the date of approval of these financial statements. The Company will continue to closely monitor material changes in markets and future economic conditions.

INDEPENDENT AUDITOR'S REPORT

To The Members of DSP Investment Managers Private Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of DSP Investment Managers Private Limited ("the Holding Company") and its subsidiaries, (the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March 2020, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of the other auditor on separate financial statements and financial information of subsidiaries referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS') and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2020, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditor in terms of their report referred to in (a) and (b) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon The Holding Company's Board of Directors is responsible for the other information. The other information comprises the Board of Director's report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiary company audited by the other auditor, to the extent it relates to this entity and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other

information so far as it relates to the subsidiary company is traced from its financial statements audited by the other auditor.

If based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entity included in the consolidated financial statements, which have been audited by the other auditor, such auditor remains responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Holding Company among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

a) We did not audit the financial statements of one subsidiary whose financial statements reflect total assets of Rs. 3510.29 lakhs as at 31st March 2020, total revenue of Rs. 0.13 Lakhs and net cash outflow amounting to Rs. 26.07 lakhs for the year on that date, as considered in the consolidated financial statements. These financial statements have been audited by another auditor whose report has been furnished to us by the management and our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of subsection (3) of section 143 of the act, in so far as it relates to the aforesaid subsidiary is based solely on the report of the other auditor.

b) We did not audit the financial statements of one subsidiary sold during the year on 13th February 2020 as referred in note 1 of the consolidated financial statements, whose financial information reflected total assests of Rs 444.03 lakhs as at 13th February 2020 and reflected total revenue of Rs. 458.03 Lakhs for the period from 1 April 2019 to 13 February 2020, as considered in the consolidated financial statements. This financial information is unaudited and has been furnished to us by the management and our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on such unaudited

financial information. In our opinion and according to the information and explanations given to us by the Management, this financial information is not material to the Group.

Our opinion on the consolidated financial statements above and our report on other legal and regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditor and the financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of other auditor on the separate financial statements of the subsidiary company, referred to in the Other Matters section above we report, to the extent applicable that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the report of the other auditor.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2020 taken on record by the Board of Directors of the Company and the report of the statutory auditor of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial control over financial reporting and the operating effectiveness of such controls, refer to our separate report in "Annexure A" which is based on the auditors' report of the Holding company our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of the Holding company. Based on the other auditor's report of the subsidiary company incorporated in India, internal financial controls over financial reporting is not applicable to such company.

In our opinion and to the best of our information and according to the explanations given to us, the Holding company being a private company, section 197 of the act related to managerial remuneration is not applicable.

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.

ii) The group did not have any material foreseeable losses on long- term contracts including derivative contracts

iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding company and its subsidiary company incorporated in India.

For Deloitte Haskins & Sells LLP
Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Sd/-

Rakesh N. Sharma

Partner

Membership No. 102042

UDIN-

Place: Mumbai

Date: 16th July, 2020

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of DSP Investment Managers Private Limited (hereinafter referred to as "the Holding Company") as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Holding company is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3)

provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to the Holding Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on "the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India"

For Deloitte Haskins & Sells LLP
Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Sd/-

Rakesh N. Sharma

Partner

Membership No. 102042

UDIN-

Place: Mumbai

Date: 16th July, 2020

Consolidated Balance Sheet as at March 31, 2020

(Rs. in Lakhs)

	Note	As at March 31, 2020	As at March 31, 2019
Assets			
Financial Assets			
Cash and cash equivalents	5	398.65	631.46
Trade Receivables	6	4,965.44	4,853.05
Loans	7	186.62	89.59
Investments	8	118,610.90	105,849.84
Other Financial assets	9A	497.23	836.82
Non-financial Assets			
Current Tax Assets (Net)	10A	1,353.41	2,536.07
Deferred Tax Assets (Net)	10B	840.47	-
Property, Plant and Equipment	11	1,457.87	1,595.66
Other Intangible Assets	12	108.24	179.95
Right-of-use Assets	34	2,175.51	-
Other non-financial assets	9B	1,112.82	1,416.08
Total assets		131,707.17	117,988.52
Liabilities and Equity			
Financial Liabilities			
Payables			
(I) Trade Payables	13		
(i) total outstanding dues of micro enterprises and small enterprises		30.68	16.15
(ii) total outstanding dues of enterprises other than micro enterprises and small enterprises		2,217.13	2,958.76
(II) Other Payables			
(i) total outstanding dues of micro enterprises and small enterprises		18.40	-
(ii) total outstanding dues of enterprises other than micro enterprises and small enterprises		29.46	20.62
Lease Liabilities	34	2,254.46	-
Non-financial liabilities			
Provisions	14	1,827.10	1,390.27
Current Tax liabilities (Net)	10A	3.28	-
Deferred tax liabilities (Net)	10B	146.78	1,510.48
Other non-financial liabilities	15	921.44	335.57
		7,448.73	6,231.85
Equity			
Equity share capital	16	25,000.00	25,000.00
Other equity	17	97,999.01	85,543.83
Equity Attributable to owners of the company			
Non Controlling Interest	17	1,259.43	1,212.84
Total equity		124,258.44	111,756.67
Total liabilities and equity		131,707.17	117,988.52

Corporate Information and Significant accounting Policies and the accompanying notes are an integral part of the financial statements.

In terms of our report attached.

For Deloitte Haskins & Sells LLP
Chartered Accountants

Sd/-
Rakesh N. Sharma
Partner

For and on behalf of the Board of Directors

Sd/-
Hemendra Kothari
Chairman
DIN: 00009873

Sd/-
Dhananjay Mungale
Director
DIN: 00079129

Sd/-
Gaurav Nagori
Chief Financial Officer

Sd/-
Pritesh Majmudar
Company Secretary

Place: Mumbai
Date: 16-July-2020

Place: Mumbai
Date: 16-July-2020

	Particulars	Note No.	Year Ended March 31, 2020	Year Ended March 31, 2019
	Revenue from operations			
	Fees and commission Income	18	43,698.21	65,437.47
(I)	Total Revenue from operations		43,698.21	65,437.47
(II)	Other Income	19	2,142.22	7,112.70
(III)	Total Income		45,840.43	72,550.17
	Expenses			
(i)	Finance Costs	21	307.23	106.15
(ii)	Fees, Commission and other scheme expense	22	2,612.40	11,814.72
(iii)	Employee Benefits Expenses	23	13,804.09	14,399.68
(iv)	Depreciation, amortization and impairment	24	1,976.74	815.11
(v)	Other expenses	25	11,190.78	8,534.67
(IV)	Total Expenses		29,891.24	35,670.33
(V)	Profit before tax		15,949.19	36,879.84
(VI)	Tax Expense:			
	(1) Current Tax	26	5,886.33	11,135.74
	(2) Deferred Tax	27	(2,238.51)	860.59
			3,647.82	11,996.33
(VII)	Profit for the year		12,301.37	24,883.51
(VIII)	Other Comprehensive Income			
	A) Items that will not be reclassified to profit or loss	28		
	(i) Remeasurements of the defined benefit plans		136.43	(7.49)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(34.34)	2.62
	B) Items that may be reclassified to profit or loss			
	Exchange differences on translating financial statements of a foreign operation		12.80	15.37
	Other Comprehensive Income		114.89	10.50
(IX)	Total Comprehensive Income for the period		12,416.26	24,894.01
	Profit for the year attributable to :			
	- Owners of the Company		12,254.79	24,791.32
	- Non- controlling interests		46.58	92.19
	Other Comprehensive income for the year attributable to			
	- Owners of the Company		114.89	10.50
	- Non- controlling interests		-	-
	Total comprehensive income attributable to :			
	- Owners of the Company		12,369.67	24,801.82
	- Non- controlling interests		46.59	92.19
(X)	Earnings per equity share			
	Basic (Rs.)	29	4.92	9.95
	Diluted (Rs.)	29	4.92	9.95

Corporate Information and Significant accounting Policies and the accompanying notes are an integral part of the financial statements.

In terms of our report attached.

For Deloitte Haskins & Sells LLP

Chartered Accountants

For and on behalf of the Board of Directors

Sd/-

Rakesh N. Sharma

Partner

Sd/-

Hemendra Kothari

Chairman

DIN: 00009873

Sd/-

Dhananjay Mungale

Director

DIN: 00079129

Sd/-

Gaurav Nagori

Chief Financial Officer

Sd/-

Pritesh Majmudar

Company Secretary

Place: Mumbai

Date: 16-July-2020

Place: Mumbai

Date: 16-July-2020

DSP Investment Managers Private Limited (Formerly known as DSP BlackRock Investment Managers Pvt. Ltd.)
Consolidated Statement of cash flows for the year ended March 31, 2019

(Rs. in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Cash flows from operating activities		
Profit for the year	15,949.19	36,879.84
Adjustments for:		
Dividend income	(74.30)	(112.98)
Interest income	(6.68)	(6.36)
Interest on statutory liabilities	(14.66)	-
Lease liabilities (at amortised cost)	321.89	-
Finance Cost	-	106.15
Share based payments	253.16	18.44
Net loss on derecognition of property, plant and equipment	10.56	27.92
Net loss / (gain) on financial instruments at fair value through profit and loss account	4,537.90	(6,790.64)
Net(loss) on Foreign exchange Translation Reserve	-	2.24
Gain on sale of subsidiary (Refer Note 39A)	(1,802.70)	-
Depreciation and amortisation of non-current assets	763.44	815.11
Depreciation of Right-of-Use Assets	1,213.30	-
	5,201.91	(5,940.12)
Operating profit before working capital changes	21,151.10	30,939.72
Changes in working capital:		
<i>Adjustments (increase) / decrease in operating assets:</i>		
Trade Receivables	(166.06)	3,057.07
other financial assets	285.61	(272.89)
other non- financial assets	270.76	586.21
<i>Adjustments increase / (decrease) in operating liabilities:</i>		
Trade Payables	(653.81)	(3,304.75)
Provisions	573.33	11.62
Other non-financial liabilities	585.87	(101.91)
	895.70	(24.65)
Cash generated from operations	22,046.80	30,915.07
Income taxes paid	(4,700.39)	(12,553.89)
Net cash generated from operating activities	17,346.41	18,361.18
Cash flows from investing activities		
Payments to acquire financial assets	(65,047.79)	(119,149.68)
Proceeds on sale of financial assets	47,748.83	101,759.86
Dividend Received	74.30	112.98
Interest Received	6.68	6.36
Loans to employees (Net)	(97.03)	(36.38)
Payments for property, plant and equipment	(547.22)	(509.33)
Proceeds from disposal of property, plant and equipment	24.63	17.25
Payment towards Investment in subsidiary	(345.45)	-
Proceeds on sale of subsidiary (Refer Note 39A)	2,045.41	-
Net cash used in investing activities	(16,137.64)	(17,798.94)
Cash flows from financing activities		
Repayment of borrowings	-	(126.60)
Share Issue Expenses - Increase in authorised capital	-	(270.19)
Share Issue Expenses - Issuance of Bonus Shares	-	(23.00)
Interest paid	14.66	(93.04)
Lease payments	(1,456.24)	-
Net cash (used in)/generated from financing activities	(1,441.58)	(512.83)
Net (decrease)/increase in cash and cash equivalents	(232.81)	49.41
Cash and cash equivalents at the beginning of the year	631.46	582.05
Cash and cash equivalents at the end of the year	398.65	631.46

Corporate Information and Significant accounting Policies and the accompanying notes are an integral part of the financial statements.

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS -7 "Cash flow Statement"

In terms of our report attached.

For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-

Rakesh N. Sharma
Partner

Sd/-

Hemendra Kothari
Chairman
DIN: 00009873

Sd/-

Dhananjay Mungale
Director
DIN: 00079129

Sd/-

Gaurav Nagori
Chief Financial Officer

Sd/-

Pritesh Majmudar
Company Secretary

Place: Mumbai
Date: 16-July-2020

Place: Mumbai
Date: 16-July-2020

Statement of Changes in Consolidated Equity for the year ended March 31, 2020

Equity share capital

(Rs. in Lakhs)

Particulars	Amount
Balance as at March 31, 2018	2,000.00
Changes in equity share capital during the year	
Issue of Bonus Shares	23,000.00
Balance as at March 31, 2019	25,000.00
Changes in equity share capital during the year	-
Balance as at 31-March-2020	25,000.00

Other Equity

(Rs. in Lakhs)

	Reserves and Surplus			Items of Other Comprehensive Income (OCI)		Attributable to the owners of the parent	Non-controlling interests ("NCI")	Total
	Retained Earnings	General Reserve	ESOP Reserve	Exchange differences on translating financial statements of a foreign operation	Re-measurements of net defined benefit plans			
Balance as at March 31, 2018	83,787.71	24.00	-	139.48	65.57	84,016.76	1,120.65	85,137.41
Other deductions during the year on account of issue of bonus shares	(22,976.00)	(24.00)	-	-	-	(23,000.00)	-	(23,000.00)
Profit for the year after income tax	24,791.32	-	-	-	-	24,791.32	92.19	24,883.51
Other Comprehensive Income for the year before income tax	-	-	-	15.37	(7.49)	7.88	-	7.88
Less: Income Tax on Other Comprehensive Income	-	-	-	-	2.62	2.62	-	2.62
Total Comprehensive Income for the year	24,791.32	-	-	15.37	(4.87)	24,801.82	92.19	24,894.01
Share based payments	-	-	18.44	-	-	18.44	-	18.44
Share Issue Expenses - Increase in authorised capital	(270.19)	-	-	-	-	(270.19)	-	(270.19)
Share Issue Expenses - Issuance of Bonus Shares	(23.00)	-	-	-	-	(23.00)	-	(23.00)
Balance as at March 31, 2019	85,309.84	-	18.44	154.85	60.70	85,543.83	1,212.84	86,756.67
Profit for the year after income tax	12,301.37	-	-	-	-	12,254.79	46.58	12,301.37
Other Comprehensive Income for the year before income tax	-	-	-	12.80	136.43	149.23	-	149.23
Less: Income Tax on Other Comprehensive Income	-	-	-	-	(34.34)	(34.34)	-	(34.34)
Total Comprehensive Income for the year	12,301.37	-	-	12.80	102.09	12,369.67	46.59	12,416.26
Share based payments	-	-	253.16	-	-	253.16	-	253.16
Reclassified from OCI to statement of profit and loss on account of Sale of Subsidiary.	-	-	-	(167.65)	-	(167.65)	-	(167.65)
Balance as at March 31, 2020	97,611.21	-	271.60	-	162.79	97,999.01	1,259.43	99,258.44

DSP Investment Managers Private Limited (Formerly known as DSP BlackRock Investment Managers Private Limited)

Notes to the Consolidated Financial Statements for the year ended 31st March, 2020

1) Corporate Information

These consolidated financial statements comprise of the financial information of DSP Investment Managers Private Limited (“the Company/the Parent” formerly known as DSP BlackRock Investment Managers Private Limited) and its subsidiaries (together the “Group”). The Group operates as ‘Asset Manager’ for schemes of DSP Mutual Fund (MF) (formerly known as DSP BlackRock Mutual Fund) and Alternative Investment Fund (AIF) registered with the Securities and Exchange Board of India (SEBI) in India, ‘Investment Manager’ to National Pension System, regulated by Pension Fund Regulatory & Development Authority (PFRDA), and ‘Investment Manager’ to DSP India Investment Fund (formerly known as DSP BlackRock India Investment Fund) and DSP India Fund (formerly known as DSP BlackRock India Fund). The Group also renders non-binding investment management advisory services to offshore entities.

The DSP Group (comprising of DSP HMK Holdings Private Limited, DSP ADIKO Holdings Private Limited), along with Ms. Aditi Kothari Desai and Ms. Shuchi Kothari, purchased the entire 40% stake held by BlackRock Advisors Singapore Pte. Ltd. in the Company on August 18, 2018 as per Share Purchase Agreement entered on May 7, 2018. Consequently, the Company changed its name from DSP BlackRock Investment Managers Private Limited to DSP Investment Managers Private Limited.

During the year on 13th February 2020, the Parent sold its entire stake in wholly owned subsidiary, DSP Global Services (Mauritius) Ltd. (formerly DSP Investment Managers (Mauritius) Ltd.) to DSP HMK Holdings Private Limited and DSP ADIKO Holdings Private Limited.

2) Basis of Preparation and Presentation and basis of Consolidation

a) Basis of preparation and presentation of consolidated financial statements

The Consolidated Financial Statements (CFS) of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

Fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and its significance in the fair value measurement, which are described below:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs other than those included within Level 1, that are observable either directly or indirectly; and
- Level 3 inputs are unobservable inputs.

The consolidated financial statements are presented in Rupees and all values are rounded to the nearest Lakhs, except when otherwise indicated.

b) Basis of Consolidation

DSP Investment Managers Private Limited (Formerly known as DSP BlackRock Investment Managers Private Limited)

Notes to the Consolidated Financial Statements for the year ended 31st March, 2020

The consolidated financial statements incorporate the financial statements of the Group and entities controlled by the Group and its subsidiaries. Subsidiaries are entities over which the Group has control. Control is evidenced where the Group has power over the investee or is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Power is demonstrated through existing rights that give the ability to direct relevant activities, which significantly affect the entity returns.

Subsidiaries are consolidated on a line-by-line basis from the date the control is transferred to the Group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the Group. Changes in the Group's interest in subsidiaries that do not result in a loss of control are accounted as equity transactions. The carrying amount of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. These financial statements are prepared by applying uniform accounting policies in use at the Group.

3) Significant accounting policies

a. Property, plant and equipment

Under the previous GAAP (Indian GAAP) Property, plant and equipment are stated at their cost of acquisition less accumulated depreciation, and impairment losses. The cost of acquisition is inclusive of taxes, duties, freight and other incidental expenses related to acquisition and installation of the assets. As on April 01, 2017 i.e. its date of transition to Ind AS, the Group has elected to use previous GAAP carrying value as deemed cost.

The capital advances include cost of fixed assets that are not ready for their intended use and also includes advances paid to acquire fixed assets.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefit is expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognized.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives, using the straight-line method as prescribed under Schedule II of the Company's Act 2013. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Estimated useful lives of property, plant and equipment as stipulated under Schedule II of the Company Act, 2013 and adopted by management for various block of assets in as under:-

Asset	Useful life of asset (Years)
Office Equipment*	5
Furniture and Fixtures	10
Vehicles	8
Computers and Allied Equipment	3 and 6

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Leasehold improvements are amortised over the lower of the lease period and management's estimate of the useful life of the asset.

* Assets held by DSP Investment Managers (Mauritius) Ltd. are depreciated over a period of three years and depreciation up to date of sale of subsidiary is charged to statement of profit and loss account on pro-rata basis.

b. Intangible Assets

Intangible assets that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over useful life of three years. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. As on April 01, 2017 i.e. its date of transition to Ind AS, the Group has used previous GAAP carrying value as deemed cost.

An intangible asset is derecognised when no future economic benefit is expected from use. The impact arising from derecognition of an intangible asset are recognised in the Statement of Profit or Loss when the asset is derecognised.

c. Impairment

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

d. Employee benefits

Short Term Benefits:

Short Term Employee Benefits are accounted for in the period during which the services have been rendered.

Post-Employment Benefits

a) Defined Contribution Plan

The Parent of the Group has defined contribution plans for post-employment benefits in the form of Provident fund.

Under the Provident Fund plan, the Parent Company contributes to a Government administered Provident Fund on behalf of employees. The Parent Company has no further legal or constructive obligation to pay further amount to the provident fund. The Parent Company's contribution to the Government Provident Fund is charged to the Statement of Profit and Loss in the periods during which the related services are rendered by employees.

b) Defined Benefit Plan

Employee Benefits under Defined benefit Plan i.e. gratuity which fall due for payment after a period of twelve months from rendering service or after completion of employment are measured by the projected unit credit method (PUCM) on the basis of actuarial valuation carried out by third party actuaries at each balance sheet date.

Remeasurements:

For defined benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuation being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to the Statement of Profit and Loss.

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Past service cost is recognised in the Statement of Profit and Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Other Long Term employee benefit obligation Compensated Absences

The Parent of the Group's net obligation in respect of long-term employee benefits (compensated absences) is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised in the Statement of Profit and Loss in the period in which they arise.

e. Share based payments - Employee Stock Option Scheme ('ESOP')

The fair value of options granted under Employee Stock Option Plan is recognized as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options. The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the Parent of the Group revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognizes the impact of the revision, if any, in the Statement of Profit and Loss, with a corresponding adjustment to equity. Upon exercise of share options, the proceeds received are allocated to share capital up to the par value of the shares issued with any excess being recorded as share premium.

f. Foreign currency transactions and translations

The Consolidated financial statements are presented in Rupees, which is also the functional currency of the Parent company.

Transactions in foreign currencies entered into by the Group are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Foreign currency monetary items are restated at the prevailing rates of exchange at the Balance Sheet date. All gains and losses arising out of fluctuations in exchange rates are accounted for in the Statement of Profit and Loss.

For the purposes of the consolidated financial statements, items in the consolidated statements of profit or loss of those operations for which the Indian Rupees is not the functional currency are translated into Indian Rupees at the average rates of exchange during the year. The related consolidated balance sheet are translated into Indian rupees at the rates as at the reporting date. Exchange differences arising on translation are recognised in the other comprehensive income. On disposal of such entities the deferred cumulative exchange differences recognised in equity relating to that particular foreign operation are recognised in profit or loss.

g. Revenue recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115-Revenue from Contracts with Customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found within Ind AS.

The Group recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115: Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

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Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Group satisfies a performance obligation.

The Group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements.

The contracts include a single performance obligation that is satisfied over time and the fees earned is considered as variable consideration that is included in the transaction price to the extent that no significant revenue reversal is expected to occur.

(i) Fees from mutual fund operations:

Investment management fees are recognised net of taxes on an accrual basis as a percentage of the daily net assets of the schemes of DSP Mutual Fund, in accordance with the Securities and Exchange Board of India ('SEBI') (Mutual Fund) Regulations, 1996 (the 'SEBI Regulations') as amended from time to time.

(ii) Alternate Investment Fund (Category III):

Investment management fees are recognized net of taxes on an accrual basis as a percentage of the net assets of the AIF schemes, in accordance with the Private Placement Memorandum (PPM) and Contribution Agreement (CA) signed by the contributors.

Performance fee, if any, is accrued in accordance with the PPM and CA signed by the contributors.

(iii) Fees from Offshore Investment Management Operations:

Offshore investment management fees are computed in accordance with the relevant scheme documents or agreed side letters with clients and are based on the assets under management of the funds as computed and provided by independent third party fund accountants.

(iv) Advisory Services:

Advisory fees are computed in accordance with the relevant agreements and are based on the assets under management of the funds as computed and provided by independent third party fund accountants / custodians.

h. Fees, Commission and other scheme expenses

Expenses incurred upto 21st October 2018 related to the schemes of DSP Mutual Fund in excess of the fees accrued in the schemes and/or in excess of the limits prescribed by SEBI are charged to the Statement of Profit and Loss, in accordance with Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.

Further, amount charged under 'Fees, Commission and other scheme expenses' also include new fund offer expenses, and other expenses relating to the schemes which do not fall under regulation 52(4) of the SEBI (Mutual Funds) Regulations 1996.

Expenses accrued by the Schemes of Alternate Investments Fund are subject to limits specified in private placement memorandum. Expenses in excess of accruals by the Schemes are required to be borne by the Group and as such, are charged to the Statement of Profit and Loss.

i. Leasing

Accounting under Ind AS 116 "Leases" w.e.f. 1st April, 2019

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As a lessee:

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group recognises a right-of-use asset and a lease liability at the lease commencement date except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term. Lease term is a non-cancellable period together with periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option.

The right-of-use asset is initially measured at cost at the commencement date. The cost comprises of the amount of the initial measurement of lease liability; any lease payments made at or before the commencement date less any lease incentives received; any initial direct costs, and restoration costs.

At the commencement date, the lease liability is measured at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. The Group uses its incremental borrowing rate as the discount rate and this rate is defined as the rate of interest that the Group would have to pay to borrow over a similar term and with a similar security the funds necessary to obtain an asset of a similar value to the right-of-use-asset in a similar economic environment

Lease payments included in the measurement of the lease liability comprise fixed lease payments (including in-substance fixed payments), less any lease incentives; variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date; the amount expected to be payable by the lessee under residual value guarantees; the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

After the commencement date, the right-of-use asset is measured at cost less any accumulated depreciation and any accumulated impairment losses, and the lease liability is measured by (i) increasing the carrying amount to reflect interest on the lease liability; (ii) reducing the carrying amount to reflect the lease payments made; and (iii) remeasuring the carrying amount to reflect any reassessment or lease modifications, or to reflect revised in-substance fixed lease payments.

Interest on the lease liability in each period during the lease term is the amount that produces a constant periodic rate of interest on the remaining balance of the lease liability. Interest expense on the lease liability is a component of finance costs.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

Transition to Ind AS 116:

Effective 1st April, 2019, the Group adopted Ind AS 116 "Leases", with respect to lease contracts outstanding as on 1st April, 2019 with the transition option of not retrospectively adjusting the comparative information presented and recognising the Right-of-Use asset at an amount of Rs. 3,319 Lakhs equal to the lease liability as on 1st April, 2019. The effect of adoption of Ind AS 116 on the profit for the year and earnings per share is not significant. The nature of expenses in respect of operating leases has changed from lease rent, included in other expenses, in previous year to depreciation cost for the right-to-use asset and finance cost for interest accrued on lease liability. The weighted average of lessee's incremental borrowing rate applied to the lease liabilities as at April 01, 2019 was 11.34%.

The following is the summary of practical expedients elected on initial application:

- Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
- Excluded the initial direct costs from the measurement of the ROU asset at the date of initial application.

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Notes to the Consolidated Financial Statements for the year ended 31st March, 2020

- Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17

Accounting under Ind AS 17 "Leases" up to 31st March, 2019

As a lessee:

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease. Incremental payments structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases are not considered for straight lining.

j. Tax Expense

Tax expense represents the sum of the income tax, currently payable and deferred tax.

Current tax

The tax currently payable is based on 'taxable profit' for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax

Deferred income tax is recognised using the balance-sheet approach. Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

k. Earnings Per Share

The Group reports basic and diluted Earnings per Share (EPS) in accordance with Ind AS 33 on Earnings per Share. Basic EPS is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares

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outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

l. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured with sufficient reliability. The Group does not recognize a contingent liability but discloses its existence in the consolidated financial statements unless the possibility of an outflow of economic resources is considered remote.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

m. Cash Flow statement

The Cash Flow Statement is prepared by the indirect method set out in Ind AS 7 on Cash Flow Statements and presents the cash flows by operating, investing and financing activities of the Group. Cash and Cash equivalents presented in the Cash Flow Statement consist of cash on hand and unencumbered bank balances.

n. Financial instruments

Financial assets and financial liabilities are recognised when a Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss (FVTPL) are recognised immediately in the Statement of Profit and Loss.

Financial assets

Financial instruments are recognized on the balance sheet when the Group becomes a party to the contractual provisions of the instrument. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost (except for financial assets that are designated as at FVTPL on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

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- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the impairment policy on financial assets measured at amortised cost, refer Note below. All other financial assets are subsequently measured at fair value.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and amounts paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for financial assets other than those that are classified as at FVTPL.

Impairment of financial assets

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables and other contractual rights to receive cash or other financial assets.

For trade receivables and any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Group always measures the loss allowance if any, at an amount equal to lifetime expected credit losses.

Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised as gain or loss in the Statement of Profit and Loss.

Financial liabilities and equity instruments

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Group are recognised at the proceeds received, net of direct issue costs.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and amounts paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period.

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Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

4) Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in note 3, the Group is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty:

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

1. Income taxes:

Significant management judgment is required in determining provision for current income tax and deferred income tax assets and liabilities. Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date.

2. Useful lives of property, plant and equipment:

As described above, the Group reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. There was no change in the useful life of property, plant and equipment as compared to previous year.

3. Contingencies:

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. There are certain obligations which Group management has concluded and disclosed in the Consolidated Financial Statements as contingent liabilities based on all available facts and circumstances which show that it is not probable that an outflow of resources will be required to settle the obligation. Although there can be no assurance of the final outcome of the legal proceedings in which the Group is involved it is not expected that such contingencies will have material effect on its financial position or profitability.

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5. Cash and cash equivalents

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Balances with Banks in Current Accounts	397.65	631.46
Cash in hand	1.00	-
Total	398.65	631.46

6. Trade Receivables

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Receivables		
Unsecured, considered good	4,965.44	4,853.05
Less: Allowance for bad and doubtful debts	-	-
Total	4,965.44	4,853.05

No trade receivables are due from directors or other officers of the Group.
The credit period is upto 45 days. No interest is charged on trade receivables.

A significant portion of the Group's services is to the DSP Mutual Fund and DSP AIF to which the Group is an investment manager. DSP Mutual Fund and DSP AIF accounted for approximately 95.92% and approximately 86.03% of the Group's revenues for the years ended March 31, 2020 and 2019, respectively. Accounts receivable from DSP Mutual Fund and DSP AIF approximated 81.95% and 86.63% of total accounts receivable as at March 31, 2020 and 2019, respectively.

Based on the certainty of the recovery basis past experience, the high credit worthiness of the customer and confirmations received from them, there is no need to create provisioning on the outstanding debtors.

Ageing of financial assets due but not impaired

(Rs. in Lakhs)

Mar-20	0-30 days	31- 90 days	90-180 days	Total
Trade Receivables	4,801.01	122.99	41.44	4,965.44
Mar-19	0-30 days	31- 90 days	90-180 days	Total
Trade Receivables	4,526.66	326.39	-	4,853.05

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7. Loans

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
	At Amortised cost	At Amortised cost
Loans Receivables considered good - Unsecured; Loans and advances to employees (within India)	186.62	89.59
Gross	186.62	89.59
Less: Impairment loss allowance	-	-
Net	186.62	89.59

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8. Investments

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
	Fair value Through profit or loss	Fair value Through profit or loss
Mutual fund units	112,802.16	98,529.62
Equity instruments	5.00	5.00
Investments in security (Refer Note 40)	848.11	-
Others -Investment in AIF	4,955.63	7,315.22
Total – Gross (A)	118,610.90	105,849.84
(i) Overseas Investments	-	-
(ii) Investments in India	118,610.90	105,849.84
Total (B)	118,610.90	105,849.84
Less: Impairment loss allowance (C)	-	-
Total – Net D= (A)-(C)	118,610.90	105,849.84

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Notes to Consolidated Financial Statements for the year ended 31st March 2020

9A. Other Financial Assets

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
<u>Security Deposits</u>		
Considered Good	497.23	483.08
Considered Doubtful	5.90	5.90
Less : Provision for doubtful deposits	(5.90)	(5.90)
Net Doubtful	-	-
Total Security Deposit	497.23	483.08
Contractually reimbursable expenses	-	352.48
Others	-	1.26
Total	497.23	836.82

9B. Other Non-financial Assets

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Prepaid expenses	291.08	238.57
Capital Advances	4.64	22.81
Advances to suppliers	234.35	233.12
Balances with Government authorities	570.74	891.47
Others	12.01	30.11
Total	1,112.82	1,416.08

10A Current tax assets and liabilities

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
I) Current tax assets		
Tax refund receivable	134.91	661.66
Advance Tax	37,156.65	36,979.44
Less : Income Tax Provision set off	(35,938.15)	(35,105.03)
Total (I)	1,353.41	2,536.07
II) Current tax liabilities	3.28	-
Total (I)-(II)	1,350.13	2,536.07

10B Deferred tax balances

The following is the analysis of deferred tax assets/(liabilities) presented in the consolidated balance sheet:

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred tax assets	4,573.36	1,259.45
Deferred tax liabilities	3,732.89	2,769.93
I) 'Deferred tax asset/ (liabilities) (net)	840.47	(1,510.48)
II) 'Deferred tax liabilities (Net)	146.78	-
Total (I)-(II)	693.69	(1,510.48)

(Rs. in Lakhs)

2019-20	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance
Deferred tax (liabilities)/assets in relation to:				
Written down value of assets	336.84	(46.21)	-	290.63
Provision for Bonus	436.80	(216.58)	-	220.22
Provision for Gratuity (Section 43B)	371.30	(72.10)	(34.34)	264.86
Provision for Leave Encashment (Section 43B)	114.51	80.47	-	194.98
Provision for expenses	-	131.04	-	131.04
Employee Stock Option Plan Expenses	-	68.36	-	68.36
Lease Liabilities	-	567.40	-	567.40
Fair valuation of investments in securities	-	2,835.87	-	2,835.87
Right-of-use Assets	-	(547.53)	-	(547.53)
Fair valuation of investments in mutual funds	(2,769.93)	(562.21)	-	(3,332.14)
Sub Total	(1,510.48)	2,238.51	(34.34)	693.69

(Rs. in Lakhs)

2018-2019	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance
Deferred tax (liabilities)/assets in relation to:				
Written down value of assets	257.65	79.19	-	336.84
Provision for Bonus	561.31	(124.51)	-	436.80
Provision for Gratuity (Section 43B)	366.90	1.78	2.62	371.30
Provision for Leave Encashment (Section 43B)	112.23	2.28	-	114.51
Fair valuation of investments in mutual funds	(1,950.60)	(819.33)	-	(2,769.93)
Sub Total	(652.51)	(860.59)	2.62	(1,510.48)

Notes:

Unrecognised Deductible Temporary Differences, Unused Tax Losses, And Unused Tax Credits (in respect of subsidiaries)

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following		
- Tax losses will begin to expire as per Tax laws of respective geographies	357.51	927.51

11. Property, Plant and Equipment

(Rs. in Lakhs)

Particulars	As at March 31, 2020						As at March 31, 2019					
	Computers & Allied Equipments	Office Equipments	Furniture & Fixtures	Improvements to Leasehold property	Vehicles	Total	Computers & Allied Equipments	Office Equipments	Furniture & Fixtures	Improvements to Leasehold property	Vehicles	Total
Balance at the beginning of the year	1,099.86	606.07	114.33	568.02	389.05	2,777.33	928.24	559.45	94.87	568.02	362.40	2,512.98
Additions	221.97	108.68	15.02	99.20	86.08	530.95	174.66	46.93	19.73	-	74.36	315.68
Disposals	(1.29)	(12.24)	(1.71)	-	(43.57)	(58.81)	(3.04)	(0.31)	(0.27)	-	(47.71)	(51.33)
Balance at the end of the year	1,320.54	702.51	127.64	667.22	431.56	3,249.47	1,099.86	606.07	114.33	568.02	389.05	2,777.33
Accumulated depreciation as at the beginning of the year	437.24	224.84	20.62	388.12	110.85	1,181.67	208.01	102.29	9.17	174.22	56.68	550.37
Depreciation for the year	256.38	135.03	12.71	158.58	62.98	625.68	229.53	122.57	11.47	213.90	59.99	637.46
Disposals	(0.50)	(3.98)	(0.39)	-	(10.89)	(15.75)	(0.30)	(0.02)	(0.02)	-	(5.82)	(6.16)
Accumulated depreciation as at the end of the year	693.12	355.89	32.94	546.70	162.94	1,791.60	437.24	224.84	20.62	388.12	110.85	1,181.67
Net carrying amount as at the end of the year	627.42	346.62	94.70	120.52	268.62	1,457.87	662.62	381.23	93.71	179.90	278.20	1,595.66

12. Other Intangible assets

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
	Software	Software
Balance at the beginning of the year	558.48	486.34
Additions	66.04	72.14
Disposals	(4.49)	-
Balance at the end of the year	620.03	558.48
Accumulated amortization:		
At beginning of the year	378.53	200.88
Amortization	137.75	177.65
Disposals	(4.49)	-
Total amortization	511.79	378.53
Net carrying amount	108.24	179.95

The amortisable amount of intangible assets is allocated over the best estimate of its useful life of three years on a straight-line basis.

13. Payables

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
	At Amortised Cost	At Amortised Cost
(I) Trade Payables		
(i) total outstanding dues of micro enterprises and small enterprises	30.68	16.15
(ii) total outstanding dues of enterprises other than micro enterprises and small enterprises	2,217.13	2,958.76
(I) Other Payables		
(i) total outstanding dues of micro enterprises and small enterprises	18.40	-
(ii) total outstanding dues of enterprises other than micro enterprises and small enterprises	29.46	20.62
Total	2,295.67	2,995.53

Total outstanding dues of micro enterprises and small enterprises

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;	49.08	16.15
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year;	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
Total	49.08	16.15

Note :Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

DSP Investment Managers Private Limited (Formerly known as DSP BlackRock Investment Managers Pvt. Ltd.)
Notes to Consolidated Financial Statements for the year ended 31st March 2020

14. Provisions

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Provisions for Compensated Absences	774.73	327.70
Provisions for Gratuity	1,052.37	1,062.57
Total	1,827.10	1,390.27

15. Other Non-financial Liabilities

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Statutory remittances	921.44	335.57
Total	921.44	335.57

16 Equity share capital

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Authorised Capital Equity shares of the par value of Rs.10 each (1,00,00,00,000 as at 31st March, 2020 and 1,00,00,00,000 as at 31st March, 2019)	100,000.00	100,000.00
(b) Issued, subscribed and fully paid up Equity shares of Rs.10 each fully paid-up (25,00,00,000 as at 31st March, 2020 and 25,00,00,000 as at 31st March, 2019)	25,000.00	25,000.00

(Rs. in Lakhs)

Particulars	Balance at the beginning of the year	Changes in equity share capital during the year	Balance at the end of the year
For the year ended 31st March, 2019	2,000.00	23,000.00	25,000.00
For the year ended 31st March, 2020	25,000.00	-	25,000.00

(c) Reconciliation of the number of shares outstanding at the beginning and at the end of the period

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	250,000,000	20,000,000
Bonus shares issued during the year	-	230,000,000
Balance at the end of the year	250,000,000	250,000,000

(d) Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Each shareholder is eligible for one vote per share held. Dividend, if proposed by the Board of Directors, is subject to the approval of the shareholders. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(e) Details of shares held by each shareholder holding more than 5% shares:

Name of the Shareholders	No. of Shares held	% of Holding	No. of Shares held	% of Holding
	As at March 31, 2020		As at March 31, 2019	
DSP HMK Holdings Pvt. Ltd.	85,000,000	34%	85,000,000	34%
DSP ADIKO Holdings Pvt. Ltd.	135,000,000	54%	135,000,000	54%
Ms Aditi Kothari Desai	15,000,000	6%	15,000,000	6%
Ms Shuchi Kothari	15,000,000	6%	15,000,000	6%

(f) Ordinary Shares allotted as fully paid up Bonus Shares

Particulars	For the year ended 2020 (no of shares)	For the year ended 2019 (no of shares)
Bonus Shares issued in 2018-19	-	230,000,000

(g) Employee Stock Option Plan

Each Option entitles the holder thereof to apply for and be allotted one Ordinary Share of the Company of Rs. 10 each upon payment of the exercise price during the exercise period. The Options are granted under the ESOP Series 2019 Scheme. Further details of DSP Employee Stock Option Schemes are provided in Note 38.

Note: 17 Other Equity

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Retained earnings	97,564.63	85,309.84
Employee Stock Option Reserve	271.60	18.44
Exchange differences on translating financial statements of a foreign operation	-	154.85
Re-measurements of net defined benefit plans	162.79	60.70
Total	97,999.01	85,543.83
Non-controlling interests	1,259.43	1,212.84
Total	1,259.43	1,212.84

Refer Statement of Changes in Equity for Detailed movement in other Equity

Note: 17.1 Nature and purpose of reserve

Retained earnings

Surplus in profit or loss represent surplus/accumulated profit of the Group and are available for distribution to shareholders.

Share Option Outstanding Account

This Reserve relates to stock options granted by the Group to employees under DSP Employee Stock Option Schemes. This Reserve is transferred to Securities Premium Account or Retained Earnings on exercise or cancellation of vested options.

Exchange differences on translating financial statements of a foreign operation

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e Indian Rupees) are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve. On disposal of such entities the deferred cumulative exchange differences recognised in equity relating to that particular foreign operation are recognised in profit or loss.

18. Fees and Commission Income

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Asset Management Fees	41,914.11	56,296.89
Offshore Investment Management Fees	1,235.19	208.87
Offshore Non Binding Advisory Fees	548.91	8,931.71
Total	43,698.21	65,437.47

19. Other income

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Net gain on fair value changes (Refer Note 20 below)	-	6,790.64
Group gain on sale of subsidiary (Refer Note 39A)	1,802.71	-
Interest on income tax refund	242.33	206.76
Interest Income on Staff Loans	6.68	6.36
Other Income	0.49	0.03
Dividend Income	74.30	112.98
Net gain on foreign currency transaction and translation	26.27	23.85
Net loss on derecognition of property, plant and equipment	(10.56)	(27.92)
Total	2,142.22	7,112.70

20. Net (loss) / gain on fair value changes

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Net (loss) / gain on financial instruments at fair value through profit and loss account		
On financial instruments measured at fair value through profit and loss account	(4,537.90)	6,790.64
Total Net (loss) / gain on fair value changes	(4,537.90)	6,790.64
Fair Value changes on investments measured at fair value through profit and loss:		
Fair Value changes- Realised	4,189.74	2,448.75
Fair Value changes- Un Realised (Refer Note 40)	(8,727.64)	4,341.89
Total	(4,537.90)	6,790.64

21. Finance cost

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Interest on borrowings	-	17.17
Interest on statutory liabilities	(14.66)	88.98
Interest on lease liabilities (at amortised cost)	321.89	-
Total	307.23	106.15

22. Fees, Commission and other fund expense (Refer note below)

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Referral Fees	1,776.41	2,189.05
Brokerage	(463.61)	7,076.75
Advertisement and publicity	1,065.09	1,648.88
Scheme Expenses	234.51	900.04
Total	2,612.40	11,814.72

Note : Fees, Commission and other scheme expenses are shown net of reimbursement. Refer Sr No. 9 and 10 of sub clause (ii) of Note no 32.

23. Employee benefits

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Salaries and wages including bonus	12,936.26	13,758.04
Contribution to provident and other funds	496.57	476.13
Employee stock option plan expenses	253.16	18.44
Staff welfare expenses	118.10	147.07
Total	13,804.09	14,399.68

24. Depreciation , Amortisation and Impairment

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Depreciation on Tangible Assets	625.69	637.46
Amortisation of Intangible Assets	137.75	177.65
Depreciation of Right-of-Use Assets (Refer Note 34)	1,213.30	-
Total	1,976.74	815.11

25. Other expenses (Refer note below)

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Rent (Refer note 34)	16.06	1,470.69
Taxes and energy costs	243.84	215.68
Business promotion expenses	-	620.73
Repairs and maintenance	850.18	849.19
Communication Costs	162.43	268.25
Printing and stationery	75.12	97.07
Technology and Infrastructure Cost	757.90	645.83
Director's fees, allowances and expenses	53.90	114.47
Risk reporting fees	162.53	156.41
Auditor's fees and expenses	33.95	48.89
Legal and Professional charges	2,189.13	2,224.48
Subscriptions and membership charges	802.26	558.70
Insurance	191.63	126.74
Corporate Social Responsibility Expense	454.86	343.21
Travelling & Conveyance	352.51	406.73
Net loss on fair value changes (Refer Note 20 above)	4,537.90	-
Other expenditure	306.58	387.60
Total	11,190.78	8,534.67

Note : Other expenses are shown net of reimbursement. Refer Sr No. 9 of sub clause (ii) of Note no 32.

Expenses towards Corporate Social Responsibility

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Details of Corporate Social Responsibility (CSR) expenditure :		
a) Expenditure related to Corporate Social Responsibility	454.86	343.21
b) Gross amount required to be spent during the year (as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof)	501.03	363.08

Payments to the auditors comprise (net of taxes)

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Payments to the auditors comprise (net of taxes)		
As auditors - statutory audit	26.26	27.01
As auditors - tax audit	3.40	3.40
As auditors - other services	3.50	18.25
Reimbursement of expenses	0.79	0.23
Total	33.95	48.89

26. Current Tax

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Amount recognised in profit or loss		
Current tax for the year	5,805.61	11,168.63
Tax for earlier years	80.72	(32.89)
Total current tax	5,886.33	11,135.74

27. Deferred Tax

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Amount recognised in profit or loss		
Deferred tax for the year	(2,238.51)	860.59
Total Deferred tax	(2,238.51)	860.59

28. Other Comprehensive Income (items that will not be reclassified to profit or loss)

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
The tax (charge)/credit arising on income and expenses recognised in other comprehensive income is as follows		
A) Items that will not be reclassified to profit or loss		
(i) Remeasurements of the defined benefit plans;	136.43	(7.49)
(ii) Income tax relating to items that will not be reclassified to profit or loss	(34.34)	2.62
B) Items that may be reclassified to profit or loss		
Exchange differences on translating financial statements of a foreign operation	12.80	15.37
Total	114.89	10.50

The reconciliation of estimated income tax to provision for income taxes:

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Profit before tax from continuing operations	15,949.19	36,879.84
Income tax expense calculated at 25.168% (2018-2019: 34.944%)	4,014.09	12,887.29
Effect of income that is exempt from taxation	(37.64)	(39.48)
Effect of expenses that are not deductible in determining taxable profit	114.85	90.95
Effect of unused tax losses and tax offsets not recognised as deferred tax assets	(15.57)	76.89
Effect on deferred tax balances due to the change in income tax rate from 34.944% to 25.168%	349.31	-
Income tax refund considered in return of AY 2018-19 but account in AY 19-20	-	(51.00)
Interest on Income tax refund accounted in AY 2019-20 but charged to tax in AY 2020-21	14.20	-
Effect of tax income chargeable at different rate	(837.81)	(938.05)
Adjustments recognised in the current year in relation to the current tax of prior years	80.72	-
Total	3,682.15	12,026.60
Effect of Deferred Tax Asset / (Liability)	2,204.17	(857.97)
Adjustments recognised in the current year in relation to the current tax of prior years	-	(32.89)
Income tax expense recognised in profit or loss (relating to continuing operations)	5,886.32	11,135.74

29. Earning per share

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Basic/ Diluted	Rs. per share	Rs. per share
Profit for the year attributable to owners of the Company	12,301.37	24,883.51
Weighted average number of equity shares outstanding	2,500	2,500
Basic (in Rs.)	4.92	9.95
Diluted EPS (in Rs.)	4.92	9.95

Note:

There is no dilution to the basic EPS as the effect of potential ordinary shares (in the nature of ESOP) is anti-dilutive, hence the same has been ignored for diluted EPS.

Notes to Financial Statements

30. Contingent liabilities and Commitments

i) Contingent Liabilities

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Claims against bank not acknowledged as debts	21.45	21.45
Claims relating to Service Tax matters	291.87	344.38
Claims relating to Income Tax matters	107.80	100.11
Total	421.12	465.94

ii.) Commitments

(Rs. in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2019
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	67.48	102.33
Total	67.48	102.33
Tangible assets	45.92	94.75
Other Intangible assets	21.56	7.58

31 Employee benefit plans

Brief description of the Plans:

Defined contribution plans:

The Group makes Provident Fund contributions which are defined contribution plans. Under the Schemes, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The Group recognised Rs. 234.16 Lakhs (for the year ended March 31, 2019: Rs. 276.24 Lakhs) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Group are at rates specified in the rules of the schemes.

Defined benefit plans:

The gratuity scheme is a defined benefit plan that provides for a lump sum payment to the employees on exit either by way of retirement, death or disability. The benefits are defined on the basis of final salary and the period of service.

Other long term benefit plans

The Company operates a compensated absences scheme for employees. The employees are entitled to compensated absences benefits based on the last drawn salary i.e. Cost to Company (until previous it was based on last drawn basic component of Salary) and number of days of leave accumulated based on the policy of the Company.

These plans typically expose the Group to actuarial risks such as: interest rate risk, demographic risk and salary inflation risk

Interest rate risk:	The defined benefit obligation calculated uses a discount rate based on government bonds. All other aspects remaining same, if bond yields fall, the defined benefit obligation will increase.
Demographic risk:	This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.
Salary Inflation risk:	All other aspects remaining same, higher than expected increases in salary will increase the defined benefit obligation.

(a) The disclosure as required by Ind AS 19 as per actuarial valuation regarding Employee Retirement Benefits Plan for Gratuity is as follows:

The principal assumptions used for the purpose of the actuarial valuations were as follows:

Particulars	Valuations as at		
	As at March 31, 2020		As at March 31, 2019
Financial Assumptions			
Discount Rate	6.40%		7.15%
Rate of salary increase	5.42%		7.80%
Demographic Assumptions			
Mortality Rate	Indian Assured Lives Mortality (2012-14) Ult table	Indian Assured Lives Mortality (2012-14) Ult table	Indian Assured Lives Mortality (2012-14) Ult table

Amount recognised in Statement of Profit and Loss in respect of these defined benefit plan are as follow:

(Rs. in Lakhs)

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Current service cost	124.50	121.80
Net interest on net defined benefit obligation	71.23	77.29
Cost recognised in Profit & Loss	195.73	199.09
Actuarial gain due to DBO experience	(26.82)	(42.09)
Actuarial (gain) / loss due to DBO assumption changes	(109.61)	49.58
Cumulative Actuarial (gain) / loss recognised via OCI at year end	(136.43)	7.49
Total Defined Benefit Cost	59.30	206.58

The amount included in the Balance Sheet arising from the Group's obligation in respect of its defined benefit plan is as follows:

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Defined benefit obligation (DBO)	1,052.37	1,062.57

Movement in the present value of the defined benefit obligation are as follows:

(Rs. in Lakhs)

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
DBO at end of prior period	1,062.57	1,049.98
Current service cost	124.50	121.80
Interest cost on the DBO	71.23	77.29
Actuarial gain - experience	(26.82)	(42.09)
Actuarial (gain) / loss - assumptions	(109.61)	49.58
Benefits paid	(69.50)	(193.99)
DBO at end of current period	1,052.37	1,062.57

Reconciliation of Net Balance Sheet Position:

(Rs. in Lakhs)

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Net defined benefit liability at end of prior period	1,062.57	1,049.98
Service cost	124.50	121.80
Net interest on net defined benefit liability	71.23	77.29
Amount recognised in OCI	(136.43)	7.49
Employer contributions	(69.50)	(193.99)
Net defined benefit liability at end of current period	1,052.37	1,062.57

The Gratuity Scheme is un-funded.

Sensitivity Analysis

Method used for sensitivity analysis:

The sensitivity results above determine their individual impact on the Plan's end of year Defined Benefit Obligation. In reality, the Plan is subject to multiple external experience items which may move the Defined Benefit Obligation in similar or opposite directions, while the Plan's sensitivity to such changes can vary over time. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to previous period.

Discount Rate

(Rs. in Lakhs)

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Effect on DBO due to 50bp increase in Discount Rate	(30.30)	(31.77)
Effect on DBO due to 50bp decrease in Discount Rate	31.90	33.47

Salary escalation rate

(Rs. in Lakhs)

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Effect on DBO due to 50bp increase in Salary Escalation Rate	32.05	33.15
Effect on DBO due to 50bp decrease in Salary Escalation Rate	(30.72)	(31.77)

Expected future benefits payable - Maturity profile of defined benefit obligation

(Rs. in Lakhs)

Projected Benefits Payable in Future Years From the Date of Reporting	Estimated as at March 31, 2020	Estimated as at March 31, 2019
1st Following Year	145.20	132.68
2nd Following Year	145.08	134.72
3rd Following Year	132.49	139.76
4th Following Year	124.35	129.67
5th Following Year	138.83	123.21
6th Following Year	126.15	135.49
7th Following Year	88.92	128.64
8th Following Year	92.68	92.04
9th Following Year	80.81	95.97
Sum of Years 10 and above	558.77	675.42

Other Disclosures

a) The weighted average duration of the obligations as at March 31, 2020 is 5.91 years (March 31, 2019: 6.14 Years).

32. Notes to Financial Statements

i) Name of the related party and nature of relationship where control exists:

Name of Related Parties	Type of relationship	March 31, 2020	March 31, 2019	Country of incorporation
DSP ADIKO Holdings Pvt. Ltd.	Holding Company	54%	54%	India
DSP HMK Holdings Pvt. Ltd.	Company having significant influence	34%	34%	India

Other Related Parties

Mutual Funds and Alternate Investment Funds managed by the company and other affiliated enterprise

Name of Related Parties	Erstwhile known as	Country of incorporation
DSP Trustee Pvt. Ltd.	DSP BlackRock Trustee Company Pvt. Ltd.	India
DSP Mutual Fund	DSP BlackRock Mutual Fund	India
BlackRock India Equities Fund (Mauritius) Ltd. (uptill 16th August, 2018)		Mauritius
BlackRock Asset Management North Asia Ltd. (uptill 16th August, 2018)		HongKong
Reclamation Properties (India) Pvt. Ltd.		India
Reclamation Realty (India) Pvt. Ltd.		India
BlackRock Financial Management, Inc. (uptill 16th August, 2018)		New York
DSP India Enhanced Equity Fund	DSP BlackRock India Enhanced Equity Fund	India
DSP Emerging Stars Fund	DSP BlackRock Emerging Stars Fund	India
DSP AIF Pharma Fund	DSP BlackRock AIF Pharma Fund	India
DSP AIF Core Fund	DSP BlackRock AIF Core Fund	India
DSP India Enhanced Equity SatCore Fund	DSP BlackRock India Enhanced Equity SatCore Fund	India
DSP High Conviction Fund	DSP BlackRock High Conviction Fund	India
DSP India Investment Fund (uptil 13-Feb-2020)	DSP BlackRock India Investment Fund	Mauritius
DSP India Fund (uptil 13-Feb-2020)	DSP BlackRock India Fund	Mauritius

Key Management Personnel

Mr. Hemendra Kothari	Chairman
Ms. Aditi Kothari	Executive Director
Mr. Ranjan Pant (Upto 30-Mar-2020)	Independent Director
Mr. Piyush Mankad (Upto 30-Mar-2020)	Independent Director
Mr. Dhananjay Mungale	Independent Director
Mr. Uday Khanna	Independent Director
Mr. Subhash S Mundra	Independent Director
Mr. Ramadorai Subramaniam	Independent Director
Mr. Mahmad Tahleb Rujub (Upto 13-Feb-2020)	Independent Director
Mr. Navun Dussoruth (Upto 13-Feb-2020)	Independent Director
Mr. Anthony Clive Martin Norton (Upto 13-Feb-2020)	Independent Director
Mr. Prashant Kunbihari Kantilal Trivedi (Upto 13-Feb-2020)	Independent Director

Enterprise in which key management personnel can exercise significant influence.

Impact Foundation (India)
Wildlife Conservation Trust

ii) Transactions during the year with Related Parties :

Rs. in Lakhs

Sr no	Nature of Transaction	Holding Company	Company having significant influence	Mutual Funds and Alternate Investment Funds managed by the company and other affiliated enterprises		Enterprise in which key management personnel and their relatives can exercise significant influence	Key Management Personnel	Total
		DSP Adiko Holdings Pvt Ltd	DSP HMK Holdings Pvt Ltd	DSP Mutual Fund	Others			
	Revenue							
1	Asset Management Fees / Offshore Non Binding Advisory Fees							
	For the year ended March 20	-	-	37,120.90	5,249.48 ⁽¹⁾	-	-	42,370.38
	For the year ended March 19	-	-	50,124.54	7,854.18	-	-	57,978.72
	Expenditure							
2	Rent							
	For the year ended March 20	-	-	-	599.58 ⁽²⁾	-	-	599.58
	For the year ended March 19	-	-	-	606.69	-	-	606.69
3	Risk reporting fee							
	For the year ended March 20	-	-	-	-	-	-	-
	For the year ended March 19	-	-	-	59.54 ⁽³⁾	-	-	59.54
4	Remuneration							
	For the year ended March 20	-	-	-	-	-	196.01 ⁽⁷⁾	196.01
	For the year ended March 19	-	-	-	-	-	201.37	201.37
5	Director Sitting Fees							
	For the year ended March 20	-	-	-	-	-	52.38 ⁽⁸⁾	52.38
	For the year ended March 19	-	-	-	-	-	111.09	111.09
6	Reimbursement of expenses							
	For the year ended March 20	-	-	-	10.63 ⁽⁴⁾	-	-	10.63
	For the year ended March 19	-	-	-	0.55	-	-	0.55
7	Other expenses							
	For the year ended March 20	-	-	131.38	-	-	-	131.38
	For the year ended March 19	-	-	762.62	-	-	-	762.62
8	Reimbursement of brokerage							
	For the year ended March 20	-	-	0.05	-	-	-	0.05
	For the year ended March 19	-	-	7,138.57	-	-	-	7,138.57

Sr no	Nature of Transaction	Holding Company	Company having significant influence	Mutual Funds and Alternate Investment Funds managed by the company and other affiliated enterprises		Enterprise in which key management personnel and their relatives can exercise significant influence	Key Management Personnel	Total
		DSP Adiko Holdings Pvt Ltd	DSP HMK Holdings Pvt Ltd	DSP Mutual Fund	Others			
9	Recovery of expenses							
	For the year ended March 20	-	-	(543.62)	-	-	(0.16) ⁽¹⁰⁾	(543.78)
	For the year ended March 19	-	-	(582.00)	-	-	0.96	(581.04)
10	Recovery of Placement fee							
	For the year ended March 20	-	-	-	(21.66) ⁽¹³⁾	-	-	(21.66)
	For the year ended March 19	-	-	-	(569.23)	-	-	(569.23)
11	Corporate Social Responsibility (CSR)							
	For the year ended March 20	-	-	-	-	75.75 ⁽⁵⁾	-	75.75
	For the year ended March 19	-	-	-	-	64.06	-	64.06
	<u>Investments</u>							
12	Purchases of units of mutual fund / AIF							
	For the year ended March 20	-	-	59,738.97	-	-	-	59,738.97
	For the year ended March 19	-	-	119,762.98	4,637.62 ⁽¹¹⁾	-	-	124,400.60
13	Sales							
	For the year ended March 20	-	-	53,750.14	805.78 ⁽¹⁴⁾	-	-	54,555.92
	For the year ended March 19	-	-	104,751.53	2,257.91	-	-	107,009.44
14	Dividend on Units							
	For the year ended March 20	-	-	74.30	-	-	-	74.30
	For the year ended March 19	-	-	112.98	-	-	-	112.98
15	Sales of Subsidiary shares to Significant Holdings	1,234.29	822.86	-	-	-	-	2,057.14
16	Purchase of Investment in other security (including accrued interest)							
	For the year ended March 20	-	-	12,115.89	-	-	-	12,115.89
	For the year ended March 19	-	-	-	-	-	-	-

Sr no	Nature of Transaction	Holding Company	Company having significant influence	Mutual Funds and Alternate Investment Funds managed by the company and other affiliated enterprises		Enterprise in which key management personnel and their relatives can exercise significant influence	Key Management Personnel	Total
		DSP Adiko Holdings Pvt Ltd	DSP HMK Holdings Pvt Ltd	DSP Mutual Fund	Others			
	<u>Balances Outstanding as at 31 March 2020</u>							
17	Investments in mutual fund / AIF							
	As at 31st March 20	-	-	112,802.15	4,955.62 ⁽⁹⁾	-	-	117,757.77
	As at 31st March 19	-	-	98,529.62	7,315.22	-	-	105,844.84
18	Trade receivables							
	As at 31st March 20	-	-	3,593.25	448.85 ⁽⁶⁾	-	-	4,042.10
	As at 31st March 19	-	-	3,693.02	638.25	-	-	4,331.27
19	Trade payables							
	As at 31st March 20	-	-	-	-	-	-	-
	As at 31st March 19	-	-	22.39	-	-	-	22.39
20	Contractually reimbursable expenses							
	As at 31st March 20	-	-	-	-	-	-	-
	As at 31st March 19	-	-	64.13	260.44 ⁽¹²⁾	-	-	324.57

	For the year ended 2019- 2020	For the year ended 2018- 2019
(1) Offshore Non Binding Advisory Fees		
BlackRock India Equities Fund (Mauritius) Ltd.	-	492.97
BlackRock Asset Management North Asia Ltd. (erstwhile BlackRock Hong Kong Ltd.)	-	857.88
DSP India Investment Fund	19.21	49.74
DSP India Fund	437.06	281.34
Asset Management fees		
DSP India Enhanced Equity Fund	782.84	1,281.62
DSP Emerging Stars Fund	695.65	964.99
DSP AIF Pharma Fund	312.02	715.27
DSP AIF Core Fund	917.84	1,327.67
DSP India Enhanced Equity SatCore Fund	726.00	1,218.52
DSP High Conviction Fund	1,358.85	664.18
(2) Reclamation Properties (India) Pvt. Ltd.	379.77	386.88
Reclamation Realty (India) Pvt. Ltd.	219.81	219.81
(3) BlackRock Financial Management, Inc.	-	59.54
(4) DSP India Enhanced Equity SatCore Fund	10.19	-
DSP High Conviction Fund	0.44	0.55
(5) Impact Foundation India	38.61	33.50
Wildlife Conservation Trust	37.14	30.56
(6) Balance as at 31 March 2020 - Offshore Non Binding Advisory Fees / Asset Management Fees		
DSP India Enhanced Equity Fund	68.82	80.51
DSP Emerging Stars Fund	48.80	98.32
DSP AIF Pharma Fund	41.44	90.79
DSP AIF Core Fund	67.21	105.86
DSP India Enhanced Equity SatCore Fund	76.98	83.57
DSP High Conviction Fund	145.61	108.07
DSP India Investment Fund	-	30.35
DSP India Fund	-	40.78
(7) Remuneration		
Aditi Kothari	196.01	201.37
(8) Director's Sitting Fees		
Mr. Ranjan Pant	0.20	11.27
Dr. Omkar Goswami	-	8.00
Mr. Piyush Mankad	0.20	20.45
Mr.Dhananjay Mungale	12.40	21.00
Mr. Uday Khanna	9.00	15.00
Mr. Subhash S Mundra	9.00	13.00
Mr. David Graham	-	4.00
Mr. Ramadorai Subramaniam	8.00	13.00
Mr. Navun Dussoruth and Mr. Mahmad Tahleb Rujub	1.83	2.17
Mr. Prashant Kunbihari Kantilal Trivedi	5.88	-
Mr. Anthony Clive Martin Norton	5.88	3.20
(9) Investment balance in AIF		
Investments In AIF - 13054	1,307.30	-
DSP Emerging Star Fund	728.30	1,163.47
DSP AIF Pharma Fund	-	943.39
DSP AIF Core Fund	900.01	1,399.93
DSP India Enhanced Equity SatCore Fund	1,194.91	1,132.54
DSP High Conviction Fund	825.10	2,675.90
(10) (Recovery) / Reimbursement of expenses		
Aditi Kothari	(0.16)	0.96

	For the year ended 2019- 2020	For the year ended 2018- 2019
(11) Investments made during the year		
DSP AIF Pharma Fund	-	1,353.91
DSP AIF Core Fund	-	1,052.50
DSP High Conviction Fund	-	2,231.22
(12) Contractually reimbursable expenses		
DSP High Conviction Fund	-	235.63
DSP India Investment Fund	-	0.02
DSP India Fund	-	24.78
(13) Recovery of Placement fee		
DSP India Enhanced Equity SatCore Fund	(8.62)	(29.11)
DSP High Conviction Fund	(12.98)	(540.12)
(14) Investments sold during the year		
DSP AIF Pharma Fund	805.78	1,279.59
DSP AIF Core Fund	-	978.32

Footnote:

Outstanding balances (other than borrowings) at the year-end are unsecured and interest free and settlement occurs in cash. The transactions with related parties are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions. All the Related Party Transactions are reviewed and approved by the Audit Committee.

Compensation of key managerial personnel

The remuneration of key management personnel during the year is as follows:

Particulars	(Rs. In Lakhs)	
	Year ended March 31, 2020	Year ended March 31, 2019
Short-term benefits	232.28	304.64
Post-employment benefits @ Other Long Term Employee Benefits	1.73	1.73
Total	234.01	306.37

Note:

Compensation of key managerial personnel excludes provision for gratuity and compensated absences which is determined on the basis of actuarial valuation done on overall basis for the Company.

33 Operating Segment

The principal business of the Group is Asset Management. All other activities of the Group revolve around its main business. The Executive Committee of the Group has been identified as the chief operating decision maker (CODM). The CODM evaluates the Group's performance, allocates resources based on analysis of the various performance indicators of the Group as a single unit. The Group operates only in one Business Segment i.e. Asset Management, hence does not have any reportable Segments as per Ind AS 108 "Operating Segments".

33.1 Information about services

Services	(Rs. in Lakhs)	
	Year Ended March 31, 2020	Year Ended March 31, 2019
Asset Management Fees	41,914.11	56,296.89
Offshore Investment Management Fees	1,235.19	208.87
Offshore Non Binding Advisory Fees	548.91	8,931.71
Total	43,698.21	65,437.47

33.2 Information about revenue from external customers in various geographical areas

The Group operates in geographical areas - India (country of domicile) and others (outside India).

The Group's revenue from external customers by location of operations are detailed below.

Particulars	(Rs. in Lakhs)	
	Year Ended March 31, 2020	Year Ended March 31, 2019
- India	41,914.11	56,296.89
- Others	1,784.10	9,140.58
	43,698.21	65,437.47

The Group do not hold material non-current assets (other than financial instruments, deferred tax assets, and post-employment benefit assets) outside India.

33.3 Information about major customers

Revenue includes sales of Rs. 37,120.90 Lakhs and 4,793.21 Lakhs (for the year ended March 31, 2019: 50,124.61 Lakhs and 6,172.28 Lakhs) which arose from service to the Mutual Fund and Alternative Investment Funds which account for 84.95% and 10.97% (for the year ended March 31, 2019: 76.60 % and 9.43 %) of the total revenue respectively. No other single customer contributed 10% or more to the Company's revenue for the year 2019-2020 and for the year 2018-2019.

34. Disclosures required under Ind AS 116 "Leases"

The Group has taken office premises on lease. The lease term in respect of these leases range from 3 to 10 years. In respect of the said leases, the additional information is as under:

(Rs. in Lakhs)	
Payments recognised as an expense	Year ended 31 March, 2020
Depreciation charge for right-of-use assets	1,213.30
Expense relating to leases of low-value assets accounted for on straight line basis (included in Rent expense in Note 25)	16.06
Total cash outflow for leases	1,456.24
Maturity analysis of lease liabilities:	
not later than one month;	105.94
later than one month and not later than three months;	207.08
later than three months and not later than one year;	629.85
later than one year and not later than five years; and	1,600.85
later than five years	396.17

The movement in right-of-use assets and lease liabilities during the year ended March 31, 2020 is as follows:

(Rs. in Lakhs)		
Particulars	Right-of-use assets	lease liabilities
Balance at the beginning	3,319.09	3,319.09
Addition during the year	69.72	69.72
Depreciation	1,213.30	-
Finance cost	-	321.89
Lease rent payment	-	1,456.24
Closing Balnce	2,175.51	2,254.46

General description of significant leasing agreements

- (i) Refundable interest free deposits have been given under lease agreements.
- (ii) Some of the agreements provide for increase in rent.
- (iii) Some of the agreements provide for early termination by either party with a specified notice period / renewal with

For the year ended 31 March 2019, no operating lease commitments were disclosed in accordance with Ind AS 17 since there were no future minimum lease payments under non-cancellable operating leases. Hence, the entire liability of Rs. 3,319.09 Lakhs is incremental as compared to the present value of the operating lease commitments disclosed in the previous year i.e Nil. The difference is on account of lease term beyond non-cancellable periods being considered under the new leasing standard, Ind AS 116.

Since Ind AS 116 has become applicable w.e.f. 1st April, 2019, disclosure of comparative information is not applicable.

35 . Fair Value Disclosures

This section explains the judgment and estimates made in determining the fair value of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair value are disclosed in financials statements. To provide an indication about the reliability of the inputs used in determining the fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards.

a) Summarised Category Classification of Financial Assets and Financial Liabilities

(Rs. in Lakhs)

	As at March 31, 2020			As at March 31, 2019		
	Amortised cost (classified under level 2 hierarchy- Refer note b below)	At fair value through profit and loss account (classified under level 1 hierarchy- Refer note b below)	Total	Amortised cost (classified under level 2 hierarchy- Refer note b below)	At fair value through profit and loss account (classified under level 1 hierarchy- Refer note b below)	Total
Financial Assets						
Cash and cash equivalents	398.65	-	398.65	631.46	-	631.46
Receivables	4,965.44	-	4,965.44	4,853.05	-	4,853.05
Loans	186.62	-	186.62	89.59	-	89.59
Investments		118,610.90	118,610.90		105,849.84	105,849.84
Other Financial Assets	497.23	-	497.23	836.82	-	836.82
Total Financial Assets	6,047.94	118,610.90	124,658.84	6,410.92	105,849.84	112,260.76
Financial Liabilities						
Trade Payables and other payables	2,295.67	-	2,295.67	2,995.53	-	2,995.53
Lease Liabilities	2,254.46	-	2,254.46	-	-	-
Total Financial Liabilities	4,550.13	-	4,550.13	2,995.53	-	2,995.53

b) Fair Value Hierarchy and Method of Valuation

The following table presents fair value of assets and liabilities measured at fair value on recurring basis as of March 31, 2020

(Rs. in Lakhs)

Financial assets/ (Financial liabilities)	Fair value hierarchy	Valuation technique(s) and key input(s)	As at March 31, 2020	As at March 31, 2019
Investments in Mutual Funds & AIFs	Level 1	Market Approach -The fair values of investments in mutual funds is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.	117,757.79	105,844.84
Total			117,757.79	105,844.84

Level 1 : Quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: Input other than quoted prices included within level 1 that are observable for the assets or liability, either directly (i.e.as prices) or indirectly (i.e.derived from prices)

Short term financial assets and liabilities ie. Cash and cash equivalents, trade receivables, trade payables are stated at carrying value which is approximately equal to their fair value.

The Directors consider that the carrying amount of loans and other financial assets approximates to their fair value.

Level 3: Inputs for the assets or liabilities that are not based on observable market data(unobservable inputs)

36. Capital management and Risk management

I Capital Management

The Group's objective while managing the capital are to safeguard its ability to continue as a going concern and to provide adequate returns for its shareholders. The Group funds its operations through internal accruals and aims at maintaining a strong capital base to support the future growth of its business.

II Financial Risk Management Framework

The primary business of the Group is to manage the schemes of DSP mutual fund which requires specialized expertise in investment management. Since this is very crucial aspect which has an extremely significant bearing on the Group's performance, a risk management committee is in place to oversee the risks associated with this function. This committee reviews the progress of implementation with regards to risk management practices pertaining to mutual funds

A LIQUIDITY RISK

(i) Liquidity risk management

The Group has established an appropriate liquidity risk management framework for the management of the Group's short-, medium- and long-term funding and liquidity management requirements. The Group manages liquidity risk by way of investments in liquid securities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(ii) Maturities of financial liabilities

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows.

The below excludes maturity analysis of lease liabilities which has been disclosed separately in Note 34.

(Rs. in Lakhs)

Maturities of Financial Liabilities	As at March 31, 2020		Total	Carrying amount
	Upto 1 year	1 to 5 years		
Non-interest bearing	2,295.67	-	2,295.67	2,295.67
Maturities of Financial Liabilities	As at March 31, 2019		Total	Carrying amount
	Upto 1 year	1 to 5 years		
Non-interest bearing	2,995.53	-	2,995.53	2,995.53
	2,995.53	-	2,995.53	2,995.53

B Market Risks

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Currency Risk

The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Group's exposure to currency risk relates primarily to the Group's operating activities when transactions are denominated in a different currency from the Group's functional currency.

The Group's foreign currency exposure are denominated mainly in US Dollar, Singapore Dollar, Euro, Swiss Franc and Pounds which arise mainly from receivables on account of advisory fees and outstanding of trade payables

As at the end of the reporting period, the carrying amounts of the Group's foreign currency denominated financial assets and financial liabilities are as follows:

As at 31 March 2020	Currency	In foreign currency in lakhs	Equivalent Rs in lakhs
Financial Assets			
Trade Receivables	USD	12.25	923.84
Financial Liabilities			
Trade Payables	USD	2.70	203.65
	EUR	0.18	15.35
	GBP	0.21	19.21
	CHF	0.01	0.70
	SGD	0.02	1.30

As at 31 March 2019	Currency	In foreign currency in lakhs	Equivalent Rs in lakhs
Financial Assets			
Trade Receivables	USD	6.22	431.90
	SGD	2.10	107.36
Financial Liabilities			
Trade Payables	USD	2.24	155.98
	Euro	0.52	40.81

Foreign Currency Sensitivity

The following table demonstrate the sensitivity to a reasonable possible change in exchange rate, with all other variables held constant. The impact on the Group's loss before tax is due to changes in the fair value of financial assets and liabilities is as follows:

As at 31 March 2020					
Currencies	USD Impact	SGD impact	Euro Impact	CHF Impact	GBP Impact
Exchange rate at the end of reporting period (Rs./USD), (Rs./SGD), (Rs./Euro), (Rs./CHF) & (Rs./GBP)	75.42	52.69	83.04	78.47	93.08
Net USD/ SGD/ Euro / CHF / GBP (Receivable) / Payable at the end of reporting period	(9.55)	0.02	0.18	0.01	0.21
Impact on profit & loss for the year if 5% increase in Exchange rate	(36.01)	0.06	0.77	0.04	0.96
Impact on profit & loss for the year if 5% decrease in Exchange rate	36.01	(0.06)	(0.77)	(0.04)	(0.96)

As at 31 March 2019			
Currencies	USD Impact	SGD impact	Euro Impact
Exchange rate at the end of reporting period (Rs./USD), (Rs./SGD), (Rs./Euro)	69.50	51.12	78.04
Net USD/ SGD/ Euro (Receivable)/ Payable at the end of reporting period	(3.98)	(2.10)	0.52
Impact on profit & loss for the year if 5% increase in Exchange rate	(13.82)	(5.37)	2.04
Impact on profit & loss for the year if 5% decrease in Exchange rate	13.82	5.37	(2.04)

(iii) Price risk

Market risk is the risk of loss of future earnings,

(Rs. in Lakhs)

Particulars	As at 31 March 2020		As at 31 March 2019	
	Increase	Decrease	Increase	Decrease
5% movement				
Mutual funds	5,640.11	(5,640.11)	4,926.48	(4,926.48)
AIF's	247.78	(247.78)	365.76	(365.76)

(iii) Interest Risk

The Group's investments are primarily in fixed rate interest bearing investments. Hence, the Group is not significantly exposed to interest rate risk.

37. 115 Disclosure

(Rs. in Lakhs)

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
CONTRACT WITH CUSTOMERS		
Details of revenue from contracts with customers recognised by the Group, net of indirect taxes in its statement of Profit and loss.		
Revenue from operations		
• Fees and Commission income - Contract with Customers	43,698.21	65,437.47
	43,698.21	65,437.47

There were no impairment losses recognised on any contract asset / trade receivable in the reporting period.

Disaggregate Revenue

The table below presents disaggregated revenues from contracts with customers by geography and offerings. The Group believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of its revenues and cash flows are affected by industry, market and other economic factors.

Revenue based on geography

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
India	41,914.11	56,296.89
Asia	92.63	1,718.80
Africa	1,040.70	824.07
Europe	650.77	208.87
America	-	6,388.84

Revenue based on offerings

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
• Management Services	41,914.11	56,296.89
• Investment Management services	1,235.19	208.87
• Advisory Services	548.91	8,931.71

Contract balances

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Closing balances		
Trade receivables - current	4,965.44	4,853.05
Trade receivables - non-current	-	-
Opening balances		
Trade receivables - current	4,853.05	7,910.12
Trade receivables - non-current	-	-

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

38. Share-based payment arrangements:

A. Description of share-based payment arrangements

i. Share option plans (equity-settled)

At the General Meetings of the company, DSP Investment Managers Pvt Ltd, the shareholders of the Company had unanimously passed Special Resolution on 15th March 2019, to grant options to the eligible employees of the company. Pursuant to these resolutions, the Employees Stock Options Scheme, 2019 ("Scheme") had been formulated and adopted.

Employee Stock Scheme, 2019

The fair value of the option is determined using a Black-Scholes options pricing model. The expected volatility is based on the historic volatility (calculated based on the weighted average remaining life of the share options), adjusted for any expected changes to future volatility due to publicly available information. The measurement of fair value was not adjusted for any other feature of the option grant and no option grant was subject to a market condition.

Information in respect of Options granted under the Company's Employee Stock Option Schemes

S.No.	Particulars	EMPLOYEES STOCK OPTIONS SCHEME 2019
1	Date of Shareholders' approval	March 18, 2019
2	Total number of Options :	
	Granted in fiscal Year 2018-19	78,69,500 options equivalent to ordinary shares of Rs 10 Each
	Granted in fiscal Year 2019-20	2,74,000 options equivalent to ordinary shares of Rs 10 Each
3	Vesting Schedule (for options Granted in FY 18-19 to 19-20)	Total Grant <= 4000 Options 100% of the Options Granted shall Vest on December 31, 2023 Total Grant > 4000 Options 1. 50% of the Options Granted ("First Tranche") shall Vest on December 31, 2023 ("First Tranche Vesting") 2. Balance 50% of the Options Granted ("Second Tranche") shall Vest on the date of resignation / date of retirement (as the case maybe) ("Second Tranche Vesting")
4	Pricing Formula	The Pricing Formula, as approved by the Shareholders of the Company, is such price, as determined by the Nomination & Compensation Committee, using Free cash flow to Equity Method
5	Maximum term of Options granted Granted in fiscal Year 2018-19	First Tranche - 4.79 Second Tranche - Till retirement/resignation as the case may be
	Granted in fiscal Year 2019-20	First Tranche - 4.36 Second Tranche - Till retirement/resignation as the case may be
6	Variation in terms of Options	None
7	Method used for accounting of : share-based payment plans	The employee compensation cost has been calculated using the Income approach of accounting for Options issued under the Company's Employee Stock Option Schemes. The employee compensation cost as per fair value method for the financial year 2019-20 is 234.72 lakhs (2018-19 is Rs. 18.44 Lakhs)
8	Weighted average exercise prices and weighted average fair values of Options whose exercise price either equals or exceeds or is less than the market price of the stock	Granted in fiscal Year 2018-19 Weighted average exercise price per Option - Rs 70.40 Weighted average fair value per Option - Rs. 69.89 Granted in fiscal Year 2019-20 Weighted average exercise price per Option - Rs 70.40 Weighted average fair value per Option - Rs. 70.38
9	Mode of Settlement Accounting	Equity Settled Accounting
10	Contractual life of the options (Years) Granted in fiscal Year 2018-19	Less than or equal to 5.79 years for first tranche and greater than or equal to 5.79 to 12.37 years for 2nd tranche
	Granted in fiscal Year 2019-20	Less than or equal to 5.36 years for first tranche and greater than or equal to 5.36 to 8.29 years for 2nd tranche
11	Methodology for determination of expected volatility	Determined based on volatility of Index and comparable peer

Activity in the options outstanding under the employee's stock option Scheme are as follows

Summary of the status of Options

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	No. of Options	Weighted average Exercise Prices (Rs.)	No. of Options	Weighted average Exercise Prices (Rs.)
Options outstanding at the beginning of the year	7,869,500	70.40	-	-
Options granted during the year	274,000	70.40	7,869,500	70.40
Options exercised during the year	-	-	-	-
Option forfeited during the year	665,900	70.40	-	-
Option outstanding at the end of the year	7,477,600	70.40	7,869,500	70.40
Options exercisable at the end of the year	-	-	-	-
Options vesting but not exercised at the end of the year	-	-	-	-

Average share price on the date of exercise of the options are as under:

Date of exercise	Weighted average share price (INR)
NA	NA

Information in respect of options outstanding as at 31st March, 2020

Range of exercise price	Number of options	Weighted average remaining life
70.40	7,477,600	<p>For Options Granted in FY 18-19 : Less than or equal to 5.79 years for first tranche and greater than or equal to 5.79 to 12.37 years for 2nd tranche.</p> <p>For Options Granted in FY 19-20 : Less than or equal to 5.36 years for first tranche and greater than or equal to 5.36 to 8.29 years for 2nd tranche</p>

The fair values were calculated using a Black-Scholes Model and the significant assumptions made in this regard are as follows :

Scheme	For Options Granted 2019-20		For Options Granted 2018-19	
	1st Vesting	2nd Vesting	1st Vesting	2nd Vesting
Grant Date	20-Aug-2019	20-Aug-2019	18-Mar-2019	18-Mar-2019
Risk free rate	6.26%	Ranges from 6.34% to 6.70%	7.02%	Ranges from 7.04% to 7.67%
Expected life (Years)	5.36	Ranges from 5.36 to 8.29	5.79	Ranges from 5.79 to 12.37
Expected Volatility	23.59%	23.59%	24.53%	24.53%
Expected Dividend yield	-	-	-	-
Exercise Price (INR)	70.40	70.40	70.40	70.40
Stock Price (INR)	70.38	70.38	69.89	69.89

39. Interests in other entities

(a) Subsidiaries

The Group's subsidiaries are set out below. Share capital consisting solely of equity shares that are held directly by the group and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of Entity	Date of acquiring subsidiary	Date of disposal of subsidiary	Place of business / country of incorporation	Ownership interest held by the group		Ownership interest held by non-controlling interests	
				As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
DSP Investment Managers (Mauritius) Limited	09-Jul-08	13-Feb-20	Mauritius	0.00%	100.00%	0.00%	0.00%
DSP Pension Fund Managers Private Limited	26-Nov-12	NA	India	62.50%	62.50%	37.50%	37.50%

(b) Non-controlling interests (NCI)

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before inter-group eliminations.

(Rs. In Lakhs)

Summarised balance sheet	PENSION FUND	
	As at 31st March 2020	As at 31st March 2019
Financial Assets	3,510.29	3,344.64
Financial Liabilities	1.62	-
Net Financial assets	3,508.67	3,344.64
Non-financial Assets	-	0.99
Non-financial liabilities	150.21	111.42
Net Non - Financial assets	(150.21)	(110.43)
Net assets	3,358.46	3,234.21
Accumulated NCI	1,259.42	1,212.84

(Rs. In Lakhs)

Summarised statement of profit and loss	PENSION FUND	
	Year ended 31 March 2020	Year ended 31 March 2019
Revenue	-	-
Profit for the year	124.25	245.83
Other comprehensive income	-	-
Total comprehensive income	124.25	245.83
Profit allocated to NCI	46.59	92.19
Dividends paid to NCI	-	-

(Rs. In Lakhs)

Summarised cash flow	PENSION FUND	
	As at 31st March 2020	As at 31st March 2019
Cash flows from operating activities	(66.86)	(25.35)
Cash flows from investing activities	100.00	30.00
Cash flows from financing activities	(7.06)	-
Net increase in cash and cash equivalents	26.08	4.65

Additional Information as required under Schedule III to the Companies Act 2013 of Enterprises consolidated as subsidiary :**FOR YEAR ENDED 31st March 2020**

(Rs. In Lakhs)

Name of Enterprise	Net assets i.e. Total Assets Minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	%	Amount	%	Amount	%	Amount	%	Amount
Parent								
DSP Investment Managers Private Limited	98.66%	122,587.47	104.86%	12,899.27	88.86%	102.09	104.71%	13,001.36
Indian Subsidiaries:								
DSP Pension Fund Managers Pvt. Ltd.	2.70%	3,358.46	1.01%	124.25	-	-	1.00%	124.25
Foreign Subsidiaries:								
DSP Investment Managers (Mauritius) Ltd.	-	-	0.50%	61.88	121.90%	12.80	0.60%	74.68
Total	101.36%	125,945.94	106.37%	13,085.40	100.00%	114.89	106.31%	13,200.29
Elimination / Ind AS Adjustments	(1.36%)	(1,687.50)	(6.37%)	(784.03)	-	-	(6.31%)	(784.03)
Grand Total	100.00%	124,258.44	100.00%	12,301.37	100.00%	114.89	100.00%	12,416.26
Attributable to:								
Non Controlling Interest	1.01%	1,259.43	0.38%	46.58	-	-	0.38%	46.58
Owners	98.99%	122,999.01	99.62%	12,254.79	100.00%	114.89	99.62%	12,369.68

FOR YEAR ENDED 31st March 2019

(Rs. In Lakhs)

Name of Enterprise	Net assets i.e. Total Assets Minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	%	Amount	%	Amount	%	Amount	%	Amount
Parent								
DSP Investment Managers Private Limited	98.99%	110,629.18	99.90%	24,857.71	(46.38%)	(4.87)	99.83%	24,852.84
Indian Subsidiaries:								
DSP Pension Fund Managers Pvt. Ltd.	2.89%	3,234.21	0.99%	245.83	-	-	0.99%	245.83
Foreign Subsidiaries:								
DSP Investment Managers (Mauritius) Ltd.	0.00%	1.91	(0.88%)	(220.03)	146.38%	15.37	(0.82%)	(204.66)
Total	101.89%	113,865.30	100.00%	24,883.51	100.00%	10.50	100.00%	24,894.01
Elimination / Ind AS Adjustments	(1.89%)	(2,108.63)	-	-	-	-	-	-
Grand Total	100.00%	111,756.67	100.00%	24,883.51	100.00%	10.50	100.00%	24,894.01
Attributable to:								
Non Controlling Interest	1.09%	1,212.84	0.37%	92.19	-	-	0.37%	92.19
Owners	98.91%	110,543.83	99.63%	24,791.32	100.00%	10.50	99.63%	24,801.82

DSP Investment Managers Private Limited (Formerly known as DSP BlackRock Investment Managers Pvt. Ltd.)
Notes to Consolidated Financial Statements for the year ended 31st March 2020

Note 39A. Disposal of a Subsidiary

On February 13, 2020, the Group disposed of DSP Global Services (Mauritius) Limited.

(I) Consideration received

Particulars	Year ended 31st March, 2020
Considered received in cash and cash equivalents	2,057.14
Total Consideration received	2,057.14

(II) Analysis of assets and liabilities over which control was lost

Particulars	As of February 13, 2020
Financial Assets	
Cash and Cash equivalents	11.73
Trade Receivable	404.47
Other Financials assets	7.24
Non -Financial Assets	
Property, Plant & Equipment	2.79
Other non-financials assets	17.80
Total Assets	444.03
Financial Liabilities	
Trade Payables	21.94
Total Liabilities	21.94
Net Assets disposed of	422.09

(III) Gain on disposal of Subsidiary

Particulars	Year ended 31st March, 2020
Consideration Received	2,057.14
Net Asset disposed of	(422.09)
Cummulative exchange gain in respect of net assets of the subsidiary reclassified from equity to profit or loss on loss of control of subsidiary	167.65
Gain on Disposal	1,802.70

(IV) Net Cash inflow on disposal of subsidiary

Particulars	Year ended 31st March, 2020
Consideration received in cash and cash equivalents	2,057.14
Less: Net assets disposed of	11.73
Total proceeds as per statement of Cash Flow	2,045.41

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

40. Investments in security / Fair Value changes- Un Realised

The Company holds investments in the form of Non-Convertible Debentures (NCD's) of Accelerating Education and Development Private with the intention to sell them in the near future and not to hold them till their maturity and thereby classified the same as Investments measured at fair value through profit or loss.

Per the terms of issue, the NCD's had quarterly payouts for Interest as well part payment of principal. However, the Issuer company did not honour the dues on 30th September 2019 as also in the subsequent quarters.

Since the Company could not sell the NCD before end of the current financial year and due to non-payment of interest and principal over three quarters, as also looking at the bleak possibilities in the future and further based on Company's analysis on the fair valuation of the said NCD's as at 31st March 2020, the Company has provided Rs.11,267.78 lakhs as an unrealised loss in its books of account for the same.

41 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled which also indicate the current and non-current disclosure.

(Rs. In Lakhs)

Particulars	As at 31st March, 2020			As at 31st March, 2019		
	Within 12 months (current)	After 12 months (non-current)	Total	Within 12 months (current)	After 12 months (non-current)	Total
Assets						
Cash and cash equivalents	398.65	-	398.65	631.46	-	631.46
Trade Receivables	4,965.44	-	4,965.44	4,853.05	-	4,853.05
Loans	115.47	71.15	186.62	48.88	40.71	89.59
Investment	31,501.64	87,109.26	118,610.90	12,977.43	92,872.41	105,849.84
Other Financial assets	4.05	493.18	497.23	370.64	466.18	836.82
Current tax assets (Net)	-	1,353.41	1,353.41	-	2,536.07	2,536.07
Deferred Tax Assets (Net)	-	840.47	840.47	-	-	-
Property, Plant and Equipment	-	1,457.87	1,457.87	-	1,595.66	1,595.66
Right-of-use Assets	888.66	1,286.85	2,175.51	-	-	-
Other intangible assets	-	108.24	108.24	-	179.95	179.95
Other non-financial assets	1,104.07	8.75	1,112.82	1,406.35	9.73	1,416.08
Total assets	38,977.98	92,729.18	131,707.16	20,287.81	97,700.71	117,988.52
Liabilities						
(I) Trade Payables						
(i) total outstanding dues of micro enterprises and small enterprises	30.68	-	30.68	16.15	-	16.15
(ii) total outstanding dues of enterprises other than micro enterprises and small enterprises	2,217.13	-	2,217.13	2,958.76	-	2,958.76
(I) Other Payables						
(i) total outstanding dues of micro enterprises and small enterprises	18.40	-	18.40	-	-	-
(ii) total outstanding dues of enterprises other than micro enterprises and small enterprises	29.46	-	29.46	20.62	-	20.62
Lease Liabilities	729.98	1,524.48	2,254.46	-	-	-
Provisions	299.72	1,527.38	1,827.10	196.70	1,193.57	1,390.27
Deferred tax liabilities (Net)	-	-	-	-	1,510.48	1,510.48
Other non-financial liabilities	921.44	-	921.44	335.57	-	335.57
Total liabilities	4,246.81	3,051.86	7,298.67	3,527.80	2,704.05	6,231.85
Net			124,408.49			111,756.67

- 42 In early 2020, the existence of a new coronavirus named SARS-CoV-2 responsible for the disease COVID-19, was confirmed and since then the virus has spread across the globe necessitating the World Health Organization (WHO) to declare it a global pandemic. The pandemic has caused disruption to businesses and economic activity which has been reflected in recent fluctuations in markets across the globe. Various governments have introduced a variety of measures to contain the spread of the virus. The Government of India announced a country wide lockdown which still continues across large swathes of the country with some variations. In this nation-wide lock-down, though most services across the nation have been suspended, some establishments like the securities market intermediaries, including our Company, were exempt from the lock-down and therefore continued to remain functional. There has been no material change in the controls or processes followed in the closing of these financial statements of the Company.

The Company has assessed the impact of the pandemic on its operations and its assets including the value of its investments and trade receivables as at March 31, 2020. The management does not, at this juncture, believe that the impact, on account of COVID-19, on the value of the Company's assets is likely to be material. However, since the revenue of the Company is ultimately dependent on the value of the assets it manages, changes in market conditions and the trend of flows into mutual funds may have an impact on the operations of the Company. Since the situation is rapidly evolving, its effect on the operations of the Company may be different from that estimated as at the date of approval of these financial statements. The Company will continue to closely monitor material changes in markets and future economic conditions.